

ILO Administration for B.C. Towing and Recovery Operators



Section 1 Module 8

Normal Disposal (Section 255.7 of the Motor Vehicle Act) ***How to lawfully dispose of an unclaimed vehicle after the impoundment period ends***

Opening Narration

Narrator:

When an owner does not claim their vehicle after the impoundment period expires, the Impound Lot Operator may dispose of the vehicle through the **normal disposal process** outlined in Section 255.7 of the *Motor Vehicle Act*.

This process differs from early disposal because normal disposal allows you to claim and transfer the vehicle **when certain legal thresholds are met**, even without the owner's cooperation.

In this module, we'll walk through:

- When normal disposal is permitted;
- Required notifications and timelines;
- PPSA (lien) search requirements;
- How to assess vehicle value;
- Completing the Application for Disposal (MV2709);
- What happens after approval;

- Best practices for compliance.

This is one of the most important administrative procedures for ILOs, and accuracy is essential.

Lesson 1 — When can an ILO Use Section 255.7 Disposal?

Narrator:

Under Version 7 of the RSBC manual, three conditions must be met before you may proceed with a normal disposal:

Condition 1 — Written Notice Has Been Provided to the Owner

You must notify the owner **in writing**, by regular mail, of your intention to dispose of the vehicle.

Condition 2 — Value of the Vehicle Minus \$1,000 Is Less Than the Lien Owing

In simple terms:

The amount owed must exceed the vehicle's value, minus \$1,000.

If the vehicle is worth more than the lien amount, subtraction of the \$1,000 exemption may prevent disposal.

Condition 3 — The Vehicle Has No Registered PPSA Liens

A Personal Property Security Act (PPSA) search must show **no active security interests**.

(These rules are detailed in Version 7, p.11.)

Lesson 2 — Required Steps Before Applying for Disposal

There are four mandatory steps:

Narrator:

You must confirm that **no lien or security interest** is registered against the vehicle.

You may obtain a PPSA search:

- Through your own online access
- Through a provider such as the Automotive Retailers Association

A lien automatically disqualifies the vehicle from disposal under s.255.7.

(Version 7, p.11.)

Step 2 — Notify the Registered Owner

The notice must be sent **after the impoundment period expires**, and at least **14 days** before applying for disposal.

Your notice must include:

- Impoundment number
- VIN
- Licence plate number
- Owner's name and address
- Date of impoundment
- Outstanding charges
- RSBC contact information for inquiries

(Required content listed in Version 7, p.11.)

Important:

- Email does **not** satisfy this requirement.
- Registered mail is optional but not required — **regular mail is sufficient**.
- You must document the mailing date.

Step 3 — Assess the Vehicle's Value

Narrator:

RoadSafetyBC determines the vehicle's value, but the ILO must provide supporting documentation, including:

Required valuation evidence:

- Photos of all sides of the vehicle
- Close-ups of damage or missing components
- Interior condition
- Mileage (if visible)
- Notes describing mechanical issues
- Notes on safety-related defects
- Any visible or hidden collision-related damage
- Repair estimates, if available

Version 7 outlines how RSBC sets the value:

- **Canadian Black Book** is the primary source
- If unavailable, the **Vehicle Market Report (VMR)** is used
- If still unavailable, RSBC reviews comparable listings in the local market

(Version 7, p.11.)

Providing strong documentation helps prevent delays or rejection.

Step 4 — Confirm Lien Value Exceeds Vehicle Value Minus \$1,000

Narrator:

To qualify for disposal, the lien (charges owed) must exceed the vehicle's assessed value minus \$1,000.

For example:

- Vehicle value = \$2,600
- Value minus \$1,000 = \$1,600
- Lien owing = \$2,100
- Result: Eligible for disposal

But:

- Vehicle value = \$4,000
- Value minus \$1,000 = \$3,000
- Lien owing = \$2,600
- Result: **Not** eligible for disposal

RoadSafetyBC will verify your calculations.

Lesson 3 — Applying for Disposal: The MV2709 Form

Narrator:

Once all the prerequisites have been met, you may complete the **Application for Disposal (MV2709)**.

The form is available under the “Forms and Procedure Manuals” tab on RSBC’s website.

Your application must include:

- A completed and signed MV2709
- Photos documenting the vehicle’s condition
- Valuation notes or evidence
- Completed PPSA search
- Proof of owner notice and mailing date
- Impoundment number and timeline
- Storage and towing fees calculated using prescribed rates

Submission method:

Email the application package to:
RSBCimpoundment@gov.bc.ca

(Process described in Version 7, p.11.)

Lesson 4 — After RSBC Approves Your Disposal Request

Narrator:

If approved, RSBC will issue a **Vehicle Disposal Decision**.

Once received, you must:

1. Return licence plates (if applicable) to an Autoplan broker

2. Complete the APV9T transfer form

3. Take the following to Autoplan:

- RSBC Disposal Decision Letter

- Completed APV9T
- Vehicle registration
- Licence plates

Autoplan will:

- Transfer the vehicle to the ILO
- Cancel the licence
- Provide any insurance refunds

You are now legally allowed to crush, dismantle, or otherwise dispose of the vehicle.

Lesson 5 — Timelines & Compliance Rules

Important Disposal Rules:

1. You may **not** send the disposal notice until **after** the impoundment period ends.
2. You must wait **at least 14 days** after mailing notice to apply.
3. You must apply **within 30 days of the last day of impoundment**.
4. You must **wait for RSBC's approval** before disposing of the vehicle.
5. You must transfer the vehicle properly before sale, crushing, or dismantling.

Failure to follow these timelines can invalidate the disposal and jeopardize your right to collect the lien.

Lesson 6 — Best Practices for Normal Disposal

Narrator:

To avoid delays:

- Use the Vehicle Impoundment Calculator for accurate fees
- Take clear, date-stamped photos
- Document all damage thoroughly
- Keep a detailed file of correspondence
- Track timelines carefully
- Use consistent valuation notes
- Maintain copies of all forms

These practices support internal consistency and successful RSBC approvals.

Lesson 7 — Summary

Narrator:

To recap:

- Normal disposal is available only when the lien exceeds the vehicle's value minus \$1,000 and no PPSA lien exists.
- You must notify the owner in writing and wait 14 days before applying.
- You must assemble a complete disposal package, including photos, PPSA search, valuation notes, and MV2709.
- RSBC must approve the disposal before you can transfer the vehicle.
- After approval, you must complete an APV9T and finalize the transfer at Autoplan.

Proper disposal protects your rights under the Act and ensures compliance with RoadSafetyBC's administrative requirements.

End of Module 8 — Knowledge Check (Optional)

1. What three conditions must be met before applying for normal disposal?
2. How long must you wait after sending the disposal notice before applying?
3. What must be included in the MV2709 application package?
4. What valuation sources does RSBC use?
5. What must the ILO do after RSBC approves the disposal?