

VEHICLE INSPECTION STILL ESSENTIAL

Inspecting a vehicle and asking questions about it are both essential elements in any dealer's information gathering process.

Their importance CANNOT be overstated. Excuses about not having the time, or the customer refusing to answer questions about a trade-in won't fly with OMVIC or with a judge. Time must be found to look at the vehicle, not just at a computer or mobile device screen and customers must be asked questions about the vehicle.

Respond to any objections a customer may have by pointing out the same process was used for the vehicle they are buying from you ... that should make them see the logic!

If the customer still refuses to answer questions, note that fact on the disclosure form ... don't just leave it blank or tick off nothing but the "No" box for each question on the form. And be extra careful about the vehicle. The customer's refusal to answer may mean they're hiding something!

As part of a process, however, vehicle searches are invaluable to help fill in the blanks. Along with a

AUTO CHECK		ACCIDENT CLAIMS REPORT		UCDA	
Auto Check™ has searched 19 databases to prepare the following report					
VIN	Description	Report date			
	2008 Mercedes-Benz GL-Class GL550 4Matic, V8, 5.5L; DOHC 32V	2017-03-09			
SUMMARY					
Accident / Incident Claims	YES	There are insurance claims reported against this vehicle for over \$3000			
Branded	NO	Vehicle has not been branded by an insurance company			
Out of Province	NO	This vehicle has been registered in Ontario only			
USA	NO	This vehicle has not been imported from the USA			
Reported Stolen	NO	This vehicle is not currently reported as stolen			
CAMVAP	NO	Manufacturer Buyback			
Emission Test Pass	YES	2016-08-30 - Pass			
DETAILS					
Accident / Incident Claims History					
Auto Check™ has searched for the following insurance claims records: Collision * Damage to vehicle possible total loss * Other damage to vehicle * Theft of vehicle * Fire * Vandalism * Hail * Windstorm * Glass / windshield damage * Theft of contents and Other Claims					
Date	Type of Claim	Amount			
2011-08-15	Collision	\$1353.00			
2012-02-01	Collision	\$2365.00			
2017-01-11	Collision	\$5175.00			
2017-02-10	Other Property Damage to insured vehicle	\$8235.00			
Canada-Wide Vehicle Registration Status					
All Provinces and Territories in Canada have been searched					
Province	Status				
Ontario	Registered				
US Import					
Auto Check™ has searched the Registrar of Imported Motor Vehicles database					
This vehicle has not been imported from the USA					
Canadian Police Information Centre					
The RCMP database of stolen vehicles					
This vehicle is not currently reported as STOLEN					
Canadian Motor Vehicle Arbitration Plan					
The CAMVAP database of Vehicles bought back by the Manufacturer					
There are no matches for the VIN you entered in the CAMVAP Buyback database.					
ODOMETER READINGS					
Auto Check™ has searched the database of Ontario's Drive Clean Program up to December 31, 2012.					
Date	Readings				
2010-12-16	69756 KM				
Used Car Dealers Association of Ontario Phone 1.800.268.2598 or 416.231.2600					
Information contained in this report is intended for reference purposes only. UCDA assumes no liability for errors and omissions in the data made available through Auto Check™					

physical inspection and appraisal of the vehicle, and a written disclosure statement from the current owner, including a dealer, from whom you're buying a vehicle, UCDA reports can provide you with comprehensive knowledge about a vehicle's past history and current condition.

This helps you determine how much the vehicle is really worth and what disclosures you will need to make on re-sale.

Essential Tools for UCDA Members

Vehicle information searches are important. In today's world they are also essential tools for gathering information and making disclosures. But a vehicle information search is only one tool in the toolbox ... and shouldn't be used alone.

The UCDA offers reports to members that go a long way towards meeting your *Motor Vehicle Dealers Act* disclosure obligations and helping you appraise the value of vehicles you're considering purchasing or taking in on trade.

UCDA Members can take advantage of these exclusive offers:

1. Members who request Carfax reports at www.ucdasherch.com, will also receive a UCDA Accident Claims report containing reported insurance claim information. When you request a Carfax report, you automatically get **both reports for just \$18.00**.
2. Members have quick, easy and affordable access to:
 - lien searches in every Canadian province and territory
 - vehicle owner history searches – the only search showing the ownership history of vehicles in Ontario
 - Auto Check™ reports showing accident claims information, out of province registration and branding, U.S. import information, Drive Clean information, CAMVAP vehicle arbitration records and CPIC auto theft information for **only \$8.00**.

Members who request all three reports (**UCDA Power Pack**) on the same VIN, on the same day, save on all three searches, **paying just \$29 in total**. That's a 20% savings off of regular pricing for these reports, if run separately.

All UCDA searches are available at ...
www.ucdasherch.com
or by fax at 416-232-0775, or phone, 416-599-7412 or 1-800-668-8265.

Stone Age Liens

Recent media reports highlight the vulnerability of Ontario's lien registry system.

An elderly woman in Perth, Ontario tried to trade-in her vehicle at an area dealer a few months ago. Her deal was cancelled when the dealer discovered her vehicle had liens on it. What was unusual is the secured parties were described as Fred and Pebbles Flintstone!

Most of us will remember those names from our childhood days of watching the Hanna-Barbara masterpiece, "The Flintstones" cartoon series on TV.

While at first blush appearing humourous, this state of affairs has seriously affected the owner's ability to sell the vehicle and apparently, based on news reports, this is not the only vehicle potentially affected.

It turns out the liens were registered during a test and left in place in error by the Ontario government! They have since been removed, but the harm was already done in the case of the woman in Perth.

It is possible for unscrupulous users to abuse this system which relies, at the end of the day, on good faith. All anyone needs to register a lien on a vehicle is a VIN, a name and a credit card. Such a lien would be invalid, but as in this case, could cause a lot of harm.

Fortunately, now that these fake liens are discharged without the need for owners to go to court ... they can all say YABBA DABBA DO!!!!

Drive Clean Growing Pains

On April 1st, Drive Clean effectively ended for dealers.

As of that day vehicles under 4,500 kilograms (ie. light duty and passenger vehicles) no longer need to be Drive Clean Emission tested for the purpose of plating a vehicle on a sale or lease by a dealer.

While the transition has been relatively painless, it has not been entirely smooth.

Some licence offices are still giving incorrect information to dealers such as:

- they need to do an emission test if the vehicle is 7 years old
- they need to do an emission test if the vehicle is an even model year in an odd year
- they need to do an emission test if the vehicle is staying in the name of the dealer and only the plate is being registered
- they need to do an emission test on sale

MTO have confirmed **this advice is wrong** and suggest the solution is to ask the licence office to call their Hotline advice line for an "override".

Of course, if the problem persists the UCDA will elevate the matter. If you have a concern like this, please contact our legal department and ask for Jim Hamilton at 416-231-2600 or 1-800-268-2598 or j.hamilton@ucda.org

Whose Lead Is It Anyway?

When is it not a good thing to have someone look at one of your vehicles listed on a vehicle listing site? When that potential lead is sent to other dealers, that's when!

Here's what's happening now on some of the most popular vehicle listing sites:

1. While searching for vehicles, on a vehicle listing site, the searcher finds one of your vehicles and is interested in it. That's great ... but wait!

2. The site gives the searcher an option to get financing information, so the potential customer clicks on this option.
3. He/she is taken to a different page and asked to enter contact information, possibly authorize a credit check to be done and to authorize the information to be sent to a third party to send the information to other dealers.
4. From this, a "lead" is generated by the third party and sent to other dealers who have paid a fee and have signed on with that company to receive leads.

The searcher can then be contacted with the news that they have been approved to purchase a vehicle from that dealership (not your vehicle that the searcher was originally looking at).

5. The vehicle that the searcher had been interested in from your listings is probably long gone from their memory by this point.

Most members are likely unaware that this is happening. We're writing this, not to say it's good, or bad or to pass judgment, but just to make members aware that this is happening.

Contact the vehicle listings site you use if you have questions or concerns.

Certification Course Classes

Here's a list of upcoming OMVIC Automotive Certification classes.

Wednesday, June 7th

Wednesday, June 14th

Tuesday, June 20th – London ... venue T.B.A.

Tuesday, June 27th

Tuesday, July 11th

Thursday, July 13th – Ottawa ... Hilton Garden Inn

Wednesday, July 19th

Thursday, July 27th

Thursday, August 10th

Wednesday, August 16th

Classes are taught by UCDA trainers and held at Wye Management's training facility, 55 Winges Road, Unit 1, in Woodbridge unless otherwise noted.

Contact Sachin at s.choudhary@ucda.org, for more information or to register.

Compliance Quiz

Here's this month's compliance quiz ... the answers are on page 4. Good Luck!

1. As is the case in Quebec, the Ontario definition of "motor vehicle" does not include "motorcycles" and therefore OMVIC does not regulate their sale.

True False

2. A dealer is advertising a vehicle for sale on his lot. The vehicle is there on consignment. Is the dealer required to state that the vehicle is there on consignment?

Yes No

3. A dealer sells its own extended warranty product to a customer. In order to do that legally the dealer had to:

- (a) Make sure he had enough money in his bank account to cover the liability,
- (b) Pay OMVIC \$500,000 up front so he would be allowed to sell such a product,
- (c) Either obtain insurance for the product or provide OMVIC with an irrevocable letter of credit for \$100,000,
- (d) Make sure the vehicle was not more than 7 years old or under \$3,000 in value,
- (e) Have the customer agree to a \$100 deductible.

4. A dealer must keep a record of all vehicles that come into its inventory for sale. These records must be preserved for:

- (a) two years
- (b) seven years
- (c) one year
- (d) six years
- (e) ten years

5. The records referred to in Question 4 include VIN, copy of the safety and repair and reconditioning details, but not records required to be kept under the *Highway Traffic Act* like garage register, records of inspections and so on.

True False

Tinting

With July 1, 2016 well behind us, the biggest changes to the Safety Standards Inspection process in Ontario in many years have been smoothly incorporated into the practice of hundreds of motor vehicle inspection stations.

It comes as something of a surprise then that the single biggest source of confusion is not related to new standards for air bags, ABS brakes or tires ... but window tinting!

Let's be clear, *these new tinting requirements only apply to vehicles built on or after January 1, 2017.*

Windshield

- Any aftermarket tint will fail the vehicle.
- Reject if not allowing at least 70% luminous (light) transmittance, or maximum 30% opacity.
- Reject if tinting extends more than 75 mm from top of windshield, or beyond AS line

Side Windows

- Applies to any window forward of the driver's seat back.
- Reject if not allowing at least 70% luminous (light) transmittance, or maximum 30% opacity.

Tint Meter

You need one.

You have been required to have them in your tool box since July 1, 2016. Increasingly, you may to have to take them out and use them as we start seeing these 2017s needing to be tested for luminosity and opacity.

We've got them.

ORDER INFORMATION		
Quantity Ordered		
	x \$249.99	
SHIPPING ... All Orders	\$	FREE
SubTotal	\$	
Add 13% HST	\$	
Grand Total	\$	

To Order Call:
416-231-2600 or 1-800-268-2598
Fax: 416-231-6412



MEETS MTO REQUIREMENTS

Specifications

Wavelength	550 nanometers
Bandwidth	50 nanometers
Accuracy	± 2 percentage points
Repeatability	1 percentage point
Measurement range	0% to 100%
Temperature range	0° to 110° F
Humidity range	0% to 100% non-condensing
Sample thickness	Up to 0.25 in. (6.35 mm)
Sample size	1 x 3 in. (25 x 75 mm) minimum
Testing time	4 seconds
Effect of stray light	Not affected
Lamp life	10 years
Power source	2 lithium batteries type CR2032 (3V) (included)
Weight	3.2 oz. (90 grams)
Dimensions	3.75 x 1.75 x 1.25 in. (95 x 45 x 30 mm)

Quiz Answers

1. **False.** The sale of motorcycles in Ontario is governed by the *Motor Vehicle Dealers Act, 2002*. Dealers that sell only motorcycles must be registered with OMVIC and are subject to the same rules as car and light truck dealers.
2. **Yes.** Dealers are required by the MVDA to clearly indicate that the vehicle is being sold on a consignment basis. This can be done with a sign in the window of the vehicle.
3. **The answer is (c).** Dealers who sell their own extended warranty products must have full insurance coverage for any claims that may be made against the warranty or post a \$100,000 irrevocable letter of credit payable to OMVIC. If a dealer sets up a separate company through which to offer warranties, this amount jumps to \$500,000.
4. **The answer is (d).** OMVIC inspectors can ask to see dealer records going back 6 years.
5. **False.** ALL dealer records must be kept for 6 years.