

# Legislation Respecting Dealer Licenses and Dealer Number Plates

## **Prohibited vehicles**

11 The Department shall not register, and no person shall operate on a highway, a miniature motor vehicle, an all terrain vehicle, an air-cushioned vehicle, a "go-kart", a "mini-bike", a motorized vehicle designed to be driven exclusively or chiefly on snow or ice or both, or any motorized vehicle of a like nature. R.S., c. 293, s. 11.

## **Serial numbers**

12 (1) The Department shall not register a new vehicle where the serial number of the vehicle indicates that it is of a different model year than the model year shown in the application for registration of the vehicle.

(2) Notwithstanding subsection (1), where there is a serial number for the chassis and the body of a vehicle indicating a different model year, the later year shall be shown as the model year for the vehicle. R.S., c. 293, s. 12; 1994-95, c. 12, s. 2.

## **Effect of vehicle transfer**

23 (1) Whenever a vehicle as registered under the foregoing provisions of this Act is sold or disposed of any permit issued respecting the vehicle shall thereupon terminate and the registration of the vehicle shall be deemed to be suspended from the date of the sale or disposal until the transferee has obtained a permit as provided by subsection (5).

## **Deemed registration**

(2) Notwithstanding subsection (1), whenever a vehicle is sold or disposed of the vehicle shall be deemed to be registered under the name of the new purchaser or transferee providing there is displayed valid plates assigned to that person for a period not exceeding thirty days from the time of the sale or the disposition.

## **Plates**

(3) Notwithstanding any sale, disposal or transfer of a vehicle, the number plates originally assigned to the seller are to be removed by him and maintained until the expiry date of those number plates for re-assignment to a new vehicle he may purchase unless returned to or required to be returned by the Department.

## **Completion of notice of sales**

(4) When a vehicle registered pursuant to this Act is sold, the seller shall complete the notice of sale portion of the certificate of registration and immediately forward it to the Department.

## **New registration where no endorsed permit**

(5) In the event the Department does not receive the notice of sale portion of the certificate of registration properly endorsed, as provided in subsection (4), the

Department may register the vehicle provided it is satisfied as to the genuineness and regularity of the transfer.

### **Effect of transfer of law**

(6) In the event of the transfer by the operation of law of the title or interest of an owner in and to a vehicle by reason of the bankruptcy of the owner, execution sale, repossession upon default in performing the terms of a conditional sale agreement or otherwise, the registration thereof shall expire and the vehicle shall not be operated upon the highways until and unless the persons entitled thereto shall apply for and obtain the registration thereof, excepting that trustee or other representative of the owner or a sheriff or other officer repossessing the vehicle under the terms of a conditional sale contract, lease, chattel mortgage or other security or the assignee or other representative of such person may operate or cause to be operated the vehicle upon the highways from the place of repossession or place where formerly kept by the owner to a garage, warehouse or other place of keeping or storage while displaying upon the vehicle the number plates issued to the former owner.

### **Deemed registration upon death**

(7) Immediately upon the death of a registered owner, the vehicle is deemed to be registered in the name of the estate of the deceased registered owner for a period of sixty days unless an application for other registration of the vehicle is sooner made.

### **Expiry of deemed registration**

(8) Where no application for registration is sooner made, the vehicle of a deceased registered owner is deemed to be unregistered at the expiration of sixty days following his death and any number plates assigned to the deceased owner shall be returned to the Department.

### **Protection under Insurance Act and title**

(9) Subsections (7) and (8) do not affect the title or interest of any person in the vehicle or the protection provided by the Insurance Act upon the death of an insured vehicle owner.

### **Burden of proof**

(10) In any proceedings where the question arises as to whether the requirements of subsection (1) have been complied with, the burden of proof that the transferee has complied with the requirements of subsection (1) shall be upon the transferee.

### **Payment of Health Services Tax**

(11) When a vehicle registered under the Act is sold or disposed of or the title or interest of an owner in and to a vehicle is transferred by the operation of law and an application for the registration of the vehicle is made to the Department, the Registrar may refuse to register the vehicle unless the applicant files with the Department proof, in a form satisfactory to the Registrar, that any tax required to be paid under the Health Services Tax Act in respect of the vehicle has been paid. R.S., c. 293, s. 23; 1994-95, c. 12, s. 3.

### **Notice of transfer by dealer**

24 (1) Every dealer, upon transferring a motor vehicle, trailer or semi-trailer, whether by sale, lease or otherwise, to any person other than a dealer, shall immediately give written notice of the transfer to the Department upon the official form provided by the Department.

### **Contents of notice**

(2) Every such notice shall contain the date of the transfer, the names and addresses of the transferor and transferee and such description of the vehicle as may be called for in the official form.

### **Frequency of notice**

(3) The Registrar may direct that the notice be given weekly, monthly or otherwise as he may determine. R.S., c. 293, s. 24.

### **Dealer number plate**

26 (1) A dealer licensed under this Act, and such other persons as the Minister may determine owning or operating any vehicle upon any highway, in lieu of registering each vehicle may obtain from the Department upon application therefor upon the proper official form and payment of the fees required by law and attach to each vehicle one number plate which shall bear thereon a distinctive number, and such other matter as the Minister may determine, and plates so issued may, during the calendar year for which issued, be transferred from one such vehicle to another owned or operated by the dealer, who shall keep a written record of the vehicles upon which the dealer's number plates are used, which record shall be open to inspection by any peace officer or any officer or employee of the Department.

### **Display of number plate while on highway**

(2) No dealer in motor vehicles, trailers, or semi-trailers shall cause or permit any such vehicle owned by such person or persons to be operated or moved upon a highway without there being displayed upon the vehicle a number plate or plates issued to such person, either under Section 19 or under this Section except as otherwise provided in Section 30 and subsection (3) of Section 13.

### **Exemption for dealer**

(3) When first taking possession of a vehicle already registered under this Act, any dealer may, without registering the vehicle, operate or move, or cause to be operated or moved, any such vehicle upon a highway if there is in force in respect of the vehicle a valid certificate of registration and if the certificate has been assigned to the dealer and is in possession of the driver of the vehicle and there is displayed a valid dealer number plate assigned to that dealer.

### **Attachment of dealer number plate**

(4) Notwithstanding Section 20, a dealer or person using upon a vehicle a number plate issued under this Section shall attach the plate to the rear of the vehicle. R.S., c. 293, s. 26.

### **Use of dealer number plate**

27 (1) No person shall operate or move upon a highway a vehicle to which a dealer's number plate is attached when the vehicle is being used for the transportation of persons for gain or the transportation of goods or when the vehicle is being rented.

### **Commercial vehicle**

(2) Notwithstanding subsection (1) but subject to all other provisions of this Act, a commercial vehicle to which a dealer's number plate is attached may be operated

(a) for a period not exceeding one day with or without a load for demonstration purposes while the dealer or an agent or employee of the dealer is in the vehicle; or

(b) for the period required to transport the vehicle with or without a load owned by the dealer from the manufacturer's premises to the dealer's premises or from the dealer's premises to the premises of his sub-dealer while the dealer or an agent or employee of the dealer is in the vehicle.

### **Conditions for use of dealer number plate**

(3) No dealer shall use any dealer's number plate issued to him upon any vehicle unless

(a) the vehicle is a new vehicle and the dealer has filed with the Department a certificate, satisfactory to the Registrar, from the manufacturer of the vehicle or from a dealer not having an established place of business in this Province or from another dealer having authority to issue such a certificate in respect of a vehicle of that make, that the dealer has a franchise or sales contract authorizing him to sell vehicles of that make;

(b) a certificate of registration has been issued in respect of the vehicle and the certificate of registration is in the name of the dealer or has been assigned to the dealer; or

(c) the dealer can show that he has made application in his own name for a certificate of registration in respect of the vehicle. R.S., c. 293, s. 27.

### **Dealer permit**

28 (1) The Department shall issue a dealer's permit in respect to each dealer's number plate.

### **Production of dealer permit**

(2) Every dealer's permit shall state thereon the number of one of the dealer's number plates and it shall be an offence for the driver or person in charge of a vehicle displaying a dealer's number plate to fail to produce, on the request of a peace officer, a dealer's permit bearing the same number as the number plate.

### **Content and keeping of dealer permit**

(3) Every dealer's permit shall state thereon the number of the dealer's license, the number of the number plate and such other matter as the Minister may determine and the permit and the plate to which it refers, when not in actual use upon a highway, shall be kept at the place of business for which the dealer's license was issued.

### **Cancellation of dealer permit**

(4) Where the Registrar is satisfied that a dealer's number plate is being used for purposes not related to the business of the dealer or person, the Registrar may, by order, cancel the dealer's permit issued in respect of the dealer's number plate and require the return of the dealer's number plate. R.S., c. 293, s. 28.

### **Dealer number plate for transporting vehicles**

29 (1) The Department may issue dealers' number plates to a person who is engaged in the business of transporting vehicles whether or not the person is a dealer licensed under this Act.

### **Dealer number plate on vehicle being transported**

(2) Dealers' number plates issued under subsection (1) may be attached to a vehicle that is being transported with or without load to a point of delivery within the Province.

### **Application of Section 28 and Act**

(3) The provisions of Section 28 and the other provisions of this Act shall apply in respect of each number plate except that, if the person is not a dealer licensed under this Act, the provisions relating to a dealer licensed under this Act shall not apply.

### **Condition in dealer permit**

(4) A dealer's permit issued in respect of a dealer's number plate issued under this Section shall, in addition to any matter required to be stated, state that the dealer's number plate may be used only while the vehicle is being transported to a point of delivery within the Province. R.S., c. 293, s. 29.

### **Temporary number**

30 (1) Notwithstanding the foregoing provisions of this Act in regard to the issuing and displaying of number plates, the Minister may authorize dealers and other persons designated by him, to issue temporary numbers in a form to be approved by him pending the issue of number plates and a permit as required by this Act, subject to such conditions as the Minister may cause to be stated on the temporary numbers, the owner of any vehicle legally displaying temporary numbers shall be deemed to have complied with this Act in regard to the display of number plates and it shall be an offence for any person to fail to comply with any conditions stated on the temporary numbers.

### **In-transit permit**

(2) The Minister may authorize dealers and other persons to issue in-transit permits in a

form approved by the Minister and containing such conditions as the Minister prescribes.

### **Issue of in-transit permit**

(3) Upon payment of the prescribed fee an in-transit permit may be issued in respect of a vehicle that is not registered or for which no permit or number plates have been issued.

### **Effect of in-transit permit**

(4) Notwithstanding any other provision of this Act, an in-transit permit authorizes the vehicle in respect of which it is issued to be operated or moved on a highway without load for a single trip from a place to another place named in the permit and in accordance with the conditions stated in or on the permit.

### **Duty to display and destroy in-transit permit**

(5) The person to whom an in-transit permit is issued shall display it in the lower right hand corner of the windshield of the vehicle in respect of which it was issued and shall remove the permit and destroy it immediately after the vehicle has completed the trip for which the permit was issued.

### **Offence**

(6) It is an offence for a person to fail to observe or comply with any provision of this Section or with any provision or condition of an in-transit permit issued to him. R.S., c. 293, s. 30.

### **Regulations respecting dealer number plates**

31 Subject to this Act, the Minister may make regulations governing the withholding, refusal to issue, cancellation and use of dealer's number plates and may delegate to the Registrar such authority as he deems expedient and it shall be an offence against this Act for any person to violate any provision of those regulations. R.S., c. 293, s. 31.

### **Regulations respecting dealers**

32 (1) Subject to the approval of the Governor in Council, the Minister may make regulations

(a) defining or classifying dealers or determining who shall be a dealer for the purposes of this Act or the regulations;

(b) prescribing or fixing the standards to be maintained by any dealer in respect of his premises, equipment, service or any of them;

(c) governing the issuing, withholding and revocation of licenses for dealers or any class of dealers;

(d) providing for the bonding of dealers and specifying the amount and terms and conditions of bonds;

(e) for the more effective administration of this Act in relation to the buying, selling or dealing in motor vehicles, trailers or semi-trailers.

### **Application of regulations**

(2) Any regulations made under the authority of this Section may be general in their application or may be made applicable to any class or classes of dealers.

### **Offence**

(3) It shall be an offence for any person to violate any provision of any such regulation.

### **Conflict**

(4) Where the regulations made under the authority of this Section relate to a matter for which provision is made in this Act the regulations may provide that the particular Section or Sections of this Act shall not apply. R.S., c. 293, s. 32.

### **Motor Vehicle Safety Act (Canada) standards**

33 No person who deals in new vehicles shall sell or offer to sell a new vehicle that does not conform to standards required under the Motor Vehicle Safety Act (Canada). R.S., c. 293, s. 33.

### **Error in permit or number plate**

34 (1) Any owner or dealer who discovers an error in his permit or number plates shall return the permit or number plates to the Department within twenty-four hours of the discovery.

### **Custody of plate and offence**

(2) Every owner or dealer shall be responsible for the custody of the number plates issued to him for the current year and it shall be an offence for him to fail to immediately notify the Department when such number plates are no longer in his possession.

### **Plate or permit lost, mutilated or becomes illegible**

(3) In the event that any number plate or permit issued hereunder is lost, mutilated or has become illegible, the person who is entitled thereto shall make immediate application for and obtain a duplicate or substitute therefor upon furnishing information of such fact satisfactory to the Department and upon payment of the required fees. R.S., c. 293, s. 34.

### **Offence and conditions for transfer of vehicle**

43 (1) The owner of a motor vehicle for which a certificate of registration is required hereunder shall not sell or transfer his interest in or to the vehicle unless he has obtained a certificate of registration thereto nor unless having procured a certificate of registration he in every respect complies with the requirements of this Section and any person who violates this Section shall be guilty of an offence.

### **Assignment Required**

(2) Whenever a certificate of registration has been issued in respect of a motor vehicle the owner who sells or transfers his interest in or to the motor vehicle shall execute an assignment of his interest in or to the motor vehicle in the form provided on the reverse side of the certificate of registration for the vehicle and the owner shall deliver the certificate of registration to the purchaser or transferee at the time of delivering the vehicle.

### **Application for registration by transferee**

(3) The transferee except as provided in subsection (4) shall thereupon present the certificate endorsed and assigned as aforesaid to the Department and make application for and obtain a new certificate of registration for the vehicle.

### **Exemption for certain transferees**

(4) When the transferee of a vehicle is a dealer who holds the same for resale, or when the transferee does not drive the vehicle nor permit the vehicle to be driven upon the highways, the transferee shall not be required to forward the certificate of registration to the Department, as provided in subsection (3), but the transferee upon transferring his interest to another person shall execute an assignment of his interest upon the form provided on the reverse side of the certificate of registration and deliver the same to the person to whom the transfer is made.

### **Registration upon involuntary transfer**

(5) Whenever the ownership of any motor vehicle passes otherwise than by voluntary transfer, the new owner may obtain a certificate of registration therefor from the Department upon application therefor and payment of the prescribed fee accompanied by such evidence as shall satisfy the Registrar that the applicant is entitled to a certificate of registration, and the Registrar, when satisfied of the genuineness and regularity of the transfer, shall issue a new certificate of registration to the person entitled thereto.

### **False statement**

(6) Every person who makes a false statement in an assignment of his interest in or to a motor vehicle shall be guilty of an offence against this Act. R.S., c. 293, s. 43.

## **DEALERS' LICENSES**

### **Dealer license required**

53 (1) No person shall carry on or conduct the business of buying, selling or dealing in motor vehicles, trailers or semi-trailers, either directly or through a sub-dealer or agent, unless he is licensed under this Act and unless he has complied with all the other provisions of this Act and of the regulations.

### **Definition of dealer**

(2) For the purposes of subsection (1), a person carries on or conducts the business of buying, selling or dealing in motor vehicles, trailers or semi-trailers who in any period of twelve consecutive months sells or trades more than four motor vehicles or more than four trailers or semi-trailers without the permission in writing of the Registrar.

### **Application for license**

(3) Application for a dealer's license shall be made on such form and shall contain such information as the Department may from time to time prescribe.

### **False statement**

(4) Every person who makes a false statement in an application to the Department for any such license shall be guilty of an offence and shall be liable to the penalty mentioned in Section 298. R.S., c. 293, s. 53; 2002, c. 10, s. 10.

### **Issue and expiry of dealer license**

54 (1) The Department upon receiving an application for a dealer's license accompanied by the proper fee may, if satisfied that the applicant is of good character and that he has complied with this Act and all the regulations, issue the license applied for, and every such license shall expire on December thirty-first in the year in which it is issued.

### **Supplementary license required**

(2) Any licensee before removing any one or more of his places of business or opening any additional place of business shall apply to the Department for and obtain a supplemental license. R.S., c. 293, s. 54.

### **Form, validity and display of dealer license**

55 Every dealer's license shall be in such form as the Minister determines and shall be valid only in the county or counties for which it is issued, and every dealer shall apply for and obtain a separate license for each county in which he maintains an established place of business but may obtain a license in any county, whether the dealer maintains a place of business there or not, and the license shall be conspicuously posted up in the place of business for which it is issued. R.S., c. 293, s. 55.

### **Dealer record**

56 (1) Every licensed dealer shall maintain a record in form as prescribed by the Department of every motor vehicle, trailer or semi-trailer bought, sold or exchanged by the dealer or received or accepted by the dealer for sale or exchange which record shall contain a description of every said vehicle, including the name of the maker, type, serial number and other distinguishing marks and whether any numbers thereon have been defaced, destroyed, or changed and shall state with reference to each such vehicle the name and address of the person from whom purchased or received and when sold or otherwise disposed of by the dealer the name and address of the person to whom sold or delivered.

### **Proof of ownership**

(2) Every licensed dealer shall have in his possession and in his name a separate certificate of registration or an assignment thereof or other documentary evidence of interest in or to every motor vehicle in his possession. R.S., c. 293, s. 56.

### **Right of entry and inspection**

59 Any official of the Department, any peace officer or any person authorized by the Registrar may enter into any place where motor vehicles that are expected to be driven

on a public highway are stored for the purpose of inspecting the mechanical fitness of the motor vehicle. 1999, c. 11, s. 1.

**Regulations respecting dealer license**

60 Subject to this Act, the Minister may make regulations governing the issuing, withholding and revocation of dealers' licenses, and the regulations may delegate to the Registrar such authority as the Minister may deem expedient and it shall be an offence to violate such regulations. R.S., c. 293, s. 60.