

MINUTES OF THE BOARD MEETING OF THE MOTOR VEHICLE DEALERS
COMPENSATION FUND BOARD OF TRUSTEES, HELD AT 10:00 AM ON WEDNESDAY
OCTOBER 28, 2009 AT THE HOLIDAY INN SELECT HOTEL IN THE MEIGHEN ROOM



IN ATTENDANCE:

REGRETS:

A. Silverstein	(Chair)
P. Eatson	(Vice-Chair)
J. Holmes	(Sec. Treasurer)
C. Finlay	(Member)
C. Poultney	(Member)
K. Cook	(Member)
P. Silverman	(Member)
J. Kenny	(Member)
P. Raby	(Member) by Teleconference
L. Halbert	(Staff)
C. Singh	(Staff)
J. Ross	(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 A. Silverstein at 10:00am

1. Minutes from September 16, 2009:

The Board reviewed the minutes and a motion was made to accept as is. (msc)

2. Investment Manager and Trustee Update

C. Singh provided an update regarding a change in Trustee and change in Investment Manager. He indicated that draft documents formalizing the changes are being reviewed by interested parties. He added that the documents anticipate changes to occur after Jan 1, 2010 when the new MVDA comes into effect. He also reported that H. Amad is ready to proceed as the Investment Manager after January and that a draft investment policy will be presented to the Board at the December meeting for consideration and approval.

3. Extended Warranty

L. Halbert circulated the regulations and definitions related to extended warranty and service plan products. OMVIC has contacted the known third party warranty providers and requested confirmation of insurance. As a service to dealers, OMVIC will post a list of acceptable warranty companies on its website. The Board reviewed a sample of pamphlets and other documentation for products that are typically sold at dealerships. The Board revisited the definitions of extended warranty/service plan and reviewed the applicable sections of the Act. After due consideration, the Board passed a motion which includes but is not limited to: all goods and services related to the repair of; dents, dings, windshield repairs or replacement, paint, fabric protection, tire protection, and rust proofing will be considered to be captured under the definition of service plan as it is found in the MVDA 2002. This will be used as a guideline for the Board for claims coming under this criteria. (msc)

4. Fee Structure

The Board had requested this item return to the agenda for this meeting. The Board discussed the

possibility of raising the initial fee new dealer applicants pay into the Compensation Fund. After due consideration, a motion was made to bring this issue back for consideration after the board has reviewed the potential impact of the new regulations on claims to the Fund and it was agreed that the matter will be further discussed at the March 2010 meeting.

5. Compensation Fund Forms Review

L. Halbert electronically distributed prior to the meeting the compensation fund forms and FAQ that will be used post implementation. It was agreed that the forms are living documents and can be changed. After review by the management committee, the documents were circulated to the larger group for comment. Some minor changes were suggested and recorded. A motion was made to approve the contents of the forms. A second motion was made to allow staff to proceed with a forms designer for the initial set up, estimates received in the \$3,000.00-\$5,000.00 range.

6. Administrative Update

- P. Eaton suggested the idea of a round table meeting to discuss how the Fund is doing business in a broad sense. That each member would outline any concerns or suggestions for improvement independently and the larger group can have an intelligent discussion about items raised. That the OMVIC board had participated in this exercise and found it very productive. It was agreed that the board would set aside time at the March meeting for the discussion.
- A. Silverstein requested a chart or document be created that all Trustee's can use to identify changes from the MVDA 1990 to MVDA 2002.
- The Board reviewed a letter sent to the Fund by the UCDA regarding an article written in the Dealer Standard concerning a pay-out from the Fund. A copy of Chair A. Silverstein's response was also circulated for the Boards review.
- L. Halbert updated the Board concerning the **REMOVED** claim that was deferred at the September meeting. The Fund has retained Bennett & Company to draft the legal opinion.
- L. Halbert advised that she attended the National Association of Motor Vehicle Regulators, trends and analysis were discussed. Electric Cars, Low Speed Motor Cycles, Pontiac, Chrysler and Fiat concerns. She indicated that other jurisdictions are encountering similar issues in the automotive marketplace.
- L. Halbert informed the Board that the Ministry requested updates concerning the consumer representatives currently on the Board. The Ministry has not made any official appointments to date.
- The OMVIC 'Buy With Confidence' marketing campaign has begun, bus shelter and radio advertisements can now be seen and heard in different marketplaces throughout the Province.
- The Board discussed the December meeting and the holiday dinner that has traditionally followed. It was agreed that the Board should exercise fiscal responsibility and reasonable expenses considering the current economic climate. It was agreed that the holiday dinner would be cancelled this year.

7. Claims:

The Board denied 2 claims and approved 10 claims in the amount of \$27,864.86

The meeting was adjourned at 2:30 pm

Next meeting is scheduled for December 16, 2009