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

Study Guide

BY EXAMZIFY

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Questions

1. **True or False: Under the Transaction Fee Program, dealers are required to remit $10 for each vehicle sold or leased.**
    - A. False
    - B. True

2. **What must a buyer receive if the dealer is unable to provide an itemized invoice at the time of sale?**
    - A. A handwritten receipt
    - B. A duplicate of their contract
    - C. A promissory note
    - D. A temporary invoice

3. **Check any statement that is correct: A contract for sale or lease of a vehicle between dealers:**
    - A. Is subject to the provisions of the Consumer Protection Act
    - B. Must disclose a statement as to whether CAMVAP is available
    - C. Must disclose exactly the same information required in the sale of a vehicle to a purchaser who is a consumer
    - D. Must disclose specific information to comply with the Code of Ethics Regulations

4. **How much does each dealer pay into the Fund?**
    - A. 224
    - B. 200
    - C. 324
    - D. 350

5. **Should OMVIC issue a proposal to refuse (or revoke) registration, to whom can the applicant appeal?**
    - A. Canada Appeals Tribunal
    - B. Licence Appeal Tribunal (LAT)
    - C. Provincial Court
    - D. Supreme Court

6. Motor vehicle repairs are governed by which Ontario legislation?

A. Consumer Protection Act

B. Motor Vehicle Dealers Act

C. Motor Vehicle Repair Act

D. None of the above

7. How should a dealership ideally handle customer complaints?

A. By delaying the response

B. By responding with indifference

C. By addressing them promptly and respectfully

D. By insisting on a refund immediately

8. Who does the OMVIC Board predominantly represent?

A. Consumers

B. Dealers

C. Government

D. Law enforcement

9. What is required to be employed as a salesperson by a registered dealer?

A. Complete and pass the certification course

B. Pay a fee

C. Complete/pass certification course, pay fee, be employed by a registered dealer

D. Only complete the certification course

10. Which of the following entities does OMVIC inspect?

A. Dealers

B. Drivers

C. Insurance companies

D. Repair shops

Answers

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

Explanations

1. **True or False: Under the Transaction Fee Program, dealers are required to remit $10 for each vehicle sold or leased.**

   A. False

   B. True

The statement is true. Under the Transaction Fee Program, vehicle dealers are mandated to remit a fee of $10 for each vehicle they sell or lease. This program was introduced to enhance accountability and transparency within the vehicle sales industry in Ontario, providing a mechanism for funding consumer protection initiatives, education, and enforcement activities. The fees collected contribute to the resources needed to maintain regulatory oversight and consumer support, ensuring a fair marketplace. This requirement underscores the financial responsibilities dealers have towards contributing to the industry's regulatory framework.

2. **What must a buyer receive if the dealer is unable to provide an itemized invoice at the time of sale?**

   A. A handwritten receipt

   B. A duplicate of their contract

   C. A promissory note

   D. A temporary invoice

If the dealer is unable to provide an itemized invoice at the time of sale, the buyer should receive a temporary invoice. This is because a temporary invoice can serve as proof of purchase and can be used for future reference or for warranty claims. A handwritten receipt may not provide enough information and may not be accepted by the dealer in the future. A duplicate of the contract does not serve as an invoice and a promissory note is a promise to pay, not a proof of payment or purchase. Therefore, a temporary invoice is the most suitable option in this situation.

3. **Check any statement that is correct: A contract for sale or lease of a vehicle between dealers:**

   A. Is subject to the provisions of the Consumer Protection Act

   B. Must disclose a statement as to whether CAMVAP is available

   C. Must disclose exactly the same information required in the sale of a vehicle to a purchaser who is a consumer

   D. Must disclose specific information to comply with the Code of Ethics Regulations

A Incorrect - A contract for sale or lease of a vehicle between dealers is not subject to the provisions of the Consumer Protection Act. That act applies to transactions between a dealer and a consumer. B: Incorrect - While CAMVAP may be available in this type of contract, it is not required to be disclosed. C: Incorrect - While some information may be similar, a contract between dealers does not have to disclose the same information as a sale to a consumer. Different regulations may apply. D: Correct - A contract for sale or lease of a vehicle between dealers must disclose specific information to comply with the Code of Ethics Regulations. This includes providing a statement of disclosures about the vehicle's history, warranty information, and any potential defects or issues.

4. How much does each dealer pay into the Fund?

A. 224

B. 200

C. 324

D. 350

The correct amount that each dealer pays into the Fund is $324. This figure is significant because it represents a standardized contribution that supports the operations and activities of the Ontario Motor Vehicle Industry Council (OMVIC), including consumer protection efforts, regulatory compliance, and the overall integrity of the automotive sales industry in Ontario. The fund is essential for ensuring that there are resources available to handle complaints and disputes that may arise between consumers and dealers, and it helps maintain transparency within the market. The structured payment amount also reflects the collective responsibility of dealers to contribute to the wider interests of the industry and its stakeholders. Other options do not reflect the accurate current amount required from each dealer, which emphasizes the importance of being aware of the precise contributions as outlined by OMVIC regulations. Understanding the correct payment ensures that dealers remain compliant and support the overarching goals of the regulatory framework.

5. Should OMVIC issue a proposal to refuse (or revoke) registration, to whom can the applicant appeal?

A. Canada Appeals Tribunal

B. Licence Appeal Tribunal (LAT)

C. Provincial Court

D. Supreme Court

The only available recourse for an applicant whose registration proposal has been refused or revoked by OMVIC is through the Licence Appeal Tribunal (LAT). The LAT is an independent adjudicative body that operates at arm's length from OMVIC, and allows the applicant to appeal the decision and have it reviewed by a third party. Options A, C, and D are not correct because they do not have jurisdiction over OMVIC's decisions and cannot review or overturn them. The only option that is directly related to OMVIC's decisions and can provide an appeal process is option B, the Licence Appeal Tribunal.

6. Motor vehicle repairs are governed by which Ontario legislation?

A. Consumer Protection Act

B. Motor Vehicle Dealers Act

C. Motor Vehicle Repair Act

D. None of the above

The Motor Vehicle Repair Act is the primary piece of legislation that governs the repair of motor vehicles in Ontario. This act establishes clear guidelines and standards for repair facilities, ensuring that they operate with integrity and transparency. It also outlines the rights and responsibilities of both repairers and consumers, which helps to protect consumers from unscrupulous practices in the automotive repair industry. Under this legislation, repair facilities are required to provide specific information to consumers, obtain consent for repairs, and ensure that the work done meets required safety standards. This framework is crucial in maintaining quality and accountability within the industry. In contrast, while the Consumer Protection Act and the Motor Vehicle Dealers Act are important pieces of legislation pertaining to consumer rights and the regulation of vehicle sales, they do not specifically address the repair of motor vehicles. Therefore, the Motor Vehicle Repair Act is the most relevant and applicable legislation for governing motor vehicle repairs in Ontario.

7. How should a dealership ideally handle customer complaints?

A. By delaying the response

B. By responding with indifference

C. By addressing them promptly and respectfully

D. By insisting on a refund immediately

Addressing customer complaints promptly and respectfully is essential for maintaining a positive relationship with clients and upholding the reputation of the dealership. Quick and respectful responses show that the dealership values its customers and cares about their experiences. This approach not only helps in resolving the issue more effectively but also mitigates the likelihood of negative reviews or word-of-mouth criticism. When customers feel heard and respected, they are often more willing to work with the dealership to find an acceptable solution. This can lead to increased customer loyalty and the potential for repeat business, as satisfied customers are more likely to return or recommend the dealership to others. Moreover, addressing complaints promptly allows the dealership to identify and rectify any underlying issues that could affect future sales or customer satisfaction. In contrast, delaying responses, showing indifference, or insisting on immediate refunds can exacerbate customer frustration and lead to negative outcomes, such as lost sales and a damaged reputation.

8. Who does the OMVIC Board predominantly represent?

A. Consumers

B. Dealers

C. Government

D. Law enforcement

The OMVIC Board predominantly represents dealers in the automotive sales industry in Ontario. As the regulatory body overseeing motor vehicle sales, OMVIC is established to ensure that all licensed dealers adhere to the laws and regulations set forth in the Motor Vehicle Dealers Act. The primary focus of OMVIC is to facilitate a fair and ethical marketplace for dealers, who must comply with standards of conduct and ensure consumer protection. While consumers and other stakeholders have interests in the industry, the board's main duty is to support and regulate dealerships, empowering them to operate within the legal framework. This includes providing training, advice, and resources to help dealers maintain compliance and offer quality service to customers. In contrast, consumers benefit indirectly from OMVIC's work, as it helps ensure that dealers operate fairly and ethically. Thus, understanding that dealers are the primary focus of the OMVIC Board's representation highlights the organization's role in promoting a sustainable automotive retail environment in Ontario.

9. What is required to be employed as a salesperson by a registered dealer?

A. Complete and pass the certification course

B. Pay a fee

C. Complete/pass certification course, pay fee, be employed by a registered dealer

D. Only complete the certification course

To be employed as a salesperson by a registered dealer, it is essential to satisfy multiple requirements that ensure the individual is properly trained and authorized to conduct business in accordance with industry regulations. The comprehensive nature of these requirements is reflected in the correct choice. Firstly, completing and passing the certification course equips individuals with the necessary knowledge about the legal and ethical aspects of the car sales industry. This education is critical for understanding the rights and responsibilities of both dealers and consumers, as well as the regulations set forth by OMVIC (Ontario Motor Vehicle Industry Council). Additionally, the requirement to pay a fee is a standard procedure associated with certification and licensing in various professional fields, including automotive sales. This fee often covers the processing of the application, administrative costs, and may contribute to ongoing professional development and regulatory enforcement. Lastly, being employed by a registered dealer is a mandatory condition, as certification alone is not sufficient without an employment relationship. Working under a registered dealer enables individuals to gain practical experience and continue their education on the job while adhering to the regulations governing the industry. These three components—successful completion of the certification course, payment of a fee, and employment by a registered dealer—are collectively necessary for an individual to function legally and effectively as a salesperson in Ontario’s

10. Which of the following entities does OMVIC inspect?

A. Dealers

B. Drivers

C. Insurance companies

D. Repair shops

OMVIC (Ontario Motor Vehicle Industry Council) is responsible for regulating and licensing dealers in the motor vehicle industry in Ontario. This includes new and used car dealers, as well as motorcycle, boat, snowmobile and trailer dealers. Therefore, out of the given choices, only dealers are inspected by OMVIC. Options B, C, and D are incorrect because drivers, insurance companies, and repair shops are not regulated by OMVIC.