

Needed Repairs Disclosure Quiz



1

What is the most common complaint OMVIC receives from consumers?

- A. My salesperson was soooooo good looking and charming that apparently I signed a contract I actually have no recollection of!
- B. The dealership's coffee was too delicious – it was a ploy to disarm me and get me to sign a contract – and I only came in for an oil change!
- C. Not only does the new model have heated seats, but it has air-conditioned seats – I didn't stand a chance! The test drive was a “trap!”
- D. I bought a car and it's got a problem

1

D: I bought a car and it's got a problem

The number one complaint OMVIC receives is related to vehicle condition problems.

2

A dealer has in stock an 8-year-old SUV with 143,276 kms on it – it is long out of factory warranty. The air conditioning doesn't blow cold air and the right rear shock appears to be leaking. What, if anything, must be disclosed (in writing on the bill of sale) about the SUV's condition?

- A. Nothing – the car is out of warranty
- B. The AC doesn't work – but not the shock issue
- C. The leaking shock – but not the AC issue
- D. Both the AC and suspension require repairs

2

D: Both the AC and suspension require repairs

Dealers must disclose if a vehicle requires repairs to major

components, including:

- Engine
- Transmission
- Subframe/Suspension
- Computer Equipment
- Electrical System
- Fuel Operation System
- Air Conditioning

3

A dealer has in stock an 8-year-old SUV with 143,276 kms on it – it is long out of factory warranty **AND IS BEING SOLD AS-IS**. The air conditioning doesn't blow cold air and right rear shock appears to be leaking. What, if anything, must be disclosed (in writing on the bill of sale) about the SUV's condition?

- A. Nothing – the car is out of warranty and is being sold as-is
- B. The AC doesn't work – but not the shock issue
- C. The leaking shock – but not the AC issue
- D. Both the AC and suspension require repairs

3

D: Both the AC and suspension require repairs

Even if a vehicle is being sold as-is, dealers must disclose if a vehicle requires repairs to major components, including:

- Engine
- Transmission
- Subframe/Suspension
- Computer Equipment
- Electrical System
- Fuel Operation System
- Air Conditioning

4

A dealer sells a 7 year old car with 169,751 kms to a customer – selling price was \$7,500. The customer declined purchasing an extended warranty and dealer has clearly written on the bill of sale: “NO WARRANTY.” Three weeks later, the car refuses to start so the customer contacts the dealer. The dealer has no legal responsibility to take care of the problem as the car was clearly sold without a warranty.

True or False

4

False

The *Sale of Goods Act* provides three implied warranties on vehicles sold by dealers including that vehicles be of “merchantable quality.” For a vehicle to be of merchantable quality, it must provide reasonable transportation for a reasonable period of time.

5

What are the other two implied warranties the *Sale of Goods Act* provides car-buyers?

FOR DISCUSSION

5

1. That vehicles be “fit for purpose” – if a customer tells the salesperson they are buying the vehicle to pull their camping trailer that weighs 5,000 pounds, then the vehicle must be fit for that purpose.
2. That the customer receives “quiet possession.” In other words, no one will repossess the vehicle because it is stolen or has a lien.

For more information,
contact us at 1-800-943-6002

