

2018 Motor Dealer Act Amendments

Part 2 of 4

The following changes began with the *Motor Dealer Amendment Act* that was approved in May 2016. Some [portions of the Act](#) came into force immediately, but key features come into force this year. Important changes as of January 1, 2018 include:

Motor Dealer Customer Compensation Fund Changes

- Consumers must now make a demand to a dealer within four years of the transaction date. Once a demand is made, they have 120 days from when the dealer refuses to pay or fails to respond to apply for compensation.
- The VSA will have full administration of the Motor Dealer Customer Compensation Fund. No responsibilities will remain with the government. The transfer process is underway.

Part 1 [Motor Dealer Act administrative penalties](#)

Part 3 eCommerce, inventory defined and Motor Dealer Act exemptions as of April 1

Part 4 Wholesaler, Broker Agent and Broker Agent Representative licensing as of April 1

[Motor Dealer Act](#) as revised January 1, 2018

Annual Compensation Fund Fee Waived for Fiscal Year 2018—2019

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, 2018 to March 31, 2019.

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.

Fee Waiver a Result of Reduced Compensation Fund Activity

Fund reserves were at \$1.25 million as of December 31, 2017. The overall number of claims and total award amounts have fallen in recent years. The total paid out since April 1, 2017 was \$56,600, up from a historic low of just \$3,500 for the entire 2016-2017 fiscal year.



The VSA is an independent, non-profit agency that oversees the retail sales of personal-use motor vehicles in British Columbia. Please send your questions and comments to communications@mvsabc.com

Vehicle Sales Authority

