

OMVIC License Practice Test & Course - Prepare for the OMVIC Exam in Ontario (Sample)

Study Guide



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SAMPLE

Questions

- 1. True or False: An "order" of the OMVIC Discipline Committee is final and cannot be appealed**
 - A. False**
 - B. True**

- 2. Which of the following expenses can a dealer deduct from a deposit if the purchaser backs out of the deal?**
 - A. Advertising costs**
 - B. Another Safety Standards Certificate**
 - C. Storage expenses**
 - D. All of the above**

- 3. What does the term "as is" indicate when used in vehicle sales?**
 - A. The vehicle comes with a warranty**
 - B. The buyer accepts the vehicle in its current condition**
 - C. The vehicle is guaranteed to function properly**
 - D. The vehicle is sold at a discounted price**

- 4. What does CAMVAP stand for?**
 - A. Canadian Automobile Market Value Arbitration Plan**
 - B. Canadian Automotive Manufacturer's Vehicle Arbitration Plan**
 - C. Canadian Motor Vehicle Arbitration Plan**
 - D. Canadian Motor Vehicle Agreement Program**

- 5. Failure to abide by the Code of Ethics Regulations can result in:**
 - A. A disciplinary hearing**
 - B. All of the above**
 - C. Refusal to grant or renew registration**
 - D. Revocation of registration**

- 6. Which of the following is an example of an unconscionable representation?**
- A. The dealer or salesperson gave a fair opinion**
 - B. The price closely matches market value**
 - C. The consumer cannot protect his or her own interests**
 - D. The dealer offers a discount to make the sale**
- 7. True or False: If an advertisement is for a vehicle of the current model year but the vehicle is used, the ad must clearly state the vehicle is used.**
- A. False**
 - B. True**
- 8. What is one major point of the OMVIC Code of Ethics?**
- A. Encouraging aggressive sales tactics**
 - B. Promoting accountability and transparency in vehicle sales**
 - C. Offering discounts to loyal customers**
 - D. Limiting consumer options during sales**
- 9. Is it possible for more than one party to hold a lien on the same vehicle?**
- A. No**
 - B. Only if it is a government lien**
 - C. Only under special circumstances**
 - D. Yes**
- 10. What should a consumer do if they suspect odometer fraud?**
- A. Ignore it and proceed with the purchase**
 - B. Report it to OMVIC**
 - C. Contact the previous owner**
 - D. Request further documentation from the dealer**

Answers

SAMPLE

- 1. A**
- 2. D**
- 3. B**
- 4. C**
- 5. B**
- 6. C**
- 7. B**
- 8. B**
- 9. D**
- 10. B**

SAMPLE

Explanations

SAMPLE

1. True or False: An "order" of the OMVIC Discipline Committee is final and cannot be appealed

A. False

B. True

An order of the OMVIC Discipline Committee is not final and can be appealed by either party involved in the case. This is because any decision made by the Discipline Committee can be reviewed and potentially overturned by the Ontario Superior Court of Justice. Therefore, the statement that the order is final and cannot be appealed is false.

2. Which of the following expenses can a dealer deduct from a deposit if the purchaser backs out of the deal?

A. Advertising costs

B. Another Safety Standards Certificate

C. Storage expenses

D. All of the above

If the purchaser backs out of the deal, the dealer has the right to deduct all expenses incurred from the deposit. All of the options listed in the choices are valid expenses that may be incurred by the dealer in the process of completing the sale. Therefore, any of these expenses may be deducted from the deposit if the purchaser backs out. This includes advertising costs, which may have been used to promote the sale of the vehicle, and another Safety Standards Certificate, which may have been obtained before the sale was finalized. Storage expenses may also be incurred if the vehicle was stored at the dealership for a certain period of time. Therefore, the correct answer is D, as all of the options can potentially be deducted from the deposit in this scenario.

3. What does the term "as is" indicate when used in vehicle sales?

A. The vehicle comes with a warranty

B. The buyer accepts the vehicle in its current condition

C. The vehicle is guaranteed to function properly

D. The vehicle is sold at a discounted price

The term "as is" in vehicle sales signifies that the buyer accepts the vehicle in its current condition, without any guarantees or warranties from the seller regarding its quality or functionality. This means that once the sale is completed, the buyer assumes all responsibility for the vehicle's condition, including any existing defects or issues. Understanding this term is crucial for buyers as it emphasizes the need for thorough inspection and due diligence before making a purchase, since post-sale complaints are typically not accepted. It also implies that the seller will not be held liable for any repairs or problems that arise after the transaction, which is an important aspect of understanding one's rights and obligations in an automotive sales context.

4. What does CAMVAP stand for?

- A. Canadian Automobile Market Value Arbitration Plan**
- B. Canadian Automotive Manufacturer's Vehicle Arbitration Plan**
- C. Canadian Motor Vehicle Arbitration Plan**
- D. Canadian Motor Vehicle Agreement Program**

CAMVAP stands for the Canadian Motor Vehicle Arbitration Plan. This is a program in Canada that provides consumers with a way to resolve disputes with automotive manufacturers without going to court. Option A is incorrect because it includes "Market Value," which is not mentioned in the acronym. Option B is also incorrect because it includes "Manufacturer's," which is not mentioned in the acronym. Option D is incorrect because it includes "Agreement Program," which is not mentioned in the acronym. Therefore, C is the correct answer.

5. Failure to abide by the Code of Ethics Regulations can result in:

- A. A disciplinary hearing**
- B. All of the above**
- C. Refusal to grant or renew registration**
- D. Revocation of registration**

Not abiding by the Code of Ethics Regulations can have serious consequences for individuals and organizations. Options A, C, and D are all specific examples of potential consequences for not following the code. A disciplinary hearing can be a formal investigation into a person or organization's actions and can result in penalties or sanctions. Refusal to grant or renew registration means that an individual or organization may not be allowed to practice in their field due to not meeting ethical standards. Revocation of registration means that an individual or organization's license or certification can be taken away, effectively preventing them from practicing. Option B, "All of the above," is the best choice because it covers all the possible outcomes that can result from failure to abide by the Code of Ethics Regulations.

6. Which of the following is an example of an unconscionable representation?

- A. The dealer or salesperson gave a fair opinion**
- B. The price closely matches market value**
- C. The consumer cannot protect his or her own interests**
- D. The dealer offers a discount to make the sale**

An unconscionable representation is an unfair or deceptive statement made by a dealer or salesperson to a consumer. Option A, B, and D are not examples of unconscionable representation as they either involve fair opinions, accurate pricing, or sales discounts. Only option C refers to a situation where the consumer is not able to protect their own interests, which can be considered as an unfair and deceptive statement. Thus, option C is the correct answer.

7. True or False: If an advertisement is for a vehicle of the current model year but the vehicle is used, the ad must clearly state the vehicle is used.

A. False

B. True

When an advertisement is for a vehicle of the current model year, it is important that the ad accurately reflects the vehicle being sold. This means that if the vehicle is used, the ad must clearly state that it is used. Therefore, the correct answer is True. Option A is incorrect because if the ad does not clearly state that the vehicle is used, it would be misleading to potential buyers.

8. What is one major point of the OMVIC Code of Ethics?

A. Encouraging aggressive sales tactics

B. Promoting accountability and transparency in vehicle sales

C. Offering discounts to loyal customers

D. Limiting consumer options during sales

The OMVIC Code of Ethics emphasizes promoting accountability and transparency in vehicle sales as a fundamental principle. This focus ensures that dealers and salespeople conduct their business in a manner that builds trust with consumers. By prioritizing honesty and clear communication, the Code encourages sales practices that protect consumers from deceptive practices and ensure they have access to all necessary information about the vehicles they are considering. This commitment to ethical standards not only fosters a positive reputation for the automotive industry but also enhances consumer confidence in the purchasing process. In contrast, aggressive sales tactics, discount offer structures, or limiting consumer options would undermine this trust and transparency, which is the cornerstone of ethical conduct as outlined in the OMVIC Code.

9. Is it possible for more than one party to hold a lien on the same vehicle?

A. No

B. Only if it is a government lien

C. Only under special circumstances

D. Yes

It is possible for more than one party to hold a lien on the same vehicle. This can occur if the vehicle owner has taken out multiple loans using the vehicle as collateral, or if there is a joint ownership of the vehicle and each owner has a lien attached to their portion. Options A, B, and C are incorrect because they all restrict the possibility of multiple liens on a vehicle. Option A is incorrect because it states that it is not possible, option B is incorrect because it limits it to government liens, and option C is incorrect because it implies that it is possible under very specific circumstances. It is important to note that having multiple liens on a vehicle can complicate matters if the owner falls behind on their payments or if the vehicle needs to be sold.

10. What should a consumer do if they suspect odometer fraud?

A. Ignore it and proceed with the purchase

B. Report it to OMVIC

C. Contact the previous owner

D. Request further documentation from the dealer

When a consumer suspects odometer fraud, the appropriate action to take is to report it to OMVIC (Ontario Motor Vehicle Industry Council). OMVIC is responsible for regulating the motor vehicle sales industry in Ontario and protecting consumers from dishonest practices, including odometer fraud. Reporting the suspicion provides the regulatory body the opportunity to investigate the matter, potentially preventing further fraudulent activities and protecting other consumers from being misled. OMVIC has the resources and authority to take action against dealers or individuals engaged in such illegal practices. By reporting, consumers also contribute to the overall integrity of the vehicle sales industry, ensuring it remains fair and honest for everyone involved. Taking this step is crucial, as ignoring the issue could lead to financial loss or purchasing a vehicle that is misrepresented in terms of its mileage.