VSA

VEHICLE SALES AUTHORITY OF BC

Motor Dealer Customer Compensation Fund

Claim No.: C-25-08-191
Neutral Citation: 2026-BCMDCCFB-049

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:

John Kehler

Claimant

INVOLVING:

Titanium Autogroup Ltd.
Dealer License 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**") filed by the Claimant was presented to the Motor Dealer Customer Compensation Fund Board (the "**Board**") for hearing.

Decision

[2] This claim has been denied.

Claim Summary

[3] The following are the allegations of the Claimant:

[4] On January 14, 2022, the Claimant purchased a 2022 Honda Civic (the "**Honda**") from the Motor Dealer.

[5] The Claimant alleges they were charged a price that exceeded the Manufacturer's Suggested Retail Price (the "**MSRP**") for the Honda.

[6] The Honda was financed through Scotiabank. The Claimant states that the information provided by the Motor Dealer to Scotiabank was inaccurate. The Claimant states that he is self-employed and had provided the Motor Dealer with bank statements, proof of disability, and documentation showing a monthly income of $12,000.00. However, the Motor Dealer reportedly represented to Scotiabank that the Claimant's monthly income was $6,600.00 and that he was employed full-time as an accountant.

[7] As a part of the transaction, the Claimant traded in a 2017 Kia Forte (the "**Kia**") for $14,500.00. The Kia had an outstanding lien of $17,896.00, which was added to the amount financed for the Honda. The Claimant states this was not discussed prior to the purchase of the Honda by the Motor Dealer.

[8] The Claimant further alleges that the Motor Dealer changed the original purchase price of the Honda from $37,750.00 to $38,750.00.

[9] This Claimant is seeking compensation from the Fund in the amount of $20,000.00.

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 Miles End Motors Ltd. at the pre-hearing stage. Both parties had an opportunity to respond to those documents. The documents under review included:

a. Demand to Motor Dealer;
b. Claim Application;
c. Summary;
d. Claimant's Response to Investigation Report
e. Investigation Cost Recovery Invoice

[11] When considering the eligibility of the Claimant's alleged loss, the Board applied *Section 5(1)(a)* of the *Regulation* which states:

> *"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…"*

[12] The Board found that this Claim is not eligible for compensation because the claim is not for liquidated amount;

[13] The Board can only deal with claims that fall within the specific terms of the *Regulation*. Claimants may have other legal remedies available to them and are 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

[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 #25191. The Board approved the invoiced investigation costs in the amount of $209.04 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 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 the Motor Dealer.

Reconsideration

[18] 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