

# ARVDA Standards of Business Practice

## INTRODUCTION

The Standards of Business Practice apply to all ARVDA dealers, including all persons employed, appointed or authorized by a dealer to act on a dealer's behalf in any transaction arising from or related to the purchase, sale, or lease of recreational vehicles. Members who disregard the **Code of Ethics** are subject to having their conduct reviewed and, after a fair review of the situation, may face disciplinary action by the ARVDA Board.

The purpose of the Standards of Business Practice is to assist members by illustrating what is expected of them. The Standards of Business Practice attempt to illustrate the **Code of Ethics** by providing practical examples and by applying the standards of honesty and integrity in specific situations. These represent minimum standards and are illustrative rather than exhaustive. ARVDA anticipates that members will wish to exceed these minimum standards.

Members who know about a possible violation of the law or the Standards by another dealer, or if they know of a **curbsider**, are encouraged to report the matter to ARVDA with all the pertinent details of which the member may be aware.

### 1. INTEGRITY

#### **STANDARD**

Conduct activities with honesty, fairness, and financial responsibility.

#### **EXAMPLES**

- 1.1 The **Code of Ethics** and Standards of Business Practice set out minimum requirements that Members are expected to meet concerning the issues covered.
- 1.2 Dealers conduct all business activities with honesty, fairness, and integrity at all times
- 1.3 Dealers promptly, honestly, and courteously respond to complaints made about them by other Dealers, consumers, or others.
- 1.4 Dealers meet all financial obligations incurred in relation to recreation vehicle transactions, including buying, selling, or leasing vehicles.

### 2. DISCLOSURE

#### **STANDARD**

Communicate all material facts, and ensure products and services are fully understood.

#### **EXAMPLES**

##### **2.1 RECREATION VEHICLE TRANSACTIONS GENERALLY**

- 2.1.1 All contracts respecting recreation vehicle transactions are in writing and disclose the terms and conditions, including the total amount of all payments made or received in relation to the sale or lease of a recreation vehicle. After all terms and

conditions have been filled out on the contract, every contract is signed by all parties to the contract and a signed, duplicate original copy of the contract is provided to all parties of the contract.

2.1.2 All terms and conditions in contracts respecting recreation vehicle transactions are set out clearly and in plain language. Disclosure statements are expressed clearly and concisely in a logical order and in a manner that is likely to bring the information to the attention of the purchaser.

2.1.3 Dealers encourage customers to read and understand the terms and conditions of all contracts before signing the contract.

## **2.2 DISTANCE TRAVELED**

2.2.1 All wholesale and retail contracts state on the front of the contract the distance, measured in kilometers or miles, as appropriate, currently shown on the odometer of that recreation vehicle where applicable.

2.2.2 Where a Dealer knows or has reasonable grounds to believe that the distance shown on an odometer does not accurately reflect the true distance traveled, the Dealer makes reasonable efforts to determine the minimum distance traveled by obtaining a reliable representation of the distance traveled by that recreation vehicle at an earlier date.

2.2.3 Where a Dealer knows, or has reasonable grounds to believe that the distance shown on an odometer is not accurate, the purchaser is notified. Where this is the case, the contract includes one of the following plain language statements on the front of the contract:

- a) "The true distance traveled is unknown, but is believed to be in excess of (estimate of distance traveled) which was recorded on (date)".
- b) "The true distance traveled is unknown, but is believed to be substantially higher than that shown on the odometer".

2.2.4 Further to section 2.2.3, Dealers do not use abbreviations when disclosing the fact that an odometer does not accurately reflect the true distance traveled by a recreation vehicle. Examples of prohibited abbreviations include: "T.K.U." and "T.M.U."

## **2.3 RETURN POLICIES**

2.3.1 Where a retail contract expressly provides for a return policy, all terms and conditions of the return policy, including the length of the return period, are disclosed in the contract.

## **2.4 PRIOR USE**

2.4.1 Wholesale and retail contracts state on the front of the contract any of the following statements if they accurately describe the past regular use of a recreation vehicle:

- a) "Used" if the recreation vehicle was previously owned by a customer;
- b) "Rental" if the recreation vehicle was a rental vehicle and has never been owned by a customer;
- c) "Demo"

## **2.5 RECREATION VEHICLE CONDITION**

- 2.5.1 Dealers offering a recreation vehicle for sale disclose in writing to purchasers all material facts about the recreation vehicle's condition known to the Dealer. In determining what material facts a Dealer knew about a recreation vehicle, the **Board of the Association** shall fairly consider the individual circumstances of the recreation vehicle, including the age of the recreation vehicle.
- 2.5.2 In provinces that legislation allows, where a recreation vehicle is sold on an "as is" basis, or without a valid safety inspection, this fact is clearly indicated on the front of the retail contract. Retail contracts for the sale of used recreation vehicles include the following statement on the front of the contract:

VEHICLE SOLD AS IS: I agree that if the appropriate space is initialed by me, the vehicle is sold AS IS and is not represented as being in a road worthy condition, mechanically sound, or maintained at any guaranteed level of quality. The vehicle may not be fit for use as a means of transportation and may require substantial repairs at my expense.

Purchaser's Initials.

The use of the "AS IS" statement does not eliminate potential liability, since a purchaser may still choose to pursue the matter against a Dealer through civil action.

The "AS IS" statement is being provided to Dealers as a means of providing clear disclosure to a purchaser. If a Dealer believes that further disclosure is required, then the Dealer should be sure to make that further disclosure to the purchaser in writing on the Bill of Sale and have the disclosure signed by the purchaser.

- 2.5.3 Where a retail contract does not clearly indicate that a recreation vehicle was sold on an "As is" basis in accordance with section 2.5.2, the recreation vehicle is not considered to be sold on an "As Is" basis.
- 2.5.4 A recreation vehicle sold to a consumer that is not sold on an "As Is" basis is considered to be fit for the purpose of being driven for a reasonable period of time, having regard to factors including:
- a) The type or class of vehicle;
  - b) Prior use of the recreation vehicle previously disclosed to the consumer;
  - c) Age and distance traveled;
  - d) Material facts described in section 2.5.1 previously disclosed to the consumer.

## **2.6 EXTENDED WARRANTIES, DEALER GUARANTEES, AND SERVICE PLANS**

- 2.6.1 Retail contracts state on the front of the contract whether or not an extended warranty, guarantee, or service plan is provided with the recreation vehicle. If provided, the documents detailing the source of the warranty, guarantee, or service plan are attached to the contract.
- 2.6.2 Where a Dealer offers its own guarantees, the retail contract includes the terms and conditions of the guarantee including the following statements:

- a) The term expressed as a period of time or in kilometers, or both. For example: “30 days or 3000km, whichever comes first”;
- b) A description of the parts covered. For example: “power train”;
- c) Whether cost of replacement parts or the cost of installation, or both is covered. For example: “parts and labour”;
- d) The total expense covered. For example: “50/50 parts and labour”;
- e) A statement that repairs will be carried out by the Dealer or by a repair facility authorized by the Dealer.

2.6.3 Where a Dealer sells an extended warranty, product warranty or service plan for a third party, the Dealer promptly completes and submits the application and payment to the warrantor. In the event that the warrantor does not accept the application, the Dealer promptly refunds the warranty fee.

2.6.4 Dealers are strongly urged to only sell insured extended warranties, product warranties, or service plans. Where a Dealer sells an uninsured extended warranty, product warranty, guarantee, or service plan on behalf of a third party, and the third party fails to honour the warranty, guarantee, or service plan, the Dealer assumes liability for all obligations under the warranty, guarantee, or service plan.

2.6.5 Where a dealer sells an extended warranty, product warranty, guarantee, or service plan, the Dealer provides the consumer with a completed, duplicate copy of the application form that has been signed by the Dealer and the consumer. The Dealer retains a completed, signed duplicate copy of the application form as part of the Dealer’s records.

## **2.7 CONSUMER CREDIT AGREEMENTS**

2.7.1 All terms and conditions of a credit agreement, including a consumer loan or lease, are set out in a written agreement that includes all matters required by credit disclosure legislation in force in the province in which the Dealer operates.

## **2.8 CONSUMER CONSIGNMENT AGREEMENTS**

2.8.1 These Standards apply with necessary modifications to recreation vehicles sold on a consignment basis. In addition, where a Dealer intends to sell a recreation vehicle on consignment, the Dealer enters into a consignment agreement with the Consignor that states:

- a) The registered name and registration number of the Dealer;
- b) The name, address, and telephone number of the Consignor;
- c) The make, model, year, vehicle identification number, and distance traveled for every recreation vehicle being consigned;
- d) The term of the agreement and how it may be extended;
- e) Conditions with respect to early termination of the agreement and the minimum fee, if any, that the Dealer intends to charge the Consignor for early termination of the agreement;
- f) The amount the Consignor will receive for the recreation vehicle;
- g) What the dealer will charge the Consignor for selling the recreation vehicle and how this amount is calculated, e.g. as a percentage of the total sale price;

- h) What amount the Dealer will charge the Consignor for any additional costs, including cleaning, transportation, storage, repair, safety inspection, or other costs;
  - i) A condition that the Dealer provides the Consignor with the name and address of the final purchaser and the sale price of the recreation vehicle after it is sold.
- 2.8.2 Where a Dealer sells a recreation vehicle on consignment, the Dealer notifies the purchaser of the recreation vehicle, prior to the sale, that the purchaser's name and address will be disclosed to the Consignor of the recreation vehicle.
- 2.8.3 Where a Dealer sells a recreation vehicle on consignment, the Dealer discloses to the Consignor the name and address of the final purchaser of the recreation vehicle, and the sale price of the recreation vehicle after the sale.
- 2.8.4 Dealers who sell recreation vehicles on consignment comply with the provisions of the laws in effect in the province in which they operate by transferring the vehicle into the Dealer's name prior to transferring the recreation vehicle into the name of the final purchaser.
- 2.8.5 Dealers who enter into an agreement to sell a recreation vehicle on consignment enter all required information with respect to the vehicle in the Dealer's records upon making the agreement.
- 2.8.6 Where a Dealer sells a recreation vehicle on consignment, the bill of sale between the Dealer and the final purchaser is the same as for any other recreation vehicle sale. The same disclosure requirements, implied warranties and obligations, as set out in the laws in force in the province in which the dealer operates, apply to Dealers offering and selling recreation vehicles on consignment as they do to any other consumer transaction.

## **2.9 PUBLIC RECREATION VEHICLE AUCTIONS**

- 2.9.1 These Standards apply to Dealers who conduct public auctions. In particular, without limiting the generality of the previous statement, the Standards set out in Section 2.8 with respect to consignment agreements apply to Dealers who carry on business as a public motor vehicle auction.

## **3. MARKETING**

### **STANDARD**

Guard against using any form of misleading advertising or innuendo in marketing products or services.

### **EXAMPLES AND APPLICATION**

#### **3.1 DISCLOSURE GENERALLY**

- 3.1.1 Any information required by these Standards to be disclosed is sufficiently clear and prominent so that in the consideration of the **Association**, it can be easily noticed and understood by a customer. Disclosure is in a form appropriate to the advertising medium. The **Association** will consider factors that include:
- a) Size of print;

- b) Clarity, legibility of font;
  - c) Location of the disclosed information in the advertisement;
  - d) Prominence of the disclosed information compared to other information in the advertisement;
  - e) In a broadcast advertisement, the length of time that the message appears or is presented.
- 3.1.2 In addition to 3.1.1, all disclosure in advertisements appearing in newspapers, periodicals, and other publications is printed in a minimum size and font that is the same as that normally used in classified advertising by the publication where the advertisement appears.

### **3.2 DISCLOSURE IN BROADCAST ADVERTISEMENTS**

- 3.2.1 Where disclosure of leasing or financial information is required by these Standards and applies to a broadcast advertisement, the advertisement includes as an alternative to the requirements in Section 3.1 either of the following messages:
- a) A telephone number and a statement that the number may be called to obtain pre-recorded disclosure of the information. For example: “Call [telephone number] for full financing information.” The required information must be available on a pre-recorded message and may be followed by an option connecting the caller to a live operator;
  - b) A pre-recorded message is not required if the broadcast advertisement discloses the monthly payment, the term, and the total due on delivery, which shall include down payment, freight, and PDI; or
  - c) A statement that full disclosure can be obtained in a concurrent newspaper advertisement. For example: “See our ad in your local newspaper for full financing information”. The newspaper must be locally available in the market area of the advertiser.
- 3.2.2 The message in 3.2.1 is sufficiently clear and prominent so that in the consideration of the **Association**, it can be easily noticed and understood by a consumer.

### **3.3 GENERIC ADVERTISING**

- 3.3.1 Advertisements do not present insulting portrayals of individuals or groups, and do not exploit violence, sex, children, customs, or characteristics of religious or ethnic groups, persons with disabilities, or any person or group in a way that offends current legal and ethical standards. Advertisements do not portray the recreation vehicle industry, salespeople, or Dealers in an insulting or derogatory manner.

### **3.4 IDENTIFICATION OF DEALER STATUS**

- 3.4.1 Advertisements by or on behalf of a Dealer must disclose the name under which the company publicly does business

### **3.5 AMBIGUOUS OR MISLEADING STATEMENTS**

- 3.5.1 Advertisements do not contain statements that imply superiority without providing supporting, verifiable information.
- 3.5.2 Advertisements do not refer to an award unless its source and date is disclosed. Advertisements do not refer to an award when it was purchased by the Dealer, and

is not based on any verifiable test or research. This does not refer to celebrity endorsements.

### **3.6 TRANSACTION NOT IN ORDINARY COURSE OF BUSINESS**

3.6.1 Advertisements do not indicate or imply that vehicles are being offered out of the ordinary course of business unless full disclosure of the situation is made.

Examples of prohibited terms include:

- a) Going out of business, closing;
- b) Bankrupt, in receivership, liquidation;
- c) Lease expired, moving;
- d) Fleet sale;
- e) Repossessed vehicles

3.6.2 “Wholesale” is not used to describe any transaction other than one between recreation vehicle Dealers.

### **3.7 INTERNET ADVERTISING**

3.7.1 Dealers will not mislead consumers by advertising brands at a location where they do not have a franchise license for the brand(s) in question.

### **3.8 DISCLOSURE OF VEHICLE HISTORY**

3.8.1 Advertisements for specific vehicles that are of the current model year or the previous model year disclose whether the vehicle is new or used. Advertisements of used vehicles must include one of the phrases “used”, “pre-owned”, “previously driven”, “used as a demonstrator by the Dealership”, “used as an executive vehicle by the Dealership”, or other phrase that is accurate.

3.8.2 Advertisements of a specific used vehicle disclose all known material facts about the prior regular use of the vehicle, including:

- a) The year of the vehicle;
- b) If it was a daily rental that was not previously owned by a consumer.

### **3.9 BAIT AND SWITCH ADVERTISING**

3.9.1 The advertised vehicle is to be:

- a) At the advertised location or available at the advertised location;
- b) In condition to be shown;
- c) Willingly shown to a consumer;
- d) Willingly shown under the same terms as advertised; and
- e) Sold on the same terms as advertised.

3.9.2 A vehicle or class of vehicles are not advertised at a specific price or other incentive unless the Dealer is able to supply a quantity of those vehicles that, in the consideration of the Association, is reasonable considering factors that include the size of the Dealership, and the target area of the advertisement.

3.9.3 Advertisements do not misrepresent the opportunity to purchase a vehicle. If the available supply of vehicles is unusually limited, the nature of the limit, such as the number available or the time they are available, must be disclosed. If a factory order or acquisition from another Dealer is, or may be required, this must be disclosed.

- 3.9.4 Dealers do not use phrases such as “supply limited” and “limited time only” if they are misleading considering factors including the number of vehicles available to the Dealer, and the Dealer’s target area.
- 3.9.5 Illustrations of vehicles offered for sale will be reasonable representations of the vehicle(s) if an exact illustration is not available.

### **3.10 ENCOURAGING BREACH OF CONTRACT**

- 3.10.1 Advertisements do not encourage a breach of contract. For example “we will beat your best deal.”

### **3.11 “FREE” OPTIONS OR OFFERS**

- 3.11.1 Advertisements using the word “free” clearly indicate that the item is free with purchase at the advertised price.

### **3.12 MINIMUM TRADE IN ALLOWANCE OFFERS**

- 3.12.1 Advertisements do not guarantee a minimum trade in allowance. For example: “Push, Pull, Drag your trade in for \$2,000.000 guaranteed.”

### **3.13 WARRANTY ADVERTISING**

- 3.13.1 Advertisements do not offer an extended warranty included with purchase unless the following information is declared: term and lifetime claim maximum.
- 3.13.2 Words or phrases that indicate or imply that a warranty covers all of a vehicle, or lasts for an unlimited time, or both, are not used unless the warranty is without such exclusions. Prohibited phrases include:
  - a) Bumper to bumper;
  - b) Inclusive / all-inclusive;
  - c) Total.

### **3.14 PRICE ADVERTISING**

- 3.14.1 Vehicle price advertising discloses that the advertised price does not include the following:
  - a) Industry specific taxes;
  - b) Freight charges;
  - c) Pre delivery Inspections/Pre delivery Expenses charges;
  - d) Administration fees charged by the Dealer.
- 3.14.2 The following are examples of acceptable wording: “Not including taxes, freight, pre delivery, and administration charges”;
- 3.14.3 All disclosure in advertisements appearing in newspapers, periodicals, and other publications is printed on each page of the advertisement in a minimum size and font that is the same as that normally used in classified advertising by the publication where the advertisement appears.

### **3.15 DISCLOSURE OF FINANCIAL INFORMATION – COST OF BORROWING**

- 3.15.1 Advertisements conform to the cost of credit disclosure legislation in force in the province in which the Dealer does business.
- 3.15.2 Advertisements for every credit offer disclose the following:

- a) The annual cost of borrowing stated as an annual interest rate, and the total cost of borrowing expressed in dollars (e.g. 8.9% annually, \$1,500.00); and,
  - b) The term of the credit transaction;
  - c) If a specific vehicle is advertised, the advertised cash price of the vehicle.
- 3.15.3 Where the information required by 3.15.2 is not the same for all credit offers shown in an advertisement, the information may be for a representative offer if this fact is disclosed.
- 3.15.4 Advertisements that indicate or imply that all credit applications will be approved, disclose whether a down payment may be required.
- 3.15.5 An advertisement of a variable interest rate discloses any of the following information that applies to that transaction:
- a) A statement that the interest rate is subject to change during the transaction term;
  - b) For any period that the interest rate is set out in the credit agreement, when the period begins and ends, and the annual interest rate during the period;
  - c) For any period that the interest rate is variable, when the period begins and ends if less than the entire term of the transaction;
  - d) If the variable rate is based on a prime rate, disclosure of this fact, together with a statement that the prime rate may vary, and the source of the prime rate;
  - e) Where the interest rate is variable and is also subject to a minimum or maximum rate, the minimum or maximum interest rate.

### **3.16 DISCLOSURE OF FINANCIAL INFORMATION – NO INTEREST PERIODS**

- 3.16.1 Advertisements that offer no interest periods state the period of time that the offer applies and disclose whether;
- a) The transaction is without any interest during the advertised period; or,
  - b) Interest accumulates during the advertised period but will be forgiven under certain conditions.
- 3.16.2 If interest accumulates during the period but may be forgiven, the advertisement discloses;
- a) The conditions for interest forgiveness; and,
  - b) The interest rate for the period, if the conditions for forgiveness of interest are not met.
- 3.16.3 An advertisement that does not disclose all information required by this section is considered to indicate that the transaction is unconditionally interest-free during the advertised period.

### **3.17 DISCLOSURE OF FINANCIAL INFORMATION – OPTION OF LOW INTEREST RATE FINANCING OR REBATE**

- 3.17.1 Advertisements offering a choice between low interest rate financing and a rebate disclose the effective interest rate of the financing option. The effective interest rate is not the cost of borrowing at the low interest rate plus the value of the rebate. For example, if the choice is between a 1.9% annual interest rate or a \$2,000.00 cash rebate, the real cost of the financing option is 1.9% annually plus \$2,000.00. The following is an example of acceptable wording: “If vehicle

financed at 1.9% and the \$2,000.00 rebate is not taken, the effective interest rate is 9.2%.”

### **3.18 THE FOLLOWING TERMS THAT ARE RESTRICTED OR PROHIBITED**

Going out of Business – Section **3.6.1**  
Closing – Section **3.6.1**  
Bankrupt, bankruptcy – Section **3.6.1**  
In receivership – Section **3.6.1**  
Liquidation – Section **3.6.1**  
Lease expired – Section **3.6.1**  
Moving, relocating – Section **3.6.1**  
Fleet sale – Section **3.6.1**  
Repossessed recreation vehicles – Section **3.6.1**  
Wholesale – Section **3.6.2**  
Supply limited – Section **3.9.4**  
Limited time only – Section **3.9.4**  
Beat your best deal – Section **3.10.1**  
Free – Section **3.11.1**  
Push, pull, drag (or similar) – Section **3.12.1**  
Extended warranty included – Section **3.13.1**  
Bumper-to-bumper – Section **3.13.2**  
All-inclusive – Section **3.13.2**

## **4. ACCOUNTABILITY**

### **STANDARD**

Fulfill all contractual obligations promptly and completely, and resolve legitimate claims without delay.

### **EXAMPLES**

#### **4.1 GENERALLY**

4.1.1 Dealers promptly, honestly, and willingly perform all of their contractual obligations.

#### **4.2 RECREATION VEHICLE FITNESS**

4.2.1 Dealers sell or lease recreation vehicles reasonably fit for the intended use that a consumer expressly or by implication makes known to the Dealer. A motor vehicle may be considered not reasonably fit because it is not designed for the intended use, or because it has structural or mechanical defects.

#### **4.3 LIENS**

4.3.1 A Dealer ensures that all liens have been discharged prior to selling a recreation vehicle to a purchaser.

4.3.2 Where a dealer sells a recreation vehicle that has a lien against it, the Dealer either:

- a) Ensures that the lien against the recreation vehicle in question is discharged; or
- b) Ensures that the lien holder has confirmed in writing that it no longer has a financial interest in the vehicle; or
- c) Buys the vehicle back from the purchaser for an amount representing the current fair value of the recreation vehicle, accounting for depreciation.

#### **4.4 LEASED RECREATION VEHICLES**

4.4.1 When leasing a used recreation vehicle, Dealers ensure that the recreation vehicle has been inspected and that the appropriate inspection approval has been issued for that vehicle.

### **5. COMPLIANCE**

#### **STANDARD**

Abide by all applicable laws and regulations and never knowingly do business with those operating outside these laws.

#### **EXAMPLES**

#### **5.1 KNOWLEDGE OF AN COMPLIANCE WITH APPLICABLE LAWS**

- 5.1.1 Dealers comply with all legislation in effect in the province in which they operate.
- 5.1.2 Nothing in the Code of Ethics or the Standards exempts Dealers from any law.
- 5.1.3 Dealers have knowledge of and comply with the Code of Ethics and these Standards. Dealers cannot avoid the Code of Ethics or these Standards by making a contract or agreement with another person.

#### **5.2 DEALERS RESPONSIBILITY FOR CONDUCT**

- 5.2.1 Dealers are responsible for the business conduct of employees of the Dealership and for maintaining a high quality of sales and service practices.
- 5.2.2 Dealers do not knowingly do business with curbsiders.
- 5.2.3 Dealers do not knowingly allow anyone other than a registered salesperson to be involved in negotiating or approving recreation vehicle transactions or to give information about specific recreation vehicles that are for sale or lease. Without limiting the generality of the foregoing, such positions include those typically known as business managers, finance and insurance staff, leasing staff, sales staff, and all sales or leasing managers.

#### **5.3 ARVDA PROCEDURES**

- 5.3.1 Dealers cooperate with ARVDA representatives carrying out ARVDA's administrative activities, including inquiries, inspections, investigations, and discipline.
- 5.3.2 The obligations in 5.3.1 apply whether the issue concerns the Dealer, another Dealer, or any other person.

## 6. COMPETITION

### **STANDARD**

Ensure fair and open competition and refrain from unfairly attacking the products, services, or business practices of others.

### **EXAMPLES**

- 6.1 Dealers do not encourage or counsel anyone to break a contract already made with another Dealer.

## 7. CONFIDENTIALITY

### **STANDARD**

Hold all personal and financial information we receive in the strictest confidence.

### **EXAMPLES**

- 7.1 Dealers only collect and use such personal information, including financial information disclosed in the course of negotiating a recreation vehicle transaction, which is necessary to complete the transaction.
- 7.2 Dealers do not collect or use personal information without the knowledge or consent of the individual, unless:
  - a) Required or expressly permitted by law; or,
  - b) The collection or use is clearly in the interests of the individual and consent cannot be obtained in a timely way; or,
  - c) It is reasonable to expect that collection of the information from the individual would adversely affect its accuracy or would defeat the purpose for collecting or using the information.
- 7.3 Dealers use personal information only for the purpose for which it was collected, except where used in accordance with Section 7.2 above
- 7.4 Dealers do not disclose personal information, without the knowledge or consent of the individual unless:
  - a) Required or expressly permitted by law; or,
  - b) For the purpose of conducting legal proceedings to recover a debt by the Dealer against the individual.
- 7.5 Dealers disclose personal information only for the purpose for which it was collected, except where disclosed in accordance with Section 7.4 above.

## 8. RESPECT

### **STANDARD**

Treat all people with equality and respect, regardless of gender, age, race, or religion.

### **EXAMPLES**

- 8.1 Dealers comply with the provisions of any human rights code in effect in the province in which they operate.

- 8.2 Dealer employees treat customers in a courteous, straightforward, and respectful manner, acting professionally at all times.
- 8.3 Dealer employees are clear and truthful in describing vehicle features, benefits and prices, and in explaining products, services, programs, and charges. They assist customers to find the vehicle that best meets their needs and financial ability.

## 9. PROFESSIONALISM

### **STANDARD**

Enhance our professional knowledge, skills, and competencies throughout our careers.

### **EXAMPLES**

- 9.1 Dealers keep informed with respect to all matters essential to the conduct of business in the recreation vehicle Dealer industry.

## 10. ENVIRONMENT

### **STANDARD**

Remain committed to a healthy co-existence with our environment.

### **EXAMPLES**

- 10.1 Dealers comply with any Environmental legislation in effect in the province in which they operate.

## GLOSSARY (In these Standards)

**ADVERTISING, ADVERTISEMENT** Includes any advertisement made by or on behalf of a recreation vehicle Dealer in any medium of communication including the Internet, unless the Standards limit this definition in a specific situation.

**AS IS** means a vehicle that, when it is sold, is not represented as being in a road worthy condition, mechanically sound, or maintained in any guaranteed level of quality. The vehicle may not be fit for use as a means of transportation and may require substantial repairs at the purchaser's expense.

**BROADCAST ADVERTISEMENT** means an advertisement in any electronic medium including radio and television, but does not include the Internet or other electronic images that mainly consist of written text. Broadcast advertisements also include billboard, public transit, and similar advertising.

**CONSIGNOR** means the owner of a recreation vehicle who provides or delivers it to a Dealer to be sold on a consignment basis.

**CONSUMER** means a natural person but does not include a natural person, partnership, or an association of persons acting in the course of carrying on business.

**CREDIT AGREEMENT** means an agreement under which one party extends credit in any form to another party, including a lease.

**CURBSIDER** means a person buying, selling or leasing vehicles who is not a registered according to the legislation in place in the province in which they are selling, or a person registered but posing as an unregistered person when buying, selling or leasing vehicles. This does not include persons exempted under the legislation of the province in which they are selling.

**DEALER, DEALERSHIP** means a recreation vehicle Dealer registered according to the legislation in place in the province in which they operate. This includes a group or organization of Dealers that advertises vehicle transactions on behalf of the members of the group or organization. This also includes all persons employed, appointed or authorized by a recreation vehicle Dealer to act on Dealer's behalf in any transaction arising from or related to the purchase, sale or lease of recreation vehicles.

**EXTENDED WARRANTY, PRODUCT WARRANTY OR SERVICE PLAN** means an extended warranty, product warranty or service plan that is not provided by a recreation vehicle manufacturer.

**IRREPARABLE** means any recreation vehicle, which is incapable of operation or use on a highway and has no resale value except as a source of parts or scrap.

**MEMBER** means a recreation vehicle Dealer who is a registered member of ARVDA.

**RECREATION VEHICLE** means a recreation vehicle as defined by the recreation Vehicle legislation in the province in which the dealer operates.

**PERSONAL INFORMATION** means any information about an individual person who can be identified, however collected, including the individual's name, address, telephone number, information relating to an individual's income and an individual's financial transactions.

**PUBLIC MOTOR VEHICLE AUCTION** means a motor vehicle auction to which purchasers other than Dealers are invited.

**PURCHASER** means any person, including consumers, business entities or Dealers, buying or leasing, or potentially buying or leasing, a vehicle.

**REBUILT** means any vehicle declared "salvage" which has been rebuilt and inspected for the purpose of registration or titling.

**RETAIL CONTRACT** means a contract of sale or lease of a vehicle made between a Dealer and a purchaser, other than a purchaser who is a Dealer.

**SALVAGE** means a vehicle, which is damaged by collision, fire, flood, accident, trespass or other to the extent that the cost of repairing the vehicle for legal operation on a highway exceeds its fair market value immediately prior to the damage being incurred.

**STANDARDS** mean these Standards of Business Practice. **TARGET AREA** means the geographic area that an advertisement is intended to reach, even if others outside the target area also receive the advertisement.

**TERM** means the period between the first payment under a transaction and the final payment anticipated by the transaction.

**TRANSACTION** means a contract, entered into or in the process of being negotiated in respect of a recreation vehicle, including a sale or lease.

**WHOLESALE CONTRACT** means a recreation vehicle transaction between Dealers, or the purchase of a recreation vehicle by a Dealer from a private seller.