

IN THE MATTER OF THE MOTOR DEALER ACT, RSBC 1996 C 316 and the MOTOR DEALER CUSTOMER COMPENSATION FUND REGULATION, BC REG 102/95, OC 271/95

FILED BY:

Ivanco Keremelevski

Claimant

INVOLVING:

**OpenRoad Toyota – Peace Arch
Dealer Licence 40669/Issued**

Motor Dealer

DECISION OF THE MOTOR DEALER CUSTOMER COMPENSATION FUND BOARD

By way of written submissions.

[1] On January 14, 2026, this claim for compensation from the Motor Dealer Customer Compensation Fund (the "**Fund**") was presented to the Fund Board (the "**Board**") for hearing.

Decision

[2] This claim is denied.

Claim Summary

[3] The Claimant alleges:

[4] On October 21, 2024, the Claimant purchased a 2024 Toyota BZ (the "**Toyota**") from the Motor Dealer.

[5] As part of the transaction, the Claimant purchased from the Motor Dealer two extended warranties for the Toyota: an OpenRoad Protection policy and a SecureDrive Mechanical Breakdown Protection policy (collectively, the "**Warranties**") for a total of \$4,800.00 plus tax.

[6] The Motor Dealer provided the Claimant with misleading information about the Warranties, which caused the Claimant losses and damages.

[7] The Claimant is seeking compensation of \$20,000.00 from the Fund.

Legislative Authority and the Board's Findings

[8] The Board reviewed the documents on file, copies of which were provided to the Claimant and to the Motor Dealer at the pre-hearing stage. Both parties had an opportunity to respond to those documents. The documents included:

- (i) Demand to Motor Dealer;
- (ii) File Note;

- (iii) Claim Application; and
- (iv) Motor Dealer Response to Claim Application.

[9] When considering the Claimant's claim for compensation from the Fund, the Board applied Sections 5(1)(a) and 5(1)(b) of the *Motor Dealer Customer Compensation Fund Regulation*, which outlines the losses that may be compensable from the Fund with respect to the purchase of a motor vehicle and an extended warranty or service plan:

"5(1) The following losses are eligible for compensation from the fund:

- (a) with respect to the purchase of a motor vehicle, the loss of a trade-in, full payment, deposit, down payment or other liquidated amount resulting from
 - i. the refusal of the motor dealer, without lawful justification, to deliver the motor vehicle contracted for or to return the trade-in, full payment, deposit, down payment or other liquidated amount,*
 - ii. the inability of the motor dealer to deliver the motor vehicle contracted for or to return the trade-in, full payment, deposit, down payment or other liquidated amount due to the bankruptcy, insolvency, receivership or other failure of the motor dealer,*
 - iii. the dishonest conduct of the motor dealer or the misappropriation or wrongful conversion of money or other property entrusted to the motor dealer, or*
 - iv. the failure of the motor dealer to provide clear title to the motor vehicle or to ensure that the motor vehicle was free from a charge or encumbrance, in favour of a third party, that was not declared or known to the buyer at the time the purchase was made;**
- (b) with respect to the purchase of an extended warranty or service plan, the loss of the unexpired portion of the warranty or plan resulting from the bankruptcy, insolvency, receivership or other failure of the motor dealer;"*

[10] The Board found that this claim is not eligible for compensation from the Fund for the following reasons:

- a. With respect to the Warranties, the Board found no evidence that this claim relates to the loss of the unexpired portion of the Warranties due to any failure on the part of the Motor Dealer. It appears to be based on the Claimant's dissatisfaction with the fact that the warranty was not cancellable.
- b. With respect to damages, the Board has no jurisdiction to assess and compensate for damages. This was not a claim for a liquidated amount, so it was not eligible for compensation from the Fund.

[11] The Board can only deal with claims that fall within the specific terms of the *Regulation*. The Claimant may have other legal remedies available to them and is encouraged to do their own investigations into other possible remedies. Attached is the Vehicle Sales Authority of BC (the "VSA") Fact Sheet *Where to go for help*.

Reimbursement to the Fund by the Motor Dealer

[12] 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. The Registrar of Motor Dealers may cancel the dealer licence of the motor dealer who caused the claim if the Fund is not repaid.

[13] Since the claim is denied, there will be no charge to the Motor Dealer.

Reconsideration

[14] 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.

Motor Dealer Customer Compensation Fund Board

Per:

/Original is signed/

Mary Childs, Board Chair

Attachment
MC/ds/ag/jm