



Annual Compensation Fund Fee Waived for Fiscal Year 2017 - 2018

Ian Christman, Registrar of Motor Dealers, has determined that the annual \$300 dealer contribution to the Motor Dealer Customer Compensation Fund can be waived for the VSA’s fiscal year of April 1, 2017 to March 31, 2018.

Legislation requires that all new motor dealers contribute to the compensation fund for a minimum of three-years before they are eligible to participate in a fee waiver; therefore, new motor dealers are not affected by this announcement and will be required to pay the fee.

An overview of the claim and decision history since April 1, 2009 is [available online](#) on the VSA website. Individual [claim outcomes and summaries](#) are also available for the current and some past years.

Fiscal Year	2016 - 2017 as of 12/31/16	2015 - 2016	2014 - 2015
Claims			
Adjudicated	6	23	34
Approved Amount paid out	1 \$3,500	12 \$70,350	21 \$135,577
Type of Claim			
Vehicle purchase	4	14	29
Warranty / service plan purchase	2	6	2
Vehicle consignment	0	3	0
Vehicle Type			
Auto	5	23	33
RV	0	0	1
Motorcycle	1	0	0
Dealer Status			
In business	0	1	0
Not in business	6	22	34

Fee Waiver a Result of Reduced Compensation Fund Activity

Reduced Compensation Fund activity is likely the result of the following strategies that were put in place to reduce claims:

- Early identification of risks by the Compliance team to reduce potential losses
- Resources on the VSA website with which the public can make an informed decision before filing a Compensation Fund claim
- Clear information on dispute resolution options given to consumers at first contact
- Early eligibility screening reduces claims requiring adjudication without jeopardizing administrative fairness
- Determined efforts to get responsible parties to settle the disputes. This results in claims against the Fund being withdrawn. Warranty companies, former principals and new owners have all stepped up repeatedly to resolve claims.

Compensation Fund Board Welcomes William Kwok

Following the departure of John Ratel from the Compensation Fund Board, William Kwok has been appointed as a public-at-large representative. William Kwok is the Director and Principal Consultant of Red Phoenix Consulting Ltd. He is a Chartered Professional Accountant and has extensive business and financial experience, having held senior leadership positions in private, public, and non-profit organizations.

The Compensation Fund Board would like to thank and acknowledge John Ratel for his commitment to the board throughout his years of service.