

Title:	Non-financial responsibilities and obligations
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Introduction

This document is a companion piece to a guideline on financial responsibilities and obligations. Both guidelines provide information to support dealers and ensure they can carry out their business effectively and provide good service to their customers in a variety of areas related to their financial responsibilities and obligations. It consolidates existing information in one package to make it more accessible and easier to understand.

In all cases, dealers should remember that they are bound by the requirements of the legislation and regulations of the [Motor Vehicle Dealers' Act](#) (MVDA), as well as the other statutes listed below. Especially important in this context is the [Code of Ethics](#), which governs dealers' overarching responsibility to operate with integrity, professionalism, accountability, etc., in all of their transactions with customers.

This guideline will provide information about several different provincial laws and their associated regulations as they pertain to financial transactions in the automotive sales sector. While the information in this guideline is grounded in the relevant legislation, if you have specific questions about your company's approach to the matters outlined, it's always best to seek independent advice from competent legal counsel.

Terminology

- For the purposes of these guidelines, the word "Act" refers to the [Motor Vehicle Dealers' Act](#) (MVDA).
- [The Regulation](#) refers to Regulation 333/08 GENERAL
- [The Code of Ethics](#) refers to Regulation 332/08 Code of Ethics and Operation of Committees

Context

The legislation regarding dealers' non-financial responsibilities and obligations falls primarily under two provincial statutes – the [Motor Vehicle Dealers Act, 2002](#) (MVDA) and the [Consumer Protection Act, 2002](#) (CPA). The MVDA's [Code of Ethics](#), in particular, articulates the expectations of dealers with respect to [integrity, accountability, compliance, respect](#) and [professionalism](#), among others. What's listed below is an overview of some of the more relevant sections of the legislation. Other parts also apply.

Guidelines

Leasing contracts and disclosures

- To help give dealers some additional context, OMVIC has published several documents that offer important information about leasing contracts:
 - A separate [guideline on retail transactions](#);
 - A list of [best practices](#) for leasing; and
 - Specific details about [credit and lease contract disclosures](#).

Advertising lease and credit offers

- Advertising for lease and credit offers must also follow certain requirements, such as including the annual percentage rate (APR); the length of the credit term agreement; and – in specific circumstances – the cash price of the good or service offered and the cost of borrowing.
- OMVIC's website has additional information, including [a separate guideline on advertising](#) and further detail about [credit and leasing advertising disclosures](#).

Records

- Dealers are required to keep certain kinds of records, including correspondence, worksheets and other documents, if any, showing the cost breakdowns relating to the trades.
- Certain types of records must be kept for at least six years.

- OMVIC has published a separate guideline covering the requirements for [electronic record-keeping](#).
- The OMVIC website also has several documents that offer important information about leasing contracts, including:
 - A separate [guideline on retail transactions](#)
 - A list of [best practices](#) for leasing
 - Specific details about [credit and lease contract disclosures](#).

About OMVIC and these guidelines

The Ontario Motor Vehicle Industry Council (OMVIC) administers and enforces the [Motor Vehicle Dealers Act, 2002](#) (MVDA), its regulations and code of ethics, as well as relevant sections of the [Consumer Protection Act](#) (CPA), on behalf of Ontario's Ministry of Public and Business Service Delivery. OMVIC's mandate is to maintain 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.

The list of available guidelines can be found [here](#). Once the page opens, you'll see the guidelines listed on the left-hand side.

Contact

The Dealer Support team is available to assist dealers in achieving and maintaining compliance with the MVDA and Code of Ethics. Registrants who wish to contact Dealer Support can reach the team at the phone number below and leave a message.

Messages are returned in priority sequence.

Phone: 1-800-943-6002 ext. 4

Email: dealers@omvic.on.ca

Appendix – legislative/regulatory references

Excerpts from Regulation 333/08 GENERAL

- [Section 41 \(1\)](#) covers what's required in a leasing contract.
- [Section 44](#): If a registered motor vehicle dealer enters into a contract for the sale of a motor vehicle with a purchaser who is not a registered motor vehicle dealer and provides financing for the purchase or the application for the financing to the purchaser, the selling dealer shall use best efforts to ensure that the terms of the credit agreement between the purchaser and the person providing the financing do not vary from the information that person has provided to the purchaser under subsection 39 (1) or 40 (1), as applicable.
- Sections [52](#), [53](#), [54](#) and [56](#) provide extensive detail about the records that must be kept relating to trades.

Excerpts from Regulation 17/05 GENERAL under the [Consumer Protection Act, 2002, S.O. 2002, c. 30, Sched. A](#)

- Part 8 has detailed information about leasing agreements. OMVIC has published a summary of this section of the regulation. The CPA covers interpretation; advertising; required disclosures; the consequences of non-disclosure; maximum liability under a residual obligation lease; and the exemptions that apply.
- [Section 61](#) explains the requirements for advertising a credit offer. If an ad offers credit at a fixed rate, it must include three elements: the annual percentage rate (APR); the length of the credit term agreement; and – in specific circumstances – the cash price of the good or service offered and the cost of borrowing. Exemptions apply if the advertisement is broadcast on radio or television, displayed on a billboard or bus board or via any other medium with similar time or space limitations. In those situations, the APR, term, and cash price are still expected but the cost of borrowing is not required as long as the consumer is advised of where they can find that information, such as via a website or telephone number, for example. This section also specifies that the APR must be displayed as prominently as the weekly, bi-weekly or monthly payments, in addition to the cost of borrowing.
- [Section 73](#) covers the requirements for advertising a lease.