

IN THE MATTER OF
THE CONSUMER PROTECTION AND BUSINESS PRACTICES ACT, SS 2013, c C-30.2

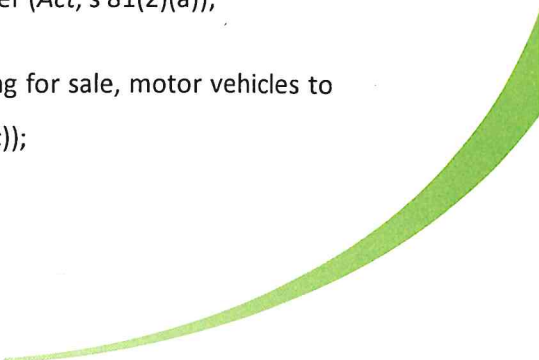
AND

EVE RICE

COMPLIANCE ORDER
(pursuant to Sections 81 & 84)

An opportunity to be heard was scheduled for Ms. Eve Rice on October 25, 2019 at 10:00 AM which was Ms. Rice's opportunity to make representations to the Deputy Director with respect to the information and evidence that was contained in the Disclosure Materials, the Notice of Compliance Order and the statement of costs that were served upon Ms. Rice on October 6, 2019. Ms. Rice failed to attend the scheduled hearing and therefore chose not to make representation to the Deputy Director. Given this, and in light of the now uncontroverted evidence supporting the grounds in the Notice of Compliance Order, the Deputy Director is satisfied that Eve Rice was at all material times, and is, not complying with *The Consumer Protection and Business Practices Act, SS 2013, c C-30.2 [Act]* and *The Consumer Protection and Business Practices Regulations, SR 2015, c C-30.2 Reg 1 [Regulations]* because at all material times Eve Rice carried on business as a dealer and assisted others in carrying on the business of a dealer without a license contrary to sections 56 of the *Act* and sections 5-8 and 5-10 of the *Regulations*, and that Eve Rice is failing to comply with a demand for information pursuant to sections 78 and 79 of the *Act* and has furnished false information to the Deputy Director contrary to section 108(1)(b) of the *Act*,

The Deputy Director hereby **orders** that:

- a. Eve Rice immediately cease operating as an unlicensed dealer (*Act*, s 81(2)(a));
 - b. Eve Rice immediately refrain from selling, and/or advertising for sale, motor vehicles to consumers until she obtains a license to do so (*Act*, s 81(2)(c));
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- c. Eve Rice comply with the Deputy Director's demand for information pursuant to sections 78 and 79 of the *Act* and refrain from continuing to furnish false information contrary to subsection 108(b) of the *Act*; and
- d. Eve Rice pay the costs of these proceedings in the amount of \$1,437.11 (*Act*, s 84).

ISSUED at Regina, Saskatchewan, this 20th day of December, 2019.



Denny Huyghebaert, Deputy Director
Financial and Consumer Affairs Authority
Consumer Protection Division

IN THE MATTER OF
THE CONSUMER PROTECTION AND BUSINESS PRACTICES ACT, SS 2013, c C-30.2
AND
EVE RICE

NOTICE OF COMPLIANCE ORDER

OPPORTUNITY TO BE HEARD

The within Compliance Order is being proposed in respect to Eve Rice.

Pursuant to section 81 and 84 of *The Consumer Protection and Business Practices Act, SS 2013, c C-30.2 [Act]*, the Deputy Director has the power to issue Compliance Orders and Costs Orders. Pursuant to common law principles of procedural fairness, you have the right to be heard prior to the Deputy Director issuing any Compliance Order and/or Costs Order. **Your opportunity to be heard will take place on October 25, 2019 at 10:00pm at 1919 Saskatchewan Drive, Floor 7.**

Should you believe that any of the grounds listed below are mistaken, that the Deputy Director has misinterpreted the law, or that the Deputy Director should consider other evidence or law, you should exercise your opportunity to be heard. The Deputy Director will consider your submissions prior to reaching a final decision as to whether a Compliance Order and/or Costs Order should issue.

Should you not exercise your opportunity to be heard, please note that the Compliance Order and/or Costs Order may issue without further notice.

Proposed Orders:

1. The Deputy Director proposes to order the following:
 - a. Eve Rice immediately cease operating as an unlicensed dealer (*Act, s 81(2)(a)*);
 - b. Eve Rice immediately refrain from selling, and/or advertising for sale, motor vehicles to consumers until she obtains a license to do so (*Act, s 81(2)(c)*);
 - c. Eve Rice comply with the Deputy Director's demand for information pursuant to section 78 of the *Act* and refrain from continuing to furnish false information contrary to subsection 108(b) of the *Act*; and
 - d. Eve Rice pay the costs of this proceeding in the amount of \$1,437.11 (*Act, s 84*).

Grounds supporting the proposed Orders:

Compliance Orders (Section 81)

Eve Rice is an Unlicensed Dealer

2. The Deputy Director has jurisdiction to issue compliance orders if s/he is satisfied that a person is not complying with the *Act*, the *Regulations*, or a voluntary compliance agreement (*Act*, s 81(1)).
3. Based on the attached Disclosure Materials, the Deputy Director is satisfied that Eve Rice is not complying with the *Act* and/or the *Regulations*.
4. Eve Rice has been engaging in a designated business by operating as a dealer when she currently does not hold, and never has held, a licence to do so contrary to section 56 of the *Act* and sections 5-8 and 5-10 of the *Regulations*.
5. A "dealer" is defined in subsection 5-7(e) of the *Regulations* as, in part, "a person carrying on the business of a dealership or who holds himself or herself out as a dealer, whether on the person's own account or on the account of another person...".
6. A "dealership" is defined in subsection 5-7(f) of the *Regulations*, in part, as a business that sells or leases vehicles or offers vehicles for sale or lease...".
7. A "sale" is defined in subsection 5-7(j) as including "a disposition or acquisition of a vehicle by exchange, trade or consignment." (emphasis added)
8. Between January 26, 2017 and March, 2017, Eve Rice acquired at least 27 motor vehicles from the Government of Saskatchewan's Central Vehicle Agency (now SaskSurplus Sales), including but not limited to:
 - a. Various Chrysler Sebrings;
 - b. Various Dodge Grand Caravans;
 - c. Various Chevrolet Impalas;
 - d. Various Dodge Ram 2500s;
 - e. Various Ford F250 Super Duties;
 - f. 2006 Dodge Magnum SE Wagon;

- g. 2004 Dodge Dakota V8 Quad Cab 4WD;
 - h. 2008 Chevrolet Silverado 1500; and
9. Between January 25, 2017 and November 22, 2017, Eve Rice disposed of by way of sales to consumers at least the following 3 motor vehicles:
- a. 2008 Ford F250 Super Duty Crew Cab 4WD;
 - b. 2007 Chrysler Sebring Touring; and
 - c. 2005 Chrysler Sebring Touring.
10. None of Eve Rice's sales to consumers were completed on a form of vehicle contract that met the requirements imposed on dealers by section 5-25 of the *Regulations*.

Eve Rice Assists Immediate Family in Unlicensed Dealing and Benefits Therefrom

11. Eve Rice also assisted some of her immediate family members, including Jennifer Rice (her mother) and Don Rice (her father) (collectively, the "Rice Family") in carrying on the business of a dealership while not being licensed contrary to section 56 of the *Act* and sections 5-8 and 5-10 of the *Regulations*.

12. At times, Jennifer Rice would sell motor vehicles under her name (or an alias) and ask the consumer to write a cheque for the vehicles to Eve Rice with the intention of depositing the funds into one of Eve Rice's bank accounts. This occurred in respect to a 2007 Dodge Ram 2500 Quad Cab sold by Jennifer Rice to a consumer under the alias Jenelle Lake. Jennifer Rice directed the consumer to make the cheque payable to Eve Rice and the consumer complied with this direction.

13. Some of the motor vehicle sale transactions by the Rice Family were completed under fake names, including:

- a. Jenn Lake
- b. Jenna Lake
- c. Jenelle Lake
- d. Jenna Massi
- e. Jenna Pryce
- f. Mary Rice

- g. Lisa McLean
- h. Jenna Ricette
- i. Jenna Hodgson

14. Between January 26, 2017 and May 10, 2018, or over an approximate 16-month period, the Rice Family acquired and/or disposed of at least 72 motor vehicles, all while being unlicensed. In addition, over this same time period, the Rice Family's total **REVENUES** from their sales were at least **\$285,950.00**.

15. At a minimum, Eve Rice's revenues from sales to consumers in her own name totaled \$18,000.00.

Eve Rice Fails to Comply with Demand and Furnishes False Information

16. Subsection 2(i) of the *Act* defines "supplier" as, amongst other things, a "person who, as principal or agent, carries on the business of: (i) selling, leasing or otherwise providing goods or services on a retail basis...".

17. In acting as an unlicensed dealer by acquiring and selling motor vehicles (a good) and selling, Eve Rice is a supplier.

18. Section 78 of the *Act* gives the Deputy Director the authority to make inquiries and conduct inspections, audits or examinations of the business and activities of suppliers to ensure compliance with, amongst other things, the *Act* and *Regulations*.

19. Section 79 of the *Act* gives the Deputy Director the authority to compel records or property from a supplier by way of a written demand for the purpose of administering and enforcing, amongst other things, the *Act* and *Regulations*.

20. On July 21, 2019, FCAA Staff personally served Eve Rice with a letter from the Deputy Director that contained, amongst other things, a formal demand for information and records pursuant to sections 78 and 79 of the *Act*.

21. On August 1, 2019, Eve Rice left a voicemail with FCAA Staff stating in response to the demand that:

- a. She did not know anything about any of the inquiries made in demand letter as she did not know anything about any motor vehicle sales;

b. She was, as of August 1, 2019, only 17 years old.

22. Eve Rice furnished false information in her voicemail. In addition to having knowledge of the acquisition and disposition of vehicle sales, Eve Rice is not 17 years old as she claimed. Eve Rice was born on May 26, 1999, which made her 20 years old at the time she left her voicemail.

23. In addition, Eve Rice was over 18 years of age at the time of each and every acquisition and disposition of the vehicles noted above.

24. In failing to comply provide the information demanded, and in having furnished false information to the Deputy Director, Eve Rice is not in compliance with sections 78, 79, and 108(1)(b) of the *Act*.

Costs Order (Section 84)

25. The Deputy Director has jurisdiction to issue a Costs Order after it conducts a proceeding if after conducting that proceeding the Deputy Director is satisfied that a person has not complied with an imposed requirement of, *inter alia*, the *Act* and/or *Regulations (Act, s 84)*.

26. Based on the Disclosure Materials, the Deputy Director is satisfied that Eve Rice is not complying with the *Act* and *Regulations* as she has failed to abide by the requirements to obtain a license prior to engaging in a designated activity (*Act, s 56*) and has failed to abide by the prohibition against dealers selling motor vehicles without a license (*Regulations, ss 5-8 and 5-10*). In addition, Eve Rice has failed to comply with a demand for information made pursuant to sections 78 and 79 of the *Act* and is therefore in contravention of those sections as well as subsection 108(1)(b) of the *Act*.

27. The Disclosure Materials show that the costs of or relating to the within regulatory proceedings are \$XX (*Act, s 84(1) and (2)*).

Materials and Evidence Relied Upon:

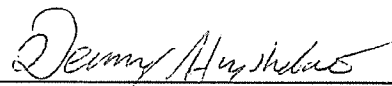
28. Attached Disclosure Materials; and

29. Draft Compliance Order.

Applicable Acts and Regulations:

30. *The Consumer Protection and Business Practices Act*, SS 2013, c C-30.2, ss 56, 78, 79, 81, 84;
31. *The Consumer Protection and Business Practices Regulations*, SR 2015, c C-30.2 Reg 1, ss 5-7, 5-8, 5-10.

DATED at Regina, Saskatchewan, this 2nd day of October, 2019.



Denny Huyghebaert, Deputy Director
Financial and Consumer Affairs Authority
Consumer Protection Division