
**IN THE MATTER OF THE
CONSUMER PROTECTION ACT (CPA)**

THIS **UNDERTAKING** is made pursuant to Section 152 of the *Consumer Protection Act* (CPA).

BY: MILLWOODS SUZUKI LTD.
at or near the city of Edmonton, in the Province of Alberta
(hereinafter called the "Supplier")

TO: The DIRECTOR OF FAIR TRADING (as delegated)
(hereinafter called the "Director")

WHEREAS:

- A. At the time of the complaint, the Supplier was licensed by the Alberta Motor Vehicle Industry Council (AMVIC) to carry on the automotive business activity of retail sales, used sales, leasing, wholesale, service station and garage in the province of Alberta.
- B. An AMVIC investigation (case file 20-02-330) was initiated as a result of a consumer complaint received by AMVIC in February 2020, alleging advertising concerns and being misled.
- C. An administrative review was held via teleconference call on Sept. 14, 2021 at approximately 1:01 p.m. Participating in the administrative review was Mr. Lounis Benane, owner and sole director of the Supplier; [REDACTED] AMVIC investigator; [REDACTED] AMVIC manager of investigations north; and G. Gervais, Director of Fair Trading (as delegated).
- D. In September of 2019, the consumer, "AS", was contacted by a third party supplier, "KOAF" and entered into negotiations to purchase a 2016 Chevrolet Silverado 2500 (the "Silverado"). At the time of the sale, KOAF was acting as an agent or broker under the Supplier. The salespeople involved in the consumer transaction were properly registered under both KOAF and the Supplier. AS negotiated a price for the Silverado for \$40,000 all-in plus the goods and services tax (GST). As part of the deal, AS would be trading in her existing vehicle. AS was promised that the Silverado was an upgraded truck with added winter tires, tinted windows, seat covers and summer tires.
- E. On Dec. 11, 2019, AS finalized the paperwork with KOAF virtually through DocuSign. When the Silverado was delivered on Dec. 22, 2019, AS discovered the vehicle was not as stated. The Silverado did not have seat covers, window tinting, summer tires or extra rims. In addition, when AS reviewed the paperwork she was provided by the delivery driver, she found that the cost of the Silverado was significantly higher than the negotiated price of \$40,000 plus GST. By representing the Silverado had accessories or attributes that they do not have or that the paperwork did not reflect the negotiated agreed upon price, the Supplier misled the consumer as per Sections 6(4)(a) and 6(4)(c) of the CPA.

Consumer Protection Act**Unfair practices****Section 6**

(4) Without limiting subsections (2) and (3), the following are unfair practices if they are directed at one or more potential consumers:

- (a) a supplier's doing or saying anything that might reasonably deceive or mislead a consumer;
- (c) a supplier's representation that goods or services have sponsorship, approval, performance, characteristics, accessories, ingredients, quantities, components, uses, benefits or other attributes that they do not have;

- F. The AMVIC investigation, revealed that the delivery driver who delivered the Silverado to AS was not registered or authorized to act on behalf of the business operator in violation of Section 20.1 of the ABR.

Automotive Business Regulation**Acting on behalf of business operator****Section 20.1**

- (a) the salesperson is registered for the class of licence held by the business operator, and
- (b) the business operator authorizes the salesperson to act on its behalf.

- G. Mr. Benane, owner and sole director for the Supplier did not dispute the facts presented by the AMVIC investigator and took full responsibility for the general conduct described in the AMVIC investigation. Mr. Benane expressed that this matter is not a reflection of their normal business practices and when becoming aware of this consumer transaction he severed ties with KOAF.
- H. The Supplier advised that after reviewing this consumer transaction, the Supplier immediately reached out to AS and came to a mutual resolution. AS is happy with her Silverado and was not disadvantaged negatively.
- I. The Supplier regrets that this matter was not resolved much sooner, however it took several months for the matter to be brought to their attention.
- J. The Supplier commits to working with the regulator.

NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:

1. The Supplier acknowledges and admits that it failed to comply with the provisions of the CPA and ABR, and undertakes to the Director that the Supplier will make every effort to ensure that it does not engage in acts or practices similar to those described above.
2. The Supplier will undertake not to do or say anything that might reasonably deceive or mislead a consumer including representing that goods or services have sponsorship, approval,

performance, characteristics, accessories, ingredients, quantities, components, uses, benefits or other attributes that they do not have as per Sections 6(4)(a) and 6(4)(c) of the CPA.

3. The Supplier will ensure that all salespeople who act on behalf of the Supplier are registered with AMVIC and attached to the business as designated agents in AMVIC Online.
4. This Undertaking will remain in force,

Unless:
 - a. Terminated by the Director or varied with the consent of the Supplier;
 - b. Varied by an Order of the Judge of the Court of Queen's Bench where the Judge is satisfied that the circumstances warrant varying the provisions of the Undertaking; or
 - c. Terminated by an Order of the Judge of the Court of Queen's Bench where the Judge is satisfied that the act or practice that the Supplier has undertaken to refrain from engaging in was not unfair; however, in any such case, the termination or variance does not invalidate anything done under this Undertaking prior to termination or variance.
5. The Supplier acknowledges the Director may, upon breach of any term of the Undertaking, institute such proceedings and take such action under the CPA as they may consider necessary.
6. The Supplier acknowledges this Undertaking is a public document and will be maintained in the public record by the Director of Fair Trading (as delegated) as required by Section 157.1 of the CPA.
7. The Supplier acknowledges that they were advised by AMVIC, and are aware that they are entitled to seek independent professional advice regarding the signing of this Undertaking, and the Supplier acknowledges they are entering into this Undertaking voluntarily.

IN WITNESS WHEREOF the Supplier, has on the 29 day of November, 2021.

MILLWOODS SUZUKI LTD.

PER: "original signed by"
Lounis BENANE

ACCEPTED by the Director of Fair Trading on the 2 day of December, 2021.

PER: "original signed by"
Gerald Gervais, Registrar
DIRECTOR OF FAIR TRADING
(as delegated)