

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. **321**, Approved and Ordered **MAY 04 2006**



~~Lieutenant Governor~~
Administrator

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the ~~Lieutenant Governor~~ ^{Administrator}, by and with the advice and consent of the Executive Council, orders the following, effective July 1, 2006:

- 1 ***The Motor Dealer Leasing Regulation, B.C. Reg. 391/94, is repealed.***
- 2 ***Section 1 (1) (e) of the Motor Dealer Delegation Regulation, B.C. Reg. 129/2004, is repealed.***
- 3 ***The Motor Dealer Act Regulation, B.C. Reg. 447/78, is amended as set out in the attached Schedule.***



Minister of Public Safety and Solicitor General



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Motor Dealer Act, R.S.B.C. 1996, c. 316, s. 38

Other (specify):- oic 2465/78, 1331/94, 319/2004

April 13, 2006

SCHEDULE

1 *Section 29 (1) of the Motor Dealer Act Regulation, B.C. Reg. 447/78, is amended by adding the following paragraphs:*

- (c) sections 59, 60 and 62 to 64 *[advertising]*, except sections 62 (3) (b) and 63 (3) (g);
- (d) sections 66 (2) and 67 to 70 *[disclosure requirements applicable to all credit agreements]*;
- (e) sections 71 and 73 to 77 *[rights and obligations of borrowers and credit grantors]*;
- (f) sections 79 and 80 *[credit arranged by loan brokers]*;
- (g) sections 83 to 88 *[disclosure required in relation to fixed credit]*, except sections 84 (m) and 88 (2) (a);
- (h) section 101 *[disclosure required in relation to leases]*;
- (i) sections 104 and 105 *[general]*.

2 *The following is added after section 29:*

Leases

Disclosure in relation to leases

- 30** (1) In this section, “**consumer**” means an individual who leases or agrees to lease a motor vehicle from a motor dealer for purposes that are primarily personal, family or household.
- (2) A motor dealer must disclose in writing the following information to the consumer before the consumer enters into an agreement to lease a motor vehicle from the motor dealer:
- (a) a summary of costs and credits relating to any extended warranty and that is due upon signing the lease;
 - (b) all express warranties and guarantees made by the manufacturer or motor dealer with respect to the motor vehicle;
 - (c) who is responsible for the maintenance and servicing of the motor vehicle;
 - (d) a description of any insurance, including types and amounts of coverage, required to be provided and paid for by the consumer;
 - (e) any limitations on the consumer’s use and enjoyment of the motor vehicle, including, without limitation, any restriction respecting authorized drivers or requirements for permission to take the motor vehicle outside of British Columbia;
 - (f) the amount of tax in each periodic payment to be made by the consumer under the agreement, based on the applicable tax rate at the time of disclosure;

- (g) the requirement under section 31 (3) that the motor vehicle remain in the possession of the motor dealer and the consumer's rights and the motor dealer's obligations under section 31 (4) to (6).
- (3) Prescribed provisions that a motor dealer must include in each lease contract that the motor dealer enters into with a consumer are provisions that incorporate the information required to be disclosed under subsection (2) (a) to (f).

Deemed provisions in a lease

- 31**
- (1) In this section, "**consumer**" has the same meaning as in section 30.
 - (2) This section is deemed to be included in a lease of a motor vehicle by a motor dealer.
 - (3) Subject to a waiver under subsection (6), after the motor dealer and the consumer enter into the lease, the motor vehicle leased to the consumer must remain in the possession of the motor dealer for a period of one clear day.
 - (4) The consumer may cancel the lease during the period in which the motor vehicle must remain in the possession of the motor dealer under subsection (3).
 - (5) If the consumer cancels the lease under subsection (4),
 - (a) the motor dealer must reimburse to the consumer any deposit or other money paid to the motor dealer in respect of the lease, and
 - (b) the consumer is not liable to pay any charge, fee or penalty for cancelling the lease contract.
 - (6) A consumer may waive, in writing, the requirements of subsection (3).
 - (7) All warranties and guarantees with respect to a motor vehicle and the equipment on the motor vehicle made by the manufacturer to the motor dealer are assigned to the consumer.