

ILO Administration for B.C. Towing and Recovery Operators



Section 1 Module 7

Early Disposal Agreements (MV2728 & MV2729) ***Removing Low-Value or Unclaimed Vehicles Before the Impoundment Period Ends***

Opening Narration

Narrator:

Vehicles sometimes remain in an impound lot with little or no likelihood of being claimed by their owners. These vehicles take up space, tie up administrative resources, and may ultimately cost more in storage than they are worth.

To address these situations, the *Motor Vehicle Act* allows an Impound Lot Operator (ILO) to enter into an **Early Disposal Agreement** with the registered owner.

This agreement transfers ownership of the vehicle to the ILO *before* the impoundment period expires, allowing you to remove the vehicle from your lot sooner.

In this lesson, we will walk through:

- When early disposal is appropriate
- Required forms (MV2728 and MV2729)
- The updated process under Version 7
- Documentation and transfer requirements

- Rules on crushing and resale
 - Best practices to ensure compliance
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Lesson 1 — When to Consider an Early Disposal Agreement

Narrator:

Early disposal is voluntary. The ILO does **not** have to offer it, and the owner does **not** have to accept it.

However, early disposal is often appropriate when:

1. The vehicle has very low value

The storage charges will soon exceed what the vehicle is worth.

2. The owner appears unlikely to pay the lien

Situations include:

- Owner states they have no intention of retrieving the vehicle
- Vehicle is severely damaged or non-operational
- Owner cannot afford repairs or charges

3. Lot capacity is limited

Removing unclaimed, low-value vehicles helps free space for new impounds.

These criteria closely reflect the original training content and remain fully consistent with RSBC's expectations today.

Lesson 2 — Forms Required for Early Disposal

The early disposal process uses *two* key forms:

1. MV2729 — Early Disposal Agreement

This is the contract between the ILO and the owner transferring ownership.

2. MV2728 — Statutory Declaration: Early Vehicle Disposal

This is a sworn statement confirming that the early disposal agreement has been completed.

Both forms must be completed *in-person* at a Driver Licensing Office, Service BC Centre, or Appointed Agent.

(See Version 7, p.10.)

Lesson 3 — Step-by-Step Process for Early Disposal

Step 1 — Discuss early disposal with the owner

Confirm the owner understands:

- They are transferring ownership to the ILO
- The vehicle must be crushed or used for parts
- They will not receive compensation

Step 2 — Complete the Early Disposal Agreement (MV2729)

Both the owner and the ILO representative must:

- Sign the form
- Provide identification
- Ensure all vehicle information is accurate

Step 3 — Complete the Statutory Declaration (MV2728)

This is sworn in the presence of Driver Services staff, a Government Agent, or an Appointed Agent.

The staff member will:

- Review the agreement
- Witness the declaration
- Return the original MV2728 to the ILO

Step 4 — Driver Services sends the paperwork to RSBC

Driver Services will fax or email:

- The MV2729
- The MV2728

To RoadSafetyBC at the designated address or fax number.

Step 5 — Wait for RSBC’s Vehicle Disposal Decision

RSBC will review the forms and issue an **Early Disposal Decision Letter**.

If approved, the ILO may proceed to transfer ownership.

(Process described in Version 7, p.10.)

Lesson 4 — Transferring Ownership After Approval

Once early disposal is approved, the ILO must:

1. Take the following to an Autoplan broker:
 - RSBC’s Early Disposal Decision Letter
 - Original MV2728
 - Completed APV9T (vehicle transfer form)
 - Vehicle registration
 - The licence plates (if available)
2. The Autoplan broker will:
 - Transfer the registration to the ILO
 - Cancel any active licence
 - Forward any insurance refund (if applicable)

(Transfer procedure: Version 7, p.10.)

Lesson 5 — Rules for Vehicles Disposed Early

Narrator:

Early disposal is not the same as a normal disposal under s.255.7.

There are special rules:

Rule 1 — The vehicle must be crushed or dismantled

Vehicles signed over under early disposal **cannot** be repaired or returned to road use.

Rule 2 — The APV9T must be marked “irreparable”

This ensures the vehicle cannot re-enter the marketplace.

Rule 3 — The \$28 transfer fee is waived

This applies when the vehicle is being transferred for crushing or dismantling for parts.

Rule 4 — You may dismantle or sell parts

Provided the vehicle itself is never restored for road operation.

Lesson 6 — Why Early Disposal Matters

Narrator:

Early disposal agreements benefit both the ILO and RSBC by:

- Reducing long-term storage burdens
- Clearing space for new impounds
- Eliminating unnecessary disposal processes later
- Reducing administrative steps for the owner
- Ensuring safe and lawful disposition of unrepairable vehicles

They are particularly useful for lots with high turnover or limited capacity.

Lesson 7 — Best Practices for Early Disposal

- Always ensure the owner fully understands what early disposal means.
- Confirm identity carefully.
- Ensure all sections of MV2728 and MV2729 are fully completed.
- Retain copies of all forms in your vehicle file.
- Photograph the vehicle before disposal.
- Document the condition to support any future audits.

- Inform RSBC of any irregularities or delays.
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Lesson 8 — Summary

Narrator:

To recap:

- Early Disposal Agreements allow the ILO to remove a vehicle before the impoundment period ends.
- They require two forms: **MV2729** and **MV2728**, completed at a Driver Licensing Office or Service BC.
- RSBC must issue an **Early Disposal Decision Letter** before transfer can occur.
- Vehicles must be marked “irreparable” and crushed or dismantled.
- The \$28 transfer fee is waived.
- This process helps free lot space and reduce administrative burden.

By following these steps, you ensure compliance with RSBC procedures and manage your lot efficiently.

End of Module 7 — Knowledge Check (Optional)

1. What is the purpose of an Early Disposal Agreement?
2. Which two forms must be completed for early disposal?
3. Where must MV2728 and MV2729 be completed?
4. What must the ILO receive before transferring ownership?
5. What must happen to vehicles disposed of early?