

OMVIC Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. What does an Initial Disclosure Statement (IDS) in a financing agreement include?**
 - A. Only the interest rate**
 - B. Only the term of the agreement**
 - C. Cost of borrowing, interest rate, term of the agreement, and more**
 - D. Dealer's personal guarantee only**

- 2. Who is required to ensure all salespeople are properly registered with OMVIC?**
 - A. Salespeople only**
 - B. Dealers only**
 - C. Both dealers and individual salespeople**
 - D. Georgian College**

- 3. True or false: If a consumer defaults on a loan after making two-thirds of the payments, the dealer must get permission from the court before they can take back the car.**
 - A. False**
 - B. True**
 - C. Not Provided**
 - D. Not Provided**

- 4. Which of the following is a true statement regarding consignment sales?**
 - A. Dealers are not allowed to sell vehicles on consignment**
 - B. All consignment agreements must be verbal**
 - C. Consignment agreements must be in writing and signed**
 - D. Consignors receive all proceeds without fees**

- 5. Who pays into the Motor Vehicle Dealers Compensation Fund, and how often?**
 - A. Salespeople only, annually**
 - B. General Dealers and Brokers, one-time fee at initial registration**
 - C. Customers, at the time of purchase**
 - D. Manufacturers, annually**

- 6. Which dealer class buys, sells, or trades in both new and used vehicles?**
- A. a. Broker**
 - B. b. General Dealer (used subclass)**
 - C. c. General Dealer (new and used subclass)**
 - D. d. Wholesaler**
- 7. If a dealer or salespeople receive any commission for providing an application for financing, what is required?**
- A. A detailed biography of the financier**
 - B. A statement initialled by the buyer**
 - C. A group photo with the financier**
 - D. The financier's guarantee of lowest rates**
- 8. Choose the most correct answer: An as-is sale...**
- A. Isn't legal to a consumer**
 - B. Must have the buyer write an explanation of "as-is"**
 - C. Doesn't require the buyer to initial the words "as-is"**
 - D. Must include a specific definition of "as-is" in the contract**
- 9. What information is required in advertisements that contain pricing?**
- A. Only the base price of the vehicle**
 - B. Delivery and other fees associated with the vehicle sale**
 - C. Discounts available for trade-ins**
 - D. Financing options available**
- 10. A service plan contract must explicitly list:**
- A. Goods and services provided**
 - B. Insurer's name and address if insured**
 - C. Dealer's legal and registered name**
 - D. All of the above**

Answers

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

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Explanations

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- 1. What does an Initial Disclosure Statement (IDS) in a financing agreement include?**
- A. Only the interest rate**
 - B. Only the term of the agreement**
 - C. Cost of borrowing, interest rate, term of the agreement, and more**
 - D. Dealer's personal guarantee only**

An Initial Disclosure Statement (IDS) in a financing agreement typically includes important information such as the cost of borrowing, interest rate, term of the agreement, and other details. Option A is incorrect because an IDS includes more than just the interest rate. Option B is incorrect because an IDS includes more than just the term of the agreement. Option D is incorrect because an IDS includes more than just the dealer's personal guarantee. Generally, an IDS is a comprehensive document that outlines all the terms and conditions of the financing agreement, ensuring that the borrower is fully aware of the details involved in the loan.

- 2. Who is required to ensure all salespeople are properly registered with OMVIC?**
- A. Salespeople only**
 - B. Dealers only**
 - C. Both dealers and individual salespeople**
 - D. Georgian College**

The responsibility for ensuring that all salespeople are properly registered with OMVIC falls on both dealers and individual salespeople. Dealers have the obligation to verify that their sales staff are registered and in good standing with OMVIC, as this is a key part of maintaining compliance with provincial regulations. On the other hand, individual salespeople must also take personal responsibility for their own registration and ensure that they are meeting the legal requirements set forth by OMVIC. This shared accountability helps maintain the integrity of the automotive sales environment and protects consumers by ensuring that all sales activities are conducted by qualified and compliant individuals.

- 3. True or false: If a consumer defaults on a loan after making two-thirds of the payments, the dealer must get permission from the court before they can take back the car.**
- A. False**
 - B. True**
 - C. Not Provided**
 - D. Not Provided**

This statement is true. If a consumer defaults on a loan after making two-thirds of the payments, the dealer must get permission from the court before they can repossess the car. This is to protect consumers from unfair repossession and give them a chance to catch up on their payments before losing their car. Option A is incorrect because it states that the statement is false, which is incorrect. Option C and D are not provided, so they cannot be considered as possible answers. It is important to note that this rule may vary in different states and countries, and it's always best to consult a legal expert for specific cases.

- 4. Which of the following is a true statement regarding consignment sales?**
- A. Dealers are not allowed to sell vehicles on consignment**
 - B. All consignment agreements must be verbal**
 - C. Consignment agreements must be in writing and signed**
 - D. Consignors receive all proceeds without fees**

Consignment sales require a written and signed agreement between the consignor and dealer, making option C the correct choice. Option A is incorrect because dealers are allowed to sell vehicles on consignment. Option B is incorrect because while verbal agreements may be made, they are not required. Option D is incorrect because consignors typically receive a percentage of the proceeds, after any agreed upon fees or commissions have been deducted.

- 5. Who pays into the Motor Vehicle Dealers Compensation Fund, and how often?**
- A. Salespeople only, annually**
 - B. General Dealers and Brokers, one-time fee at initial registration**
 - C. Customers, at the time of purchase**
 - D. Manufacturers, annually**

This option is the only one that correctly identifies who pays into the Motor Vehicle Dealers Compensation Fund (MVDCF), which is General Dealers and Brokers. This industry-specific fund is designed to protect consumers in case a dealer or broker goes bankrupt or violates their contract. The fee is a one-time payment made during the initial registration process. None of the other options accurately identify who pays into the MVDCF or the frequency of payments. Option A incorrectly states that only salespeople pay into the fund, and they pay annually instead of one-time. Option C wrongly suggests that customers pay into the fund when making a purchase. Option D incorrectly claims that manufacturers pay into the MVDCF on an annual basis. Therefore, option B is the only correct choice as it accurately identifies the specific group responsible for paying into the MVDCF and the frequency of payments.

6. Which dealer class buys, sells, or trades in both new and used vehicles?

- A. a. Broker
- B. b. General Dealer (used subclass)
- C. c. General Dealer (new and used subclass)**
- D. d. Wholesaler

The correct term for a dealer class that buys, sells, or trades in both new and used vehicles is a "General Dealer (new and used subclass)." A broker typically acts as an intermediary between buyers and sellers, but does not typically buy or sell vehicles themselves. A "General Dealer (used subclass)" may only specialize in selling used vehicles, making option B incorrect. A wholesaler typically sells goods in large quantities to retailers, making option D incorrect. Therefore, option C is the best and most accurate answer.

7. If a dealer or salespeople receive any commission for providing an application for financing, what is required?

- A. A detailed biography of the financier
- B. A statement initialled by the buyer**
- C. A group photo with the financier
- D. The financier's guarantee of lowest rates

Commission refers to a payment or incentive received for performing a service. In this case, the question is asking about the requirement when a dealer or salesperson receives commission for providing a financing application. Option A, a detailed biography of the financier, is incorrect because it is not a requirement in this situation. Option C, a group photo with the financier, is also incorrect as it is not relevant to the financing transaction. Option D, the financier's guarantee of lowest rates, is not a requirement as it does not pertain to the dealer or salesperson receiving commission. The correct answer, B, a statement initialled by the buyer, is required as it serves as documentation and proof that the buyer has acknowledged the commission received by the dealer or salesperson.

8. Choose the most correct answer: An as-is sale...

- A. Isn't legal to a consumer
- B. Must have the buyer write an explanation of "as-is"
- C. Doesn't require the buyer to initial the words "as-is"
- D. Must include a specific definition of "as-is" in the contract**

An as-is sale occurs when a seller offers the product or property in its current condition, typically without any warranties or guarantees. This means that the buyer is taking on the risk of any potential defects or issues with the product. Option A, that an as-is sale isn't legal to a consumer, is incorrect because as-is sales are legal if the buyer agrees to the terms. Option B, that the buyer must write an explanation of "as-is", is incorrect because it is the responsibility of the seller to clearly communicate the "as-is" condition of the sale. Option C, that the buyer doesn't need to initial the words "as-is", is incorrect because it is important for the buyer to acknowledge and understand the terms of the sale, even if they are purchasing the product or property in its current condition. Option D, that the sale must include a specific definition of "as-is" in the contract, is the most correct because it ensures that both parties are aware and in agreement of the terms of the sale.

9. What information is required in advertisements that contain pricing?

- A. Only the base price of the vehicle**
- B. Delivery and other fees associated with the vehicle sale**
- C. Discounts available for trade-ins**
- D. Financing options available**

When advertisements for vehicles include pricing, it is essential to disclose the total cost that the consumer will likely incur. This means including delivery fees and any additional costs that are part of the transaction. Transparency in pricing helps consumers make informed decisions and prevents misleading advertising practices. When the base price is stated without delivery and other associated fees, consumers might be misled into believing they can purchase the vehicle for a lower price than what they will eventually pay. Therefore, including these fees ensures that the advertisement reflects the true cost of the vehicle, promoting honesty and integrity in marketing practices. While discounts for trade-ins and financing options may be relevant information, they do not constitute the necessary disclosure of total pricing that must be included in advertisements. Such terms can vary widely depending on individual circumstances and should not obscure the standard pricing information.

10. A service plan contract must explicitly list:

- A. Goods and services provided**
- B. Insurer's name and address if insured**
- C. Dealer's legal and registered name**
- D. All of the above**

A service plan contract must explicitly list all of the above options because they are all important pieces of information that need to be clearly communicated to the customer in order for them to make an informed decision. Option A is necessary to understand exactly what goods and services are covered under the contract. Option B is important for insurance purposes and for the customer to know who to contact in case of any issues. Option C ensures that the dealer is legally and properly registered. Therefore, all of these options are necessary for the contract to be complete and provide the necessary information for the customer.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://omvic.examzify.com>

We wish you the very best on your exam journey. You've got this!

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