

September 23, 2024

Administrative Review – 24-04-013
Served via email: [REDACTED]

Administrative Penalty

FREEDOM FORD SALES LIMITED
7505 75 STREET
EDMONTON, AB
T6C 4H8

Attention: Daniel Priestner and Patrick Priestner

Dear Daniel Priestner and Patrick Priestner:

Re: Freedom Ford Sales Limited – Provincial Automotive Business Licence No. B176794

As the Director of Fair Trading (as delegated) (the “Director”), I am writing to you pursuant to Section 158.1(1) of the *Consumer Protection Act* (“CPA”) to provide you with written notice of the Administrative Penalty issued under that section.

Facts

The evidence before me in relation to this matter consists of the material contained in an Alberta Motor Vehicle Industry Council (“AMVIC”) investigations department application report (the “Application Report”) prepared by an investigator and the senior manager of investigations. A copy of the Application Report is attached as Schedule “A” to this letter. I have also taken into consideration the written representations from the Supplier that were received on July 17, 2024 in advance of the scheduled administrative review, attached as Schedule “B”. As well as information exchanged during an administrative review held via teleconference call on July 24, 2024 and written representations received via email on Sept. 11, 2024 attached as Schedule “C”, which were received in response to the Proposed Administrative Penalty.

Licensee Status

Freedom Ford Sales Limited (the “Supplier”) holds an AMVIC business licence and carries on the business activities of garage, autobody, leasing, new and used sales, wholesale and service station in the Province of Alberta.

History

The Supplier was first issued an AMVIC business licence in May of 1997. Mr. Singh advised the current auto group took over in 2014. The Supplier has 20 salespeople and employs approximately 97

employees. The Supplier advised during the administrative review that their annual volume of sales last year was approximately 2,100 new and used vehicles.

As a result of an administrative review held in early 2023, the Supplier voluntarily agreed to enter into a voluntary Undertaking on June 19, 2023. Some of the conditions outlined in the Undertaking specifically stated:

- "1. The Supplier acknowledges and admits that it failed to comply with the aforementioned provisions of the CPA and ABR and undertakes to the Director that the Supplier has taken steps and 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 during the course of a consumer transaction as per Section 6(4)(a) of the CPA.*
- 3. The Supplier will undertake not to make any misleading statements of opinion if a consumer is likely to rely on that opinion to the consumer's disadvantage as per Section 6(4)(b) of the CPA. The Supplier will not advise consumers that they are required to purchase a warranty or that they must purchase a warranty to obtain a loan with a lower interest rate.*
- 4. The Supplier will undertake not to enter into a consumer transaction if the Supplier knows or ought to know that the consumer is unable to receive any reasonable benefit from the goods or services as per Section 6(3)(a) of the CPA. The Supplier will not sell a consumer a warranty that the consumer will not be able to use due to any non-disclosed limitations or exclusions in the warranty coverage.*
- 5. The Supplier will undertake to ensure their BOS is completed in compliance with Section 31.2 of the ABR. [emphasis added]"*

Summary of Investigations

Case File 23-12-054

1. In December of 2023, AMVIC received a complaint alleging that a consumer had not received goods or services he had paid for.
2. On March 31, 2023, a consumer ("AN") purchased a 2017 Ford F-150 Raptor (the "Raptor") from the Supplier. AN signed the bill of sale ("BOS") via DocuSign.
3. The AMVIC investigation identified that:
 - AN was not provided a Mechanical Fitness Assessment ("MFA") by the Supplier prior to entering into a contract to sell a motor vehicle.

- AN alleged he did not receive the MFA until April 24, 2023 when he took delivery of the Raptor. The MFA was completed on April 10, 2023, 11 days after the BOS date of March 31, 2023. (Schedule "A"; Exhibit B).
- AN's complaint to AMVIC was that he did not receive the Ford armour package, undercoat and rust protection that he paid for.
- The Supplier provided an invoice showing that the protection packages had been applied to the Raptor, however the AMVIC investigator was unable to examine the Raptor as the vehicle is in Ontario.

Supplier Representations during the Administrative Review – Case File 23-12-054

4. During the administrative review the Director asked the Supplier questions and the Director determined that the Supplier believes the previous province of registration for the Raptor was Alberta as stated on the MFA. The Supplier acknowledged the MFA was not provided to AN as legislatively required. In addition, during the administrative review the Director identified that the BOS was not compliant with the legislation in relation to this consumer transaction and brought this to the attention to the Supplier.

Case File 23-12-150

5. In December of 2023, AMVIC received a complaint alleging that a consumer had been misled regarding the condition of the vehicle that was purchased from the Supplier.
6. On Sept. 26, 2023, a consumer ("CH") purchased a 2018 Ford F-150 (the "F-150") from the Supplier.
7. The AMVIC investigation revealed that:
 - CH was not provided an MFA from the Supplier prior to entering into a contract to sell a motor vehicle.
 - CH advised that he never saw the MFA until it was presented to him when he took delivery of the F-150 on Oct. 11, 2023.
 - The MFA was completed on the F-150 on Oct. 11, 2023, 15 days after the purchase date of Sept. 26, 2023 and indicated a different automotive businesses name, address and licence number (Schedule "A"; Exhibit D).
 - The BOS was found to be non-compliant with the legislative requirements which is further in breach of the Supplier's agreed upon voluntary Undertaking.

Supplier Representations during the Administrative Review – Case File 23-12-150

8. During the administrative review the Supplier acknowledged an MFA was not provided to CH as legislatively required.
9. In advance of the scheduled administrative review the Supplier's Legal Counsel forwarded written representations (see Schedule "B"):

“Freedom Ford Sales Ltd. acknowledges that in respect of both extant complaints scheduled for hearing, employees of Freedom Ford failed to comply with the statutory and regulatory imperatives that require that a mechanical fitness assessment (MFA) must be completed and signed by a customer before the Bill of Sale is executed.

The principal of Freedom Ford, Amit Singh, in keeping with the Undertaking made by Freedom Ford pursuant to s. 152 of the Consumer Protection Act dated June 19, 2023 and accepted by the Director of Fair Trading on the fourth of July, 2023 requires not only strict compliance with the terms of the Undertaking by his staff but, importantly, both written and oral communications with employees of Freedom Ford at all levels to ensure that all staff at all levels adhere to the statutory and regulatory rules and regulations enforced by AMVIC.

I understand that on a number of occasions Mr. Singh reminded his staff of the importance of adherence to AMVIC regulations. Illustrative of the efforts made by Mr. Singh is the attached paperwork of Mr. Singh's address to his "Team".

Freedom Ford respectfully submits that the engaged breaches are the unfortunate consequence of the juxtaposition of the desire of a customer to complete a transaction in order to expedite the acquisition of a vehicle (particularly when not in the jurisdiction) when such temporal considerations along with the mutual desire of both the salesperson and the customer to complete the transaction (including delivery of the vehicle) that regrettably result in a breach which Freedom Ford acknowledges is properly the subject of administrative review.

The writer understands that Mr. Singh on behalf of Freedom Ford has and will take further steps to ensure that all members of his staff must strictly adhere to the rules and regulations without exception and even so in circumstances where both the salesperson and customer are anxious to complete a transaction and expedite delivery”.

10. The Supplier stated they take the agreed upon voluntary Undertaking that was agreed upon very seriously. The Supplier is advised they are committed to adhering to the legislation without exception and recognizes there are repercussions for their actions. The Supplier asked for leniency and requested the Director keep in mind the sheer volume of vehicles they sold last year, with very few consumer complaints or issues which is remarkable in their opinion. The Supplier indicated their general sales manager made concerted efforts to educate his staff as evidenced by an email that was sent to the Supplier’s employees and provided to the Director (see Schedule “B”).
11. The Supplier provided written representations via email dated September 11, 2024 (see Schedule “C”) in response to the Proposed Administrative Penalty.

Legislation

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.

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.

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.

Unfair practices

Section 6

(1) In this section, "material fact" means any information that would reasonably be expected to affect the decision of a consumer to enter into a consumer transaction.

(1.1) It is an offence for a supplier to engage in an unfair practice.

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

(h) a supplier's representation that goods have or do not have a particular prior history or usage if that is different from the fact;

Administrative Penalties

Notice of administrative penalty

Section 158.1

(1) If the Director is of the opinion that a person

(a) has contravened a provision of this Act or the regulations, or

(b) has failed to comply with a term or condition of a licence issued under this Act or the regulations,

the Director may, by notice in writing given to the person, require the person to pay to the Crown an administrative penalty in the amount set out in the notice.

(2) Where a contravention or a failure to comply continues for more than one day, the amount set out in the notice of administrative penalty under subsection (1) may include a daily amount for each day or part of a day on which the contravention or non-compliance occurs or continues.

(3) The amount of an administrative penalty, including any daily amounts referred to in subsection (2), must not exceed \$100 000.

(4) Subject to subsection (5), a notice of administrative penalty shall not be given more than 3 years after the day on which the contravention or non-compliance occurred.

(5) Where the contravention or non-compliance occurred in the course of a consumer transaction or an attempt to enter into a consumer transaction, a notice of administrative penalty may be given within 3 years after the day on which the consumer first knew or ought to have known of the contravention or non-compliance but not more than 8 years after the day on which the contravention or non-compliance occurred.

Right to make representations

Section 158.2

Before imposing an administrative penalty in an amount of \$500 or more, the Director shall

(a) advise the person, in writing, of the Director's intent to impose the administrative penalty and the reasons for it, and

(b) provide the person with an opportunity to make representations to the Director.

Non-compliance with orders, etc.

Section 163

Any person who

(d) fails to comply with an undertaking under this Act contravenes this Act and is guilty of an offence.

Vicarious liability

Section 166

For the purposes of this Act, an act or omission by an employee or agent of a person is deemed also to be an act or omission of the person if the act or omission occurred

- (a) in the course of the employee's employment with the person, or
- (b) in the course of the agent's exercising the powers or performing the duties on behalf of the person under their agency relationship.

Analysis – Did the Supplier fail to comply with the provisions of the CPA, Automotive Business Regulation (“ABR”) and Vehicle Inspection Regulation (“VIR”)?

The material which formed the Application Report was the result of two consumer complaints received by AMVIC regarding the condition of vehicles purchased from the Supplier, AMVIC case files 23-12-054 and 23-12-150.

A. Supplier Representations that Goods have or do not have particular Prior History/Usage if Different from Fact (6(4)(h) CPA)

In review of the documentation before me, neither of the consumer complaints were provided nor were there any written statements available to the Director from any party included in the Application Report (see Schedule “A”). The documents that were included in the Application Report do not support this alleged breach.

On a balance of probabilities based on the evidence put forward by AMVIC's investigation department, in the opinion of the Director, there is insufficient evidence to support the Supplier made representations that the goods have or do not have a particular prior history or usage if different from the fact in both case files. Therefore the Director does not find the Supplier breached Section 6(4)(h) of the CPA.

B. MFA Issues/ General Code of Conduct (15 VIR and 12(o) ABR)

The MFA is required as per Section 15 of the 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 ABR and Section 127(b)(v.1) of the CPA.

Case file 23-12-054

AN was not provided an MFA by the Supplier prior to entering into a contract to sell a motor vehicle. AN alleged he did not receive the MFA until April 24, 2023 when he took delivery of the Raptor. The MFA was completed on April 10, 2023, 11 days after the BOS date of March 31, 2023. (Schedule “A”; Exhibit B).

Case file 23-12-150

CH was not provided an MFA by the Supplier prior to entering into a contract to sell a motor vehicle. CH advised that he never saw the MFA until it was presented to him when he took delivery of the F-150 on Oct. 11, 2023.

The MFA was completed on the F-150 on Oct. 11, 2023, 15 days after the purchase date of Sept. 26, 2023 and indicated a different automotive businesses name, address and licence number (Schedule “A”; Exhibit D).

In reviewing the MFA it does not list the Supplier, the Supplier’s address or the Supplier’s licence number as required but rather lists a different automotive businesses name, address and licence number, which is contrary to Section 15(1)(c) of the VIR. The MFA further fails to list the province of registration of the F-150 as required by Section 15(1)(b) of the VIR.

In advance of the scheduled administrative review, the Supplier’s legal counsel provided written representations which acknowledged the Supplier’s failure to conform to the legislative requirements.

Based on the evidence before me, on a balance of probabilities, I find the Supplier has breached Section 15 of the VIR and Section 12(o) of the ABR.

C. BOS Issues (31.2 ABR)

In Oct. 31, 2018, amended legislation was put into effect with regards to BOS requirements. Between Sept. 25, 2018 and Nov. 6, 2018 AMVIC sent out a number of industry bulletins, updated the AMVIC website with information regarding the amended legislation, sent multiple bulletins to inform the industry and the public regarding the changes, updated social media regularly, sent out a special edition of the IMPACT newsletter to the industry regarding the legislative changes and all AMVIC employees had an email signature attached to staff emails regarding the legislative changes. These are just a few of the initiatives that AMVIC took to ensure all licensees were advised of the legislative changes that were coming into effect on Oct. 31, 2018 regarding the BOS.

In early 2023 the Director held an administrative review with the Supplier which resulted in the Supplier agreeing to enter a voluntary Undertaking on June 19, 2023. The Undertaking addressed unfair practices as well as BOS issues.

Case file 23-12-054

The BOS given to AN in relation to this transaction is non-compliant in that it is missing the government issued identification that the business operator used to confirm the identity of the consumer, the date of delivery is incorrect as it states March 31, 2023 and AN only took delivery on April 24, 2023. The BOS is further missing the trim level of the Raptor, whether the mileage of the Raptor is in miles or kilometres and the declarations that an MFA was issued, or the business operator disclosed to the consumer the information required under Section 31.1 of the ABR.

Case file 23-12-150

This consumer transaction took place on Sept. 26, 2023, after the Supplier signed the voluntary Undertaking on June 19, 2023.

The BOS given to CH is non-compliant in that it is missing the government issued identification that the business operator used to confirm the identity of the consumer and the date of delivery is incorrect as it states Sept. 26, 2023 when CH took delivery of the F-150 on Oct. 11, 2023. The BOS is further missing

whether the mileage of the F-150 is in miles or kilometres, the declarations that an MFA was issued and the statement that the business operator disclosed to the consumer the information required under Section 31.1 of the ABR.

Based on the evidence before me, on a balance of probabilities, I find the Supplier has breached Section 31.2 of the ABR.

D. Non-Compliance with Orders/Breach Undertaking (163(d) CPA)

As a result of an administrative review held in early 2023, the Supplier voluntarily agreed to enter into an Undertaking on June 19, 2023. Some of the conditions outlined in the Undertaking specifically stated:

- “1. The Supplier acknowledges and admits that it failed to comply with the aforementioned provisions of the CPA and ABR and undertakes to the Director that the Supplier has taken steps and 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 during the course of a consumer transaction as per Section 6(4)(a) of the CPA.*
- 3. The Supplier will undertake not to make any misleading statements of opinion if a consumer is likely to rely on that opinion to the consumer's disadvantage as per Section 6(4)(b) of the CPA. The Supplier will not advise consumers that they are required to purchase a warranty or that they must purchase a warranty to obtain a loan with a lower interest rate.*
- 4. The Supplier will undertake not to enter into a consumer transaction if the Supplier knows or ought to know that the consumer is unable to receive any reasonable benefit from the goods or services as per Section 6(3)(a) of the CPA. The Supplier will not sell a consumer a warranty that the consumer will not be able to use due to any non-disclosed limitations or exclusions in the warranty coverage.*
- 5. **The Supplier will undertake to ensure their BOS is completed in compliance with Section 31.2 of the ABR.** [emphasis added]”*

Case file 23-12-054

The transaction in relation to this case file occurred on March 31, 2023, prior to the Supplier entering the voluntarily agreed upon Undertaking. Therefore, the Director is not considering the legislative breaches which occurred in this transaction as a breach of the voluntary Undertaking the Supplier entered into on July 19, 2023.

Case file 23-12-150

This transaction occurred on Sept. 26, 2023, approximately three months after the Supplier entered the voluntary Undertaking with AMVIC. The Supplier failed to complete the BOS in compliance with Section 31.2 of the ABR as noted above. Therefore, on a balance of probabilities, I find the Supplier has breached their agreed upon Undertaking and has contravened Section 163(d) of the CPA.

E. Other Considerations

There exists an onus on the Supplier to do their due diligence and ensure they are complying with the legislation that governs the regulated industry they have chosen to be a member of. The Supreme Court of British Columbia in *Windmill Auto Sales & Detailing Ltd. v. Registrar of Motor Dealers, 2014 BCSC 903* addressed the issue of the onus and responsibility the Supplier has when operating within a regulated industry. The court at paragraph 59 stated:

“In my view, it is incumbent upon a party that operates within a regulated industry to develop at least a basic understanding of the regulatory regime, including its obligations under the regime, as well as the obligations, and the authority, of the regulator.”

The Supplier’s business practices discussed above leverages the Supplier’s knowledge and position, and does not foster a level playing field between the consumer and the Supplier, leading to potential financial harm to consumers. In these two consumer transactions, there is no evidence to support either consumer was harmed financially. However, a consumer’s desire to expedite the acquisition of a vehicle does not justify the Supplier failing to comply with the legislation in the course of a consumer transaction.

The aggravating factors in this matter include the degree of willfulness or negligence in the contraventions of the Supplier as well as the continued non-compliance with rather straightforward legislation.

The mitigating factors that the Director took into consideration are the written representations received from the Supplier acknowledging their shortcomings, their efforts to bring their staff into compliance, and willingness and commitment to strive to do better.

This Administrative Penalty is further taking into account the number and seriousness of the contraventions of the legislation; and the aggravating factors listed above.

AMVIC follows a progressive enforcement model when enforcing consumer protection laws. Administrative action may include a written warning, condition(s) added to the licence, charges under the legislation, Administrative Penalty, Director’s Order, Undertaking and suspension or cancellation of a licence as outlined in the CPA. When determining an appropriate enforcement measure, the Director will consider several factors before making a decision to ensure what level of enforcement is appropriate to the contravention.

The Director considered whether other enforcement actions would be appropriate in this circumstance. The Director cannot consider entering into another Undertaking with the Supplier as the Supplier has breached the Undertaking voluntarily entered into less than one year ago by continuing to use business

practices that contravene similar sections of the CPA, ABR and VIR. The Director considered imposing conditions on the business licence of the Supplier, however in the opinion of the Director, this enforcement action is insufficient in the public interest based on entering into an Undertaking approximately 13 months ago.

During the administrative review, the Supplier took responsibility for the legislative breaches, stated a willingness to work with the regulator and improve upon their business practices. On average, the Supplier sells approximately 2,100 motor vehicles annually.

An Administrative Penalty must be sufficient in that the Supplier and other Suppliers do not view the amount of the penalty as a cost of doing business that is preferable to following the law. In the opinion of the Director, the contraventions, in particular relating to the MFA and breaching their agreed upon Undertaking, are serious and therefore an Administrative Penalty is warranted.

Action

In accordance with Section 158.1(a) of the CPA and based on the above facts, I am requiring that Freedom Ford Sales Limited pay an Administrative Penalty. This is based on my opinion that Freedom Ford Sales Limited has contravened Section 163(d) of the CPA, Sections 12(o) and 31.2 of the ABR, and Section 15 of the VIR.

Taking into consideration all the representations made by the Supplier and the representations made by AMVIC's investigations department, the amount of the Administrative Penalty is **\$7,000**.

The amount takes into consideration the factors outlined in Section 2 of the Administrative Penalties (*Consumer Protection Act*) Regulation, AR 135/2013 and the principles referenced in *R v Cotton Felts Ltd., (1982), 2 C.C.C (3d) 287 (Ont. C.A.)* as being applicable to fines levied under regulatory legislation related to public welfare including consumer protection legislation. In particular the Director took into account:

1. The Supplier's history of non-compliance;
2. The seriousness of the contraventions or failure to comply;
3. The degree of willfulness or negligence in the contravention or failure to comply;
4. The maximum penalty under Section 158.1(3) of the CPA of \$100,000; and
5. The deterrent effect of the penalty.

The amount of the Administrative Penalty is \$7,000.

Pursuant to Section 3 of the Administrative Penalties (*Consumer Protection Act*) Regulation, you are required to submit payment within **thirty (30) days** of the date of service of this notice. Failure to pay the Administrative Penalty will result in a review of the licence status. Payment may be made payable to the **"Government of Alberta" and sent to AMVIC** at:

Suite 303, 9945 – 50th Street
Edmonton, AB T6A 0L4.

If payment has not been received in this time period, the Notice may be filed in the Court of King's Bench and enforced as a judgement of that Court pursuant to Section 158.4 of the CPA and further disciplinary action will be considered.

Section 179 of the CPA allows a person who has been served a notice of Administrative Penalty to appeal the penalty. To appeal the penalty, the person must serve the Minister of Service Alberta and Red Tape Reduction

Minister of Service Alberta and Red Tape Reduction
103 Legislature Building
10800 - 97 Avenue NW
Edmonton, AB
Canada T5K 2B6

with a notice of appeal within **thirty (30) days** after receiving the notice of Administrative Penalty. The appeal notice must contain your name, your address for service, details of the decision being appealed and your reasons for appealing.

Pursuant to Section 180(4) of the CPA, service of a notice of appeal operates to stay the Administrative Penalty until the appeal board renders its decision on the appeal or the appeal is withdrawn.

Under Section 4 of the Administrative Penalties (*Consumer Protection Act*) Regulation, the fee for appealing an Administrative Penalty is the lesser of \$1,000 or half the amount of the penalty. As such, the fee for an appeal of this Administrative Penalty, should you choose to file one, would be \$1,000. Should you choose to appeal this Administrative Penalty, you must send the appeal fee to the Minister of Service Alberta and Red Tape Reduction at the above noted address, made payable to the "Government of Alberta".

Yours truly,

"originally signed by"

Alberta Motor Vehicle Industry Council (AMVIC)
Gerald Gervais, Registrar
Director of Fair Trading (as Delegated)

GG/ks
Encl.

cc: [REDACTED] Senior Manager of Investigations, AMVIC