

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

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

**BY: GO AUTO DIRECT EDMONTON LTD.**  
**operating as GO AUTO OUTLET EDMONTON INTERNATIONAL**  
in 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 following automotive business activities: specialty service, garage, leasing, service station, retail sales and wholesale sales in the Province of Alberta.
- B. An administrative review was held via teleconference call on April 23, 2024 at approximately 9 a.m. Participating in the administrative review was George Thouas, general manager for the Supplier; [REDACTED], AMVIC investigator; [REDACTED], manager of investigations north; and G. Gervais, Director of Fair Trading (as delegated) (the "Director").
- C. AMVIC received a consumer complaint regarding the Supplier in October 2023 from a consumer ("BD") in relation to the purchase of a 2022 GMC Sierra 2500 (the "Sierra") from the Supplier on Oct. 10, 2023. The consumer complaint alleged the Supplier failed to provide the vehicle history information prior to entering into a consumer transaction. An AMVIC investigation (case file No. 23-10-213) was commenced as a result of the consumer complaint from BD.
- D. The AMVIC investigation revealed that the Supplier failed to provide BD with a Mechanical Fitness Assessment ("MFA") prior to entering into the consumer transaction. An MFA is required as per Section 15(1) of the Vehicle Inspection Regulation ("VIR"). The VIR is a regulation under the *Traffic Safety Act* ("TSA"). The requirement to provide an MFA is required under the TSA and is therefore in the jurisdiction of Alberta Transportation. Although the MFA falls under the requirement of Alberta Transportation, it comes into AMVIC's purview in the course of our mandated duties as per a number of legislated sections that apply to following all legislation applicable to the sale of motor vehicles such as Section 12(o) of the Automotive Business Regulation ("ABR") and Section 127(b)(v.1) of the CPA.
- H. Having a consumer sign and date the MFA is the best way to document that a consumer was shown the MFA prior to entering into a transaction. The MFA for the Sierra was completed on Oct. 24, 2023 and was not given to BD until Nov. 8, 2023. The Supplier is required to provide

consumers an MFA before entering into a contract to sell a motor vehicle. The Supplier did not provide DB an MFA prior to entering into a contract and therefore has contravened Section 15(1) of the VIR and Section 12(o) of the ABR.

### **Automotive Business Regulation**

#### **General codes of conduct**

##### **Section 12**

Every business operator must comply with section 6 of the Act and in addition must  
(o) comply with any legislation that may apply to the selling, leasing, consigning, repairing, installing, recycling or dismantling of vehicles.

### **Vehicle Inspection Regulation**

#### **Sale of used motor vehicle**

##### **Section 15**

(1) Subject to subsection (2), a dealer in used motor vehicles shall, before entering into a contract to sell a motor vehicle, give to the buyer a used motor vehicle mechanical fitness assessment that contains the following:

- (a) a statement identifying the type of motor vehicle as a truck, motorcycle, bus, van, light truck, automobile or other type of motor vehicle;
- (b) a statement showing the make, model, year, vehicle identification number, odometer reading in kilometres or miles, licence plate number and province of registration of the vehicle;
- (c) the name and address of the dealer selling the vehicle and the name of the technician who issued the mechanical fitness assessment;
- (d) a statement that the mechanical fitness assessment expires 120 days after the date on which it was issued;
- (e) a statement certifying that at the time of sale the motor vehicle
  - (i) complies with the Vehicle Equipment Regulation (AR 122/2009), or
  - (ii) does not comply with the Vehicle Equipment Regulation (AR 122/2009) and containing a description of the items of equipment that are missing or do not comply with the Vehicle Equipment Regulation (AR 122/2009);
- (f) the signature of the technician who conducted the mechanical fitness assessment;
- (g) the date the mechanical fitness assessment was issued.

- I. When BD went to Alberta Registries to register the Sierra he was unable to do so as the Sierra was an out of province motor vehicle and an out of province inspection had not been given to BD. BD was not provided the vehicle history information prior to entering into a consumer transaction or notified that the Sierra was an out of province motor vehicle and whether the Sierra had passed or failed any mandatory inspections as required. In doing so, the Supplier breached Sections 31.1 and 31.3 of the ABR and Section 14 of the VIR.

## Automotive Business Regulation

### Vehicle history information

#### Section 31.1

(1) A business operator engaged in automotive sales must disclose the following information in accordance with subsection (2), on the basis of information the business operator knew or ought to have known:

- (a) whether the vehicle has been bought back by the manufacturer under the Canadian Motor Vehicle Arbitration Plan;
- (b) whether the vehicle has sustained damage caused by fire;
- (c) whether the vehicle has sustained damage caused by immersion in liquid to at least the level of the interior floorboards;
- (d) whether the vehicle has been used as a police car or an emergency vehicle;
- (e) whether the vehicle has been used as a taxi cab or a limousine;
- (f) whether the vehicle has been previously owned by a rental vehicle business or used as a rental vehicle on a daily or other short-term basis;
- (g) whether the vehicle has, at any time, been assigned a status in one of the following categories under the Vehicle Inspection Regulation (AR 211/2006) or an equivalent status under the laws of another jurisdiction:
  - (i) salvage motor vehicle;
  - (ii) non-repairable motor vehicle;
  - (iii) unsafe motor vehicle;
- (h) whether the vehicle has been damaged in an incident or collision where the total cost of repairs fixing the damage exceeded \$3000 and, if the repairs were carried out by the business operator, the total cost of the repairs;

**(i) whether the vehicle was registered in any jurisdiction other than Alberta immediately before it was acquired by the business operator and, if so,**

**(i) the name of the jurisdiction in which the vehicle was previously registered,**

**(ii) whether the vehicle was required to be inspected prior to registration in Alberta, and**

**(iii) whether the vehicle passed or failed any required inspections.**

(2) The business operator must disclose the information required under subsection (1) in a clear and legible manner

- (a) in any online advertisement for the vehicle,
- (b) on any sales tag affixed to the vehicle, and
- (c) in writing to the consumer before purchase.

### Receipt of information

#### Section 31.3

A business operator engaged in automotive sales must not enter into a bill of sale with a consumer unless the business operator has obtained written confirmation from the consumer that the consumer has received the information required under section 31.1.

**Vehicle Inspection Regulation**  
**Sale of out of province motor vehicle**  
**Section 14**

A person shall not sell a motor vehicle that is an out of province motor vehicle unless, before the sale,

- (a) the person provides the buyer with a subsisting out of province motor vehicle inspection certificate for the motor vehicle, or
- (b) the person provides the buyer with a written statement advising that the motor vehicle is an out of province motor vehicle for which there is no subsisting out of province motor vehicle inspection certificate.

- J. In reviewing the bill of sale (“BOS”) for the consumer transaction involving BD dated Oct. 10, 2023, it was found to be non-compliant with Section 31.2 of the ABR in several areas.

**Automotive Business Regulation**  
**Bill of sale**  
**Section 31.2**

**(1)** A business operator engaged in automotive sales must use a bill of sale that includes the following:

- (a) the name and address of the consumer;
- (b) the number of the government-issued identification that the business operator uses to confirm the identity of the consumer;
- (c) the name, business address and licence number of the business operator;
- (d) if a salesperson is acting on behalf of the business operator, the name and registration number of the salesperson;**
- (e) the make, model and model year of the vehicle;
- (f) the colour and body type of the vehicle;
- (g) the vehicle identification number of the vehicle;
- (h) the date that the bill of sale is entered into;
- (i) the date that the vehicle is to be delivered to the consumer;
- (j) an itemized list of all applicable fees and charges the consumer is to pay, including, without limitation:
  - (i) charges for transportation of the vehicle;
  - (ii) fees for inspections;
  - (iii) fees for licensing;
  - (iv) charges for warranties;
  - (v) taxes or levies, including GST;
- (k) the timing for payment by the consumer of the fees and charges under clause (j);
- (l) an itemized list of the costs of all extra equipment and options sold to the consumer in connection with the vehicle or installed on the vehicle at the time of sale;

- (m) the total cost of the vehicle, which must include the fees, charges and costs listed under clauses (j) and (l);
- (n) the down payment or deposit paid by the consumer, if any, and the balance remaining to be paid;
- (o) if the consumer is trading in another vehicle to the business operator in connection with the purchase of the vehicle,
  - (i) information about the vehicle being traded in, and
  - (ii) the value of the trade-in allowance incorporated into the cost of purchase of the vehicle;
- (p) the balance of any outstanding loan that is incorporated into the cost of purchase of the vehicle;
- (q) if, in connection with the purchase of the vehicle, the business operator enters into a credit agreement with the consumer or arranges a credit agreement for the consumer, the disclosure statement required under Part 9 of the Act;
- (r) an itemized list of any items or inducements the business operator agrees to provide with the vehicle at no extra charge;
- (s) the odometer reading of the vehicle at the time the bill of sale is entered into, if the vehicle has an odometer and the odometer reading is available to the business operator;
- (t) the maximum odometer reading of the vehicle at the time of delivery to the consumer if the vehicle has an odometer and
  - (i) the odometer reading is not available to the business operator at the time the bill of sale is entered into, or
  - (ii) the vehicle is a new, specifically identified vehicle;
- (u) any mechanical fitness assessment that has been issued under the Vehicle Inspection Regulation (AR 211/2006);**
- (v) any disclosure statement or documentation respecting a vehicle's previous use, history or condition, including disclosure statements or documentation required under the laws of another jurisdiction;**
- (w) a declaration that the business operator has disclosed to the consumer the information required under section 31.1.**

**(2)** The business operator must ensure that all restrictions, limitations and conditions imposed on the consumer under the bill of sale are stated in a clear and comprehensible manner.

- K. During the administrative review, the Supplier advised that the breaches of the legislation were a mistake and should not have happened. The manager who oversaw this transaction is no longer working for the Supplier.
- L. The Supplier indicated a willingness to work with the regulator and commit to adhering to legislative requirements.

**NOW THEREFORE THIS UNDERTAKING WITNESSES THAT:**

1. The Supplier acknowledges and admits that it failed to comply with the provisions of the ABR and VIR 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 to ensure that an MFA is provided to consumers prior to entering into a consumer transaction as per Section 15(1) of the VIR.
3. The Supplier will undertake to ensure the vehicle history information is provided to a consumer prior to entering into a consumer transaction as required by Sections 31.1 and 31.3 of the ABR.
4. The Supplier will undertake to ensure that, when required, an out of province inspection is completed and provided to a consumer prior to entering into a consumer transaction as per Section 14 of the VIR.
5. The Supplier will undertake to ensure their BOS is completed in full and in compliance with Section 31.2 of the ABR.
6. The Supplier shall pay the sum of **\$860** to AMVIC, an amount that represents the costs AMVIC has incurred investigating the matters herein. Such payment is to be made forthwith to AMVIC upon the date of this Undertaking.
7. 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 King'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 King'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.
8. 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.
  9. 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.

10. The Supplier acknowledges that they were advised by AMVIC that they as the Supplier 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 30 day of April, 2024

PER: "original signed by"  
Go Auto Direct Edmonton Ltd.  
o/a Go Auto Outlet Edmonton International  
Jimmy PIETRARCA  
Vice President

ACCEPTED by the Director of Fair Trading on the 14 day of May, 2024.

PER: "original signed by"  
AMVIC  
Gerald Gervais, Registrar  
Director of Fair Trading (as delegated)