

MINUTES OF THE BOARD MEETING OF THE MOTOR VEHICLE DEALERS
COMPENSATION FUND BOARD OF TRUSTEES, HELD AT 9:00 AM ON WEDNESDAY
MAY 20, 2009 AT THE CAMBRIDGE SUITES HOTEL IN THE EXECUTIVE BOARD ROOM



IN ATTENDANCE:

REGRETS:

J. Kenny	(Chair)
A. Silverstein	(Vice-Chair)
J. Wade	(Sec. Treasurer)
P. Raby	(Member)
P. Eatson	(Member)
J. Holmes	(Member)
C. Finlay	(Member)
P. Silverman	(Member)
C. Poultney	(Member)
K. Cook	(Guest)
L. Halbert	(Staff)
C. Singh	(Staff)
J. Ross	(Staff)
M. Rothe	(Staff)

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 J. Kenny at 9:00am

Prior to the commencement of the meeting J. Kenny advised the Board that the newly appointed member K. Cook would observe the meeting but would not participate in any decisions until her term starts on June 1st.

1. **Minutes from March 25, 2009:**

The Board reviewed the minutes and a motion was made to accept with one amendment to include a previous motion to appoint A. Silverstein and P. Eatson to a second term of three years. (msc)

2. **Trustee and Investment Management**

J. Wade presented the fee structure concerning a move in trustee, 2 proposals were received, one from RBC Dexia and Legacy Trust. A move away from Scotia would be approx \$10,000.00 more in fee's, however some additional services would be provided which were outlined in each proposal. There was discussion about the pro's and con's of making a move in IM and Trustee.

A motion was adopted to move away from Scotia Cassels as Investment Manager and Trustee.
msc

A motion was adopted to make a move to RBC Dexia as the new trustee. msc

A motion was adopted to appoint H. Amad as Investment Manager. msc

C. Singh advised that this process will take a few weeks and he will have an update for June 10.

C. Singh provided the portfolio's valuation as at May 15/09 received from Scotia Cassels

A motion was adopted to accept the financials msc

3. **Fund Viability**

L. Halbert reported that the Fund and OMVIC have begun preparation of letters to notify dealers if the fund was to go below or is anticipated to go below the \$1.5 million threshold. M. Rothe presented a legal memo concerning the prospect of requesting the industries registrants to top up the fund. **Legal Advice Removed.** L. Halbert advised some minor tracking changes have been made to better inform the Board of pending liabilities to the Fund. There was discussion about increasing the \$300 initial payment to the fund to \$1,000 upon registration. The Board decided the fund is still viable and considering an increase was not appropriate given the current economic climate, this issue would be revisited in the October meeting.

4. **Customer Service Survey**

L. Halbert indicated that surveys are sent after a claim has been presented to the board, the average score was 3.7 out of 4. Professionalism, Proficiency, Helpfulness of Staff, Creativity of Staff, Response Time from Board, and Satisfaction of Service are items for comment. The responses indicate that consumers feel that response time from the board could be improved.

L. Halbert discussed the possibility of streamlining approaches to approve claims and allow staff to conditionally approve certain claims meeting criteria the board will approve of. The Board would like to maintain a consumer friendly approach in response to the survey's. There was discussion regarding consistency in warranty claims approvals. The applicable sections of the MVDA were revisited to review the authority. It was agreed that the following guideline would be adopted, if the claim comes under a Bankruptcy and the Receiver or Trustee has accepted a proof of claim, the board will consider a repair and the unused remaining portion of the coverage be refunded. If there is no repair, to refund the full purchase price of the good and services purchased provided the liquidated amount is approved by the Receiver/Trustee.

6. **Administrative Update:**

- J. Kenny updated the Board about a presentation made to the OMVIC Board
- L. Halbert will be visiting the Motor Vehicle Sales Authority of B.C. and the Motor Vehicle Customer Compensation Fund in May
- Recovery from **Removed** Claim at Auction: \$432.00
- L. Halbert advised that Drive Rite has been charged and to expect claims
- Focus Fine Cars – Liability approaching \$200,000.00
- Bankruptcies
 - Jerome Taylor Pontiac – expect approx 10 claims
 - Bruce Bissell Buick Pontiac – expect 1 or 2 claims
 - Listowel Chrysler Dodge
 - Car City Honda
 - Saturn of Brampton

5. **Claims:**

The Board Denied 3 claims, deferred 1 claim and approved 41 claims in the amount of \$165,529.64

The meeting was adjourned at 4:00 pm

Next meeting is scheduled for June 10, 2009