

MINUTES OF THE BOARD MEETING OF THE MOTOR VEHICLE DEALERS
COMPENSATION FUND BOARD OF TRUSTEES, HELD AT 10:00 AM ON WEDNESDAY
SEPTEMBER 16, 2009 AT THE HOLIDAY INN SELECT HOTEL IN THE ST. LAURENT
ROOM



IN ATTENDANCE:

A. Silverstein (Chair)
P. Eatson (Vice-Chair)
J. Holmes (Sec. Treasurer)
C. Finlay (Member) by Teleconference
C. Poultney (Member)
K. Cook (Member)
P. Silverman (Member)
L. Halbert (Staff)
C. Singh (Staff)
J. Ross (Staff)
E. Calicchia (Guest)
T. Lee (Guest)

REGRETS:

J. Kenny (Member)
P. Raby (Member)

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 July 16, 2009:

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

2. Financials

C. Singh provided the cost versus market value from Jan 1 2008 to August 31, 2009. It was noted that this year has been the largest year for claims paid out. A motion was made to accept the financials as is. (msc)

3. Investment Manager and Trustee Update

The board welcomed T. Lee and E. Calicchia from Scotia Cassels who provided an economic update and expectations for growth in the coming year. They discussed current strategy and provided portfolio performance update. They also requested direction on changes to the asset mix that was circulated in a previous visit. They indicated that Scotia Cassels will become Scotia Asset Management on Nov.1 2009 and to expect no change in services provided.

After their departure, the Board discussed the proposed changes. The Board had a different recollection of prior discussions with them concerning the asset mix and noted that the Investment Managers has not recommended any meaningful changes. Scotia Cassels had not emphasized the need for changes or followed up to seek direction. It was agreed to keep the current asset mix and revisit strategies when a change is made in Investment Manager to H. Amad and UBS

C. Singh advised that the lawyer has reviewed the agreements. **LEGAL ADVICE REMOVED.** The board discussed the challenges faced if the MVDA 2002 is not proclaimed. The board conceded it would be required to proceed regardless of proclamation.

After due consideration, the Board unanimously passed the following resolutions regarding change in Trustee and Investment Manager:

Be it resolved that the changes in Trustee to RBC Dexia and Investment Manger H. Amad and UBS, be made effective January 1, 2010 rather than any earlier date. (msc)

Be it further resolved that as required by the existing agreement, the 90 day written notice of termination be given to Scotia Trust as soon as new agreements are finalized to proceed with RBC Dexia. (msc)

4. Administrative Update

- L. Halbert notified the Board that the Focus Fine Cars liability will be in excess of \$400,000.00 after the conclusion of this meeting.
- L. Halbert indicated that the Buchman decision at LAT provided good language and precedent for the Board regarding definition of a customer that can be used for future claims
- L. Halbert advised that she has discussed with CAI about having an instructor provide a group course lesson for the Board, this will take place Jan 27, 2010 at the regularly scheduled meeting.
- C. Singh will provide financial literacy for the Board at the December meeting.
- L. Halbert advised that the MVDA 2002 is still supposed to be proclaimed Jan 1, 2010. Ontario has 2 dates for legislation to be proclaimed Jan 1 and July 31. She suggested that the Board draft a letter to the Minister just in case that the legislation is delayed.
- The Board was updated by L. Halbert that the DAA model is under increased scrutiny as a result of OLG and E-Health.
- That the applications in making a claim for compensation are out dated and need to be altered to capture the changes found in the MVDA 2002. The forms will updated regardless of the new Act being proclaimed or delayed. The board will have the opportunity to review and provide submissions, it was suggested that the management committee review the documents before the October meeting for comments and circulate to the entire group later.
- Draft guidelines for Board and Staff related to MVDA 2002 will be circulated to management committee before review with the entire group.
- J. Ross discussed recent activity with Canada Bonded Attorney the collection agency used to assign judgments in the name of MVDCF and to seek repayment from debtors. There was discussion that regardless of the provider, there is not much success in general at recovering debts. It was agreed to continue to use their services as the Act requires the judgments be subrogated.
- The Fund's meeting schedule was circulated and approved, 8 meetings are scheduled for the 2010 calendar year.

6. Claims:

The Board deferred 2 claims and approved 21 claims in the amount of \$72,641.92

The meeting was adjourned at 2:30 pm

Next meeting is scheduled for October 28, 2009