



***New MVDA
Regulations***

***UCDA Members
Need To Know!***

**Used Car Dealers
Association of Ontario**

230 Norseman Street, Toronto, Ontario M8Z 6A2
Tel: 416.231.2600 or 1.800.268.2598 • Fax: 416.232.0775

www.ucda.org

Selling or Leasing Vehicles

Advertising – All Vehicles ... New & Used

Display ads must indicate the registered name and phone number of the dealer. Classified ads can just use the word “Dealer”.

Must indicate:

- daily rental not previously owned by non-dealer
- police cruiser/emergency vehicle
- taxi/limo

If current or previous model year, must indicate if the vehicle is used

If price included in ad, must include all fees, freight, delivery, levies and taxes, but can exclude taxes if ad specifically says “plus GST and PST”

If advertised for a certain price, vehicle must be available at that price

If limited number of vehicles available at that price, must indicate how many are available

If warranty included, must indicate term, and maximum individual claim limits

Curbsiders and Unregistered Salespeople

\$2500 minimum fine for curbsiders and unregistered salespeople

Deposits

If a dealer takes a deposit without having a contract to sell or lease, the dealer must return the deposit at the request of the customer

New Information “Disclosure Statement”

– Dealer to Dealer – – Dealer to Consumer –

Requires Written Disclosures on Sale and Lease Contracts, as follows:

1. new vehicle must show maximum distance vehicle will have traveled at delivery, or that no distance specified as to distance traveled on delivery date
2. used vehicle must indicate distance traveled if possible; or
 - a. statement that total distance traveled is believed to be substantially greater than last known (DISTANCE) on (DATE); or
 - b. statement that distance traveled is unknown and may be substantially higher than shown on odometer
3. if odometer broken, replaced, rolled back or is in miles
4. make, model, **trim level**, year
5. branded under HTA
6. **previously registered outside Ontario, if hasn't been here for 7 years, and where previously registered**
7. police cruiser, emergency services vehicle, taxi/limo, or former daily rental not previously owned by non-dealer
8. insurance declared “total loss” ... whether branded or not
9. **“incident” damage repairs exceeding \$3,000**
10. fire damage
11. immersion in liquid up to interior floorboards
12. structural damage or repair
13. inoperable anti-lock brakes
14. missing or non-operational airbags
15. recovered after being reported stolen

16. written disclosure is required when a vehicle is being sold with known defects that require repair:
 - i) engine, tranny, powertrain
 - ii) subframe or suspension
 - iii) computer equipment
 - iv) electrical system
 - v) fuel operating system
 - vi) air conditioning
17. materially different from original or advertised specs
18. **two or more adjacent panels, other than bumper panels, have been replaced**
19. any panels repainted if current or previous model year
20. badge relating to different model than what vehicle is
21. manufacturer's warranty cancelled
22. **any other fact that would reasonably be expected to affect reasonable person's decision to purchase vehicle**

Trade-in Information

Dealers must get the following information from the consumer trading in a vehicle:

1. name, address of owner
2. date vehicle to be traded-in
3. make, model, trim level, year
4. colour
5. VIN
6. trade-allowance
7. **"Disclosure Statement" of all information required to be passed on to next buyer (see Disclosure Statements 2 to 22)**
8. recorded odometer reading
9. condition of vehicle
10. amount of loan to be paid out if dealer paying it

If more than one vehicle is being taken on trade, each needs to be shown separately.

Retail Bills of Sale for New and Used Vehicles

Where a dealer helps arrange financing for a consumer, the dealer must ensure that the lender **provides an initial cost of credit disclosure statement to the customer** and includes a statement on the bill of sale that this has been done. **Bills of Sale must also include the following new or revised requirements:**

1. date of delivery or determination of date of delivery
2. **trim level, eg. SE, LE**
3. itemized list of charges and fees
4. itemized list of other amounts purchaser must pay, such as taxes
5. **statement if dealer or salesperson is being paid by a third-party** for providing application for financing, initialled by purchaser
6. **specific disclosures as on “Disclosure Statement”** (see pages 2 and 3)
7. itemized list of repairs that dealer has agreed to make as part of the sale and any cost to be charged to customer
8. **“Sales Final” statement** adjacent to purchaser’s signature on front of bill of sale (see page 6)
9. **“Important Information Respecting Motor Vehicle Sales” clause** (can be on separate page or back) (see page 6)
10. **“CAMVAP eligible/ineligible” clause** (can be on separate page or back) (see page 6)
11. “Safety Standards Certificate” statement, if applicable (see page 6)
12. “As Is” statement, if applicable (see page 6)

Cancellation Rights

Consumers can cancel a purchase or lease up to 90 days after delivery, in case of any of the following:

- i) proper distance traveled **not disclosed on bill of sale** (within 5% or 1,000 km, whichever is less)
- ii) police cruiser, emergency services vehicle, taxi or limo, or daily rental not previously owned by non-dealer, **not disclosed on bill of sale**
- iii) make, model, trim level, or year, **not disclosed on bill of sale**
- iv) MTO brand, **not disclosed on bill of sale**

OMVIC Inspections

Records – Motor Vehicles

Dealers must keep records of every vehicle that comes into inventory, including bills of sale and lease agreements, worksheets and other documents, as follows:

- a) VIN
- b) copy of SSC
- c) results of safety inspection
- d) **repair and reconditioning records done by or for dealer, including source of parts, cost of work and name of repairer**
- e) if odometer exchanged or repaired, figure showing on odometer before and after and name of person doing work
- f) record of vehicle registration transfer
- g) garage register

Records – Relating to Sales or Leases

- a) consignment contracts
- b) **every consignment sale**
- c) broker agreements (brokers only)
- d) record of any sales that broker facilitated
- e) **every sale or lease facilitated by dealer**
- f) every purchase of motor vehicle, including trade-ins
- g) every sale of extended warranty or service plan
- h) payment records for every trade in a vehicle, including copies of cheques and receipts

Records – Business

- a) **names of employees, positions held, dates of employment, how much paid**
- b) **list of persons associated with dealer (officers, directors, partners)**
- c) **records of financing sources of dealer, including security interests, loan and credit arrangements**
- d) **bank records**

The clauses shown below in red must be on ALL Retail Bills of Sale. All type must be bold. The body text must be 12 point type and the heads must be 14 point type.

OMVIC

IMPORTANT INFORMATION RESPECTING MOTOR VEHICLE SALES

In case of any concerns with this sale, you should first contact your motor vehicle dealer. If concerns persist, you may contact the Ontario Motor Vehicle Industry Council as the administrative authority designated for administering the Motor Vehicle Dealers Act, 2002.

CAMVAP

CANADIAN MOTOR VEHICLE ARBITRATION PLAN

The Canadian Motor Vehicle Arbitration Plan may be available to resolve disputes concerning alleged manufacturer's defects or implementation of the manufacturer's new motor vehicle warranty.

CANADIAN MOTOR VEHICLE ARBITRATION PLAN NOT AVAILABLE

The manufacturer of this vehicle is not a participant in the Canadian Motor Vehicle Arbitration Plan. Therefore, the program under that Plan is not available to resolve disputes concerning alleged manufacturer's defects or implementation of the manufacturer's new motor vehicle warranty.

To determine if the manufacturer of this vehicle participates in CAMVAP go to www.camvap.ca

SALES FINAL

SALES FINAL Please review the entire contract, including all attached statements, before signing. This contract is final and binding once you have signed it unless the motor vehicle dealer has failed to comply with certain legal obligations.

SAFETY STANDARDS CERTIFICATE

A safety standards certificate is only an indication that the motor vehicle met certain basic standards of vehicle safety on the date of inspection

VEHICLE SOLD "AS IS"

The motor vehicle sold under this contract is being sold "as-is" and is not represented as being in road worthy condition, mechanically sound or maintained at any guaranteed level of quality. The vehicle may not be fit for use as a means of transportation and may require substantial repairs at the purchaser's expense. It may not be possible to register the vehicle to be driven in its current condition.

UCDA

MEMBER SERVICES

COMMUNICATIONS

*Help Lines & Legal Assistance
Front Line Newsletter
Regular Bulletins & Dealer Alerts
Lien Assistance
Members' Surveys*

FORMS

*Appraisal Form For Trade-in Vehicles
Bills of Sale for Used & New Cars & Trucks
Wholesale Bill of Sale
Deal Jackets*

PROGRAMMES

*NAPA Auto Parts
Premium 365™ Garage Insurance
Group Health Plans
Consumer Financing
VISA & MasterCard Merchant Discounts
UCDA Sales Education Courses
Carpages.ca
Roadside Assistance*

SEARCHES

*Auto-Check™ (Prior Accident Damage)
Canada-wide Lien Searches
Vehicle Histories
Carfax™
Can Check™
Registering Liens
Equifax Credit Reports*

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