

MINUTES OF THE BOARD MEETING OF THE MOTOR VEHICLE DEALERS
COMPENSATION FUND BOARD OF TRUSTEES, HELD AT 8:00 AM ON WEDNESDAY
MAY 26, 2010 AT THE CAMBRIDGE SUITES HOTEL IN THE EXECUTIVE BOARD 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)
D. Werda	(Observer)
L. Halbert	(Staff)
C. Singh	(Staff)
J. Ross	(Staff)
E. Calicchia	(Guest)
T. Lee	(Guest)
T. Jalasjaa	(Guest)
S. Lavigne	(Guest)

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

Prior to the commencement of the meeting A. Silverstein advised the Board that Dorian Werda, the newly-appointed Trustee, would be observing the meeting but would not participate in any decisions until her term starts on June 1st.

The meeting was regularly constituted and called to order by A. Silverstein at 8:00 a.m.

1. Minutes from April 14, 2010:

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

2. Management Committee Election

Trustees were asked prior to the meeting to submit their name for consideration to become Chair. A unanimous motion was approved for P. Eatson to be acclaimed as Chair from June 1, 2010 to May 31, 2011.

A. Silverstein requested L. Halbert to administer the election and J. Ross to act as scrutineer. Ballots were distributed for Trustees to self-nominate for the position of Vice-Chair followed by Secretary-Treasurer. After following approved procedures, the Board unanimously approved a motion acclaiming J. Holmes as Vice-Chair and K. Cook as Secretary-Treasurer for the term of June 1, 2010 to May 31, 2011.

3. Investment Manager and Trustee Update

A. Silverstein discussed the minutes of a meeting he and C. Singh and he had with Scotia AM,

which had been circulated with the Board package. The Board discussed the issues with making a move in Investment Manager. It was agreed that a sub-committee would be formed to explore available options; the committee will be comprised of P. Eatson, J. Holmes and K. Cook.

The Board welcomed E. Calicchia, T. Lee, Tuula Jalasjaa, Managing Director and Susan Lavigne, Director of Canadian Equities from Scotia AM who presented the first quarter investment report and performance. The Board requested a simplified synopsis be included with future presentation materials which addresses what Scotia AM is forecasting and how the asset mix will be changed accordingly. Scotia AM requested to present to the Board on a more frequent basis.

4. Financials

J. Holmes presented the financials in C. Singh's absence. A motion was approved to accept the financials as is (msc)

5. Communications and Strategic Planning

L. Halbert indicated that OMVIC has announced consumer information seminars, which will be delivered in multiple languages. The first seminar will take place on June 9.

6. Customer Service Surveys

L. Halbert presented the customer survey results which were circulated with the Board package prior to the meeting. Surveys are sent after a claim has been presented to the Board regardless of the Board's decision. Items such as professionalism, knowledge, helpfulness of staff, response time from the Board and satisfaction of service are items requested for comment as well as how they heard about the Fund. The responses indicate a high level of service (scores between 3.7-3.8/4). The only area with some negative comments was response time from the Board.

7. Administrative Update

- Orangeville Mazda – had its franchise pulled by Mazda Canada. The dealership and two employees have been charged by OMVIC for MVDA and CPA violations. Ensuing press coverage of OMVIC and the Fund was discussed.
- Al Palladini Pine Tree Ford Lincoln Ltd/Franlu Investments Ltd Bankruptcy – have not received any calls from consumers concerning out of pocket losses.
- Hayats Auto Service – dealership closure, potential for claims for warranty non-submittal and lien non-payment on trade-in vehicles.
- John Byers o/a Fleetwood Auto – current civil action being taken against OMVIC, the Fund, the auction and Michelle Zorychta approved claimant to the Fund. OMVIC has been handling this file but has indicated it may need to retain outside counsel.
- MVDA Sec 50: the Board revisited the contract cancellation section and discussed the implications about what a consumer does with the motor vehicle to meet the requirements found in the MVDA if the dealership is no longer in operation. The Board approved a motion to obtain a legal opinion concerning how a consumer executes a cancellation and potential implications this may have on the Fund's policies and procedures.

8. Claims:

Dealer:	Criteria:	Amount Claimed:	Amount Approved:
Envy Rides	Bankruptcy	\$1,000.00	\$1,000.00
Envy Rides	Bankruptcy	\$5,000.00	\$5,000.00
Dealer Direct	Warranty	\$925.47	\$925.47
Envy Rides	Bankruptcy	\$1,000.00	\$1,000.00
Suzuki of Oakville	Service Plan	\$1,500.00	\$1,200.60

The meeting was adjourned at 1:00 p.m. to participate in OMVIC's AGM.

Next meeting is scheduled for July 14, 2010.