

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:

Wendy Haveman

Claimant

INVOLVING:

**Ready Auto Sales Ltd.
Dealer Licence 41289/Cancelled**

Motor Dealer

DECISION OF THE MOTOR DEALER CUSTOMER COMPENSATION FUND BOARD

By way of written submissions.

[1] On February 18, 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 has been denied.

Claim Summary

[3] The Claimant alleges:

[4] On June 11, 2023, Foorat Sultan (the "**Salesperson**") informed the Claimant's daughter of a 2014 Dodge Ram (the "**Dodge**") located at Adesa/Traderev Auction and available for sale.

[5] On July 6, 2023, the Claimant learned about the Dodge from their daughter and contacted the Salesperson, whom the Claimant knew to be an employee of Ready Auto Sales Ltd. ("**Ready Auto Sales**") from previous family members' transactions with Ready Auto Sales.

[6] The Claimant agreed to purchase the Dodge for \$16,800.00. Following the Salesperson's instructions, the Claimant made a bank draft payable to Canadian Maple Leaf Auto ("**CMLA**"). According to the Claimant, the Salesperson had told the Claimant that CMLA was the wholesale division of Ready Auto Sales.

[7] The Salesperson informed the Claimant that the Dodge was in transit and all the purchase documents would be in the glove box.

[8] The Dodge was never delivered to the Claimant. The Claimant made multiple attempts to recover the money paid for the Dodge, to no avail.

[9] The Claimant is seeking compensation of \$16,800.00 from the Fund.

Legislative Authority and the Board's Findings

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

- (i) Demand to Motor Dealer;
- (ii) Claim Application;
- (iii) Summary by the VSA's Investigations Officer;
- (iv) Claimant's Response to the investigation Summary; and
- (v) Investigation Cost Recovery Invoice.

[11] The documents on file did not support the Claimant's allegation that CMLA was the wholesale division of Ready Auto Sales. Canadian Maple Leaf Auto is a registered business name of the Salesperson, but there is no evidence in the file to suggest that it has any legal relationship with the Motor Dealer. The Salesperson previously held a motor dealer's licence under the business name "Canadian Maple Leaf Auto", but that licence was suspended in 2019 and expired in 2020. The Claimant has provided written submissions arguing that she believed that she was dealing with the Motor Dealer, but that belief, no matter how genuine, is not sufficient to prove that her contract was with the Motor Dealer. There is no contract of sale or other documentation in the file to corroborate the existence of an agreement between the Claimant and the Motor Dealer.

[12] When considering the eligibility of this claim for compensation from the Fund, the Board applied Section 4(a)(i) of the *Motor Dealer Customer Compensation Fund Regulation* (the "**Regulation**"). This section expressly states that a purchase from a registered motor dealer is a requirement to apply for compensation as follow:

- (4) *"Who may apply for compensation? An individual who, on or after the day this regulation comes into force,*
 - (a) *purchases from a registered motor dealer*
 - (i) *a motor vehicle to be used primarily for personal or family use ...*

... may apply for compensation from the Fund"

[13] The Board found that this claim does not meet the above eligibility requirement as there is insufficient evidence to corroborate the Claimant's assertions about the involvement of Ready Auto Sale in the transaction to which this claim relates. In particular:

- (i) There is no contract to prove that the purchase of the Dodge from Ready Auto Sales, the dealer against whom this claim is made.
- (ii) Canadian Maple Leaf Auto was not a registered motor dealer at the time when the Claimant issued a bank draft in payment for the Dodge.
- (iii) There is no specific information about the Dodge to prove the vehicle's connection to Ready Auto Sales.

[14] 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*.

Investigation Cost Recovery by the VSA

[15] Pursuant to Section 22(b) of the *Motor Dealer Act*, RSBC 1996, c 316 (the "MDA"), costs incurred in investigating claims against the Fund must be paid from the Fund.

[16] The Board reviewed the VSA Investigation Cost Recovery Invoice for this claim - Invoice #24263. The Board approved the invoiced investigation costs for \$555.78 for recovery by the VSA from the Fund.

Reimbursement to the Fund by the Motor Dealer

[17] 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 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.

[18] Since this claim is denied, the investigation costs will not be charged to Ready Auto Sales.

Reconsideration

[19] 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.

Date: March 18, 2026

Motor Dealer Customer Compensation Fund Board

Per:

/Original is signed/

Mary Childs, Board Chair
Attachment
MC/ds/ag/jm