
Automotive business plan package

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To complete the enclosed forms electronically, save and/or download the file to your computer, enter information in the fillable fields and submit a signed copy to licensing@amvic.org. Forms can also be sent by mail to:

Alberta Motor Vehicle Industry Council
Attn: Licensing
#303, 9945-50 Street
Edmonton, Alberta T6A 0L4

Automotive business general information

Introduction

This document provides general information on the licensing and registration process for new automotive businesses and their salespeople in Alberta. We highly recommend that all new businesses and salespeople consult the Automotive Business Regulation (ABR) and the *Consumer Protection Act (CPA)* via the [Queen's Printer](#) for complete information.

Compensation Fund

AMVIC maintains a [Compensation Fund](#) for consumers who have suffered an eligible, proven loss from an AMVIC-licensed business after it is no longer in operation or unable to compensate the consumer. Every business that sells, consigns or leases a vehicle to a consumer is required to remit a \$6.25 levy per vehicle to AMVIC. Revenue generated from the levy is used to fund the Compensation Fund, as well as support investigation and education programs. Businesses may pass along the levy to the consumer but must indicate it as such on the bill of sale without violating all-in pricing laws.

The fund was established Jan. 1, 2012 in accordance with Section 137 of the CPA. The fund compensates consumers for eligible losses of up to \$25,000 per transaction to a maximum of \$300,000 per business.

Automotive businesses: What type of business do you operate?

Retail sales:

An automotive business or person that is in the business of buying or selling new and/or used vehicles to consumers.

This type of business must have approval from their municipality to allow consumers access to the premises and to store and display vehicles for sale (also known as premise location).

Wholesaler/export only:

An automotive business that buys vehicles from, sells, consigns or exchanges vehicles with other automotive businesses exclusively (including auctions). This includes an automotive business that buys vehicles from members of the public to sell to other automotive businesses but does not sell to consumers.

A wholesaler must have approval from their municipality to allow a wholesale business to be run from a home or business residence (also known as a non-premise location).

Note: Wholesale businesses must furnish a security of \$50,000 (cash, original irrevocable letter of credit or surety bond).

As per the CPA, the Director of Fair Trading (as delegated) may request a higher security if they deem it necessary at the time of application and/or at any time during the renewal process. Failure to provide that security by the time specified by the Director will result in the suspension of the licence until the security is submitted.

Agent/broker:

An agent/broker is in the business of bringing the buyer and seller together but never purchases vehicles. The agent/broker is compensated for the service of negotiating or conducting, on a consumer's behalf, an agreement in which the consumer buys, sells, or leases a vehicle.

This type of business must have municipal approval to operate from a home/business residence. (Also known as a non-premise location.)

Consignment:

A business that holds a consignment licence is authorised to sell vehicles on consignment as specified by the Director, as per a signed consignment agreement. The information that must be contained in every consignment agreement, as well as requirements for paying out proceeds of the sale, can be found in the [Automotive Business Regulation](#), part 3.

This type of business must have municipal approval to allow consumers access to the premises and to store and display vehicles for sale (also known as premise location).

Note: Consignment businesses must furnish a security of \$300,000 (cash, original irrevocable letter of credit or surety bond).

As per the CPA, the Director may request a higher security if they deem it necessary at the time of application and/or at any time during the renewal process. Failure to provide the security by the time specified by the Director will result in the suspension of the licence until the security is submitted.

Leasing:

A person who holds a leasing licence is authorized to lease vehicles to consumers or businesses as specified by the Director, for a term longer than 120 days. If the original dealer buys back the vehicle at the end of the lease, the business does not have to be licenced for retail sales. However, if a business sells vehicles at auction, they are required to also have a wholesale licence.

This type of business must have municipal land use approval prior to applying for an AMVIC licence. This type of business may qualify for either a premise location (vehicles are to be stored full or part time) or a non-premise location (vehicles are never allowed to be stored).

Prior to applying for municipal land use approval, be sure that you have a plan for storing vehicles when not being leased. Having the incorrect land use approval could cause you to be in contravention of the CPA, thus be subject to charges.

Repair:

A person who holds an automotive repair licence is authorized to repair or service vehicles; recycle and dismantle vehicles; or install parts or equipment in or on vehicles as specified by the Director.

This type of business must have municipal approval to allow this type of business to be conducted on the land you wish to use (also known as premise location).

Type of repair shops:

Garage - General and/or major automotive repairs are performed and an automotive service technician or heavy equipment service technician is required. Please submit a copy of the trade certificate.

Examples of repairs:

- motor/crankshaft/head gasket/manifold/piston/timing belt/valves
- brakes/caliper/shoe/cylinder/clutch
- struts/power steering/ball joints/shocks/sway bar
- transmission/driveshaft/axle/bearings
- air conditioning/heater/cooling system/radiator/water pumps/thermostat
- mufflers/cruise controls/alternators
- mechanical work performed on recreation vehicles
- inspections

Service station - Minor services are performed and an automotive service technician or heavy equipment service technician is NOT required. **DTBR 1(2)(a)(v)**

Examples of services:

- oil changes/lubrications (lube jobs)
- installation, rotation, repair, or balancing of tires
- changing of fan belts/radiator hoses

Autobody - Autobody repairs are performed and an autobody technician is required. **DTBR 1(2)(a)(v)**

Examples of autobody repairs:

- straighten/align frames
- remove badly damaged sections of vehicles and weld in new sections
- work out minor damage in body panels/fenders/skirting
- repair and/or replace interior and exterior components such as instrument panels/seat frame/floorboards
- taping/masking/painting

Specialty service - A shop that **specializes** in activities that include mechanical repairs that may or may not require a trade certificate. **DTBR 1(2)(a)(v)**

Examples of areas that businesses specialize in:

- mufflers, brakes, transmissions, and wheel alignments
- installing remote car starters
- anti -theft systems, stereo and audio-visual systems
- replacing a windshield or window of a vehicle
- paint-less dent repair
- modification kits
- Recreational vehicle repairs (fridge, stove, furnace, water heaters, plumbing, awnings, siding, charging system, installation of hitches). **RV technician** required. (RV technicians are not able to repair engines or drive train components.)
- Upholstery recovering (seats/convertible tops). Technician may be required

Mobile – Any of the above repairs performed on the move. None of the requirements change because the activities are still the same as above. The mobile business doesn't have a physical location where the work is being done. **DTBR 1(2)(a)(v)**

Recycling and dismantling - Activities of purchasing and dismantling or disassembling wrecked, abandoned, or damaged vehicles and selling the usable parts, the vehicle as a unit at wholesale, or the hulk of the vehicle after the usable parts have been removed. **DTBR 1(2)(iv) & ABR 1(1)(i)**

The above examples are only samples of the activities performed by repair businesses and are not limited to these activities. **Please note:** AMVIC does NOT licence bench work.

Backyard mechanics:

Backyard mechanics are unlicensed repair facilities and/or individuals who conduct automotive repairs without obtaining the required licences from their municipality and AMVIC. These individuals often

disappear when something goes wrong with the vehicle, thus leaving the consumer at risk. They also cut into the profits of automotive repair businesses that are licensed to do legitimate business in the automotive industry. Anyone who is not AMVIC-licensed to sell or repair vehicles in Alberta and is in the business of buying, selling, consigning, exchanging and/or repairing vehicles is considered a curber and/or a backyard mechanic.

If caught, curbers and backyard mechanics are subject to charges. Repeat offenders could face court action and a maximum fine of \$300,000 or three times the amount obtained by the defendant as a result of the offence, whichever is greater, and/or imprisonment for up to two years (*Consumer Protection Act*, Section 164(a) and (b)). AMVIC strongly advises businesses to refuse to sell to curbers and report any potential curbers to consumer services [online](#).

Curbers:

Curbers are automotive sales businesses that operate without a licence. Typically, curbers sell stolen, damaged or odometer-tampered vehicles. They compete unfairly with Alberta's AMVIC-licensed vehicle sales businesses. Consumers who buy these vehicles are often disappointed and find that when problems surface, the seller is gone and there is no recourse. Alberta's consumer protection laws apply only to transactions between consumers and AMVIC-licensed businesses.

If caught, curbers are subject to charges. Repeat offenders could face court action and a maximum fine of \$300,000 or three times the amount obtained by the defendant as a result of the offence, whichever is greater, and/or imprisonment for up to two years (*Consumer Protection Act*, Section 164(a) and (b)). AMVIC strongly advises businesses to refuse to sell to curbers and report any potential curbers to consumer services [online](#).

Should you be licensed for more than one type of automotive business?

No: If your type of business fits solely and completely into one of the above types of businesses (e.g. only doing repair work with no purchasing or selling of vehicles involved).

Yes: If your business operations include more than one of the above. (e.g. you buy, repair and then sell your product.)

Application for a provincial automotive business licence can be completed online at amvic.org.

Do I need to have a licensed technician on site for repairs?

No: If you are only buying and selling vehicles without doing any repairs. If you are applying for a licence for a repair business but are only doing inspections; oil changes; tire rotation, installation, repair or balancing; or changing fan belts/radiator hoses.

Yes: If you are licensed by AMVIC for repairs and are repairing the vehicles prior to sale.

The Government of Alberta defines when your business requires a certified technician on site. For more information on this subject contact the Alberta Apprenticeship and Industry Training Commission at eae.alberta.ca/planning/choosing/ait.aspx.

Levy remittance:

All AMVIC-licensed businesses who sell, consign or lease vehicles must remit the \$6.25 levy per vehicle to AMVIC. Wholesalers, agents and brokers are not required to collect or remit the levy as they never sell vehicles directly to a consumer. Businesses may pass along the levy to the consumer but must indicate it as such on the bill of sale. The AMVIC levy is not a tax and cannot be misrepresented as such.

Note: If you pass on the levy to a consumer you must charge GST and remit the GST to the Canada Revenue Agency (CRA). **Do not remit the GST to AMVIC.**

Quarterly levy remittance:

Levy payments are due quarterly and must be up to date at time of licence renewal. Levy payments up to \$5,000 can be remitted online. Payments exceeding \$5,000 can be paid by cheque or debit/credit at AMVIC's Edmonton office. Cash is not accepted.

Wholesaler's Registry Log information

Every automotive business that is licensed for wholesale must complete and produce a Wholesaler's Registry Log if asked to do so by an AMVIC industry standards officer. This allows you to track vehicles through the wholesale process and provide AMVIC with the information if requested. You can download this form at amvic.org.

Do I personally need to have a salesperson registration?

No: If you are not involved in the sale of vehicles to consumers or to another business at any time (e.g. if you operate or are employed at a garage that is doing repair work only).

Yes: If you are involved in any way in the buying, leasing, selling or consignment of vehicles (e.g. if you are soliciting, negotiation or concluding a sale) to consumers and/or to another business.

Note: All automotive sales businesses must have at least one registered salesperson attached to their business in order to qualify for an AMVIC business licence.

Salesperson:

A salesperson is an individual who is authorized by an automotive business licensee to solicit, negotiate or conclude, on the licensee's behalf, an agreement to buy, sell, lease, exchange or consign a vehicle.

Note: If requested by a customer, potential customer, director, inspector and/or peace officer, a salesperson must provide their certificate of registration, or provide details about the registration, so that it is possible to determine if the registration is valid.

Useful links:

Government of Alberta: Programs and Services – starting a new business www.alberta.ca/starting-business.aspx

Links to the following legislation can be found at amvic.org under “About us”, “Laws and regulations”.

- *Consumer Protection Act*
- Automotive Business Regulations
- Internet Sales Contract Regulations
- Cost of Credit Disclosure Regulations
- Designation of Trades and Business Regulations

Service and Repair Course:

AMVIC has developed a voluntary online course specifically for people who work in service and repair. It is intended for business owners, service writers, auto body appraisers and anyone who deals directly with the public and takes direction as to a repair.

The course has four modules, proactive questions and quizzes that cover the provincial laws that specifically apply to the service and repair industry. You get to work through real life scenarios and the laws that apply. The course also includes recommendations for best business practice and covers advertising regulations. It takes approximately one hour to complete.

We highly recommend that you and your staff take the course in order to educate yourself on the rules and regulations of being in the automotive service and repair industry. Completing the course will assist you and your team in being compliant with Alberta's CPA and related regulations. More information about the online Service and Repair Course and how to register can be found at:

www.amvic.org/service-repair-course.

Important salesperson registration information

A condition of your automotive business licence is to ensure that all staff, management and other representatives involved in retail vehicle sales hold a valid salesperson registration issued by AMVIC. AMVIC registration must be applied for and managed by the individual salesperson. Salespeople can apply online through AMVIC's online portal, accessible through amvic.org. Both the salesperson and the business can face charges if the salesperson does not have a valid registration. Businesses and consumers can search the registration status of a salesperson anytime through AMVIC's online portal.

Checklist for a newly employed salesperson

- Does the salesperson have a current AMVIC salesperson registration number? This should be eight characters (seven digit number preceded by an "S"). If the salesperson is unsure of their status, please contact AMVIC's licensing department at 780-466-1140 and a licensing advisor will verify the status of the salesperson's registration.
- If your new employee already has a valid AMVIC salesperson registration number, visit our website amvic.org and log in to the AMVIC online portal to verify their employment with your business.
- If your new employee is new to the industry or has never received an AMVIC salesperson registration, they must apply for and receive an AMVIC salesperson registration prior to negotiating or concluding a sale at your automotive business. A summary of the application process can be found at amvic.org under the "Industry" tab.
 - a. To avoid delays, please ensure that the applicant completes all parts of the application prior to submitting the application to AMVIC.
 - b. Payment of the annual fee must be completed at time of application. AMVIC will not start the application process until all documents and payments have been received.
 - c. A salesperson registration will not be issued until the applicant has successfully completed the mandatory Salesperson Registration Course online.**An employee cannot negotiate or conclude a sale, lease or consignment agreement on behalf of an automotive business unless they have a valid AMVIC salesperson registration.**

Registrants can complete the Salesperson Registration Course before, during or after submitting the registration application. More information is available at amvic.org.

Important: it is your responsibility as an automotive business to ensure that employees who solicit, negotiate or conclude any agreement to buy, sell, lease, exchange or consign a vehicle on behalf of your employer must be **issued an AMVIC provincial automotive salesperson registration**. Should an employee engage in selling vehicles without an AMVIC provincial automotive salesperson registration you and your employee could face administrative penalties. Any person who is convicted of an offence under the CPA or the regulations is liable to a maximum fine of \$300,000 or three times the amount obtained by the defendant as a result of the offence, whichever is greater, and/or imprisonment for up to two years. (*Consumer Protection Act*, Section 164(1) and (2)).

Termination of salesperson

When a salesperson is no longer employed with your business or is transferred to a non-retail position within your automotive business (e.g. moves from sales to your garage), AMVIC must be notified of this change. To update your employee records, please visit our website at amvic.org, access the AMVIC online portal and update your business information.

Schedule of fees:

Annual fees

Retailer, agent/broker, wholesale:	\$175
Leasing:	\$175
Consignment sales:	\$175
Repair business: (e.g. garage, auto body, specialty services)	\$250
Multiple activities: (Required when doing more than one type of business as listed above)	\$350
Salesperson registration: (A registered salesperson is required at all types of automotive sales businesses)	\$100
Education fees	
Salesperson Registration Course: (Must be taken by all salespeople)	\$160
Salesperson Registration Course rewrite fee	\$40
Service and Repair Course fee	\$40

Note: To be licensed for consignment sales, you must provide AMVIC with \$300,000 cash, an irrevocable letter of credit (original copy) or surety bond.

To be licensed for wholesale, you must provide AMVIC with \$50,000 cash, an irrevocable letter of credit (original copy) or surety bond.

You must provide AMVIC with the original copy of the above noted requirements.

Application process

Delays in processing can be avoided by carefully answering all questions during the application process. AMVIC completes a criminal record check on all individuals involved with a business. It is important that each owner, partner, officer, director and/or shareholder complete an application in its entirety.

More details on the business licence application process can be found at amvic.org.

After receiving a business licence, please pay particular attention to the following provisions of the Automotive Business Regulation. Non-compliance could result in enforcement actions.

- 1) Every business operator must produce their automotive business licence for inspection or provide details about the licence that make it possible to determine if the person has been issued a licence when requested to do so by:
 - a) A consumer or potential consumer of the business operator,
 - b) By an inspector or the Director, or
 - c) By a peace officer as defined in the *Provincial Offences Procedure Act*.
- 2) You must operate only in your registered name and only from the registered business premises. Should you wish to hold an off-site sale, we recommend that you notify AMVIC of your intent at least three weeks prior to commencement of the sale.
- 3) All wholesalers must complete a Wholesaler Registry Log and produce the information if requested by an AMVIC industry standards officer.
- 4) The business operator must notify the Director within 15 days of a change of address, as well as any change in officers, directors or shareholders. Failure to notify the Director of changes may result in enforcement action.
- 5) When an automotive sales business operator, automotive leasing business operator or an automotive consignment business operator ceases to authorize a salesperson to act on its behalf, the business operator must notify the Director either before the salesperson ceases to be authorized or within 15 days after the salesperson ceases to be authorized.
 - a) When an automotive sales business operator ceases to carry on retail sales business, they must surrender their sales licence to the Director.

Record keeping

In addition to the requirement to create and maintain financial records in accordance with Section 132(1) of the CPA, every business operator and former business operator must maintain all records and documents created or received while carrying on the activities authorized by the licence for at least three years after the records were created or received. These records must be made available for inspection by an industry standards officer at a place in Alberta and at a time specified by the industry standards officer.

Consignment/wholesale requirements

Please note, both the Irrevocable Letter of Credit and Cash Security Agreement forms must be completed and returned to AMVIC if you do not wish to provide a General Surety Bond. Consignment/wholesale forms are available at amvic.org under “industry” then “forms”.

Consignment:

- Irrevocable Letter of Credit /Cash Security Agreement
- General Surety Bond
- Consignment Sales Agreement (recommended form when selling on consignment)

Wholesale:

- Irrevocable Letter of Credit /Cash Security Agreement
- General Surety Bond

Criminal record check information

Please be advised that all applicants applying for a salesperson registration and/or an automotive business of any kind must undergo a thorough criminal record check. Having a criminal record will not automatically exclude a person from receiving a licence to work as a salesperson and/or to run an automotive business. The circumstances of any prior criminal record will be reviewed by AMVIC’s licensing department. The Director of Fair Trading (as delegated) will make the final decision about the relevance of the past convictions.

If you have a criminal record, you must disclose all convictions. This must be done when applying online at amvic.org. Providing this information will help to avoid delays in obtaining a registration. **The applicant cannot legally work as a registered automotive salesperson in Alberta until they receive a registration from AMVIC.**

Criminal record check procedure

As part of the salesperson registration and/or business licence process, you must provide authorization to complete a criminal record check at the time of the application and at any time while you are registered as a salesperson and/or business owner.

The criminal record checks are conducted by specialized AMVIC employees using both CPIC (Canadian Police Information Centre) and JOIN (Justice Information Online Network). Should we find a positive match through CPIC and/or JOIN and if you disagree with the results, we may ask you to submit your fingerprints to the RCMP to address the discrepancies between your application and our CPIC/JOIN findings. A licence will not be granted until we receive the fingerprint matching results from the RCMP, which may significantly delay an application.

Note: AMVIC completes a criminal record check on all new applicants so it is imperative that the applicant discloses all prior criminal convictions at time of application. Failure to do so is a criminal offence and is punishable by law. Any application containing false material may result in the suspension, cancellation or refusal of a salesperson registration or a business licence.

What happens when an applicant has a criminal record and/or outstanding charges?

Once a completed application for a business licence and/or salesperson registration is submitted to AMVIC, the following procedures will take place:

- 1) The application will be given to an AMVIC licensing advisor who has been granted special authority to utilize the CPIC system.
- 2) A criminal record check will be completed. If any results are found, the file is forwarded to the manager of licensing who will review both your application and the CPIC results to determine if your previous record was accurately disclosed on your application and to determine if the past criminal history warrants further investigation.
- 3) If the criminal record history was fully disclosed at the time of your application and the CPIC results do not warrant further investigation, a licence could be granted.
- 4) If it is determined that further investigation is warranted, due to failure to fully disclose history and/or the past criminal history causes AMVIC to be concerned for the safety of consumers or your employer (either physically or financially), your file will be forwarded to the Director of Fair Trading (as delegated) for review.
- 5) The Director of Fair Trading (as delegated) may:
 - a) Issue a business licence and/or salesperson registration.
 - b) Issue a conditional licence and/or registration to the applicant with added conditions.
 - c) Arrange a review before the Director of Fair Trading (as delegated), wherein you will be asked to attend a meeting to discuss the findings, during which the Director of Fair Trading (as delegated) may grant or deny your application.
- 6) If a review is to be arranged, the applicant will be sent a review notice via email and/or mail.
- 7) After the review, the Director of Fair Trading (as delegated) may make various orders including, but not limited to:
 - a) Grant the registration or licence;
 - b) Grant the registration or licence with conditions;
 - c) Adjourn the review so the applicant can provide further information; or
 - d) Refuse the registration or licence.

Background record check authorization form

I, _____ authorize AMVIC to conduct a background check, including
(print full name)

a criminal record credit check at time of application and at any time while I am licensed. I authorize AMVIC to collect and/or share my information with other law enforcement agencies or government regulators.

Date of birth: _____
(yyyy/mm/dd)

I certify the information I have submitted to be true and correct to the best of my ability.

(signature of applicant) (date)

Note: this information is collected for the purpose of establishing and maintaining eligibility for licensing as an automotive business, and is collected under the authority of Part 13,126(1) of the *Consumer Protection Act*. Signing this form provides the Alberta Motor Vehicle Industry Council with the authority to obtain a criminal record report on the applicant listed above from the Canadian Police Information Centre (CPIC) and/or Justice Online Information Network (JOIN).

Automotive Business Principle Profile Form

Complete this form for each owner, partner, shareholder or officer/director of the automotive business.

AMVIC is defined as a public body under the Freedom of Information and Protection of Privacy Act. Personal information is collected, stored and disclosed in accordance with the provisions of that Act.

Legal name of automotive business: _____

Type of business – check one only: sole proprietor _____ partnership _____ corporation _____

If corporation – print name in full:

Business name (DBA (doing business as) or trade name) if different from the above:

AMVIC automotive business license number: _____

Applicant information:

Applicant name:			Date of birth: (month/day year)		
Work #	Home #	Cell #	Active in this firm? Yes ___ No ___ If yes, in what capacity?		
Place of residence during the past seven (7) years (List all countries applicable)					
Address:		City:	Prov/State:	Postal Code:	From: To:
Business record during the past seven (7) years (List all countries applicable)					
Name and address of employer:		Business of employer:		Exact dates of employment:	
		Position held:		From:	To:
Name and address of employer:		Business of employer:		Exact dates of employment:	
		Position held:		From:	To:
Name and address of employer:		Business of employer:		Exact dates of employment:	
		Position held:		From:	To:

Signature _____

Date _____

Automotive Business Eligibility Questionnaire – profile form cont.

If the answer is **yes** to any of the following questions, **you must provide details** including dates and locations in the space provided or on an additional sheet(s) and provide any supporting documentation.

1. Have you ever been convicted or found guilty of an offence under **any law** in force in Canada or any other jurisdiction or are there any charges pending or outstanding warrants? Make sure to include all conditional discharges, absolute discharges or stayed charges. Yes No

If you have answered "yes", please provide details outlining each conviction, charge, warrant, discharge or stayed charge.

If you have received a record suspension, formerly known as a pardon, from the Parole Board of Canada you are not required to provide information regarding those convictions.

AMVIC does a very thorough background check on all applicants.

The *Consumer Protection Act*, Section 127(b)(iii) states that the Director may refuse to issue or renew a licence, may cancel or suspend a licence or may impose terms and conditions on a licence if an applicant furnishes false information or misrepresents any fact or circumstances to the Director.

Under Section 126(3) of the *Consumer Protection Act*, it is an offence to make a false statement of fact or misrepresent any fact or circumstance in any application or document submitted to the Director under the Act.

Under Section 164 of the *Consumer Protection Act*, any person who is convicted of an offence under the Act or the regulations is liable to a fine of not more than \$300,000 or three times the amount obtained by the defendant as a result of the offence, whichever is greater, or to imprisonment for not more than two years, or both.

2. Are there any unsatisfied judgments, court orders or collections currently pending against you or any business you have been associated with? Yes No

3. Have you ever declared or been placed into bankruptcy or receivership? Yes No

4. Are you or any business you have been associated with presently involved in bankruptcy proceedings, a consumer proposal or a commercial proposal? Yes No

- | | | |
|--|--------------|-------------|
| 5. Have you or any business you have been associated with ever had a petition filed against you under any bankruptcy or insolvency legislation in any jurisdiction? | Yes
_____ | No
_____ |
| 6. Have you ever been a partner, officer, director, or a beneficial owner of shares of a corporation that is bankrupt or that has been involuntarily wound up or that is a party to bankruptcy, receivership or involuntary winding-up proceedings? | Yes
_____ | No
_____ |
| 7. Are there any lawsuits or other proceedings before any court or tribunal that are in process, settled, or otherwise concluded, to which you or any business you have been associated with? | Yes
_____ | No
_____ |
| 8. Have you or any business you have been associated with ever been registered/licensed or previously applied for registration/licence as an automotive business in Alberta or any other jurisdiction? | Yes
_____ | No
_____ |
| 9. Have you or any business you have been associated with ever been refused a licence as an automotive business, or had any type of licence refused, cancelled, suspended, or made subject to terms and conditions in Alberta or any other jurisdiction? | Yes
_____ | No
_____ |
| 10. Will you be carrying on any business, occupation or profession other than that of an automotive business? | Yes
_____ | No
_____ |
| 11. Have you or any business you have been associated with ever withdrawn, received a ban or had any licence, registration or authorization suspended, cancelled, or revoked by any regulatory body of any kind in any jurisdiction? | Yes
_____ | No
_____ |
| 12. Have you or any business you have been associated with ever been fined, sanctioned or disciplined by any professional, occupational or trade association or by any regulatory body of any kind in any jurisdiction? | Yes
_____ | No
_____ |

Name of Director/Partner/Officer/Proprietor

Signature

Date

Automotive Business Eligibility Questionnaire – profile form

If the answer was YES to any of the questions, please provide details including dates and locations in the space provided:

Automotive business profile form: applicant declaration

1. Please submit a copy of two government issued identifications (IDs) (e.g. Alberta Driver's Licence, passport). One of the two government issued IDs must include a photo.
2. All AMVIC applicants must authorize AMVIC to complete a Canadian Police Information Check (CPIC) prior to registration and at any time during your relationship with AMVIC. Please complete the enclosed background check authorization form and submit with this completed application. If a criminal record exists, the Director of Fair Trading (as delegated) is the final arbitrator on what is deemed an acceptable criminal record.

If you feel you have been pardoned or that your conviction has been suspended, you must have received written confirmation from the Government of Canada indicating that such action has taken place.

This notice dated at _____ this ____ day of _____ 20 ____.
City/Town

I certify that all information provided in support of this application is true and correct to the best of my ability.

(Print name of applicant)

(Signature of applicant)

Warning: An application containing false information may result in the refusal, suspension or cancellation of the automotive business licence.

Account verification form

Verification of bank relationship to comply with automotive business licensing through the Alberta Motor Vehicle Industry Council (AMVIC).

Authorization from client

(To be completed by applicant)

We, _____, hereby give the
(Legal name of business)

Director of Fair Trading (as delegated) of the Alberta Motor Vehicle Industry Council (AMVIC) permission to verify financial relationships in support of our automotive business licence application.

(Applicant's signature)

(Applicant's signature)

(Print name of applicant)

(Print name of applicant)

(Date yyyy/mm/dd)

(Date yyyy/mm/dd)

Verification by financial institution

(To be completed by financial institution)

We, _____, hereby
(Name of financial institution)

certify that the above noted automotive business has opened a commercial account with the following bank balance:

(Address: street, city, postal code)

(Telephone number)

(Account balance)

(Date yyyy/mm/dd)

(Signature of authorized officer)

(Bank stamp-mandatory)

(Print name of officer)

(Date yyyy/mm/dd)

Business plan requirements

AMVIC requires every business to provide a detailed business plan during the application process. The purpose of reviewing your business plan is to ensure you have reasonable knowledge and skill and that you've made adequate plans for the successful operation of your automotive business. The failure of an automotive business can result in significant losses to consumers and impact AMVIC's Compensation Fund. Accordingly, it is essential that you take great care in planning your new business.

All information, documentation and declarations made during the application process and in the automotive business plan package are subject to review by an AMVIC licensing advisor. Proof of such information, documentation and declarations may be required. Authority of the licensing advisor to demand proof is dictated under Section 174 of the CPA, wherein it outlines the following:

Delegation:

174: In addition to the delegation referred to in section 136, the Director may delegate any of the Director's powers, duties or functions under this act or the regulations to any person and may authorize the person to further delegate the power or duty.

Please answer the following questions, in detail, on a separate page. Your business plan should be signed by all owners and include, at minimum, the following key topics:

Location:

- 1) Will you own or rent the business location? Please provide a rental agreement or proof of ownership.
- 2) Is the location zoned for the type of business you are wishing to licence?
- 3) Will you be fully insured and with which insurance company?
- 4) Will you be selling to the public? If so, do you have a display area for six to 10 vehicles indoors or outdoors? Reminder: Wholesalers cannot sell vehicles to the public.
- 5) Will you have on-site repair facilities or a repair agreement with an authorized facility?
- 6) Will you have proper signage that is clearly visible to the consumer?
- 7) Will you have a dedicated telephone number and internet access on-site?

Ownership structure:

- 1) Indicate the ownership structure of the automotive business, i.e.
 - a) Sole Proprietorship?
 - b) Partnership – with a written partnership agreement?
 - c) Incorporated – shareholders/directors/agreements?
- 2) Provide the following information for each partner, officer, director, owner, controlling mind or shareholder (including information for any silent partners and family member contributions):
 - a) Name
 - b) Address

- c) Phone number
 - d) Their financial contribution to the automotive business (Note: you may be required to provide verification)
 - e) Their responsibilities regarding the day-to-day operations of the automotive business.
 - f) Overview of any relevant experience, including experience in the motor vehicle industry or if you or they have owned or operated other businesses (attach resumes if possible).
- 3) Indicate your lawyer and accountant's name, address, phone number, fax number and email address.
 - 4) Clearly indicate your legal business name and any other names you intend to use.

Inventory:

- 1) What type of vehicles will you specialize in? (i.e. year, make, model, price range)
- 2) Where will you acquire vehicles for resale (i.e. auctions, dealers, public – list all names and location of the auctions and dealers)
- 3) How many vehicles do you plan to start with? How many vehicles do you expect to sell/lease on a monthly basis? On average, how long do you expect to keep vehicles in inventory?
- 4) Include the following financial information:
 - a) Opening balance sheet
 - b) Cash flow projections (monthly for first year plus annual for the first three years)
 - c) Projected income statement for the first year.
 - d) Line of credit information
 - e) Credit card usage
 - f) Details about financial assistance from financial institution(s) or private lender(s)
 - g) How much inventory will be financed?
- 5) Confirmation of all the assets that will be made available to start up your automotive business (e.g. inventory, cash, land, buildings, etc.).

Registrations:

- 1) Confirm details of your Commercial General Liability and Garage Policies.
- 2) Confirm the application status for GST numbers as well as Worker's Compensation Board, Employment Insurance and Canadian Pension Plan.

Operations:

- 1) Number of staff positions and their job titles.
- 2) Names of staff (if known) and whether they are currently registered with AMVIC.
- 3) If starting a garage, have you verified the need for certified technicians?
- 4) Outline your marketing strategy and advertising budget.
- 5) What warranty programs and other services will your automotive business offer to consumers?
- 6) What sales contracts and other documentation will be used, and their sources?

General

- 1) Why are you interested in the automotive industry?
- 2) Do you have any contacts in the industry that will be guiding you and assisting you with your new automotive business? Please list the company name, address and individual who will be guiding you.
- 3) Have you bought/sold any vehicles within the last two years?

Photo requirements

Please send photographs (as a printed digital camera image or printed photo) of the following to assist us in processing your application:

- 1) Outside display area
- 2) Inside display area
- 3) Office space (showing secured storage for records)
- 4) Repair facilities (only if it is on-site)
- 5) Headshots of all salespeople
- 6) Business sign

***Please note that you cannot advertise your automotive business or install any automotive business signage until you have been granted an AMVIC automotive business licence.**

Environmental plan requirements

AMVIC requirements to hold a business licence for dismantlers and recyclers

To carry out the activities of purchasing, recycling, dismantling and disassembling vehicles an automotive business is required to demonstrate that they will operate according to environmental laws and guidelines, with respect to the proper storage and disposal of hazardous materials such as used oils. Hazardous materials need to be stored, disposed of or otherwise processed in accordance with specific requirements that minimize or eliminates environmental risks.

As part of your business plan application, you are required to provide an environmental plan that outlines how your company will store and dispose of the hazardous materials listed below. All records of items picked up and collected for disposal must be retained and be available for review if requested. There are Alberta Government accredited companies that can be contracted to collect and safely remove hazardous material. Your business plan must name an accredited company that you will use to dispose of the hazardous material as well as how you plan on storing materials that are pending disposal.

Hazardous materials can include but are not limited to:

- used oil(s)
- used batteries

- Mercury switches
- refrigerants (Freon)
- used glycol
- used tires

Alternatively, an environmental hazardous materials disposal plan is not required if you can provide proof of current [CAREC](#) (Canadian Auto Recyclers Environmental Code) certification.

Specialist information and advice regarding environmental hazardous materials disposal can be obtained from the [AARDA](#) (Alberta Automotive Recyclers and Dismantlers Association). AARDA can be reached at (403) 230 – 8772 or admin@arda.com.

Automotive business application checklist

WARNING: You are not permitted to sell vehicles until an AMVIC automotive business licence is granted.

To ensure prompt processing of your application, please ensure that all information and required documentation is provided.

Before emailing, check your application. Is it complete?

- Have you included a completed and signed criminal record check authorization form for each owner, partner, officer, director or shareholder?
- Have you provided photo identification (e.g. photocopy of driver's licence or passport)?
- Is the address provided for your automotive business site accurate? Remember that AMVIC's industry standards team must be able to locate your business for site inspections if required.
- Have you provided a copy of your **municipal approval**, or a written statement from the city/municipality confirming that you have been approved for the type of sales/repair business you want to undertake? (Non-premise location is required for wholesalers and possibly leasing businesses if not storing vehicles on site. Premise location is required for all other businesses.)
- If doing repairs that require a licensed technician, have you provided AMVIC with a copy of all **technicians' certifications**?
- If you are farming repairs out to a non-owned repair facility, have you provided us with a service agreement with the full service repair garage?
- Have you provided a copy of the business licence for your certified repair facility or the full service garage that you have a service agreement with?
- Have you completed and included your business plan?
- Have you included the photographs of the required subjects (see list attached)?
- Have you included information and verification from your financial institution?
- Have you attached a copy of your Certificate of Incorporation and/or verification that your business name has been registered with Corporate Registries?
- Have you reviewed the AMVIC general guidelines that are attached with your new business package?
- Have you submitted the application for a provincial automotive salesperson registration for all new salespeople and/or registration numbers for those who are already registered with AMVIC as salespeople?
- Have you completed your business application and paid for your annual business fee online at amvic.org?
- Have you provided either **proof of ownership of building or a rental agreement** proving legal residency?

Acknowledgement of business package completion

I, _____, have read AMVIC's business package in full and understand the requirements for maintaining my AMVIC business licence. I understand what business activities my particular business licence class or classes allow and what business licence activities are not allowed under my particular licence class or classes.

I certify that all information provided in support of this application is true and correct to the best of my ability.

(Signature of applicant)

(Print name of applicant)

(Date yyyy/mm/dd)

An application containing false information may result in the refusal, suspension or cancellation of the automotive business licence.