

## UNDERSTANDING “NEEDED REPAIRS”?

The **MVDA** requires dealers to disclose to the buyer if a vehicle needs repairs to major components, including:

- Engine
- Transmission
- Power Train
- Sub frame/suspension
- Computer
- Electrical System
- Fuel System
- Air Conditioning

Additionally, the **SGA** requires that vehicles sold be of merchantable quality and fit for purpose.

## WHAT DOES “MERCHANTABLE QUALITY” MEAN?

A vehicle is of merchantable quality if it has no hidden defects and provides reliable transportation for a reasonable period of time.

## HOW CAN DEALERS AVOID COMPLAINTS RELATED TO VEHICLE CONDITION AND NEEDED REPAIRS?

To avoid disputes related to vehicle condition:

- Have a thorough pre-sale inspection and road test performed by a qualified mechanic
- Provide the mechanic with information about the vehicle's history (i.e. previous accident repairs)
- Ensure the inspection is not limited to only the components required for safety
- Ensure inspections include all major components (e.g. AC, entertainment/nav systems, power accessories, etc.)
- Keep a written record of the inspection and related work orders
- Provide the purchaser with full disclosure about inspection results, work orders, repairs, and the vehicle's condition and history

Inspections conducted before advertising a vehicle for sale, not only help provide proper disclosure but may prevent misleading advertising.



**SGA**  
Sale of Goods Act

*All vehicles sold should be of merchantable quality.*

*The vehicle must not have any hidden defects, and it must provide reliable transportation for a reasonable period of time.*



**TIPS**

Remember OMVIC is here to help.

Dealers or salespersons with questions about disclosing needed repairs or record keeping, should contact their local inspector or call OMVIC's Complaints and Inquiries Department at **1-800-943-6002 X 3942**.

*"Fairness and professionalism are good for the consumer, the industry and your business"*