

# *The Motor Dealers Act*

*Repealed*

by [Chapter C-30.2 of the Statutes of Saskatchewan, 2013](#)  
(effective February 1, 2016).

*Formerly*

[Chapter M-22 of \*The Revised Statutes of Saskatchewan, 1978\*](#)  
(effective February 26, 1979) as amended by the [Statutes of Saskatchewan, 1983, c.82; 1984-85-86, c.79; 1986, c.33; 2000, c.53; and 2004, c.T-18.1.](#)

## **NOTE:**

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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## CHAPTER M-22

### An Act respecting Dealers in Motor Vehicles

#### SHORT TITLE

##### Short title

- 1 This Act may be cited as *The Motor Dealers Act*.

#### INTERPRETATION

##### Interpretation

- 2 In this Act:

- (a) “**dealer**” means a person carrying on the business of selling or offering for sale, or soliciting orders for the future delivery of, motor vehicles;
- (b) “**motor vehicle**” means any self propelled vehicle designed for the conveyance on public highways of persons or goods and includes a snowmobile, but does not include a vehicle exempted by the regulations;
- (c) “**motor vehicle contract**” means an agreement, whether verbal or in writing, for the sale of a motor vehicle;
- (d) “**registrar**” means the member of the public service designated as registrar by the member of the Executive Council to whom for the time being is assigned the administration of this Act;
- (e) “**sale**” includes a disposition or acquisition of a motor vehicle by exchange, trade or consignment;
- (f) “**salesman**” means a person who sells or offers for sale, or solicits orders for the future delivery of, motor vehicles for or on behalf of a dealer.

R.S.S. 1978, c.M-22, s.2.

#### LICENCES

##### Dealer and salesman required to be licensed

- 3 No person shall:

- (a) act as a dealer unless he is the holder of a subsisting licence under this Act;
- (b) **Repealed.** 1984-85-86, c.79, s.3.

R.S.S. 1978, c.M-22, s.3; 1984-85-86, c.79, s.3.

**Prohibition respecting holding out**

4 No person shall hold himself out as a dealer unless he is the holder of a subsisting licence under this Act.

R.S.S. 1978, c.M-22, s.4; 1984-85-86, c.77, s.4.

**Application for licence**

5(1) Every application for a licence shall be made to the registrar upon a form provided by him and shall be accompanied by the fee prescribed by the regulations.

(2) Every applicant or person acting on behalf of an applicant may be required by the registrar to verify by affidavit or statutory declaration the statements made by him in the application.

R.S.S. 1978, c.M-22, s.5.

**Address for service**

6 Every applicant for a licence shall state in the application an address for service in Saskatchewan, and any notice given pursuant to this Act or the regulations shall for all purposes be sufficiently served if delivered or sent by registered mail or telegram to the licensee at the address for service stated in his application for a licence unless the licensee has notified the registrar in writing of a change of address for service in which case any such notice shall be sufficiently served if delivered or sent by registered mail or telegram to the licensee at the latest address for service of which the registrar has been so notified.

R.S.S. 1978, c.M-22, s.6.

**7 to 10 Repealed.** 1984-85-86, c.77, s.5.

**Granting of licence**

11 The registrar may grant a licence where, in his opinion, the applicant is suitable to be licensed and the proposed licensing is not for any reason objectionable but if the registrar is for any reason of the opinion that the applicant should not be granted a licence he may refuse the application.

R.S.S. 1978, c.M-22, s.11.

**Terms, conditions and restrictions may be prescribed**

12(1) The registrar may grant a licence, or if the licence has been granted he may, by notice to the licensee make the licence, subject to such terms, conditions and restrictions as he deems necessary.

(2) The registrar may by notice to the licensee add to, remove or alter any terms, conditions and restrictions to which a licence is subject.

(3) Every licensee shall comply with the terms, conditions and restrictions to which his licence is subject.

R.S.S. 1978, c.M-22, s.12.

**Requirement respecting place of business**

13 No licence as a dealer shall be granted unless the applicant for the licence maintains in the province a place of business satisfactory to the registrar and from which he conducts his business, or a portion of his business, as a dealer.

R.S.S. 1978, c.M-22, s.13.

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**Expiration of licences**

**14** Unless previously cancelled, every licence shall expire five years after the date on which it was issued.

R.S.S. 1978, c.M-22, s.1.

**Suspension or cancellation of licence**

**15(1)** The registrar may suspend or cancel a licence upon any ground on which he might have refused to grant the licence or where he is satisfied that the licensee:

- (a) has violated any provision of this Act or of section 114 of *The Traffic Safety Act* or has failed to comply with any of the terms, conditions or restrictions to which his licence is subject;
- (b) has made a material mis-statement in the application for his licence or in any of the information or material submitted by him to the registrar pursuant to section 17;
- (c) has been guilty of misrepresentation, fraud or dishonesty; or
- (d) has demonstrated his incompetency or untrustworthiness to carry on the business of a dealer.

(2) **Repealed.** 1984-85-86, c.79, s.6.

R.S.S. 1978, c.M-22, s.15; 1983, c.82, s.5; 1984-85-86, c.79, s.6; 1986, c.33, s.16; 2004, c.T-18.1, s.302.

**Registrar to give reasons for refusal, etc., to grant licence**

**16** Where the registrar refuses to grant a licence to an applicant under section 11 or suspends or cancels a licence of a licensee under section 15, the registrar shall notify the applicant or licensee, as the case requires, in writing of his decision and the reasons therefor.

R.S.S. 1978, c.M-22, s.1.

**Registrar may require further information**

**17** The registrar may at any time require further information or material to be submitted within a specified time by an applicant for a licence or a licensee and may require verification by affidavit or otherwise of any information or material then or previously submitted.

R.S.S. 1978, c.M-22, s.16.

**Bond**

**18** The registrar may require any applicant for a licence or any licensee to deliver to him within a specified time a bond in such form as he may prescribe and in such amount as he may require.

R.S.S. 1978, c.M-22, s.17.

**Hearing may be requested**

**19(1)** A person who is dissatisfied with a decision of the registrar under sections 11, 12, 13, 15 or 18 may within thirty days after the date of the decision apply in writing to the registrar for a hearing and thereupon the registrar shall fix a date for the hearing not to exceed, unless otherwise agreed, seven days from the date of the receipt of the application for the hearing.

- (2) The registrar shall within ten days of the conclusion of the hearing render a decision to the applicant or licensee in writing and he shall in his written decision give reasons.
- (3) The applicant or licensee may in any hearing before the registrar be represented by counsel.
- (4) For the purpose of his duties in respect of a hearing, the registrar may require to be made and may take and receive affidavits, statutory declarations and depositions, and may examine witnesses upon oath, and he shall have the same power to summon persons to attend as witnesses, and to enforce their attendance, and to compel them to produce books, documents and things, and to give evidence as any court has in civil cases.

R.S.S. 1978, c.M-22, s.18.

### FORFEITURE OF BOND

#### When bond forfeited

**20(1)** Notwithstanding that Her Majesty in right of Saskatchewan has not suffered any loss or damages, every bond delivered to the registrar under section 18 shall be construed as being a penal bond and where any such bond is forfeited pursuant to subsection (2), the amount due and owing as a debt to Her Majesty in right of Saskatchewan by the person bound thereby shall be determined as if Her Majesty suffered such loss or damages as would entitle Her Majesty to be indemnified to the maximum amount of liability prescribed by the bond.

(2) Every bond delivered under section 18 shall be forfeited upon the demand of the registrar where:

- (a) the person in respect of whose conduct the bond is conditioned or any representative, agent, or salesman of that person has been convicted of:
- (i) an offence under this Act or any regulation;
  - (ii) an offence involving fraud or theft or conspiracy to commit an offence involving fraud or theft under the *Criminal Code*;
- (b) judgment in respect of a claim arising out of a motor vehicle contract has been given against the person in respect of whose conduct the bond is conditioned or against any representative, agent, or salesman of that person;
- (c) the person in respect of whose conduct the bond is conditioned commits an act of bankruptcy, whether or not proceedings have been taken under the *Bankruptcy Act (Canada)*; or
- (d) a decision has been rendered by the registrar in writing stating in effect that after consideration and investigation of a complaint, he is satisfied that the person in respect of whose conduct the bond is conditioned or any representative, agent, or salesman of that person:
- (i) has violated any provision of this Act or has failed to comply with any of the terms, conditions or restrictions to which his licence is subject or is in breach of contract; and

(ii) has departed from Saskatchewan, or being out of Saskatchewan remains out of Saskatchewan, or departs from his dwelling house or otherwise absents himself, or in the case of a corporation, the name thereof has been struck off the register of companies;

and such conviction, judgment, order or decision has become final by reason of lapse of time or of having been confirmed by the highest court to which any appeal may be taken.

(3) Where a bond secured by the deposit of collateral security with the registrar is forfeited under subsection (2), the registrar may sell the collateral security at the current market price.

(4) The registrar may pay any money recovered under a forfeited bond or realized from the sale of any collateral security to:

(a) the local registrar of the Court of Queen's Bench in trust for those persons who may become judgment creditors of the person named in the bond for claims arising out of motor vehicle contracts on any terms the registrar considers appropriate;

(b) any trustee, custodian, interim receiver, receiver or liquidator of the person named in the bond on any terms the registrar considers appropriate; or

(c) any person that the registrar considers entitled to the money for a claim arising out of a motor vehicle contract with the person named in the bond or any representative, agent or salesman of that person.

(5) The registrar shall pay any money not paid pursuant to subsection (4) to the surety or obligor under the bond after the payment of any expenditures incurred by the registrar in connection with the forfeiture of the bond and the determination and settlement of valid claims.

R.S.S. 1978, c.M-22, s.19; 2000, c.53, s.5.

#### **Dealer to notify registrar of certain changes**

**21** Every licensed dealer shall notify the registrar in writing of:

(a) any change in the address for service; and

(b) in the case of a partnership, any change in partners.

R.S.S. 1978, c.M-22, s.20.

### APPEAL FROM REGISTRAR'S DECISION

#### **Appeal**

**22(1)** A person who is dissatisfied with a decision of the registrar under section 11, 12, 13, 15, 19 or 20 may, within thirty days from the date of the decision, appeal to a judge of the Court of Queen's Bench who may, upon hearing the appeal, make such order:

(a) respecting the granting of a licence;

(b) respecting the terms, conditions and restrictions to which the licence is to be subject;

(c) setting aside the suspension or cancellation of the licence;

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- (d) for further inquiry by the registrar into the facts of the case;
  - (e) respecting costs;
- as the judge deems just.

(2) The appeal shall be by notice of motion and a copy thereof shall be served upon the registrar within the said thirty days and not less than ten days before the day on which the motion is returnable.

(3) Upon receipt of the copy of the notice of motion the registrar shall forward to the appropriate local registrar a certified copy of all documents in the possession of the registrar relating to the decision from which the appeal is being taken.

(4) There shall be no further appeal.

R.S.S. 1978, c.M-22, s.21.

**INVESTIGATIONS****Power to investigate**

**23** The registrar, or any person authorized by him in writing, may investigate and inquire into any matter the investigation of which he deems expedient for the due administration of this Act.

R.S.S. 1978, c.M-22, s.22.

**Production of books, etc.**

**24** The person making an investigation may at all reasonable times demand the production of and inspect all or any of the books, documents, papers, correspondence and records of the person in respect of whom the investigation is being made, and any person who has the custody, possession or control of any such books, documents, papers, correspondence or records shall produce them and permit the inspection thereof by the person making the investigation.

R.S.S. 1978, c.M-22, s.23.

**MISCELLANEOUS****Records to be kept**

**25** Every dealer shall keep for the period and in the manner prescribed by the regulations a record of all motor vehicles bought, sold or wrecked.

R.S.S. 1978, c.M-22, s.24.

**Form of contract to be prescribed or approved**

**26(1)** Every dealer or salesman of a dealer shall upon the sale of a motor vehicle complete upon a form prescribed by the regulations or approved by the registrar a contract evidencing the sale.

(2) Nothing contained in the contract shall prevent a purchaser in an action on the contract from raising any representation made by the dealer or his salesmen.

R.S.S. 1978, c.M-22, s.25.

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**Copy of contract to be delivered to purchaser**

**27** Every dealer or salesman of a dealer doing business with a purchaser shall, immediately upon the execution by that purchaser of a form of contract, deliver to the purchaser a true copy thereof.

R.S.S. 1978, c.M-22, s.26.

**Employment, etc., of unlicensed person prohibited**

**28** No person shall engage, employ, appoint, authorize or permit any other person to do any of the things in respect of which a licence is required under this Act unless such other person holds a licence under this Act.

R.S.S. 1978, c.M-22, s.27.

**Advertisements, etc., by dealers prohibited**

**29(1)** No dealer or salesman shall publish or cause to be published in a newspaper or other printed publication an advertisement for the sale of a motor vehicle unless the advertisement contains the name of the dealer, the address of his place of business and the words "Dealer Licence Number" followed by the number of the licence issued to him under this Act.

(2) No dealer or salesman shall publish or cause to be published any representation that he is bonded under this Act.

R.S.S. 1978, c.M-22, s.3.

**Production of licence**

**30** A person licensed under this Act shall produce his licence for inspection when requested to do so by any person whom he has solicited.

R.S.S. 1978, c.M-22, s.29.

**Exemption**

**31** A person selling motor vehicles to licensed dealers shall not be required to be licensed under this Act.

R.S.S. 1978, c.M-22, s.30.

**Certificate *prima facie* proof**

**32** A certificate stating that:

- (a) a person named in the certificate was or was not licensed at a particular time under this Act;
- (b) the licence of a person was suspended, cancelled or reinstated at a particular time;

and purporting to be signed by the registrar is, without proof of office or signature of the registrar, admissible in evidence as *prima facie* proof of the facts stated in the certificate.

R.S.S. 1978, c.M-22, s.3.

**Regulations**

**33** The Lieutenant Governor in Council may make regulations:

- (a) prescribing the fees payable for licences;
- (b) prescribing requirements respecting applicants for licences;

- (c) respecting the records to be kept under section 25 and the period that such records are to be kept;
- (d) exempting any vehicle or any class of vehicles from the definition of motor vehicle;
- (e) exempting any person or class of persons from this Act or the regulations or any provision thereof;
- (f) prescribing the form of contract to be completed upon the sale of a motor vehicle as required pursuant to section 26.
- (g) respecting any other matter that he considers necessary or advisable to carry out effectively the intent and purpose of this Act.

R.S.S. 1978, c.M-22, s.32.

## OFFENCES AND PENALTIES

### Contravention of Act or regulations

**34(1)** A person who contravenes section 3 is guilty of an offence in respect of each sale or offer to sell and liable on summary conviction to a fine of not less than \$25 nor more than \$1000 for each offence.

(2) A person who contravenes section 12 is guilty of an offence and liable on summary conviction to a fine of not less than \$100 nor more than \$5000.

(3) A person who is guilty of a violation of any provision of this Act or the regulations, for which no other penalty is provided, is liable on summary conviction to a fine of not less than \$25 nor more than \$500.

R.S.S. 1978, c.M-22, s.33.

### Evidence of carrying on business

**35** Where in a prosecution under this Act it is alleged that the accused carried on the business of a motor dealer without being the holder of a subsisting licence under this Act, evidence of one transaction is *prima facie* evidence that the accused carried on such business.

R.S.S. 1978, c.M-22, s.34.

### Limitation of prosecution

**36** No prosecution for an offence under this Act or the regulations shall be commenced after one year from the date of the offence.

R.S.S. 1978, c.M-22, s.35.