

Claim No.: C-25-04-112
Neutral Citation: 2026-BCMDCCFB-051

**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:

Mohammed Taha

Claimant

INVOLVING:

**Carzone Motors Ltd.
Dealer License 40308/Cancelled**

Motor Dealer

DECISION OF THE MOTOR DEALER CUSTOMER COMPENSATION FUND BOARD

By way of written submissions.

[1] On August 12, 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 Claimant's allegations:

[4] On August 19, 2024, the Claimant purchased a 2013 Hyundai Sonata (the "**Hyundai**") from the Motor Dealer for \$10,200.00

[5] At the time of the transaction, the Claimant the rear seats were missing headrests. The Motor Dealer assured the Claimant that the headrests would be provided within two weeks.

[6] Following the purchase, the Claimant made repeated attempts to resolve the matter with the Motor Dealer, but was unsuccessful.

[7] On November 4, 2025, the Claimant contacted an authorized Hyundai dealership to obtain replacement headrests and was informed that the headrests had been discontinued and could not be ordered.

[8] The Claimant is seeking compensation from the Fund in the amount of \$10,200.00.

Legislative Authority and the Board's Findings

[9] The Board reviewed the documents on file, copies of which were provided to the Claimant and to Carzone 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) Motor Dealer's response to Claim Application;
- d) Claimant's Response to Motor Dealer's response to Claim Application;
- e) Summary;
- f) Investigation Cost Recovery Invoice

[10] When considering the eligibility of the Claimant's alleged loss, the Board applied *Section 7(a)* of the *Regulation* which says that:

"(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,"

[11] The Board found that the Claimant's alleged loss is not compensable from the Fund because the claim is based on the quality of the vehicle received, specifically the absence of headrests.

[12] The Board can only deal with claims that fall within the specific terms of the *Regulation*. The 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

[13] 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.

[14] The Board reviewed the VSA Investigation Cost Recovery Invoice for this claim - Invoice #25112. The Board approved the invoiced investigation costs in the amount of \$618.13 for recovery by the VSA from the Fund.

Reimbursement to the Fund by the Motor Dealer

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.

[15] Since this claim is denied, the investigation costs will not be charged to Carzone Motors Ltd.

Reconsideration

[16] According to Sections 16(2), 18.1 and 18.2 of the MDA, the Board may, in 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: August 25, 2026

Motor Dealer Customer Compensation Fund Board

Per:

/Original is signed/ _____ Mary Childs, Board Chair

Attachment
MC/ds

Where to go for help...

...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.

Multilingual Legal Website

A new online resource that provides legal information in a variety of languages, such as Arabic, Chinese, English, French, Korean, Persian, Punjabi, Spanish, and Vietnamese. Search publications at www.multilingolegal.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/>.

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 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 vehicle 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 \$5,000.00 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 BC (OIPC)

Oversees BC's access and privacy acts and works to protect the privacy rights of BC 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.