

# MINUTES

October 24, 2016



**TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE  
DIVISION OF REGULATORY BOARDS  
MOTOR VEHICLE COMMISSION  
500 JAMES ROBERTSON PARKWAY, 2ND FLOOR  
NASHVILLE, TENNESSEE 37243-1153  
FAX (615) 741-0651  
(615) 741-2711**

**TENNESSEE  
MOTOR VEHICLE COMMISSION  
MINUTES**

**DATE:** October 24, 2016

**PLACE:** Davy Crockett Tower – Conference Room 1-A  
500 James Robertson Parkway  
Nashville, Tennessee

**PRESENT:** Commission Members:  
Eddie Roberts  
Cristopher Lee  
Jim Galvin  
Joe Clayton  
Ronnie Fox  
Karl Kramer  
Nate Jackson  
Debbie Melton  
John Murrey  
Reed Trickett  
Stan Norton  
Don Parr  
Farrar Vaughan  
Steve Tomaso  
Ian Leavy  
Kahren White  
Victor Evans

**ABSENT:** NONE

**CALL TO ORDER:** Chairman Eddie Roberts called the meeting to order at 9:05 am

Paula J. Shaw, Executive Director, called the roll. All members were present and a quorum was established.

**MEETING NOTICE:** Notice advising the Commission of the time, date and location of the meeting being posted on the Tennessee Motor Vehicle Commission website and that it has been included as part of the year's meeting calendar since July 13, 2015, was read into the record by Executive Director, Paula J. Shaw. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since October 18, 2016.

**AGENDA:** Chairman Roberts requested the Commission look over the agenda. Matthew Reddish indicated that Car Express, LLC would not be appearing before the Commission. Chairman Roberts asked for a voice vote to approve the agenda.

**MOTION CARRIED.**

**QUARTERLY MEETING MINUTES:** Commissioner Fox made a motion to approve the minutes from the July 25, 2016 meeting, seconded by Commissioner Jackson. Chairman Roberts called for a voice vote.

**MOTION CARRIED.**

**APPEALS:** The following appeals were heard by the Commission.

Kimberly Medders  
24/7 Auto Sales, LLC, Old Hickory, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Jackson moved the license be granted, seconded by Commissioner Vaughan.

**ROLL CALL VOTE**

<b>Eddie Roberts</b>	<b>YES</b>
<b>Christopher Lee</b>	<b>YES</b>
<b>Jim Galvin</b>	<b>YES</b>
<b>Joe Clayton</b>	<b>YES</b>
<b>Ronnie Fox</b>	<b>YES</b>
<b>Karl Kramer</b>	<b>YES</b>
<b>Nate Jackson</b>	<b>YES</b>
<b>Debbie Melton</b>	<b>YES</b>
<b>John Murrey</b>	<b>YES</b>
<b>Reed Trickett</b>	<b>YES</b>
<b>Stan Norton</b>	<b>YES</b>
<b>Don Parr</b>	<b>YES</b>
<b>Farrar Vaughan</b>	<b>YES</b>
<b>Steve Tomaso</b>	<b>YES</b>
<b>Ian Leavy</b>	<b>YES</b>

**Kahren White        YES**  
**Victor Evans        YES**

**Motion carried, therefore the license is granted.**

Michael Love  
Scenic City Motors, LLC, Chattanooga, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion Commissioner Vaughan moved the application be approved, seconded by Commissioner Trickett.

**ROLL CALL VOTE**

**Eddie Roberts        YES**  
**Christopher Lee     YES**  
**Jim Galvin            YES**  
**Joe Clayton         YES**  
**Ronnie Fox            YES**  
**Karl Kramer          YES**  
**Nate Jackson         YES**  
**Debbie Melton        YES**  
**John Murrey          YES**  
**Reed Trickett        YES**  
**Stan Norton          YES**  
**Don Parr              YES**  
**Farrar Vaughan      YES**  
**Steve Tomaso         YES**  
**Ian Leavy             YES**  
**Kahren White         YES**  
**Victor Evans         YES**

**Motion carried, therefore the license is granted.**

Aaron White  
Parkside Kia, Knoxville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion and the Commission requesting a letter from the dealership agreeing to 12 months of drug testing and after review of the conviction included with the application, Commissioner Clayton moved the application be approved by staff once these requirements are met, seconded by Commissioner Tomaso.

**ROLL CALL VOTE**

<b>Eddie Roberts</b>	<b>YES</b>
<b>Christopher Lee</b>	<b>YES</b>
<b>Jim Galvin</b>	<b>YES</b>
<b>Joe Clayton</b>	<b>YES</b>
<b>Ronnie Fox</b>	<b>YES</b>
<b>Karl Kramer</b>	<b>YES</b>
<b>Nate Jackson</b>	<b>YES</b>
<b>Debbie Melton</b>	<b>YES</b>
<b>John Murrey</b>	<b>YES</b>
<b>Reed Trickett</b>	<b>YES</b>
<b>Stan Norton</b>	<b>YES</b>
<b>Don Parr</b>	<b>YES</b>
<b>Farrar Vaughan</b>	<b>YES</b>
<b>Steve Tomaso</b>	<b>YES</b>
<b>Ian Leavy</b>	<b>YES</b>
<b>Kahren White</b>	<b>YES</b>
<b>Victor Evans</b>	<b>YES</b>

**Motion carried, therefore the license is granted.**

Bernie Dawes  
 Cookeville Honda Pre-Owned, Cookeville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Jackson moved the application be approved, seconded by Commissioner Vaughan.

**ROLL CALL VOTE**

<b>Eddie Roberts</b>	<b>YES</b>
<b>Christopher Lee</b>	<b>YES</b>
<b>Jim Galvin</b>	<b>YES</b>
<b>Joe Clayton</b>	<b>YES</b>
<b>Ronnie Fox</b>	<b>YES</b>
<b>Karl Kramer</b>	<b>YES</b>
<b>Nate Jackson</b>	<b>YES</b>
<b>Debbie Melton</b>	<b>YES</b>
<b>John Murrey</b>	<b>YES</b>
<b>Reed Trickett</b>	<b>YES</b>
<b>Stan Norton</b>	<b>YES</b>
<b>Don Parr</b>	<b>YES</b>
<b>Farrar Vaughan</b>	<b>YES</b>
<b>Steve Tomaso</b>	<b>YES</b>
<b>Ian Leavy</b>	<b>YES</b>
<b>Kahren White</b>	<b>YES</b>

**Victor Evans            YES**

**Motion carried, therefore the license is granted.**

Mark Debusk  
Cookeville Honda, Cookeville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved the application be approved, seconded by Commissioner Trickett.

**ROLL CALL VOTE**

**Eddie Roberts        YES**  
**Christopher Lee     YES**  
**Jim Galvin            YES**  
**Joe Clayton         YES**  
**Ronnie Fox            YES**  
**Karl Kramer          YES**  
**Nate Jackson        YES**  
**Debbie Melton        YES**  
**John Murrey          YES**  
**Reed Trickett        YES**  
**Stan Norton          YES**  
**Don Parr              YES**  
**Farrar Vaughan      YES**  
**Steve Tomaso        YES**  
**Ian Leavy             YES**  
**Kahren White        YES**  
**Victor Evans         YES**

**Motion Carried, therefore the license is granted.**

Chris Rogers  
Ray Varner Ford, Clinton, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved the application be approved, seconded by Commissioner Jackson.

**ROLL CALL VOTE**

**Eddie Roberts        YES**  
**Christopher Lee     YES**  
**Jim Galvin            YES**

<b>Joe Clayton</b>	<b>YES</b>
<b>Ronnie Fox</b>	<b>YES</b>
<b>Karl Kramer</b>	<b>YES</b>
<b>Nate Jackson</b>	<b>YES</b>
<b>Debbie Melton</b>	<b>YES</b>
<b>John Murrey</b>	<b>YES</b>
<b>Reed Trickett</b>	<b>YES</b>
<b>Stan Norton</b>	<b>YES</b>
<b>Don Parr</b>	<b>YES</b>
<b>Farrar Vaughan</b>	<b>YES</b>
<b>Steve Tomaso</b>	<b>YES</b>
<b>Ian Leavy</b>	<b>NO</b>
<b>Kahren White</b>	<b>YES</b>
<b>Victor Evans</b>	<b>YES</b>

**Motion carried, therefore the license is granted.**

Budget Auto, LLC – Dealer Not Present for Appeal  
Knoxville, TN

Chairman Roberts requested appeals of dealer applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved the denial be upheld, seconded by Commissioner Jackson.

**ROLL CALL VOTE**

<b>Eddie Roberts</b>	<b>YES</b>
<b>Christopher Lee</b>	<b>YES</b>
<b>Jim Galvin</b>	<b>YES</b>
<b>Joe Clayton</b>	<b>YES</b>
<b>Ronnie Fox</b>	<b>YES</b>
<b>Karl Kramer</b>	<b>YES</b>
<b>Nate Jackson</b>	<b>YES</b>
<b>Debbie Melton</b>	<b>YES</b>
<b>John Murrey</b>	<b>YES</b>
<b>Reed Trickett</b>	<b>YES</b>
<b>Stan Norton</b>	<b>YES</b>
<b>Don Parr</b>	<b>YES</b>
<b>Farrar Vaughan</b>	<b>YES</b>
<b>Steve Tomaso</b>	<b>YES</b>
<b>Ian Leavy</b>	<b>YES</b>
<b>Kahren White</b>	<b>YES</b>
<b>Victor Evans</b>	<b>YES</b>

**Motion carried, therefore the denial is upheld.**

**DIRECTOR’S REPORT – Paula J. Shaw, Executive Director**

Executive Director Shaw provided the Commission with the following information which is for informational purposes only:

Since the last Commission meeting in July 25, 2016 the following activity has occurred:

**Dealers Opened, or Relocated (Last Quarter)**.....55

**Active Licensees as of October 10, 2016**

Dealers.....	3760
Applications in Process.....	38
Distributors/Manufacturers.....	132
Auctions.....	32
Representatives.....	598
Salespeople.....	16467
Dismantlers.....	271
RV Dealers.....	28
RV Manufacturers.....	60

**Motor Vehicle Show Permits:**

Issued Since July 25, 2016.....	4
Associated Revenue.....	\$800

**Complaint Report- Opened Complaints as of July 25, 2016 to October 10, 2016:**

Number of Complaints Opened.....	129
Number of Complaints Closed.....	159

**Annual Sales Reports-(Due Feb 15):**

Vehicles Reported Sold in 2015.....	1,294,979
Recreational Vehicles Reported Sold in 2015....	3,660
(Excluding Dealers Reporting Late)	
Late Annual Sales Report Collected.....	\$48,300
Listing Sent to County Clerks April 19, 2016	

**Revenue Fees Submitted to Revenue for FY 2015**

Total Collected.....	\$40,000
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**Disciplinary Action Report –**

Total Collected.....	\$121,900
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Chairman Roberts called for a motion to approve the Director’s Report. Commissioner Jackson made a motion to approve the Director’s Report, and was seconded by Commissioner Vaughan.

**VOICE VOTE – UNANIMOUS**

The motion carried to approve the Director's Report.

The Commission moved to the presentation of the legal report by Matthew E. Reddish, Asst. General Counsel and legal consultant for MVC. Mr. Reddish presented the legal report, with modifications as presented at the legal review committee meeting, as follows:

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**1. Case No.: 2016037351**

Respondent received a notice of violation for issuing four (4) temporary tags to a consumer (two more than allowed). An agreed citation was issued to Respondent for \$1,000. A response was received by the Respondent who stated "I sold a 2004 Hyundai Santa Fe to (customer's name). There was a delay in receiving the title from North State Finance Co. I inadvertently gave 4 temp. tags to the lady while I was waiting on the title. She has since registered the car when I received the title, I had no idea that you could only write 2 tags. It will not happen again as Mr. Riddle advised me of the law." Respondent has been licensed for at least 25 years since the inception of the database of record for licensing and has not been disciplined. Respondent's disciplinary history indicates a complaint was opened regarding a possibly late annual sales report in 2006; however this complaint was dismissed.

**Recommendation: Discussion**

**2. Case No.: 2016035971**

Complaint alleges Respondent refusing to honor warranty because will only agree to pay for labor on transmission replacement. Buyer's guide says lifetime warranty labor only.

**Recommendation: Close**

**3. Case No.: 2016005861**

Complaint alleges Respondent using an old/incorrect address in its advertisements.

**Recommendation: Close with Letter of Warning**

**4. Case No.: 2016033661**

Complaint is contractual in nature and complainant only wanted surety bond. Surety bond sent.

**Recommendation: Close**

**5. Case No.: 2016034391**

Complaint alleges Respondent failed to timely issue title, Respondent confirmed allegations. Respondent has taken the vehicle in question back as a trade in and sold Complainant a new vehicle.

**Recommendation: Letter of Warning**

**6. Case No.: 2016037031**

Complaint alleges Respondent engaged in deceptive advertising by listing a vehicle price that they would not honor. Respondent states that price was for governmental agencies and therefore did not apply to complainant. Complainant alleges that it was not disclosed that price was only for governmental agencies. Respondent has no previous advertising violations.

**7. Recommendation: Letter of Warning**

**Case No.:**

<b>2016037571</b>	<b>2016042611</b>
<b>2016032601</b>	<b>2016042671</b>
<b>2016033411</b>	<b>2016041601</b>
<b>2016038451</b>	<b>2016046021</b>
<b>2016038831</b>	<b>2016047611</b>
<b>2016025191</b>	

Complainant has failed to assert any violation of Tennessee Motor Vehicle Commission Statute or Rule, or Respondent, through its Response, has shown that no violation occurred.

**Recommendation: Close**

**8. Case No.:**

**2016034331**  
**2016027101**  
**2016028281**  
**2016030451**  
**2016025411**  
  
**2016030711**  
**2016039481**  
**2016036401**  
**2016032661**  
**2016038811**

Complainant withdrew complaint or would not cooperate with investigator or no longer desires to pursue their claim. No clear evidence of a violation.

**Recommendation: Close**

9. Case No.:

2016039831  
2016041761  
2016025171

2016026431  
2016028411  
2016036551

Respondent dealership closed, surety bond sent.

**Recommendation: Close and flag**

10. Case No.:

2016037891  
2016037892  
2016027231  
2016027232

Respondents have agreed to voluntary revocation of their licenses.

**Recommendation: Close and flag**

11. Case No.: 2016040911

Complaint alleges Respondent sold them a new vehicle, but they believe the vehicle had actually previously been wrecked. There is no evidence indicating that the vehicle has ever been in an accident.

**Recommendation: Close**

12. Case No.: 2016040521

Respondent issued a notice of violation for an expired business license.

**Recommendation: Authorization of a civil penalty in the amount of \$250. To be settled by consent order or formal hearing.**

13. Case No.:  
2016041671

Complaint alleges Respondent engaged in deceptive acts regarding the canceled sale of a motor vehicle. Respondent, through its response, has shown that the issue stems from a mistake made in the advertisement of the motor vehicle part in question, that the cancellation of the sale was within its contractual rights, and that Respondent has refunded Complainant all funds paid on the sale in question.

**Recommendation: Close with a letter of warning for advertising violation**

**14. Case No.: 2016038791**

Respondent marked “as is no warranty” on deal documents, however, Respondent sold Complainant a preferred warranty. Since the sale the parties have had multiple disputes regarding the warranty coverage.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for one deceptive act. To be settled by consent order or formal hearing.**

**15. Case No.: 2016037411**

Complainant alleges Respondent failed to disclose salvage status of vehicle, issued temporary tags. Documents provided by Complainant show truth of allegations. Respondent already referred to litigator for revocation proceedings for same allegations.

**Recommendation: Authorization of revocation for deceptive acts, failure to supervise, temporary tag violations and violations of state law. To be settled by consent order or formal hearing.**

**16. Case No.: 2016040501**

Complaint alleges Respondent failed to deliver title, surety bond sent. No allegations of temporary tag violations.

**Recommendation: Close**

**17. Case No.: 2016040971**

Complaint alleges deceptive acts on part of Respondent, Respondent has agreed to buy back vehicle from Complainant to resolve dispute.

**Recommendation: Close**

**18. Case No.: 2016042531**

Notice of violation issued for operating unlicensed D/R facility. Respondent states will become properly licensed.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for unlicensed activity. To be settled by consent order or formal hearing.**

**19. Case No.: 2016043851**

Complaint alleges Respondent has not issued title in a timely manner. No deceptive acts alleged, Respondent states issue now resolved and training completed to prevent future similar issues. Surety bond sent.

**Recommendation: Close**

**20. Case No.:  
2016033021**

Complaint alleges Respondent is trying to force them to sign sale documents for a motor vehicle he doesn't believe he purchased. Respondent produced several sale documents that were never signed by Complainant, however, Respondent also produced a signed lease agreement. Issue is really a contract dispute.

**Recommendation: Close**

**21. Case No.:  
2016034951**

Complaint alleges Respondent took \$4,000 down payment on a vehicle and when Complainant walked away from deal because he could not secure financing, Respondent would not refund the payment. Complainant also states Respondent never should have entered into agreement to sell the vehicle because he has been declared mentally disabled by the state of Tennessee and has provided evidence of this to the Commission. Respondent produced a signed purchase agreement worksheet showing \$4,000 as a down payment with term "WAC" written on worksheet meaning "with approved credit." Complainants applied for multiple loans but were denied by all lenders. Purchase agreement makes no reference to the down payment being refundable or non-refundable. Respondent has since sold the vehicle but refuses to refund Complainant the \$4,000. Respondent was penalized for a similar situation earlier this year.

**Recommendation: Authorization of a civil penalty in the amount of \$6,000 for deceptive acts and violations of federal law. Civil penalty may be reduced to \$2,000 upon Respondent providing proof that Complainant has been refunded. To be settled by consent order or formal hearing.**

**22. Case No.: 2016032181**

Complaint alleges Respondent failed to timely issue title. Investigation revealed that title was issued in a timely manner.

**Recommendation: Close**

**23. Case No.: 2016031161**

Complaint alleges Respondent engaged in unlicensed activity. Investigation confirms that Respondent sold several vehicles from his car wash around tax time. Respondent is unsure of the number, but estimates 20 vehicles.

**Recommendation: Authorization of a civil penalty in the amount of \$2,500 for unlicensed activity. To be settled by consent order or formal hearing.**

**24. Case No.: 2016032231**

Complaint alleged Respondent 1 was engaged in unlicensed activity, investigation conducted. Investigation revealed Respondent 1 was a neighboring business that leased space out to Respondent 2 who operated a repair shop. Respondent 2 was selling motor vehicles without a license. Investigation found evidence of three unlicensed sales violations by Respondent 2. Respondent 1 evicted Respondent 2 as soon as found out violating state laws.

**Recommendation:**

**Respondent 1: Close**

**Respondent 2: Authorization of a civil penalty in the amount of \$1,500 for three unlicensed sales. To be settled by consent order or formal hearing.**

**25. Case No.: 2016034311**

Complaint alleged Respondent issued her three temporary tags. Investigation confirmed allegations, and found one addition customer who also received three temporary tags.

**Recommendation: Authorization of a civil penalty in the amount of \$1,000 (2 x \$500 for issuing more temporary tags than allowed by law). To be settled by consent order or formal hearing.**

**26. Case No.: 2016027461**

Complaint alleges Respondent failed to provide title in timely manner. Investigation revealed that Complainant had filed on surety bond and that surety bond was offering to pay out to Complainant for cost of vehicle + repair fees. Respondent dealer also offering to pay Complainant to make whole, Respondent is offering more than surety bond is offering. Complainant has refused both offers.

**Recommendation: Close**

**27. Case No.: 2016026481**

Complaint alleged Respondent operating on an expired dealer license, investigation conducted. Investigation revealed that Respondent dealer license did expire for one day while renewal was in the mail. Respondent dealer did not sell any motor vehicles on the one day it was open on an expired license.

**Recommendation: Close**

**28. Case No.: 2016033001**

Complaint alleges Respondent failed to timely title the motor vehicle. Investigation conducted wherein it was determine that hold up on titling was due to issues with getting the vehicle financed and with finance manager leaving Respondent dealer. Investigation revealed that Complainant was issued four (4) temporary tags by Respondent.

**Recommendation: Authorization of a civil penalty in the amount of \$1,000 (\$500 x 2 instances of issuing more temporary tags than allowed by law). To be settled by consent order or formal hearing.**

**29. Case No.: 2016033461**

Complaint alleges Respondent engaged in unlicensed activity, investigation conducted. Investigation unable to locate Respondent and Complainant did not respond to Investigator's attempts to obtain additional information.

**Recommendation: Close**

**30. Case No.: 2016046041**

Complaint alleges Respondent failed to tell her they were selling a vehicle without electric locks. Complainant also alleges Respondent had told her they could put her in a vehicle with lower payments, but the vehicle she purchased actually ended up having higher payments. Complainant admits she signed paperwork too hurriedly and did not read. This appears to be a buyer's remorse complaint.

**Recommendation: Close**

**31. Case No.: 2016034371**

Respondent issued NOV for multiple violations stemming from Respondent moving locations next door without notifying Commission. Investigation

conducted wherein it was found that Respondent had corrected all of their business licenses and was in process of updating their dealership license with the Commission. NOV issued for failure to maintain temporary tag log, investigation revealed Respondent does not issue temporary tags.

**Recommendation: Close upon issuance of letter of warning.**

**32. Case No.: 2016035641**

Complaint opened by staff upon receiving information that Respondent was operating on a closed dealership license, investigation conducted. Investigation found that Respondent was never out of business. License were erroneously closed due to inaccurate information from an annual inspection.

**Recommendation: Close**

**33. Case No.: 2016028261**

Complaint alleges Respondent failed to timely deliver title, investigation conducted. Investigation found that since complaint was filed title was obtained for Complainant. Complainant did not wish to pursue complaint.

**Recommendation: Close**

**34. Case No.: 2016029691**

Complaint alleged Respondent failed to timely issue title and gave three temporary tags. Investigation confirmed allegations. Complainant did not cooperate with investigation.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for issuing more temporary tags than allowed by law. To be settled by consent order or formal hearing.**

**35. Case No.: 2016051801**

Complainant submitted a protest against manufacturer for opening a dealership in their RMA. Parties have since reached an agreement and Complainant has withdrawn protest complaint.

**Recommendation: Close**

**36. Case No.: 2016027211**

Complaint alleges Respondent sold them a rebuilt vehicle without proper disclosure, investigation conducted. Investigation revealed that rebuilt status of vehicle was disclosed and that Complainant initialed disclosure.

**Recommendation: Close**

37. Case No.: 2016024271  
2016027271  
2016031481

Received three complaints alleging Respondent was not timely producing titles, investigation conducted. Investigation revealed one of the complainants could not produce a specific instance where he was unable to quickly get a title from Respondent auction. Other two complainants were un-cooperative, would not provide statements detailing their experiences. Respondent provided sworn statements detailing reasons for delays in each title.

**Recommendation: Close**

38. Case No.: 2016031091

Complaint alleges Respondent dealer sold her a salvage vehicle without disclosing, investigation conducted. Investigation showed Complaint allegations were truthful and that Respondent dealer had issued two temporary tags on the salvage vehicle. Respondent states he thought vehicle was a rebuild, but this was not disclosed either. Complaint states in sworn statement that Respondent falsified amount paid on bill of sale in order to reduce sales tax. Respondent denies these allegations.

**Recommendation: Authorization of a civil penalty in the amount of \$2,000 (2 x \$500 for deceptive act and 2 x \$500 for temporary tag violations).**

39. Case No.: 2016030851

Notice of violation issued for unlicensed activity, failure to maintain temporary tag log, expired city county business license and failure to produce business records. Investigation found that dealer license was expired at time of NOV, but has since been renewed. All other violations remained.

**Recommendation: Authorization of a civil penalty in the amount of \$1,000 (1 x \$250 for city business license, 1 x \$250 for county business license, 1 x \$500 for failure to keep temporary tag log at place of business). To be settled by consent order or formal hearing.**

40. Case No.: 2016037091

Complaint alleged Respondent failed to timely deliver title/registration, investigation conducted. Investigation revealed Respondent was refusing to

title vehicle until additional payments were made for sales tax. Additionally, Respondent failed to properly maintain its temporary tag log.

**Recommendation: Authorization of a civil penalty in the amount of \$1,500 (\$500 x 1 deceptive act, \$1,000 x 1 failure to maintain temporary tag log). To be settled by consent order or formal hearing.**

**41. Case No.: 2016025051**

Complaint 1 is a notice of violation for employing unlicensed sales person and for misuse of a dealer plate on a salvage vehicle.

**Recommendation: Authorization of a civil penalty in the amount of \$1,000 (1 x \$500 for employing unlicensed sales person, 1 x \$500 for misuse of a dealer plate). To be settled by consent order or formal hearing.**

**42. Case No.: 2016026301  
2016026671**

Complaint 1 is for failure to timely register vehicle, investigation conducted. Investigation found vehicle was repossessed for non-payment. Respondent states Complainant never paid a registration fee to him, she was supposed to pay that fee herself to the county clerk. No evidence that Complainant paid a registration fee to Respondent.

Complaint 2 alleged Respondent lost title to vehicle and now Complainant could not get proper tags for vehicle, investigation conducted. Investigation revealed that Respondent did not sell the vehicle in question.

**Recommendation: Close**

**43. Case No.: 2016032471**

Respondent is a licensed Texas motor vehicle dealer who relocated to Tennessee but failed to apply for a Tennessee motor vehicle dealer license, investigation conducted. Investigation revealed that Respondent sold four (4) motor vehicles while unlicensed and representing itself as a motor vehicle dealer.

**Recommendation: Authorization of a civil penalty in the amount of \$2,000 (4 x \$500 for unlicensed activity). To be settled by consent order or formal hearing.**

**44. Case No.: 2016034711**

Complainant/Dealer alleged that a vehicle repossessed by him had a temporary tag that did not come from his temporary tags. Upon investigation, it was

determined that the purchaser of the temporary tag had not issued (or sold) the temporary tag to Complainant or the owner of the vehicle repossessed by Complainant. Several attempts were made by the investigator to contact the owner of the repossessed vehicle and the consumer who received the temporary tag, but these attempts were unsuccessful.

**Recommendation:**

**Close**

**45. Case No.: 2016032901**

Complaint alleged Respondent dealer failed to timely produce title, investigation conducted. Investigation found that title work was completed approximately 75 days after sale completed. Per Respondent, delays were due to out of state title process in Mississippi and a poor photo copy of purchaser's identification documents.

**Recommendation: Close**

**46. Case No.: 2016033831**

Complaint alleged Respondent failed to disclose a previous wreck on a vehicle, investigation conducted. Investigation revealed that vehicle in question had approximately \$600 in damage due to a rear end collision requiring a new bumper, but receipt was never included in sale file and therefore was not disclosed to consumer as would normally have been per dealership policy. Consumer did not discover the accident until they attempted to trade in the vehicle and were informed of the issue on the Carfax. In an attempt to remedy their mistake, Respondent dealer has offered Complainant to buy back the vehicle at the full clean history current trade in value plus \$1,000. Complainant refused the offer. Investigation revealed that Respondent issued three temporary tags to one consumer.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for issuing more temporary tags than allowed by law.**

**47. Case No.: 2016036461**

Complaint alleged Respondent failed to timely produce title, Investigation conducted. Investigation revealed that Respondent dealer was behind on title work for a while when title clerk became ill but now were back on track. Complainant has received her title.

**Recommendation: Close**

**48. Case No.: 2016028521**

Complaint alleges Respondent was refusing to give her a copy of the bill of sale, investigation conducted. Investigation found that Respondent had since given Complainant the documentation she needed for registering the vehicle. Investigation also found this vehicle was sold offsite.

**Recommendation: Authorization of a \$500 civil penalty for failure to maintain a license for each location where vehicles are sold. To be settled by consent order or formal hearing.**

**49. Case No.: 2016030431**

Complaint alleges Respondent failed to disclose that a vehicle it sold to Complainant was rebuilt, Investigation conducted. Investigation found that title stated rebuilt. Complainant states was only shown the back of the title which he signed. Respondent states it was Complainant duty to inspect title and he felt the rebuilt status was sufficiently disclosed by allowing Complainant to see title. Respondent states he highlighted where front of title said rebuilt, but this is not true.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for deceptive act of failure to disclose rebuilt status of a vehicle. To be settled by consent order of formal hearing.**

**50. Case No.: 2016046411  
2016046481  
2016047661**

Complaint alleges Respondent sold them a motor vehicle that needed multiple repairs done. Respondent provided Buyer's Guide showing sale was "as is."

**Recommendation: Close**

**51. Case No.: 2016046591**

Consumer complaint received alleging that Respondent had charged an incorrect amount of sales tax. Legal determined that Respondent did charge .30 more than what State sales tax should have been. Respondent has no history of similar disciplinary action.

**Recommendation: Close with Letter of Warning**

**52. Case No.: 2016040041**

Complaint alleged Respondent failed to timely register her vehicle, investigation conducted. Complainant was uncooperative with investigation, however, inspection of Respondent temporary tag log revealed five (5) consumers had received more than two temporary tags.

**Recommendation: Authorization of a civil penalty in the amount of \$2,500 for 5 x issuing more temporary tags than allowed by law. To be settled by consent order or formal hearing.**

**53. Case No.: 2016040151**

Complaint alleged Respondent failed to timely register vehicle, investigation conducted. Investigation revealed that delays occurred due to Respondent selling Complainant a vehicle with a previous lien still on the vehicle. Additionally, investigation revealed that Respondent had issued more temporary tags than allowed by law on five occasions. Temporary tag log was very poorly maintained, several entries with no information except tag number. Respondent ultimately purchased vehicle back from Complainant.

**Recommendation: Authorization of a civil penalty \$5,000 (5 x \$500 = \$2,500 for issuing more temporary tags than allowed by law, 1 x \$1,000 for deceptive act of selling a vehicle with a lien still attached and 1 x \$1,500 for failure to maintain temporary tag log). To be settled by consent order or formal hearing.**

**54. Case No.: 2016028241**

Complaint alleged Respondent failed to timely title/register vehicle, investigation conducted. Investigation found delays in title due to title clerk being away from office. Complainant feels situation now resolved. Review of temporary tag log reveals Respondent issued three tags to Complainant.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for issuing more temporary tags than allowed by law. To be settled by consent order or formal hearing.**

**55. Case No.: 2016027861**

Complaint alleged Respondent altered her sales documents, investigation conducted. Investigation found no evidence of altered sales documents, appears to have been some confusion on behalf of Complainant.

**Recommendation: Close**

**56. Case No.: 2016035621**

Complaint alleges Respondent refused to properly title the vehicle in New Jersey, investigation conducted. Investigation found that Complainant lived in TN at the time of purchase and that Respondent dealer properly titled the vehicle in TN.

**Recommendation: Close**

**57. Case No.: 2016030101**

Staff received information showing Respondent dealer as having purchased 80 dealer tags despite only selling 45 vehicles in the previous year, investigation conducted. Investigation revealed that Respondent dealer had mistakenly listed the number of temporary tags they purchased instead of the number of dealer tags. Respondent only has four (4) dealer tags.

**Recommendation: Close**

**58. Case No.: 2016035861**

Notice of violation issued for operating on an expired license, investigation conducted. Investigation found that Respondent dealer had mistakenly allowed its license to expire but had since applied for proper licensure.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for unlicensed activity. To be settled by consent order or formal hearing.**

**59. Case No.: 2016036681**

Complaint alleged Respondent engaging in unlicensed activity, investigation conducted. Investigation found Respondent to have sold at least one vehicle that was titled in a 3<sup>rd</sup> parties name.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for one unlicensed sale. To be settled by consent order or formal hearing.**

**60. Case No.: 2016054651**

Staff received information of a potentially unlicensed dealership, investigation conducted. Investigation found that Respondent dealer was licensed, misunderstanding was due to unusual way of spelling dealer's name.

**Recommendation: Close**

## RE-PRESENTATIONS

61. Case No.: 2016018071

Commission originally authorized civil penalty in the amount of \$1,000. Following discussions with Respondent and review of additional evidence, settlement of \$500 recommended for one deceptive act for delays in titling vehicle.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for one deceptive act. To be settled by consent order or formal hearing.**

62. Case No.: 2014004871  
2014005221

Commission penalized Respondent for a deceptive advertisement. Respondent has since settled with the AG's office for \$30k and has sold the dealership. Following negotiations with Respondent attorney a settlement of \$1,000 has been agreed to pending Commission approval.

**Recommendation: Authorization of a civil penalty in the amount of \$1,000. To be settled by consent order or formal hearing.**

63. Case No.: 2016005411

Commission originally authorized a civil penalty in the amount of \$1,000 for one deceptive act and one occurrence of issuing more temporary tags than allowed by law. Following discussions with Respondent attorney and the review of additional evidence, it is recommended the Commission remove the deceptive acts charge and reduce the penalty to \$500.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for issuing more temporary tags than allowed by law. To be settled by consent order or formal hearing.**

64. Case No.: 2016030221

Commission authorized a civil penalty against Respondent for a deceptive advertisement. Respondent has provided legal with additional information indicating they did not actually run the advertisement in question.

**Recommendation: Close**

65. Case No.: 2016017521

Commission authorized a civil penalty against Respondent for failure to timely register vehicle; Respondent was withholding registration because vehicle went out for repossession after missing first payment. Following discussions with Respondent, Respondent agreed to properly register and title vehicle, which it did.

**Recommendation: Close with a letter of warning**

66. Case No.: 2016020691  
2016021771

Commission authorized a civil penalty for failure to maintain temporary tag log. Following additional discussions with Respondent, Respondent has since accounted for all temporary tags and has voluntarily brought their log into compliance.

**Recommendation: Close with letter of warning**

67. Case No.: 2016028081  
Respondent dealership is confirmed closed and out of business.

**Recommendation: Close and flag**

68. Case No.: 2015004971

Complainant originally filed a protest against manufacturer opening a new franchise dealership. Complainant dealership has since been sold and formal protest complaint has been dropped.

**Recommendation: Close**

69. Case No.: 2016027941

Commission issued civil penalty to Respondent for issuing more temporary tags than allowed by law. Respondent has since provided evidence showing one of the entries in the temporary tag log was a clerical error.

**Recommendation: Close**

70. Case No.: 2016025011

Commission issued civil penalty in the amount of \$2,500 to Respondent because Respondent did not have temporary tag log available on site during inspection. Respondent stated that temporary tag lot was maintained but left at home that day. Respondent has provided a complete temporary tag log to legal.

**Recommendation: Close with a Letter of Warning**

**71. Case No.: 20150225442**

NOV issued for operating as unlicensed sales person. Additional investigation has revealed that application was mailed out the day before inspection occurred and Respondent is now properly licensed.

**Recommendation: Close**

**72. Case No.: 2016020721**

Notice of violation issued for failure to maintain a temporary tag log and for expired business license. Civil penalty issued, however, Respondent has since provided a corrected temporary tag log.

**Recommendation: Authorization of a civil penalty in the amount of \$250 for expired county business license. To be settled by consent order or formal hearing.**

**73. Case No.: 2016019671**

Commission originally approved placing this complaint in litigation monitoring, however, Respondent has refused to sign a litigation monitoring consent order. Original complaint was that Respondent dealer added several additional warranties and service packages to the vehicle without Complainant's knowledge causing the price of the vehicle to increase by approximately \$8,000. Additionally, Complainant alleges Respondent financed the vehicle for him despite multiple requests that he be allowed to pay cash. Complainant states he has bad eye sight and could not read contract at time of signing because he forgot his glasses that day. Complainant put a stop pay on his \$10,000 down payment check when he realized he was overpaying, therefore Respondent is refusing to issue title. Complainant alleges his attorney called Respondent dealer to settle this matter and that his attorney was told that if Complainant pays off his loan to Suntrust bank, Respondent would give him the title. Complainant paid off the loan, Respondent continues to refuse to release title. Respondent strongly refutes all allegations and claims this is a case of buyer's remorse. Legal is unable to verify either party's statements with any certainty or obtain any evidence that would permit legal to proceed to a formal hearing.

**Recommendation: Close and refer investigation to the Federal Trade Commission to review for possible inappropriate contract service/warranty add-ons.**

**74. Case No.: 2016012981  
2016012982**

Commission originally authorized civil penalty in the amount of \$23,000 against Respondent 1 dealer and \$11,500 against Respondent 2 sales person due to 46 unlicensed sales by Respondent 2. Following discussions with Respondent's attorney, a settlement is recommended.

**Recommendation:**

**Respondent 1: Authorization of a civil penalty in the amount of \$11,000 (46 x \$239.14 for employing unlicensed sales person). To be settled by consent order or formal hearing.**

**Respondent 2: Authorization of a civil penalty in the amount of \$5,000 (maximum civil penalty for one count of unlicensed activity). To be settled by consent order or formal hearing.**

**75. Case No.: 20150218921**

Respondent dealer confirmed closed.

**Recommendation: Close and Flag**

**76. Case No.: 2016000771  
2016000772**

Commission authorized a civil penalty for unlicensed sales. Additional investigation and evidence shows that salesperson license was in the mail during period previously thought to be unlicensed.

**Recommendation: Close**

**77. Case No.: 2014011401  
2014011402  
2014011403**

Complaint opened upon information that Department of Revenue was pursuing Respondent pawn shop for open title violations; Commission placed Respondent in litigation monitoring. All of the Department of Revenue's charges were dismissed.

**Recommendation: Close**

**1. Case No.: 2016031111**

A complaint was received alleging that Respondent was storing vehicles at an off-site location (vehicles were displayed for sale on the road directly across from the dealership). A drive-by inspection was conducted and a Notice of Violation was issued for vehicles being displayed for sale on the road and for three (3) vehicles not having buyer's guides displayed. A follow-up investigation was conducting were it was determined that Respondent is no longer displaying vehicles on the road and was in compliance with all Tennessee Motor Vehicle Commission Laws and Rules.

**Recommendation: Close upon issuance of a Letter of Warning.**

**2. Case No.: 2016042361**

Complaint alleges Respondent misrepresented a vehicle sold to them, Respondent is not licensed as a motor vehicle dealer in Tennessee. Investigation was conducted to determine if Respondent is operating as an unlicensed dealership. Investigation failed to uncover evidence of more than five (5) sales in the past 12 months.

**Recommendation: Close**

**3. Case No.: 2016040121**

Staff received information regarding possible instance of odometer tampering taking place at Respondent dealer, investigation conducted. Investigation revealed that odometer tampering occurred prior to Respondent dealer taking vehicle on trade in and that previous owner has falsely signed odometer disclosures. This information is consistent with Highway Patrol CID investigatory findings.

**Recommendation: Close**

**4. Case No.: 2016028011**

Notice of violation issued to Respondent for suspected unlicensed D/R activity, Investigation conducted. Investigation revealed that Respondent ceased all D/R activity upon receipt of NOV and attempted to apply for licensure. License was denied due to location of the shop so Respondent decided to stop D/R business altogether and is only pursuing restorations. Subsequent site visit confirmed no D/R activity occurring any longer.

**Recommendation: Close**

**5. Case No.: 2016042711**

**2016042401**

**2016042402**

**2016042403**

**2016040091**

Responder dealer closed, surety bond sent.

**Recommendation: Close and Flag**

**6. Case No.: 2016029621**

**2016029622**

Complaint opened upon Staff's receipt of information indicating unlicensed activity occurring, investigation conducted. Investigation revealed that Respondent 1 is a repair shop owned by Respondent 2. Investigation revealed that Respondent 2 has sold 12 vehicles so far in 2016. Respondent 2 previously was penalized and signed a consent order for unlicensed activity in 2015.

**Recommendation:**

**Respondent 1: Close**

**Respondent 2: Authorization of a civil penalty in the amount of \$7,000 (7 x \$1,000 for unlicensed sales in excess of five (5) allowed by rule). To be settled by consent order or formal hearing.**

**7. Case No.: 2016028921  
2016028922**

Complaint opened due to concerns that Respondent 1 dealer was employing Respondent 2 sales person while salesperson was unlicensed. Investigation revealed that Respondent 2 possessed proper sales person license.

**Recommendation: Close**

**8. Case No.: 2016039371**

Complainant alleged Respondent altered her temporary tag, an act which ultimately led to her arrest, Investigation conducted. Complainant has obtained the assistance of legal aid and has provided sworn statements detailing Respondent dealer's altering of her temporary tag. Criminal charges against Complainant were dismissed. Respondent dealer denies altering any temporary tags. During the investigation Respondent dealer was very uncooperative with providing records to investigator. Investigation ultimately revealed that Respondent dealer has purchased 480 temporary tags so far in 2016 despite only selling approximately 70 cars according to the annual sales report for 2015. Respondent could only account for 132 temporary tags out of the 480 temporary tags purchased since January of 2016. Respondent states that he must have a thief working for him that stole the other tags. During the investigation Respondent was found to have not placed buyer's guides on his for sale vehicles. Respondent stated he did not place buyer's guides on vehicles because it is too much work. Respondent dealer was issued a notice of violation for 348 counts of violating temporary tag log maintenance requirements. Respondent received a letter of warning for temporary tag log violations in 2013.

**Recommendation: Authorization of a civil penalty in the amount of \$5,000 for failure to maintain temporary tag log and failure to post buyer's guides. To be settled by consent order or formal hearing. Authorize referral of the investigation to the Department of Revenue for additional investigation and request the Department of Revenue share its findings with the Commission for the consideration of additional action. Authorize Motor Vehicle Commission Executive Director to issue a formal request to the Department of Revenue to put a hold on the issuance of any additional temporary tags to Respondent dealer until Revenue completes an internal investigation.**

**9. Case No.: 2016025151**

Complaint alleged Respondent failed to timely title/register vehicle, investigation conducted. Investigation found that title work was completed in timely manner.

**Recommendation: Close**

**10. Case No.: 206026911**

Complaint opened due to concerns that Respondent engaging in unlicensed activity, investigation conducted. Investigation revealed that Respondent was allowing a local dealership to store vehicles in the parking lot on his property. The vehicles are clearly not for sale and are behind a locked gate.

**Recommendation: Close**

**11. Case No.: 2016038211**

Complaint opened due to receipt of information indicating Respondent mechanic shop was selling temporary tags, investigation conducted. Investigation failed to find evidence of selling temporary tags, but did find three open titles. Appears Respondent may be engaging in unlicensed sales, but unclear as to the extent.

**Recommendation: Close with letter of warning and referral to revenue.**

**12. Case No.: 2016044031**

Duplicate Case

**Recommendation: Close**

**13. Case No.: 2016041151**

Complaint alleged Respondent refused to fix her vehicle, appears this is an “as is” case. Complainant raised some concerns about the vehicle being salvaged, it is unclear if this was disclosed to Complainant. Complainant did not respond to investigator’s attempts at establishing communication.

**Recommendation: Close**

**14. Case No.: 2016028751**

Complaint alleged Respondent was operating as an unlicensed sales person, investigation conducted. Investigation found that Respondent sold one vehicle on behalf of a dealership that is now closed. Respondent has since moved out of state and would not provide statements to investigator.

**Recommendation: Authorization of a civil penalty in the amount of \$500 for one unlicensed sale. To be settled by consent order or formal hearing.**

**15. Case No.: 2016042261**

Complaint alleges two years ago Respondent dealer forged her name on the title of a vehicle she and her husband traded in, investigation conducted. Investigation found that Respondent dealer was sold and that new ownership, under a new license, has no knowledge of this transaction.

**Recommendation: Close**

**16. Case No.: 2016039811  
2016042841**

Complainants alleged Respondents failed to timely title/register vehicle, Investigation sent. Per investigator these complaints are now resolved and title/registration has been obtained.

**Recommendation: Close**

**17. Case No.: 2016027481**

Respondent/Dealer received a Notice of Violation and \$3,000 Agreed Citation for unlicensed activity. Respondent/Dealer immediately applied for a salesperson license and said license was issued nine (9) days after the original Notice of Violation was issued. However, Respondent/Dealer is a Sole Proprietorship and a salesperson license for the owner was not required. No evidence of a violation.

**Recommendation: Close**

**18. Case No.: 2016032421**

Respondent/Dealer received a Notice of Violation and \$500 Agreed Citation for failure to maintain a city and/or county business license. Respondent/Dealer has not paid the Agreed Citation nor disputed the facts therein.

**Recommendation: Authorization for a civil penalty in the amount of One Thousand Five Hundred Dollars (\$1,500) for failure to maintain a city and/or county business license (\$500) and for failure to respond to the Commission (\$1,000). To be settled by consent order or formal hearing.**

**19. Case No.: 2016033061**

Respondent/Unlicensed Salesperson had twelve (12) vehicles advertised for sale at a car show in Pigeon Forge. Respondent/Unlicensed Salesperson admitted to having the vehicles advertised for sale and was issued a Notice of Violation. An Agreed Citation in the amount of \$3,500 was sent to Respondent/Unlicensed salesperson but no response has been received by the Commission.

**Recommendation: Authorization for a civil penalty in the amount of Three Thousand Five Hundred Dollars (\$3,500) for advertising seven (7) more vehicles than allowed by law. To be settled by consent order or formal hearing.**

**20. Case No.: 2016033391**

Respondent/Dealer received a Notice of Violation and \$250 Agreed Citation for failure to maintain liability insurance from May 25, 2016 through July 2, 2016. Respondent/Dealer did not pay the Agreed Citation but did provide the Commission with updated insurance information coming into voluntary compliance.

**Recommendation: Close with Letter of Warning**

**21. Case No.: 2016033551**

Respondent/Dealer received a Notice of Violation and \$250 Agreed Citation for failure to maintain a county business license. Respondent/Dealer has not paid the Agreed Citation nor disputed the facts therein.

**Recommendation: Authorization for a civil penalty in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250) for failure to maintain a county business license (\$250) and for failure to respond to the Commission. To be settled by consent order or formal hearing.**

**22. Case No.: 2016033481**

Respondent/Dealer received a Notice of Violation for three temporary tag log errors.

**Recommendation: Close with Letter of Warning**

**23. Case No.: 2016035911**

Respondent/Dealer received a Notice of Violation for issuing one (1) more temporary tag than allowed by law to one consumer.

**Recommendation: Authorization for a civil penalty in the amount of Five Hundred Dollars (\$500) for issuing one more temporary tag than allowed by law. To be settled by consent order or formal hearing.**

**24. Case No.: 2016037151**

Respondent/Dealer received a Notice of Violation for failure to post hours of operation; failure to post Buyer's Guides; failure to properly maintain a temporary tag log; and for employing an unlicensed salesperson. After multiple attempts were made over a two (2) month period during standard business hours, an inspector for the Department was finally able to meet with the owner of Respondent/Dealer to conduct an annual inspection. In addition to not having hours of operation posted, it was determined that vehicles displayed for sale did not have Buyer's Guides. Additionally, at least two (2) vehicles recently sold indicated that an unlicensed salesperson (license expired in 2007) had completed the deal. While auditing Respondent/Dealer's temporary tag log, it was confirmed with the Department of Revenue that Respondent/Dealer had not purchased any temporary tags in over one (1) year, but the temporary tag log indicated that at least two (2) temporary tags had been issued to consumers. Upon further investigation, Respondent/Dealer admitted to receiving the temporary tags from his brother, who owns a dealership in another county; however, the temporary tag log failed to disclose that information.

**Recommendation: Authorization for a civil penalty in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250) for allowing an unlicensed salesperson to sell two (2) vehicles (\$1,000) and for failing to post hours of operation (\$250). Additionally, Consent Order shall contain information regarding the incomplete temporary tag log and failure to post Buyer's Guides. To be settled by consent order or formal hearing.**

**25. Case No.: 2016037241**

Respondent/Dealer received a Notice of Violation for several incomplete entries and sixty-three (63) missing temporary tags. At the time of the inspection, Respondent/Dealer explained to the inspector that the secretary in charge of the maintaining the temporary tag

log had recently been terminated, but that if additional time was given, she would be able to correct all missing entries. Inspector failed to return to dealership to review the corrected temporary tag log, but upon legal contacting the Respondent/Dealer, a corrected temporary tag log was forwarded to them bringing Respondent into voluntary compliance.

**Recommendation: Close upon issuance of a Letter of Warning.**

**26. Case No.: 2016037171**

Respondent/Dealer received a Notice of Violation for unlicensed activity due to the acts of an unlicensed sales person. Unlicensed salesperson in question sold approximately eight (8) vehicles while unlicensed. Salesperson in question did not come into voluntary compliance.

**Recommendation: Authorization of a civil penalty in the amount of \$2,000 for employing an unlicensed sales person. To be settled by consent order or formal hearing.**

**27. Case No.: 2016037461**

During an annual inspection Respondent/Dealer was unable to produce a temporary tag log or any temporary tags (10 temporary tags purchased since 10/21/2015) or any sales contracts; did not have consignment agreements for the vehicles on the lot (4 vehicles were displayed for sale but the titles were not titled to Respondent/Dealer and were in fact, registered to the on duty salesperson.

**Recommendation: Authorization of a civil penalty in the amount of Three Thousand Two Hundred Fifty Dollars (\$3,250) for failure to produce temporary tag log or temporary tags (\$1,000) for attempting to sell four (4) vehicles titled in the name of a third party without consignment agreements (\$2,000); and for failure to produce business records (\$250). To be settled by consent order or formal hearing.**

**28. Case No.: 2016037791**

Respondent/Dealer received a Notice of Violation for three (3) incorrect entries in their temporary tag log. Respondent/Dealer failed to provide legal with a copy of the corrected temporary tag log.

**Recommendation: Close upon issuance of a Letter of Warning.**

**29. Case No.: 2016040311**

During an annual inspection Respondent/Dealer was issued a Notice of Violation for the following violations: False/Fraudulent/Deceptive Acts; Possession of Open Title(s); and Failure to Produce Business Records. While Respondent/Dealer had twenty-four (24) vehicles displayed for sale, they were only able to provide title(s) and/or proof of ownership for four (4) of those vehicles. Additionally, while inspecting deal files, Respondent/Dealer had an open title and incomplete Power of Attorney in a consumer's file.

**Recommendation: Authorization of a civil penalty in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250) for a false/fraudulent/deceptive act (\$500);**

**Possession of an open title (\$500); and failure to produce business records (\$250). To be settled by consent order or formal hearing.**

**30. Case No.: 2016040351**

Respondent/Dealer received a Notice of Violation for four (4) missing temporary tags and four (4) incomplete entries in their temporary tag log. Legal attempted to contact Respondent/Dealer to request a corrected temporary tag log, but was unable to reach Respondent/Dealer by telephone. Respondent/Dealer does not have a voicemail and therefore, a message was not left.

**Recommendation: Authorization of a civil penalty in the amount of Eight Hundred Dollars (\$800) for eight (8) temporary tag log violations. To be settled by consent order or formal hearing.**

**31. Case No.: 2016040371**

Respondent/Dealer received a Notice of Violation for twenty-three (23) missing temporary tags. Upon additional information, it was determined that the temporary tags in question were not missing, but were being tracked manually. Respondent/Dealer uses a software program to track all temporary tags issued at the time of sale, but a manual log is kept by the title clerk for second temporary tags when there is a delay in issuing the title within thirty (30) days. Respondent/Dealer provided evidence to confirm there was not a violation.

**Recommendation: Close.**

**32. Case No.: 2016041261**

Respondent/Dealer received a Notice of Violation for two (2) missing temporary tags and six (6) incomplete entries in their temporary tag log. Legal contacted Dealer/Respondent and requested that a completed temporary tag log be forwarded to them for review. To date, Respondent/Dealer provided an amended temporary tag log assigning the two (2) missing temporary tags to consumers, but failed to correct the incomplete entries. Respondent came into partial voluntary compliance.

**Recommendation: Authorization of a civil penalty in the amount of Six Hundred Dollars (\$600) for six (6) incomplete entries. To be settled by consent order or formal hearing.**

**33. Case No.: 2016043931**

Respondent/Dealer received a Notice of Violation for fifteen (15) missing temporary tags. Legal contacted Respondent/Dealer regarding the missing temporary tags and learned, Respondent/Dealer is one of multiple dealerships owned by the same entity and had issued the temporary tags in question to one (1) or more of the other dealerships. Respondent/Dealer provided evidence to confirm that was not a violation.

**Recommendation: Close**

**34. Case No.: 2016044111**

During an annual inspection Respondent/Dealer was closed on several occasions during their posted business hours; however, the inspector was eventually able to contact the owner and schedule a meeting. One deal file that was provided to the inspector was for a vehicle recently sold to a consumer. Respondent/Dealer was unable to provide the inspector with a copy of the title to this vehicle, explaining that the vehicle in question was a salvage vehicle and only a salvage certificate was available. Evidence shows that Respondent issues a temporary tag on this salvage vehicle.

**Recommendation: Authorization of a civil penalty in the amount of One Thousand Dollars (\$1,000) for failure to maintain posted business hours (\$500) and for misuse of a temporary tag (\$500). To be settled by consent order or formal hearing.**

**35. Case No.: 2016044171**

During an annual inspection, Respondent/Dealer was found to have an expired city and county business license. Additionally, it was determined that the two (2) salespeople at the dealership had been working on expired licenses. Respondent/Dealer provided the inspector with thirteen (13) bills of sale for vehicles sold by the salespeople during the period of time that their licenses were expired. Immediately following the annual inspection, both salespeople submitted renewal applications, which were approved within ten (10) days of the annual inspection. Respondent dealer has no previous violations and has come into voluntary compliance.

**Recommendation: Authorization of a civil penalty in the amount of One Thousand Dollars (\$1,000) for employing unlicensed salespeople (\$500) and for an expired city and county business license (\$500). To be settled by consent order or formal hearing.**

**36. Case No.: 2016044191**

During an annual inspection, Respondent/Dealer received a Notice of Violation for being unable to provide proof of ownership (title(s) and/or bill(s) of sale) to approximately fifty (50) vehicles on the lot; however, Dealer/Respondent stated that all business records were kept offsite. Of the titles in Respondent/Dealer's possession, three of them were open. Additionally, it was determined that within the six (6) months prior to the annual inspection, Respondent/Dealer sold and issued temporary tags for at least two (2) vehicles that had a salvaged certificate.

**Recommendation: Authorization of a civil penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500) for possession of three (3) open titles (\$1,500) and misuse of two (2) temporary tags (\$1,000). To be settled by consent order or formal hearing.**

**37. Case No.: 2016044311**

Respondent/Dealer received a Notice of Violation for an expired city and county business license. At the time of the annual inspection, Respondent/Dealer, through their accountant, admitted to having the expired city and county business license, but promised to immediately renew the license(s).

**Recommendation: Authorization of a civil penalty in the amount of Five Hundred Dollars (\$500) for expired city and county business license. To be settled by consent order or formal hearing.**

**38. Case No.: 2016045231  
2016046741**

Respondent/Dealer received a Notice of Violation for offsite sales after it was determined that two (2) vehicles owned by Respondent/Dealer were being advertised at a vacant lot in a different city/county.

**Recommendation: Authorization of a civil penalty in the amount of One Thousand Dollars (\$1,000) for two (2) offsite sales. To be settled by consent order or formal hearing.**

**39. Case No.: 2016027141**

Complaint alleged Respondent dealer failed to timely title/register vehicle. Respondent dealer states he placed a lien on the vehicle for some mechanical work both parties agreed dealer would complete. According to dealer, Complainant agrees to allow this mechanics lien. Complainant was not responsive to Investigator's attempts to establish communication.

**Recommendation: Close**

**RE-PRESENTATIONS**

**40. Case No.: 2016022941**

Respondent originally penalized \$5,000 for deceptive act related to paperwork on a Corvette. Through discussions with legal counsel, Respondent has agreed to buy back the motor vehicle in question and pay \$6,000 to Complainant to settle the matter in return for the civil penalty being reduced to \$1,000.

**Recommendation: Authorization of a civil penalty in the amount of \$1,000 for one deceptive act. To be settled by consent order or formal hearing.**

**41. Case No.: 2013018172  
2013018812  
2013022921  
2013016391**

Case originally presented and approved for revocation. Complainant#1 purchased a vehicle and was unable to obtain title and/or registration from the dealer. Complainant #2 purchased a vehicle from another dealer lot, but the title was, in fact, held by respondent dealer's lot. Complainant #2, as a result, had difficulty obtaining title and/or registration. During an investigation conducted by the TDCI, the respondent dealer was unable to produce a temporary tag log for the time period between November 2012 and May 2013. Additionally, respondent was unable to provide proof of a temporary tag log for at least 178 temporary tags purchased by the respondent. Finally, respondent was displaying vehicles for sale at an off-site location.

**Recommendation:** Case will be closed following respondent's acceptance of an Agreed Order in which Respondent will pay a \$2,500.00 civil penalty, suspends its sales operations for 30 days and agrees to consent to an additional annual inspection for the next two years. In support of this settlement, counsel would show that none of the subject complainants could be located as witnesses for hearing. Additionally, the presentation of evidence relating to the absence from the temporary tag log for 178 temporary tags was tenuous.

**42. Case No.: 2013009771**

**2013018171**

**2013022921**

**2013025151**

**2013018811**

Commission originally authorized revocation of Respondent's dealer license; however, Respondent dealer is now confirmed to be closed.

**Recommendation:** Close and flag.

Attorney Sara Page represented two cases to the Commission. One with a settlement offer from the respondent for \$1,250 along with the \$200 filing fee, bringing the final payment to \$1450. Commissioner Clayton made the motion to accept the settlement, seconded by Commissioner Lee. Chairman Roberts called for a voice vote.

**VOICE VOTE-UNANIMOUS**

**Motion passed to accept the settlement offer.**

Chairman Roberts requested the Commission look over the legal report, minus Case #14. Commissioner Jackson made a motion to adopt the legal report minus case #14. Commissioner Vaughan seconded. Chairman Roberts called for a voice vote.

**VOICE VOTE-UNANIMOUS**

**Motion passed to adopt the legal report.**

Commissioner Leavy moved for a revision of Case 201603879, #14 on the report for an attempt to settle for \$500 unless additional evidence is presented during the settlement discussions in which case the matter should be re-presented at the January 2017 meeting. Commissioner Galvin seconded. Chairman Roberts called for a roll call vote.

**ROLL CALL VOTE**

**Eddie Roberts      YES**  
**Christopher Lee    YES**

<b>Jim Galvin</b>	<b>YES</b>
<b>Joe Clayton</b>	<b>YES</b>
<b>Ronnie Fox</b>	<b>YES</b>
<b>Karl Kramer</b>	<b>YES</b>
<b>Nate Jackson</b>	<b>YES</b>
<b>Debbie Melton</b>	<b>YES</b>
<b>John Murrey</b>	<b>YES</b>
<b>Reed Trickett</b>	<b>YES</b>
<b>Stan Norton</b>	<b>YES</b>
<b>Don Parr</b>	<b>NO</b>
<b>Farrar Vaughan</b>	<b>YES</b>
<b>Steve Tomaso</b>	<b>YES</b>
<b>Ian Leavy</b>	<b>YES</b>
<b>Kahren White</b>	<b>YES</b>
<b>Victor Evans</b>	<b>YES</b>

### **Motion Carried**

Attorney Matthew Reddish conveyed to the Commission there were no legislative updates, however, wanted to take the opportunity to remind them of previous rules which had gone into effect.

### **NEW BUSINESS**

### **OLD BUSINESS**

Re-presentation of revised surety bond form by attorney Matthew E. Reddish. Motion made by Commission Vaughan to approve the surety bond form. Commissioner Lee seconded.

Chairman Roberts called for a voice vote.

### **VOICE VOTE – UNANIMOUS**

**Surety Bond form revision approved.**

Chairman Roberts called for a motion to adjourn.

Commissioner Jackson made a motion to adjourn the meeting, seconded by Commissioner Vaughan.

**Meeting Adjourned**

**Eddie Roberts, Chairman**

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