

**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:

Jaydee Forder

Claimant

INVOLVING:

**Titanium Autogroup Ltd.
Dealer Licence 40484 /Cancelled**

Motor Dealer

DECISION OF THE MOTOR DEALER CUSTOMER COMPENSATION FUND BOARD

By way of written submissions.

[1] On June 17, 2026, the claim for compensation from the Motor Dealer Customer Compensation Fund (the "**Fund**") was filed by the Claimant and presented to the Motor Dealer Customer Compensation Fund Board (the "**Board**") for hearing

Decision

[2] This claim has been approved for \$2,100.00, which will be paid to the Claimant from the Fund.

Claim Summary

[3] The Claimant alleges:

[4] On March 18, 2025, the claimant purchased a 2019 Hyundai Kona (the "**Hyundai**") at the Motor Dealer for \$24,255.43.

[5] The Claimant alleges the check engine light was on at the time of the sale. The Motor Dealer told the Claimant it was due to a missing antenna, and the issue would be remedied once the antenna was replaced.

[6] On April 17, 2025, the Claimant left the Hyundai, with the Motor Dealer for repairs.

[7] On April 29, 2025, the Hyundai was returned to the Claimant. The antenna had been replaced, however, the check engine light remained on.

[8] Shortly after, the Claimant attempted to follow up with the Motor Dealer and discovered that the business was permanently shut down.

[9] The Claimant took the Hyundai to a Hyundai dealership service department regarding the ongoing check engine light issue.

[10] The Hyundai dealership service department contacted Global Warranty ("Global") and was informed the Extended Warranty (the "**Warranty**") was not valid.

[11] The Claimant subsequently received a letter from Global dated July 18, 2025, advising that the Warranty had been cancelled because the Motor Dealer had failed to remit payment to Global.

[12] The Claimant returned to the Hyundai dealership and was advised that the Hyundai required an engine replacement at an estimated cost of \$17,639.04.

[13] The Claimant is seeking reimbursement from the Fund for \$26,933.88 representing the total cost paid for the vehicle, warranty and additional expenses incurred.

Legislative Authority and the Board's Findings

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

- a. Demand to Motor Dealer;
- b. Claim Application;
- c. Compensation Fund Report; and
- d. Investigation Cost Recovery Invoice

[15] The Board established that all the criteria required to apply for compensation from the Fund have been met.

[16] The Board reviewed the Claimant's alleged losses separately.

Alleged Loss of \$2,100.00 – Expense Related to the Purchase of the Warranty

[17] In reviewing the eligibility of the Claimant's alleged loss for compensation from the Fund, the Board applied Section 5(1)(b) of the *Motor Dealer Customer Compensation Fund Regulation* (the "*Regulation*") that outline the losses eligible for compensation from the Fund with respect to the purchase of an extended warranty:

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

(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;"

[18] The Board found evidence that the portion of this claim related to the Warranty is compensable because:

- the Claimant paid for the Warranty to the Motor Dealer;
- the Motor Dealer did not remit payment for the Warranty to Global in a timely fashion and then went out of business;
- the Claimant did not get the Warranty they purchased; and
- the Warranty portion of the Claim is for a liquidated amount

Alleged Loss of \$24,833.88- Expenses Related to the Purchase of the Vehicle

[19] In reviewing the eligibility of the Claimant's alleged loss for compensation from the Fund, for the purchase of the Hyundai, the Board applied Sections 5(1)(a) and (7)(a) *of the Regulation which sets the limitations for losses that may be compensable from the Fund:*

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

(a) states that losses that are eligible for compensation from the Fund are "with respect to the purchase of a motor vehicle, the loss of a trade-in, full payment, deposit, down payment or other liquidated amount..."

"(7) An applicant is not eligible for compensation from the fund:

(a) in respect of the purchase of a motor vehicle, if the claim is based on the cost, value or quality of the motor vehicle received,"

[20] The Board found evidence that the remaining portion related to the condition of the vehicle is not eligible for compensation because:

- it is not for a liquidated amount,
- it is based on the cost, value and quality of the vehicle received by the Claimant from the Motor Dealer.

[21] The Board recognized that the awarded compensation is less than the claimed amount. There may be other legal remedies available to the Claimant. The Claimant is encouraged to do their own investigations into, or speak with a lawyer about, other possible remedies. Attached is the Vehicle Sales Authority of BC (the "VSA") Fact Sheet *Where to go for help*, which has information that may be helpful for the claimant.

[22] In determining the amount of compensation, the Board found that it equals to payment for a total of \$2,100.00 representing the total cost paid for the Warranty.

Compensation Payment to Claimant

[23] The VSA will send the Claimant a cheque in the amount of \$2,100.00 within 60 days from the date of the hearing - on or before **August 17, 2026**.

[24] If the Board decides to reconsider its decision before that time, the payment will be withheld until completion of the reconsideration procedures.

If Additional Compensation is Received by the Claimant

[25] According to Section 20 of the *Motor Dealer Act* (the "MDA"), the Claimant has an obligation to advise the Vehicle Sales Authority of BC (the "VSA") if the Claimant receives additional compensation from another source for the loss paid from the Fund. For instance, if an insurance company also awards the claimant compensation for the same loss paid from the Fund, the Claimant must advise the VSA immediately about that compensation. Failure to repay the Fund may be a cause of legal action against the Claimant for the amount unrepaid.

Investigation Cost Recovery by the VSA

[26] Pursuant to Section 22(b) of the *MDA*, costs incurred in investigating claims against

the Fund must be paid from the Fund.

[27] The Board reviewed the VSA Investigation Cost Recovery Invoice for this claim - Invoice #25052. The Board approved the invoiced investigation costs in the amount of \$492.40 for recovery by the VSA from the Fund.

Reimbursement to the Fund by the Motor Dealer

[28] 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.

[29] The VSA Licensing Department will take the required action regarding repayment to the Fund by Motor Dealer.

Finality of Decision

[30] 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".

[31] 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.

Date: July 28, 2026

Motor Dealer Customer Compensation Fund Board

/Original is signed/

Mary Childs, Board Chair

Attachment
MC/ds/ag