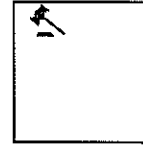


MINUTES OF THE BOARD MEETING OF THE MOTOR VEHICLE DEALERS
COMPENSATION FUND BOARD OF TRUSTEES, HELD AT 9:30 AM ON WEDNESDAY
MARCH 31, 2004 AT THE AIRPORT HILTON HOTEL IN THE CAWTHRA ROOM



IN ATTENDANCE:

REGRETS:

W. Steinkrauss	(Chair)
R. Marostica	(Vice-Chair)
R. Desando	(Sec. Treasurer)
D. MacKinnon	(Member)
R. Drewery	(Member)
R. Dowler	(Member)
T. O'Keefe	(Member)
J. Huzar	(Member)
J. Wade	(Member)
C. Singh	(Staff)
L. Gordon	(Staff)
Y. Hallitt	(Staff)
D. Sanderson	(Guest)
H. Amad	(Guest)
T. Pelletier	(Guest)

NOTICE TO READER: For the purposes of these public minutes, reference to legal advice provided to the Board of Trustees and claim's identifying information has been removed, unless the claim has been appealed to LAT.

The meeting was regularly constituted and called to order by W. Steinkrauss at 10:00 am

1a). **Review of Minutes of January 28, 2004:**

The Board reviewed the minutes and a motion was made to accept with one amendment to the claim involving **Dealer name removed**. Information to add was the option to consumer. (msc)

b) **Matters Arising:**

Y. Hallitt provided the Board with the following updates;

1) **consumer name removed vs. dealer name removed** – the consumer chose to pursue the matter further in the courts and a proposal had already been issued by OMVIC to revoke the dealer's license

2) **consumer name removed vs. dealer name removed** – a letter was received from the consumer's employer verifying the amount paid for the vehicle and the consumer indicated that the large sum of money that was deposited to his account was from an insurance company.

3) **consumer name removed vs. dealer name removed** – the consumer chose the option of keeping the vehicle and accepting \$2,175.00 from the Fund.

2. **Financials:**

C. Singh presented the Board with the financial statements for the four months ending February 29, 2004 and on a motion duly made and carried the statements were approved. (msc)

3. **Investment Management:**

H. Amad of Scotia Cassels, the Fund's investment manager, reviewed with the Board the Fund's current investment strategy, returns, provided an overview of market outlook for the next year and answered questions from the Board.

4. **Communications:**

B. McIntyre, OMVIC's communications co-coordinator, provided the Board with an update on current and future communications projects, including an on-line consumer information newsletter being launched soon. She also indicated that an article in the next Dealer Standard will address the issue of indebtedness to the Fund and dealer's responsibilities.

5. **Administrative Update:**

- W. Steinkrauss informed the Board that she recently gave a presentation at the OMVIC Board meeting. OMVIC's Board seemed pleased with the balance of the Fund. She also indicated that OMVIC is addressing the issue of third party warranties and have already asked for dealer feedback.
- Y. Hallitt informed the Board that she has requested S. Merry of Deloitte & Touche, to prepare a letter to CCRA with respect to recovering the GST on stolen vehicles and the cost of the letter will be \$1,200.00 - \$1,500.00.
- L. Gordon informed the Board that the Fund may be in receipt of several claims pertaining to stolen vehicles sold by a dealer in Western Ontario. This dealer was previously charged and convicted of possession of stolen vehicles about 2 years ago, however, the police investigation has been reopened and further charges are expected. After some discussion, and based on the first conviction, the Board has agreed to allow claims from consumers once it had been verified that these vehicles are in fact stolen.
- After a brief discussion regarding the audit and on a motion duly made and carried it was agreed that the Management Committee be allowed to fix the audit fees anywhere from \$4,000.00-\$6,000.00.

5. **Claims:**

The board reviewed deferred 1 claim, denied 1 claim and approved 14 claims totaling \$68,195.19

The meeting was adjourned at 2:45 pm