



Ontario's Vehicle Sales Regulator

CAR BUYING GUIDE

PURCHASE YOUR VEHICLE WITH CONFIDENCE



ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL (OMVIC)

OMVIC administers and enforces the Motor Vehicle Dealers Act, 2002 (MVDA).

OMVIC maintains a fair and informed marketplace by protecting the rights of consumers, enhancing industry professionalism, and ensuring fair, honest, and open competition for registered motor vehicle dealers.

KNOW WHEN YOU'RE PROTECTED



BUYING A CAR REQUIRES RESEARCH AND KNOWLEDGE. BE INFORMED!

In Ontario, when you buy from a registered dealer, the dealer is obligated to provide you with information and documentation as required by the Motor Vehicle Dealers Act.

In certain situations, should the dealer fail to meet certain requirements, you may be eligible to make a claim to the Motor Vehicle Dealers Compensation Fund (MVDCF).

If you purchase privately and something goes wrong, OMVIC cannot assist and you are not eligible to make a claim to the MVDCF.



BUYING OR LEASING A VEHICLE

Buying or leasing a vehicle is the second largest purchase most people make, so protect yourself by learning your rights.

1. **Get Educated**, visit omvic.ca for all the car-buying information you need.
2. **Budget Realistically** Consider all expenses, not just the price/loan payment (e.g., maintenance, insurance, fuel etc.)
3. **Research Vehicle History & Value** e.g., Carfax history reports and Used Vehicle Information Packages (UVIP)
4. **Understand All-in price advertising**. If a dealer advertises a price for a vehicle, it must include all fees and charges except HST and licensing.
5. **Understand the risks associated with long-term loans**. It is important to understand the impacts associated with financing a vehicle and safeguarding your financial plan to ensure you stick to your budget.
6. **Understand mandatory disclosures** – information about past use, history or condition of your vehicle a dealer must disclose.
7. **Make sure you read the contract**, all sales are final there is no cooling-off period in Ontario.
8. **Ensure your purchase is covered under the MVDA**. Buying from a Dealer vs Private sale entitles you to certain legal protections (e.g., compensation fund).
9. **If you hit a bump in the road**, visit the OMVIC website at omvic.ca

COMPENSATION FUND

The Motor Vehicle Dealers Compensation Fund (MVDCF) is available to **eligible** car buyers who purchase from an OMVIC-registered dealer.

If something goes wrong when you buy or lease a vehicle and you are not successful in finding a resolution with a dealer, you may qualify for compensation.



It reimburses eligible car buyers who have suffered a proven financial loss related to a vehicle purchase, lease or consignment transaction.

This consumer protection program is funded by Ontario's dealers.

ALL-IN PRICE ADVERTISING

In Ontario, All-in Price Advertising is the law. You should never be charged more than the dealer's advertised price meaning that the price of any new or used vehicle advertised by a dealer must include all fees and charges they will collect, excluding HST and licensing.

ALL-IN PRICE ADVERTISING IS THE LAW

Examples of fees or charges that must be included in an advertised price include:

- Freight
- PDI-PDE (pre-delivery inspection/expense)
- Administration (Admin) fee(s)
- Government levies (air tax, etc.)
- OMVIC fee
- Safety and e-test (unless the ad contains an "unfit vehicle" or "as-is vehicle" disclosure statement)



NEGATIVE EQUITY

Negative equity means owing more for a car than what it's worth.

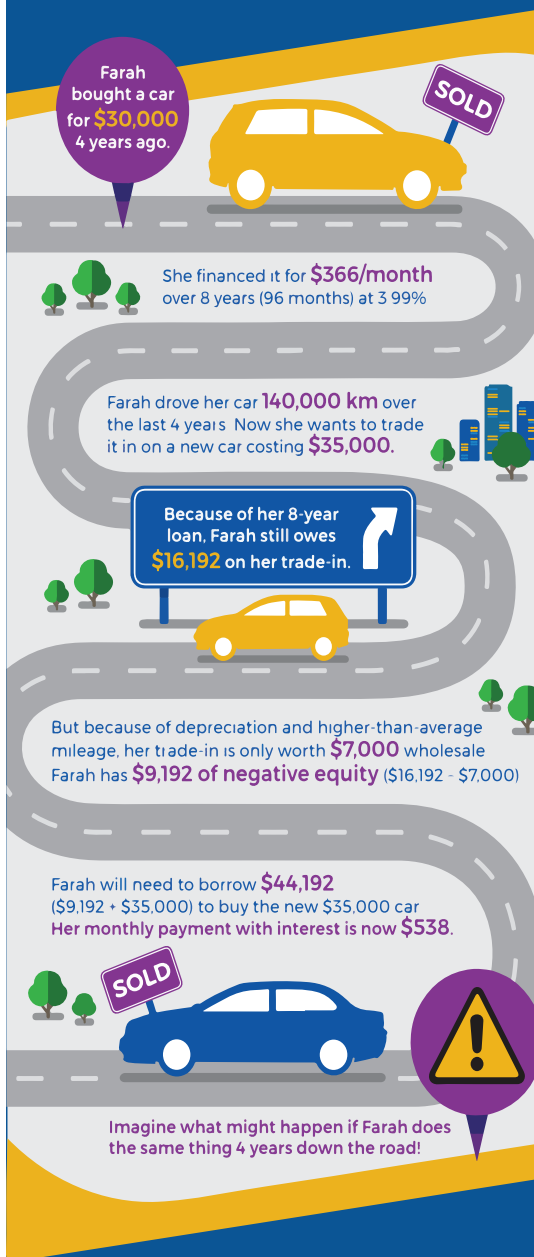
Apparently, certain percent of car buyers with trade-ins have negative equity.

Before agreeing to an extended term loan for a vehicle purchase, car buyers should educate themselves and consider the following:

How much do I drive?

How long will I keep this vehicle?

How fast will this car depreciate



MANDATORY DISCLOSURES

The Motor Vehicle Dealers Act (MVDA) has 22 explicit requirements for disclosure

A disclosure is a fact or detail about the past use, history or condition of a motor vehicle which dealers and salespeople are required by law, to provide to car-buyers. Disclosures must be included as written statements in a vehicle contract and there are 22 that must be made known as outlined in the **MVDA**.



SALES ARE FINAL!

NO COOLING-OFF PERIOD



In Ontario, motor vehicle sales are final upon signature. As such, whether an agreement can be cancelled is at the discretion of the seller. If you've only signed a bill of sale, then walking away may mean you forfeit your deposit.

If you give a dealer a deposit for the purchase of a vehicle but no contract is signed, you can request your deposit back at any time and the dealer must comply.

BUYING PRIVATELY

TIPS FOR BUYING PRIVATELY

You're **ONLY** protected when you buy from an OMVIC-Registered Dealer, so take extra care when buying privately. Consider the following car-buying tips:

- Ask questions: how long was vehicle owned? Are there maintenance records? Why are they selling?
- Ask seller for ID and compare it to vehicle ownership: they *must* match
- Take thorough test drive – not just around the block
- Purchase and review vehicle history report before deciding (CARFAX)
- Carefully review Used Vehicle Information Package (**UVIP**) – seller **must** provide it (ensure all pages provided)
- Ensure no liens on vehicle (info usually available on **UVIP** or CARFAX)
- Have vehicle inspected by trusted mechanic before purchase
- If it is a heavy-duty diesel vehicle (weighing more than 4,500 kg) and is at least 1 year old, the vehicle must pass an emissions test when sold or transferred
- Request a receipt that includes seller's information and actual selling price



CURBSIDERS

If you choose to buy privately, educate yourself! Don't become a curbsider's victim.

Curbsiders are illegal, unlicensed vehicle dealers.

They often pose as private sellers, and may operate from small automotive businesses (repair shops, rental companies, etc.).

Curbsiders often sell cars that are previous write-offs with undisclosed accident or have had their odometer tampered with or rolled back.



Signs You May Be Dealing with a Curbsider:

- The seller has multiple vehicles for sale
- The vehicle is priced below market value
- The vehicle is not registered in the seller's name OR has only been registered in the seller's name for a short period of time
- The seller doesn't provide a Used Vehicle Information Package (UVIP) or discourages the purchase of a history report (carfax.ca)
- The 'private' seller appears to operate from a business
- The 'private' seller is using a yellow service licence plate (or white/red dealer plate) to drive the vehicle
- The seller discourages a mechanical inspection
- The seller won't provide a receipt or proof of purchase/contract

BUY WITH CONFIDENCE

Questions About Buying a Car?

Contact OMVIC's Consumer Support
Team 1-800-943-6002 to learn more



ISSUE WITH A VEHICLE PURCHASE OR TRANSACTION?

We may be able to provide you with information that could assist in finding a resolution to your problem with a registered dealer instead of going through the courts."



UNDERSTAND WHEN YOU ARE ELIGIBLE TO CANCEL AN AGREEMENT

There is no cooling-off period or right to cancel a motor vehicle contract in Ontario once a car buyer has signed a contract to purchase or lease a vehicle, unless certain conditions are met.



MULTILINGUAL TRANSLATION SERVICE AVAILABLE IN OVER 150 LANGUAGES

Call 416 226-4500 or toll-free 1-800-943-6002





**CONSUMER
PROTECTION
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