“BE INFORMED BEFORE YOU BUY A VEHICLE”

Introducing the Consumer
to
The Vehicle Dealer Regulations (2016)

Note to Reader

New vehicle dealer provisions (hereafter referred to as the “vehicle dealer regulations”), are found in Part V of The Consumer Protection and Business Practices Regulations, which are regulations flowing from The Consumer Protection and Business Practices Act. These vehicle dealer regulations replace and update The Motor Dealers Act and came into effect February 1, 2016.

The guide is hyperlink enabled at http://fcaa.gov.sk.ca/CPD-VD. Check periodically for updates.

Disclaimer - these guidelines summarize the position of the Director of Consumer Protection and Business Practices on the issues raised herein and does not constitute legal, business or other advice and should not be relied on as such. The relevant sections of The Consumer Protection and Business Practices Act and its associated regulations should always be consulted for any legal interpretation or application. Readers should consult with legal counsel for the legal interpretation or application of The Consumer Protection and Business Practices Act and its associated regulations.

January 2016
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Quick Summary of some Key Changes

**Drive-away price (section 3)**
A selling price is not required in advertisements - but if the dealer advertises the vehicles price in an advertisement [5-21(2)(i)] or on the sales lot at the dealer’s premises [5-21(3)], the price advertised or listed must be the drive-away price.

**Material fact disclosure (section 4)**
The buyer must be given any material fact or they may be able to cancel the transaction or make a claim for damages. A “material fact” is information that is known to the dealer or that the dealer should reasonably be expected to know that could reasonably be expected to influence a reasonable consumer’s decision to buy or lease, or refuse to buy or lease, a vehicle from the dealer.

**Leases are now covered (section 7c)**
When leasing from a licensed dealer, a lease contract must now contain, among other things, an explanation of what constitutes normal wear and tear, including details regarding any obligations the lessee may have for payment for excessive wear and tear;

**Minimum Power Train Vehicle Warranty (section 9)**
If the vehicle has been driven a distance less than 200,000 kilometres, the dealer must provide a minimum warranty on the power train for 30 days or 1,000 kilometres, whichever occurs first.
1. GENERAL INFORMATION

Did you Know?

To be in the business of selling vehicles that were not used for one’s own personal, family or household purposes requires the seller to hold a vehicle dealer licence.

You can check to see if a dealer is licensed from the webpage - FCAA411.

Do not buy from unlicensed dealers also known as curbers or curbsiders, if they are not listed in FCAA411.

Report curbers or curbsiders to the FCAA.

A. Vehicle Dealer Legislation

Legislation governing the vehicle dealer sector is found within Part V (the Designated Activities and Licensing sections) of The Consumer Protection and Business Practices Regulations attached to The Consumer Protection and Business Practices Act. On February 1 2016, these regulations replaced The Motor Dealers Act.

The Act and the Regulations are administered by the Financial and Consumer Affairs Authority (FCAA). The lead vehicle dealer administrator is the Director of Consumer Protection and Business Practices (the “director”). The director is supported by a deputy director, licensing officers and investigators.

Consumer who have questions or wish to file a complaint should contact the Consumer Protection Division of the Financial and Consumers Affairs Authority (FCAA).

B. Contact Information

Consumer Protection Division
Financial and Consumer Affairs Authority
Suite 500 - 1919 Saskatchewan Drive
Regina, SK S4P 4H2
Email: consumerprotection@gov.sk.ca
Phone: (306) 787-5550
Toll Free: 1-877-880-5550
Fax: (306) 787-9779

New vehicle dealer regulations information web page - http://fcaa.gov.sk.ca/vehicledealers

Vehicle Dealer Regulations -

C. References and Key Definitions

References in this document should be understood as being taken from The Consumer Protection and Business Practices Regulations unless otherwise noted. When referring to sections in The Consumer Protection and Business Practices Act, and not the regulations, the phrase “of the Act” will be added (e.g. s 108 of the Act); this should alert the reader to look to the Act.
Key Definition [Regulation 5-7] - Vehicle is defined as any self-propelled vehicle required to be registered pursuant to The Traffic Safety Act and includes cars, SUV’s, trucks including commercial trucks, buses, motor bikes, motorized RV’s and snowmobiles.

D. Exemptions from the Requirement to hold a Vehicle Dealer Licence
The following businesses do not require a vehicle dealer licence:

1. A person (other than a person licensed as a broker) who only sells vehicles to dealers;

2. An auction sales company licensed under The Auctioneers Act that auctions only vehicles owned by others and not owned by the auction company itself (if the auction sells its own vehicles or sells vehicles for others outside of an auction, a license is required);

3. The sale of vehicles by Saskatchewan Government Insurance (SGI) or an insurer licensed pursuant to The Saskatchewan Insurance Act as a result of administering an insurance claim;

4. A person:
   i. who trades in vehicles solely for the purpose of providing or facilitating financing for the purchase or lease of a vehicle;
   ii. who sells a vehicle to a dealer that the person has repossessed or seized under a security agreement; or
   iii. whose dealings in vehicles are incidental to his or her ordinary business of lending money or dealing in financial contracts or instruments;

   Note: A person in the business of selling vehicles on behalf of the entities mentioned in this exemption is required to be licensed.

5. A secured creditor enforcing his or her security interest;

6. An unpaid commercial lien claimant within the meaning of The Commercial Liens Act who sells a vehicle to satisfy a lien, unless that person is otherwise a dealer;

7. A business or government agency selling its own fleet vehicles if the vehicles have been owned by the business or government agency for more than one year (‘fleet vehicles’ [5-7] means vehicles owned by a business or government agency and used by the employees of the business or government agency for business purposes);

8. A trustee in bankruptcy, receiver, liquidator, sheriff, collateral recovery agent or person acting under an order of a court or by statutory authority or an executor, estate trustee or other trustee or a lawyer who sells a vehicle in the course of the person’s duties or professional capacity;

   Note that a person in the business of selling vehicles on behalf of the entities mentioned in this exemption is required to be licensed.

9. A manufacturer, exporter, importer or distributor of vehicles that sells vehicles only to a licensed dealer or to a person who sells vehicles to a licensed dealer;
10. A person who leases vehicles to consumers for a term of less than 120 days and does not sell their own vehicle inventory to consumers at the end of the vehicle’s business life cycle.

E. **Offense to Operate Without a Licence**
It is an offense to operate as a dealer without holding a valid licence [s. 108 & 109 of The Act]. Violators are subject to prosecution, fines and/or jail terms.

F. **FCAA411 (web register)**
Once licensed, every licensed Saskatchewan vehicle dealer is listed on the FCAA webpage at [FCAA411](#).

G. **Premises Requirements [5-14]**
Dealers are required to meet certain premises requirements (note, this does not apply to a broker or to a business outside Saskatchewan that leases fleet vehicles to persons in Saskatchewan). Unless otherwise exempted, a dealer must have:

(a) land designated for vehicle display and storage that meets municipal zoning requirements and is capable of holding a minimum of six vehicles;
(b) a structure where business is conducted that meets the requirements of the director;
(c) a permanent sign that meets the director’s requirements;
(d) a salesperson:
   i) who is in attendance at the premises ... to deal with consumers during normal hours of operation; or
   (ii) who, if the premises ... are operated on an appointment basis only, is made available by the dealer at those premises:
      (A) for an appointment within three business days after a consumer’s request for an appointment; and
      (B) for a reasonable amount of time.
(e) any other thing respecting premises that is required by the director.

H. **Repair Facility [5-14(3); 5-10(4),(5)]**
Other than brokers (as defined earlier) and vehicle rental companies who sell their own fleet, every dealer must either have its own facility or designate a third-party facility that is available to make repairs to vehicles sold or leased by the dealer.

In addition, before any sale or lease is concluded, if the repair facility is located more than 80 kilometres from the dealer’s premises [5-22(1)(c)], the dealer must disclose to the consumer the location of the repair facility.
2. ADVERTISING VEHICLES FOR SALE

Consumer Tip

The Vehicle Dealer Regulations of The Consumer Protection and Business Practices Act set out the advertising rules for the vehicle dealer sector. One of these is the drive-away price rule:

*A selling price is not required in advertisements but if the dealer advertises the vehicle’s price, the price advertised must be the drive-away price.*

Consumers should avoid dealers who do not follow the required advertising rules.

The Vehicle Dealer Regulations of *The Consumer Protection and Business Practices Act* set out the advertising rules for the vehicle dealer sector in the following areas:

A. NAME OF DEALERSHIP REQUIRED IN ADVERTISING

5-21(1) No dealer or salesperson shall publish or cause to be published in a newspaper or other printed or electronic publication an advertisement for the sale of a vehicle unless the advertisement contains:

- (a) the name of the dealer; or
- (b) the words ‘Dealer Licence Number’ or the initials ‘DL’ followed by the number of the licence issued to the dealer pursuant to this Division.

B. CONTENT OF ADVERTISING

5-21(2) A dealer must ensure that every advertisement for a dealer’s business that promotes the purchase or lease of a vehicle from the dealer:

- **Must use reasonable font size**: that is:
  5-21(2)(c) does not use a font that due to its size or other visual characteristics is likely to materially impair the legibility or clarity of the advertisement;

- **Must not misrepresent**
  5-21(2)(a) ... through statements or omissions, a vehicle’s mechanical or structural condition; and

- **Must** 5-21(2)(b) use descriptions and make promises only in accordance with actual conditions, situations and circumstances;

- **Must not use certain words or phrases unless those can be proved to be accurate.** That is, the advertisement is not to:

  5-21(2)(d) use the words, or words similar to, ‘demonstrator vehicle’ or ‘demo vehicle’ **unless** the vehicle in question was purchased new by the dealer and used primarily for sales demonstrations by the dealer;
5-21(2)(e) use the words, or words similar to, ‘savings’, ‘discount’, ‘percentage off the purchase price’, ‘free’, ‘invoice price’, ‘below invoice’, ‘dealer’s cost’, ‘at cost’, or ‘employee pricing’ or show a price that is a specified amount above or below invoice or cost unless the claims represented by the words, or the price shown, can be substantiated;

5-21(2)(f) use the words, or words similar to, ‘wholesale’, ‘take over payments’ or ‘repossession’ unless the claims represented by the words can be substantiated;

5-21(2)(g) imply that a warranty exists with respect to a vehicle or a repair or service unless that warranty with respect to the vehicle, repair or service exists and is available at the price advertised;

5-21(2)(h) make comparisons or claims of superiority unless the results of the comparisons or the claims can be substantiated;

C. **TIME LIMITED SALES PRICE ADVERTISEMENTS**

Note that a vehicle price that is advertised as a time-limited sales price is only valid for the stated time period.

D. **STOCK NUMBER**

(i) if a specific vehicle is advertised as being available at the time the advertisement is placed and if the dealer lists the price of the vehicle, whether or not the advertisement contains a picture of the vehicle, the dealer must include a dealer’s stock number for that vehicle.

E. **LOT ADVERTISEMENTS (including in or on the vehicle window)**

A vehicle price is not required in advertisements but if the dealer chooses to advertise the vehicle’s price on the sales lot, the price advertised or listed in the advertisement must be the drive-away price. For pre-owned vehicles, a window sticker on a vehicle on the sales lot at the dealer’s premises is considered an advertisement.

Note the allowance for the Manufacturer Suggested Retail Price (MSRP) listing on new vehicles in section 4 of this document.

F. **ADVERTISING LOAN PAYMENT PRICES**

[5-21(5)] A dealer who advertises a periodic payment for a vehicle that is to be financed on approved credit must include in the advertised price the total charges that the consumer would pay if credit is approved, not including PST and GST.

For example, if the advertisement states “$299 for 84 months,” the advertisement must include the drive-away price, the total cost and the cost of credit.

G. **NATIONAL ADVERTISING**

The content requirement, the stock number requirement and the drive-away price requirement do
not apply to national advertising. The requirements do apply if the Saskatchewan dealer is identified within or with the national advertisement.

3. THE DRIVE-AWAY PRICE

<table>
<thead>
<tr>
<th>Consumer Tip</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the consumer elects to purchase the vehicle as-advertised (that is, without a trade, financing or extra items), the price to be paid for the vehicle is the advertised price or less (if the parties so agree) plus GST and PST, if applicable. In this case, no additional fees, levies or charges of any kind can be collected by the dealer.</td>
</tr>
<tr>
<td>Where periodic financing terms are advertised the total amount payable must be listed and that total amount must include all fees except those fees, if any, for processing a trade-in.</td>
</tr>
<tr>
<td>Note the allowance for the MSRP sticker listing on a new vehicle in section 3C of this document.</td>
</tr>
<tr>
<td>As a consumer, make sure you keep a copy of the advertisement to avoid disputes or as evidence. Complaints without supporting evidence will not generally be investigated.</td>
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| An administration, documentation or service fee is permitted if one of the following situations occurs: |
| i. Where a selling price was not advertised, |
| ii. Where there is a trade-in involved, or |
| iii. Where financing terms were not advertised and dealer assisted financing for the vehicle is required. |
| Even when the fee is permitted, such a fee is optional and thus up to each individual dealer to invoke. In no case should these fees be characterized as being required by regulation by the “government” or by the “regulator.” Thus ask about a fee if there is a trade or financing is involved. |

A. The Advertised Drive-Away Price

A selling price is not required in advertisements but if the dealer advertises the vehicle’s price in an advertisement [5-21(2)(i)] or on the sales lot at the dealer’s premises [5-21(3)], the price advertised or listed must be the drive-away price. Note the allowance for the MSRP sticker price on a new vehicle.

If there is an advertised price for a vehicle, where there are no trades or financing associated with the vehicle purchase, all associated fees must be included within the advertised drive-away price. That said, the price components that ultimately make up the drive-away price may be broken down into separate line items in the contract as long as the total does not exceed the advertised drive-away price plus applicable taxes.

Where periodic financing terms are advertised the total amount payable must be listed and that total amount must include all fees except those fees, if any, for processing a trade-in.
**Drive-away price** [5-17] means the total charges, not including PST and GST or financing charges, that the consumer, if paying cash without a trade, would be required to pay to conclude a transaction, including:

(i) the price of the vehicle; and  
(ii) charges for freight, inspection before delivery of the vehicle, fees and levies;

If the consumer elects to purchase the vehicle as-advertised (that is, without a trade, financing or extra items), the price to be paid for the vehicle is the advertised price or less (if the parties so agree) plus GST and PST, if applicable. In this case, no additional fees, levies or charges of any kind can be collected by the dealer.

Where periodic financing terms are advertised the total amount payable must be listed and that total amount must include all fees except those fees, if any, for processing a trade-in.

**B. Advising the Potential Purchaser of the Drive-Away Price**

During the negotiation process for the sale of a vehicle, if a price was previously advertised (even if there is a trade or the vehicle is financed), the purchaser must be informed of the drive away price in writing prior to the formation of the contract. This can be done by any method including (but not limited to):

i. providing the drive-away price on the sales contract (this is the preferred option; note that the drive-away price can be called advertised price, retail price, etc. as long as it is obvious to the buyer)  
ii. allowing the consumer to see a copy of the advertisement, or  
iii. providing the drive-away price in writing in some other fashion

For clarity, the drive-away price includes any charge that is to be added to the final invoice or treated as mandatory by the dealer. A charge is deemed to be mandatory if the buyer is not given the opportunity to decline the charge during the negotiation process.

Further, if a dealer intends to charge for products or services they have pre-installed on a vehicle, those costs must also be included in the advertised drive-away price.

Examples include:

- Charges for filling tires with nitrogen  
- Installed or pre-paid protection packages  
- Pre-paid warranties  
- Pre-installed or pre-paid security or theft deterrent products/services (etching, etc.)  
- Fuel, block heaters, etc.

Where a price was not included in the advertisement or if there is a trade or financing included in the transaction, a service, administration, inspection, or documentation fee is permitted. Ask before signing about any such fee.
C. Manufacturers’ Suggested Retail Price” (MSRP) Window Sticker on New Vehicles on the Sales Lot.

Consumer Tip - don’t assume the MSRP on a new vehicle on the sales lot is the drive-away price. Ask before deciding on a purchase.

WINDOW PRICE STICKERS ON THE SALES LOT - A window sticker with a price on the sales lot at the dealer’s premises is considered an advertisement but note the limitations below when looking at a manufacturer’s new vehicle window sticker.

The vehicle dealer advertising regulations do not apply to advertising placed by out of province vehicle manufacturers or to certain manufacturer created MSRP-stickers placed on new vehicles unless the local dealer can vary the content of the advertisement and/or the dealer is identified within such advertising. Thus a MSRP listing on a new vehicle might not be the drive-away price.

By way of explanation, out of province manufacturers often affix or cause to be affixed, a sticker on a new vehicle in accordance with their pledge to provide the gas mileage rating for that vehicle. The sticker will often include the manufacturer’s suggested retail selling price (or MSRP). This suggested price is generally the same across Canada and is not necessarily the local retail drive-away price as the MSRP may or may not include transportation costs, block heater installation (which is often not required in eastern Canada), dealer preparation, etc.

Based on the above, the Director of Consumer Protection and Business Practices takes the position that the application of the advertising rules to MSRP stickers on new factory delivered vehicles is as follows:

If the vehicle is new and the content of the MSRP sticker cannot be varied by a Saskatchewan dealer and the dealer’s name is not associated within the “MSRP” sticker, the Director of the Consumer Protection and Business Practices considers such stickers to be a national vehicle manufacturers’ advertisement and thus not subject to the provincial drive-away price regulations.

Based on the above DON’T assume the MSRP on a new vehicle on the sales lot is the drive-away price ASK for the final price before deciding on a purchase.

D. Permitted Financing and Trade-in Fees

Additional administration, documentation fees or levies are permitted, if one or more of the following occurs:

i. Where a selling price was not advertised,
ii. Where there is a trade-in involved, or
iii. Where financing terms were not advertised and financing for the vehicle is required.

Even when the fee is permitted, such a fee is optional and thus up to each individual dealer to invoke. In no case, should these fees be characterized as being required by regulation, by the “government” or by the “regulator.”

Where periodic financing terms are advertised the total amount payable must be listed and that total amount must include all fees except those fees, if any, for processing a trade-in.
In all cases, even where there is a trade or financing is required), if a price was advertised, the dealer must inform the purchaser of the drive-away price – so as a consumer, be sure to ask.

Fees must be disclosed prior to the contract being finalized.

For clarity, the drive-away price includes any charge that is to be added to the final invoice or treated as mandatory by the dealer. A charge is deemed to be mandatory if the buyer is not given the opportunity to decline the charge during the negotiation process.

Further, if a dealer intends to charge for products or services they have pre-installed on a vehicle, those costs must also be included in the advertised drive-away price. Examples include:

- Charges for filling tires with nitrogen
- Installed or pre-paid protection packages
- Pre-paid warranties
- Pre-installed or pre-paid security or theft deterrent products/services (etching, etc.)
- Fuel, block heaters, etc.

Where a price was not included in the advertisement or if there is a trade or financing included in the transaction, a service, administration or inspection, a documentation fee is permitted. Ask about any such fees before signing the vehicle contract.

4. DISCLOSURE TO THE BUYER PRIOR TO A SALE

Vehicle Buyer Reminder

Before the contract of sale or lease is entered into by the purchaser or lessee, every dealer must disclose the required material facts in writing to the prospective purchaser or lessee for their review. Failing to disclose a material fact may allow the buyer to claim damages or in some cases void the contract.

The dealer must also provide Information (this one does not have to be in writing) with respect to the availability of specific vehicle information that can be obtained from a search of other jurisdictions, including jurisdictions outside Canada.

Before the contract of sale or lease is entered into by the purchaser or lessee, every dealer must disclose in writing to the prospective purchaser or lessee for their review:

(A) All material facts, as known by the dealer or that the dealer should reasonably be expected to know at the time the vehicle contract is entered into [5-22(2)(a)].

(B) All elements required in the vehicle contract as set out in subsection 5-25(2).

(C) If a drive-away price has been advertised or displayed, the drive-away price.

(D) Information (this one does not have to be in writing) with respect to the availability of specific vehicle information that can be obtained from a search of other jurisdictions, including
jurisdictions outside Canada [5-20(3)]. Each is described below.

A. Material Fact [5-22]
Material fact means information that is known to the dealer or that the dealer should reasonably be expected to know that could reasonably be expected to influence a reasonable consumer’s decision to buy or lease, or refuse to buy or lease, a vehicle from the dealer, and includes (but is not limited to):

(a) in the case of a new vehicle, whether the vehicle has sustained damage requiring repairs costing more than 20% of the asking price of the vehicle;

(b) in the case of a used vehicle:

(i) a current printed VIN search result provided by Saskatchewan Government Insurance;
(ii) whether the vehicle has been used as a taxi, police or emergency vehicle or in organized racing;
(iii) if the vehicle has been owned by a vehicle rental company within the previous 24 months;
(iv) if the vehicle was previously registered in a jurisdiction other than a jurisdiction in Canada within the previous 36 months;
(v) whether the vehicle has been brought into Canada specifically for the purpose of resale;
(vi) whether the odometer of the vehicle:

A. does not accurately record the true distance travelled by the vehicle; or
B. has been replaced or altered.

(c) in the case of a new or used vehicle, the repair facility, if the facility is more than 80 kilometres from the dealer’s premises.

B. Elements of the Contract [5-25]
See sections 7-8 of this document for essential contract requirements.

C. The Drive-away Price
Drive-away price [5-17] means the total charges, not including PST and GST or financing charges, that the consumer, if paying cash without a trade, would be required to pay to conclude a transaction, including:

(i) the price of the vehicle; and
(ii) charges for freight, inspection before delivery of the vehicle, fees and levies;

The drive-away price rules apply only if the vehicle price was in the advertisement. This includes vehicle lot advertisements in vehicle windows (other than a MSRP sticker placed on new vehicle window by the manufacturer – see section 4 of this document).

D. Vehicle Information [5-20(3)]
No dealer shall sell a used vehicle to a consumer unless the dealer has provided information with respect to the availability of information that can be obtained from a search of other jurisdictions,
including jurisdictions outside Canada, for vehicle damage information and other types of information. These information sources include:

- SGI – VIN Search:
  - Saskatchewan: https://www.sgi.sk.ca/online_services/vin/vin-faq.html
  - Cross-Canada: https://www.sgi.sk.ca/online_services/issuer/crosscanadavinsearch.html
- RCMP VIN Search: http://app.cpic-cipc.ca/English/searchformvin.cfm
- CARFAX OR CARPROOF: www.carproof.com; www.carfax.com

E. Remedy for Non-Disclosure [5-23]
If, at the time the vehicle contract is entered into, a dealer does not provide disclosure as required by subsection 5-22(2), or provides disclosure that the dealer knows or should reasonably be expected to know is false or misleading and if:

a) the failure to disclose or the false or misleading disclosure is remediable and not of a substantial character, the consumer may, at his or her option, recover damages for losses that he or she has suffered and that were reasonably foreseeable as liable to result from the failure to disclose or the false or misleading disclosure; or

b) the failure to disclose or the false or misleading disclosure is of a substantial character, the consumer, at his or her option, may reject the vehicle and in that case, the consumer is entitled:
   (i) to recover the purchase price from the dealer; and
   (ii) to recover damages or any other losses that the consumer has suffered and that were reasonably foreseeable as liable to result from the failure to disclose or the false or misleading disclosure.

If clause (b) applies and the consumer rejects the vehicle, subsections 28(2) & (3) of the Act apply:

*The Consumer Protection and Business Practices Act:*
28 (2) The consumer shall exercise his or her right to reject the consumer product pursuant to clause (1)(b) within a reasonable period pursuant to subsection (3), except where the consumer delays the exercise of his or her right to reject because he or she has relied on assurances made by the party in breach or the party’s agent that the breach would be remedied and the breach was not remedied.

(3) For the purposes of subsection (2), regardless of whether the right to reject is being exercised by the consumer or a person mentioned in subsection 12(1), a reasonable period:

a. runs from the time of delivery of the consumer product to the consumer; and
b. consists of a period sufficient to permit any testing, trial or examination of the consumer product that may be normally required by consumers of that consumer product and as may be appropriate considering the nature of the consumer product, for the purpose of determining the conformity of the consumer product to the obligations imposed pursuant to this Part on the party in breach.

*Note:* these remedies do not apply to a dealer who leases a new vehicle to a consumer and who,
during or at the end of the term of the lease, enters into a contract with the consumer to sell the vehicle.

5. ADVANCE DEPOSITS PRIOR TO A PURCHASE

Consumer Reminder

Some dealers ask for a deposit or down payment before the final contract is formed. These deposits must be returned unless it was taken to acquire a vehicle that was not on their lot and then it is limited to two per cent of the purchase price. Dealers who break this rule should be reported to the FCAA.

Once the approved contract is signed by the dealer and the purchaser, the amount of the deposit retained or returned is governed by the contract clauses. In some cases, the contract will allow for the deposit to be in excess of 2% and may allow for it to be kept. Read and understand before you sign as the legislated deposit rules only apply before the contract is signed.

Advance deposit rules only apply prior to the formation of the sales contract. Once the approved contract is signed by the dealer and the purchaser, the amount, retention or return of any deposit is governed by the contract clauses.

Note regulation 5-24. It reads:

1. A dealer shall accept a deposit from a consumer before entering into a vehicle contract only in accordance with this section.

2. No dealer shall require or accept a deposit that is greater than 2% of the purchase price of the vehicle.

3. If a consumer does not enter into a vehicle contract for the vehicle for which the deposit mentioned in subsection (1) was given, no dealer shall retain a deposit given by the consumer unless the deposit was used to defray an actual expense to acquire a vehicle that was not in the possession of the dealer at the time the deposit was taken.

4. On or before the payment of a deposit by the consumer, the terms and conditions of the deposit taken by the dealer must be provided to the consumer in writing and must include conditions for the return of the deposit.

5. Any deposit that is returned to the consumer must be in the same form as it was provided.
6. VEHICLE PURCHASE RETURNS

Vehicle Buyer Reminder

Once a vehicle is purchased, unless required by law or the courts, there is no cooling off period to return the purchase.

Review the entire contract including attachments before signing. If the purchased vehicle can be delivered as agreed, it is up to individual dealers to decide if they will accept the return of a vehicle after the contract is signed unless the contract or the regulations allow for a return or if the courts so require.

The following provide examples of times when a return of a purchased vehicle may be required by statute:

B. If at the time the vehicle contract is entered into a dealer does not provide disclosure as required by subsection 5-22(2) of The Vehicle Dealer Regulations, or provides disclosure that the dealer knows or should reasonably be expected to know is false or misleading and the failure to disclose or the false or misleading disclosure is of a substantial character, the consumer, at his or her option, may reject the vehicle and in that case, the consumer is entitled:
   (i) to recover the purchase price from the dealer; and
   (ii) to recover damages or any other losses that the consumer has suffered and that were reasonably foreseeable as liable to result from the failure to disclose or the false or misleading disclosure.

If consumer rejects the vehicle, subsections 28(2) & (3) of the Act apply:

The Consumer Protection and Business Practices Act:
28 (2) The consumer shall exercise his or her right to reject the consumer product pursuant to clause (1)(b) within a reasonable period pursuant to subsection (3), except where the consumer delays the exercise of his or her right to reject because he or she has relied on assurances made by the party in breach or the party’s agent that the breach would be remedied and the breach was not remedied.

(3) For the purposes of subsection (2), regardless of whether the right to reject is being exercised by the consumer or a person mentioned in subsection 12(1), a reasonable period:

   c. runs from the time of delivery of the consumer product to the consumer; and
   d. consists of a period sufficient to permit any testing, trial or examination of the consumer product that may be normally required by consumers of that consumer product and as may be appropriate considering the nature of the consumer product, for the purpose of determining the conformity of the consumer product to the obligations imposed pursuant to this Part on the party in breach.

Note: this return remedy does not apply to a dealer who leases a new vehicle to a consumer and who, during or at the end of the term of the lease, enters into a contract with the consumer to sell the vehicle.
C. If the vehicle has been driven a distance less than 200,000 kilometres the dealer must provide a minimum warranty on the power train for 30 days or 1,000 kilometres, whichever occurs first.

If any component of the power train fails during the warranty period, it is deemed to be a breach of substantial character. The purchaser can elect to have it repaired or return the vehicle and require that the purchase price be returned. If it is to be repaired, the dealer can elect to require the consumer to pay a maximum of $200.00 towards the cost of repair of the vehicle.

It is the position of the Director of the Consumer Protection and Business Practices, that if the cost of the repair is price prohibitive, a dealer, in meeting the obligation with respect to the minimum power train warranty, may elect to void the contract and return all funds and trade-in or trade-in equivalencies. While the courts may award additional damages, refunding monies paid should mitigate any award, if any, should the dispute be litigated in the courts.

This minimum warranty does not apply if:
   a) it can be demonstrated that, during the minimum warranty period, the vehicle was used or misused in a manner that was not reasonably intended when it was sold; or
   b) the problem with the component that resulted in the failure was disclosed in writing to the consumer before or at the time the consumer signed the vehicle contract and the consumer acknowledged the disclosure in writing.

7. FORMS OF CONTRACT

Dealer Responsibilities and Buyer Rights

The dealer shall ensure that there is a separate vehicle contract for each vehicle that the dealer sells or leases.

If two or more persons jointly purchase or lease a vehicle, they must all be shown as owners or lessees on the vehicle contract.

A lease contract must contain, among other things, an explanation of what constitutes normal wear and tear, including details regarding any obligations the lessee may have for payment for excessive wear and tear.

For each vehicle contract, the dealer shall ensure that the contract is signed by the parties and the purchaser or lessee receives a copy of the contract immediately after signing it.

A. Endorsed Forms of Contract [5-13]

Only exact copies of the dealer’s forms of contract that have been filed with and endorsed by the Director can be used with the consumer. Failing to use such forms is an offense and may provide the consumer with the right to return the vehicle for a full refund.
B. Vehicle Purchase Contract Content Requirements [5-25]
Each vehicle contract must contain, at a minimum:

a) the names and addresses of the purchaser or lessee and the dealer;
b) the date of the contract;
c) the make, model and year of the vehicle and any specific model identifier;
d) the VIN;
e) particulars of extra equipment or accessories to be provided;
f) the odometer reading;
g) if the vehicle’s odometer is broken or faulty, has been replaced, has been rolled back or is in miles, a statement to that effect;
h) the selling price, or if sold at an auction, the final bid price;
i) the actual amount of the down payment or deposit, if any;
j) details of trade-in or exchange, if any, including the amount of any outstanding security relating to the trade-in or exchange;
k) additional warranties, if any;
l) if the dealer financed the purchase or lease, a statement to that effect; and
m) the name of the salesperson.

C. Additional Contract Requirements for Leases [5-25(4)]

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<th>Dealer Responsibilities and Buyer Rights</th>
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<td>A vehicle lease contract must contain, among other things, an explanation of what constitutes normal wear and tear, including details regarding any obligations the lessee may have for payment for excessive wear and tear;</td>
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In addition to the general vehicle purchase contract requirements, a contract that is for the lease of a vehicle must contain, at a minimum:

a) the amount due at lease signing or delivery;
b) the monthly payment and the date in each month that the monthly payment is due;
c) any other charges that the lessee is to pay;
d) the amount of total payments that will be made over the term of the lease;
e) the portion of the total payments mentioned in clause (d) that constitutes finance charges;
f) a calculation of how the monthly payment is determined;
g) a statement of the rights and obligations of the lessee in the event of early termination of the lease;
h) the amount to be paid by the lessee in the event of early termination of the lease;
i) an explanation of what constitutes normal wear and tear, including details regarding any obligations the lessee may have for payment for excessive wear and tear;
j) the amount to be paid by the lessee for excessive mileage;
k) the lessee’s responsibility respecting maintenance of the vehicle;
l) the lessee’s responsibility to maintain insurance, including insurance against a stolen or destroyed vehicle, and details of the payee of the insurance proceeds;
m) the lessee’s option to purchase at the end of the lease; and
n) the lessee’s option to purchase before the end of the lease, if any.

D. Separate Contracts for each Sale or Lease [5-25(5)]
The dealer shall ensure that there is a separate vehicle contract for each vehicle that the dealer sells or leases.

E. Each Owner must be listed on the Contract [5-25(6)]
If two or more persons jointly purchase or lease a vehicle, they must all be shown as owners or lessees on the vehicle contract.

F. Contract Must be Signed and given to Purchaser [5-25(7)]
For each vehicle contract, the dealer shall ensure that:

a) the contract is signed by the parties; and
b) the purchaser or lessee receives a copy of the contract immediately after signing it.

G. Vehicles Sold at an Auction [5-25(3)]
If a vehicle is sold by a dealer at an auction, the auctioneer must provide the winning bidder with the name and address of the dealer, as the dealer is still responsible to the purchaser.

8. CONSIGNMENT CONTRACT WITH VEHICLE SELLER

If a consignment is contemplated, the dealer must prepare a consignment contract and provide the consignor (the owner of the vehicle) with a copy of the consignment contract at the time of signing by the consignor.

The consignment contract must contain, at a minimum:

a) the names and addresses of the consignor and the dealer;
b) the commencement date and the termination date of the consignment;
c) a complete description of the vehicle being consigned, including the year, make, model, VIN and odometer reading;
d) confirmation from the consignor that the consignor owns the vehicle and has the right to sell the vehicle;
e) confirmation from the consignor that the consignor will not take any action that affects his or her authority to sell the vehicle until it is sold pursuant to the consignment agreement or the consignment agreement is otherwise terminated;
f) confirmation that any outstanding liens will be discharged at the time of sale;
g) the minimum price the consignor will accept for the sale of the vehicle;
h) a description of all fees or charges payable by the consignor to the dealer in connection with the consignment contract;
i) a description of any warranty or guarantee assignable by the consignor;
j) a statement of the responsibilities of both the consignor and the dealer with respect to insurance coverage on the vehicle during the period of the consignment; and
k) a statement allowing for or restricting the use of the vehicle during the period of the
If a consigned vehicle is sold:

a) the dealer must notify the consignor of the sale of the consigned vehicle no later than one business day after the sale of the consigned vehicle; and
b) disbursement of the sale proceeds must take place within 30 days after the sale of the consigned vehicle unless the consignor specifically waives this right, in writing, after the sale.

The sale to the consumer of a consigned vehicle is treated as a sale from the vehicle dealer; the responsibilities (including warranties and disclosure) associated with that sale rests with the dealer.

9. MINIMUM POWER TRAIN VEHICLE WARRANTY [5-29]

Consumer Warranty

If a purchased vehicle has been driven a distance less than 200,000 kilometres, the dealer must provide a minimum warranty on the power train for 30 days or 1,000 kilometres, whichever occurs first. This is but one of the protections when buying from a dealer.

There are two exceptions listed below

‘Power train’ means the engine, transmission, drive shafts, differential and the components required to deliver torque to the drive wheels of a vehicle.

Less than 200,000KM. If the vehicle has been driven a distance less than 200,000 kilometres, the dealer must provide a minimum warranty on the power train for 30 days or 1,000 kilometres, whichever occurs first.

If any component of the power train fails during the warranty period, it is deemed to be a breach of substantial character. The purchaser can elect to have it repaired at the dealer’s expense, or require that the purchase price be returned. If it is to be repaired, the dealer may require the consumer to pay a maximum of $200.00 towards the cost of repair of the vehicle.

This minimum warranty does not diminish any other warranty provided by the Act, the dealer, the manufacturer or any other party.

Exceptions

The minimum warranty does not apply if:

a) it can be demonstrated that, during the minimum warranty period, the vehicle was used or misused in a manner that was not reasonably intended when it was sold; or
b) the problem with the component that resulted in the failure was disclosed in writing to the consumer before or at the time the consumer signed the vehicle contract and the consumer acknowledged the disclosure in writing.

**Repairs.** If a power train component fails, it is the position of the director, that if the cost of the repair is price prohibitive, a dealer (in meeting their obligation with respect to the minimum power train warranty) may elect to void the contract and return all funds and trade-in or trade-in equivalencies. While the courts may award additional damages, refunding monies paid should mitigate any award, if any, should the dispute be litigated in the courts.

**Minimum power train warranties on snowmobiles and motor cycles**

The minimum power train warranty also applies to snowmobiles and motor cycles. Essentially this means that the 30 day or 1,000KM power train warranty will apply to all used snowmobiles and motor cycles machines as the 200,000KM threshold is unlikely to be reached.

If a specific component of the snow machine or motor cycle needs to be rebuilt, replaced, or has exceeded and is coming to the end its power-train life expectancy as per the manufacturer’s declaration or the dealer’s examination, the dealer should indicate that information to the consumer in writing. Thereafter if that component fails, the minimum power train warranty does not apply to that component. The warranty would still apply to other power train components where no disclosure was made.

The declaration is to be based on industry or manufacturer’s standard that is otherwise independently available or based on the structural or mechanical inspection done by a qualified individual.

The consumer is to sign that declaration prior to the sale. If there is no signed acknowledgement, the 30-day minimum power-train warranty applies.

Dealers may also conduct and provide a report of a safety or structural inspection – so ask if such an inspection was done and if so ask to see the results.

### 10. PROHIBITED SALES [5-20]

**Consumer Tip**

You can elect to purchase a vehicle that is not equipped as required by section 114 of *The Traffic Safety Act*, but you will need to be advised that it is not so equipped, and you cannot drive it off the sales lot.

The pre-owned vehicle buyer must also be informed of vehicle history information sources

The regulations state:

A. **No dealer shall sell or lease to a consumer a vehicle that is not equipped as required by section 114 of The Traffic Safety Act** unless:

   (a) the dealer has identified on the vehicle contract that the vehicle is not equipped as
required by that section; and
(b) the consumer has acknowledged in writing that he or she does not intend to drive the
vehicle on a highway until the vehicle is equipped as required by that Act.

B. No dealer shall sell a used vehicle to a consumer unless the dealer has provided information
with respect to the availability of and information that can be obtained from a search of other
jurisdictions, including jurisdictions outside Canada, for vehicle damage information.

These could include:

- SGI – VIN Search:
  - Saskatchewan: [https://www.sgi.sk.ca/online_services/vin/vin-faq.html](https://www.sgi.sk.ca/online_services/vin/vin-faq.html)
  - Cross-Canada: [https://www.sgi.sk.ca/online_services/issuer/crosscanadavinsearch.html](https://www.sgi.sk.ca/online_services/issuer/crosscanadavinsearch.html)
- RCMP VIN Search: [http://app.cpic-cipc.ca/English/searchformvin.cfm](http://app.cpic-cipc.ca/English/searchformvin.cfm)
- CARFAX OR CARPROOF: [www.carproof.com](http://www.carproof.com); [www.carfax.com](http://www.carfax.com)

**Explanation summaries** (note that you will need the vehicle’s VIN to perform the search. All
vehicles have a unique vehicle identification number or VIN).

SGI VIN search - Saskatchewan: The Saskatchewan VIN search is a free online service offered by
SGI and tells you the Saskatchewan status of the vehicle, the most recent Saskatchewan registration
expiry date, the past damage claims reported to SGI and the value of the appraised damages, and
whether the Saskatchewan PST is payable. **This is to be provided to you by the dealer free of
charge.**

SGI VIN search – Cross Canada: The Cross-Canada search costs $10 although at this time cannot be
completed online. This search confirms whether or not Saskatchewan will allow a vehicle to be
registered here determined by its status, whether the Saskatchewan PST is payable and also
includes the Saskatchewan damage claims history. **Only information about the availability of this
search has to be provided by the dealer, it will be up to the prospective buyer if they want to obtain
and pay a fee for such a search.**

RCMP VIN Search – use the website to see if it has been reported stolen to police. Property
reported stolen is entered into the CPIC database by police jurisdictions across Canada.

CARFAX OR CARPROOF: [www.carproof.com](http://www.carproof.com); [www.carfax.com](http://www.carfax.com) These are private enterprises
that collate information into reports about a specific used car, truck or SUV, including information
such as: previous registration, accident history, structural damage history, lien status, salvage or
junk history, odometer readings, service and repair information, vehicle usage (taxi, rental, lease,
etc.), total loss accident history, recall information. Note the information is only reported if it is
elsewhere available. There is a fee for such services.
11. OTHER SITES OF INTEREST

There are many internet sites that provide information for vehicle buying consumers. Some have been listed below and may be informative. Note, however, that some of their positions may not necessarily conform to the views or positions of the vehicle dealer regulator unless otherwise noted.

Should other information site administrators wish to be included in the list, please contact our office. Listing is subject to approval of the FCAA regulator.

A. CANADIAN MOTOR VEHICLE ARBITRATION PLAN (CAMVAP)

This is not part of the updated regulations but is important information for individuals who purchase new or newer model year vehicles. The FCAA regulator is a supporting member of that plan.

See below for excerpts from their website http://www.camvap.ca/.

What is CAMVAP?

CAMVAP is a national program that you can use to resolve disputes with a manufacturer about alleged defects in your vehicle’s assembly or materials, or how the manufacturer is applying or administering its new vehicle warranty. Disputes are resolved through binding arbitration.

CAMVAP covers most domestic and imported passenger cars, light trucks, sport utility vehicles, vans and multi-purpose passenger vehicles purchased or leased in Canada, as long as the vehicle is the current model or one of four previous model years.

Having trouble with your newer model year vehicle? Visit CAMVAP.CA to see if you qualify, if your vehicle is covered and if the plan is right for you.

Note only vehicles from participating manufacturers are eligible. On January 29 2016, the CAMVAP website listed the following participating manufacturers:

- FCA Canada Inc. (Fiat Chrysler)
- Ford Motor Company of Canada, Limited
- General Motors of Canada Company
- Honda Canada Inc. (Honda, Acura)
- Hyundai Auto Canada Corp.
- Jaguar Land Rover Canada ULC (Jaguar, Land Rover)
- KIA Canada Inc.
- Mazda Canada Inc.
- Mercedes-Benz Canada Inc.
- Nissan Canada Inc. Nissan, Infiniti)
- Porsche Cars Canada, Ltd.
- Subaru Canada Inc.
- Toyota Canada Inc. (Toyota, Lexus)
- Volkswagen Group Canada Inc. (Volkswagen, Audi)
• Volvo Cars of Canada Corp.

B. THE CANADIAN CONSUMER HANDBOOK

The Canadian Consumer Handbook offers information on consumer topics to help you build your buying skills. The FCAA regulator is a supporting contributor to the site.

Vehicle buying information can be found at http://www.consumerhandbook.ca/en/topics/products-and-services/vehicle-purchase. It includes topics on general tips, choosing a dealer, comparing prices, should you buy or lease, buying a used vehicle, vehicle information number (VIN), curbsiders and resolving problems after the purchase.

Here is a summary about the handbook from their website:

The Consumer Handbook is intended to help you become a better-informed and more confident consumer. It offers information on a wide range of topics such as online shopping, contracts, housing and home renovations, identity theft, collection agencies, and much more, to help you build your buying skills.

Knowing what’s on offer in today’s marketplace and whether it suits your needs – in other words being a well-informed consumer - is key to protecting yourself. Critically examine product and service offerings before purchasing to make sure there are no unexpected or negative implications. Always remember – if it seems too good to be true, it usually is.

Along with consumer tips, the Handbook includes a directory of government and non-government contacts useful to consumers.

The Handbook was created and is updated by the Consumer Measures Committee. This Committee is a joint federal/provincial/territorial committee which provides a forum for national cooperation to improve the marketplace for Canadian consumers, through the harmonization of laws, regulations and practices and through actions to raise public awareness.

The Office of Consumer Affairs at Industry Canada, as Secretariat for the Consumer Measures Committee, is responsible for maintaining the Canadian Consumer Handbook.

C. Autos.ca

Reviews, reliability ratings, test drives, news, pricing and specifications.

D. CAA Driving Cost Calculator

Compare fuel costs and greenhouse gas (GHG) emissions compared to other vehicles.

E. Consumer Reports

A comprehensive car-buyer’s publication.

F. Transport Canada
Check to see if your vehicle has been flagged for a recall.
VEHICLE BUYER/ LEASEE CHECKLIST

The vehicle buyer generally always is in the best position to protect their own interests.

The decision to make an offer or to purchase the vehicle should be based on the best available information. To facilitate this information gathering, the new regulations require a certain amount of disclosure.

Buying a vehicle with previous structural or mechanical issues is not prohibited, but it should be up to the buyer to decide if they wish to purchase that vehicle after the issues are identified, even if they have been corrected.

While not exhaustive, to ensure that you are in a best position to protect your interest, before purchasing a vehicle seek out the following information listed below (sometimes that means not buying the vehicle on first visit):

Before purchasing a vehicle:

- Confirm that the dealer is licensed (check FCAA411). Do not deal with unlicensed dealers.

- Ask if the price was advertised. If so, what was the advertised price?

If purchasing a new vehicle, ask:

- For the drive-away price - remember on a new vehicle, the MSRP may not be the drive-away price.
- Was there sustained damages during transit or on the lot costing more than 20% of the asking price of the vehicle, this must be disclosed.

If purchasing a demo vehicle – ask:

- When did the vehicle’s manufacturer’s warranty period start. Generally, the warranty period starts when the vehicle is driven for sales demonstration purposes.

If a used or demo vehicle – ask (you will need the VIN to search on your own):

- For a SGI vehicle information report - this should be provided by the dealer for free.

- Was the vehicle previously used as a taxi, police car, emergency vehicle or in organized racing. Being one of the noted types doesn’t mean that the vehicle is defective, but it’s up to the buyer to determine if they want to purchase such a vehicle.

- Was the vehicle previously registered in Saskatchewan. If so, the PST has already been paid in full or in part (leased vehicles may only have partial taxes paid). The SGI report should provide some information in this regard.
Was the vehicle previously registered in Canada but brought in from out of province and thus subject to the full PST. SGI reports will indicate if the province was registered in SK. Other out of province reports may indicate that there were previous out of province owners, if any.

Was the vehicle brought into Canada for the purpose of resale in the last 3 years

Was the vehicle used as a daily rental vehicle in the last 2 years.

Was information provided about cross-Canada vehicle information sources such as the SGI cross-Canada Carfax, Carproof, RCMP VIN search records or reports. Only information about these services has to be provided by the dealer and there may be a fee for these reports. The VIN is required to use these services, so get the VIN.

Are there any known mechanical or structural defects?

Was a recent SGI safety inspection report provided - while not required, if available, such a report will provide vehicle information.

Was the odometer ever, fixed, replaced, or rolled back?

Are there any non-standard, special or extra equipment items included on the vehicle? After market equipment may sometimes void warranties; special equipment add-ons may enhance the value of a vehicle.

If purchasing a pre-owned special edition vehicle, find out if all original standard special edition components are still on the vehicle. Do your homework and ask questions.

If trading in a vehicle or if requesting financing, are there any additional trade-in or financing administration fees, if so what are they?

Are there any outstanding liens on the vehicle being purchased – dealers must have these removed before selling to you unless you were advised that there is an outstanding lien.

Where can one get future repairs done. If repairs or parts are required such must be available. If the repair garage is more than 80 kilometres from the dealer’s lot this must be disclosed.

If financed, do you know the length of the contract, the required periodic payment required, the interest rate and who is the lender. These must be disclosed.

If an advance deposit is requested what are the deposit rules. These must be disclosed in writing (see section 5 of this document).

Are there any additional warranties? What is the cost? What does the warranty cover and what are the buyer’s responsibilities? These are generally optional; determine if you need such. Be sure to do research before buying.
Ask if the vehicle is road worthy. Dealer must only sell vehicles equipped as required by section 114 of The Traffic Safety Act. If not, the vehicle can still be purchased, the buyer, however, cannot drive it off the lot, it must be towed.

If leasing, review the contract requirement for leases (Section 7C in this document), including:

- Among others the dealer’s obligation to explain what constitutes normal wear and tear, including details regarding any obligations the lessee may have for payment for excessive wear and tear;

- The amount to be paid by the lessee for excessive mileage;

- The lessee’s responsibility respecting maintenance of the vehicle;

- The lessee’s responsibility to maintain insurance, including insurance against a stolen or destroyed vehicle, and details of the payee of the insurance proceeds;

- The lessee’s option to purchase at the end of the lease; and

- The lessee’s option to purchase before the end of the lease, if any.
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SASKATCHEWAN REGULATIONS 72/2015

The Consumer Protection and Business Practices Act

Sections 74 and 113
Order in council 415/2015, dated August 20, 2015

(Filed August 21, 2015)

1 These regulations may be cited as The Consumer Protection and Business Practices Amendment Regulations, 2015.

R.R.S. c.C-30.2 Reg 1 amended

2 The Consumer Protection and Business Practices Regulations are amended in the manner set forth in these regulations.

………..

Note to reader. These two sections were reproduced here so that the reader is informed of the document citation. Section 3 has not been reproduced in this document (for that information in the Saskatchewan Gazette, Aug 28, 2015 using the citations above).
"PART V
Designated Activities and Licensing

DIVISION 1
General”.

New sections 5-3 to 5-6

4. The following sections are added after section 5-2:

"Fees

4-3 Subject to any contrary provision in any Division of this Part, the fees for an initial application for a licence for a designated activity and for each annual return with respect to that licence are:

(a) $300 per year for a business with employees or agents who are licensed;

(b) $600 per year for a business with:

(i) employees or agents who are exempt from licensing; or

(ii) no employees; and

(c) $125 per year for an individual employee or agent licence.

"Duration of licence

5-4(1) Each licence issued pursuant to this Part continues in force unless it is suspended or cancelled in accordance with the Act or this Part.

(2) Every licence is the property of the director.

(3) The licensee must return to the director any licence issued to the licensee that is cancelled.

"Annual return

5-5(1) Every licensee must submit to the director an annual return on or before the anniversary date of the issuance of the licensee's licence in accordance with this section.

(2) The annual return mentioned in subsection (1) must, with respect to the previous year:

(a) report any change in the information required to be provided to the director pursuant to sections 58 and 70 of the Act that has not already been reported;

(b) include a declaration that the licensee has complied with the Act and these regulations during the period since the previous annual return;

(c) include confirmation, verified by the declaration mentioned in clause (b), that the information in the annual return is true; and

(d) include any other information required by the director.
(3) A declaration mentioned in clause (2)(b) must be completed:
   (a) in the case of a licensee that is a sole proprietor, by the sole proprietor;
   (b) in the case of a licensee that is a partnership, by any partner;
   (c) in the case of a licensee that is a corporation, by a director.

(4) The fee for an annual return mentioned in subsection (1) must be paid to the director on or before the date mentioned in that subsection.

“Notice of cancellation

5-6(1) Subject to any contrary provision in any Division of this Part, a consumer may cancel a contract pursuant to this Part on giving a notice of cancellation in accordance with this section.

(2) A notice of cancellation of a contract may be expressed in any way as long as it indicates the intention of the consumer to cancel the contract.

(3) A notice of cancellation:
   (a) may be given by a consumer to a supplier by any means, including:
      (i) personal service;
      (ii) registered mail;
      (iii) courier;
      (iv) telephone;
      (v) fax;
      (vi) email; and
   (b) is deemed to be given at the time it is sent or transmitted, as the case may be”.

New Division 2 of Part V

5. The following Division is added after section 5-6:

“DIVISION 2
Vehicle Dealers

Subdivision 1
General

“interpretation of Division

5-7 In this Division:
   (a) ‘broker’ means a person whose business is restricted to the buying and selling of vehicles exclusively for dealers, or any person who holds himself or herself out as a broker;
(b) ‘consignment’ means an arrangement under which a vehicle is entrusted by a consignor to a dealer:
   (i) to facilitate a sale between a consignor and a purchaser;
   (ii) under a conditional sale to the dealer for the purpose of resale; or
   (iii) to display for sale by the dealer;
(c) ‘consignor’ means a consumer who makes a consignment;
(d) ‘consumer’ means a person who buys, leases or otherwise acquires a vehicle from a dealer;
(e) ‘dealer’ means 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 any other person, and includes, when the context requires:
   (i) a broker;
   (ii) a person who is in the business of selling repossessed vehicles, whether on his or her own behalf or on behalf of another owner;
   (iii) a vehicle rental company;
(f) ‘dealership’ means a business that:
   (i) sells or leases vehicles or offers vehicles for sale or lease; or
   (ii) takes vehicles on consignment pursuant to section 5-27;
(g) ‘fleet vehicles’ means vehicles owned by a business or government agency and used by the employees of the business or government agency for business purposes;
(h) ‘lease’ means an arrangement in which a consumer acquires the right to take possession of a vehicle from a dealer but does not acquire ownership of the vehicle;
(i) ‘repossess’ means to retake possession of a vehicle when a purchaser defaults on payments;
(j) ‘sale’ includes a disposition or acquisition of a vehicle by exchange, trade or consignment;
(k) ‘salesperson’ means an individual who sells, leases or offers for sale or lease, or solicits orders for the future delivery of, vehicles for or on behalf of a dealer;
(l) ‘vehicle’ means any self-propelled vehicle that is required to be registered pursuant to The Traffic Safety Act and includes a snowmobile;
(m) ‘vehicle contract’ means an agreement for the sale or lease of a vehicle;
(n) ‘vehicle rental company’ means a person or partnership whose business is renting vehicles on a short-term basis to consumers.
“Selling or leasing vehicles as a designated activity

5-8 For the purposes of section 55 of the Act, the selling or leasing of vehicles by a dealer is designated as a business to which Part VII of the Act applies.

“exemptions

5-9(1) This Division does not apply to the following:

(a) a person, other than a broker, who only sells vehicles to dealers;

(b) an auction sales company licensed pursuant to The Auctioneers Act that, on behalf of others, sells at auction only vehicles owned by others and not owned by itself;

(c) the sale of vehicles by Saskatchewan Government Insurance or an insurer licensed pursuant to The Saskatchewan Insurance Act as a result of administering an insurance claim;

(d) subject to subsection (2), a person:

(i) who trades in vehicles solely for the purpose of providing or facilitating financing for the purchase or lease of a vehicle;

(ii) who sells a vehicle to a dealer that the person has repossessed or seized under a security agreement; or

(iii) whose dealings in vehicles are incidental to his or her ordinary business of lending money or dealing in financial contracts or instruments;

(e) a secured creditor enforcing his or her security interest;

(f) an unpaid commercial lien claimant within the meaning of The Commercial Liens Act who sells a vehicle to satisfy a lien, unless that person is otherwise a dealer;

(g) a business or government agency selling fleet vehicles if the vehicles have been owned by the business or government agency for more than one year;

(h) subject to subsection (2), a trustee in bankruptcy, receiver, liquidator, sheriff, collateral recovery agent or person acting under an order of a court or by statutory authority or an executor, estate trustee or other trustee or a lawyer who sells a vehicle in the course of the person’s duties or professional capacity;

(i) a manufacturer, exporter, importer or distributor of vehicles that sells vehicles only to a licensed dealer or to a person who sells vehicles to a licensed dealer;

(j) the lease of a vehicle for a term of less than 120 days.

(2) A person who is in the business of selling vehicles for or on behalf of the entities mentioned in clauses (1)(d) and (h) is a dealer for the purposes of this Division.
Activities for which licence required

5-10(1) Every dealer shall hold a valid licence to sell or lease vehicles.

(2) Subject to subsection (3), for the purposes of section 57 of the Act, a separate licence is required for each location from which a person carries on business as a dealer.

(3) Subsection (2) does not apply to a dealer:
   (a) whose locations have the same business name, are within one kilometre of each other and form part of the same business; or
   (b) who carries on business from a separate location other than the main location for not more than 30 days in any calendar year.

(4) clauses 5-12(1)(d), (h) and (i), sections 5-13 and 5-14, subsections 5-21(2), 5-22(2), 5-23(1) and 5-24(1) do not apply to a dealer who is a broker.

(5) Subsection 5-14(3), clause 5-25(2)(j), subsection 5-25(4) and sections 5-26 to 5-29 do not apply to a dealer that is a vehicle rental company.

Fees

5-11 Subject to section 5-30, the fee for an application for a licence and for each annual return with respect to that licence is:
   (a) $300;
   (b) $400, effective January 1, 2016;
   (c) $500, effective January 1, 2017;
   (d) $600, effective January 1, 2018.

Application requirements

5-12(1) In an application for a licence, an applicant for a licence must provide:
   (a) the name of a contact person for the licensee;
   (b) a business phone number registered in the name of the licensee;
   (c) an email address where notices and other documents required to be delivered or sent to the licensee may be sent;
   (d) evidence that the dealer meets the requirements set out in section 5-14;
   (e) subject to subsection (3), a criminal record check dated no earlier than three months before the date of the application with respect to the following:
      (i) in the case of a corporation, all directors and officers of the corporation;
      (ii) in the case of a partnership, all partners;
      (iii) in the case of a sole proprietorship, the sole proprietor;
(f) fees as set out in section 5-11;
(g) financial security as set out in section 5-15;
(h) a copy of the vehicle contract used by the dealer that complies with section 5-25;
(i) a copy of the consignment contract, if any, used by the dealer that complies with section 5-27;
(j) a declaration verifying the information in the application; and
(k) any other information that the director directs.

(2) Subject to subsection (3), for the purposes of clause (1)(e), if a partner of a partnership is a corporation, all directors and officers of the corporate partner must provide a criminal record check.

(3) The director may exempt any person from the requirement to provide a criminal record check.

“Filing of vehicle contract
5-13(1) Every dealer shall file with the director two copies of each form of contract for sale, lease or consignment that he or she uses or proposes to use when entering into an agreement with a consumer.

(2) No dealer shall use a form of contract for sale, lease or consignment unless:

(a) the form of contract complies with section 5-25 or 5-27, as the case may be; and
(b) a copy of the form of contract has been returned to him or her bearing an endorsement by the director to the effect that the form has been accepted for filing.

(3) The director may refuse to accept for filing any form of contract for sale, lease or consignment that the director determines to be objectionable.

(4) If the director refuses to accept a form of contract for filing, the director shall, on request, specify the reason for that refusal.

“Premises
5-14(1) Subject to subsection (2), a dealer must have:

(a) land designated for vehicle display and storage that meets zoning requirements and is capable of holding a minimum of six vehicles;
(b) a structure where business is conducted that meets the requirements of the director;
(c) a permanent sign that meets the director’s requirements;
(d) a salesperson:

(i) who is in attendance at the premises mentioned in clause (a) to deal with consumers during normal hours of operation; or

(ii) who, if the premises mentioned in clause (a) are operated on an appointment basis only, is made available by the dealer at those premises:

(A) for an appointment within three business days after a consumer’s request for an appointment; and

(B) for a reasonable amount of time;

(e) any other thing respecting premises that is required by the director.

(2) Subsection (1) does not apply to a business outside Saskatchewan that leases fleet vehicles to persons in Saskatchewan.

(3) A dealer must designate a facility that is available to make repairs to vehicles sold or leased by the dealer.

(4) The director may exempt any person from any of the requirements of subsection (1).

“Financial security

5-15 Each applicant for a dealer licence must provide financial security in accordance with section 59 of the Act in an amount determined by the director that is not less than $25,000 per licence.

“Criminal record check to be updated

5-16(1) A dealer shall provide to the director an updated criminal record check before the fifth anniversary of the date of the criminal record check provided pursuant to clause 5-12(1)(e) and before every subsequent fifth anniversary of that date.

(2) clause 5-12(1)(e) applies to a criminal record check that is to be provided pursuant to subsection (1).

Subdivision 3
Specific Requirements for Vehicle Dealers

“interpretation of Subdivision

5-17 In this Subdivision:

(a) ‘drive-away price’ means the total charges, not including taxes payable pursuant to The Provincial Sales Tax Act and Part IX of the Excise Tax Act (Canada) or financing charges, that the consumer, if paying cash without a trade, would be required to pay to conclude a transaction, including:

(i) the price of the vehicle; and

(ii) charges for freight, inspection before delivery of the vehicle, fees and levies;
(b) ‘stock number’ means the number or symbol that the dealer uses to identify a specific vehicle in the dealer’s inventory;
(c) ‘VIN’ means the vehicle identification number, the vehicle information number or, in the case of a snowmobile, the serial number, that is unique to the vehicle.

“Production of licence

5-18 Every dealer must, when requested to do so by any of the following, produce the dealer’s licence for inspection:
(a) a consumer or potential consumer of the dealer;
(b) a consignor or potential consignor;
(c) the director, an inspector or an investigator;
(d) a bylaw enforcement officer appointed pursuant to section 337 of The Cities Act, section 373 of The Municipalities Act or section 394 of The Northern Municipalities Act, 2010;
(e) a member of:
   (i) the Royal Canadian Mounted Police; or
   (ii) a police service as defined in The Police Act, 1990.

“Record-keeping requirements

5-19(1) Every dealer shall keep a record of all vehicles purchased, sold, leased or taken on consignment by the dealer in any manner that will readily identify those vehicles.
(2) The records mentioned in subsection (1) must be maintained separately from any other records of the dealer that are not related to the business for which the licence was granted.
(3) Every dealer shall enter in the record mentioned in subsection (1):
(a) in the case of a vehicle purchased or acquired by the dealer:
   (i) the name and address of the person from whom the vehicle was purchased or acquired;
   (ii) the date on which the vehicle was purchased or acquired;
   (iii) an accurate description of the vehicle, including its year of manufacture, VIN, model and details of extra equipment;
   (iv) in the case of a trade-in, the allowance made; and
   (v) the odometer reading at the time of purchase or acquisition;
(b) in the case of a vehicle taken on consignment by the dealer:
   (i) the name and address of the person from whom the vehicle was taken on consignment;
   (ii) the date on which the vehicle was taken on consignment;
   (iii) an accurate description of the vehicle, including its year of manufacture, VIN, model and details of extra equipment;
(iv) a description of all fees or charges payable by the consignor to the dealer in connection with the consignment contract; and
(v) the odometer reading at the time that the vehicle was taken on consignment; and

(c) in the case of a vehicle sold or leased by the dealer:
(i) the name and address of the purchaser or lessee;
(ii) the date on which the vehicle was sold or leased;
(iii) an accurate description of the vehicle, including its year of manufacture, VIN, model and details of extra equipment;
(iv) the sale price or lease terms;
(v) the terms and method of payment;
(vi) if another vehicle is accepted as a trade-in or other property is given in exchange, a description of that vehicle or other property, including, as applicable, its year of manufacture, VIN, model and amount of trade-in or exchange allowance;
(vii) the stock number;
(viii) the odometer reading at the time of sale or lease; and
(ix) the name of the salesperson.

(4) The dealer must keep a copy of every contract entered into in the course of the dealer’s business for which the licence has been granted.

(5) The dealer must keep a record of every advertisement that lists a price of a specific vehicle.

(6) For the purposes of subsection 73(2) of the Act, the prescribed period is the longer of:
(a) five years; or
(b) if the dealer provides financing to the purchaser, the period of the loan agreement.

“Prohibited sales
5-20(1) No dealer shall sell a vehicle to a person who is not licensed pursuant to this Division if the dealer knows or should reasonably be expected to know that the person is in the business of purchasing vehicles for the purpose of resale.

(2) No dealer shall sell or lease to a consumer a vehicle that is not equipped as required by section 114 of The Traffic Safety Act unless:
(a) the dealer has identified on the vehicle contract that the vehicle is not equipped as required by that section; and
(b) the consumer has acknowledged in writing that he or she does not intend to drive the vehicle on a highway until the vehicle is equipped as required by that Act.
(3) No dealer shall sell a used vehicle to a consumer unless the dealer has provided information with respect to the availability of and information that can be obtained from a search of other jurisdictions, including jurisdictions outside Canada, for vehicle damage information.

“Advertising

5-21(1) No dealer or salesperson shall publish or cause to be published in a newspaper or other printed or electronic publication an advertisement for the sale of a vehicle unless the advertisement contains:

(a) the name of the dealer; or

(b) the words ‘Dealer Licence Number’ or the initials ‘DL’ followed by the number of the licence issued to the dealer pursuant to this Division.

(2) A dealer must ensure that every advertisement for a dealer’s business that promotes the purchase or lease of a vehicle from the dealer:

(a) does not misrepresent, through statements or omissions, a vehicle’s mechanical or structural condition;

(b) uses descriptions and makes promises only in accordance with actual conditions, situations and circumstances;

(c) does not use a font that due to its size or other visual characteristics is likely to materially impair the legibility or clarity of the advertisement;

(d) does not use the words, or words similar to, ‘demonstrator vehicle’ or ‘demo vehicle’ unless the vehicle in question was purchased new by the dealer and used primarily for sales demonstrations by the dealer;

(e) does not use the words, or words similar to, ‘savings’, ‘discount’, ‘percentage off the purchase price’, ‘free’, ‘invoice price’, ‘below invoice’, ‘dealer’s cost’, ‘at cost’, or ‘employee pricing’ or show a price that is a specified amount above or below invoice or cost unless the claims represented by the words, or the price shown, can be substantiated;

(f) does not use the words, or words similar to, ‘wholesale’, ‘take over payments’ or ‘repossession’ unless the claims represented by the words can be substantiated;

(g) does not imply that a warranty exists with respect to a vehicle or a repair or service unless that warranty with respect to the vehicle, repair or service exists and is available at the price advertised;

(h) does not make comparisons or claims of superiority unless the results of the comparisons or the claims can be substantiated; and

(i) if a specific vehicle is advertised as being available at the time the advertisement is placed and if the dealer lists the price of the vehicle, whether or not the advertisement contains a picture of the vehicle, includes the drive-away price and the stock number.

(3) Subsection (2) applies notwithstanding that a dealer’s advertisement is shown in association with a national advertisement placed by a person who is exempt from licensing pursuant to this Division.
(4) If a vehicle is displayed for sale at the dealer’s premises and the price of the vehicle is displayed, the price displayed must be the drive-away price.

(5) A dealer who advertises a periodic payment for a vehicle that is to be financed on approved credit must include in the advertised price the total charges that the consumer would pay if credit is approved, not including taxes payable pursuant to The Provincial Sales Tax Act and Part IX of the Excise Tax Act (Canada).

“Disclosure

5-22(1) In this section, ‘material fact’ means information that is known to the dealer or that the dealer should reasonably be expected to know that could reasonably be expected to influence a reasonable consumer’s decision to buy or lease, or refuse to buy or lease, a vehicle from the dealer, and includes:

(a) in the case of a new vehicle, whether the vehicle has sustained damage requiring repairs costing more than 20% of the asking price of the vehicle;

(b) in the case of a used vehicle:

(i) a current printed VIN search result provided by Saskatchewan Government Insurance;

(ii) whether the vehicle has been used as a taxi, police or emergency vehicle or in organized racing;

(iii) if the vehicle has been owned by a vehicle rental company within the previous 24 months;

(iv) if the vehicle was previously registered in a jurisdiction other than a jurisdiction in Canada within the previous 36 months;

(v) whether the vehicle has been brought into Canada specifically for the purpose of resale;

(vi) that the odometer of the vehicle:

(A) does not accurately record the true distance travelled by the vehicle; or

(B) has been replaced or altered;

(c) in the case of a new or used vehicle, the location mentioned in subsection 5-14(3), if the facility is more than 80 kilometres from the dealer’s premises.

(2) Every dealer must disclose in writing the following to the prospective purchaser or lessee before the contract of sale or lease is entered into by the purchaser or lessee:

(a) all material facts, as known by the dealer or that the dealer should reasonably be expected to know at the time the vehicle contract is entered into;

(b) all of the elements of a vehicle contract as set out in subsection 5-25(2) except clauses (b), (i), (j) and (l);

(c) if a drive-away price has been advertised or displayed, the drive-away price.
“Remedy for non-disclosure
5-23(1) If, at the time the vehicle contract is entered into, a dealer does not provide disclosure as required by subsection 5-22(2), or provides disclosure that the dealer knows or should reasonably be expected to know is false or misleading and if:

(a) the failure to disclose or the false or misleading disclosure is remediable and not of a substantial character, the consumer may, at his or her option, recover damages for losses that he or she has suffered and that were reasonably foreseeable as liable to result from the failure to disclose or the false or misleading disclosure; or

(b) the failure to disclose or the false or misleading disclosure is of a substantial character, the consumer, at his or her option, may reject the vehicle and in that case, the consumer is entitled:

(i) to recover the purchase price from the dealer; and

(ii) to recover damages or any other losses that the consumer has suffered and that were reasonably foreseeable as liable to result from the failure to disclose or the false or misleading disclosure.

(2) If clause (1)(b) applies and the consumer rejects the vehicle, subsections 28(2) and (3) of the Act apply.

(3) Subsection (1) does not apply to a dealer who leases a new vehicle to a consumer and who, during or at the end of the term of the lease, enters into a contract with the consumer to sell the vehicle.

“Return of deposit
5-24(1) A dealer shall accept a deposit from a consumer before entering into a vehicle contract only in accordance with this section.

(1) No dealer shall require or accept a deposit that is greater than 2% of the purchase price of the vehicle.

(2) If a consumer does not enter into a vehicle contract for the vehicle for which the deposit mentioned in subsection (1) was given, no dealer shall retain a deposit given by the consumer unless the deposit was used to defray an actual expense to acquire a vehicle that was not in the possession of the dealer at the time the deposit was taken.

(3) On or before the payment of a deposit by the consumer, the terms and conditions of the deposit taken by the dealer must be provided to the consumer in writing and must include conditions for the return of the deposit.

(4) Any deposit that is returned to the consumer must be in the same form as it was provided.

(5) A consumer is entitled to the return of the full deposit if the dealer fails to comply with this section.
§5-25 (1) On the sale or lease of a vehicle, the dealer must complete a form of vehicle contract that meets the requirements of this section and that has been filed with the director pursuant to section 5-13.

(2) Each vehicle contract must contain, at a minimum:

(a) the names and addresses of the purchaser or lessee and the dealer;

(b) the date of the contract;

(c) the make, model and year of the vehicle and any specific model identifier;

(d) the VIN;

(e) particulars of extra equipment or accessories to be provided;

(f) the odometer reading;

(g) if the vehicle’s odometer is broken or faulty, has been replaced, has been rolled back or is in miles, a statement to that effect;

(h) the selling price, or if sold at an auction, the final bid price;

(i) the actual amount of the down payment or deposit, if any;

(j) details of trade-in or exchange, if any, including the amount of any outstanding security relating to the trade-in or exchange;

(k) additional warranties, if any;

(l) if the dealer financed the purchase or lease, a statement to that effect; and

(m) the name of the salesperson.

(3) If a vehicle is sold by a dealer at an auction, the auctioneer must provide the winning bidder with the name and address of the dealer.

(4) In addition to the requirements of subsection (2), a vehicle contract that is for the lease of a vehicle must contain, at a minimum:

(a) the amount due at lease signing or delivery;

(b) the monthly payment and the date in each month that the monthly payment is due;

(c) any other charges that the lessee is to pay;

(d) the amount of total payments that will be made over the term of the lease;

(e) the portion of the total payments mentioned in clause (d) that constitutes finance charges;

(f) a calculation of how the monthly payment is determined;

(g) a statement of the rights and obligations of the lessee in the event of early termination of the lease;

(h) the amount to be paid by the lessee in the event of early termination of the lease;
(i) an explanation of what constitutes normal wear and tear, including details regarding any obligations the lessee may have for payment for excessive wear and tear;
(j) the amount to be paid by the lessee for excessive mileage;
(k) the lessee’s responsibilities respecting maintenance of the vehicle;
(l) the lessee’s responsibility to maintain insurance, including insurance against a stolen or destroyed vehicle, and details of the payee of the insurance proceeds;
(m) the lessee’s option to purchase at the end of the lease; and
(n) the lessee’s option to purchase before the end of the lease, if any.

(5) The dealer shall ensure that there is a separate vehicle contract for each vehicle that the dealer sells or leases.

(6) If two or more persons jointly purchase or lease a vehicle, they must all be shown as owners or lessees on the vehicle contract.

(7) For each vehicle contract mentioned in subsection (1) entered into by the dealer, the dealer shall ensure that:
   (a) the contract is signed by the parties; and
   (b) the purchaser or lessee receives a copy of the contract immediately after signing it.

(8) The director may require that a standard form of vehicle contract containing the elements mentioned in subsections (1) and (2) be used by any or all dealers.

(9) Nothing contained in a vehicle contract mentioned in this section prevents a consumer in an action on the contract from raising a representation made by the dealer or a salesperson.

“Consignment contracts

5-26(1) In this section and in section 5-27, ‘consignment contract’ means a contract between a dealer and a consignor for the sale by the dealer of a vehicle owned by the consignor that is in a form that:
   (a) meets the requirements of section 5-27; and
   (b) has been filed with the director pursuant to section 5-13.

(2) Subsection (1) and section 5-27 do not apply if the consignor is a dealer.

“Form of consignment contract

5-27(1) If a consignment is negotiated between a dealer and a consignor, the dealer must prepare a consignment contract and provide the consignor with a copy of the consignment contract at the time of signing by the consignor.

(2) The consignment contract must contain, at a minimum:
   (a) the names and addresses of the consignor and the dealer;
   (b) the commencement date and the termination date of the consignment;
   (c) a complete description of the vehicle being consigned, including the year, make, model, VIN and odometer reading;
(d) confirmation from the consignor that the consignor owns the vehicle and has the right to sell the vehicle;
(e) confirmation from the consignor that the consignor will not take any action that affects his or her authority to sell the vehicle until it is sold pursuant to the consignment agreement or the consignment agreement is otherwise terminated;
(f) confirmation that any outstanding liens will be discharged at the time of sale;
(g) the minimum price the consignor will accept for the sale of the vehicle;
(h) a description of all fees or charges payable by the consignor to the dealer in connection with the consignment contract;
(i) a description of any warranty or guarantee assignable by the consignor;
(j) a statement of the responsibilities of both the consignor and the dealer with respect to insurance coverage on the vehicle during the period of the consignment; and
(k) a statement allowing for or restricting the use of the vehicle during the period of the consignment.

“Responsibilities of dealer
5-28 If a consigned vehicle is sold:

(a) the dealer must notify the consignor of the sale of the consigned vehicle no later than one business day after the sale of the consigned vehicle; and
(b) disbursement of the sale proceeds must take place within 30 days after the sale of the consigned vehicle unless the consignor specifically waives this right, in writing, after the sale.

“Warranty
5-29(1) In this section, ‘power train’ means the engine, transmission, drive shafts, differential and the components required to deliver torque to the drive wheels of a vehicle.

(2) For any sale or lease of a used vehicle by a dealer, if the vehicle has been driven a distance less than 200,000 kilometres, the dealer must provide a minimum warranty on the power train for 30 days or 1000 kilometres, whichever occurs first.

(3) Subject to subsection (4), for the purposes of subsection (2), if any component of the power train fails during the warranty period, it is deemed to be a breach of substantial character within the meaning of clause 28(1)(b) of the Act.

(4) The dealer may require the consumer to pay a maximum of $200 towards the cost of repair of the vehicle or recovery pursuant to clause 28(1)(b) of the Act.

(5) The warranty provided by subsection (2) does not diminish any other warranty provided by the Act, the dealer, the manufacturer or any other party.
The warranty provided by subsection (2) does not apply if:

(a) it can be demonstrated that, during the minimum warranty period, the vehicle was used or misused in a manner that was not reasonably intended when it was sold; or

(b) the problem with the component that resulted in the failure was disclosed in writing to the consumer before or at the time the consumer signed the vehicle contract and the consumer acknowledged the disclosure in writing.

“Transitional

5-30(1) In this section, ‘former Act’ means The Motor Dealers Act as that Act existed before the coming into force of section 120 of the Act.

(2) A licensee who was licensed pursuant to the former Act is not required to submit an annual return pursuant to section 5-5 until the first anniversary date of the issuance of the licensee’s licence that occurs at least six months after the day on which section 5 of The Consumer Protection and Business Practices Amendment Regulations, 2015 comes into force.

(3) A licensee who was licensed pursuant to the former Act is not required to submit a vehicle contract for filing pursuant to section 5-12 until the date that is six months after the day on which section 5 of The Consumer Protection and Business Practices Amendment Regulations, 2015 comes into force.

(4) A licensee who was licensed pursuant to the former Act is not required to meet the requirements set out in section 5-14 with respect to its premises until the date that is six months after the day on which section 5 of The Consumer Protection and Business Practices Amendment Regulations, 2015 comes into force.

(5) A licensee who was licensed pursuant to the former Act is required to provide to the director an updated criminal record check at the time the licensee is required to file an annual return pursuant to subsection (2).

(6) A licensee who was licensed pursuant to the former Act is not required to meet the requirements set out in section 5-19 with respect to the keeping of records until the date that is six months after the day on which section 5 of The Consumer Protection and Business Practices Amendment Regulations, 2015 comes into force.

(7) A licensee who was licensed pursuant to the former Act is not required to meet the requirements of section 5-15 with respect to financial security until the date that is six months after the day on which section 5 of The Consumer Protection and Business Practices Amendment Regulations, 2015 comes into force”.

Coming into force

7(1) Subject to subsections (2) and (3), these regulations come into force on the day on which these regulations are filed with the Registrar of Regulations.

(2) Subject to subsection (3), subsection 3(1) and sections 4 to 6 come into force on the day on which section 120 of The Consumer Protection and Business Practices Act comes into force.

If section 120 of The Consumer Protection and Business Practices Act comes into force before the day on which these regulations are filed with the Registrar of Regulations, subsection 3(1) and sections 4 to 6 come into force on the day on which

(3) these regulations are filed with the Registrar of Regulations.