

September 8, 2025

Administrative Review – 25-05-013

Served via email: [REDACTED]
[REDACTED]

Administrative Penalty

CALGARY CAR CENTRE INC.
o/a CALGARY CAR CENTRE/DRIVING WITH CARMELO
1234 9 AVENUE SE
CALGARY, AB
T2G 0T1

Attention: Cory Joudrie

Dear Cory Joudrie:

**Re: Calgary Car Centre Inc. operating as Calgary Car Centre/Driving with Carmelo
– Provincial Automotive Business Licence No. B2038095**

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 the investigator and the senior manager of investigation. A copy of the Application Report is attached as Schedule “A” to this letter. I have also taken into consideration the written representations dated June 18, 2025 received from the Supplier’s legal counsel in advance of the scheduled administrative review (attached as Schedule “B”) and the information exchanged during the administrative review held via teleconference call on June 24, 2025. On Aug. 8, 2025, the Supplier’s legal counsel provided written representations in response to the Proposed Administrative Penalty on Aug. 8, 2025 (attached as Schedule “E”) which have also been taken into consideration.

Licensee Status

Calgary Car Centre Inc. operating as Calgary Car Centre/Driving with Carmelo (the “Supplier”) holds an automotive business licence and carries on business as an automotive sales business in the province of Alberta. The Supplier operates in Calgary, Alberta and holds a current AMVIC business licence and is authorized for the business activities of used sales and wholesale sales.

Administrative Review

An administrative review was held on June 24, 2025, at 9:02 a.m., via teleconference call. Participating in the administrative review were Cory Joudrie, owner and director of the Supplier; Elmer Chiu, legal counsel for the Supplier; [REDACTED], AMVIC investigations south; [REDACTED], AMVIC investigator; and K. Lockton, Director of Fair Trading (as delegated) (the "Director").

Enforcement History

- A. On Aug. 27, 2024, the Supplier was advised AMVIC was willing to grant them a business licence subject to conditions for a period of 12 months.

"1. You will keep the peace and remain to be in full compliance with all laws and regulations relating to the automotive industry including but not limited to the CPA and the Automotive Business Regulation ("ABR"), Vehicle Inspection Regulation ("VIR") and the Criminal Code of Canada.

*2. Calgary Car Centre Inc. operating as Calgary Car Centre/Driving with Carmelo (the "Supplier") will make their business records available for an AMVIC Industry Standards inspection to ensure they are keeping the proper business records and in compliance with the legislation that governs the automotive industry. The AMVIC inspection will take place by **March 31, 2025**.*

3. You will inform AMVIC of any changes to your business information in accordance with Section 134 of the CPA.

[legislation omitted]

4. You will complete the online closure request for the AMVIC Business Licence B2023865, Calgary Car Centre Inc. operating as Calgary Car Centre/Driving with Carmelo. You can do so by logging in to the AMVIC business licensee online portal. Once you are logged in to the business portal account on the left hand side select "Request Closure" link for you to cancel your business licence. Please email director@amvic.org and advise when you have completed the closure request. If you are having difficulty, please contact [REDACTED], manager of licensing at 780-468-0482 who can assist you or direct you to a member of AMVIC's licensing team. The closure request will not be processed by AMVIC until such time that the current business licence application (Application Number: 08427) is issued.

5. You will ensure that your AMVIC business licence and salesperson registration do not expire by renewing prior to the expiry dates."

On Aug. 28, 2024, the Supplier signed the conditional letter accepting and agreeing to abide by the conditions. This correspondence further stated:

"I would like to remind you, there exists an onus on you to do your due diligence and ensure you are complying with the legislation which regulates the automotive industry. As stated in the

Supreme Court of British Columbia in Windmill Auto Sales & Detailing Ltd. vs. Registrar of Motor Dealers, 2014 BCSC 903 addressed the issue of the onus and responsibility the Supplier has when operating within 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."

Educational Findings Letters

- B. On Aug. 2, 2023, the Supplier was sent an investigation findings letter in regards to all-in advertised pricing.
- C. On Jan. 20, 2024, the Supplier was sent an inspection findings letter in regards to advertising compliance, all-in advertised pricing, Mechanical Fitness Assessment ("MFA") compliance, vehicle history disclosure and bill of sale ("BOS") issues.
- D. On Aug. 12, 2024, the Supplier was issued an investigation findings letter in regards to BOS issues, vehicle history disclosure, unfair practices and failure to maintain records.
- E. On Nov. 26, 2024, the Supplier was issued an investigation findings letter in regards to BOS issues, MFA compliance, vehicle history disclosure, and duty to create and maintain records.
- F. On Feb. 10, 2025, the Supplier was sent an inspection findings letter in regards advertising compliance, all-in advertised pricing, MFA compliance, vehicle history disclosure, BOS issues and unfair practices.

Summary of Investigation

Case File 24-12-162

- 1. In December 2024, AMVIC received a consumer complaint in regards to the mechanical condition of a vehicle that was purchased from the Supplier.
- 2. The consumer ("LC") spoke to the Supplier about purchasing a truck. The Supplier advised LC they had a truck at their "kelowna store" and provided LC pictures. According to LC, he was advised the Supplier had a 30 day return policy. On Nov. 21, 2024, LC signed a BOS purchasing a 2020 Dodge Ram 1500 (the "Dodge") from the Supplier. At this time, the Dodge was not in Alberta at the Supplier's business location but was in British Columbia ("BC"). During the administrative review, the Supplier confirmed the business in BC where the Dodge was located does not have any business affiliation to the Supplier as indicated to LC by the Supplier.
- 3. On Nov. 25, 2024, LC contacted the Supplier and inquired when the Dodge would be ready and asked about the 30 day warranty. The Supplier responded to LC advising there was a delay transporting the Dodge to Alberta due to bad weather and confirmed the 30 day warranty would start when LC picked up the Dodge. LC did not take possession of the Dodge until Nov. 28, 2024. On

Nov. 28, 2024, LC attended the Supplier's business location to pick up the Dodge. At this time, the Supplier changed the date on the BOS and showed LC the MFA.

4. The Supplier had the MFA and Out of Province Inspection ("OOPI") completed on Nov. 28, 2024 at a third party business in Alberta. The MFA was provided to LC on Nov. 28, 2024, however the Supplier never provided LC the OOPI.
5. Shortly after LC took possession of the Dodge, he encountered mechanical issues and the Dodge was towed to a third party repair business as per the Supplier's instructions. The repair business could not fix the issue as the Dodge needed to go to a Dodge dealership. According to LC, a few days after he got the Dodge back it continued having mechanical issues and the Supplier was no longer being responsive to his communication about the Dodge.
6. According to LC, the third party repair business advised him the cam shaft might be going and the Dodge may need a new engine or transmission. After the purchase of the Dodge and the mechanical issues on Dec. 16, 2024, the Supplier offered LC a six month warranty at no cost for *"peace of mind"*. According to LC, when the Supplier offered him the six month warranty, they told him not to tell AMVIC and that they would cover the deductible.
7. On April 2, 2025, the Supplier paid for repairs to the Dodge out of pocket and did not utilize the six month warranty they provided LC for *"peace of mind"*. In their June 18, 2024 written representations (see Schedule "B"), the Supplier's legal counsel stated *"Any mechanical issues with the subject vehicle was remedied to the consumer's satisfaction"*. The Director was not provided any evidence to demonstrate what repairs were completed on the Dodge or the cost of the repairs. During the administrative review, the AMVIC investigator confirmed the Dodge had been repaired to LC's satisfaction.
8. When the consumer complaint and corresponding documents were reviewed by the AMVIC investigator, a number of compliance issues were identified including but not limited to the following:
 - The BOS provided by LC, dated Nov. 21, 2024, is missing the number of the government-issued identification ("ID") that the business operator used to confirm the identity of the consumer and the delivery date. The BOS also did not have the declaration statement that the business operator has disclosed to the consumer the information required under Section 31.1. The consumer had signed on the BOS confirming they viewed an MFA when the MFA had not been completed at this time.
 - The BOS provided by the Supplier is dated Nov. 28, 2024 and the date had been whited out and changed and did not have the declaration statement that the business operator has disclosed to the consumer the information required under Section 31.1. This BOS also did not meet other requirements of Section 31.2 of the ABR.
 - The Carfax provided by LC is missing the pages that disclose that there is a lien on the Dodge.
 - The Carfax provided by the Supplier has all pages, including the pages that disclose that there is a lien on the Dodge.

- The MFA was completed on Nov. 28, 2024, after the BOS had been signed and lists the province of registration as Alberta, which was not correct.
 - The six month warranty provided to LC for *"peace of mind"* was sold outside the terms of the warranty contract. The warranty contract requires the warranty be purchased within seven days from the purchase date of the vehicle.
9. During the course of the investigation, the AMVIC investigator completed an Alberta Personal Property Registry Electronic System ("APPRES") query on the Dodge and discovered the previous lien on the Dodge had not been removed. Therefore, there were two liens on the Dodge: LC and a previous owner. On March 6, 2025, the Supplier indicated to the AMVIC investigator the lien was paid but not discharged by the lending company. The Supplier was to provide the lien discharge confirmation to the AMVIC investigator. On March 28, 2025 the AMVIC investigator completed an APPRES query that showed the second lien was still not discharged and sent the Supplier an email requesting an update in relation to the lien status. The Supplier did not respond to the AMVIC investigator's email. On April 4, 2025, the AMVIC investigator completed another APPRES query and confirmed that previous lien had been discharged.
10. In their written representations dated June 18, 2025 (see Schedule "B") the Supplier stated *"...Toronto Dominion ("TD") took an unreasonably long time to remove/discharge the lien in the specific instance."* During the administrative review, when asked when the Supplier sent payment for the lien on the Dodge to the lending institution, the Supplier could not provide a date but indicated it is their business practice to pay off the lien immediately when the contract to sell the vehicle is signed. To date, the Supplier has not demonstrated when they provided the funds to the lending institution to pay off the previous lien on the Dodge.
11. During the administrative review the Supplier took responsibility for their business practices and falling short of meeting the legislative requirements.
12. The Proposed Administrative Penalty dated July 31, 2025 was emailed to the Supplier's legal counsel on July 31, 2025. The Proposed Administrative Penalty provided the Supplier an opportunity to make written representations by Sept. 3, 2025. On Aug. 8, 2025, the Supplier provided written representations in response to the Proposed Administrative Penalty (see Schedule "E").

Legislation

Automotive Business Regulation

Records

Section 9

In addition to the requirement to create and maintain financial records in accordance with section 132(1) of the Act, 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 3 years after the records were created or received.

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 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.

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.

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.

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.

Consumer Protection Act**Interpretation of documents****Section 4**

If a consumer and a supplier enter into a consumer transaction, or an individual enters into a contract with a licensee and the licensee agrees to supply something to the individual in the normal course of the licensee's business, and

- (a) all or any part of the transaction or contract is evidenced by a document provided by the supplier or licensee, and
- (b) a provision of the document is ambiguous,

the provision must be interpreted against the supplier or licensee, as the case may be.

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:

- (a) a supplier's doing or saying anything that might reasonably deceive or mislead a consumer;

Duty to maintain records**Section 132**

(1) Every licensee and former licensee must create and maintain

- (a) complete and accurate financial records of its operations in Alberta for at least 3 years after the records are made, and
- (b) other records and documents described in the regulations for the period specified in the regulations.

(2) Every licensee and former licensee must make the records referred to in subsection (1) available for inspection by an inspector at a place in Alberta and at a time specified by the inspector.

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.

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, ABR and Vehicle Inspection Regulation ("VIR")?

The material which formed the Application Report was the result of a consumer complaint received by AMVIC, case file 24-12-162.

The written representations in response to the Proposed Administrative Penalty (see Schedule "E") stated:

"The writer would like to further confirm with AMVIC that the \$2,500.00 global fine payment would deal directly with any AMVIC issues relating to Calgary Car Centre from before the date of the Proposed Administrative Penalty correspondence dated May 28, 2025 outlining the Hearing Process."

This Administrative Penalty is only taking into account the legislative breaches found in relation to the consumer complaint submitted to AMVIC by LC, case file 24-12-162. This Administrative Penalty does

not take into consideration any other “AMVIC issues relating to Calgary Car Centre from before the date of the Proposed Administrative Penalty correspondence dated May 28, 2025 outlining the Hearing Process.”

A. Mislead and Deceive (CPA Section 6(4)(a))

LC purchased the Dodge from the Supplier prior to the Dodge being available to view and prior to the required MFA and OOPI being completed. At the time of the purchase, LC believed that the Supplier offered a 30 day warranty that would cover any required repairs or allow him to return the Dodge. LC therefore did not purchase the extended warranty at the time of the transaction.

After LC took possession of the Dodge there was mechanical issues and on Dec. 16, 2024 the Supplier provided LC a third party warranty at no cost. The Supplier advised that this third party warranty was provided to LC for “*peace of mind*” given the mechanical issues with the Dodge.

The third party warranty terms and conditions require that the warranty be purchased within seven days of the sale date. The Supplier sold LC the Dodge on Nov. 21, 2024 but did not provide the warranty to LC until Dec. 16, 2024, which is outside the seven days from the date of the sale. The third party warranty the Supplier provided LC was outside the terms and conditions of the warranty, and therefore would not be a usable warranty. The terms and conditions of the warranty (see Schedule “A”; Exhibit T), under the heading “EXCLUSIONS TO THIS POLICY” states:

“This Policy provides no benefits of coverage, and We have no obligation under this Policy if:

...

3. If the purchase date of this Policy is more than 7 days from the purchase date of Your Vehicle.”

During the course of the investigation, the Supplier indicated the third party warranty company might have provided them an exception to the terms and conditions for the warranty provided to LC. The Supplier stated they would provide the investigator with the policy exception regarding the third party warranty. The investigator was not provided evidence to demonstrate the third party warranty company provided the Supplier an exception to the terms and conditions of the warranty. During the administrative review, the Supplier confirmed they did not have an exception to the terms and conditions of the third party warranty.

In the opinion of the Director, providing a warranty to a consumer for “*peace of mind*” that is an unusable warranty as it was sold outside the terms and conditions was misleading to LC. LC believed he was provided a warranty that he would be able to use if the Dodge required additional repairs, however that was not the case as the Supplier provided LC a warranty that was outside the terms and conditions of the contract.

During the administrative review, the Director brought forward an additional concern in relation to comments made to LC in the course of the transaction and how the Supplier must be careful to ensure they are not saying misleading things to consumers. In their text message correspondence with LC, the Supplier indicated they “*had to get some big favours done*” in relation to being able to sell LC the Dodge. During the administrative review, the Supplier could not articulate what favours these were. These types of comments could reasonably mislead or deceive a consumer into believing they were only able

to purchase a vehicle because the Supplier did them a “favour”, which could reasonably lead the consumer, particularly a consumer with poor credit, to complete a transaction because they feel they have no other options. While this was discussed during the administrative review, the text messages in conjunction with the evidence in this transaction are not clear enough to determine if this statement misled or deceived the consumer. Therefore, the Director will not find the Supplier misled or deceived the consumer in relation to this statement.

On a balance of probabilities, based on the evidence currently available, the Supplier did contravene Section 6(4)(a) of the CPA by providing LC an unusable third party warranty due to the warranty being outside of the terms and conditions of the contract.

B. Non-compliant BOS (ABR Section 31.2(1)(2))

The Supplier has been provided education in four Findings Letters regarding their BOS being non-compliant with Section 31.2 of the ABR. The Supplier’s BOS has continued to be non-compliant with the ABR requirements.

In relation to the Supplier’s transaction with LC the BOS had the following compliance issues:

- The date of the BOS was altered after the fact as the Supplier did not provide the required MFA prior to entering into a contract to sell the Dodge to LC.
- The 30 day warranty provided by the Supplier at no cost, was not documented on the BOS. The BOS must include an itemized list of any items or inducements the business operator agrees to provide with the vehicle at no extra charge in accordance with Section 31.2(1)(r) of the ABR.
- The BOS did not have a declaration statement that the business operator has disclosed to the consumer the information required under Section 31.1 contrary to Section 31.2(1)(w) of the ABR.
- The Dodge was not available to the Supplier at the time the BOS was completed. The BOS states the odometer reading of the Dodge is 94,284 kilometres (“kms”) however both the MFA and OOPI both indicate the odometer reading of the Dodge on Nov. 28, 2024 was 94,694 kms. In accordance with Section 31.2(1)(t)(i), the BOS must include the maximum odometer reading of the vehicle at the time of delivery to the consumer if the vehicle has an odometer and the odometer reading is not available to the business operator at the time the bill of sale is entered into.

The information missing from the BOS the consumer provided in their complaint in comparison to the BOS the Supplier provided were discussed during the administrative review.

Based on the evidence before me, on a balance of probabilities, the Director finds the Supplier contravened Section 31.2 of the ABR.

C. Vehicle History Information (ABR Section 31.1)/Receipt of Information (ABR Section 31.3)

In accordance with Section 31.3 of the ABR, a business operator engaged in automotive sales must not enter into a BOS with a consumer unless the business operator has obtained written confirmation from

the consumer that they have received the information under Section 31.1 of the ABR. The information that must be disclosed in accordance with Section 31.1(1) of the ABR must be disclosed in writing to the consumer before purchase as required by Section 31.1(2)(c) of the ABR.

LC was made aware by the Supplier that the Dodge was in BC and would be brought to Alberta for him. According to LC, the Supplier required he sign the BOS and purchase the Dodge before they would bring the Dodge to Alberta. However, the Supplier did not meet the requirements of Section 31.1(2)(c) of the ABR as they did not advise the consumer in writing that the Dodge would require an out of province inspection prior to registration in Alberta (Section 31.1(1)(i)(ii)). In addition, as the Supplier would not bring the Dodge to Alberta prior to LC signing a BOS agreeing to purchase the vehicle, the Supplier also did not advise LC whether the Dodge passed or failed any required inspection (Section 31.1(1)(i)(iii)) in writing before purchase as required by Section 31.1(2)(c) of the ABR.

During the administrative review, the Supplier stated that the contract signed on Nov. 21, 2024 was meant to be conditional, however they understood that the evidence does not support this as there is no documentation that indicates any conditional status or what those conditions were in relation to this transaction.

Based on the evidence before me, on a balance of probabilities, the Director finds the Supplier contravened Sections 31.1 and 31.3 of the ABR.

D. MFA Compliance Issues (VIR 15(1))/Out of Province Inspection Issues (VIR Section 14) /General Code of Conduct (ABR Section 12(o))

The Supplier is required to provide a consumer a valid MFA prior to entering into a consumer transaction as per Section 15(1) of the VIR. In addition, an OOI or 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 is required to be provided to a consumer prior to the sale of a vehicle in accordance with Section 14 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.

The Supplier entered into a consumer transaction with LC on Nov. 21, 2024 however, the MFA and OOI were not completed on the Dodge until Nov. 28, 2024. The Supplier never provided LC with the OOI that was completed on Nov. 28, 2024.

The Supplier did provide LC the completed MFA, however it was after they entered into a consumer transaction to sell the Dodge to LC. The MFA also incorrectly lists the province of registration as Alberta when the Dodge was in fact last registered in BC at the time the MFA was completed.

By failing to provide LC an MFA and OOI for the Dodge before entering into a contract to sell him the vehicle, the Supplier has breached Sections 14 and 15(1) of the VIR, and Section 12(o) of the ABR.

E. Other Considerations

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 Supplier has been subject to the following enforcement action:

- Aug. 28, 2024 – conditions imposed on business licence for 12 months.

The Director considered other enforcement actions. The Supplier breached the conditions imposed on the business licence within two months of agreeing to abide by the conditions. In the Director's opinion, imposing additional conditions or entering into a voluntarily agreed upon Undertaking would not be appropriate as the Supplier has demonstrated they did not abide by the conditions initially imposed on their business licence.

The Supplier is vicariously liable for the actions of their designated agents as per Section 166 of the CPA. The Supplier agreed to abide by the conditions imposed on their business licence, which included to remain to be in full compliance with all laws and regulations relating to the automotive industry including but not limited to the CPA, the ABR, the VIR and the *Criminal Code* of Canada. The evidence before the Director demonstrates the Supplier was not in full compliance with all laws and regulations relating to the automotive industry in the course of their transaction with LC.

The Supplier has been provided education in the form of four Findings Letters in relation to BOS compliance however, they continue to engage in non-compliant business practices contrary to Section 31.2 of the ABR.

The Director acknowledges the willingness of the Supplier to remain in the automotive industry, work with the regulator and their commitment to adhere to the legislative requirements, as indicated by the Supplier in correspondence received on June 18, 2025 (see Schedule "B") and during the scheduled administrative review on June 24, 2025.

Based on the education previously provided to the Supplier, the administrative enforcement history of the Supplier and the evidence regarding the current matter, in the opinion of the Director, the previous education and enforcement have not resulted in the Supplier bringing their business practices into compliance with the legislation that governs the automotive industry. The amount of the Administrative Penalty cannot be viewed as a cost of doing business but rather as a deterrent for continuing to engage in non-compliant business practices.

There exists an onus on the Supplier to do their due diligence and ensure they are complying with the law. As stated in 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 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.

A recent Service Alberta and Red Tape Reduction Appeal Board rendered a decision (attached as Schedule “C”) regarding the importance of the legislation that regulates the automotive industry as well as the importance of the members within the regulated industry to operate within the regulatory framework. Paragraph 39 of the Service Alberta and Red Tape Reduction Appeal Board decision states:

“Regulations are not merely a formality. They exist to protect consumers and fulfil the mandate of the CPA as described in its preamble.” [Paragraph 39.b.]

“...it is [the Supplier’s] responsibility to be compliant with regulations at all times.” [Paragraph 39.c.]

“...regulations are not optional, they serve an important social purpose”. [Paragraph 39.d.]

A recent Service Alberta Appeal Board rendered a decision (attached as Schedule “D”) and addressed the onus and responsibility of salespeople and suppliers. The appeal panel at paragraph 91 stated:

“At the same time, we recognize that AMVIC is not there to hold a party’s hand through the administrative process. Nor is it there to train applicants in terms of being administratively efficient. AMVIC is there to protect the public. The onus is on salespersons and car dealerships to remain current with AMVIC and to comply with the regulatory framework in place at any given time.”

The Supplier engaged in unfair practices, had compliance issues with their BOS, failed to provide an MFA and OOP prior to entering into a consumer transaction, and failed to abide by the conditions imposed on their business licence. It further concerns the Director that the Supplier, despite the education, is continuing to breach the legislation.

The aggravating factors in this matter include the resulting impact adversely affecting the consumer, the continued non-compliance with the rather straightforward requirements of the legislation despite multiple attempts to educate the Supplier, the previous administrative enforcement action and failing to abide by the conditions imposed on their business licence. The mitigating factor that can be taken into consideration is the Supplier repaired the Dodge to the satisfaction of LC.

The written representations in response to the Proposed Administrative Penalty (see Schedule “E”) request the Administrative Penalty be reduced to \$2,500. The Director has considered the Supplier’s legal counsel written representations and request to reduce the Administrative Penalty to \$2,500, however based on the legislative breaches and above aggravating and mitigating factors, in the opinion of the Director, \$2,500 is not appropriate.

This Administrative Penalty is taking into account the number and seriousness of the contraventions of the legislation found during the investigation; the cost of investigating the Supplier’s activities; the

aggravating factors listed above; and the continued non-compliant business practices despite education and enforcement.

Action

In accordance with Section 158.1(a) of the CPA and based on the above facts, I am requiring that Calgary Car Centre Inc. operating as Calgary Car Centre/Driving with Carmelo pay an Administrative Penalty. This is based on my opinion Calgary Car Centre Inc. operating as Calgary Car Centre/Driving with Carmelo contravened Section 6(4)(a) of the CPA, Sections 12(o), 31.1, 31.2 and 31.3 of the ABR, and Sections 14 and 15(1) 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 **\$6,000**.

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 the above listed aggravating and mitigating facts as well as:

1. The seriousness of the contraventions or failure to comply;
2. The aggravating and mitigating factors listed above
3. The degree of wilfulness 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 \$6,000.

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,

"original signed by"

Alberta Motor Vehicle Industry Council (AMVIC)
Katie Lockton
Director of Fair Trading (as Delegated)

KL/ks
Encl.

cc: [REDACTED], Senior Manager of Investigations, AMVIC