

December 2008
Issue 4

Disclosure requirements under MVDA 2002

Highlights

- MVDA 2002 launches April 1, 2009
- Dealers must disclose facts that may influence a purchase decision
- More information available at www.omvic.on.ca

The new MVDA 2002 launches April 1, 2009!

In this bulletin we provide a **brief** overview of some of the changes regarding **disclosure**. Although other bulletins will be forwarded for your information, we strongly encourage you to sign up for the revised OMVIC Certification course, offered by the Canadian Automotive Institute, which will launch in January 2009.

Disclosure requirements:

Under the new MVDA 2002 dealers must make specific disclosure about a vehicle's condition, history and prior usage:

- If a vehicle has been used as a taxi, limo, police cruiser or emergency service vehicle. Also, if the vehicle was a daily rental and hasn't been owned by someone other than a dealer
- If a vehicle was involved in a collision or incident and suffered more than \$3,000 in damage, the consumer must know. If you know the amount of damage, that must also be disclosed
- If the vehicle is older and it has had two or more adjacent panels (that aren't bumper panels) replaced
- If there has been any structural damage, repairs or alterations to a vehicle
- If a vehicle has sustained any damage caused by fire or flood
- If a vehicle has been branded salvage, rebuilt or irreparable OR if a vehicle has ever been declared a total loss by an insurer, even if it did not result in the vehicle being branded
- If a vehicle's safety systems are not functioning (ie. anti-lock brakes do not work or airbags missing)
- If any repairs are needed in other major components including the power train, suspension, electrical or computer system, fuel system or air conditioning

OMVIC

789 Don Mills Road
Suite 800, Toronto
ON M3C 1T5

Head Office:
Phone: 416-226-4500



- The accurate number of kilometres a vehicle has been driven. If the total distance cannot be determined, but there is a reported mileage at a given date, provide that information together with a statement that the actual number of kilometres is higher
- If a dealer cannot give an accurate odometer reading, and does not have a past reading and date, a declaration must be made stating “the total distance the vehicle has been driven is unknown and may be substantially higher than the reading shown on the odometer”
- If a vehicle’s odometer has been replaced or rolled back, is broken or faulty, or is in miles, the consumer must be made aware in clear language

Note: It is the responsibility of the dealer to disclose any fact about a vehicle’s history, performance and mechanical quality that might be expected to influence the decision of a reasonable customer to purchase a vehicle, or to establish a price for a vehicle.

More Information:

To read the Motor Vehicle Dealers Act and its accompanying Regulations, as well as other information bulletins, visit the MVDA 2002 page **on OMVIC’s web site:**
www.omvic.on.ca

OMVIC

789 Don Mills Road
Suite 800, Toronto
ON M3C 1T5

Head Office:
Phone: 416-226-4500

