

MINUTES

October 22, 2019



**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 22, 2019

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

PRESENT: Commission Members:
John Roberts
John Chobanian
Jim Galvin
Ronnie Fox
Nate Jackson
Stan Norton
Steve Tomaso
Farrar Vaughan
Victor Evans
Ian Leavy
Karl Kramer
Kahren White
John Barker, Jr.
Christopher Lee
Debbie Melton

ABSENT: Charles West
John Murrey

CALL TO ORDER: Chairman John Roberts called the meeting to order at 9:06 am

Staff Member, Jason Gilliam called the roll. 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 October 15, 2018, was read into the record by staff member, Jason Gilliam. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since October 16, 2019. The meeting has also been noticed on the TN.GOV website.

AGENDA: Chairman Roberts requested the Commission look over the agenda. Commissioner Jackson made a motion to adopt the Agenda, Seconded by Commissioner Barker. Chairman Roberts called for a voice vote.

MOTION CARRIED.

QUARTERLY MEETING MINUTES: Chairman Roberts requested the Commission look over the minutes from the previous meeting. Commissioner Leavy made a motion to approve the minutes, seconded by Commissioner Norton. Chairman Roberts called for a voice vote.

MOTION CARRIED.

LEGISLATIVE UPDATE – CARTER LAWRENCE, COMMISSIONER

Commissioner Lawrence addressed the Commission regarding pending legislation for rules adopted to move forward by the Commission. The substantive issues were the requirement of email addresses and the requirement of a hard wall to separate businesses. Commissioner Lawrence conveyed, after internal discussion, it was determined that the cost of incorporating the email was unknown, and it would be in the best interest to “press pause” on the rule until such time the Committee could revisit the email requirement. Commissioner Lawrence indicated that a stay for 75 days was imposed in order for the Commission to bifurcate the two rules which were moving forward, in order to move forward with the facility separation component, and to revisit the email requirement at a later time.

Staff attorney, Maria P. Bush indicated to the Commission in order to do this, a motion to withdrawal and bifurcate the two rules would need to be made, and a roll call vote taken.

Commissioner Jackson made a motion to allow Staff Attorney withdraw rule Tenn. Comprehensive Rules and Regs. 0960-01-.08(5), seconded by Commissioner Lee. Chairman Roberts called for a roll call vote.

ROLL CALL VOTE

Ian Leavy	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
John Roberts	YES

MOTION CARRIED

APPEALS:

Daulton Shaffer
Rusty Wallace Toyota, Morristown, 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 Fox moved to grant the license, seconded by Commissioner Jackson.

ROLL CALL VOTE

Ian Leavy	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES

Steve Tomaso **YES**
John Roberts **YES**

Motion carried, therefore, the license is granted.

James Rowland
Tony Campbell Auto Sales, LaVergne, 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 to grant the license, seconded by Commissioner Melton.

ROLL CALL VOTE

Ian Leavy **YES**
Kahren White **YES**
Debbie Melton **YES**
John Chobanian **YES**
Christopher Lee **YES**
John Barker **YES**
Ronnie Fox **YES**
Jim Galvin **NO**
Stan Norton **YES**
Farrar Vaughan **YES**
Nate Jackson **YES**
Karl Kramer **YES**
Victor Evans **YES**
Steve Tomaso **YES**
John Roberts **YES**

Motion carried, therefore, the license is granted.

Carlos Fletcher
Nations Auto Sales, Inc., Nashville, 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 to suspend a decision to grant the license until the January meeting, seconded by Commissioner Galvin.

ROLL CALL VOTE

Ian Leavy	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
John Roberts	YES

Motion carried, therefore, the decision to grant the license was suspended until January.

END OF APPEALS



Executive Director's Report

October 22, 2019

Since the last Commission meeting in July 2019 the following activity has occurred:

Dealers Opened, or Relocated (Last Quarter)..... 66

Active Licensees as of October 7, 2019

Dealers.....	3681
Applications in Process.....	20
Distributors/Manufacturers.....	133
Auctions.....	29
Representatives.....	533
Salespeople.....	17063
Salesperson Application in Process.....	102
Salesperson Applications Approved.....	1,469
Dismantlers.....	246
RV Dealers.....	39
RV Manufacturers.....	75
Motor Vehicle Show Permits.....	1

Complaint Report- Opened Complaints from August - Present 2019

Number of Complaints Opened.....**143**
Number of Complaints Closed.....**123**

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

Vehicles Reported Sold in 2018..... **1,314,742**
Recreational Vehicles Reported Sold in 2018.....**9,212**
Total Online Annual Sales Report Collected.....**3,392**
Late Annual Sales Report Collected**962**
Total revenue from Annual Sales Report collection: \$96,200

Average Performance Metrics July 2019-September 2019

Average Number of Days to License...**1,529 Applications processed in 3.86 Days**

Compliance.....**92.83% as of September 2019**

(Beginning July 1, 2017, Motor Vehicle Commission Complaints were transferred to the Centralized Complaints Unit at 97.97%)

MVC Customer Satisfaction Rating July – October 2019

Quarterly Satisfaction Rating.....**99.3%**

Disciplinary Action Report – July - September

Total to be collected.....**\$38,750**

Online Adoption Across All Professions

83.33% online adoption for New “1010” Applications across all Professions available as of October 2019.

Outreach

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.



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DEPARTMENT OF COMMERCE AND INSURANCE
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MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

**FROM: Erica Smith, Associate General Counsel
Stuart Huffman, Associate General Counsel**

DATE: October 22, 2019

SUBJECT: MVC Legal Report

1. **2019053621 (ES)**
First Licensed: 07/28/2006
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to deliver title in a timely fashion after her daughter took possession of a vehicle as substitution of collateral as the result of an agreement regarding a lemon law allegation. However, the agreement and transaction was between Respondent's sister or parent company, a separately licensed dealer, and Complainant's daughter, not Respondent. Respondent was contacted by the other dealer when there was a problem obtaining title due to a clerical mistake and assisted with getting the vehicle properly registered and titled and handled the situation properly, as did the other dealer. Complainant was irate and unreasonable at Respondent's dealership on more than one occasion despite the dealers' best efforts and was unable to provide evidence to prove that Respondent or the other dealer committed any violations or conducted business improperly. Respondent provided proof of the chain of events regarding the title from start to delivery of paperwork to the vehicle's owner.

Recommendation: Close.

Commission Decision: Approved

2. **2019055421 (ES)**
First Licensed: 10/13/2015
Expiration: 09/30/2019 (Expired-grace)
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with letter of warning for failure to maintain a complete temp tag log.

Complainant purchased a vehicle from Respondent on 5/28/19 and got one temporary tag before filing this complaint on 6/19/19 alleging failure to deliver title. Respondent had been contacted by Complainant's boyfriend and there was miscommunication until Respondent was able to speak with Complainant and provided title timely. Complainant requested the complaint be withdrawn on 7/5/19. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

3. 2019056841 (ES)
First Licensed: 01/12/2016
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 4/30/19 and alleges Respondent has failed to deliver title for two months, as well as alleging mechanical issues. Respondent provided title to Complainant on 6/4/19 by mail as Complainant requested and referred Complainant to a mechanic because the vehicle was purchased as-is without warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

4. 2019058631 (ES)
First Licensed: 12/18/2017
Expiration: 11/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent in July 2018 and states she paid everything but \$600 towards the cost but Respondent has failed to deliver title. Complainant was sent surety bond information and documentation. Respondent dealer is closed and the license was cancelled by our licensing division.

Recommendation: Close and flag.

Commission Decision: Approved

5. 2019047241 (ES)
First Licensed: 05/11/2007
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed with \$2,000 civil penalty for deceptive business practices and one complaint closed without action. 2016 – One complaint closed with \$1,000 civil penalty for deceptive business practices.

Complainant purchased a used vehicle from Respondent and had mechanical issues about one month later when a message appeared electronically on the dash indicating maintenance needed. Respondent had the vehicle brought to their shop and Complainant alleges they first did not know what it meant and then told her the transmission needed to be replaced. An investigation was conducted. Respondent did replace the transmission, provided a loaner car for the duration of the repair time, and Complainant has stated the vehicle has not experienced further problems since this repair. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

6. 2019047541 (ES)

First Licensed: 03/04/2011

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed without action. 2018 – One complaint closed with \$500 civil penalty for failure to deliver title. 2016 – One complaint closed with \$500 civil penalty for deceptive business practices and four complaints closed without action.

Complainant bought a vehicle from Respondent on 2/16/19 and alleges Respondent has not provided title as of 5/24/19. An investigation was conducted. Complainant has since received a tag and title for the vehicle. The investigator states that the Respondent did have valid roadblocks and delays in obtaining the title due to circumstances out of their control. Counsel recommends closure considering the mitigating circumstances outlined by the investigator.

Recommendation: Close.

Commission Decision: Approved

7. 2019052661 (ES)

First Licensed: 08/14/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2017 – One complaint closed with \$250 civil penalty for failure to maintain business license and one complaint closed without action. 2016 – One complaint closed with letter of warning for incomplete temp tag log.

Complainant is a New York resident who bought a 1985 Mercedes-Benz from Respondent through EBay on 4/22/19 and alleges the hard top flew off as it was being delivered after being picked up from a transporter. Complainant further states that it was in show-room condition and purchased for \$13,000. The vehicle was brought back and Respondent put the soft top on so it could be transported to Complainant. Complainant then alleges that the transporter then took upon himself to find another hard top and the vehicle was delivered with that top, which allegedly looks like it came out of a junk yard. Complainant further claims the vehicle has more damage from being transported, including cracks and dents, water damage, broken accessories, etc. Respondent unsurprisingly states that the complaint was filed against the wrong company, considering all allegations are pointed to the unnamed transporter and not Respondent. Respondent has the Bill of Lading showing the vehicle was released to shipped without damage, the transporter acknowledged the events and took responsibility and Respondent considers the deal completed on its behalf but offers reasonable assistance to Complainant if needed.

Recommendation: Close.

Commission Decision: Approved

- 8. 2019053041 (ES)**
First Licensed: 05/15/2017
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges he purchased a vehicle with a warranty through “the superior plan” and claims the transmission starting slipping 28 days after purchase. Complainant took the vehicle to be diagnosed and states the repairs added up to around \$8,000. Complainant thinks the repairs were declined because the vehicle could have been in an accident prior to purchase. Complainant states he now has no vehicle or business feedback. Respondent states the vehicle was purchased from a wholesaler in very decent condition. Respondent works with finance companies who service lower credit ratings and run VIN scans to check for salvage title, flood damage, accident history, etc. The vehicle did not show any problematic history and was financed, and Respondent did normal maintenance before the sale, including replacing all break pads, rotors, all tires, as well as oil change and other standard maintenance. Respondent did not hear from Complainant until three months after purchase when he asked for a copy of the protection plan warranty, noting it was a “minor problem” and was being taken care of. Respondent sold the car as-is without warranty other than this third party plan but has been cooperative in assisting Complainant when requested. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

9. 2019055551 (ES)

First Licensed: 08/25/2009

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to use Rebuilt Disclosure Form and one complaint closed without action. 2015 – One complaint closed without action.

Complainant purchased a used vehicle from Respondent and told them she was going to register it in Kentucky. Respondent provides the deal file which shows Complainant was not charged sales tax accordingly. Complainant then complained of maintenance issues and Respondent assisted with diagnosing and replacing the battery, noting the vehicle did not show any diagnostic issues otherwise. Complainant has also asked about registering the vehicle in Tennessee and Respondent explained what would need to be provided and regarding sales tax collection if that were to occur. Complainant stated her attorney would follow up with Respondent if more was needed. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

10. 2019055911 (ES)

First Licensed: 05/26/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant is a resident of Illinois who purchased a vehicle from Respondent and alleges that no title has been received. Respondent states that they forwarded tag and title work to the Illinois Secretary of State and it was twice returned in error. Respondent has since confirmed all titling has been completed online with the assistance of that office, all original paperwork forwarded via expedited UPS and proof of such provided.

Recommendation: Close.

Commission Decision: Approved

11. 2019052571 (ES)

First Licensed: 01/06/2017

Expiration: 12/31/2020

License Type: Recreational Vehicle Dealer

History (5 yrs): 2017 – One complaint closed without action.

Complainant is a resident of California who alleges they paid over \$1,000 for work done to their motorhome to include \$60.75 for shop supplies. Complainant felt the only thing they could see that was used was one nut, bolt, washer and possibly a water tie, noting the cost would be \$1.00. Respondent allegedly told Complainant that the bill included a percentage for electricity and the like. Respondent states that they take all complaints very seriously, and has since sufficiently explained the charges to Complainant and refunded that amount as an act of goodwill.

Recommendation: Close.

Commission Decision: Approved

12. 2019051351 (ES)

First Licensed: 05/01/2017

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges unspecified “predatory selling” and further alleges mechanical issues a few months after purchase. Complainant confirms being in constant contact with Respondent trying to solve the issues but insists on a full refund and to be released from all contracts. No more detail is provided. Respondent explains that Complainant purchased the vehicle from one of their franchises in Tennessee in February 2019 which included a service agreement for 24 months/24,000 miles. This agreement covers major components of the power train. Respondent states that the service center has offered to repair the vehicle free of charge but that offer was declined.

Recommendation: Close.

Commission Decision: Approved

13. 2019051641 (ES)

First Licensed: 05/26/2011

Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 3/23/19 and alleges Respondent has not delivered title after providing two temporary tags. Respondent attempted to get the vehicle registered but encountered various issues. Respondent states that the paperwork was overnighted to their sister store in North Carolina who agreed to handle the registration and titling within their state where the Complainant resides. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

14. 2019051661 (ES)
First Licensed: 04/29/2010
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed without action.

Complainant purchased a used vehicle from Respondent and feels that they were misled about the vehicle, specifically alleging Respondent told them the car had not been in a wreck and would cost \$8,000. Complainant states that the total ended up being \$9,000 but Counsel notes that she did read the contract and corresponding deal paperwork and signed everything which showed a total price of \$9,000. Complainant also alleges that a mechanic told them the car had been wrecked when she got the alignment done after purchase. Complainant provides no documentation or evidence to support the allegations. Complainant filed a complaint with the BBB which was closed without action. Respondent explains that Complainant had two cars to choose from considering their credit, they picked one and it was clearly a used car that had dents and scratches as well as normal wear and tear. Respondent even offered to allow Complainant to back out of the deal but they insisted on Respondent doing the alignment and checking brakes and wheels, which Respondent did, along with several full service inspections. Respondent has done everything they can for Complainant and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

15. 2019043471 (ES)

First Licensed: 05/26/2011
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with letter of caution for advertising and one complaint closed without action. 2017 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant purchased a vehicle from Respondent and claims that no one told them the vehicle had been previously owned and it only had 142 miles on it. Complainant states they discovered it had been previously owned when they obtained the title. Complainant contacted the previous owner and alleges they said the leather seats were soaking wet but didn't realize until they got home. The previous owner allegedly said that after the seats didn't dry over the weekend, they brought the vehicle back to Respondent and purchased another one. Respondent explains that the Carfax clearly shows the previous owner and Complainant was provided with it, and signed a copy of it. Complainant also signed the Certificate of Title, Buyer's Order, "As-Is" Buyer's Guide and the documents show the 2018 was used and had been sold with a manufacturer warranty and not a dealer warranty.

Recommendation: Close.

Commission Decision: **Approved**

16. 2019047391 (ES)
First Licensed: 09/01/1991
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is a resident of North Carolina who purchased a used vehicle from Respondent, who had purchased it from auction. Complainant was told the title was at the auction as they had purchased it the same day, and it would be mailed to Complainant. Complainant alleges failure to deliver title when they had not received it after 27 days. Respondent apologized that they had not received the title and allowed Complainant to return the vehicle and get a full refund.

Recommendation: Close.

Commission Decision: **Approved**

17. 2019048301 (ES)
First Licensed: 06/07/2012
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action.

Complainant is a resident of Washington who purchased several collector cars from Respondent and alleges Respondent has failed to deliver one of the titles fully signed by the consignment seller within 30 days. Respondent was able to deliver title after the complaint was filed and Complainant confirmed this with our division and does not wish to pursue this complaint.

Recommendation: Close.

Commission Decision: **Approved**

- 18. 2019048311 (ES)**
First Licensed: 09/10/2018
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from another dealer and Respondent was simply assisting them in getting a replacement because it was lost by Complainant. Respondent dealer has nothing to do with the transaction but did confirm that the dealer where the vehicle was purchased retrieved and delivered title. There is no evidence of any violations by Respondent or the other dealer.

Recommendation: Close.

Commission Decision: **Approved**

- 19. 2019049011 (ES)**
First Licensed: 07/05/2002
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed without action. 2016 - One complaint closed without action.

Complainant purchased a vehicle from Respondent in March 2014 and their loan was sold to another bank from the original financing company a month later. Complainant states they made payments for 2 years before relocating to California, then the vehicle was sold by the bank in Tennessee at a foreclosure sale. Complainant claims the vehicle was not sold at auction but instead went back to Respondent and was sold off the lot. Complainant takes issue with their credit report showing \$4,300 owed to the bank even though they claim the bank informed them they had a zero balance owed. Complainant feels defrauded by Respondent and the bank and wants the amount removed from their credit report but provides no documentation or further detail to support the vague allegations. Respondent confirms the loan was sold to the bank after purchase, payments ceased to be made by Complainant and therefore the vehicle was offered at a foreclosure sale by the bank. Respondent was present for the sale and offered \$5,000, tendering payment that day to the bank. Respondent then sold it as they are in the business to do and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

- 20. 2019052591 (ES)**
First Licensed: 03/29/2010
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle and alleges it broke down after it was supposed to have been repaired, and alleges further mechanical issues. Complainant feels as-is should mean that the vehicle should function properly and a mechanic allegedly stated the vehicle needed around \$1,300 in repairs. Respondent states Complainant and a friend test drove the vehicle, declined a warranty, and purchased the car as-is. Respondent completed repairs after the vehicle broke down and delivered the car to her in good condition. Respondent notes the vehicle is 19 years old and Complainant has since done more work to the car and added a lift to it, and has offered all the assistance they can. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

21. 2019052611 (ES)
First Licensed: 01/20/2004
Expiration: 01/31/2010
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent and paid it off nine years ago, then received the title from Respondent. Complainant sold the car and there is a lien on it. Respondent closed over nine years ago and Complainant was sent the surety bond information.

Recommendation: Close.

Commission Decision: Approved

22. 2019036421 (ES)
First Licensed: 04/11/2005
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent sold him a vehicle with all four tires being unsafe for travel on the road. Additionally, Complainant alleges Respondent performed a pre-sale tune-up using the wrong spark plugs. Further, Complainant alleges Respondent failed to disclose a "corporate group fee" of \$599. An investigation was conducted because Respondent responded to the complaint stating they had handled this complaint directly with Complainant and believed it to be resolved but Complainant did not feel satisfied with the resolution. Complainant learned of a vehicle at Respondent's dealership that had just been through four days of reconditioning at the service department was available for sale and purchased it. Complainant states that while he was driving to New Orleans, the tire warning light came on and he stopped to have the vehicle inspected, where he learned that all four tires were unsafe. Complainant sent the repair statement and invoice to Respondent and asked to be reimbursed but Respondent refused. The investigator obtained the deal file and a notarized statement from Respondent's general manager stating that the tires on the vehicle were legal according to law. Complainant purchased the vehicle as-is with no warranty and after review of the transaction and documentation, there is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

23. 2019037501 (ES)

First Licensed: 05/03/2004
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent misrepresented purchased vehicle and failed to honor warranty and then advised that they wanted to withdraw their complaint after a resolution was reached. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

24. 2019044551 (ES)
First Licensed: N/A
Expiration: N/A
License Type: N/A
History (5 yrs): N/A

An anonymous Complainant alleges Respondent is engaged in unlicensed activity, specifically selling appliances and used vehicles. An investigation was conducted. There is no evidence of any violations or unlicensed activity according to the investigative report.

Recommendation: Close.

Commission Decision: **Approved**

25. 2019044781 (ES)
First Licensed: 12/05/2003
Expiration: 10/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed without action.

Complainant alleges Respondent refuses to cover vehicle mechanical issues under a recall. Complainant provides no supporting evidence. Respondent explains that the manufacturer rejected the claim under the recall and they have explained this to Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

26. 2019044851 (ES)
First Licensed: 08/05/2011
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2014 – One complaint closed without action.

Complainant purchased a vehicle from Respondent and had to bring it back to be serviced under warranty. Complainant alleges Respondent failed to inform her the vehicle had flood damage but produces no documentation or evidence to support these allegations. Respondent provided a detailed timeline of all repairs conducted under warranty and inspections which did not conclude there was any flood damage. Respondent requested documentation from Complainant but has not received it. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

27. 2019046451 (ES)

First Licensed: 01/29/2013

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Three Complaints closed without action. 2017 – One complaint closed without action.

Complainant alleges Respondent failed to disclose that the odometer had been rolled back on a vehicle purchased from Respondent. Additionally, Complainant alleges Respondent failed to disclose a rust issue with the vehicle. The vehicle in question was sold As-Is and Respondent did not hear from Complainant for several years after the purchase. An investigation was conducted. Complainant attempted to trade the vehicle at another dealership where it was discovered that a discrepancy was possible. Respondent's Comptroller attested that after a close review of this matter, they confirmed that there is not an odometer discrepancy branding, nor has there ever been, which was also confirmed by the third party lender. As for the rust issue, Respondent had no records of prior rust conditions associated with the vehicle. The CarFax report notates a possible odometer discrepancy which appears to be due to a key punch error from a state inspection facility in New York in 2011. However, all entries thereafter remain in sequence with prior odometer readings. Respondent states that this should not have an impact on the value of the vehicle for resale or trade as the issue can be corrected within the CarFax reporting system. Respondent informed Complainant that she could trade in the vehicle which brought a satisfactory resolution for Complainant.

Recommendation: Close.

Commission Decision: **Approved**

28. 2019048881 (ES)

First Licensed: 02/20/2014

Expiration: CLOSED License

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges failure to deliver title and then retracted their complaint. Respondent cancelled their license as a motor vehicle dealer on or around 1/19/18 and the surety bond has been sent to the Complainant.

Recommendation: Close

Commission Decision: **Approved**

29. 2019050201 (ES)

2019056011

First Licensed: 10/03/2013

Expiration: CLOSED License

License Type: Motor Vehicle Dealer

History (5 yrs): None.

2019050201

Complainant is a loan company and their client alleges failure to deliver title. Respondent cancelled their license as a motor vehicle dealer on 6/17/19 and the surety bond has been sent to the Complainant.

Recommendation: Close

Commission Decision: **Approved**

2019056011

Complainant alleges failure to deliver title. Respondent cancelled their license as a motor vehicle dealer on 6/17/19 and the surety bond has been sent to the Complainant.

Recommendation: Close

Commission Decision: **Approved**

30. 2019043121 (ES)

First Licensed: 05/29/2015

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed without action.

Complainant alleges Respondent misrepresented the used car which she purchased for \$1500 and demands a refund. Respondent provided proof that they did not misrepresent the vehicle and Complainant signed all necessary documentation showing the purchase was as-is with no warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

31. 2019044051 (ES)

First Licensed: 09/01/1991

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle from Respondent in 2017 and alleges it stalled while driving in traffic. Complainant wants an independent contractor to inspect her vehicle to see if it really needs a new engine as Respondent has advised, and wants Respondent to take the vehicle back and allow her to obtain another vehicle. Respondent has since addressed all issues and made all necessary repairs at no cost to Complainant, as all repairs were covered under warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

32. 2019044081 (ES)

2019056501

First Licensed: 09/26/2008

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed with letter of warning and one complaint closed without action.

2019044081

Complainant is a resident of South Dakota who has already filed a complaint with their state Department of Consumer Protection. After their investigation, the complaint was dismissed against Respondent. Complainant does not provide any information or documentation from that investigation/matter but filed this complaint because the purchase was made in Tennessee. Complainant purchased a 1970 Corvette from Respondent and alleges Respondent misled him by referring to the Corvette as an LT-1 in an online description because the Complainant claims the Corvette never was and never can be made an LT-1. Complainant states that Respondent's website advertises the car as "beautifully restored performance LT-1 Corvette Conv. Numbers Matching Block...All Original parts removed from this car were retained and being sold with the car. Can be returned to numbers matching LT-1 status." Complainant wants a refund for the difference in car values.

Respondent argues that the vehicle was never advertised as an Original LT-1 and that Complainant knew exactly what the Corvette was before purchase. Complainant sent an inspector from Georgia to see the car first and Respondent heard the inspector tell Complainant it was "not a real L-79" and advised him to go see the car himself. Because Complainant had so many questions that Respondent wanted to make sure were answered correctly, Respondent advised Complainant to come see the car in person which Complainant did. Respondent made it very clear to Respondent that the Corvette was not an original LT-1, that it would be sold as a 1970 Corvette, that it had been restored prior to Respondent obtaining it, and that Respondent did not do anything to the vehicle after he obtained it. Complainant brought another man with him and they test-drove the car before purchase. Respondent gave Complainant all of the original parts that came off of the car. Respondent has offered a full refund but Complainant has actually expressed satisfaction with the Corvette and only wants the money he feels he is owed because of alleged misrepresentation. Counsel has found no evidence of misleading advertising or any violations.

Recommendation: Close.

Commission Decision: **Approved**

2019056501

Complainant is a resident of Minnesota who purchased a vehicle from Respondent for \$32,500.00, but claims the vehicle was not what Respondent had promised. It is further alleged that Respondent was deceptive when discussing the vehicle with Complainant. An investigation was conducted. Complainant advised the investigator that Respondent had displayed an ad for a 1968 Camaro RS/SS. After purchasing the vehicle, Complainant researched several online forums and spoke with other car collectors concerning the vehicle. Complainant alleges that it was decided that the vehicle was a 1968 Camaro SS, not the RS/SS. Complainant advised that he tried to get his money back from the Respondent but that no agreement could be reached. Respondent advised the investigator that he is very familiar with Complainant and has spoken to him on several occasions regarding this matter. Respondent denies any kind of misrepresentation of the facts or of the vehicle, and strongly encouraged Complainant to come see the vehicle in person, as he encourages all out of town buyers to do. Respondent provided a copy of the signed Buyers Agreement/Bill of Sale signed by Complainant, and a photo of the vehicle's cowl tag from the firewall. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

33. **2019044101 (ES)**
First Licensed: 01/29/2013
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Three Complaints closed without action. 2017 – One complaint closed without action.

Complainant states she took her vehicle to Respondent for a free oil change on 12/15/18. Five months later with 600 miles before the next oil change was due, the vehicle got stuck on the highway with the oil and engine lights on. Complainant alleges the oil drain plug had fallen out onto the skid plate and blames Respondent. An investigation was conducted. The investigator spoke with Respondent's Comptroller who states that he could not find any record of service activity that could have caused the issues with Complainant's vehicle after the oil change in December 2018. However, Respondent has been in contact with Complainant since the investigation and they have worked towards a satisfactory solution to repair the vehicle and Complainant requested to withdraw the complaint.

Recommendation: Close.

Commission Decision: Approved

34. 2019045381 (ES)

First Licensed: 07/07/2005

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2017 – Two complaints closed without action. 2016 – One complaint closed without action. 2015 – One complaint closed with consent order for incorrectly registering a vehicle and two complaints closed without action.

Complainant files this complaint on behalf of his daughter and alleges Respondent sold her a "lemon" vehicle and took advantage of her. Counsel notes the vehicle is a used vehicle and the lemon law would not apply. Complainant states that the vehicle's maintenance light is on and it needs an estimated \$1,500 worth of repairs. Complainant offers no further details or documentation to support the vague allegations against Respondent. Respondent confirms the vehicle was sold As-Is but provides service records to show they have since replaced the brakes, plugs and coil at no cost to Complainant. When Complainant brought the vehicle back two months later, they diagnosed the vehicle to need a valve cover and a gasket but would no longer cover costs for repairs. The vehicle is a 2008 with over 140,000 miles on it and will continue to need regular maintenance at the expense of Complainant's daughter simply because of normal wear and tear. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

35. 2019046611 (ES)

First Licensed: 06/16/2017

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent on 5/9/19 and alleges it broke down on 5/13/19. Complainant took it to his mechanic and claims the wires were exposed under the car, there were several splices around the control module, bad wiring causing pump failure and a fire hazard, as well as rust damage affecting structural integrity. Complainant alleges he obtained two estimates for up to \$13,100 in necessary repairs and alleges it is not safe to drive. Complainant wants a refund or to trade it in for another vehicle but Respondent refuses. Complainant provides no further details regarding specific allegations and no documentation to support the complaint. Respondent confirms Complainant purchased a 2006 vehicle with over 167,000 miles As-Is. Complainant test drove it before purchase on several occasions, spending hours with the vehicle and allowed to take it for inspection. Complainant signed all necessary paperwork for the sale

and acknowledged the sale being As-Is with no express or implied warranties and was provided with a CarFax report. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

36. 2019034111 (ES)

First Licensed: 10/05/2018

Expiration: 09/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed without action.

Complainant alleges that Respondent failed to disclose that the odometer reading was not the actual mileage and had not properly completed paperwork necessary to insure the transfer of title. The complaint was filed by a third party who was not a part of the actual transaction mentioned in the complaint. An investigation was conducted. Complainant advised that the individual that purchased the vehicle had been refunded her money by Respondent and has since moved out of state. Respondent was cooperative during the course of the investigation and wished to be fully transparent. The deal file provided did reveal that errors made by Respondent. The vehicle title shows the selling dealership as a different company. This vehicle was part of the inventory obtained by Respondent when they took ownership of the other company's dealership on 10/5/18. Respondent failed to close in the title for this vehicle. Respondent advised they verbally disclosed to the buyer that the odometer reading was not the actual mileage but failed to check the box warning of the odometer discrepancy on the Odometer Disclosure Statement. Respondent further advised the transaction took place on 10/8/18 and they were not aware the vehicle failed an emissions test on 11/19/18 until they received a copy of this complaint filed on 4/19/19. After receiving the complaint they agreed to take the vehicle back and fully refund the money to the purchaser. Respondent advised the investigator that they have protocols in place to avoid any similar errors in the future.

Counsel recommends issuing a \$2,000 civil penalty for failing to close in the title and for failing to correctly complete the Odometer Disclosure Statement.

Recommendation: \$2,000 civil penalty

Commission Decision: Approved

37. 2019035381 (ES)

First Licensed: 10/13/2011

Expiration: 10/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent failed to disclose interest rate. Respondent provided a detailed statement of the transaction and the contract where they disclosed all rates, terms and payments on the date of purchase. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

38. 2019045861 (SH)

First Licensed: 07/01/1991

Expiration: 06/30/2021

License Type: Motor Vehicle Manufacturer/ Distributor
History (5 yrs): None.

Complainant is a franchise dealer and has alleged many violations concerning an incentive program instituted by Respondent, Complainant's distributor. There are six components that the dealer must comply in order to receive bonuses and surplus payments. Complainant alleges that Respondent has imposed requirements to this bonus program that are unreasonable, unfair, arbitrary, unattainable and inequitable due to the market of the regions where Complainant is located. Complainant alleges that the bonuses are not offered on the same terms as made available to other dealers participating in this program. Complainant alleges that Respondent is forcing it to accept inventory that was not ordered by Complainant and Respondent is selling its vehicles to unlicensed dealers therefore competing against its own franchise. Complainant further alleges that Respondent is attempting to impose a requirement that Complainant spend millions of dollars in order to comply and receive program discounts and surplus payments. This requirement will change the capital structure of Complainant and threatens the future existence of Complainant.

Respondent denies the allegations in its response and filed a motion to dismiss based on the Commission not having jurisdiction to hear and adjudicate Complainant's complaint. Respondent justifies this by stating the Licensure Act does not authorize the Commission to hear this type of complaint and only allows the Commission to revoke or suspend licenses. Respondent states that Complainant is seeking unspecified relief and has not requested any revocation or suspension of licenses. Further, Respondent states the statutes do not authorize Complainant to be a "plaintiff" in a contested case proceeding seeking remedies for any violations. The statutes do authorize dealers to file complaints with the Commission, and authorize the Commission to conduct contested case hearings and grant relief, only with respect to specific provisions; 1) a dealer can challenge a manufacturer's plan to add an additional same-brand dealer in the relevant market area, and 2) a dealer can file a complaint alleging a notice of termination violates certain statutes. As such, the Complainant believes the Commission does not have authority to convene a contested case hearing instituted by a dealer as "plaintiff".

Recommendation: Due to the allegations raised and the voluminous information provided by both parties, it is recommended to place this matter in monitoring status to be further investigated and presented at a later date.

Commission Decision: Approved

39. 2019042571 (ES)
First Licensed: 05/08/2017
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and financed the car on 2/15/19 for \$3,500 and has allegedly paid \$3,005 but takes issue with the fact the vehicle was repossessed. Respondent provided a detailed account of Complainant's nine missed payments, attempts to work with Complainant to get her account current numerous times, and eventually rightfully repossessing the car on 4/30/19. Complainant also told Respondent that the owner had injured her while towing the car and threatened to call the police until Respondent informed her the process is on video – Complainant then stopped making threats and agreed to start making payments on the vehicle again. Respondent informed Complainant that due to the missed payment history and breaking arrangements so many times, the payment schedule Complainant wanted was no longer an option. Respondent provided a ten day letter to Complainant and she was able to remove her personal items from the vehicle. Respondent provided much supporting documentation to support their response and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

40. 2019045141 (SH)

First Licensed: 01/22/2007

Expiration: 11/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2014 – One complaint closed with agreed citation for unlicensed activity.

Complainant purchased a VTX and paid cash. Complainant alleges Respondent gave him a “jumping” title since Respondent was not listed as the owner. Complainant alleges Respondent refuses to help.

Respondent states that around 6 months to a year after the sale Complainant misplaced the paperwork and title. Respondent went to the Department of Motor with the copies of the sale documents to obtain a new title. The clerk at the DMV advised Respondent there was no power of attorney on this title so a lost title application needed to be completed. Respondent learned that the Complainant would need to apply and complete the paperwork. Respondent states he provided the application and list of items needed to support the application for lost title.

Recommendation: Place in monitoring status until receipt of the investigation report.

Commission Decision: Approved

41. 2019052721 (SH)

First Licensed: 07/15/2016

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed without action.

Complaint was filed by a local County Clerk's office. The Complainant alleges the Respondent is providing incomplete titles to customers causing issues with registration. The Complainant alleged Respondent is not selling its vehicles from the lot listed as its main address. The Complainant provided paperwork on a vehicle that was traded into Respondent, but was sold from an individual the same day.

Respondent stated that the individual does mechanical work on the side for them. This individual purchased a Scion previously from Respondent but later wanted to trade the Scion for a truck. Respondent later gave the Scion back to the individual in lieu of pay for mechanical work he did for them. Respondent advised that since it was still registered in the individual's name he gave him the Scion back for the work he did for them. He advised that he never once touched the title when the individual traded to Respondent. Respondent did not know he did anything wrong by giving him the car back and if he known Respondent would have resold it back to the individual instead of giving it back.

The individual later sold the Scion to another person. This individual advised that he did not sell it on behalf of Respondent and was not asked to sell it on behalf of Respondent.

Complainant also provided paperwork of another customer of Respondent and was told the customer bought the vehicle in another town and not on the Respondent's lot. Complainant advised the title was filled out incorrectly so she did not process it. She advised that an employee of Respondent called asking about the title. The Respondent admitted they delivered vehicles to customers in another town and complete the paperwork at the customer's house. Respondent admitted this person worked for him as an interpreter.

Respondent advised that he started the paperwork as a trade for a G6, but the customer refused to trade, and he told the customer to give him \$500 cash due to the rust on the Trailblazer. He advised the customer did not have all the money, but agreed to bring it to him when he got paid. He advised that he left the vehicle with the customer and he was not

supposed to register the vehicle until it was paid in full. He advised DMV called him stating the auction that sold the vehicle did not sign off on the title correctly, but did stamp it in the correct place. Respondent advised on June 4, 2019, the customer came to the lot and paid off the vehicle. Respondent revised the Bill of Sale to show a \$500 purchase of the Trailblazer and issued him a temporary tag. Respondent advised that the customer has since returned the vehicle due to enormous amount of rust.

Recommendation: Authorize a civil penalty in the amount of \$500 for off-site sales in violation of 0960-01-.21(5) (facility shall be used exclusively for selling motor vehicles).

Commission Decision: **Approved**

42. 2019050781 (ES)

First Licensed: 05/11/2007

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with \$2,000 civil penalty for false fraudulent, and deceptive business practices. 2016 – One complaint closed with \$1,000 civil penalty for false, fraudulent, and deceptive business practices and one complaint closed without action.

Complainant alleges Respondent failed to honor agreement and further alleges there was an error in the financing paperwork. Complainant does not provide any documentation or evidence to support the allegations and Respondent has not responded to this complaint, therefore an investigation was conducted. The investigator was unable to obtain any evidence of any violations or make contact with Complainant.

Recommendation: Close.

Commission Decision: **Approved**

43. 2019052341 (ES)

First Licensed: 08/31/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – Two complaints open regarding false, fraudulent, and deceptive business practices. 2018 – One complaint closed without action.

Complainant alleges Respondent failed to deliver title after his second temporary tag expired. Respondent did not issue any more temporary tags and had already provided the title to the Complainant before they received a copy of this complaint. Respondent was waiting for the title from the auction. Respondent provided proof and a copy of the signed title to Counsel.

Recommendation: Close.

Commission Decision: **Approved**

44. 2019053001 (ES)
First Licensed: 09/01/1991
Expiration: 05/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant turned in a leased 2017 vehicle to Respondent and they started paperwork for a 2019 vehicle for Complainant. Complainant states he was given the keys without a test drive, the car had not been washed and he ended up bringing it back the next day because the “nose” of the car was so large that it interfered with visual acuity. The general manager agreed to buy the lease out and put Complainant in a smaller car with payments at \$259.80 per month. Complainant did not think about it at the time of the transaction, but later questions what happened to his original down payment and why the payments are so high. There was a promotion where Respondent would accept \$2,900 down and monthly payments of \$189 for the smaller vehicle Complainant ended up in, but Counsel notes that it was not for the original larger vehicle Complainant leased. Complainant feels his right to test drive the vehicle was taken away and he is being penalized for it. Respondent has explained to Complainant that the \$2,900 down payment was applied to the balance owed on the 2017 vehicle she chose to turn in early. Respondent worked with Complainant, absorbed required up-front fees of first payments, taxes, title fees, and traded her out of the larger vehicle at her request. Respondent did everything that could be done to lease Complainant a 2019 vehicle for her original payment that she had on the 2017 lease to help her stay within her budget. Respondent provided a detailed account of the transactions and Counsel finds no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

45. 2019056211 (ES)
First Licensed: 09/01/1991
Expiration: 11/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action. 2017 – One complaint closed without action. 2016 – Two complaints closed without action. 2015 – One complaint closed without action.

Complainant’s vehicle was involved in a minor accident on 7/5/17 and his insurance company suggested taking it to Respondent’s autobody shop, which Complainant did. Complainant then goes on to state that he dropped it off at Respondent’s shop on 7/13/17 and picked it up/brought it back again three times through 12/13/17. Complainant then brought it to another dealer in January 2018, and finally brought it back to Respondent where it remained from 4/29/19-6/13/19. Complainant alleges damage to the interior of the vehicle and a leak causing water to come into the car, all which he claims did not happen in the accident. Complainant does not provide any documentation or evidence to support the allegations. Respondent’s Comptroller responded to the complaint and states that Respondent tried to duplicate the water leak but has been unsuccessful. Further, Respondent states that the vehicle is now in the possession of the insurance company at another repair facility for inspection.

Recommendation: Close.

Commission Decision: **Approved**

46. 2019056231 (ES)
First Licensed: 08/22/2007
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant brought an ATV to Respondent for repairs that had been abandoned in the woods for at least 6 months prior. Complainant takes issue with the cost of the repairs and the repairs themselves. Respondent denies the allegations and provides detailed timeline and accounting of repairs and costs. Counsel recommends closing this complaint because we have no jurisdiction over ATVs and repairs to them.

Recommendation: Close.

Commission Decision: Approved

47. 2019057791 (ES)
First Licensed: 08/17/2005
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant states that Respondent informed her by mail that they had possession of her vehicle, and that it was considered abandoned and Respondent would take possession of the title. Complainant immediately contacted Respondent and explained that she had her car and always has had possession of it since purchasing it in 2016. Respondent checked and acknowledged their mistake, assured Complainant they would remedy the problem and Complainant never heard from them again. Complainant tried to get her tags renewed in July 2019 and was informed by the clerk's office that Respondent had the title. Complainant spoke with someone in Respondent's title department in July 2019 who stated they would notify the DMV and release Complainant's title, but nothing had been done. Respondent responded to the complaint and states that it has been remedied. Respondent contacted a DMV supervisor after learning of the error in VIN reporting. An agent was sent out to take pictures of Complainant's vehicle for verification after getting his approval. Respondent received confirmation on 7/23/19 from a state agent which confirmed that Complainant's vehicle had been reinstated and title had been sent to him.

Recommendation: Close.

Commission Decision: Approved

48. 2019058331 (ES)
First Licensed: 09/01/1991
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a new vehicle from Respondent over two years ago and alleges the passenger window has been having issues since purchase causing her to have to use a tarp to prevent water from getting in the car. Complainant claims Respondent has not fixed the problem despite three attempts to repair the window. Respondent provided service records showing they have serviced the vehicle in March and September of 2018 and the windows were re-timed and notes Complainant took it to another franchise dealer for the third service visit and if Complainant is still having issues with the window, Respondent has offered to continue to assist in repairing the problem but Complainant did not inform Respondent that the problem was recurring after the last service visit to the other dealer. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

49. 2019059181 (ES)
2019066671
First Licensed: 05/27/2010

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to provide copy of contract to Complainant. 2016 – One complaint closed with \$1,000 civil penalty for incomplete temp tag log.

2019059181

Complainant alleges Respondent tried to sell him a “flooded truck” that had been through Hurricane Harvey. Complainant states that he figured out it had been flooded after Respondent allegedly told him they didn’t know if it had flood damage. Complainant did not purchase the truck but claims Respondent is still trying to sell it without disclosing the flood damage on cargurus.com. Complainant provides a screenshot from vincheck.info which allows a consumer to input a VIN number to specifically check for Harvey-related flooding in Texas from August 2017. The message that pops up when the truck’s VIN is entered simply states “Based on records from the Texas DMV, this vehicle was previously registered in a county that was flooded by Hurricane Harvey.” There is an option to get a “full vehicle history report” but Complainant does not provide that or any further evidence or documentation to support the allegations. Respondent states that they were unaware of and are still unaware of any flood damage to the truck. Respondent uses Auto Check reports to determine eligibility of vehicles to be sold from their lot and no flood damage or anything of the sort is noted on the Auto Check report. Respondent feels they did their due diligence concerning this vehicle which was purchased at auction and provides the report for reference. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

2019066671

Complainant is a resident of New Mexico who purchased a vehicle from Respondent and paid for all fees, including tax, title and license. However, Complainant states that the check sent to pay for the taxes was no good and Complainant paid the taxes directly to the state to avoid penalty of law. Complainant states he effectively paid for taxes twice; once as part of the purchase agreement and once to register the vehicle in New Mexico legally. Complainant states he has been unable to reach a resolution with Respondent. Respondent notes this was an out of state purchase and after processing the paperwork, Respondent sent the title and check for the fees which they had collected on Complainant’s Bill of Sale by FedEx. Respondent notes that the check was not as described by Complainant to be “no good,” it was simply made out for the wrong amount accidentally. Respondent has sent Complainant a reimbursement check for \$372.12 and this matter has been resolved.

Recommendation: Close.

Commission Decision: **Approved**

50. 2019059501 (ES)

First Licensed: 05/27/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed with letter of caution for charging incorrect amount for sales tax and registration. One complaint closed with letter of warning for misrepresentation of purchased vehicle. One complaint closed without action.

Complainant alleges she was the victim of manipulation and high pressure sales tactics when she went to Respondent dealership to find out what kind of vehicle she qualified for. Complainant was sold a vehicle when she was unemployed but with the understanding she would be starting a new job. Complainant did not have a start date but alleges that her future employment was used to obtain financing and Complainant believes

Respondent gave the lender false information about her income. Complainant has tried to return the vehicle because she is still unemployed and claiming her only intention was to inquire about a vehicle. Respondent states that Complainant signed over twenty documents pertaining to this purchase and made a \$2,500 deposit, spending about three hours at the dealership. Complainant actually communicated numerous times with a salesperson by text about how much she loves the vehicle. Complainant signed the credit application and initialed by the salary amount and stated she had been employed for one month at that time. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

51. 2019059091 (ES)

First Licensed: 06/18/2015

Expiration: 06/30/2021

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed with letter of caution for unlicensed activity.

Complainant is a resident of North Carolina who ordered a rear bumper from Respondent. When Complainant received it, he notes it was well packaged but there was quite a bit of damage to the bumper itself. Complainant alleges it was also not a complete bumper with headlights and wiring harness as he expected. Complainant contacted the Respondent right away and Respondent agreed to take the bumper back but Complainant had not received any paperwork with regards to return processing and was unable to reach the sales person or manager at the time this complaint was filed. Respondent has since communicated with Respondent in writing and resolved this issue to Complainant's satisfaction. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

52. 2019049381 (SH)

2019050191

2019052151

2019056331

2019056531

2019067621

First Licensed: 08/22/2013

Expiration: 07/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – Various complaints open for failure to deliver title.

These are additional complaints received since last Commission meeting. Respondent has closed its business however had some trouble paying the floor planner resulting in customers not able to obtain registration and tags. The Respondent has been working diligently assisting the County Clerk and floor planner in obtaining the customer's registration and tags. Respondent is currently in bankruptcy and informed the Department that their attorney will be bringing numerous titles that have been released by the floor planner at their next hearing date. Further, Respondent has

also stated it will surrender its license once all customers have their registration and tags.

Recommendation: Place all complaints in Litigation Monitoring with the previous complaints and close once Respondent's license has been surrendered without the need to represent. If Respondent fails to surrender its license, authorize formal hearing for revocation.

Commission Decision: Approved

53. 2019049391 (SH)
First Licensed: 10/12/1994
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleged that she purchased a vehicle from Respondent on May 9, 2019 and did not receive the title. Complainant saw the vehicle on Facebook and was told to meet at Respondent's lot. Subsequently, Complainant later learned the vehicle was salvaged and an insurance company was the owner. A VIN check search shows the vehicle was a total loss on March 30, 2014.

The investigator met the salesperson for Respondent and learned that the owner of the dealership is closing his business and selling to the salesperson. The salesperson stated that no business was being conducted until the business deal was complete. There were only a few vehicles on the lot and the business seemed to be closed as the investigator went by there several times to find the gate locked.

The investigation determined that the vehicle sold did not belong to Respondent and was actually sold by the salesperson's cousin from the Respondent's lot. The salesperson stated he had no knowledge of this sale. He also admitted that he had another cousin previously sale a vehicle from the lot without his knowledge.

The cousin admitted to selling the vehicle. He told the investigator that he purchased the vehicle from a dealer in West Memphis, Arkansas, but did not know the dealer's name. He said a friend of his advertised the vehicle for him on his personal Facebook page. The cousin met the Complainant at Respondent's lot and sold the vehicle there. The cousin said he did not work at Respondent nor did he have permission to sell the vehicle at the lot. He said he used Respondent's Bill of Sale, receipt for payment, Buyer's Guide and copy of a business card because Complainant was adamant about having documentation. He stated to the investigator

that he does not sell cars or work for a dealer or Respondent and does not have a salesman's license in the State of TN. The cousin stated he is in the process of getting the title for the vehicle so he can give it to the Complainant.

The Complainant has filed against the surety bond for reimbursement.

Recommendation: Authorize a civil penalty in the amount of \$500 for unlicensed activity.

Commission Decision: Approved

54. 2019050641 (SH)
2019063511
2019062341
First Licensed: 04/17/2018
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Respondent has closed its business however some recent customers have been unable to obtain registration and tags. The customers have been provided the surety bond information.

Our investigation revealed that the customers have been properly tagged and registered.

Recommendation: Close and Flag.

Commission Decision: Approved

55. 2019052181 (SH)
First Licensed: 09/01/1991
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges he received three temp tags due to Respondent being unable to provide the appropriate paperwork in order to properly register and tag their vehicle. Respondent claims they mailed the paperwork received from their floor planner to the County Clerk soon after the purchase however it was returned due to missing the signature of the previous seller. The paperwork was then sent to the auction in order to get the signature of the previous seller. This

took some time but the issue has been resolved.

Recommendation: Authorize a civil penalty in the amount of \$500 for issuing one temporary tag over the limit allowed by law without authorization.

Commission Decision: Approved

56. 2019056121 (SH)

First Licensed: 03/25/2009

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed without action. 2017 – One complaint closed without action. 2016 – One complaint closed with \$250 agreed citation for expired county business license. One complaint closed with letter of warning for deceptive advertising.

Complainant wanted to purchase a 2017 Tesla Model S from Respondent for about 65K with a 15K allowance for trade of his 2016 Ford Mustang which had many extras. After negotiations Complainant flew to Respondent and found that the Tesla did not match the description (it was missing a sunroof). The sunroof was an extra \$3,000, so Complainant wanted Respondent to work with him on some things such as changing the rims since it was about the same price as the sunroof. Respondent did not agree but Complainant alleges he spent too much money to disagree over a sunroof so he purchased the Tesla as is. Complainant alleges Respondent ran his credit 5-6 times reducing his credit score even though he paid cash. Complainant also alleges Respondent did not provide paperwork within 30 days so he could pay taxes and register the Tesla; charged him extra fees and has not provided the title in over 3 months. Complainant claims he has hired an attorney and this matter is in litigation.

Respondent claims Complainant changed his story numerous times and they became very uncomfortable doing business with him from such distance especially when he applied for the loan and his Social Security came back as never issued or issued to non-legal resident and employment prohibited without DHS authorization. Respondent notified Complainant about this issue and refused to do any business with him due to multiple changes in his story. Complainant was notified if he wanted to purchase any car it must be in the form of cashier check and in person only. Complainant eventually purchased the Tesla through his business entity. When Respondent went to obtain he trade-in Mustang, Complainant refused to release the Mustang for 8 days however all upgraded parts were removed and the title was not in the purchasing company name. Respondent then offered three options in order to resolve this issue: Option 1: Respondent will refund 100% of funds and handle all transportation cost for both vehicles and void the deal at no cost to Complainant. Option 2: Respondent will take the trade-in off the contract and Complainant will pay

the difference. Option 3: Respondent will resign the contract without trade-in and will buy the trade vehicle directly from owner for current market value. Respondent was forced to file a lawsuit to rescind the contract and pursuing this matter through the local court.

Recommendation: Close.

Commission Decision: Approved

57. 2019059531 (SH)

First Licensed: 06/12/2014

Expiration: 04/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – Three complaints closed without action.

Complainant alleged that he purchased a vehicle from Respondent on April 24, 2019 and had not received his title/registration in over two months. Complainant alleged his vehicle was flooded and his insurance company cannot pay the claim because he did not have the title.

The Respondent claims the previous owner traded the vehicle on March 20, 2019 and represented there were no liens. Respondent took possession without the title and previous owner was to mail in the title. When the previous owner did not mail the title Respondent sent paperwork on April 23, 2019 to obtain a lost title. On April 24, 2019, the paperwork was returned because the title had a lienholder. Respondent immediately contacted lienholder but did not receive a release until June 21, 2019. Respondent then submitted the title and paperwork to Arkansas for a duplicate title to send to the insurance company. Respondent requested the duplicate title numerous times and were told that it was being processed and then had to be held for 10 days. The duplicate title was finally received by Respondent on July 24, 2019.

Complainant notified our investigator that the title was transferred to him on August 6, 2019 and the matter is resolved. The investigation did reveal that Respondent was diligently working to get a duplicate title and seems the State of Arkansas delayed the process.

Recommendation: Close.

Commission Decision: Approved

58. 2019059731 (SH)
First Licensed: 04/29/2011
Expiration: 01/31/2019 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action.

Complainant alleges the vehicle she purchased on March, 4 2016 has numerous problems since the day she purchased the vehicle including broken motor mounts, broken window, non-working headlights, electrical problems, no air conditioner and bad tires. Complainant claims she cannot drive the vehicle due to the safety concerns.

Respondent states that the Complainant purchased the vehicle in March of 2016, as is, however did have a three year, 50,000 mile extended warranty that may have covered some of the alleged issues early into their purchase. Unfortunately the Respondent has closed its dealership in January 2019 where Complainant purchased the vehicle. Additionally, the Respondent provided a Carfax report showing dates of service/repair and hitting a deer in November of 2018, which may have contributed to these issues.

An investigation was issued with concerns of Respondent's record keeping. The files were transferred to the open location after Respondent shut down one of its dealerships. The Complainant's deal file was produced by Respondent. It was noted that the vehicle's electrical system was serviced two months before Complainant purchased however it was not serviced by Respondent. Soon after, it was purchased at auction by Respondent and went through a multiple point vehicle inspection. Work orders show the vehicle was serviced on numerous occasions after the purchase and the work was covered by the extended warranty. The window was listed on the "We Owe" and replaced. The motor mounts were replaced approximate two months after purchase. The headlights were replaced a year after purchase and the alleged electrical and air issues could not be reproduced to determine the cause.

Recommendation: Close.

Commission Decision: **Approved**

59. 2019060421 (SH)
First Licensed: 04/12/2013
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant traded a vehicle and purchased two vehicles from Respondent on 4/15/19. The Complainants registered one vehicle but allege they could not register the second due to it being stolen. Complainants were going to sell the second vehicle to new buyers but when they checked the VIN to make sure that it matched the title it was found that the VIN Plate had been ground off. The inner driver door panel VIN did not match the VIN on the title received from Respondent. The new buyers gave the VIN from the door panel to the DMV and were informed that the vehicle that matched that VIN number belonged to a salvaged vehicle. The title given by Respondent is not a salvage title. Complainants wanted a refund from Respondent and were refused.

Respondent states that the vehicle was stolen in 2017 and recovered by the local Sheriff's Department. It was discovered then that three VINs were placed on the vehicle. The Department of Revenue eventually placed a replacement VIN on said vehicle and it was released to the previous owner who is listed on the title given to Complainant. The previous owner traded the vehicle and then it was sold to Complainant. Respondent states that Complainant never registered the vehicle before they sold it to the new buyers and that the new buyers tried to register the vehicle by signing Complainant's name. Respondent states he has spoken with the County Clerk and the Sheriff and there is no reason why the title cannot be registered by Complainant.

Recommendation: Close.

Commission Decision: Approved

60. 2019049681 (SH)
First Licensed: 11/06/2000
Expiration: 10/31/2020
License Type: Motor Vehicle Dismantler/Recycler
History (5 yrs): None.

Respondent was issued a Notice of Violation for not having a County business tax license. Respondent signed the Agreed Citation and paid the penalty on 8/26/19.

Recommendation: Close.

Commission Decision: Approved

- 61. 2019059761 (SH)**
First Licensed: 07/02/2015
Expiration: 01/31/2019 (Closed)
License Type: Recreational Vehicle Dealer
History (5 yrs): 2019 – Two complaints closed and flagged for failure to deliver title. 2018 – One complaint closed and flagged for failure to deliver title.

Complainant purchased the recreational vehicle on December 10, 2018 in cash and never received title. Respondent has closed the business and license has expired. The Respondent's surety bond has been supplied to the Complainant to assist in obtaining title.

Recommendation: Close and Flag

Commission Decision: Approved

- 62. 2019058791 (SH)**
2019060431
First Licensed: 06/10/2004
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with letter of caution for misrepresentation of purchased vehicle. One complaint closed without action. 2017 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant alleges Respondent sold him a truck that had a salvaged title without his knowledge until he received the title. Complainant requests \$10K for repairs/damages in return for the truck.

Respondent provided proof that the previous owner provided a clean title to Respondent so the truck was offered for retail. Respondent claims they researched the title chain through two different states to investigate this issue and has found no salvaged title however they are still investigating with the help of the previous owner. Respondent denies any liability and provided paperwork that the purchase was "as is".

Recommendation: Close.

Commission Decision: Approved

- 63. 2019010591 (ES)**
First Licensed: 09/01/1991
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed without action.

Complainant bought a used vehicle from Respondent. Complainant cannot obtain the title and claims Respondent sold the vehicle without having the title and without giving the Complainant the proper paperwork. An investigation was conducted. Respondent told the investigator the vehicle was sold under special conditions and Complainant was provided with the paperwork needed to obtain the title and registration. Respondent gave Complainant one temporary tag and thought that would give her enough time to get the vehicle registered. The investigator obtained the deal file and found that proper disclosures were made, all necessary paperwork signed, and Respondent had provided everything needed for title and registration to Complainant. Complainant simply needed to provide proof of residency and physical presence to the clerk's office and she had been informed of this prior to the filing of this complaint. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

64. 2019056451 (ES)

First Licensed: 07/03/2014

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed without action.

Complainant alleges Respondent wrongfully repossessed her vehicle. Respondent confirms Complainant is financing the vehicle with them in-house and states that the account has been in default multiple times since purchase on 11/2/18 and only repossessed once. Complainant's account collection notes include 22 messages sent to Complainant about past due balances and promises to pay. The last message was a promise to pay on 6/7/19 which was not fulfilled and contributed to the most recent repossession. Prior to the complaint, Complainant was allowed to reclaim the car and continue the rest of the finance agreement by catching up the past due payments and bringing the account current. Respondent's contract does allow them to demand the full balance be paid upon default in order to claim the vehicle but Respondent has tried to work with Complainant as best they can. Complainant has since brought the account current and reclaimed the vehicle. There is no evidence of a wrongful repossession or any other violations.

Recommendation: Close.

Commission Decision: Approved

65. 2019056511 (ES)

First Licensed: 01/06/2004

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action.

Complainant is a resident of Virginia who purchased a used vehicle from Respondent on 6/20/14. Complainant recently traded the vehicle and discovered the car has no identification plate under the windshield and states that no dealer will buy it without the VIN plate. Complainant alleges Respondent sold him an unmarketable car. Respondent explains that three months after Complainant bought the car, he took it to another franchise dealer to address a couple of minor items. At this visit, Complainant requested they check the VIN plate because Complainant thought it was difficult to read. That dealer determined that the plate had been damaged due to Complainant installing aftermarket parking sensors right after he purchased the car. Further, the dealer said the plate could be read and there was no issue. In an effort to assist Complainant, Respondent called him upon receipt of this complaint and offered to assist in whatever way they could, also reminding Complainant of the other dealer's findings related to the plate. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

66. 2019057571 (ES)

First Licensed: 02/02/2001

Expiration: 09/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant took his truck to Respondent for an oil change and tire rotation on 6/22/19. Complainant received a call soon after he dropped it off because there had been a “mishap.” Respondent explained that when they were backing out the truck to get it washed, they hit a pole causing damage to the front passenger side. Respondent apologized and gave Complainant a loaner car and sent his truck to the collision center for repair. Complainant felt that he is owed more because the value of the truck is diminished from being in an accident. Complainant also alleges Respondent did not report the accident to Complainant’s insurance company and allegedly told Complainant it would not show up on a vehicle history report either. Respondent confirms they damaged Complainant’s truck, provided rental for the length of time to repair, sent it to the best body shop who guarantees their work in writing for as long as he owns the truck, but would not pay Complainant money for any diminished value. Respondent notes that Complainant had an accident that caused damage to the truck in the same spot a year ago. Respondent argues that this is not an insurance case, it is not required by law to be reported and notes that they covered all expenses but Complainant was welcome to report it to his insurance company. Complainant has since opened a case against Respondent with the manufacturer and is asking for \$1,500 for diminished value and Counsel feels that the issue of whether Respondent owes this is not one for the Commission to have to consider or decide. Respondent has turned the matter over to their insurance company who will be working it out with Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

67. 2019057831 (ES)

First Licensed: 09/18/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent misrepresented a vehicle that he purchased. An investigation was conducted. Complainant had issues with the check engine light coming on leading him to take it in for diagnostic tests and repairs which he thought should be covered under warranty. However, Complainant bought the vehicle as-is with gap insurance and not with any warranty. Respondent inspected and verified that the vehicle was in good shape before selling it, Complainant test drove it and was offered the opportunity to take it to a mechanic and purchased the vehicle in sound mechanical condition. Respondent provided the deal file which was missing the Buyer’s Guide and the conditional delivery agreement. Respondent stated that the salesman who handled the deal no longer works there and explained that Respondent’s strict practice is to have a Buyer’s Guide in every vehicle and to have the customer sign it. The investigator did note that he observed Buyer’s Guides in all the vehicles for sale at the dealership. There is no evidence of any other violations. Counsel recommends a Letter of Warning about the failure to keep a copy of the Buyer’s Guide and conditional delivery agreement in

the deal file considering this is Respondent's first complaint, the investigator's observation of compliance with all vehicles for sale, and because it appears this was a one-time error by a salesman who is no longer employed with Respondent.

Recommendation: Letter of Warning

Commission Decision: Approved

68. 2019059161 (ES)

2019063261

2019065761

First Licensed: 04/29/2016

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed without action. 2018 – One complaint closed without action.

2019059161

Complainant was unhappy with the fact he leased a car from Respondent and the cost of the lease seemed high to him. Respondent and Complainant have since reached an amicable resolution and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

2019063261

Complainant leased a car from Respondent in 2015 and completed the lease, then agreed in writing to pay the residual or remaining balance to purchase the vehicle. Complainant entered into a contract to pay Respondent nineteen payments of \$198.00 but has since changed her mind. Complainant received an offer from another dealer that would pay off the balance of the car so they called Respondent to get a 10-day payoff but were told Respondent's systems were down. Complainant states that she has been unable to obtain the payoff information from Respondent and feels it is intentional. After the complaint was filed, Counsel was notified that Complainant and Respondent have discussed this matter and came to amicable resolution and do not wish to pursue this complaint.

Recommendation: Close.

Commission Decision: Approved

2019065761

Complainant is leasing a vehicle from Respondent and alleges mechanical issues within a week of getting the car. Complainant alleges Respondent wouldn't pay to replace the battery and takes issue with how many times the car has needed services which have been covered under warranty. Complainant offers no further details or evidence to support the vague statements made against Respondent. Respondent's attorney has fully investigated this matter and the Complainant's vehicle service records, states that everything has been done according to signed agreements, and has found no evidence to support any allegations of wrongdoing by Respondent. Complainant requested repairs which are not covered under the limited warranty associated with her lease agreement and there is nothing Respondent can do regarding that issue. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

69. 2019062061 (ES)

First Licensed: 06/17/2016

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant felt Respondent was taking too long to repair a CVT issue with the vehicle he brought in for repairs. Respondent has since repaired the vehicle, Complainant is satisfied and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

70. 2019062281 (ES)

First Licensed: 08/15/2018

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges the Respondent engaged in irresponsible business practices when advertising, selling and performing title work for the used vehicle that he purchased from the Respondent. An investigation was conducted. Complainant purchased the truck sight unseen and once it was delivered to him, he alleges that there were issues with the four wheel drive components. Respondent bought the vehicle from auction and was not aware of the issues and when he was made aware, he offered to refund Complainant \$800 to help offset costs to put the vehicle back to manufacturer specs but Complainant stated that was not enough.

The investigator states that the sales records obtained indicate the vehicle was in fact purchased by Respondent from auction for his Alabama dealership. When the resale transpired with the Complainant, it was then billed out through the same Alabama location. However, the investigator felt it was important to bring special attention to how Respondent actually advertised this vehicle. As evidenced in the Craigslist listing obtained from the Complainant, the vehicle was being advertised under the "for sale by owner" category. However, the ad specifically references that the vehicle can be seen at a dealership located at the same address as Respondent's Tennessee dealership location. The investigator also found this to be especially concerning considering Respondent claims the vehicle was sold strictly through his Alabama dealership. Furthermore, the ad never identifies an actual dealership's name, which could be somewhat misleading to a consumer. Consequently, it would appear that Respondent exhibited a form of deception in relation to his advertisement of the vehicle at issue. There are no other violations found. Counsel recommends a Letter of Warning considering this is the Respondent's first complaint, and therefore first advertising violation.

Recommendation: Letter of Warning regarding advertising guidelines and violations

Commission Decision: Approved

71. 2019059001 (SH)
First Licensed: 01/03/2018
Expiration: 01/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant put a down payment of \$500 with Respondent in order to hold a motorcycle for purchase. Complainant purchased the motorcycle and was told the title would be sent in 30 to 45 days. The motorcycle had a swing arm kit installed after purchase and Complainant's friend went to pick it up a few days later. After 30 days Complainant called for the title but was told it was with the DMV so a second temp tag was issued. Complainant called the DMV and was told that there was a lien on the title.

Respondent states that the Complainant purchased a motorcycle on May 6, 2019 and was told that they would get her title work completed as soon as possible. Complainant was given a drive out tag which was valid until July 6th. Complainant began erratically calling Respondent 5 to 10 times a week 2 weeks after her purchase. Respondent explained to Complainant her drive out tag was still valid and she could still ride her bike. Complainant stated her boyfriend was calling and threatening her because he wanted to put the bike in his name. Complainant then stated she wanted to sell the motorcycle to her boyfriend. Respondent stated to Complainant that she would be able to do that once she received her title but they were still waiting to receive it from the State. Respondent does not understand why Complainant claims there is a lien on the title because it was registered to the Respondent and sold to Complainant who paid in full. Complainant's boyfriend began calling the Respondent and threatening the staff. At that point Respondent instructed the staff not to speak to Complainant. Complainant then she was calling to make a complaint against them and that she was going to sue Respondent. Complainant also called Respondent's insurance company and attempted to make a fraudulent insurance claim. Once the insurance company told her she

could not make a claim she began repeatedly calling the County Clerk's office. The clerk stated she came into their office and called numerous times. Everyone from the County Clerk, insurance company, and Respondent explained to her numerous times that her title would be mailed to her. The title was received by Complainant one week after a second temp tag was issued.

Recommendation: Close.

Commission Decision: Approved

72. 2019060051 (SH)

First Licensed: 02/05/2013

Expiration: 01/31/2019 (Expired)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent was advertising a Push-Pull or Drag Sale and would give \$1,000 for any trade. Complainant's father had a junk car that needed to be hauled away so they decided to co-purchase a vehicle and use the junk car for trade. Complainant went to Respondent to purchase the vehicle however the price was never revealed for any vehicle. Complainant made a purchase and her insurance company added full coverage effective as of the purchase. Complainant states that the lender requested the Declaration page for proof of insurance but the lender had already deducted \$41 for insurance. The lender was to reimburse the \$41 but they continued to deduct the amount. Complainant further alleges that the lender locked-out her car even after the payment was made on time and that the vehicle had been in an accident which she claims she was not notified at the time of purchase.

Respondent states that Complainant purchased a vehicle on 04/09/19 provided proof of full coverage on 5/25/19. Respondent admits that they failed to timely cancel the recurring payments for Collateral Protection Insurance and took 3 additional payments of \$41.08. Respondent has made internal process changes to ensure this does not happen to any of their other clients in the future. One of these payments was returned electronically to the Complainant on 6/17/19. Respondent then cut a check to return the remaining two payments but during that time the Complainant disputed a payment with her bank and the money was debited from Respondent's account. Respondent states they have attempted to reach the Complainant multiple times by phone to find out if she is going to cancel the disputes and accept our check or wait for the dispute process to complete to receive the funds.

In regards to the Autocheck vehicle history report, Respondent states the Complainant was

notified of the accidents at the time of delivery and signed the Autocheck acknowledging. Respondent accepts responsibility for the insurance issue and knows the Complainant should be reimbursed \$82.16, but the Complainant has stopped all communication.

Recommendation: Close.

Commission Decision: Approved

73. 2019060161 (SH)

First Licensed: 05/25/2011

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with letter of warning for deceptive advertising and two complaints closed without action. 2016 – One complaint closed without action. 2015 – Two complaints closed without action.

Complainant alleges that after purchasing a vehicle (paid in full) on March 28, 2019, the Respondent has not sent the title and Complainant is on his fifth temp tag. Respondent states that they sent a payoff check to the lienholder on March 22, 2019 and has difficulty obtaining the title. Respondent states they finally received the title and paperwork on July 15, 2019 and sent all of it to the County clerk so Complainant could properly register the vehicle.

Recommendation: Authorize civil penalty of \$1,500 for issuing three temp tags over the limit allowed by law without authorization.

Commission Decision: Approved

74. 2019060301 (SH)

First Licensed: 11/29/2010

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$2,000 civil penalty for several issues including failure to maintain county/city business license and possession of two open titles.

Complainant purchased a vehicle on May 6, 2019 and was issued a second temp tag which expired on July 8, 2019. Complainant claims to have called the Respondent numerous times and could not get a straight answer as to her title.

Respondent admits there was a delay in getting the tag and registration and were waiting for a lien release to come from the auction where the vehicle was purchased by Respondent. The lien release was requested by the County Clerk's office in order to finalize registration. Respondent states that the second temp tag expired on July 8, 2019 and her permanent tag and registration papers were delivered to Complainant on July 9, 2019.

Recommendation: Close.

Commission Decision: Approved

75. 2019061121 (SH)
First Licensed: 11/26/2003
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges that the Respondent's inventory advertising prices were down payment amounts and not the price of the vehicle.

Respondent states they have been trying to evolve with the industry and that more sales are originating online. Respondent had been working with their Web site host to make adjustments to the site so that it would be clear that the dollar amount posted is the down payment. In speaking with the Web site host, Respondent thought that the change would be immediate to the site and that the dollar amounts would be stated as down payments. Respondent states that the changes were made, to each individual ad, and were in no way intended to mislead the public.

Recommendation: Send Letter of Warning regarding advertising practices.

Commission Decision: Approved

76. 2019061211 (SH)
First Licensed: 02/21/2019
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant went to purchase a vehicle from Respondent and provided certain personal

information while in the process of purchasing a vehicle. Unfortunately, Complainant did not qualify and left the dealership. Later, Complainant was approached by a co-worker that stated they had been to Respondent looking to purchase a car and that the salesperson asked if they knew each other. Complainant alleges that Respondent revealed personal information to other prospective customers without authorization.

Respondent admits that the salesperson previously worked with Complainant in her efforts to purchase a vehicle and in everyday conversation, the salesperson learned the place of employment of Complainant. In a subsequent conversation with a prospective customer it was revealed that this customer had the same employer. The prospective customer went back to work and discussed the conversation with Complainant. Respondent immediately counseled the salesperson when notified and investigated the incident. Respondent admits that the personal information constitutes confidential information under FTC's privacy rules however this information was discussed outside of any specific efforts to arrange financing.

Recommendation: Close.

Commission Decision: **Approved**

77. 2019061391 (SH)

First Licensed: 07/06/2009

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – Multiple open complaints related to failure to deliver title.

Complainant claims to not have received title since purchasing the vehicle in November 2018. Surety bond information was sent to Complainant. Respondent has closed as of June 2019. A proposed Consent Order to surrender its license has previously been sent on August 2, 2019.

Recommendation: Include this complaint with the Consent Order that has been sent to Respondent.

Commission Decision: **Approved**

78. 2019061851 (SH)

First Licensed: 09/01/1991

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$500 civil penalty for unlicensed activity. 2015 – One complaint closed without action.

Complainant returned the vehicle she purchased from Respondent on December 14, 2018 due to it over heating and leaking antifreeze. Complainant states the Respondent claimed to have fixed the problem by replacing hoses. Twelve hours later Complainant had to take it back for the same reason. When the same problem happened for the third time, she took it to another dealer and was told it was a blown head gasket. Complainant took it back to Respondent to have it repaired. Within 2 months, the problem occurred again.

Respondent admits Complainant has had numerous problems with their vehicle however they have made every attempt to ensure that their vehicle is repaired correctly. Complainant has had multiple coolant leaks from different component failures each time. All repairs have been covered by the manufacture warranty and Respondent has provided a rental car at no cost. Respondent claims the Complainant filed complaints with the manufacturer and recently reached a settlement due to their vehicle having multiple problems.

It seems the problems with the vehicle were manufacturer related and not due to the Respondent's actions.

Recommendation: Close.

Commission Decision: Approved

79. 2019024261 (ES)
First Licensed: Unlicensed
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

The State of Tennessee Motor Vehicle Commission ("Commission") received a complaint from an attorney who represents TitleMax in a civil case in Chancery Court filed by the Respondent. The complaint alleges Respondent is engaging in curbstoning and title jumping. An investigation was conducted.

The investigator found evidence that Respondent reported seven vehicles sold (one being the vehicle sold to Complainant) from the dates of 6/20/18 through 1/18/19 without a license. Respondent has no complaint history with the agency prior to this complaint and was granted a Used Motor Vehicle Dealer license on 5/7/19. Respondent immediately applied for the license as soon as the complaint was filed and the investigator made him aware of the requirements, therefore Counsel recommends a Letter of Warning for unlicensed activity.

Recommendation: Letter of Warning for unlicensed activity

Commission Decision: **Approved**

80. 2018063361 (ES)

First Licensed: 06/23/2017

Expiration: 06/30/2019 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Two complaints open for failure to deliver title.

Complainant alleges failure to deliver title after purchasing a vehicle from Respondent. Respondent cancelled their license on 7/29/19 and closed the dealership, and their license expired 6/30/19. The surety bond information has been sent to Complainant.

Recommendation: Close and flag.

Commission Decision: **Approved**

81. 2019002771 (ES)

First Licensed: 09/01/1991

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent on 6/9/09 and files this complaint over ten years later. Complainant alleges he was provided with a clean CarFax report that showed no accidents or prior damage. What Complainant really had was a CarFax Branded Title Check from 7/7/09. When Complainant inquired about trading the vehicle last year, he was informed a CarFax report showed a wreck on 11/14/08. Respondent dealership was recently purchased by a new owner and although they kept the same dealer license number, they obtained a new bond. The new owner met with Complainant to try to assist and go over his concerns regarding the transaction made many years ago under different ownership. The new owner offered him top Blue Book value for his vehicle if he wanted to trade it in. Counsel recommends closure considering the length of time that has passed since the transaction and change in ownership, and misunderstanding about the CarFax documents.

Recommendation: Close.

Commission Decision: **Approved**

82. 2019009271 (ES)

First Licensed: 09/20/2007

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed with letter of caution for misrepresentation. 2016 – One complaint closed with letter of warning for failure to deliver title. 2015 – One complaint closed without action.

Complainant outlines concerns about the Respondent charging a \$995 GAP Insurance fee after allegedly telling him it was being included for free as part of the negotiation process to purchase a vehicle. An investigation was conducted and specific emphasis was placed on obtaining supporting information which might assist in determining whether the Respondent exhibited deceptive business practices during the course of their dealings with Complainant. The investigator met with the General Manger who admitted there was a discrepancy with the Complainant's transaction. Respondent began researching the matter after receiving this complaint and discovered Complainant had been charged an additional \$995 for GAP Insurance. Respondent stated it was a simple oversight on their behalf after the deal was transferred over to Financing for finalization of the purchase. Respondent explained that Finance must have inadvertently included it as an additional charge. Respondent is willing to refund Complainant the full amount.]

The investigator reviewed the deal file and Complainant's copy of the purchase agreement (sales receipt). The investigator felt it important to note that Complainant's sales receipt failed to identify the GAP Insurance being billed as an additional expense after obviously being charged for it. This discovery tends to indicate the Respondent exhibited a form of dishonesty in relation to this transaction. The investigator found it especially concerning that, in the records which were provided us by the Respondent, there is what could be best described as two different sales receipts included within the same deal file. The one receipt labeled as being the "Agreement" doesn't identify an added expense being charge to Complainant for GAP Insurance. However the other, identified as being the "Invoice and/or Bill Sale", there's a line item specifically indicating the \$995 GAP insurance was being included as an additional charge being applied towards the final selling price of the vehicle. Furthermore, when asked, the Complainant denied having ever seen the "Invoice and/or Bill of Sale." The discrepancies found between the two receipts appear to suggest there was questionable conduct and possible dishonesty exhibited by the Respondent in relation to this deal. Counsel recommends assessing a \$5,000 civil penalty for Respondent's actions which rise to the level of false, fraudulent and deceptive acts.

Recommendation: \$5,000 civil penalty for false, fraudulent and deceptive acts

Commission Decision: Approved

83. 2019009771 (ES)

First Licensed: 03/02/1998

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed without action.

Complainant is a resident of Iowa who alleges Respondent advertised a car through cargurus.com at a price that was \$1,000 less than what Complainant wound up paying for it. Complainant also claims that the vehicle's condition was misrepresented considering the repairs that have been necessary since the purchase. Despite much effort, the investigator was unable to contact Complainant who did not provide a phone number and did not respond to multiple emails. Respondent attested that Complainant knew exactly what the price of the vehicle was before traveling to Tennessee to purchase it. The price included a \$1,300 increase that was pointed out to Complainant for the cost of repairs that were made during an inspection to the vehicle prior to purchase. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

84. 2019011481 (ES)

First Licensed: 09/01/1991
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent's owner sold him a salvage vehicle that could not be titled because of failure to complete the necessary paperwork. An investigation was conducted which revealed that Respondent's owner has passed away recently. The investigator informed Complainant of this and Complainant stated he was just following the procedure with the bond company to try to recoup his money, and further stated he did not wish to pursue the complaint against Respondent dealer.

Recommendation: Close.

Commission Decision: Approved

85. 2019016661 (ES)

First Licensed: 10/26/2009
Expiration: 06/30/2021
License Type: Motor Vehicle Manufacturer/Distributor
History (5 yrs): 2018 – One complaint closed without action.

Complainant purchased a used vehicle from a dealer Ron 3/13/18 and alleges that it has been plagued with issues ever since. Respondent is the manufacturer. Complainant feels the issues are safety related and could cause catastrophic results should the onset be untimely. An investigation was conducted. Complainant has taken the vehicle to an authorized service center on several occasions to no avail. Complainant alleges a corporate representative was dismissive and ultimately offered no remedy but to trade the vehicle, which Complainant ended up doing. The investigator spoke with the Comptroller of the dealership where the vehicle was purchased and they had never been contacted by Complainant or about anything having to do with that vehicle or transaction. Their records of intake/safety check revealed no problems whatsoever. A statement from the authorized manufacturer service department states that they have corrected any issues they could find but were unable to reproduce the exact problems experienced by Complainant. Respondent General Motors provided the vehicle with a 3 year / 36,000 mile warranty which ended on 03/15/2019 or at 36,495 miles, whichever came first. Any repair made after expiration has to be paid by the Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

86. 2019059601 (ES)

First Licensed: 05/26/2011
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Four complaints closed without action. 2016 – Two complaints closed without action. 2015 – Two complaints closed with \$750 civil penalty for failure to produce title/registration.

Complainant alleges Respondent had an advertisement listing a Dodge Ram 1500 for \$54,740. Complainant emailed Respondent about the vehicle and asked for a quote. The quote Complainant received was for \$65,729.75 and when he inquired as to why the price was higher than the ad, Complainant got no response. Complainant alleges the ad was removed and vehicle relisted at a much higher price. Respondent states that

the ad Complainant refers to ran on 6/30/19 and was for a 2019 Ram 1500 Limited, and the ad shows a dealer discount, which includes a FCA rebate of 15% off Ram trucks. This was an incentive that ran through 7/2/19, meaning any purchase after 7/2/19 would not have the 15% off rebate option. Complainant contacted Respondent online on 7/2/19 inquiring about this truck and Respondent responded the same day and then Complainant had a few questions and noting he was out of state. The questions included what options the vehicle had, if it was available in another color, whether he could finance at 0% for 36 months, etc. Respondent explained the rebates change with that kind of rate and plan based on the FCA incentive configurator and what they offer. Complainant was offered \$3,250 in rebates per the FCA guidelines and configurator pulled. Complainant told Respondent's salesperson on 7/4/19 that he would wait for a better price once he reviewed the deal breakdown. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

87. 2019061941 (ES)

First Licensed: 03/03/2004

Expiration: 02/29/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used BMW vehicle from Respondent on 6/26/19 with a 30-day/1,000 mile warranty. Complainant states he agreed to purchase the vehicle only if Respondent fixed the alignment, which he alleges they agreed to do. Respondent was surprised Complainant filed this formal complaint because they have remained in constant contact with him and never disclaimed the express limited warranty. Respondent performed the alignment work as promised but the engine light came on at a later date. Complainant took it to a BMW dealership and they made significant repair recommendations. Respondent then rescinded the sale considering the mechanical problems and refunded Complainant.

Recommendation: Close.

Commission Decision: Approved

88. 2019062121 (ES)

First Licensed: 02/28/1996

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges Respondent promised to fix any problems if they should arise considering the owner had been driving the car back and forth from home to work for a short time without any problems. Complainant alleges many mechanical issues arose after purchase and Respondent made some repairs. Respondent provided documentation showing Complainant purchased the vehicle as-is with no warranty, as noted in the signed Buyer's Guide. The vehicle has almost 185,000 miles on it and normal wear and tear is expected and maintenance will be required, as Complainant was made aware. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

89. 2019062231 (ES)

First Licensed: 09/30/2009

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2016 - One complaint closed with letter of warning.

Complainant purchased a used vehicle from Respondent and alleges the car does not run and has only been able to use it less than ten times in the two months she has owned it. Complainant states she paid \$2,000 for the car and planned to pay the balance a few weeks later but had to change payment plans because of the cost of all of the repairs. Complainant states Respondent has not fixed the issues. Since the complaint was filed, Respondent has repaired the vehicle to Complainant's satisfaction despite the fact Complainant was in breach of contract regarding payments when the complaint was filed. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

90. 2019062791 (ES)

First Licensed: 01/02/2014

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant and his brother financed a used vehicle from Respondent in February 2018. Complainant notes he was trying to get his feet back on the ground and since they both had bad credit, they had been denied at other dealerships. Complainant alleges Respondent took advantage of them by selling them the worst car on the lot, alleging many mechanical issues and claiming the car could only be driven for a month and a half until it broke down. Complainant states Respondent would not work with them to trade the vehicle and claims they are still being denied financing because they still owe money for this vehicle. Respondent explains that Complainant test drove the vehicle, had the opportunity to take it to a mechanic and ended up purchasing it as-is with no warranty. Complainant still owes a balance towards the down payment and never had the vehicle towed to Respondent's shop to be repaired despite Respondent's offer. Respondent has nothing to do with the balance owed to the financing company which Complainant claims is affecting their ability to buy another car. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

91. 2019053321 (SH)

First Licensed: 08/06/2001

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed without action. 2016 – Two complaints closed without action.

Complainant alleges Respondent is bullying and harassing him to pay them an additional \$3,000 for a car that he paid in full. Complainant claims Respondent will not accept the two vehicles which were trade-ins and valued at \$3000 on the Retail Buyers Order. Since trading in the vehicles, Complainant alleges several people from the dealership are now bullying and harassing him to come and pick up the vehicles and pay them the additional \$3,000. Complainant claims there were no issues brought to his attention regarding the two cars that were traded in at the time of purchase. Complainant says that his temp tag expires soon and no paperwork has been provided in order to register the vehicle.

Respondent states that the Complainant would not provide the titles to the two traded vehicles so they had to apply for lost titles. Respondent denies it has bullied or harassed the Complainant. Respondent also needed the lost titles so they could prepare the paperwork for registration.

Recommendation: Close.

Commission Decision: Approved

92. 2019054681 (SH)

First Licensed: 09/01/2017

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant traveled almost 2000 miles to purchase a vehicle from Respondent. Complainant states it was the worst car buying experience and Respondent lacked integrity, customer service and knowledge of the vehicle. Complainant also states that when he met with the Finance Director to sign paperwork, he was only given the Bill of Sale and no other documents that Complainant signed. Complainant demanded copies and when they were presented some of the documents did not have signatures. When the vehicle was pulled around Complainant noticed something hanging down from the bottom. Apparently the lift dug into the plastic frame on the sides causing damage.

Respondent has not offered a response.

Recommendation: Send Letter of Warning.

Commission Decision: Approved

93. 2019055191 (SH)

First Licensed: 04/06/2017

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent gave her four different vehicles because something was wrong with each of them such as a bad engine or the Respondent could not obtain the title. Complainant claims that she did not receive paperwork for the fourth vehicle and cannot get her tags. Complainant alleges she was pulled over and received a ticket due to not being the proper owner of the vehicle.

Respondent states the Complainant was swapped out of the vehicle due to an engine problem at no additional costs. Respondent properly registered the vehicle and provided separate paperwork on the other vehicle. According to Respondent, Complainant received a ticket for not having insurance on the vehicle and failing to yield.

Recommendation: Close.

Commission Decision: Approved

94. 2019055871 (SH)

First Licensed: 03/08/2017

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant, a Georgia resident, purchased a vehicle from Respondent located in Tennessee and paid \$98.00 in state sales tax and \$71.00 for tag and title fee. Respondent told Complainant that the vehicle was bought at an auction and he would provide a bill of sale but the title would have to be mailed. After several months Complainant finally got the title. When Complainant took the title and paperwork to the local Georgia tag office to have the vehicle tagged it was discovered the Respondent had not paid the taxes to the State of Georgia. Complainant was notified the taxes would have to be paid before being able to obtain a tag. Complainant has been unable to reach the Respondent.

Respondent has not provided a response.

Recommendation: Send Letter of Warning.

Commission Decision: Approved

95. 2019060681 (SH)

First Licensed: 01/22/2010

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action.

Complainant, a Missouri dealer, purchased a vehicle from auction on May 22 2019 and Respondent was the selling dealer. As of July 10 2019 Complainant has not received title for this vehicle. Complainant alleges the auction has made several attempts to contact Respondent regarding this title with no reply. No one has returned Complainant's call regarding this matter. Complainant has since sold this vehicle.

Respondent states they announced the title was absent, as required, at the time of sale. Respondent has been in contact with the auction and believes they have no obligation to Complainant, only to the auction. Complainant has sold the vehicle without a title instead of arbitrating with the auction any issues regarding the sale.

Recommendation: Close.

Commission Decision: Approved

96. 2019063251 (SH)

First Licensed: 04/06/2010

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed without action.

Complainant is requesting a lien release from the Respondent. Respondent has been closed for over a year. Respondent's surety bond and contact information has been sent to Complainant.

Recommendation: Close.

Commission Decision: Approved

97. 2019061561 (SH)

First Licensed: 10/23/2015
Expiration: 10/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed without action.

Complainant alleges deceptive sales practices and price gouging involving an “add on” product that is a theft protection warranty. Complainant alleges that this protection is added to all vehicles and cannot be refused even though the language states it is voluntary. The Respondent instead said it would lower the vehicle price the same amount of the protection price.

Respondent believes there was some miscommunication on behalf of the salesperson and has offered to refund the protection price to Complainant. Respondent states that there are no products that are mandatory for the purchase of any vehicles.

Recommendation: Close.

Commission Decision: Approved

98. 2019061641 (SH)

First Licensed: 04/01/2005
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – Two complaints closed without action. 2015 – One complaint closed with \$2,750 civil penalty for failure to supervise salesmen.

Complainant purchased a vehicle for \$7,000 and was told it needed a new battery. Complainant drove the vehicle home and it would not start the next morning. Respondent came to the house and jumped started the vehicle and took it back to the shop. Complainant felt there were other electrical issues but nothing was mention by Respondent. Complainant was told the battery was defective and replaced with a new one. Complainant took the vehicle to another dealer and it was discovered that 38 out of 40 electrical codes had warnings, the manifold was cracked and the sway bars were bad. Complainant notified the Respondent and was told they would make things right but when Complainant arrived, the owner of Respondent refused to help and told him it was sold “As Is”. Complainant alleges he has spent over \$10,000 for a vehicle that won’t trade over \$3,000.

Respondent states the Complainant test drove the vehicle and had every opportunity to take the car to a mechanic of his choice before he purchased. The vehicle was sold “As Is” and Complainant acknowledged on the Buyer’s Guide. Respondent states that they previously purchased the vehicle from auction for \$6590 and paid for an inspection which showed passed. Respondent provided a market value sheet showing \$5675.

Recommendation: Close.

Commission Decision: **Approved**

99. 2019061931 (SH)

First Licensed: 10/09/2003

Expiration: 10/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action.

Complainant purchased the vehicle on January 5, 2019 and a few days later there were several issues so she returned the vehicle. Respondent allegedly could not service the vehicle for at least 2-3 weeks due to heavy volume. Complainant voiced her concern because then that would take her out of the return period. When Complainant received her vehicle after repair the air bag light stayed on and the vehicle struggled at acceleration. She returned the vehicle however the Respondent could do nothing due to the warranty expiring. The vehicle eventually stalled and was returned to the Respondent.

Respondent is willing to accept the returned vehicle, return Complainant's down payment, return the extended service plan for a credit to the lienholder and pay off the remaining loan balance.

Recommendation: Close.

Commission Decision: **Approved**

100.2019063711 (SH)

First Licensed: 05/13/2014

Expiration: 02/29/2020 (CLOSED – 04/01/2019)

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed without action.

Complainant purchased loans from Respondent and discovered one customer could not register the vehicle and it had not been processed since October 2018. Our investigation determined Respondent had sold his business and the new owners were receiving complaints regarding customers having difficulty registering their vehicles. Respondent was unable to be found or contacted. Complainant was given surety bond information in order to register the vehicle in question.

Recommendation: Close and Flag.

Commission Decision: Approved

101.2019065291 (SH)

First Licensed: 07/02/2013

Expiration: 06/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2018-2019 – Several complaints open related to failure to deliver title.

Complainant was making payments on the vehicle to Respondent. Respondent has closed and no longer able to be reached. Complainant did not receive his tags and has questions about paying for the vehicle. Complainant was given the surety bond information for assistance. This Commission has previously authorized voluntary revocation. The Respondent's license has expired.

Recommendation: Include this complaint with the pending action against Respondent.

Commission Decision: Approved

102.2019033261 (SH)

First Licensed: 05/14/2007

Expiration: 04/30/2019 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant sent a letter to the Attorney General's Office asking who to contact after finding out that the vehicle he purchased was involved in a wreck prior to purchase. This information was allegedly not disclosed to the Complainant. The papers that were provided showed the Respondent sent the Autocheck report to Complainant informing him that the vehicle was involved in a wreck 4 ½ years ago but this was after purchase. The title is not shown to be salvaged or rebuilt.

Recommendation: Close.

Commission Decision: Approved

103.2019063011 (ES)

First Licensed: 09/05/1997

Expiration: 09/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed without action.

Complainant took his vehicle to Respondent's service department to have his windshield repaired after informing his insurance company of the crack. The serviceman allegedly never asked for the insurance claim but stated he had been in the auto business for thirty years. He ordered the windshield and replaced it and Complainant received a bill for \$2,418.57. Complainant was upset about the bill and contacted his insurance agent who stated that Respondent should have contacted them before installation. The insurance company paid the bill but Respondent wants Complainant to pay a deductible. Complainant finds this to be deceptive, unfair and contrary to Tennessee law. Respondent notes Complainant is a well-respected and valuable client and they regret any confusion surrounding his most recent visit regarding the windshield replacement. Respondent states that Complainant asked them to special order a factory replacement windshield and while awaiting the special order, non-factory options were offered and declined. Respondent was never informed by Complainant that he had contacted his insurance company and actually suggested that he do so when the replacement was completed. Respondent notes that individuals determine their rates, coverage and deductibles directly with their insurance carriers and repair shops routinely collect the deductible amounts on claimed repairs if informed. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

104.2019064601 (ES)

First Licensed: 09/01/1991

Expiration: 07/31/2002 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle from Respondent in 1998 and lost the title. When Complainant went to the clerk's office to file for a lost title, she was informed there was a lien on the vehicle. Respondent has been closed since 2002 and Complainant was sent the surety bond information.

Recommendation: Close.

Commission Decision: Approved

105.2019064831 (ES)

First Licensed: 04/11/1994

Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant filed a complaint on 7/29/19 alleging that the vehicle they purchased from Respondent did not have a new hybrid battery as expected. However, Complainant asked that this complaint be withdrawn on 8/2/19 because they came to a resolution regarding this matter.

Recommendation: Close.

Commission Decision: **Approved**

106.2019064841 (ES)

First Licensed: 01/08/2013
Expiration: 11/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed with \$2,000 civil penalty for unlicensed activity.
2015 – One complaint closed without action.

Complainant purchased a used vehicle from Respondent but had heard a noise while he was test driving it. Complainant asked if he could bring the car back if something was wrong with it and Respondent told him that he could and there was a 90 day warranty. Complainant had to buy a new battery and continuously put steering fluid in until he eventually brought it back to Respondent to have their mechanic look at the vehicle. Complainant alleges that he has been unable to resolve the issues with Respondent because the warranty is “no good.” Respondent explains that the vehicle was sold as-is except for a limited power train warranty which covers the engine, transmission, etc. and does not cover items currently at issue with Complainant’s vehicle. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

107.2019064971 (ES)

First Licensed: 07/05/2002
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed without action.

Complainant is a resident of North Carolina who purchased a collectible Jeep Grand Wagoneer from Respondent in early June 2019 and alleges Respondent has failed to mail the title. Complainant was given one temporary tag before the complaint was filed. Respondent sent a second temporary tag after the complaint was filed and sincerely apologized for the delay in getting the tag to Complainant. The person who has been responsible for this had a series of strokes and Respondent is working on a replacement but made sure to overnight the title to Complainant well before the second temporary tag expired.

Recommendation: Close.

Commission Decision: **Approved**

108.2019065541 (ES)

First Licensed:

Expiration:

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed with agreed citation. 2016 – One complaint closed with letter of warning.

An inspection was conducted at Respondent dealership on 7/24/19 which revealed the following violations:

- Issuing temporary tag to a salvage vehicle in violation of TCA §55-17-114
- Failure to produce business records in violation of Rule 0960-01-.11
- Failure to disclose motor vehicle salvage history in violation of Rule 0960-01-.29

The inspector notes that he has issued Notice of Violations to Respondent for some of the same recurring violations on 6/30/16, 8/7/17 and 2/20/19. A Notice of Violation was issued during this inspection as well citing the three violations in referenced in bullet points above. Counsel recommends assessing a \$1,000 civil penalty for each of the three violations for a total \$3,000 civil penalty.

Recommendation: \$3,000 civil penalty for violations of TCA §55-17-114, and Rules 0960-01-.11 and 0960-01-.29 and re-inspect dealership in 30 days.

Commission Decision: **Approved**

109.2019061191 (ES)

First Licensed: 07/16/2015

Expiration: 06/30/2021

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): None.

Complainant purchased an engine cradle for \$600 from Respondent and once it was received, Complainant's mechanic noticed it was damaged and not usable. Complainant contacted Respondent and asked for another one but there were no more in stock, so Complainant asked for a refund. Respondent states that the mechanic who pulled the part did not notice damage, nor did the delivery guy. When it was delivered to Complainant, the delivery guy had to wait 15 minutes for Complainant's staff to check it over and state that it looked good after their inspection. Complainant sent a few pictures to Respondent per their request but no damage can be seen. The receipt states no cash refunds, 25% restocking fee on accepted returns and Respondent argues Complainant waited 7 days to call and Respondent offered to come by and look close at the part to identify their markings, and if the markings were there and it was damaged, Respondent would take it and issue a credit for the full amount. Complainant refused this offer. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **Approved**

110.2019054121 (ES)

First Licensed: 01/10/2019

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

An inspection was conducted at Respondent's dealership on 6/12/19 and a Notice of Violation was issued for having an expired county business tax license. The license had expired on 5/15/19. Counsel recommends assessing a \$250 civil penalty for violation of Rule 0960-01-.25.

Recommendation: \$250 civil penalty for violation of Rule 0960-01-.25 – failure to maintain an active county business tax license

Commission Decision: Approved

111.2019056061 (ES)

First Licensed: 04/12/2004

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

An inspection was conducted at Respondent's dealership on 6/20/19 and a Notice of Violation was issued for having an expired county and city business tax license. The licenses had both expired on 5/15/19. Respondent's bookkeeper and tax preparer responded to the Notice and asked that any civil penalty be waived considering the ongoing issues Respondent has had with TNTAP in processing business license returns. Respondent tried renewing and processing the licenses before they expired but the TNTAP system had updated resulting in Respondent not being able to gain access in order to print updated licenses. The update system made it impossible for businesses to gain access to their accounts and licenses, and Respondent attempted numerous times to print copies of the renewed new licenses and also called the city and county office numbers but was never successful. Respondent would regularly be placed on hold for long periods of time only to be answered by a voicemail message. The bookkeeper has had to personally travel to the office of the Dept. of Revenue in the closest big city and appear before the City Business Services Division in order to finally be able to obtain copies of business licenses for other clients. Respondent had active licenses and has since obtained printed copies. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Approved

112.2019058411 (ES)

First Licensed: 09/01/1991

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges that when purchasing a new vehicle from Respondent, Respondent failed to provide a copy of the contract and did not explain why the monthly payment amount would be more than initially quoted. Complainant states that she declined to purchase an extended warranty and it wasn't until the day after purchase that she was emailed a copy of transaction documents so she could look at the breakdown of the costs. Complainant was informed the deal would not be final until the following week because she still needed to acquire insurance, a Georgia driver's license and pay the down payment. Complainant feels that she was coerced into purchasing the vehicle and was left with many questions. Respondent provided the deal file and explained to Complainant that Tennessee considers rebates taxable, therefore it must be added to the vehicle price, tax it, then show it as cash down but collect the rebate amount from the manufacturer, not the consumer, which is what Respondent did with this transaction. Respondent explained that the purchase came with a Lifetime Powertrain Warranty and Complainant declined the 7 year/100,000 mile warranty that showed to be an available purchase on the sticker. Respondent explained that the sales associate who helped Complainant when she first began looking at vehicles cannot be expected to know exactly what they payment will be but can present a range, which is what was presented to Complainant. Respondent has an electronic finance process that is interactive with customers, they review and sign on a screen that takes up an entire desk surface. The finance manager walks through each step, pointing out specifics, answering questions, etc. and both the manager and customer sign everything electronically. The documents are date and time stamped and customers are given an electronic copy on a thumb drive and can print and access it as they choose. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: Approved

113.2019057281 (SH)

2019068681

First Licensed: 05/26/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with letter of warning for advertising violation. 2015 – One complaint closed with \$6,000 civil penalty for failure to provide

title/registration.

Complainant took his vehicle to respondent for the 25,000 mile inspection which was to include tire rotation. Complainant alleges Respondent failed to rotate tires and even further, brake wear measurement was not conducted since they did not remove the tires for rotation. The invoice Complainant was given shows tire rotation and wear measurement.

Respondent has yet to provide a response.

Recommendation: Send Letter of Warning.

Commission Decision: Approved

114.2019065371 (SH)

2019068301

First Licensed: 03/01/2018

Expiration: 02/29/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

The two complaints are related to the same incident. On 7/29/2019 Complainant was pulled over in her 2010 Nissan Maxima. The police officer ran the tag and informed Complainant the tag was registered to the previous registered owner. The police officer also noticed two other tags on the vehicle, one belonging to a Chevy truck and the other tag in another person's name. Complainant received a ticket that for fictitious plates and towed. The vehicle was impounded while the investigation was pending. An investigation was conducted. The lienholder of the previous registered owner was contacted and stated the vehicle was repossessed and sold at auction. The buyer was Respondent. Respondent then sold the vehicle to Complainant and filed for a title but there was no copy of a registration for Respondent as the owner of the vehicle before it was sold. NCIC was contacted and it was determined that the temp tag was in Complainant's name but not the registration. It was also still showing the previous lienholder.

Respondent stated that the paperwork and temp tag shows to be under Complainant's name on 7/5/2019 which is before the traffic stop.

It was also determined that Respondent has 37 outstanding titles that need to be funded however Respondent is unable to pay the floor planner. Our field agent has been in contact with Respondent and keeping us apprised of the situation. The Respondent's license has not been closed so that Respondent is able to process the title work and register the current owners. There is a concern that the Respondent may be selling out of trust in order to fund the others however there is no evidence at this time.

Title and registration has been transferred to Complainant on 8/13/2019.

Recommendation: Authorize to place in monitoring status.

Commission Decision: Approved

115.2019066331 (SH)

First Licensed: 09/01/1991

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$500 civil penalty for unlicensed activity.

Complainant made a cash purchase for a vehicle from Respondent on 5/14/2019 and have not received the title as of 8/5/2019. Complainant states they are on their fourth temp tag.

Respondent states the title is being processed in Illinois and having difficulties.

Complainant took the vehicle to Respondent on 8/10/2019 and were refunded the entire purchase price.

Recommendation: Authorize civil penalty of \$1,000 for issuing three temp tags over the limit allowed by law without authorization.

Commission Decision: Approved

116.2019058041 (SH)

First Licensed: 11/22/2005

Expiration: 10/31/2019

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): None.

Complainant bought an engine mount from Respondent. Complainant alleges that upon entering the facility Respondent forced him to pay \$20. The \$20 was returned however Complainant alleges he was scammed out of \$63 worth of gasoline.

Respondent stated they charge a \$2 fee to pull your own part(s) and have no idea what the Complainant is talking about.

Recommendation: Close.

Commission Decision: Approved

117.2019064051 (SH)

First Licensed: 03/14/2018

Expiration: 01/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant bought a vehicle from Respondent on 5/21/2019. Shortly after, Complainant took the vehicle to Respondent for repairs. Complainant alleges the salesperson sexually harassed her. Complainant moved to Florida in July and learned the vehicle had not been transferred into her name as of 7/25/2019 when she went to have the vehicle registered.

Respondent denies the sexual harassment allegations. Respondent stated that repairs were made even though the vehicle was sold "as is" and that Complainant is fabricating the allegations because she knows Respondent is trying to repossess her vehicle due to nonpayment. Complainant states she has not made payment due to her not being the registered owner. Respondent admits the registration had not been transferred because Complainant moved to Florida without giving notice. Complainant did not finish making the deferred down payments and took the vehicle to Florida. Respondent states that registration and title has been transferred as of

8/5/2019 and they are in the process of repossessing the vehicle.

Recommendation: Close.

Commission Decision: Approved

118.2019064461 (SH)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

This complaint involves a single vehicle sale and purchase between two individuals therefore the Board does not have jurisdiction.

Recommendation: Close.

Commission Decision: Approved

119.2019064941 (SH)

First Licensed: 09/01/1991

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – Two complaints closed without action.

Complainant alleges numerous problems experienced with Respondent when purchasing a vehicle on 6/22/2019. Problem 1: the vehicle was not cleaned and Complainant found food, sunglasses, knives, junk in the pockets, glove boxes, and compartments. Problem 2: Respondent broke the license plate holder when trying to screw the tag on. This led to Complainant getting pulled over for an improperly placed tag. Problem 3: Brake lights did not work and Complainant was told they would be replaced. Problem 4: the finance department attempted to slip in hidden charges such as GAP insurance and extended warranty that Complainant did not consent. Complainant alleges Respondent stated that if the warranty and GAP was not purchased then Complainant could not purchase the vehicle. Problem 5: Complainant was told to come back in the following week so they could replace the brake light, the license plate holder and fix a missing seat belt cover. Complainant alleges she spent hours waiting only to be told, "We don't have time today, nor do we

have the parts". Complainant alleges she signed another contract for the vehicle and ended up signing 3 over this buying process. Problem 6: The financing company called to complete the loan interview to fund the vehicle to the dealership. Complainant alleges deceptive practices when Respondent asked Complainant to tell the loan company that the vehicle was in good condition even though the brake lights did not work. Complainant alleges Respondent told her that they would not fix the issues unless the deal was funded. Problem 8: The vehicle was returned after repairs with no gas. Problem 9: Complainant does not have her tags and it has been over a month. Complainant stated she was pulled over and was informed that the tag had expired. When Complainant called the County Clerk she was told that the Respondent had not ran the vehicle through emissions before the vehicle can be registered to Complainant.

Respondent stated that the vehicle was traded in by the previous owner the day before this sale and did not get the full attention due to being busy on the weekend. Also, due to it being the weekend, Respondent did not have the service staff needed to immediately fix the issues. The brake lights were functioning and the light Complainant was speaking of was the middle hatch light, which was fixed. Respondent denies trying to slip in extra items such as warranty and GAP. These products were explained at sale and Complainant refused both. When Complainant came in to have the issues repaired, Respondent had to order certain parts that would not be in until the next day. Complainant was not happy so Respondent offered to pick up the vehicle in order to avoid more waiting time for Complainant. Respondent picked up vehicle and made the necessary repairs and did a used car inspection. Respondent denies any deceptive practices when funding the Complainant. Respondent had an agreement to make repairs and the bank required an interview with Complainant. All issues were addressed after the repairs were made and bank funded. Respondent offered coupons for free oil changes and tire rotation for the gas issue. Respondent admits the vehicle should have been run through emissions after the repairs were made and before delivery to Complainant. Respondent states it was on oversight however Complainant had received her tags and registration on August 8, 2019.

Recommendation: Send Letter of Warning concerning late delivery of title and supervision.

Commission Decision: Approved

120.2019066091 (SH)

First Licensed: 05/03/2004

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with \$500 civil penalty for failure to disclose

salvage title.

Complainant purchased a vehicle that was being advertised with a \$1,200 down payment. Complainant alleges Respondent charged her \$1,500 and refuses to accept the return of the vehicle and refund the down payment. Respondent states the error was due to software issues and have worked it out with Complainant.

Recommendation: Issue Letter of Warning concerning advertising rules.

Commission Decision: Approved

121.2019066101 (SH)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

Complainant states he purchased the vehicle in February of 2019 and has had no contact with the seller since April 2019. Complainant has not received any paperwork to allow him to register and tag the vehicle. The Complainant stated he purchased the vehicle from Respondent at a certain address. An inspector went to this location and found that it is a residence in a residential area. There is no signage or vehicles displayed for sale at this location that would indicate this is a car dealer. The inspector attempted to contact the resident at this location but had negative results. Complainant has stopped communicating. This sounds like it was an individual sale.

Recommendation: Close.

Commission Decision: Approved

122.2019068171 (SH)

First Licensed: 01/23/2017

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$250 civil penalty for advertising violation.

Complainant purchased a vehicle and alleges that 4 days later the check engine light came on. It was determined to be a temperature gauge problem that was not covered under warranty. Complainant also alleges the automatic windows did not work and were not disclosed. Complainant passed emissions and went to the clerk's office to register the vehicle however it an issue with the title was discovered. Respondent gave a second temp tag to Complainant. Respondent states that the auction is working to fix the issue with the title and will soon have it. Respondent also states the Complainant knew about the automatic windows and that is why the vehicle was sold at wholesale price and not asking price.

Recommendation: Send Letter of Warning concerning late delivery of title.

Commission Decision: Approved

123.2019068371 (SH)

First Licensed: 02/20/2013

Expiration: 02/28/2019

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): None.

A Notice of Violation was issued against Respondent on August 7, 2019 for conducting business on an expired Dismantler and Recycling License and General Liability License since February 2019. Respondent does hold a valid dealer license.

Recommendation: Authorize a civil penalty of \$250 for expired liability insurance and \$500 for an expired Dismantler/Recycler license for a total of \$750. Further, Respondent shall renew its license and liability insurance within 30 days.

Commission Decision: Approved

124.2019059381 (SH)

First Licensed: N/A

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

An inspection determined that Respondent is unlicensed and sold ten vehicles between October 1, 2018 and June 18, 2019; five over the individual limit. The inspector found a garage with signage behind a residence where the vehicles were being sold. Respondent stated he is currently applying for a dealer license however as of this date Respondent has not made an application.

Recommendation: Authorize a civil penalty in the amount of \$2,500 for unlicensed activity.

Commission Decision: Approved

125.2019062271 (SH)

First Licensed: 08/27/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on April 11, 2019 and took the vehicle through emissions. The paperwork was given to Respondent on April 18, 2019 and Complainant was told her permanent tags would be in by May 18, 2019. Three months later the tags have not been delivered and Complainant is on her fourth temp tag. Complainant was told that the issue was due to a previous lien.

Respondent included proof that the tags were delivered to Complainant on August 13, 2019.

Recommendation: Authorize a civil penalty of \$1,000 for issuing two temporary tags over the limit allowed by law without authorization.

Commission Decision: Approved

126.2019062321 (SH)

First Licensed: 09/01/1991

Expiration: 09/30/2007 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on June 19, 2019 and was given a 30 day warranty by Respondent. If the vehicle had issues that could not be repaired the Respondent would refund the down payment. The vehicle began to have issues and leak fluids three days later. Complainant returned the vehicle for repairs and picked it up on June 29. The vehicle still had fluid leak issues and engine noises. The vehicle was left on the side of the road due to engine power reduction. The issues with this case are the information given by Complainant does not match our records and the Complainant has not responded with additional information requested.

Recommendation: Close.

Commission Decision: Approved

127.2019067051 (SH)

First Licensed: 01/03/2019

Expiration: 09/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased the vehicle on 7/8/2019 and given a 30 day warranty. Complainant was to receive a second key but could not reach the salesperson. Complainant has also paid \$570 for headlights that did not work properly and will need O2 sensors to be replaced. Complainant wants reimbursement as the issues were within the 30 day period.

Respondent reached out to Complainant and sent a second key as requested. Respondent states the salesperson was on vacation and the Complainant admitted to calling the wrong number. Respondent has also reimbursed the Complainant for the headlights but have not received a receipt for the O2 sensors from Complainant.

Complainant denies calling the wrong number and is still not happy with Respondent because the check engine light came on showing a catalytic converter code. Complainant states he is in a loaner car from a friend because the vehicle it is not safe to drive. Complainant wants an extended warranty from Respondent.

Recommendation: Close.

Commission Decision: Approved

128.2019067971 (SH)

First Licensed: 02/28/2017

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges he is on his third temp tag due to the title having three different owners still on the title and unable to properly register the vehicle. Respondent states they had issues with the lienholder but have resolved the issue and have all the paperwork necessary to tag the Complainant as of August 19, 2019.

Recommendation: Authorize a civil penalty of \$500 for issuing one temporary tag over the limit allowed by law without authorization.

Commission Decision: Approved

129.2019069481 (SH)

First Licensed: 09/01/1991

Expiration: 10/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed without action

Complainant alleges when they purchased a vehicle on July 5, 2019, he and his wife were told that they would be paying 2.99% interest if they get the car certified and take the car before the promotion ended the next day. He advised he and his wife proceeded with the purchase and met with the finance officer. Complainant alleges that finance officer at Respondent switched the interest rate from 2.99% to 4.99% on the payment plan without explaining how the monthly payments would be impacted by the change; they were never told or shown in writing that there was a different interest rate applied to their purchase, if payments went beyond 60 months; they were shown differences in the amount of payments, based on months, and asked to choose which payment best suited their needs and to sign the document; never told he would be paying 4.99% interest and was provided copies of the documents at the time of purchase, but when he inspected the documents later at his residence he noticed that they were unsigned copies. These copies were provided as part of the complaint. Complainant went to Respondent on July 8, 2019 to voice his concern about the interest rate and was told there was nothing that can be done because the 2.99% promotion had ended on July 6, 2019.

Respondent denies the allegations and presented the documents showing Complainant's signature on the 4.99% for 66 months so that his monthly payment would be lower. Respondent advised that they do have a 5 day/250 mile return or money back guarantee that Complainant signed. Complainant denies receiving this document and if known he would have returned the vehicle on July 8, 2019 when he visited the Respondent. The only issue discussed was the interest rate discrepancy according to Respondent.

Recommendation: Send Letter of Warning concerning deceptive business practices.

Commission Decision: Approved

130.2019070721 (SH)

First Licensed: 01/31/2012

Expiration: 01/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges they purchased a vehicle from Respondent on 7/1/2018 and also purchased a \$2800 extended warranty. The Complainant states the vehicle is having trouble. When the warranty company was contacted they discovered the warranty certificated had been completed but never filed or paid by Respondent. Respondent has since closed as of May 2019. The surety bond information has been given to Complainant.

Recommendation: Authorize the voluntary revocation of Respondent's license.

Commission Decision: Approved

131.2019071211 (SH)

First Licensed: 08/03/2011

Expiration: 07/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant leased a 2007 Chevrolet Malibu from Respondent from March 2015- April 2018 and paid off the lease through a third party. Complainant needs help in obtaining the title however Respondent has closed last year and filed bankruptcy. Complainant has been given the surety bond information to assist in getting title.

Recommendation: Close.

Commission Decision: **Approved**

132.2019070031 (SH)

First Licensed: 07/01/1991

Expiration: 06/30/2011

License Type: Motor Vehicle Manufacturer/Distributor

History (5 yrs): 2018 – One complaint closed without action

On 10/13/2016, Complainant contacted Respondent to build a 1957 356A Porsche replica. Approximate delivery, per the agreement, was 24 months. On 11/15/2016, a contract for total amount of \$43,645.00 was signed and \$19,000.00 was sent to Respondent. The check was received by Respondent on 11/18/2016 and signed for via certified USPS. Emails and phone calls since 2018 have gone unanswered by Respondent and all requests for updated information have been ignored as well.

Investigation revealed that Respondent has taken down payments from several other customers then not delivered the cars.

Recommendation: Refer to local DA

Commission Decision: **Approved**

133.2019060431 (SH)

First Licensed: 06/10/2004

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with letter of caution for misrepresentation of purchased vehicle. One complaint closed without action. 2017 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant alleges they cannot register their vehicle in South Carolina because the DMV told them they needed Bill of Sale from the previous two owners in addition from the Respondent.

Respondent states the previous sales were through dealerships and Complainant has all paperwork necessary, including Bill of Sale and title, to register her vehicle in South Carolina. Respondent claims they have sold numerous vehicles to customers that reside in South Carolina and have never had to provide Bill of Sales from previous owners.

Recommendation: Close.

Commission Decision: **Approved**

134.2019015161 (SH)

First Licensed: 09/09/2008

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant claims that the Respondent told her the vehicle she purchased had no issues and thoroughly inspected. Complainant was shown a clear Carfax report with no mechanical defects. After 10 months the Complainant claims the vehicle needs a new motor and believes the Respondent knew the engine was bad at the time of purchase.

Respondent has no record of selling a vehicle to Complainant. Complainant did not produce a copy of the title but did state that there is no lienholder. It is believed that Complainant filed the complaint against the wrong dealer. There has been no further response from Complainant.

Recommendation: Close.

Commission Decision: **Approved**

135.2019068861 (SH)

First Licensed: 08/19/2005

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action.

Complainant purchased a vehicle from Respondent, about 2 years ago, and has not been able to pay it off because Respondent keeps extending the payoff time by adding on interest. According to a letter received on 8/12/2019 it showed Complainant was past due \$0.00. Complainant alleges that Respondent continues to harass him and his mother for payment.

Respondent states that Complainant signed up for automatic bi-weekly payments drafted and

signed many documents showing his interest rates and number of payments to be made. Respondent states on May 9, 2019, Respondent purchased a CPI policy for Complainant as the previous one had expired. When calling Complainant to make payments on CPI it was discovered that phone numbers had been disconnected so they call his mother. Complainant's mother refused to help and she was removed from the reference list. Respondent requests Complainant to contact them or go online for payment.

Recommendation: Close.

Commission Decision: Approved

136.2019070021 (SH)

First Licensed: 09/01/1991

Expiration: 10/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 7/26/2019. Complainant alleges he purchased the vehicle for \$4,700 but Respondent says he only gave \$3,200. Complainant alleges the vehicle had problems from day one and Respondent was to fix the problems but has yet to do so. Complainant went back on the 7/27/2019 and was told to bring it to the shop to fix but only rotated the tires. Complainant alleges Respondent agreed to return his money but when he went to Respondent he was rudely spoken to and Respondent refused.

Respondent provided a Bill of Sale showing Complainant paid \$3,500 for the vehicle and \$325 in tax. Respondent also provided a detailed list of events with Complainant. On 7/26/2019 the vehicle was purchased "as is". On 7/30/2019 Complainant complained of tires being out of balance so Respondent took care of it. Two hours later Complainant returned with a check engine light on and it was determined that the gas cap Complainant bought was loose. Respondent placed the old cap on properly and that solved the issue. On 8/2/2019 Complainant returned wanting another vehicle and his money back, being verbally abusive, so he was asked to leave. Respondent states he never agreed to return any money.

Recommendation: Close.

Commission Decision: Approved

137.2019065791 (SH)

First Licensed: 07/07/2005

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed without action.

Complainant states vehicle was purchased with an APR of 17.99%. At the time, Complainant was unaware of Tennessee's state law dictating that no company may exceed 10% interest in any purchase. Complainant received legal advice and was told that the actions of the dealership were fraudulent and illegal. Per her legal advisors, Complainant was instructed to contact the dealership and request them to lower the APR. The dealership refused and argued that the APR was high because of Complainant's credit score. Complainant believes she is paying an unjust amount for my vehicle and would like for either a lower APR or reimbursement.

Recommendation: Close.

Commission Decision: **Approved**

138. 2019067851 (SH)

First Licensed: N/A

Expiration: N/A

License Type: Motor Vehicle Salesman

History (5 yrs): N/A

On August 12, 2019 our inspector drove to the home of Respondent expecting to see vehicles displayed for sale. The Complainant alleges Respondent advertises on Facebook and had 7 vehicles posted on the site for sale. The Complainant's cousin bought a car recently from Respondent which broke down a day or so later. Looking at Respondent's Facebook page it appears that 7 different vehicles were at one time listed for sale, and the photos seemed to have been taken at the Respondent's address. These posts on Facebook were in the months of April and May 2019. The inspector found no vehicles displayed for sale. One seemed to be disabled in the backyard, 2 were registered, and one did not have any tags on it.

Recommendation: Authorize a civil penalty of \$1,000 for unlicensed activity

Commission Decision: **Approved**

139. **2019072871 (SH)**
First Licensed: 05/01/2012
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for issuing 3 temp tags.

Complainant alleges he purchased a vehicle with a cracked window, bad tires, and a broke front axle. Complainant alleges Respondent has not fixed the issues like they promised. Complainant further alleges that his trade-in was not on the documents and the \$500 down payment was pocketed by the salesperson and not recorded towards the down payment.

Respondent denies the allegations however did learn that the trade-in was not on the paperwork due to clerical error and has been fixed. Respondent met with Complainant and agreed to return the \$500 and trade-in vehicle. Respondent states Complainant is a long-time customer and is satisfied of the outcome.

Recommendation: Close.

Commission Decision: **Approved**

140. **2019073251 (SH)**
First Licensed: 05/12/1998
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action.

Complainant purchased a vehicle for cash on 8/16/19 for \$10,050 from Respondent. A week later the vehicle suddenly stopped working and was towed back to Respondent. Respondent determined that the coolant sensor was bad and there is an open recall on the vehicle. Complainant was told to call around to find that brand dealer to pick up and fix the vehicle under warranty. Complainant was told it would be 2-3 weeks before anything could be done so she requested Respondent to reverse the sale and refund her money. Respondent stated the vehicle was sold "as is" without any extended warranty and refused to return the money. Respondent did

offer to give Complainant \$8,454 (deducted taxes and fees) for trade value on another vehicle. At the time there was no other vehicle that Complainant wanted or in her price range.

Recommendation: Close.

Commission Decision: Approved

141. 2019076151 (SH)
First Licensed: 09/22/2017
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges that the vehicle she purchased is falling apart. She claims the bumper has one screw holding it together, the grill is falling down and the side panel flew off. Complainant alleges Respondent told them to file an insurance claim and is unwilling to help.

Respondent states the vehicle was purchased over a year ago without a warranty and claims anything could have happened within the year. However, Respondent has agreed to assist Complainant in having the vehicle repaired at the local manufacturer dealership and Complainant accepted.

Recommendation: Close.

Commission Decision: Approved

142. 2019076731 (SH)
First Licensed: 07/05/2017
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to deliver title. One complaint closed with letter of warning for failure to honor warranty and disclose that a purchased vehicle had a salvaged title.

Complainant has been paying the Respondent directly for the vehicle they purchased.

Complainant has recently learned that the Respondent has closed its business when they were trying to make their monthly payment. Complainant is now worried that they will not get their title and does not know how to make their payment. Complainant was given the surety bond for Respondent and informed to contact them to assist.

Recommendation: Close and flag.

Commission Decision: Approved

143.2019074301 (SH)

First Licensed: 09/30/2009

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2016 - One complaint closed with letter of warning.

Complainant purchased a vehicle on 9/3/2019 paying in full with cash and credit card. Complainant took the vehicle to emissions where it failed. The technician at emission told the Complainant the vehicle had failed a month prior. Complainant alleges Respondent disconnected the battery to wipe out the code and check engine light prior to the sale. Complainant demanded a reimbursement of the purchase price however Respondent kept \$375 for processing fees.

Respondent states the vehicle was sold to previous customer in 2018 and repossessed and we had no knowledge of any issues with car. The sale was “as is” with a cash and credit card sale. The contract states all sales are final however Respondent did refund the Complainant’s payment less \$375 for processing. Respondent states the processing fee included title preparation to customer, restocking expenses, credit card reversal processing and changing website inventory.

Recommendation: Close.

Commission Decision: Approved

144. 2019068251 (SH)

First Licensed: 04/06/2016

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle in March 2019 but now it needs engine work. Complainant alleges it smokes bad and burning oil. Complainant wants down payment returned or at least the monthly payments made to be returned. Respondent has not responded to this complaint.

Recommendation: Close.

Commission Decision: **Approved**

145. 2019069231 (SH)
2019071021
First Licensed: 01/24/2019
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Both complaints involve Complainants not receiving their titles from Respondent and not being able to contact the Respondent.

Respondent states they have closed their business on 8/23/2019 and have made several attempts to contact Complainants. Respondent states they have sent Complainant's addresses on file.

Recommendation: Close.

Commission Decision: **Approved**

146. 2019015901 (SH)
First Licensed: 04/11/2014
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

An investigation was conducted as a result of this complaint. The complaint outlines concerns related to the Respondent altering and/or tampering with temporary tags. Allegedly, the dealership is using these altered temporary tags to avoid having to properly register vehicles. Specific emphasis was placed on obtaining evidentiary information supporting possible deceptive business dealings being exhibited by Respondent.

Complainant, a family member of Respondent's owner, alleges witnessing fraudulent business dealings being conducted by Respondent's owner. On several occasions Respondent would alter the newly implemented electronic temporary tags (EZ Dealer Tags). Respondent used a software program called Nitro Pro 9 which allowed saving copies of the EZ Dealer Tags to a PDF file which allowed later alterations to be made. Complainant alleged the alterations were made to avoid having to submit a registration application if the vehicle had to be repossessed. Respondent offers their own in-house financing and have numerous repossessions as a result of consumers failing to meet their payment obligations. Subsequently Respondent holds off properly registering the vehicles by issuing multiple altered temp tags until a large portion of the payments had been received. Further, it is alleged that by withholding the registration process as long as possible if a consumer ended up defaulting Respondent would profit by not having paid the sales tax collected on each sale.

Complainant provided a Bill of Sale for a 2006 Ford Mustang that was allegedly repossessed and resold eleven (11) times while avoiding the registration process. The vehicle was still registered into the first purchaser's name. Complainant also provided videos showing Respondent altering the EZ Dealer Tags.

Recommendation: Refer to Department of Revenue for possible sales tax evasion and assist with their investigation. Authorize revocation of Respondent's license and formal hearing.

Commission Decision: Approved

RE-PRESENTATIONS

147.2019033241 (SH)

First Licensed: 04/11/2014

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges that Respondent sold a salvaged vehicle, salt water damage, and issued a temporary tag after purchase. Complainant further alleges they have not received their title and that the salesperson may have been unlicensed.

Respondent states Complainant provided signed paperwork showing the vehicle was salvaged. Respondent also states that the Complainant stopped making payments on the vehicle and had to repossess. Complainant did not cooperate with the investigator.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for selling salvage vehicle before a rebuilt title is issued and issuing a temporary tag on a salvaged vehicle.

Commission Decision: CONCUR

New Information: Respondent provided proof that the title was a rebuilt title prior to the sale to Complainant and listed Respondent as registered owner.

New Recommendation: Close.

New Commission Decision: **Approved**

148. 2017009011 (SBB)

First Licensed: Unlicensed

Expiration: Unlicensed

License Type: Unlicensed

History (5 yrs.): N/A

Complaint filed against the Respondent for unlicensed activity. Upon further investigation, the Respondent is selling vehicles from the location. There were nine vehicles for sale when this matter was investigated.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109). To be settled by consent order or a formal hearing.

New Information: The Complainant will no longer cooperate. We do not have any documents from the Complainant concerning the sale of a vehicle. Also, the vehicle purchased from the Respondent was repossessed. Without the documents and testimony of the Complainant, it will not be possible to proceed with a formal hearing. Also, the business is closed.

New Recommendation: Close.

New Commission Decision: **Approved**

149.2017052671 (SBB)

First Licensed: Unlicensed

Expiration: Unlicensed

License Type: N/A

History (5 yrs.): N/A

The Complainant claims the Respondent is selling cars from the front yard and continues to add additional vehicles for sale in the front yard. The Complainant only provided a street name. Further investigation revealed the owners of the home and the exact address.

Recommendation: Authorize a formal hearing and assess a civil penalty in the amount of \$1,000 (unlicensed dealer location) to be settled by consent order.

Commission Decision: CONCUR

New Information: The Respondent has the same name as his father, who is a licensed Motor Vehicle Dealer in the State of Tennessee. The vehicles referenced in the complaint were sold by his father. This complaint was incorrectly opened against the son, who is not engaged in the sale of motor vehicles.

New Recommendation: Close.

New Commission Decision: **Approved**

150.2018048381 (SBB)

First Licensed: 01/21/2016

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): None

Entity No.: 1122365

Respondent was issued a Notice of Violation and an Agreed Citation during an inspection for not having a valid and current city and county business license. Both of the licenses were expired. The Respondent did not provide a response or pay the agreed citation.

Recommendation: Authorize a formal hearing with the ability to settle via Consent Order for a civil penalty in the amount of \$1,000. (\$500 for expired city and \$500 expired county business license).

Commission Decision: CONCUR

New Information: The Respondent states this was an inadvertent error and was under the impression that the bookkeeper had obtained an updated and valid city and county business licenses. The Respondent has some financial hardship and requests that the Motor Vehicle Commission reduce the civil penalty from \$1,000 to \$500 to allow the Respondent to resolve this matter informally by Consent Order.

New Recommendation: Authorize a formal hearing with the ability to settle via Consent Order for a civil penalty in the amount of \$500.

New Commission Decision: Approved

151.2018080881 (ES)

First Licensed: 09/07/2017

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer (CLOSED)

History (5 yrs): 2018 – Four complaints closed and flagged for alleged failure to deliver title, one complaint closed without action; 2017 – One complaint open based on NOV citing failure to obtain license for all locations

Complaint received from a consumer who purchased a used vehicle from Respondent in 2016. Complainant alleges the vehicle has had numerous mechanical problems that he feels are safety issues and questions if the car is even safe to drive on the road. While looking into the dealership regarding this complaint, a news article was located that indicated the dealership is closed. An investigation was conducted and it was confirmed that the dealership had been abandoned and closed. The investigator attempted to contact the dealership's owner but was unable to reach him by phone and had been informed he had lost his home to foreclosure. The investigator spoke with an immediate relative of the owner and was informed that the lot was also foreclosed upon and the owner had been arrested numerous times for drug related activity, noting that he had "gone off the deep end." The owner and his wife are allegedly living in a motel and still heavily involved in drug activity. The investigator filled out a Cancellation of License form which was processed by our licensing division.

Recommendation: Authorize formal hearing to be heard before an ALJ only and send Consent Order for voluntary revocation of the Respondent's license.

Commission Decision: CONCUR

New Information: The Respondent cannot be located and is no longer a licensed Motor Vehicle Dealer. The dealership is closed.

New Recommendation: Close.

New Commission Decision: Approved

152.2018036291 (ES)

First Licensed: 07/31/2017

Expiration: 07/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Respondent's business license was expired during its annual inspection. It expired May 15, 2018, and the inspection occurred on May 31, 2018.

Recommendation: Authorize a civil penalty in the amount of \$250 for display of an expired business license.

Commission Decision: CONCUR

New Information: Counsel spoke with Respondent who explained that they did notify the inspector at the time of the visit that they had an active business license but had not received the hard copy due to an issue at the clerk's office, which was confirmed with documentation. Counsel recommends closing the complaint without action considering Respondent provided proof of an active business license during the time the inspection occurred.

New Recommendation: Close.

New Commission Decision: Approved

153.2019033341 (ES)

First Licensed: 07/12/2018

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant received three temporary tags and then received the permanent tag and title. Respondent admits the delay but explains after investigating the matter, it was discovered that an "unfortunate shipping mishap" with Fedex caused the original paperwork to be lost. Complainant returned to the dealership to resign the necessary paperwork and the issue has since been resolved.

Recommendation: Authorize \$500 civil penalty for issuing three temporary tags

Commission Decision: CONCUR

New Information: Counsel spoke with Respondent's corporate counsel/compliance attorney after they received the Consent Order and she provided copies of the Drive-Out Tag Log Sheets showing Complainant only received two temporary tags before receiving the title.

New Recommendation: Close.

New Commission Decision: **Approved**

154.2018074371 (ES)

First Licensed: 11/08/2013

Expiration: 05/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Respondent received a notice of violation for displaying expired city and county business licenses.

Recommendation: Authorize a civil penalty in the amount of \$500.

Commission Decision: CONCUR.

New Information: Counsel spoke to Respondent's owner's relative who stated that the Respondent closed the business earlier this year and sold everything because his brother was murdered in Mexico, and had eight children that needed to be taken care of. Respondent's owner does not plan to come back to the United States therefore Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: **Approved**

155.2019025341 (ES)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs): N/A

Complainant alleges she purchased a used vehicle from Respondent but was given the title to a different car. Once Complainant noticed the mistake, she took the car back and said it was a lemon and that she had been given the wrong title. Respondent took possession of the car then but Complainant has paid \$1350 towards it. Complainant filed a lawsuit against Respondent but the process server had been unable to serve Respondent for some time. The civil case is ongoing at this time.

Recommendation: Authorize Litigation Monitoring Status

Commission Decision: CONCUR

New Information: Counsel spoke with Complainant and she informed our office that Respondent's owner has passed away, which explains why he was unable to be served and why our office has been unable to contact Respondent. Counsel recommends closing this complaint considering Respondent is deceased.

New Recommendation: Close.

New Commission Decision: **Approved**

156.2018070791 (ES)

First Licensed: 12/13/2013

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleged Respondent improperly repossessed his vehicle, and claims he did not know the vehicle was rebuilt. Respondent responded to show where Complainant was informed of the status, albeit on the wrong form, and the vehicle appears to have been properly repossessed after Complainant failed to maintain insurance.

Recommendation: Authorize a civil penalty in the amount of \$500 for failing to use proper rebuilt disclosure form.

Commission Decision: CONCUR.

New Information: Counsel spoke with Respondent after they received the Consent Order and Respondent explained there must be a misunderstanding about the disclosure form. Respondent provided Counsel with a copy of the Notice Disclosure of Rebuilt or Salvage Vehicle signed by Complainant. Counsel recommends closing this complaint.

New Recommendation: Close.

New Commission Decision: **Approved**

157.2017032511 (JG)

First Licensed: 05/11/2007

Expiration: 12/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): January 2015 – Letter of Warning for off-site sales; September 2016 - \$1,000 Consent Order for deceptive advertising; June 2017 - \$2,000 Consent Order for deceptive advertising.

The Complainant purchased a vehicle from the Respondent and has not received registration and tags. The Complainant was issued six temporary tags by the Respondent. Additionally, Respondent refused to cooperate during the investigation.

Recommendation: Authorization of a formal hearing and assessment of a civil penalty in the amount of \$5,000 (4 x \$1,000 for issuing more temporary tags than allowed by law and \$1,000 for failure to cooperate with investigation), to be settled by consent order.

New Information: From going through the file, Respondent did cooperate in the investigation by giving copies of its file pertaining to this transaction, records and communications it had with the Department of Revenue and copies of the temporary tag log. Respondent didn't provide a sworn statement as Respondent told our investigator that it wanted to consult with its attorney first, however, Respondent did cooperate with the investigation substantially.

New Recommendation: Authorization of a formal hearing and assessment of a civil penalty in the amount of \$2,000 (4 x \$500 for issuing more temporary tags than allowed by law), to be settled by consent order.

New Commission Decision: **Approved**

158.2017011871

First Licensed: 12/14/2010

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

**History (5 yrs.): April 2013 – Letter of Warning Issued for Failure to Post Buyer’s Guides;
May 2017 - \$1,000 Consent Order for Issuing More Temporary Tags than Allowed by Law.**

2017011872 (SH)

First Licensed: 04/12/2016

Expiration: 12/31/2018

Type of License: Motor Vehicle Salesperson

History (5 yrs.): N/A

Complainant alleged Respondent 2 misrepresented himself as the owner of Respondent 1 dealership, and as a result, Respondent 2 defrauded Complainant into believing Respondent 2 would cosign an RV for him. In reality, Respondent 2 never sold the vehicle and is believed to have rented the camper out or used it for himself. Ultimately, Complainant had to have the RV picked up by police from Respondent 2’s residence.

Respondent 1 was not aware of Respondent’s 2 arrangement and deceit. Respondent 2 found out about the camper when Complainant sent a certified letter demanding it be returned. At that time, Respondent 1 was not employed with Respondent 1 anymore. Respondent 1 is who advised Complainant to contact police, and provided contact information for Respondent 2 that resulted in the camper being recovered. Respondent 2 is now listed as a salesperson at a different dealership.

Recommendation: As to Respondent 1, close. As to Respondent 2, authorize the revocation of Respondent 2’s salesperson license for false, fraudulent, and deceptive acts, to be settled by consent order or a formal hearing.

Commission Decision: Approved

New Information: Respondent 2's license has expired as of 4/1/2019. Respondent 2 is currently on hold in Knox County Jail for passing worthless checks in Cocke County.

New Recommendation: Close and flag.

New Commission Decision: **Approved**

159.2017028361 (SH)

First Licensed: 06/25/2009

Expiration: 06/30/2019

License Type: Motor Vehicle Manufacturer/Distributor

History (5 yrs.): N/A

Staff for the Commission received a protest on May 8, 2017. Documents are currently being filed with the Secretary of State, Administrative Procedures Division. A hearing date has not currently been decided.

Recommendation: Place Complaint in litigation monitoring until the matter can be set for hearing.

Commission Decision: CONCUR

New Information: Complainant protested Respondent's intent to appoint a new manufacturer dealership and filed suit. Complainant has since voluntarily dismissed this lawsuit with prejudice and this complaint can be closed.

New Recommendation: Close.

New Commission Decision: Approved

160.2018007871 (SH)

First Licensed: 02/02/2015

Expiration: 01/31/2019

License Type: Motor Vehicle Salesperson

History (5 yrs.): None.

Through a complaint related to Respondent's employer, legal counsel recognized the name of the Respondent as a party related to contractor complaints that were never resolved due to the inability to locate Respondent. While looking in to those complaints to reinstate the matters, legal counsel discovered Respondent has listed felonies in the State of Florida for check fraud, and misdemeanors in the State of Tennessee. Respondent stated on his application for a motor vehicle salesperson license that he did not have any criminal history.

Recommendation: Authorize the revocation of Respondent's license to be settled by consent order or a formal hearing.

Commission Decision: CONCUR

New Information: Respondent pleaded nolo contendere (no contest) in 1990 for passing a bad check. Respondent was sentenced to 3 years of probation. This matter was nearly 30 years prior to Respondent applying for his salesperson's license. There is no proof that this omission was intentional. Respondent has been licensed for nearly three years with no complaints or issues. Even though the Fresh Start Act would not apply in this matter, the goal is to encourage licensure and revocation seems to be too severe of a disciplinary action.

New Recommendation: Letter of Warning.

New Commission Decision: Approved

161.2017080561 (SH)

2018010431

First Licensed: 12/22/2014

Expiration: 04/30/2019

License Type: Dismantler/Recycler

History (5 yrs.): N/A

Respondent received a Notice of Violation for not having a county business license. The inspector noted that Respondent was not open and conducting business from the location. Additionally, the Commission received notice from the Respondent's county codes inspector. The inspector informed the Commission that Respondent's location no longer complied with zoning laws. Respondent appealed the decision to the county zoning board, but lost when he could not prove he was open and conducting business in the past 30 months.

Respondent is required to maintain business hours under Rule 0960-02-.10, and comply with local zoning by Rule 0960-02-.07.

Recommendation: Authorize revocation of Respondent's license, to be settled by consent order or a formal hearing.

Commission Decision: CONCUR

New Information: The Respondent has closed its business a year ago and does not exist. This complaint was concerning an expired business tax license. Respondent lost a zoning law change and was forced to shut down.

New Recommendation: Close and flag.

New Commission Decision: Approved

162.2017007291 (SBB)

First Licensed: 04/30/2008

Expiration: 03/31/2018

Type of License: Recreational Vehicle Dealer

History (5 yrs.): N/A

Complaint 4 (2015): Complainant alleges Respondent sold them a vehicle and charged \$1999 for freight and prep on sales documents, however Complainant feels this fee is exorbitant. Complainant traded in this vehicle a few days later due to a defect they discovered and purchased a second vehicle from Respondent, and again the \$1,999 fee was charged on Complainant's paperwork. Complainant feels they were overcharged and double charged for this fee unnecessarily. Additionally, Complainant asserts that the vehicle was never actually prepped because the battery was dead, the water pump was broken and the gas tank was empty. Complainant also asserts that Respondent did not give them a sufficient amount of credit on their trade in as the amount was \$700 less than what he purchased initial vehicle for. When contacted by State's investigator, Complainant reconfirmed all allegations. Respondent stated that the freight and prep fee covers transport from manufacturer and is standard on all sales. Because Complainant purchased two vehicles, he needed to pay for freight and prep on both. According to Respondent, this fee should cover standard preparation of the vehicle, including filling the gas tank. No evidence found to actually confirm the state of the vehicle at the time of pickup by Complainant.

Recommendation: Close with letter of warning for deceptive act of not properly prepping the vehicle despite charging a prep fee. Authorization a civil penalty in the amount of \$6,400 (10 x \$500 for failure to use proper consignment agreement form, 1 x \$500 for open title and 9 x \$100 for missing temporary tags). To be settled by consent order or formal hearing.

Commission Decision: Approve

New Information: Respondent was unaware an employee was not performing job duties

properly and never completed some job duties. The Respondent had to terminate the employee as a result of these violations and other issues related to failure to perform job duties. The Respondent requests reconsideration by the Board. The Respondent has no prior history of complaints concerning these issues and has not had any further complaints filed against it since this complaint was opened.

New Recommendation: Close.

New Commission Decision: **Approved**

163. 2017039231 (SBB)

First Licensed: 04/30/2008

Expiration: 03/31/2018

License Type: Recreational Vehicle Dealer

History (5 yrs.): N/A

The Complainant purchased an RV from the Respondent and has not received the registration/title for the RV. The Complainant has left multiple messages and the Respondent will not return any phone calls.

Recommendation: Authorize the revocation of Respondent's dealer license, to be settled by consent order or a formal hearing.

Commission Decision: Approve

New Information: The Complainant received the registration/title to the RV after filing the complaint. The Respondent communicated with the Complainant and let them know that the delay was a result of obtaining the title from their other out-of-state dealership. The Respondent did not expect it would take so long to receive the title from their other dealership.

New Recommendation: Close.

New Commission Decision: **Approved**

164.2019032721 (ES)

2019034941

First Licensed: 02/11/2014

Expiration: 11/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed without action.

A Notice of Violation was issued to Respondent on 4/12/19 for unlicensed activity because the dealership was still open on an expired license. An investigation was conducted. The investigator arrived to find the lot empty and the visible interior area to be empty. There is no exterior signage and the dealership appears to have closed on 4/26/19.

Recommendation: Authorize a civil penalty of \$500 for unlicensed activity

Commission Decision: CONCUR

New Information: Counsel spoke with Respondent who provided proof that their license had been renewed online the day before it expired and the inspector was simply not aware of this. Internal research also confirms Respondent's statements about their license. Counsel recommends dismissal of both complaints.

New Recommendation: Dismiss

New Commission Decision: **Approved**

165.2018018761 (SH)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): None.

This is the second complaint this year alleging Respondent is selling vehicles from his front yard. Respondent worked in the auto industry as a detailer and manager before applying for a salesperson license. Respondent's dealer license was denied due to a felony conviction for drug possession.

Respondent twice told investigators that he detailed vehicles only, and did not sell the vehicles. Vehicles were found on Respondent's lawn, but none had signs indicating they were for sale. The owner of the business Respondent allegedly does detail work for denied the relationship. The owner said he knew Respondent from the industry and he sees him at auto auctions from time to time, but the owner has an onsite detail location, and he does not give vehicles to Respondent to detail.

Respondent provided proof that Respondent has a business license for a detailing business. However, when legal counsel searched online for the detailing business, the business name and phone number were linked to a Facebook page that displayed a second business that is Respondent's last name, then "Auto Sales." In one post, dated April 2017, Respondent indicated he was moving his car sales business to his home. Following that, at least seven vehicles are displayed for sale on the page, showing Respondent's yard and home in the background.

Recommendation: Authorize a civil penalty in the amount of \$7,000 (\$1,000 x 7 advertised vehicles) for unlicensed activity, and refer this matter to the Tennessee Department of Revenue to ensure sales tax has been paid on sales.

Commission Decision: CONCUR

New Information: Vehicle Inquiry Reports were obtained on all vehicles allegedly in Respondent's possession. None of these vehicles were owned or sold by Respondent. All sales were conducted by licensed motor vehicle dealers to individuals. Respondent advertises on

Facebook as a detailing business and no vehicles were shown to be advertised for sale by Respondent. There is no evidence that Respondent sold any vehicles.

New Recommendation: Close.

New Commission Decision: **Approved**

Commissioner Norton made a motion to approve the Legal Report, seconded by Commissioner Kramer. Chairman Roberts called for a roll call vote.

ROLL CALL VOTE

Ian Leavy	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
John Roberts	YES

MOTION CARRIES

LEGISLATIVE UPDATE – Asst. General Counsel, Maria P. Bush

Staff attorney, Maria Bush, indicated that Commissioner Carter Lawrence addressed the Commission earlier regarding the Legislative Updates, and there were no further updates for discussion.

RULES COMMITTEE

Nothing to Report

AUDIT COMMITTEE

Nothing to Report

NEW BUSINESS

Chairman Roberts opened the discussion of the proposed meeting dates for 2020. After some discussion, the following meeting dates were approved by the Commission.

Quarterly Meetings

January 28-29, 2020

April 28-29, 2020

July 14-15, 2020

October 27-28, 2020

Committee Meetings

February 4, 2020

May 5, 2020

August 4, 2020

November 3, 2020

Formal Hearings with ALJ

February 5, 2020

May 6, 2020

June 9, 2020

August 5, 2020

September 1, 2020

November 4, 2020

Chairman Roberts called for a motion to approve the meeting dates for the 2020 calendar year. Commissioner Vaughan made a motion to approve the meeting dates, seconded by Commissioner Norton.

VOICE VOTE-UNANIMOUS

MOTION CARRIED

OLD BUSINESS

ADJOURN

Chairman Roberts called for a motion to adjourn.

Commissioner Norton made a motion to adjourn the meeting, seconded by Commissioner Melton.

VOICE VOTE - UNANIMOUS

MOTION CARRIED

Meeting Adjourned

John Roberts, Chairman _____