

IN THE MATTER OF THE *MOTOR DEALER ACT* R.S.B.C. 1996 C. 316 and the *MOTOR DEALER CUSTOMER COMPENSATION FUND REGULATION* B.C. REG. 102/95, O.C. 271/95

FILED BY:

Jessica and Brad Trainer

Claimants

INVOLVING:

**0828776 B.C. Ltd. *dba* Tricity Mitsubishi
Dealer Licence 30882/cancelled**

Motor Dealer

DECISION OF THE MOTOR DEALER CUSTOMER COMPENSATION FUND BOARD

By way of written submissions.

[1] On June 10, 2020, the claim for compensation from the Motor Dealer Customer Compensation Fund (the “Fund”) filed by Jessica and Brad Trainer (the “claimants”) was presented to the Motor Dealer Customer Compensation Fund Board (the “Board”) for hearing.

Decision

[2] This claim has been denied.

Claim summary

[3] This claim is for \$15,000 and is based on the transaction that occurred on January 31, 2014, in which the claimants purchased a 2014 Mitsubishi RVR SE (the “RVR”) from 0828776 B.C. Ltd. *dba* Tricity Mitsubishi (“Tricity Mitsubishi”).

[4] Tricity Mitsubishi represented the RVR as being only registered in British Columbia and only driven for a few days by the previous owner.

[5] The claimants also purchased an Ultima Risk Solutions Inc. Vehicle Replacement Protection Policy (the “Protection Policy”) through an insurance broker.

[6] In March 2019, while trading the RVR towards another vehicle the claimants were advised that the RVR was previously registered in Alberta as a rental vehicle.

[7] The claimants were advised by the insurance broker that since their Protection Policy did not contain an accurate declaration of the previous out of province registration of the RVR, the claimants would not have been covered under the Protection Policy if they ever had a claim.

Legislative authority and the Board's findings

[8] The Board found that since the transaction date to which the claim relates is prior to January 1, 2018, the initial eligibility criteria stipulated in the *Motor Dealer Customer Compensation Fund Regulation* (the "*Regulation*") in effect prior to January 1, 2018, must be applied.

[9] In reviewing the eligibility of the claimants' alleged loss, the Board applied Sections 4 and 5 of the *Regulation* which outline the criteria that must be met for an individual to apply for compensation from the Fund. One of these criteria is that an individual must suffer an eligible loss referred to in Section 5 of the *Regulation*.

[10] The Board reviewed the documents on file, copies of which were provided to the claimants and to Tricity Mitsubishi at the pre-hearing stage and to which both parties had an opportunity to respond. The documents under review included the Demand to Motor Dealer, the Claim Application, and the Investigation Report by the Vehicle Sales Authority of BC (the "VSA") Investigations Officer.

[11] The Board found that:

1. The declaration about the registration of the RVR in Alberta was not made in the purchase agreement.
2. The registration of the RVR in Alberta to a rental, sales and leasing company was arranged by Tricity Mitsubishi for the purposes of obtaining business incentives. There is no evidence that the RVR left British Columbia. The registration of the RVR in Alberta was for 4 days after which the RVR was registered back in British Columbia.
3. There is no evidence that the out of province vehicle registration and the ex-rental vehicle history decreased the trade-in value of the RVR.
4. There is no evidence of the Ultima Protection Policy having any provisions limiting coverage under the policy to vehicles registered in British Columbia. Despite the RVR having been registered in Alberta, should the claimants have had a need to make an insurance claim, the policy would be in effect.

[12] In light of the above, the Board found no evidence that the claimants suffered a loss that may be compensable from the Fund and denied the claim.

[13] The Board has jurisdiction to assess claims which fall within the specific terms of the *Regulation* only. The claimants may have other legal remedies available to them and are encouraged to do their own investigations into, or speak with a lawyer about, other possible remedies. Attached is the VSA Fact Sheet *Where to go for help*.

Investigation cost recovery by the VSA

[14] Pursuant to Section 22(b) of the *Motor Dealer Act* (the "*MDA*"), costs incurred in investigating claims against the Fund must be paid from the Fund.

[15] The Board reviewed the VSA Investigation Cost Recovery Invoice for this claim - Invoice #19250-1. The Board approved the invoiced investigation costs in the amount of \$1,905.03 for recovery by the VSA from the Fund.

Reimbursement to the Fund by the motor dealer

[16] According to Section 24 of the *MDA*, if a claim is paid out of the Fund, the motor dealer who caused the claim must reimburse the Fund for the amount paid out of the Fund for the claim and for the investigation costs. The Registrar of Motor Dealers may cancel the dealer licence of the motor dealer who caused the claim if the Fund is not repaid.

[17] Since this claim is denied, the investigation costs will not be charged to Tricity Mitsubishi.

Finality of decision

[18] Decisions of the Board cannot be appealed. According to Section 16(2) of the *MDA*, "A decision, order or ruling of the Board ... is final and conclusive and is not open to question or review in court except on a question of law or excess of jurisdiction".

[19] Reconsideration: According to Sections 16(2), 18.1 and 18.2 of the *MDA*, the Board may, at its discretion, reconsider its decision. The Board will consider a request for reconsideration from a party to a claim, provided that the request is made in writing and includes relevant evidence that was not previously considered by the Board and was not known or available to the party before the hearing. All parties to a claim will be notified if the Board decides to reconsider its decision. An application for reconsideration must be made in writing within 30 days of the decision.

[20] Judicial Review: The Board's decision may be challenged on a question of law or excess of jurisdiction in the BC Supreme Court pursuant to the *Judicial Review Procedure Act*. According to Section 57 of the *Administrative Tribunals Act*, an application for judicial review must be made within 60 days of the date the decision is issued. We suggest contacting a lawyer to obtain legal advice regarding this option.

Date: July 6, 2020

/originally signed/

William W. Kwok
Chair, Motor Dealer Customer Compensation Fund Board

Attachment
BK/ag



Where to go for help...

...if you're looking for **translation services**:

Society of Translators and Interpreters of British Columbia: <http://www.stibc.org/>

Mosaic BC: <http://www.mosaicbc.com/>

The Yellow Pages (under 'Translators and Interpreters'): <http://www.yellowpages.ca/>

...if you're looking for **legal advice**:

Access Pro Bono

For those that cannot afford a lawyer, legal advice in most areas of law is given through free clinics held throughout Vancouver. Appointments can be booked by calling 604-878-7400 or 1-877-762-6664, or online at www.accessprobono.ca.

Dial-a-Law

A free service available in English, Chinese and Punjabi that offers general information on a variety of law topics. Publications can be accessed online at www.dialalaw.org. Dial-a-Law can be reached at 604-687-4680 or 1-800-565-5297.

Lawyer Referral

Gives the opportunity to discuss a case with a lawyer for up to 30 minutes for a small fee. The consultation will determine if there is a legal problem. The service operates by telephone and can be reached at 604-687-3221 or 1-800-663-1919.

Clicklaw

Provides access to legal information and offers several options on solving legal problems. It is available online at www.clicklawbc.ca.

Legal Services Society

A non-profit organization that provides legal information and advice for low income families. For general inquiries, call 604-601-6000 or access their website at www.legalaid.bc.ca.

UBC Law Students' Legal Advice Program

UBC law students provide advice under the supervision of a practicing lawyer throughout the Lower Mainland. Call 604-822-5791 to book an appointment or visit their website at <http://www.lslap.bc.ca/main/>.

The Law Centre

The Law Centre provides legal assistance to people in the Greater Victoria area who cannot afford a lawyer. Call 250-385-1221 for further assistance, or visit their website at www.thelawcentre.ca.

Where to go for help...

...if you're looking for **consumer protection information**:

Consumer Protection BC

A non-profit corporation established to strengthen consumer protection in BC. They enforce consumer protection laws (except regarding motor dealers, lawyers and some other professions) and encourage fair business practices. Complaint handling and resource guides are available on their website at www.consumerprotectionbc.ca. They are also accessible at 1-888-564-9963.

Better Business Bureau (BBB)

Includes an accredited business and charity directory, consumer tips, alerts, and guides. Those in the Lower Mainland call 604-682-2711; the rest of BC call toll free at 1-888-803-1222. More information can be found online at www.mbc.bbb.org/consumers.

Canadian Motor Vehicle Arbitration Plan (CAMVAP)

Helps consumers resolve disputes with a manufacturer on vehicle defects or warranty through arbitration. All services are free. To see if you qualify, visit www.camvap.ca or call 1-800-207-0685.

Canadian Consumer Association

Gives information on consumer issues and provides tools and resources. Also offers a step-by-step roadmap on how to make a consumer complaint. Visit them at www.consumerinformation.ca.

Mediate-BC

Specializes in dispute resolution through mediation and offers mediation information and services, as well as a directory of available mediators. They can be contacted by going to their website at www.mediatebc.com.

Civil Resolution Tribunal (CRT)

CRT's online Solution Explorer will diagnose your problem and give you legal information and self-help tools. If the dispute remains unresolved, a formal complaint process can be started. For small claims disputes of \$5,000 and under, the use of the CRT for dispute resolution is mandatory. For more information, visit <https://civilresolutionbc.ca/>.

Office of the Information and Privacy Commissioner for B.C. (OIPC)

Oversees B.C.'s access and privacy acts and works to protect the privacy rights of B.C. residents. They can investigate privacy and access complaints. More information can be found on their website at www.oipc.bc.ca.

Office of the Ombudsperson

Investigate complaints about unfair administrative actions from provincial public authorities. Call them toll-free at 1-800-567-3247 or visit www.bcombudsperson.ca for more information.

Note: This fact sheet provides general information and is not intended to be legal advice.

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