



JUL 31 2008

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**IN THE MATTER OF THE *MOTOR DEALER ACT*  
AND THE *BUSINESS PRACTICES AND CONSUMER PROTECTION ACT***

**UNDERTAKING**

**(Section 154, *Business Practices and Consumer Protection Act*)**

**WHEREAS** the undersigned

1. 586535 B.C. Ltd., DBA Kootenay Import Auto Group/ Sun Valley Nissan;
2. 670488 B.C. Ltd., DBA Kootenay Import Auto Group/Hillcrest Hyundai;
3. Arrow Motor Sales Ltd., DBA Kootenay Import Auto Group/Arrow Motors;
4. B.P.Y.A 1693 Holdings Ltd., DBA Kootenay Import Auto Group/Kootenay Honda and
5. F.A.D. Holding Ltd., DBA Kootenay Import Auto Group/Subaru of Cranbrook

(and each of them) is a "supplier" within the meaning of subsection 1(1) of the *Business Practices and Consumer Protection Act*;

**AND WHEREAS** the Registrar of Motor Dealers (the "Registrar") has reason to believe that each supplier is contravening, is about to contravene or has contravened the *Business Practices and Consumer Protection Act* or the regulations made hereunder, namely:

- A. Did, between January 29, 2008 and February 2, 2008, both dates inclusive, commit or engage in a deceptive act or practice in an advertising campaign which inferred a price benefit to consumers by announcing a price benefit for motor vehicles sold or offered for sale at a Massive Vehicle Liquidation On Right Now event ("event") when in fact the motor vehicle inventory were priced higher for the event than prior to the event, contrary to section 5(1) of the *Business Practices and Consumer Protection Act* SBC 2004 c.2.

**NOW THEREFORE** the undersigned (and each of them, if more than one):

1. Hereby undertakes:
  - (a) To comply with the *Business Practices and Consumer Protection Act* and the regulations made thereunder;
  - (b) To refrain from engaging in the following acts or practices:
    - (i) deceptive acts or practices and more specifically engage in advertising a sale wherein the prices of the motor vehicles offered for sale are higher than prior to the sale;
    - (ii) that the purpose or intent of the solicitation of, or a communication with, a consumer by a supplier is for a purpose or intent that differs from the fact;

- (ii) that uses exaggeration, innuendo or ambiguity about a material fact or fail to state a material fact; and
  - (iii) mislead consumers into believing that a price benefit or advantage exists when it does not.
- (c) To reimburse to the Registrar for the costs of inspection, including actual legal costs, relating to the matters which are the subject matter of this Undertaking, namely: investigation costs amounting to \$2,647.11
- (d) To make or maintain trust accounts, records, contracts, advertisements or other documents as follows:
- (i) to keep list prices of motor vehicle inventory from the date the motor vehicle came into each supplier's inventory to when it was sold or disposed of.

2. Hereby acknowledges, represents and declares:

- (a) That Jim Szakacs, dealer principle of each of the dealers, has sought and obtained legal advise from Gerald J. Kambeitz, Q.C., of Steidl Kambeitz Law Corporation 201-907 baker Street, Cranbrook, BC;
- (b) That on July 9, 2008, Gerald Kambeitz provided VSA with a signed document wherein Jim Szakacs agreed to sign a voluntary undertaking accepting reimbursement of the VSA's investigation costs of \$2,647.11, an admission that each supplier violated sections 4(3)(b)(iii), 4(3)(b)(vi) 4(3)(c)(i) of the Business Practices and Consumer Protection Act (for clarity the offence section is Section 5(1)of the Business Practices and Consumer Protection Act) and agreed that each supplier would pay an administration penalty of \$2,000.00 each.
- (c) That this undertaking and the accompanying Notice of Penalty does not absolve each supplier from any complaints from any consumer who purchased a motor vehicle at or during the event;
- (d) If this Undertaking is given by two or more persons or two or more suppliers, all the persons and/or suppliers named in the Undertaking are jointly and severally responsible for complying with the Undertaking and are jointly and severally liable for the payment of any amounts under the Undertaking and the Notice of Penalty; and
- (e) That the undersigned have each read this Undertaking and have had the opportunity to take independent legal advice as to its terms.

VEHICLE SALES AUTHORITY OF B.C.


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**IN WITNESS WHEREOF** the undersigned (and each of them, if more than one) has set his/her/its hand and seal (attested by the hands of its duly authorized officers, if applicable):

1. Name: 586535 B.C. Ltd., DBA Kootenay Import Auto Group/ Sun Valley Nissan  
Motor Dealer (Registration No. 30313)  
Business Address: 2024 Cranbrook Street North, Cranbrook, BC V1C 3T1;
2. Name: 670488 B.C. Ltd., DBA Kootenay Import Auto Group/Hillcrest Hyundai,  
Motor Dealer (Registration No. 30315)  
Business Address: 2032 Cranbrook Street North, Cranbrook BC V1C 3T1;
3. Name: Arrow Motor Sales Ltd., DBA Kootenay Import Auto Group/Arrow Motors  
Motor Dealer (Registration No. 5467)  
Business Address: 2034 Cranbrook Street North, Cranbrook BC V1C 3T1;
4. Name: B.P.Y.A 1693 Holdings Ltd., DBA Kootenay Import Auto Group/Kootenay Honda,  
Motor Dealer (Registration No. 10702)  
Business Address 1027 Victoria Avenue North, Cranbrook, BC V1C 3Y6; and
5. Name: F.A.D. Holding Ltd., DBA Kootenay Import Auto Group/Subaru of Cranbrook,  
Motor Dealer (Registration No. 10523)  
Business Address: 2016 Cranbrook Street North, Cranbrook BC V1C 3T1

Date: July 30 2008

Signature:  Title: PRESIDENT  
Stephen James Szakacs

**ACCEPTED** by the Registrar this 31 day of July, 08.

  
Ken Smith Registrar of Motor Dealers

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