

MINUTES

April 24, 2017



**TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE
DIVISION OF REGULATORY BOARDS
MOTOR VEHICLE COMMISSION
500 JAMES ROBERTSON PARKWAY, 2ND FLOOR
NASHVILLE, TENNESSEE 37243-1153
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**TENNESSEE
MOTOR VEHICLE COMMISSION
MINUTES**

DATE: April 24, 2017

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

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

ABSENT: Ian Leavy
Don Parr

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

Paula J. Shaw, Executive Director, 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 July 13, 2016, was read into the record by Executive Director, Paula J. Shaw. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since April 20, 2017.

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

MOTION CARRIED.

QUARTERLY MEETING MINUTES: Commissioner Fox made a motion to approve the minutes from the January 23, 2017 meeting, seconded by Commissioner Norton. Chairman Roberts called for a voice vote.

MOTION CARRIED.

APPEALS: The following appeals were heard by the Commission.

Emmanuel Acosta
Southern Automotive Group, Inc., Pulaski, TN

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

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	NO
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	ABSTAIN/RECUSED
Reed Trickett	YES
Stan Norton	NO
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion carried, therefore the license is granted.

David Beard
Frog Jump Auto Sales, Halls, TN

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

ROLL CALL VOTE

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

Motion carried, therefore the license is granted.

Addison Wilson – NO SHOW
Auto Masters of Smyrna, Smyrna, TN

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

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	YES
Joe Clayton	YES

Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Reed Trickett	YES
Stan Norton	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion passed, therefore the license is denied.

Harold Stafford
 Town and Country Ford, Madison, 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 Norton moved the application be approved, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Eddie Roberts	NO
Christopher Lee	YES
Jim Galvin	ABSTAIN/RECUSED
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Reed Trickett	YES
Stan Norton	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	NO
Victor Evans	YES

Motion carried, therefore the license is granted.

Luke Deatley – NO SHOW
 Hyundai of Cookeville, Cookeville, TN

Chairman Roberts requested appeals of salespersons applications which were

previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved the denial be upheld, seconded by Commissioner Melton.

ROLL CALL VOTE

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

Motion passed, therefore the license is denied.

Tim Hatcher
Tim McGill's Airport Toyota, Alcoa, 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 Lee moved the application be approved, seconded by Commissioner White.

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	YES
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Reed Trickett	YES
Stan Norton	YES
Farrar Vaughan	YES

Steve Tomaso **YES**
Kahren White **YES**
Victor Evans **YES**

Motion carried, therefore the license is granted.

Tommie Marshall
AutoNation Honda 385, Memphis, TN

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

ROLL CALL VOTE

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

Motion carried, therefore the license is granted.

Tommy McCarter
Rusty Wallace Cadillac-GMC-Kia, 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 Jackson moved the application be approved, seconded by Commissioner Trickett.

ROLL CALL VOTE

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

Motion carried, therefore the license is granted.

Eric Sprang
Music City Motor Cars, Brentwood, 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 Lee moved the application be approved, seconded by Commissioner Melton.

ROLL CALL VOTE

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

Motion carried, therefore the license is granted.

BRW Auto Sales – Owner – Bobby Woodard

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

ROLL CALL VOTE

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

Motion carried, therefore the license is granted.

Commissioner Galvin recognized Jason Gilliam and staff for the recidivism report which was requested by the Commission at the prior meeting. Commissioner Galvin stated the report showed the Commission was doing a good job and was there for a reason, and staff was too, and wanted to say “thank you”.

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

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

Since the last Commission meeting in January 2017 the following activity has occurred:

Dealers Opened, or Relocated (Last Quarter).....63

Active Licensees as of January 12, 2017

Dealers.....	3751
Applications in Process.....	15
Distributors/Manufacturers.....	132
Auctions.....	33
Representatives.....	638
Salespeople.....	16484
Dismantlers.....	271
RV Dealers.....	37
RV Manufacturers.....	61

Motor Vehicle Show Permits:

Issued Since January 23, 2017.....	6
Associated Revenue.....	\$1200

Complaint Report- Opened Complaints as of January 12, 2017 – April 17, 2017:

Number of Complaints Opened.....	208
Number of Complaints Closed.....	173

Annual Sales Reports-(Due Feb 15):

Vehicles Reported Sold in 2016.....	1,136,022
Recreational Vehicles Reported Sold in 2016....	3,359
(Excluding Dealers Reporting Late)	
Late Annual Sales Report Collected.....	\$19,800

Performance Metrics

Dealer Applications.....	95%
<i>(Metric 22.81 days. Actual 12.8 days. Based on cumulative average.)</i>	
Salesman Applications.....	402%
<i>(Metric 7.45 days. Actual 1.4 days. Based on cumulative average)</i>	
Compliance.....	97.4%
<i>(Metric 91% action taken within 180 days.)</i>	

Revenue Fees (NMVTIS) Submitted to Revenue Since January 2017

Total Collected.....	\$9,000
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Disciplinary Action Report – January 2017 – March 2017

Total Collected.....	\$47,569
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Number of Users for All Online Transactions

Number of Users.....1497 (Includes all ASR, LASR and April Renewals)

Chairman Roberts called for a motion to approve the Director’s Report. Commissioner Jackson made a motion to approve the Director’s Report, and was seconded by Commissioner Vaughan.

VOICE VOTE – UNANIMOUS

The motion carried to approve the Director’s Report.

The Commission moved to the presentation of the legal report by Matthew E. Reddish, Asst. General Counsel and Sara Page, Asst. General Counsel.

Sara Page:

- 1. 2016072691**
- First Licensed: 05/11/2012**
- Expiration: 04/30/2016**
- Type of License: Motor Vehicle Dealer**
- History (5 yrs.): N/A**

Complainant purchased a vehicle from Respondent, but Complainant never received the title. An investigation was conducted. Respondent dealership was abandoned by the owners. Attempts to contact the owners have failed. The building’s owner that leased the property to Respondent informed the investigator many people have come looking for Respondent, but they have not been able to locate him. It was also discovered that Respondent sold the vehicle to Complainant after its license had expired. The license still has not been renewed. Complainant was provided with the bond information for Respondent.

Recommendation: Close and flag.

Commission Action: Approved.

- 2. 2016070091**
- 2017000731**
- First Licensed: 10/20/2015**
- Expiration: 10/31/2017**
- Type of License: Motor Vehicle Dealer**
- History (5 yrs.): N/A**

Complaint 2016070091: Complainant alleged Respondent did not produce title. An investigation was conducted in which it was discovered complainant does not speak English fluently. Respondent showed complainant a title, and complainant indicated she had seen

such a document, but did not know what it was, and lost it. Respondent assisted complainant in getting new documentation, and Complainant now understands how to use the title and register her vehicle.

Complaint 2017000731: Complainant alleged Respondent misled him to believe he could register a salvaged vehicle. Complainant was aware the vehicle he purchased from Respondent was salvaged, but Respondent issued two temporary tags to him, so he thought it could be driven legally. An investigation was conducted that revealed Respondent did not execute the proper rebuilt/salvage disclosure form. A disclosure was executed, but it was not the language required by Tenn. Comp. R. & Regs. 0960-01-.29.

Recommendation: As to Complaint 2016070091, close. As to Complaint 2017000731, authorize a civil penalty in the amount of \$1,500 (\$500 x 2 for each temporary tag issued to a salvaged vehicle, and \$500 for not using the proper salvage disclosure form) to be settled by consent order or a formal hearing.

Commission Action: Approved.

3. 2016070191

First Licensed: 12/17/2010

Expiration: 11/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent did not produce title. An investigation was conducted. The investigation revealed that the vehicle had been repossessed from Complainant. Respondent stated they had the title, but had requested Complainant get the MARTA inspection completed before they would give her the title. Complainant never took the vehicle to get inspected as agreed upon, and Complainant never made a payment on the vehicle. Complainant admitted the vehicle was repossessed, and ultimately stopped cooperating with the investigation.

Recommendation: Close.

Commission Action: Approved.

4. 2016072221

First Licensed: 02/16/2016

Expiration: 01/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent did not produce title after purchasing a vehicle from Respondent in October 2016. Respondent responded stating at the end of November, he had informed Complainant that his dealership bought the vehicle at auction, and the floor planners discovered an issue with the title when trying to assist Respondent in registering the vehicle. Prior to Respondent purchasing and selling the vehicle, the previous dealer in

Virginia took the vehicle to auction and the auction took the title from the alleged owner; however, it was later discovered the alleged owner was actually a relative of the real owner, who was deceased. The alleged owner did not have permission to transfer the vehicle. The deal was unwound as a result after the vehicle had traded hands between the Virginia auction and additional purchasers, prior to it ending up back at auction in Tennessee with a subsequently invalid title. Respondent updated the Board staff multiple times with details and contact information as he worked with two different states and the floor planner to track down and acquire a new title for Complainant. Respondent filed formal complaints with Motor Vehicle Commissions in the other states involved and rooted out the original dealership. As of January 27, 2017, Respondent was able to acquire a title from the State of Maryland and provide it to his lender/floor planner and register the vehicle for the customer.

Recommendation: Close upon issuance of a letter of caution.

Commission Action: Approved.

5. 2016070951

First Licensed: 01/03/2007

Expiration: 02/28/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): March 2012 Agreed Citation \$3,000. Failure to properly maintain temporary tag log – 6 missing entries.

Complainant states he purchased a used vehicle as-is from Respondent. Respondent produced a CarFax that indicated the vehicle had a clean history. Complainant's car insurance company also ordered a CarFax which indicated the vehicle had a clean history. Later, Respondent tried to trade in the vehicle at another dealership. That dealership ran a report using AutoCheck rather than CarFax. The AutoCheck report indicated the vehicle had been in an accident.

Recommendation: Close.

Commission Action: Approved.

6. 2016071111

First Licensed: 09/01/1991

Expiration: 07/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent listed four new trucks on Ebay. Complainant saw the listing, and noticed there was no reserve set. Complainant contacted Respondent to ask about that and confirm it was a real listing. Complainant alleges the Respondent's employee confirmed it was their listing, and it was real and active. Complainant ended up winning the bid on one of the trucks. When Complainant contacted Respondent to arrange the payment and delivery, Respondent responded stating the lack of reserve was an error caused by a

program they use to list vehicles, and the Respondent was not going to honor any of the four trucks listed in that batch of uploads. Complainant pointed out that the Ebay listing says that for the buyer, the bid is considered a legally binding contract. Respondent offered Complainant discounts on the vehicle, but the discounts still meant Complainant would pay more than the bid to purchase the vehicle. Complainant filed a complaint with the Commission and refused to purchase the truck at the new, higher price.

Respondent responded and apologized for the error. Respondent admits the upload was in error as far as not selecting a reserve, and admits it was not honoring the auctions. Respondent stated in its communication to Complainant that they did not honor any of the four vehicle auctions.

Recommendation: Authorize a civil penalty for \$2,000 (\$500 x 4 vehicles) for deceptive advertising (Tenn. Comp. R. & Regs. 0960-01-.12(4)(e), to be settled by Consent Order or a formal hearing.

Commission Action: Approved.

7. 2016072051
First Licensed: 05/21/2013
Expiration: 04/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

On November 29, 2016, Respondent received a Notice of Violation for missing eleven temporary tags and possession of an expired business license (expired 5/15/16). Respondent stated to the inspector that the temporary tags were stolen by his estranged wife who was a co-owner of the dealership prior to the initiation of a contentious divorce. Respondent told the inspector he would provide police reports if needed. Legal contacted Respondent by phone and email, but Respondent did not respond or provide the police reports.

Recommendation: Authorize a civil penalty for \$1,600 (\$500 for the expired business license, and \$100 x 11 missing temporary tags) to be settled by Consent Order or a formal hearing.

Commission Action: Approved.

8. 2016072551
First Licensed: 03/31/2008
Expiration: 02/28/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): February 2016 Consent Order \$1,000. Failure to provide the proper conditional delivery form.

Complainant alleged Respondent wrongfully withheld a portion of her down payment after she returned the car due to financing problems. Complainant provided a copy of her conditional delivery agreement, which stated that if financing fell through, the buyer

would be charged for at 0.65 cents a mile, and a flat charge of \$65 dollars a day for the time the buyer had the vehicle. Complainant drove 1,505 miles and possessed the car for 17 days. Complainant paid a \$1,000 down payment. Respondent kept the down payment to offset the cost of the above agreement. An investigation was conducted. The form used by the dealership was not the proper conditional delivery form. This is the second violation of this nature in the past year.

Recommendation: Authorize a civil penalty in the amount of \$2,500 for the improper conditional delivery form to be settled by consent order or a formal hearing.

Commission Action: Approved.

9. 2016072511

First Licensed: 05/21/2015

Expiration: 05/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent received a Notice of Violation for having expired city and county business licenses. Respondent responded to the NOV stating Respondent's CPA paid the taxes when she filed returns for Respondent. However, they were unaware that a separate return had to be filed for the licenses. Respondent applied to renew both licenses the same day the NOV was issued, and the licenses were renewed. Proof of the renewals was also provided.

Recommendation: Authorize a civil penalty for \$500 (\$250 x each license) to be settled by Consent Order or a formal hearing.

Commission Action: Approved.

10. 2016073211

First Licensed: 02/05/2009

Expiration: 12/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): March 2014 Consent Order \$2,000. Failure to properly maintain temporary tag log and discharge of lien.

Complainant alleges Respondent sold Complainant a vehicle with mechanical issues. The vehicle was used, and purchased as-is. Respondent responded to the complaint and stated the vehicle was ultimately repossessed as a result of non-payment. Respondent states there was no issue with the vehicle when it was repossessed, and it wasn't until they demanded payment that Complainant alleged the vehicle was damaged/malfunctioning. Additionally, Respondent submitted proof the original down payment check Complainant issued to Respondent was returned for insufficient funds.

Recommendation: Close.

Commission Action: Approved.

11. 2016076121

First Licensed: 12/02/1993

Expiration: 12/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant filed a complaint alleging a vehicle purchased from Respondent had numerous mechanical issues. The vehicle was purchased as-is. Despite that, the Respondent attempted to assist the Complainant by inspecting the vehicle and let her know the Catalytic Converter could be the issue, and gave her an estimate for the repair. At that point, Complainant had driven the vehicle for 2,000 miles. Complainant stated she did not think she should have to pay for the repair since she recently purchased the vehicle.

Recommendation: Close.

Commission Action: Approved.

12. 2016076141

First Licensed: Application Pending

Expiration: Application Pending

Type of License: Motor Vehicle Dealer Application on File

History (5 yrs.): N/A

Complainant is another dealership. Complainant alleged Respondent was engaged in curb stoning, and selling vehicles without a license from a lot near her dealership. Complainant alleged the location had no signs up or other required information. An investigation was conducted that revealed the location was licensed. Respondent owns two licensed locations. At the time the complaint was filed, Respondent had just purchased the second property and was in the process of becoming licensed and getting signs. Respondent was licensed and had all required items for the dealership.

Recommendation: Close.

Commission Action: Approved.

13. 2017000021

First Licensed: 01/23/2014

Expiration: 12/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant is a buyer's mother. Complainant filed a complaint after her son purchased a vehicle from Respondent. Complainant states her son cannot get insurance for the vehicle, and Respondent should take the vehicle back, and should never have sold it to him.

Recommendation: Close.

Commission Action: Approved.

14. 2017002531

First Licensed: 09/08/2009

Expiration: 08/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): January 2016 Consent Order \$500. Failure to post business hours and phone listing.

An inspector reported that the Respondent was not open during its posted business hours. The inspector had to contact the owner, who lives in Florida, to schedule someone to meet the inspector in order for the inspector to conduct the annual inspection. The inspector mentioned this issue to the owner, who stated his salesman that runs the dealership will adhere to the requirements in the future. Respondent paid a \$500 civil penalty for the same offense in December 2015.

Recommendation: Authorize a civil penalty for \$750 to be settled by Consent Order or a formal hearing.

Commission Action: Approved.

15. 2017003461

First Licensed: 09/01/1991

Expiration: 04/30/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): September 2014 Agreed Citation \$2,000. Failure to maintain temporary tag log.

A consumer sent information regarding a loan company to Financial Institutions he believed to be predatory. Financial Institutions forwarded the complaint to us. The consumer used Respondent as an example of a place he would like a loan in his communications with the loan company. The Respondent has no affiliation to the loan company, but rather was just used as an example by the consumer with the company since the consumer recently purchased a car from Respondent. This matter seems to have been mistakenly opened due to the confusion of the party the consumer was complaining about.

Recommendation: Close.

Commission Action: Approved.

16. 2017002731

First Licensed: 09/20/2007

Expiration: 08/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent did not provide title for a vehicle purchased on October 27, 2016. Respondent responded and provided extensive proof they were actively working to resolve the issue. The vehicle was purchased on trade in with a payoff that seemed normal. Respondent was surprised in a delay in title being sent, so Respondent contacted Bank of America to work to figure out why the delay was occurring. In mid-December, Bank of America informed Respondent the vehicle was involved in a bankruptcy proceeding. Bank of America mailed the title to the previous owner's address, but the property was ultimately vacant. Respondent tried to apply for a duplicate title with a lien release, but the request was rejected due to having a dual power of attorney. On February 1, 2017, the previous owner went in person to request a duplicate. The previous owner mailed the title to Respondent overnight who in turn overnighted it to Complainant. Complainant confirmed he received the title on February 3, 2017.

Recommendation: Close upon an issuance of a letter of caution.

Commission Action: Approved.

17. 2017003501

First Licensed: 07/15/2013

Expiration: 07/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges new vehicles purchased from Respondent are defective under the Lemon Law. Complainant claims to have had issues with five of the same new vehicle from Respondent between October 2015 and February 2016. Complainant had issue with all five, and Respondent allowed Complainant to attempt to try others when she requested to trade despite denying the existence of any issues with the vehicles.

The vehicle mainly discussed the complaint was the most recent new vehicle Respondent provided after Complainant alleged mechanical issues with all her prior vehicles. With the most recent vehicle from Respondent, Complainant alleges the vehicle accelerates unnecessarily, stalls without warning, and knocks when shifting gears. Complainant also alleges the vehicle's air conditioning is defective and the axle in the rear driver side pops when reversing. Complainant has brought the vehicle to Respondent numerous times. Respondent has made some minor fixes such as changing out the thermostat, but alleges it is unable to recreate many of the problems Complainant lists. Respondent provided mechanical records that show many attempts to reproduce the errors with no luck. Additionally, Complainant alleged Respondent changed the oil but the oil light was still on. Complainant alleges the vehicle was damaged because as the light indicated it was out of oil. Complainant never alleged it was actually out of oil, nor did she indicate if she checked the oil itself.

Respondent denies the allegations and provided documentation that the oil was in fact changed and the vehicle had oil. Respondent states the light was on because the mechanic failed to reset the indicator. While Respondent denies any mechanical failures,

Respondent states it has again offered to trade her into a different vehicle. Complainant denies that offer.

Complainant has retained counsel from a group that files lawsuits over lemon law claims, and is taking action against the manufacturer of the particular make and model vehicle. Legal counsel checked the VIN numbers with NHTSA. No open recalls were listed.

Recommendation: Close.

Commission Action: Approved.

18. 2017004321

First Licensed: 09/01/1991

Expiration: 09/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): April 2013 Warning for Advertising Violations.

Complainant alleges the odometer statement she signed misrepresented the actual mileage on a new 2017 vehicle she purchased from Respondent. The odometer statement lists the miles at 23. Complainant claims the vehicle had 503 miles. Complainant and Respondent signed the odometer statement. Respondent responded and stated the mileage on the odometer disclosure and bill of sale (23) was correct. Respondent states Complainants had the vehicle for a week before calling about the issue. Respondent states Complainants also want Respondent to pay for Complainant's Mississippi tags, which Respondent says was never agreed to.

Ultimately, it would be difficult for Legal to prove the Complainant did not add the miles to the vehicle herself.

Recommendation: Close.

Commission Action: Approved.

19. 2017004511

First Licensed: 01/26/2011

Expiration: 12/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): February 2015 Consent Order \$16,000. Unlicensed Activity and Failure to properly maintain a temporary tag log.

Complainant alleges Respondent's salesperson indicated he could refinance a vehicle after six months of on time payment. Complainant contacted Respondent dealership after six months, and was told he would have to seek refinancing from a lender, not the dealership. Respondent denies ever representing Complainant was guaranteed to any refinancing. Respondent states it is possible the salesperson could have mentioned refinancing as a potential option for Complainant in the future as payments helped Complainant's credit improve, but denies any guarantee or promise. Rather, Respondent indicates at most it was a discussion of general financing options when looking at lenders for the vehicle purchases. A

review of the full deal file and credit application and documents does not reveal any evidence of an agreement to refinance.

Complainant alleged Respondent's greeter gave him a credit booklet with credit tips. Respondent denies any knowledge of such materials and states that the greeters are from a third party marketing firm, and not employees of Respondent. The particular greeter Complainant named no longer works at Respondent dealership. Complainant provided a copy of the booklet that had the greeter's name and number written on the back. Respondent's owner met with Complainant to try to figure out how to work with Complainant. Respondent reviewed Complainant's credit and saw it had not improved since Complainant was struggling to make vehicle payments. Respondent alleges it offered to trade Complainant into a less expensive vehicle, but Complainant refused. Respondent discussed the option of Complainant trading in a vehicle he owned outright, but Complainant refused. Ultimately, eight months after purchasing the vehicle, Complainant dropped the vehicle off at Respondent dealership. Respondent's owner again tried to help reduce payments in other ways, but Complainant refused and the vehicle was ultimately repossessed.

Recommendation: Close.

Commission Action: Approved.

20. 2017004971

First Licensed: 05/23/2002

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): November 2016 Consent Order \$500. Issuing more temporary tags than allowed by law.

Complainant alleges a warranty he received from the manufacturer of a vehicle he purchased new from Respondent was started sooner than the purchase, so it expired too early. Respondent responded stating the vehicle was a sales demo vehicle, and per the manufacturer, the warranty is initiated when the vehicle is reported as such. The manufacturer extends the base warranty when this happens by three months. Respondent admits that due to that, Complainant lost 67 days off the warranty. However, Respondent states the standard is to disclose this prior to purchase, and upon their review of Complainant's deal file, it is unclear if that disclosure was given. As a result, Respondent remedied the warranty issue through the manufacturer, and Complainant now has a full warranty.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

21. 2017005591

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

During an investigation into Respondent's parents, the investigator discovered a Craigslist ad in which Respondent listed a vehicle for sale. Instead of listing the seller as himself personally, Respondent created a dealership name related to his parent's business. It is expected this is the only vehicle listed by Respondent.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

22. 2017004451

First Licensed: 06/09/2015

Expiration: 05/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

During an annual inspection, the inspector observed an employee of Respondent attempt to sell a vehicle to a customer. The employee was not licensed as a salesperson. Five days after the inspector issued the NOV for unlicensed sales, the employee applied with the Commission. He is now licensed.

Recommendation: Authorize a civil penalty for \$500 to be settled by Consent Order or a formal hearing.

Commission Action: Approved.

23. 2017005021

First Licensed: 09/15/2009

Expiration: 08/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged a vehicle she purchased from Respondent had a number of mechanical issues related to fuses blowing. Respondent responded he had helped get the vehicle repaired despite the car being sold as-is because he felt bad from the Complainant. He also stated he was unaware of some of the issues until he received the Complaint. Since then, he has reached out to Complainant to help her have other issues fixed. The repair costs have been included in what she owes Respondent, but she does wish to withdraw the complaint since the vehicle is being fixed.

Recommendation: Close.

Commission Action: Approved.

24. 2017005151

First Licensed: Unlicensed

Expiration: Unlicensed
Type of License: N/A
History (5 yrs.): N/A

Complainant stated her neighbor was storing multiple vehicles on his property. A drive-by was conducted to determine whether unlicensed dismantling/recycling or motor vehicle dealing was occurring. The inspector concluded there were many inoperable vehicles on the property, but there was no evidence of sales or dismantling. Another complaint was opened specifically targeting the business Respondent owns, and it is under investigation.

Recommendation: Close upon issuance of a letter of caution and referral to the Tennessee Department of Environment and Conservation.

Commission Action: Approved.

25. 2017005331
First Licensed: 11/03/2015
Expiration: 11/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): April 2016 Letter of Warning. Deceptive advertising.

Complainant alleged Respondent did not cancel certain warranties she purchased with a new vehicle after she requested. Complainant states Respondent told her it could take a while since they would wait to receive the refund from the warranty company before issued Complainant a refund. Complainant filed this complaint after waiting three months for one of the warranties to be refunded.

Respondent responded and stated the warranty companies were notified of the cancellation requests, but the third-party warranty companies take between thirty to sixty days to provide the refund. As of February 6, 2017, the Complainant's refunds had been processed, and checks were issued to the finance company and Complainant as needed. On a phone call to legal, a representative of Respondent indicated one of the warranty companies took longer to issue its refund, which accounted for a more extended timeline in this scenario. Respondent submitted proof it had submitted the requests to the warranty companies. Complainant is now reimbursed and the issue is resolved.

Recommendation: Close.

Commission Action: Approved.

26. 2017005431
First Licensed: 06/27/2002
Expiration: 06/30/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant started the car buying process with Respondent, but discovered the full-coverage insurance required was too expensive for him. Complainant had paid a down payment, and he wanted to end the deal and get his money back. Respondent's salesperson explained the manager was out on vacation, but would be able to help Complainant when he returned. Complainant filed the complaint prior to the manager's return.

In a phone call with legal, Complainant's mother explained the manager returned and refunded the money just as the salesperson promised. They considered the matter resolved.

Recommendation: Close.

Commission Action: Approved.

27. 2017007901

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

Complainant alleged Respondent sold a vehicle to an auction after rolling back the odometer. Respondent is not located in the State of Tennessee.

Recommendation: Close and refer to the Mississippi Department of Revenue.

Commission Action: Approved.

28. 2017007921

First Licensed: 10/02/2012

Expiration: 09/30/2016 (Closed 05/18/2015)

Type of License: Motor Vehicle Dealer

History (5 yrs.): 4 Complaints closed & flagged in 2014 for failure to provide title/registration.

Complainant alleges Respondent did not deliver title for a vehicle. The dealership is now closed, the license is listed as closed, and bond information has been provided to the Complainant.

Recommendation: Close.

Commission Action: Approved.

29. 2017001421

First Licensed: 04/20/1994

Expiration: 04/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2012 Warning for advertising violations. February 2013 Consent Order \$500. Advertising violations.

A family member filed this complaint on behalf of the actual purchaser. The purchaser went to Respondent with a title in her and her husband's name, or to the survivor. The purchaser told Respondent her husband had died, but she wanted to trade in the vehicle for a new car. Respondent accepted the purchaser's signature without the husband's signature under the impression the husband had passed away.

Later, the purchaser's niece and the Complainant in this matter discovered what the purchaser did. Complainant filed a complaint explaining that purchaser's husband was not dead. Rather, purchaser and her husband were in the middle of a heated divorce, and the vehicle the purchaser traded in was involved in the divorce. Complainant alleges Respondent broke the law by allowing the vehicle to be traded in without requesting a death certificate.

Recommendation: Close.

Commission Action: Approved.

30. 2017005471

First Licensed: 09/01/1991

Expiration: 08/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): September 2014 Warning for advertising violations.

Complainant alleged he discovered the truck he purchased from Respondent had a branded title due to mileage discrepancies after purchasing it. Complainant discovered this fact after another dealership showed Complainant a CarFax for the vehicle. However, the title does not reflect a brand.

A review of the vehicle history shows that nine years ago in Michigan, the vehicle was identified as a "leased vehicle" right after production. A corrected title then was issued for the vehicle a month later. Seven months later, a mileage issue was reported to CarFax. Respondent, while investigating this issue, contacted the Tennessee Highway Patrol. The THP identified that the vehicle was stolen during that time period in Michigan, and ultimately the truck was issued a new VIN plate. Respondent states that may be the reason a mileage issue was recorded, albeit an inaccurate recording. Later, the truck was titled in Kentucky, with a title reflecting 5,245 miles. No mention of odometer or mileage issues appears in the vehicle history for the next six years up to the Respondent purchasing the vehicle.

Respondents purchased the vehicle from a construction company and received an Odometer Disclosure Statement that identified the actual mileage at 73,140. The vehicle was sold to Complainant with 73,153 miles.

Due to the complicated history of this vehicle, the VIN plate change, no brand on the title itself, and no evidence the mileage is not actual, it seems likely the reported mileage entry on the CarFax was erroneous, and Respondent did not violate any laws or attempt to deceive the Complainant during the sale.

This Respondent's history does not include any similar violations. Respondent has paid an Agreed Order for a late Annual Sales Report, and received warnings for advertising violations in 2010, 2011, and 2014.

Recommendation: Close.

Commission Action: Approved.

31. 2017012051
First Licensed: 07/14/2015
Expiration: 06/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent would not honor a price listed on its website. The listed price was about \$20,000 under market value for a new truck. When Complainant arrived with the advertisement, Respondent stated the price was a typo, and corrected its website. Respondent tried to offer other deals on the vehicle, but would not honor the significantly discounted price on the website.

Respondent responded and admitted to the error in the advertisement. Respondent apologized, but did state the error would be clear to reasonable individuals due to the accidentally reduced price being so dramatically lower than market value. This is the first complaint for this particular license held by the dealership. Respondent's other make lines have had advertising complaints for failing to list stock numbers and similar errors identified by staff, but not from a consumer due to a price error.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

32. 2017008001
2017010121
First Licensed: 06/26/2000
Expiration: 06/30/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): July 2012 Consent Order \$500. Failure to properly maintain temporary tag log.

Complainants reported issues receiving titles from Respondent. Respondent bought a number of vehicles from another dealer. That dealer failed to deliver any titles to Respondent. Respondent has been cooperating in a large investigation into that dealer. Respondent was able to get the Complainants registered and utilize the other dealer's bond company to work to get titles for the Complainants. Respondent has claims pending against the other dealer's bond on a number of issues. The other dealer is on this legal report for revocation.

Recommendation: Close.

Commission Action: Approved.

33. 2017006251

First Licensed: 06/22/2012

Expiration: 07/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): March 2014 Consent Order \$16,500. 33 Counts of off-site sales

Complainants allege Respondents wrongfully repossessed their vehicle. Respondent provided a copy of a spot delivery agreement executed by Complainants. Respondent also provided proof that financing fell through due to employment discrepancies on the information provided by Complainants. However, the "spot delivery" agreement was not in conformity with the required Conditional Delivery Agreement set out in TENN. CODE. ANN. § 55-17-114(b)(4)(D).

This is the first complaint of this type against the Respondent. Respondent was assessed a penalty in 2016 for an incomplete temporary tag log, and a penalty in 2014 for consigning cars between itself and another dealership.

Recommendation: Authorize a civil penalty for \$500 to be settled by Consent Order or a formal hearing.

Commission Action: Approved.

34. 2017008921

First Licensed: 06/01/2001

Expiration: 05/31/2017 (Voluntary Revocation 08/16/2016)

Type of License: Motor Vehicle Dealer

History (5 yrs.): Multiple complaints leading to the voluntary revocation of license

Complainant alleges Respondent has not delivered title and illegally modified his temporary tag. This Respondent has had its license revoked, and its surety bond company is actively working with consumers to remedy title issues. Complainant's issue started prior to the license revocation. The owner of the dealership passed away, and a former employee stole a number of cars and titles and fled the State of Tennessee. The dealership is now closed. The surety bond information has been provided to this Complainant, and the bond company is working with the family of the Respondent dealership to remedy all title issues.

Recommendation: Close.

Commission Action: Approved.

35. 2017009751

First Licensed: 08/17/2011

Expiration: 07/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges Respondent sold his trade-in and would not refund a \$500 down payment after Complainant was unable to get confirmation from his bankruptcy trustee that he could incur more debt. Respondent responded and stated it had returned the down payment and the trade-in. Respondent provided a copy of the check as proof. Legal attempted to contact the Complainant, but he did not respond.

Recommendation: Close.

Commission Action: Approved.

36. 2016076221

First Licensed: 01/30/2015

Expiration: 01/01/2017 (Expired-Grace Status)

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant came from out of state and purchased a vehicle from Respondent. Respondent did not charge Complainant sales tax, but did charge a business tax. Complainant alleges he should not be charged the business tax since he is out of state. Respondent provided authority for the tax in the Revenue code and in case law. Respondent also offered a free CTV drive belt to try to rebuild customer relations with Complainant. Complainant accepted, but still filed this complaint and demanded money back. Respondent alleges Complainant demanded significantly more back to avoid the complaint, but Respondent stands by its authority to charge the tax. Respondent states Complainant has harassed staff, and will pay the tax back so long as Complainant never contacts them again or comes to the dealership.

Recommendation: Close.

Commission Action: Approved.

37. 2017007171

First Licensed: 12/20/2016

Expiration: 10/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent requested 100 dealer tags from the county clerk. The clerk informed the Tennessee Department of Revenue, which is conducting an investigation. As a part of that investigation, a Revenue investigator visit Respondent's location. The investigator noted that the building was locked up and empty. Revenue contacted Commission staff to inform them of their discovery. A Department investigator visited the Respondent's location and confirmed the dealership was not open. Signage and business hours were still posted, but the doors were locked and no one answered the phone after multiple call attempts.

Recommendation: Authorize a civil penalty of \$500 for failing to maintain business hours to be settled by consent order of formal hearing.

Commission Action: Approved.

38. 2017000331
First Licensed: 10/05/2015
Expiration: 10/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent received a Notice of Violation for not maintaining a temporary tag log on-site. The inspector issued the NOV because Respondent kept its temporary tag log at its corporate headquarters. During the inspection, the corporate headquarters was able to send the log over via email. Since the NOV was issued, Respondent now keeps a copy of the log at its location, and has provided proof of such.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

39. 2016074341
First Licensed: 08/04/2016
Expiration: 07/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent is newly licensed and owned by an LLC. When Respondent submitted information for a dealer's license, it also submitted an application for a salesperson. The dealer's license was approved, but a request for additional information was sent to the applicant for the salesperson's license. The applicant never responded. Respondent operated from August 4, 2016, to December 16, 2016, without a licensed salesperson. Despite this, Respondent sold sixty-five vehicles. Respondent states it was unaware the salesperson applicant had received a request for additional information, and believed the applicant was licensed. However, Respondent hired another individual sometime in October, and that individual sold cars without a license. The second employee was licensed December 16, 2016.

Recommendation: Authorize a civil penalty of \$32,500 for unlicensed sales to be settled by consent order of formal hearing.

Commission Action: Approved.

40. 2017000421
2017000561
First Licensed: 03/15/2012

Expiration: 12/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

This Respondent is the subject of two complaints. Both Complainants allege Respondent failed to deliver title/registration. One of the Complainants (Complainant 1) stated he had received four temporary tags. An investigation was conducted. The other Complainant (Complainant 2) insisted the issue was resolved, and would not participate in the process. Respondent responded and stated that, for Complainant 1, the title was misplaced when the dealership moved locations. Respondent was trying to get a duplicate from Ohio when the original title was found while unpacking the new office. The title was mistakenly stapled to another title. Respondent denies issuing Complainant 1 more than two temporary tags.

As to Complainant 2, the title was delayed after received a Power of Attorney Title from the auction without a notary stamp. The title was returned to the seller to be corrected. The title was fixed and Complainant 2's issue is resolved. Respondent admits to issuing three temporary tags to Complainant 2.

A review of the temporary tag log reveals only one additional tag issued to Complainant 2. No other tag violations were identified.

Recommendation: Close as to 201700421. As to 2017000561, authorize a civil penalty of \$500 for issuing one more temporary tag than allowed by law, to be settled by consent order or a formal hearing.

Commission Action: Approved.

41. 2017000441
First Licensed: 09/01/1991
Expiration: 11/30/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent did not properly apply warranty coverage to repairs Complainant had to perform. An investigation was conducted. A review of the warranty shows the repairs were not covered, and that the extent of the warranty coverage was shared with Complainant.

Recommendation: Close.

Commission Action: Approved.

42. 2016067461
First Licensed: 09/29/2015
Expiration: 08/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

This complaint is the result of a Notice of Violation issued in October to the Respondent. The NOV alleged Respondent was in possession of open titles, failed to produce titles for most of the vehicles on the lot, failed to maintain a temporary tag log, and failed to use rebuilt title disclosure forms.

An investigation was conducted in order to determine the scale of the issue and gather additional evidence. Respondent admitted it did not maintain a temporary tag log at the time of the inspection. Respondent showed the investigator where it now maintains an electronic temporary tag log that appeared to be in order. Respondent also showed the investigator where all the titles for vehicles were closed in properly. Respondent stated he previously kept the titles at his home.

Additionally, Respondent admits it did not use the proper rebuilt disclosure form, but showed the investigator where it was using it now due to the NOV. Respondent claims it was unaware of the requirement prior.

Recommendation: Authorize a civil penalty in the amount of \$1,500 (\$500 for failure to produce business records, \$500 for failing to use proper rebuilt disclosure form, and \$500 for possession of one open title from the NOV) to be settled by consent order or a formal hearing. Additionally, issue a letter of warning for the previous failure to maintain a temporary tag log.

Commission Action: Approved.

43. 2016068091
First Licensed: 05/20/2008
Expiration: 05/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged a multitude of allegations related to the financing deal between Complainant, Respondent, and a financing bank. The main concern was the overall cost of the vehicle after warranty and financing charged. Complainant has been paying Respondent for the vehicle since November of 2015. A review of the deal file revealed that the Complainant signed a loan financing sheet that showed monthly payments and other proper Regulation z disclosures. The deal file also contained another sheet that had the Complainant paying the financing payments to the dealer on a weekly basis. An investigation was conducted. Respondent stated the loan was a “full recourse” loan. Respondent stated Complainant did not qualify for financing based on his credit. Therefore, Respondent guaranteed the loan. This was generally explained in a disclosure form in the file in which Respondent stated the dealership is responsible to the bank, and therefore, payments should be made weekly to Respondent rather than to the bank.

The investigator contacted the bank. The bank stated it understood the nature of the full recourse loan, but the bank would not have been involved or authorized a payment schedule other than the monthly schedule agreed to in the financial disclosure form.

It appears Respondent takes it upon itself to collect the payments and forward the funds to the bank rather than allowing Complainant to pay the bank directly. The result is two contradictory agreements for payments in the deal file. Also, there is an unexplained issue regarding the ultimate discrepancies in amounts paid in a month when the number of

weeks may vary. While it seems the dealer in this matter explained this alternative arrangement, providing a consumer with contradicting financing documents as far as payment schedule seems deceptive.

Recommendation: Discussion.

Commission Action: Close upon the issuance of a Letter of Warning.

- 44. 2016068571**
First Licensed: 08/21/2012
Expiration: 06/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges he purchased a vehicle that was in poor working order after being told it was inspected and in good order. The vehicle was used and purchased as-is. Respondent provided Complainant a Car Fax that also showed no issues. Complainant states within a few days, the vehicle started experience major misfiring issues and leaked coolant. Complainant took the vehicle to another dealer in Alabama that allegedly told Complainant the vehicle was in poor pre-sale condition. Complainant also states the dealer discovered a brake sensor was removed. Complainant also alleges the vehicle wasn't test driven based on the fact the Car Fax did not show a change in mileage.

Respondent responded that the vehicle was inspected, and test driven, by its staff as well as the Complainant and no issues were identified other than a battery issue. Respondent showed it had in fact replaced the battery as a result of the inspection. The vehicle was sold as-is without a warranty. An investigation was also conducted that did not reveal any evidence of false representations of the vehicle's condition.

Recommendation: Close.

Commission Action: Approved.

- 45. 2016068371**
First Licensed: 10/20/1993
Expiration: 12/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent did not provide title after selling a vehicle to Complainant off-site. An investigation was conducted. Complainant never responded to the investigator. Respondent explained Complainant had purchased a BMW from Respondent that had an issue after Complainant left. Respondent's salesperson met Complainant at an auto parts store to try to help with the BMW. Complainant asked if he could return the BMW and instead purchase the Tahoe Respondent's salesperson arrived in. Respondent's salesperson agreed and sold the Tahoe to Complainant. Complainant signed a bill of sale. The total price was \$5,000, and Complainant paid \$3,500, with a \$1,500 balance due. Complainant was given a temporary tag. Before paying the remainder, Complainant left to

Colorado. Complainant states in his complaint that the temporary tag fell off in a storm, so he was pulled over, arrested, and the vehicle was impounded. As a result, Respondent overnighed a second temporary tag and the title with a lien attached. The title was not signed for and was ultimately returned to Respondent. Complainant never paid the outstanding balance, and Respondent has not heard from him since.

Recommendation: Authorize a civil penalty of \$500 for one off-site sale, to be settled by consent order or a formal hearing.

Commission Action: Close.

46. 2016068451 (Respondent 1)
First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

2016068452 (Respondent 2)
First Licensed: 03/29/2012
Expiration: 01/31/2017 (Terminated 03/16/2015)
Type of License: Motor Vehicle Salesperson
History (5 yrs.): January 2017 Letter of Warning. Unlicensed Activity

2016068453 (Respondent 3)
First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

2016068454 (Respondent 4)
First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

An inspector discovered a number of vehicles, including a 2003 Cadillac Deville, set up in an Electronics Express parking lot in Tennessee. The vehicles were listed as for sale, and all had the same telephone number as a contact. The inspector photographed the vehicles, and some had temporary tags on them. The inspector researched the VINs and discovered they were sold by an auction to Respondent 1. Respondent 1 is a registered wholesale dealer in Alabama. The 2003 Cadillac Deville was photographed in the Electronic Express parking lot with the same temporary tag on it as was issued to it by the auction. The inspector conducted a follow-up visit with an agent from Revenue, but the vehicles were gone. Additional research indicated the 2003 Cadillac Deville was sold to a Tennessee resident with Respondent 1's bill of sale. A review of the purchaser's Facebook Page revealed a photograph the purchaser took of the vehicle to share his new purchase. The location was matched to a parking lot of an insurance company a few blocks from the

Electronic Express. The photograph was uploaded to Facebook the same day the bill of sale was signed, eliminating the possibility the sale somehow occurred in Alabama.

As a result of the above, an investigation was conducted to determine the scope and extent of Respondent 1's sales in Tennessee. The investigation revealed Respondent 2 owns Respondent 1 dealership. Respondent 2 has an expired Tennessee salesperson license. When contacted by the investigator, Respondent 2 said Respondent 1 was his business, but since it was licensed in Alabama, it was not subject to Tennessee regulation. Respondent 2 denied selling vehicles in Tennessee, and stated he did not live in Tennessee. However, a review of the property deed for Respondent 2's last known address revealed he still owned the property. Two vehicles were photographed at the property. One had an Alabama dealer tag on it, and the other had a Tennessee dealer tag. The dealer tag belongs to a licensed Tennessee dealer. When contacted, the owner of the dealership explained it was his wife's vehicle. Respondent 2 is his wife's brother. The owner, while not wanting to get too involved, stated Respondent 2 sells vehicles illegally, and it comprises 100% of Respondent 2's income. The owner stated he had sent an anonymous letter to the State of Alabama to try to stop Respondent 2.

The investigator discovered Respondent 1 had also authorized Respondent 3 and Respondent 4 to purchase vehicles at an auction in Tennessee; however, no evidence that Respondent 3 or 4 sold vehicles has been located. Respondent 1 is listed to have purchased over 200 vehicles from the Tennessee auction. A review of the vehicle registrations reveals Respondent 1 business, under the ownership of Respondent 2, has sold 167 vehicles in a 12-month period in Tennessee.

Recommendation: Respondent 1 and Respondent 2: Authorize a civil penalty in the amount of \$167,000 (\$1,000 x 167 sales) for operating as an unlicensed dealer to be settled by consent order or a formal hearing.

Respondent 3 and Respondent 4: Close upon issuance of letters of caution.

Commission Action: Approved.

47. 2016069361
First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

An anonymous complaint was filed alleging Respondent was selling motor vehicles without a license. An investigation was conducted that revealed Respondent sells scooters that do not qualify as motor vehicles.

Recommendation: Close.

Commission Action: Approved.

48. 2016072001
2017005991

2017009901

First Licensed: 08/10/2012

Expiration: 07/31/2018 (Closed 02/10/2017)

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Three complaints against Respondent were filed, all alleging Respondent failed to delivery title or registration. An investigation was conducted. When contacted, two consumers had received their titles, but only after filing claims with Respondent's bond company. The titles were released to the consumers by the floor planner. The third consumer was still working with the bond company and a different floor planner in an effort to get his title for a camper purchased from Respondent. The investigator contacted the floor planner, and staff suggested the claim was being processed, and the title would likely be released to the consumer.

When contacted, Respondent stated the dealership was closed and he had filed Chapter 11 Bankruptcy. Respondent admits to financial troubles, and owing the floor planners money. The license is currently set in closed status.

Recommendation: Close and flag.

Commission Action: Approved.

49. 2016072281 (Respondent 1)

First Licensed: 01/06/2015

Expiration: 11/30/2016 (Closed 02/01/2016)

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

2016072282 (Respondent 2)

First Licensed: 03/21/2014

Expiration: 03/31/2016 (Terminated 01/26/2015)

Type of License: Motor Vehicle Salesperson

History (5 yrs.): N/A

Complainant alleged he purchased a vehicle from Respondent 2, but was not provided with a title. Respondent 2 is not licensed. Complainant provided a bill of sale from Respondent 2, but it had the dealer information for Respondent 1 at the top. Respondent 1 is a closed dealership.

An investigation was conducted. It was discovered that Respondent 2 knows a former employee of Respondent 1 dealership. The former employee represented to legal that Respondent 2 had done some remodeling work at the former employee's new place of employment, and had inquired about the car business. Later, Respondent 2 purchased a vehicle from another dealership, and represented he worked for the former employee of Respondent 1. The former employee and owner of the dealership the former employee works at deny any knowledge Respondent 2 purchased a vehicle as an alleged agent of their dealership. The former employee stated to legal that Respondent 2 had come to him to say he bought a car for his wife, but she couldn't drive it. The former employee stated

Respondent 2 said he wanted to sell it to a friend, but did not know how to do the title work. The former employee said he showed and provided examples of how to create a bill of sale and what to give to the clerk for a title transfer, but never intended Respondent 2 use his old dealership's forms. While the former employee has a history that suggests he is not always credible, a second complaint against Respondent 2 is currently under investigation, and in that matter, Respondent 2 changed the forms to remove the mention of the dealership.

Recommendation: Respondent 1: Close.

Respondent 2: Authorize a civil penalty in the amount of \$1,000 for representing himself as a licensed dealer to be settled by consent orders or a formal hearing.

Commission Action: Approved.

50. 2016073411
First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Complainant stated she purchased a vehicle from Respondent and never received a title. An investigation was conducted. The investigation concluded the sale was a private sale between neighbors. The Complainant would not answer the phone and never contacted the investigator after numerous attempts. The Respondent was also unavailable and could not be located.

Recommendation: Close.

Commission Action: Approved.

51. 2016073501
First Licensed: 12/06/1994
Expiration: 11/30/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant stated Respondent misled her on the length of financing. An investigation was conducted. Respondent provided the deal file and all financing documents that shows Complainant signed and initialed information related to the repayment schedule in multiple locations. No evidence of fraud or deceit was uncovered.

Recommendation: Close.

Commission Action: Approved.

52. 2016074081
First Licensed: 01/09/2012

Expiration: 12/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant purchased a rebuilt vehicle from Respondent on November 10, 2016. Complainant alleges the vehicle has a number of mechanical issues since its purchase. The vehicle was sold with a limited thirty-day service contract with Respondent. An investigation was conducted. It concluded the service contract had been followed, and Respondent had even done some “good will” repairs, which was noted as such on the mechanic receipts. However, Respondent did not use the proper rebuilt disclosure notice. Instead of the language required in Tenn. Comp. R. & Regs. 0960-01-.29, the Respondent has one sentence at the bottom of its bill of sale that states, “The above vehicle has been wrecked before and may have had frame damage and/or branded title.” The sentence is bold and in all caps, and Complainant signed next to it.

Reviews of other deal files indicate Respondent is now using the notice.

Recommendation: Authorize a civil penalty in the amount of \$500 for failing to use the proper rebuilt disclosure form, to be settled by consent order of a formal hearing.

Commission Action: Approved.

53. 2016074511

First Licensed: 02/15/2002

Expiration: 02/28/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): March 2016 \$9,500 Consent Order for false, Fraudulent or Deceptive Acts; Temporary Tag Violations.

Complainant alleges Respondent failed to deliver title. An investigation was conducted. Respondent is now closed, and a new dealership is open at the same location. The owner of Respondent dealership is now a salesperson at the new dealership. The investigator contacted the floor planner holding the title, and was informed Respondent never paid off the vehicle and the vehicle was sold out of trust, but the floor planner indicated it would mail the title to Respondent. Respondent’s owner indicated he would release the title to Complainant as soon as he received it from the floor planner. Complainant later confirmed he received the title, five months after purchasing the vehicle.

The investigator went to the new dealership to meet with Respondent’s owner and review Respondent’s temporary tag log from when it was in operation. The log indicated ten missing temporary tags. Revenue confirmed those tags were sold to Respondent. Respondent’s owner stated the tags were missing because they got “sloppy” with record-keeping. Respondent’s owner indicated they had in fact paid off the vehicle through a settlement with the floor planner.

Floor planner disagrees and indicated Respondent still owes the floor planner \$189,000. The floor planner also submitted a sworn statement stating Respondent obtained three titles with bad checks, and sold eleven vehicles out of trust.

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

Commission Action: Approved.

54. 2016075081
First Licensed: 09/01/1991
Expiration: 12/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant purchased an old Bentley sight unseen from Respondent, other than pictures provided. The purchase was as-is. Complainant was not satisfied with the condition of the vehicle when it was delivered. After communicating back and forth, Respondent ultimately refunded Complainant \$1,400 to address Complainant's concerns. Complainant is still unhappy despite agreeing \$1,400 would resolve the issue.

Recommendation: Close.

Commission Action: Approved.

55. 2016075271
First Licensed: 09/01/1991
Expiration: 02/28/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant is the consumer's father. Complainant alleges Respondent did not disclose that the vehicle was in an accident, and that Complainant discovered that fact when his daughter found photographs and repair receipts in the glove box inside the owner's manual a year after the vehicle was purchased. Complainant alleges when he called Respondent about the issue, Respondent responded by saying the documents in the glove box were the disclosure.

An investigation was conducted. Respondent is adamant that the complaint is unfounded. Respondent explained the vehicle was cosmetically damaged in their detail shop, so minor repairs were made for a cost of \$384.87. Respondent states they told the consumer that, and provided her the pictures and receipts. Respondent states that the owner's manuals are kept in their office, and given directly to consumers when vehicles are purchased. Respondent states the only way the receipts and photographs would have made it into the owner's manual and subsequently into the glove box is because Complainant's daughter put them there after they were provided to her.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

56. 2016076011

First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

An anonymous Complainant alleged Respondent is selling vehicles without a license. Respondent is a car wash and tire sales store. Respondent currently has a case in litigation for unlicensed activity. This current complaint resulted in an investigation that provided eight more examples of Respondent and Respondent's owner listing vehicles on Craigslist for sale.

Recommendation: Authorize this complaint to go to formal charges in order to be combined with the previous complaint in litigation.

Commission Action: Approved.

57. 2017000381
First Licensed: 07/09/2015
Expiration: 06/30/2017 (Closed 04/17/2017)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

This complaint was a result of a Notice of Violation. An inspection revealed that the dealership was barely operating. Only one of ten vehicles had buyer's guides displayed, the lot was locked every time inspectors and investigators came to visit, no business hours or phone numbers were posted, and the temporary tag log and dealer tags were unaccounted for when the owner was finally contacted.

After an investigation was conducted to figure out why the dealership was having so many issues, the Respondent announced her intent to close her dealership. The Respondent voluntarily surrendered her license on April 12, 2017.

Recommendation: Close and flag.

Commission Action: Approved.

58. 2017000631
First Licensed: 02/11/2013
Expiration: 01/31/2019
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent failed to disclose a vehicle he purchased was rebuilt. Complainant discovered the vehicle was rebuilt a year after purchase when attempting to refinance the vehicle. An investigation was conducted.

The investigation revealed that the Respondent purchased the vehicle from an auction in Mississippi. Neither the paperwork from the auction nor the title stated that the vehicle is rebuilt. Respondent's owner's mother drove the vehicle for three years before it was sold at Respondent dealership. Complainant did not request a Car Fax. After Complainant told Respondent the vehicle was rebuilt, Respondent ran a Car Fax and saw that the vehicle was rebuilt. Respondent offered to help with some cosmetic defects Complainant was complaining of, but Complainant refused. Respondent maintains it did not know the vehicle was rebuilt, and that it tried to work with Complainant when that fact came to light, but Complainant wanted his money back almost a year after purchasing the vehicle, which Respondent did not find reasonable.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

59. 2017003301
First Licensed: 06/25/2015
Expiration: 05/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Staff opened this complaint after Respondent's mail was returned to the Commission. A drive-by request was ordered by Staff to determine whether the Respondent was still open. The inspector stated no one was at Respondent's location; however, the owner's son owns a business next door, and he stated his father still owned the business and still receives mail.

Legal ordered an investigation to determine more about the state of the dealership. This time, neither the son nor the owner responded to the investigator. All numbers found associated with the business went to voicemail, and no calls were returned. The inspector visited the dealership twice, and no one was present. No inventory was on the lot.

Recommendation: Close upon the license being set in closed status.

Commission Action: Approved.

60. 2017003581
2017003691
2017003651
2017005651
2017005701
2017005741
2017005761
2017005921
2017006281
2017007071
2017008991
2017009591

**2017009931
2017009961
2017005721**

First Licensed: 09/01/1991

Expiration: 01/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): April 2015 \$3,000 Consent Order for failure to properly maintain a temporary tag log; failure to respond to the Commission.

Complainants are individual consumers and dealerships all having issues receiving titles and payments for vehicles purchased or wholesaled from Respondent. Respondent is cooperating in the investigation, and stated he started experiencing financial difficulties, and became insolvent with a floor planner. The dealership is owned by two brothers. The investigation seems to indicate one brother is at fault for the dealership failures, and the other is attempting to remedy the problems. The brother attempting to assist/remedy the title issues is selling off personal property and slowly working to pay off titles. Respondent is not currently operating, and the bond company is also extensively involved. At least three Complainants now have titles, and some of the vehicles wholesaled to the other dealership have titles.

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

Commission Action: Approved.

61. 2017003791

First Licensed: 04/10/2001

Expiration: 04/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): November 2013 \$1,000 Consent Order for issuing more temporary tags than allowed by law. March 2017 \$1,000 Consent Order for failing to timely pay off a trade-in.

Complainant alleges Respondent would not refund a down payment after financing failed. Complainant alleges Respondent issued her a check for the amount, but it would not cash. An investigation was conducted. Respondent's lot appeared closed and the investigator ran into an agent of a floor planner also looking for the owner and collateral to be collected. A review of the deal file reveals Respondent did not use the proper conditional delivery form. The check allegedly issued to Complainant is no longer available. Complainant did call the police after the check would not cash and an altercation occurred between Complainant and Respondent, but Complainant left the dealership prior to the police arriving.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for not using the proper conditional delivery form to be settled by consent order or a formal hearing.

Commission Action: Approved.

62. 2017005941

2017005961

2017007961

2017013711

First Licensed: 02/17/2016

Expiration: 02/28/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainants all allege they did not receive titles or registration after purchasing vehicles from Respondent, and all had issues communicating with the dealership. An investigation was conducted. The dealership appeared closed. The investigator met with one of the co-owners of Respondent dealership. The co-owner advised that after taking a month off from the business due to a death in the family, he returned to find out the other co-owner embezzled close to \$200,000 from the dealership and fled. The co-owner still at the dealership has a civil case pending against the alleged embezzler, and a restraining order is active to prevent the embezzler from entering the business. The co-owner states his role was typically in the shop, and the embezzler ran the sales. The co-owner states he is purchasing vehicles from auction, repairing them, and wholesaling them in order to try to keep the business afloat and to pay off floor planners for titles of vehicles sold out of trust by the embezzler. Co-owner is currently in a payment plan with the floor planner.

Since the investigation, two of the Complainants have received titles. The floor planner has released eleven more titles to Respondent's consumers. During this time, Respondent issued more than two temporary tags to seven consumers while trying to get titles. Eight tags more than allowed have been issued.

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

Commission Action: Approved.

63. 2017006121

First Licensed: 10/22/2012

Expiration: 11/30/2018 (Closed 03/21/2017)

Type of License: Motor Vehicle Dealer

History (5 yrs.): December 2016 \$5,000 Consent Order for false, fraudulent or deceptive acts and failure to properly maintain temporary tag log.

Complainant alleged Respondent failed to pay off a trade in she traded to Respondent in December 2015. Complainant and the owners of Respondent dealership had a prior relationship, so upon Respondent's request, they arranged with Complainant to make the payments on the trade-in rather than paying it off in one payment. That oral arrangement was maintained until February 2017. Complainant contacted Respondent to determine why payments had stopped. Complainant was told Respondent was going out of business. An investigation was conducted. The Respondent appeared closed, and a sign for a new

business was in its place. The investigation confirmed Respondent is out of business, and the old manager is opening a new lot at the same location. The manager was not the owner of Respondent dealership.

Recommendation: Close and flag.

Commission Action: Approved.

64. 2017008321

First Licensed: 09/01/1991

Expiration: 11/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent failed to return a deposit he placed on a vehicle. Respondent alleged the deposit was non-refundable. The communications are unclear as to the arrangement, but the deposit was intended to hold a vehicle for possible purchase for some window of time. Respondent sold the vehicle two days later. Ultimately, since the complaint was filed, Respondent returned the deposit to resolve this matter.

Recommendation: Close upon issuance of a letter of warning to advise Respondent to maintain written records when collecting deposits or any fees.

Commission Action: Approved.

65. 2017008971

First Licensed: 07/14/2000

Expiration: 07/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent misrepresented the vehicle she purchased. Complainant states Respondent's salesperson told her the vehicle had a clean Car Fax and that it had never been wrecked. A month after purchase, Complainant learned it had in fact been wrecked, and that accident was recorded on the Car Fax. An investigation was conducted. Respondent stated that the salesperson that made the representations has been fired. Respondent did ultimately work with Complainant to help buy back the vehicle; however, Complainant was still out some money from the transaction. Respondent acknowledges the Car Fax showing the accident was available to the salesperson at the time that salesperson made the false representation about the condition of the vehicle.

Recommendation: Authorize a civil penalty in the amount of \$500 for one count of false, fraudulent, or deceptive acts to be settled by consent order or a formal hearing.

Commission Action: Approved.

66. 2017004431
First Licensed: 05/26/2011
Expiration: 05/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant experienced a number of mechanical issues in the months following the purchase of a used vehicle from Respondent. Respondent provided the deal file, which indicated the sale was as-is. No evidence of false representations about the condition of the car was found.

Recommendation: Close.

Commission Action: Approved.

67. 2017004301 (Respondent 1)
First Licensed: 07/30/2007
Expiration: 07/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

2017004302 (Respondent 2)
First Licensed: 06/09/2015
Expiration: 06/30/2017
Type of License: Motor Vehicle Salesperson
History (5 yrs.): N/A

Complainant states he purchased two classic vehicles from Respondent 1, but the vehicles were never delivered. The salesperson, Respondent 2, had Complainant make one check out to Respondent 2 personally, and one out to Respondent 2's wife (and the owner of Respondent 1 dealership) rather than to the dealership. An investigation was conducted. The investigator discovered that the salesperson currently has three criminal indictments pending against him. Two are for theft related to the two vehicles Complainant is owed. The third is for theft related to another consumer. That consumer arranged for Respondent 1 and 2 to consign a vehicle on the lot. Respondent 1 sold the vehicle, but never remitted any payment to the consumer.

Both the Complainant and the other consumer also have civil actions against Respondent 2. The consumer won on a default judgment. Complainant is hoping his matter will settle with Respondent shortly in civil court.

Recommendation: Authorize the revocation of both Respondent 1 and Respondent 2's licenses to be settled by consent orders or formal hearings.

Commission Action: Approved.

68. 2017004861
First Licensed: 05/14/1997

Expiration: 05/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent took too long to get her title, and that when she stated she wanted a different vehicle, they let her test drive a car. The second time she drove the potential second car, the odometer showed 100,000 less miles. A mechanic that saw the car confirmed that he saw the odometer go back 100,000 miles after seeing the car twice over a two day period, but that the odometer also stopped working. Respondent owners state they do not know why that happened to the odometer. That vehicle was subsequently sold to another consumer that totaled the vehicle the month after it was purchased.

Ultimately, Respondent got the title for Complainant's vehicle within six weeks. When Complainant stated she did not like the vehicle she purchased, and she did not like the second car with the odometer issue, Respondent refunded Complainant's down payment and took possession of the vehicle.

However, a review of the Respondent's temporary tag log revealed five temporary tags were unaccounted for.

Recommendation: Close upon the issuance of a letter of warning for a first offense for five missing temporary tag entries and a referral to revenue for the possible odometer issue.

Commission Action: Approved.

69. 2017010081

First Licensed: 05/01/2012

Expiration: 03/31/2016 (Closed 07/14/2015)

Type of License: Motor Vehicle Dealer

History (5 yrs.): August 2014 \$2,000 Agreed Citation for failure to maintain a temporary tag log.

Complainant purchased a vehicle in 2015 from Respondent. Respondent closed in March of 2016. Complainant never received title for the vehicle he purchased. The surety bond information was provided to the Complainant.

Recommendation: Close.

Commission Action: Approved.

70. 2016068251 (Respondent 1)

First Licensed: N/A

Expiration: N/A

Type of License: N/A

History (5 yrs.): N/A

2016068252 (Respondent 2)

First Licensed: 03/21/1994

Expiration: 03/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

2016068253 (Respondent 3)

First Licensed: N/A
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Complainant alleged his neighbors were selling vehicles from a residential location without a license. Complainant looked up the vehicles he saw and found two classic cars listed on Ebay as for sale under the username for Respondent 1. Respondent 1 is not a licensed dealership.

An investigation was conducted. The investigation concluded Respondent 1 was not operating as a dealership, but merely had an Ebay account he used to sell two classic cars he works on as a hobby. That user is also a licensed salesperson at Respondent 2 dealership, but Respondent 2 has no involvement in the complaint.

During the investigation, Respondent 1's father, Respondent 3, stated he had sold three personal vehicles last year as well, and showed a listing he used online. Respondent 3 used a form website generator to list his three personal vehicles for sale. The form, however, was likely intended for dealerships, and therefore the website appears to be a dealership. While it appears credible Respondent 3 did not intend to represent himself as a dealership, the website would be confusing to a consumer. The website is still available online, but is not updated and appears inactive.

Recommendation: Close as to Respondent 1 and 2. As to Respondent 3, authorize a civil penalty of \$500 for holding himself out as a dealer, with the option for the civil penalty to be waived if Respondent 3 removes the website from the internet within thirty days of receiving the consent order.

Commission Action: Approved.

Matthew Reddish:

1. 2016069981
First Licensed: 12/18/2015
Expiration: 11/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent offers to make all repairs to vehicles purchased within the first 2,000 miles and offers a 4 day 200 mile money back, no questions asked, return policy. Complainant attempted to take advantage of these guarantees; however, Respondent states these guarantees do not apply to vehicles purchased "as is." Since this vehicle was purchased "as is" Respondent feels these guarantees do not apply. A review of Respondent's website states: "Every car on our lot is inspected, certified and running like new. Plus, every car comes with our Good Vibe Guarantee: a 2 month/2,000 mile, "we've

got you covered” warranty.” Website also states: “If you don’t absolutely love your car, you may return it within 4 days or 200 miles of the day you drove it off our lot—no questions asked.” Nothing on the websites limits these guarantees in any way.

Recommendation: Authorization of a civil penalty in the amount of \$1,000 (1 x \$1,000 for deceptive act) plus one violation of deceptive advertising (no penalty assessed). To be settled by consent order or formal hearing.

Commission Action: Approved.

2. 2016070481
First Licensed: 09/01/1991
Expiration: 03/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent deceived them regarding the size of the engine in the motor vehicle they were purchasing. Respondent settled the dispute to Complainant’s satisfaction prior to investigation being requested.

Recommendation: Close

Commission Action: Approved.

3. 2017002811
First Licensed: 02/05/2016
Expiration: 02/28/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): October 2016 Letter of warning for temporary tag log errors.

Complainant alleged Respondent engaged in deceptive acts by not properly titling/registering their vehicle. Respondent settled dispute to Complainant’s satisfaction prior to investigation being requested.

Recommendation: Close

Commission Action: Approved.

4. 2017006921
First Licensed: 08/19/2013
Expiration: 06/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): August 2015 Consent Order \$1,000. Possession of two (2) open titles

Complainant alleged Respondent engaged in deceptive acts by not properly titling/registering their vehicle. Respondent settled dispute to Complainant's satisfaction prior to investigation being requested.

Recommendation: Close

Commission Action: Approved.

5. **2016072091**

First Licensed: 08/15/2012

Expiration: 07/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): January 2015 Consent Order \$2,500. Failure to post business license; failure to properly maintain temporary tag log; failure to respond to Commission.

Complainant alleges mechanical issues with cars purchased; however this is an "as is" sale. Complainant provided no additional information to indicate any other violation transpired due to acts of Respondent.

Recommendation: Close

Commission Action: Approved.

6. **2016073031**

First Licensed: 01/23/2014

Expiration: 01/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges mechanical issues with car purchased; however this is an "as is" sale. Complainant provided no information to indicate any other violation transpired due to acts of Respondent.

Recommendation: Close

Commission Action: Approved.

7. **2017012201**

First Licensed: 09/01/1991

Expiration: 12/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges mechanical issues with car purchased; however this is an "as is" sale. Complainant provided no information to indicate any other violation transpired due to acts of Respondent.

Recommendation: Close

Commission Action: Approved.

8. **2017007941**
 First Licensed: 10/06/2015
 Expiration: 09/30/2017
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): March 2016 Consent Order \$2,000. Unlicensed activity.

Complainant alleges mechanical issues with car purchased; however this is an “as is” sale. Complainant alleged potential deceptive price advertising on behalf of Respondent; however, Complainant failed to provide a copy of the advertisement in question.

Recommendation: Close

Commission Action: Approved.

9. **2017008041**
 First Licensed: 01/07/2013
 Expiration: 12/31/2018
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): N/A

Complainant alleges mechanical issues with car purchased; however this is an “as is” sale. Complainant alleged potential deceptive price advertising on behalf of Respondent; however, Complainant failed to provide a copy of the advertisement in question.

Recommendation: Close

Commission Action: Approved.

10. **2016072491**
 First Licensed: 02/24/2003
 Expiration: 09/30/2018
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): N/A

Notice of violation revealed that Respondent issued three temporary tags on one motor vehicle.

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

Commission Action: Approved.

- 11. 2016074381**
First Licensed: 01/17/2011
Expiration: 11/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant asserts Respondent did not properly explain all facets of the sales agreement that was being signed such as how interest rates work and what happens if Complainant stops making payments. Respondent asserted they had no obligation to explain the agreement in this amount of detail, but that they have worked extensively with Complainant to remedy her concerns including give Complainant a \$3,000 loan balance reduction. Complainant failed to assert any violation of a Tennessee statute or rule.

Recommendation: Close

Commission Action: Approved.

- 12. 2016074741**
First Licensed: 07/15/2013
Expiration: 07/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent failed to timely pay off trade in and held up financing of vehicle for too long. Response shows proper conditional delivery agreement was executed and that payoff did occur within two days of Respondent securing funding for purchased vehicle. Complainant provided no information to indicate any other violation transpired due to acts of Respondent.

Recommendation: Close

Commission Action: Approved.

- 13. 2016073271**
First Licensed: 03/04/2011
Expiration: 02/28/2019
Type of License: Motor Vehicle Dealer
History (5 yrs.): June 2014 Agreed Citation \$1,000. Failure to properly maintain temporary tag log. December 2016 Consent Order \$500. Failure to provide a conditional delivery agreement.

Complainant alleges Respondent attempted to deceive them by forcing them to return motor vehicle if they did not obtain a co-signor. Respondent has provided legal a copy of the signed Conditional Delivery Agreement and explained that the Complainant failed to qualify for financing on their own so they needed a co-signor if they wished to keep the vehicle.

Recommendation: Close

Commission Action: Approved.

14. **2016075541**
 First Licensed: 10/11/2005
 Expiration: 10/31/2017
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): N/A

Complainant alleges Respondent improperly repossessed vehicle. Respondent provided copy of contract and payment history that shows payments were not being received as specified in contract. Respondent's contract matched the copy of contract submitted by Complainant. This is a contractual dispute. Complainant provided no information to indicate any other violation transpired due to acts of Respondent.

Recommendation: Close

Commission Action: Approved.

15. **2016076191**
 First Licensed: 03/12/2013
 Expiration: 03/31/2017
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): N/A

Complainant alleges Respondent sold them a damaged vehicle. Complainant's put a stop pay on check and returned vehicle. Complainant is upset because Respondent has threatened to take them to court over the deficiency balance. There is no alleged violation of a rule or statute, this is a strictly contractual dispute.

Recommendation: Close

Commission Action: Approved.

16. **2016071001**
 First Licensed: 03/04/2011
 Expiration: 02/28/2019
 Type of License: Motor Vehicle Dealer

History (5 yrs.): June 2014 Agreed Citation \$1,000. Failure to properly maintain temporary tag log. December 2016 Consent Order \$500. Failure to provide a conditional delivery agreement.

Complainant alleges Respondent deceived them regarding the amount of fees they would have to pay at end of their lease. From a review of the leases signed, it appears the correct fees to be paid by the end of the lease were charged. In an attempt to settle this dispute, Respondent has issued a check for ½ of the lease fees that were ultimately due.

Recommendation: Close

Commission Action: Approved.

17. 2016076281

First Licensed: 07/07/2005

Expiration: 03/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): June 2014 Agreed Citation \$500. Employing unlicensed salesperson. August 2016 Consent Order \$500. Failure to timely/properly obtain title/registration.

Complainant is the co-signor for a vehicle purchased from Respondent dealership. Vehicle in question was repossessed and lender is attempting to collect a deficiency from the Complainant. Complaint alleges Respondent's salesperson was too pushy during the sale of the vehicle and that Respondent did not verbally go over all documents being signed. A review of the deal file shows Complainant is the co-signor on this loan, there are no allegations to indicate Respondent did anything false, fraudulent or deceptive in order to obtain this signature.

Recommendation: Close

Commission Action: Approved.

18. 2017000761

First Licensed: 06/27/2014

Expiration: 07/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): February 2016 Consent Order \$6,000. Employing unlicensed salespeople.

Complainant alleges Respondent ran credit check without his authorization. Respondent asserts that Complainant provided them all personal information because they were interested in buying a truck and that the running of a credit check was authorized. No evidence to indicate any deceptive act occurred.

Recommendation: Close

Commission Action: Approved.

19. 2017003321
First Licensed: N/A
Expiration: N/A
Type of Licensed: N/A
History (5 yrs.): N/A

Notice of Violation issued to Respondent for selling seven (7) vehicles without a motor vehicle dealer license. Vehicles were not titled in Respondent's name, but instead belonged to local dealerships. Separate complaints have been opened against these dealerships for off-site sales.

Recommendation: Authorization of a civil penalty in the amount of \$3,500 (7 x \$500 for unlicensed sales, vehicle not title in individuals name). To be settled by consent order or formal hearing.

Commission Action: Approved.

20. 2017003341
First Licensed: 11/13/2015
Expiration: 11/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint stems from manufacturer's requirements of Complainant before manufacturer will agree to repair a paint defect. Respondent has made multiple efforts to assist Complainant and continues to try to help resolve the situation. Complainant has failed to allege any violation of a Tennessee Motor Vehicle statute or rule.

Recommendation: Close

Commission Action: Approved.

21. 2017003371
First Licensed: 06/22/2004
Expiration: 06/30/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent's accessories department over charged them for a spoiler purchased separate and apart from their motor vehicle transaction. Respondent has issued a refund for the overcharge amount. Complainant has failed to assert any violation of a Tennessee Motor Vehicle Commission rule or statute. No evidence that any false, fraudulent or deceptive act occurred on the part of Respondent.

Recommendation: Close

Commission Action: Approved.

22. 2017003771
First Licensed: 09/01/1991
Expiration: 07/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint opened due to Staff concerns that Respondent dealer shut down abruptly and consumers may not all receive title to vehicles. No complaints have been received to date alleging failure to provide title or registration. Drive by has confirmed that Respondent dealer is closed and out of business.

Recommendation: Close

Commission Action: Approved.

23. 2017004381
First License: 09/01/1991
Expiration: 10/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent sold them a semi-truck with several mechanical issues and will not accept a return or fix the truck. Complainant purchased the truck in question without test driving it. Respondent asserts the vehicle was sold without any dealer warranty; Complainant only purchased a third party warranty. Respondent asserts they have no duty to repair the truck or accept a return and that the Complainant should pursue the repair through the third party warranty company. Complainant has not alleged any other violation occurred.

Recommendation: Close

Commission Action: Approved.

24. 2017004471
First Licensed: N/A
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Complainant Dealership alleges someone is putting their name on temporary tags they did not issue, Complainant failed to provide enough information to allow legal to identify any potential Respondent.

Recommendation: Close

Commission Action: Approved.

25. **2017005221**
 First Licensed: N/A
 Expiration: N/A
 Type of License: N/A
 History (5 yrs.): N/A

Complainant alleges Respondent deceived them in regard to the condition of a horse trailer. Respondent is not a licensed motor vehicle dealer. No information to indicate Respondent has sold more than five motor vehicles or has committed any other violation of Commission's laws or rules.

Recommendation: Close

Commission Action: Approved.

26. **2017006901**
 First Licensed: 06/12/2014
 Expiration: 04/30/2018
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): N/A

Complainant alleges Respondent failed to tell them of their need to routinely rotate and align their tires. Complainant has failed to assert any other violation of Tennessee Motor Vehicle Commission rule or statute.

Recommendation: Close

Commission Action: Approved.

27. **2017005411**
 First Licensed: 09/01/1991
 Expiration: 02/28/2017 (Expired-Grace Status)
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): N/A

Complainant alleges Respondent has committed deceptive/fraudulent acts stemming from the repossession of a motor vehicle. Complainant admits the motor vehicle was uninsured when in an accident and that the vehicle was repossessed for this reason. Remaining allegations fall outside the jurisdiction of the motor vehicle commission and consist of complaints made against Respondent's attorney and a local judge for unprofessional conduct.

Recommendation: Close

Commission Action: Approved.

28. 2017005781
First Licensed: N/A
Expiration: N/A
Type of License: N/A
History: N/A

Respondent issued a Notice of Violation after being found attempting to sell six (6) motor vehicles titled in their name.

Recommendation: Authorization of a civil penalty in the amount of \$500 (1 x \$500 for unlicensed sales). To be settled by consent order or formal hearing.

Commission Action: Approved.

29. 2017006181
First Licensed: 05/25/2011
Expiration: 05/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): May 2014 Warning for advertising violations.

Complainant alleges Respondent deceived them by placing them as the buyer instead of co-signor on all paperwork. A review of the deal file for this transaction shows that the vehicle was purchased over 2 years ago and that Complainant signed all documents. No facts or evidence present to support a conclusion that Respondent did anything false, fraudulent or deceptive.

Recommendation: Close

Commission Action: Approved.

30. 2017006861
First Licensed: 09/01/1991
Expiration: 08/31/2017
Type of License: Motor Vehicle Dealer

History (5 yrs.): August 2013 Consent Order \$60,000. False/fraudulent/deceptive acts; requiring purchaser to purchase add-ons.

Complainant alleges Respondent sold their father a vehicle at too high of a price, a vehicle with too many mechanical issues and that their father has a mental illness. The mental illness has never been diagnosed and vehicle was sold "as is." All documents in the deal file are in order. There is no alleged violation of Tennessee Motor Vehicle Commission statutes or rules.

Recommendation: Close

Commission Action: Approved.

**31. 2017006881
First Licensed: 09/01/1991
Expiration: 02/28/2019
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A**

Complainant alleges Respondent sold them a vehicle with mechanical issues. Vehicle was sold "as is." Complainant provided no additional information to indicate any other violation transpired due to acts of Respondent.

Recommendation: Close

Commission Action: Approved.

**32. 2016072841
First Licensed: 04/09/2010
Expiration: 03/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A**

Complaint opened on Staff concerns that Respondent was potentially selling vehicles off-site. Investigation conducted. Investigation was unable to obtain sufficient evidence to proceed to a formal hearing against Respondent for off-site sales.

Recommendation: Close with a letter of warning for potential violation of T.C.A. § 55-17-110.

Commission Action: Approved.

**33. 2016072791
First Licensed: 09/19/2016
Expiration: 09/30/2018
Type of License: Motor Vehicle Salesperson**

History (5 yrs.): N/A

Complaint opened on concerns that Respondent was engaged in unlicensed activity prior to obtaining a salesperson license and potentially engaged in off-site sales after obtaining license. Investigation was conducted. Investigation revealed that Respondent only sold five (5) motor vehicles prior to licensure; however, Respondent appears to have offered to sell a total of nine (9) vehicles. Upon learning that Respondent needed a license from the Commission to sell any additional vehicles, Respondent contacted Commission staff to learn how to come into compliance. Respondent ultimately obtained a salesperson license and transferred the vehicles to the dealership he became employed at. Investigation was unable to obtain sufficient evidence to proceed to hearing against Respondent for any off-site sales. A review of the investigation does reveal concerns regarding the manner in which Respondent titled the vehicles and whether proper sales tax was paid.

Recommendation: Close with a letter of warning for potential violations of Tenn. Comp. R. & Regs. § 0960-01-.20 and T.C.A. § 55-17-109. Refer to Department of Revenue for investigation into potential sales tax violations.

Commission Action: Approved.

34. **2017011331**
 First License: 07/19/1999
 Expiration: 07/31/2017
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): N/A

Complainant alleged that the vehicle purchased was under warranty, but that he was unable to have the repairs completed because previous mechanical work had been performed incorrectly. After filing the complaint, Complainant was able to get repairs completed and notified Staff that he wished to withdraw his complaint.

Recommendation: Close

Commission Action: Approved.

35. **2017009791**
 2017011261
 First License: 08/12/2010
 Expiration: 08/31/2018 (Closed 03/01/2017)
 Type of License: Motor Vehicle Dealer
 History (5 yrs.): October 2012 Warning issued for advertising violations.

Respondent failed to provide title and/or registration to Complainants. Additionally, Complainant 1 had a warranty on their vehicle and needed mechanical repairs but Respondent failed to repair the vehicle. Respondent Dealer has closed their license and a drive-by confirmed that they are now out of business.

Recommendation: Close and Flag

Commission Action: Approved.

36. 2017007361
2017007411
2017007461
2017007501
2017007611
2017007651
2017007711
First Licensed: 04/30/2008
Expiration: 03/31/2018
Type of License: Recreational Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent engaged in deceptive/fraudulent acts associated with the sale of a boat. Boats do not follow under the authority of the Motor Vehicle Commission.

Recommendation: Close

Commission Action: Approved.

37. 2017007431
First Licensed: 04/30/2008
Expiration: 03/31/2018
Type of License: Recreational Vehicle Dealer
History (5 yrs.): N/A

Duplicate Case.

Recommendation: Close

Commission Action: Approved.

38. 2017000711
2017010291
First Licensed: 01/11/2012
Expiration: 12/31/2017 (Closed 01/25/2017)
Type of License: Motor Vehicle Dealer

History (5 yrs.): July 2014 Letter of warning to advise deposits are non-refundable.

Complainants allege that Respondent Dealer failed to provide title and/or registration for vehicles purchased. Inspection revealed that Respondent/Dealer is no longer in business and the license was closed. A copy of Respondent Dealer's surety bond was sent to Complainants.

Recommendation: Close and Flag

Commission Action: Approved.

39. 2017009341

First Licensed: 03/26/1998

Expiration: 03/31/2018 (Closed 01/20/2017)

Type of License: Motor Vehicle Dealer

History (5 yrs.): March 2015 Agreed Citation \$1,000. Failure to properly maintain temporary tag log.

Complainants allege that Respondent Dealer failed to provide title and/or registration for vehicles purchased. Inspection revealed that Respondent Dealer is no longer in business and the license was closed. A copy of Respondent Dealer's surety bond was sent to Complainants.

Recommendation: Close and Flag

Commission Action: Approved.

40. 2017008481

First Licensed: 01/26/2001

Expiration: 01/31/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged that Respondent would not assist in obtaining a duplicate title after she lost the original title that was provided to her at the time of sale. In their response, Respondent alleged that they had provided Complainant with copies of her paperwork so that she could apply for a duplicate title. Legal contacted Complainant and confirmed that Respondent did provide Complainant with additional copies of the paperwork.

Recommendation: Close

Commission Action: Approved.

41. 2017009611

First Licensed: 07/07/2005

Expiration: 03/31/2018

Type of History: Motor Vehicle Dealer
History (5 yrs.): June 2014 Agreed Citation \$500. Employing unlicensed salesperson. August 2016 Consent Order \$500. Failure to timely/properly obtain title/registration.

Complainant alleged that Respondent had overcharged them for registering his vehicle and failed to refund him the money. Additionally, Complainant alleged that after trading the vehicle in at another dealership, he did not get his GAP insurance refunded from Respondent. In their response, Respondent admitted that their new finance manager did not understand how to process these refunds, but that the matter had been satisfactorily settled with Complainant. Legal contacted Complainant to confirm that they had received their refund and was informed that the owner of the dealership had went out of his way to make things right and that he was extremely satisfied with how his situation was handled.

Recommendation: Close

Commission Action: Approved.

42. 2017004791
First Licensed: N/A
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Complaint opened based on Staff receiving information indicating Respondent was engaged in unlicensed activity, investigation was conducted. Investigation found evidence of seven (7) vehicles sold by Respondent or Respondent's wife in a 12 month period. Vehicles were all properly titled in seller's name.

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

Commission Action: Approved.

43. 2017000061
First Licensed: 09/09/2008
Expiration: 05/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): August 2014 Agreed Citation \$1,500. Failure to properly maintain temporary tag log and missing temporary tag.

Complainant alleged Respondent failed to timely title and register their vehicle, investigation was conducted. Complainant stated she had received her registration paperwork and did not wish to cooperate with the investigation. Investigation did reveal that it took five months to register the vehicle. Respondent states this was due to problems obtaining the title from previous dealership which auctioned the vehicle off. A check of the temporary tag log showed two tags were issued to Complainant, no other violations found.

Recommendation: Close

Commission Action: Approved.

44. 2016068861

First Licensed: 03/25/2009

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): August 2014 Agreed Citation \$500. Failure to maintain city/county business license. June 2016 Agreed Citation \$250. Failure to maintain county business license.

Complainant alleged Respondent advertised a \$300 gift card with purchase of a vehicle, but after Complainant purchased the vehicle, gas card never arrived. Investigation was conducted in this matter. Respondent produced copy of advertisement which stated the \$300 was off listed price and could not be combined with any other discount or offer. In this case, Complainant negotiated price of the vehicle down \$800, therefore Respondent did not feel they had to honor the \$300 gas card advertisement. Respondent did provide Complainant a \$25 gas card in an attempt to resolve this matter. Complainant accepted the gift card, but does not wish to withdraw their complaint.

Recommendation: Close with a letter of warning for deceptive advertising.

Commission Action: Approved.

45. 2016069551

First Licensed: 07/16/2013

Expiration: 06/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant traded one inoperable truck in on the purchase of two very low price jeeps. Complainant alleged Respondent failed to honor their agreement and committed deceptive acts when a second jeep was not provided to him. A lawsuit was filed. Investigation was conducted into this matter. The investigation revealed that this matter had been settled out of court and that Complainant chose not to cooperate with the investigator. Respondent maintains that they committed no deceptive or fraudulent acts and investigator was unable to find any evidence of a violation.

Recommendation: Close

Commission Action: Approved.

46. 2016070151

First Licensed: 05/01/2012

Expiration: 03/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): November 2016 Consent Order \$500. Issuing more temporary tags than allowed by law.

Complainant alleged Respondent failed to timely title/register their vehicle, investigation was conducted. Investigation found that Complainant did receive their license plates and registration paperwork within 60 days of purchase. Review of temporary tag log revealed no violations. No evidence of any other violation of Commission rules or statutes was found.

Recommendation: Close

Commission Action: Approved.

47. 2016067721
First Licensed: N/A
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Complaint opened due to concerns that Respondent was operating an unlicensed dealership, investigation conducted. Investigation found three vehicles parked at Respondent's residence (an apartment complex) facing the road; however investigator only found evidence of one attempted sale. One vehicle belongs to Respondent's son and is being parked there while awaiting engine repairs. Other vehicle belongs to friend of Respondent and is parked there during the day because friend does not have a parking spot at his job. All vehicles were properly titled and registered. County clerk had no information indicating unlicensed activity might be occurring.

Recommendation: Close

Commission Action: Approved.

48. 2016070581
First Licensed: 10/23/2012
Expiration: 07/31/2018
Type of License: Motor Vehicle Dismantler/Recycler
History (5 yrs.): N/A

Complaint opened due to information indicating Respondent was operating an unlicensed D&R facility, investigation conducted to determine the extent of unlicensed activity. Investigation found that Respondent was properly licensed.

Recommendation: Close

Commission Action: Approved.

49. 2016074011
First Licensed: N/A

Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Complaint opened due to Staff concerns that Respondent was operating without a license, investigation conducted. Investigation found that Respondent had six license plates which had been transferred to approximately 40 vehicles over two years. All vehicles were properly titled in Respondent's name; Respondent stated they thought what they was doing was legal because they had paid all taxes on vehicles purchased and titled in their name. No injured consumers found, evidence indicates all vehicles were purchased at very low prices, sold to friends/family who needed cheap transportation, and Respondent made a minimal profit. Respondent stated he ceased his unlicensed activity once the county clerk notified him that he had sold too many vehicles without a license.

Recommendation: Authorization of a civil penalty in the amount of \$6,000 (\$200 x 30 unlicensed sales). To be settled by consent order or formal hearing.

Commission Action: Approved.

50. 2016072591
First Licensed: 01/09/2015
Expiration: 12/31/2016 (Closed 09/20/2016)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent is engaged in unlicensed activity, investigation conducted. Investigation found that Respondent previously owned a licensed dealership. Respondent stated that only vehicles he has sold in last year were those he was lien holder on and had to repossess. No other vehicles have been sold. There were vehicles present on his lot, but no evidence that these vehicles were being sold illegally. No other evidence found to indicate any violations occurring.

Recommendation: Close

Commission Action: Approved.

51. 2016070931
First Licensed: N/A
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Complaint opened due to Staff receiving information indicating Respondent was engaged in unlicensed activity, investigation conducted. Investigation found that Respondent had transferred the same license plate to 13 different vehicles over two years. Investigation failed to find evidence indicating Respondent had sold more than five (5) vehicles over any 12 month period but Respondent was likely at or slightly above the allowed unlicensed sales

limit. Respondent stated she purchased cars for personal use and only sold them when she decided she wanted to drive something new and that she had taken a loss on most of the vehicles. No vehicles were displayed for sale in Respondent's yard at time of investigation. No injured consumers located by investigator. No other violations were found.

Recommendation: Close with a letter of warning for potential violations of T.C.A. § 55-17-109.

Commission Action: Approved.

52. 2017000041
First Licensed: 01/09/2015
Expiration: 12/31/2016 (Closed 09/20/2016)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent engaged in deceptive acts in the sale of their vehicle because Respondent failed to properly repair mechanical issue on the vehicle. The vehicle drove with a jerk and there were issues with the brake lights. Salesperson for Respondent promised to buy vehicle back, but has not done so to date. Respondent dealer is confirmed closed, surety bond sent.

Recommendation: Close and flag.

Commission Action: Approved.

53. 2016073481
First Licensed: 08/06/2001
Expiration: 07/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent engaged in some form of title washing or had knowledge of improper acts, Respondent denied any allegations and stated they only wholesaled the vehicle to a KY dealership. Vehicle was sold by a dealership in Kentucky to the Complainant. Investigation conducted to see if anything improper was done by a Tennessee dealership. Investigation unveiled no violations.

Recommendation: Close

Commission Action: Approved.

54. 2017002711
First Licensed: 12/14/2010
Expiration: 05/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): April 2013 Letter of Warning; Failure to display Buyer's Guides.

Complainant alleged Respondent failed to timely produce title and registration. Complainant also alleged Respondent failed to attach a trailer hitch to the vehicle as promised. Investigation was conducted. Complainant failed to return any voice mails left by investigator. Investigation revealed it took four months to properly title the vehicle in question and that Respondent issued three temporary tags. Per Respondent the delay in titling was due to Complainant trying to back of financing on the vehicle. Respondent alleges the issue with the trailer hitch was a misunderstanding; Respondent quoted the price for parts only, not labor. When Complainant's husband arrived he became upset when he found out that Respondent would not be able to install the trailer hitch for him.

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

Commission Action: Approved.

55. 2017002651
First Licensed: 05/03/2004
Expiration: 03/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent improperly repossessed their vehicle and were unkind to her on the telephone. Investigation conducted. Investigation determined the vehicle was properly repossessed. Complainant was simply unhappy about Respondent being unpleasant with her during the process. No information to indicate Respondent violated any statute or rule.

Recommendation: Close

Commission Action: Approved.

56. 2017004411
First Licensed: 09/01/1991
Expiration: 02/28/2019
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent committed a fraudulent act by stealing their vehicle while they were out on a test drive. Respondent asserted that the vehicle in question was not stolen, but was traded in as part of the purchase for a new vehicle. Investigation conducted to determine if any illegal acts had occurred. Complainant did not respond to Investigators multiple attempts to make contact. Respondent reiterated their story and provided evidence showing a second truck was purchased. No violations were found by Investigator.

Recommendation: Close

Commission Action: Approved.

57. 2016076471

First Licensed: 06/10/2009

Expiration: 06/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): October 2012 Warning Issued for Advertising Violation; March 2015 \$1,000 Agreed Citation for Advertising Violation.

Complainant alleged Respondent deceived them when they failed to disclose that the vehicle they were purchasing had a third row of seats instead of a spare tire. Additionally, Respondent felt they were deceived when they discovered the third row of seats were not covered in leather. Respondent further felt deceived because it was not disclosed to her that the vehicle she was purchasing had run-flat tires. Investigation was conducted to determine if any false fraudulent or deceptive act had occurred. Investigation revealed that Respondent had covered the third seat in leather for Complainant at no charge. Investigation also revealed that there was no spare tire, however, it appears the vehicle was manufactured to hold a fold down third row seat instead of a spare tire. Investigation also found that the run-flat tires came manufacturer installed on this vehicle, and that Respondent had replaced the run-flat tires with standard Michelin tires at no cost to Complainant, and that Respondent had provided Complainant with an additional tire (to serve as spare) and car jack also at no cost. Complainant remains upset and feels she is owed her \$9,000 down payment back and that Respondent should cancel this transaction. Investigation found no evidence of any deceptive or fraudulent act.

Recommendation: Close

Commission Action: Approved.

58. 2017003161

First Licensed: N/A

Expiration: N/A

Type of License: N/A

History (5 yrs.): July 2014 Letter of Warning for Unlicensed Activity.

Complaint received from a county clerk alleging Respondent engaged in unlicensed sales of motor vehicles. Complaint included a list of vehicles sold by Respondent starting in 2011. Investigation conducted to determine the extent of the unlicensed activity. Investigation revealed that Respondent was issued a consent order for \$13,000 in 2013, however the matter was represented in 2014 for a letter of warning when it was discovered that Respondent was on fixed disability income. Investigator met with Respondent who admitted to selling more than five (5) vehicles in a 12 month period, but Respondent again plead ignorance to the laws. Documents from the county clerk reveal that Respondent sold 33 vehicles in 2014, 48 vehicles in 2015, and 54 vehicles in 2016. All vehicles were titled and registered in Respondent's name.

Recommendation: Authorization of a civil penalty in the amount of \$118,000 (118 x \$1,000 for violations of TCA § 55-17-109).

Commission Action: Approved.

59. 2017000361
First Licensed: 02/01/2006
Expiration: 01/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint opened following issuance of a NOV for employing unlicensed sales people. Investigation was conducted to determine the extent of possible unlicensed activity. Investigation revealed that dealership was going out of business. A meeting with the owner of the dealership revealed this his licensed was expired at time of inspection, but he immediately renewed afterward. Investigation unable to find evidence indicating that any sale had occurred during the unlicensed period. Investigation found no other evidence of any violation.

Recommendation: Close

Commission Action: Approved.

60. 2017006841
First Licensed: 05/11/2007
Expiration: 12/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): May 2014 Warning issued for Advertising Violation; October 2014 Letter of Warning for Advertising Violation. September 2016 \$1,000 Consent Order for Advertising Violation (Bait & Switch Tactics).

Complainant alleged Respondent advertised price and financing terms on a new vehicle. Complainant called the dealership about the offer and were invited to visit and look at the new vehicle. When Complainant arrived at Respondent dealership they were informed that internet advertisement terms were a mistake and could not be honored. Investigation was conducted to determine if any deceptive advertising had occurred. Investigation confirmed Complainant's allegations. Additionally, investigation found six (6) vehicles advertised without stock numbers however when legal reviewed Respondent's website stock numbers were present. Respondent asserts that violations were the fault of third party advertiser that they contract with.

Recommendation: Authorization of a civil penalty in the amount of \$2,000 (1 x \$2,000 for deceptive advertisement) and a Letter of Warning for 6 occurrences of failure to list stock number.

Commission Action: Approved.

61. 2017005841

First Licensed: 08/30/2004
Expiration: 08/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent committed a deceptive act when they refused to issue her a temporary tag after hers was stolen. It also appeared from the Complainant that Respondent possibly had failed to title/register vehicle within 60 days. Investigation was conducted to determine if any deceptive acts had occurred. Investigation found it took 74 days to title/register the vehicle but that Respondent had compensated Complainant \$600 due to this delay. Delay was due to issues getting the vehicle through emissions testing. Additionally, investigation revealed that hold up on issuing second temporary tag was due to requiring Complainant file a police report to show first tag was stolen. A review of the temporary tag log shows three incomplete entries.

Recommendation: Letter of Warning for Failure to Properly Maintain Temporary Tag Log.

Commission Action: Approved.

62. 2016076161
First Licensed: 06/12/2014
Expiration: 04/30/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges Respondent engages in systemic deceptive acts by making certain packages appear mandatory on the purchase of all new vehicles and that Respondent failed to honor an advertising offer. Investigation conducted to determine if any deceptive acts occurring. Investigator checked BBB and found no similar complaint of packages being added. Investigator checked random deal files and his check failed to support Complainants allegations of systemic deceptive acts. Regarding the advertisement, Complainant agreed to a deal to purchase new vehicle before the special in question was advertised, therefore Respondent initially refused to honor. Following filing of complaints with Commission and BBB, Respondent settled the issue with Complainant.

Recommendation: Close

Commission Action: Approved.

63. 2017001441
First Licensed: 09/01/1991
Expiration: 11/30/2017
Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2012 Warning issued for Advertising Violation; October 2013 Letter of Warning issued for Advertising Violation; September 2013 \$500 Agreed Citation for Advertising Violation.

Complainant alleged Respondent committed a deceptive act when they sold them a Canadian vehicle without disclosing that the vehicle would not be covered by the warranty they purchased. Investigation was conducted into this matter to determine if any deceptive acts had occurred. Investigation revealed that Respondent has refunded the money paid for the warranty and agreed to fix the mechanical issue on the vehicle purchased. Additionally Respondent has taken the vehicle back as a trade in on a different motor vehicle. Respondent asserts there was no intentional misrepresentation and the investigation failed to reveal there was any intentional deceptive act.

Recommendation: Close

Commission Action: Approved.

64. 2017002271

First Licensed: 06/24/2016

Expiration: 01/31/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Notice of Violation was written for altering temporary tags, incomplete temporary tag log, failure to use proper salvage/rebuilt disclosure, off-site sales and failure to attach buyer's guides to vehicles. Investigation was conducted to determine if Respondent dealer was still in violation and to obtain evidence necessary to proceed to a hearing for all violations. Investigation revealed that Respondent's temporary tag log had three duplicate entries; it appears these tags were mis-numbered in the log. The open title in question was properly closed out at time of investigation, inspector failed to obtain a photo of the title in non-closed status. A review of Respondent's deal files showed all vehicles in need of a salvage/rebuilt disclosure had the proper disclosure included in the deal file, however it does appear that prior to the investigation the Respondent dealer was not using the new salvage/rebuilt disclosure. During investigation, all vehicles were seen to have buyer's guides attached. Inspector found seven (7) vehicles for sale off-site. At time of investigation no vehicles were found off-site.

Recommendation: Authorization of a civil penalty in the amount of \$5,000 (\$500 x 7 for offsite sales, 2 x \$500 for altered temporary tags, 1 x \$500 for failure to use correct salvage/rebuilt disclosure), to be settled by consent order or formal hearing. Letter of warning for failure to maintain temporary tag log, and buyer's guides.

Commission Action: Approved.

65. 2017005451

First Licensed: 10/15/1998

Expiration: 10/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): March 2013 Warning issued for Advertising Violation.

Complainant alleged Respondent engaged in deceptive act by failing to timely title and register their vehicle. Complainant further alleged Respondent deceived them by selling them a motor vehicle under manufacturer recall for air bag deficiencies. Investigation was conducted. Investigation found that Respondent dealer did have delays in getting the vehicle titled. Respondent asserts delays occurred because Complainant wanted to swap out tags on the vehicles, but Respondent could not do this because Complainant had lost the title for their trade in. Once a replacement title was obtained, Respondent titled/registered Complainant's vehicle. Respondent presented Investigator a vehicle history summary indicating no recall was in affect for this vehicle. When Investigator contacted Respondent for a statement, Respondent refused to cooperate unless investigator could promise him financial reimbursement. When Investigator informed Complainant this was not possible, Complainant advised he did not wish to cooperate or provide statements.

Recommendation: Close

Commission Action: Approved.

66. 2016068391

First Licensed: 04/30/2008

Expiration: 03/31/2018

Type of License: Recreational Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent failed to timely title and register their motor vehicle and failed to wash/detail vehicle as agreed prior to delivery, investigation was conducted. Investigation revealed that it took three months to register the vehicle. Respondent asserts this delay was due to difficulties in titling a vehicle in Maryland where Complainant lived. Investigator contact Complainant who was now satisfied with his transaction and just wished Respondent would have communicated with him better. Complainant was given the opportunity to submit a statement, but ultimately did not submit one to the Investigator. Investigator asked Complainant how many temporary tags had been received and Complainant responded only two.

Recommendation: Close

Commission Action: Approved.

67. 2017008581

First Licensed: 02/26/2016

Expiration: 02/28/2016

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Anonymous Complainant alleged Respondent sold them a vehicle on an open title and gave them Arkansas temporary tags, Investigation conducted to determine if any violations had occurred. Investigation found that Respondent owned an Arkansas dealership. Respondent purchases salvage vehicles from auctions, fixes them, obtains rebuilt titles in Arkansas, then sells the vehicles from whichever dealership he thinks is most likely to sell the vehicle quickly. Respondent denies any wrong doing or the issuance of any temporary tags. Respondent did not initially have deal files present when investigator came claiming they were with his accountant, however, a few days later Respondent provided deal files and the files show no false, fraudulent or deceptive acts. All titles were properly reassigned to the Tennessee dealership if they were sold from Tennessee. Investigation did find that Respondent was not using the proper salvage/rebuilt disclosure form approved by the Commission last fall. Investigator was unable to confirm Complainant's allegations because Complaint was anonymous. Respondent stated to legal that he does not know who the Complainant was; Respondent thinks perhaps it is his ex-girlfriend.

Recommendation: Letter of Warning for Failure to Properly Disclose Rebuild Vehicles.

Commission Action: Approved.

68. 2016075031

First Licensed: N/A

Expiration: N/A

Type of License: Unlicensed

History (5 yrs.): N/A

Complainant opened upon staff receiving information indicating Respondent operating as a dealer without a license from the Commission. Investigation was conducted to determine the extent of the unlicensed activity. Investigation revealed that Respondent purchased a salesperson license in Florida and used the license to buy two motor vehicles at auction in Tennessee. A look into the vehicle history reports on these two vehicles shows one vehicle was wholesaled to a dealership. The other vehicle was sold private party to a Tennessee resident on sales documents bearing the letter head of the dealership in Florida. Respondent never titled this vehicle into his name. Additional investigation was conducted into the Florida dealership and a separate complaint has been opened against that dealership.

Recommendation: Authorization of a civil penalty in the amount of \$500 for 1 unlicensed sale. To be settled by consent order or formal hearing.

Commission Action: Approved.

REPRESENTS

Matthew Reddish:

1. 2015020302

First Licensed: 07/27/1994
Expiration: 05/31/2013 (Child Support Suspension 12/09/2016;
Expired-Grace 05/31/2013)
Type of License: Motor Vehicle Salesperson
History (5 yrs.): N/A

Respondent originally penalized for operating as an independent broker. Respondent sold eleven vehicles from the dealership's location, all paperwork was completed at the dealership and all vehicles were titled in Dealership's name. Respondent did have a license from the dealership, however it was expired during the 11 sales legal could obtain evidence on. The dealership is a Respondent in a separate complaint in which legal is pursuing civil penalties tied to this same set of facts. There are no injured consumers involved in this case.

Recommendation: Close with Letter of Warning for Unlicensed Sales.

Commission Action: Approved.

2. **2016019571**
 First Licensed: N/A
 Expiration: N/A
 Type of License: N/A
 History (5 yrs.): N/A

Respondent penalized \$1,000 for selling six (6) motor vehicles in a 12 month period. Subsequent to becoming aware of her violation, Respondent obtained a proper motor vehicle dealer license. Respondent has come into voluntary compliance with licensing requirements.

Recommendation: Close with Letter of Warning for Unlicensed Sales.

Commission Action: Approved.

3. **2016015471**
 First Licensed: 09/09/2008
 Expiration: 05/31/2018
 Type of License: Motor Vehicle Dealer
History (5 yrs.): August 2014 Agreed Citation \$1,500. Failure to properly maintain temporary tag log and missing temporary tag.

Respondent dealer originally penalized \$1,000 due to three missing temporary tag log entries. Respondent dealer has provided evidence to legal that these three tags were sold to another dealer next door when they ran out. The other dealer has confirmed the purchase of these three tags in a signed writing. Respondent's temporary tag log was recently inspected and no violations were found.

Recommendation: Close with letter of warning for failure to maintain temporary tag log.

Commission Action: Approved.

4. 2016021451
First Licensed: 10/13/2015
Expiration: 09/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent originally penalized \$1,000 for Notice of Violation for nine (9) missing temporary tag entries. Respondent has provided legal with evidence accounting for the nine (9) missing tags. Respondent was unable to locate the records for the nine (9) tags during initial inspection due to difficulty using electronic system.

Recommendation: Close with Letter of Warning for Failure to Maintain Temporary Tag log.

Commission Action: Approved.

5. 2016015611
First Licensed: 09/01/1991
Expiration: 02/28/2017 (Closed 02/21/2017)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent was originally penalized \$1,500 for possession of an open title and failure to respond to the Commission. Respondent failed to respond to any correspondence from legal, but did surrender its license on February 21, 2017.

Recommendation: Accept Respondent's voluntary surrender of their license in lieu of civil penalty. Close and flag case.

Commission Action: Approved.

6. 2016025091
First Licensed: 11/26/2014
Expiration: 11/30/2016
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent penalized \$1,000 for the possession of open titles. Respondent dealership is now confirmed out of business and license status is closed.

Recommendation: Close and Flag

Commission Action: Approved.

7. 2016027591
First Licensed: 10/02/2013
Expiration: 08/31/2017 (Closed 10/03/2016)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A591 – West End Auto

Respondent dealer penalized \$500 for expires business license. Respondent dealership is confirmed out of business and license status is closed.

Recommendation: Close and Flag

Commission Action: Approved.

8. 20150215061
First Licensed: 07/29/2013
Expiration: 06/30/2017 (Closed 10/24/2016)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent dealer penalized \$1,500 for expires business license and missing temporary tag log. Respondent dealership is confirmed out of business and license status is closed.

Recommendation: Close and Flag

Commission Action: Approved.

9. 2016004471
First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

2016007101
First Licensed: N/A (Unlicensed)
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Commission authorized a civil penalty against Respondent 1 for \$14,000 for 28 unlicensed motor vehicle sales. Additional review of the facts shows that four of the vehicles were titled into Respondent 1's name which falls within the five (5) per twelve month rule. Additionally, some portion of the vehicles sold were wholesale transactions to dealerships as part of Respondent's wholesale business in Maryland, but it is unclear exactly how many of the 24 transactions were wholesale vs private party. Respondent 1 is no longer in the business of wholesaling vehicles and is now working in a different career field. Respondent 1 has admitted to unknowingly violating Commissions laws and has cooperated with the

investigation. To the best of Legal's knowledge, no consumers have been injured by Respondent 1's acts. Respondent 1 has offered to pay \$2,400 to settle this matter.

Respondent 2 is the spouse of Respondent 1 and Respondent 2 did not violate any Laws or Rules of the Tennessee Motor Vehicle Commission.

Recommendation:

2016004471 - Authorization of a civil penalty in the amount of \$2,400 for unlicensed activity. Refer investigation to the Department of Revenue to investigate potential sales tax issues.

2016007101 – Close

Commission Action: Approved.

10. 2016048331

First Licensed: 09/09/2008

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): August 2014 Agreed Citation \$1,500 for failure to properly maintain temporary tag log and missing temporary tag.

Respondent dealer originally penalized \$2,000 for issuing more temporary tags than allowed by law. Respondent dealer claimed this mistake occurred because a new employee was unaware of the temporary tag laws as it pertained to only issuing two. Respondent dealer has implemented new training manuals and processes to ensure no customer receives more than two temporary tags going forward. All employees have signed a disclosure stating they understand only two temporary tags may be issued to any one consumer and stating that the employee shall not issue more than two. A recent review of Respondent's temporary tag shows dealer is in compliance with all temporary tag laws.

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

Commission Action: Approved.

11. 2016008022

First Licensed: 06/29/2004

Expiration: 07/31/2017

Type of License: Motor Vehicle Salesperson

History (5 yrs.): N/A

Respondent salesperson and Respondent's dealership were both penalized \$5,000 for ten (10) deceptive advertisements run on craigslist that make the vehicles appear they are for sale by private party. Advertisements did not list stock number or dealer name.

Additionally, the advertisements did not list tax, tag, registration and title fees. A Notice of Hearing and Charges has been filed against the Dealership's license. There is insufficient evidence to show that Respondent salesperson was actually the individual who created the advertisements.

Recommendation: Close and proceed against the Dealership only.

Commission Action: Approved.

12. 2014030511
First Licensed: N/A
Expiration: N/A
Type of License: N/A
History (5 yrs.): N/A

Commission originally authorized a \$13,000 civil penalty against Respondent due to Respondent's attempts to sell 31 motor vehicles without a license. Respondent paid \$4,700 towards this civil penalty over three years; however, Respondent never signed a consent order. Legal contacted Respondent to inquire about his intentions to sign a consent order. Respondent communicated to Legal Department that he wanted to keep paying but that he had open heart surgery and that due to his health he could only commit to paying \$50 a month going forward. Respondent was willing to settle this case for a civil penalty in the amount of \$5,000 by submitting a lump sum payment of \$300 and signing a consent order. There are no known injured consumers.

Recommendation: Authorization of a civil penalty in the amount of \$5,000 to be settled by consent order or formal hearing.

Commission Action: Approved.

Sara Page:

1. 2015011501
First Licensed: 05/30/2013
Expiration: 05/31/2017 (Closed 03/06/2017)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent was assessed a \$500 penalty for operating on an expired license for an approximately two-week period as a result of a Notice of Violation. However, further investigation revealed that the dealership, while open and operated by a security guard, never sold a car. The security guard took down visitor's information for the owner. The owner had suffered a ruptured artery in his chest and had extensive surgery and rehabilitation. Because of his health problems, the owner hired the guard to take information down and to ensure the business was not broken into in his absence. An investigator also confirmed no inventory was stored at the lot, and no records of sales or purchases of vehicles had been recorded by the dealership. Functionally, the dealership was

all but closed during the period in which the dealership had an expired license. The owner has subsequently returned to business, and renewed the dealership license prior to reinitiating sales.

Recommendation: Close.

Commission Action: Approved.

2. 2013020111

First Licensed: N/A (Unlicensed)

Expiration: N/A

Type of License: N/A

History (5 yrs.): N/A

Respondent was assessed a \$1,000 civil penalty for acting as an unlicensed dealer. Respondent had advertised vehicles on Craigslist, and had nine vehicles in front of a business listed as "for sale." Since the complaint was opened, and the penalty assessed, Respondent became destitute and experienced extensive medical complications. Respondent now resides in a veteran's hospital with no set date he will be discharged. Medical staff from the hospital submitted corroborating evidence. The medical proof indicates Respondent will likely never be able to attend a hearing or defend himself fully. Additionally, medical staff indicates Respondent will not likely be able to engage in any violation of Motor Vehicle law in the future.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

3. 2016045311

First Licensed: 11/19/2015

Expiration: 11/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent was assessed a \$500 civil penalty for issuing three temporary tags to one individual. After receiving the Consent Order, Respondent submitted information showing the title issues resulting in the additional tag were the auto auction's fault. The auto auction the vehicle was purchased from revealed to Respondent after Respondent sold the vehicle that the title they had in their possession was dead due to a duplicate being requested at some time prior. Respondent worked diligently to get a new title for the consumer, and accomplished as much. Respondent expresses that he did not know in emergency situations he could not issue an additional tag, but he admits he did so because he felt badly the consumer was stuck in the title issue. Respondent has no prior disciplinary history of temporary tag log issues.

Recommendation: Close upon issuance of a letter of warning.

Commission Action: Approved.

4. 2016068741

First Licensed: 08/24/1998

Expiration: 08/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent was issued a Notice of Violation for unlicensed sales due to Respondent's dealer's license being in expired status. A \$3,500 Consent Order was issued as a result. After the Consent Order was issued, the Respondent contacted staff to inquire into why the license was expired since Respondent had provided all documentation. Staff discovered a delay at the Secretary of State in updating the Respondent's corporate status had caused the miscommunication. Additionally, the Notice of Violation was issued during the 90-day expire grace window, which means the sales should not have been classified as unlicensed.

Recommendation: Close.

Commission Action: Approved.

5. 2016064151

First Licensed: N/A (Unlicensed)

Expiration: N/A

Type of License: N/A

History (5 yrs.): N/A

Respondent was assessed a \$16,500 civil penalty with the option of becoming a licensed salesperson, and reducing the penalty to \$8,500 for selling vehicles without a license. Respondent was cooperative with the investigation and expressed he was unaware of the licensing requirement. Respondent had obtained business licenses and paid taxes. Even before the civil penalty was assessed, Respondent began the process of establishing his own dealership after the Commission informed him of the licensing requirements. Respondent is now duly licensed with his own dealership. Respondent has requested that the civil penalty be reduced in light of his work to become compliant and since he opened a dealership rather than becoming a salesperson. Respondent expresses he knows he should pay a penalty, but asks for consideration for the substantial costs in organizing and starting his new business.

Recommendation: Authorize the reduction of Respondent's civil penalty from \$8,500 to \$5,000 to be settled by consent order of formal hearing.

Commission Action: Approved.

6. 2016059381

First Licensed: 07/09/2015

Expiration: 06/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): January 2017 Letter of Warning for missing temporary tag.

Respondent was assessed a \$3,000 civil penalty for possessing six open titles. However, after conversations with Respondent and other legal counsel, legal counsel discovered that two of the titles are likely not deemed open since they list the Respondent as the buyer. They are just not signed in the second location by the Respondent.

Recommendation: Authorize the reduction of Respondent's civil penalty from \$3,000 to \$2,000 to be settled by consent order of formal hearing.

Commission Action: Approved.

7. 2016052111

First Licensed: 04/29/2016

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent was assessed a \$36,000 civil penalty for issuing seventy-two tags in excess of the two-temporary-tags-per-vehicle limit. The Commission's complaint sparked Respondent to conduct an extensive internal audit. Respondent discovered that the manager at the location that caused the issue failed to follow Respondent's vehicle inspection policy. The manager was more focused on sales, and failed to replace staff that worked to ensure inspections were done. This lack of staff meant customers had delays in getting the vehicles they leased from Respondent inspected and registered. The manager opted to give out additional temporary tags and continued to focus on sales. After discovering this, Respondent fired the manager. They replaced the manager with a corporate manager that retrained the entire location's team on procedures. Respondent is working to replace the manager.

Additionally, after this event, Respondent expanded its audit to all eight Tennessee locations and ensured compliance. Respondent also produced an extensive corrective action plan setting out a more specific temporary tag policy, and placed greater responsibility on regional managers to ensure compliance. As a result of the above, Respondent has requested a reduction in the civil penalty.

Recommendation: Authorize the reduction of Respondent's civil penalty from \$36,000 to \$18,000 to be settled by consent order of formal hearing.

Commission Action: Approved.

8. 2016046761

First Licensed: 12/04/2000

Expiration: 11/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2013 \$500 Consent Order for failure to properly maintain a temporary tag log.

Respondent was assessed a \$27,000 civil penalty due to allowing unlicensed salespersons to sell a total of fifty-four vehicles. During the investigation and after the issuance of the consent order, all four previously unlicensed salespersons now are licensed. Additionally, Respondent has submitted a detailed business plan on how to prevent lapses in licenses and ensure proper application processes. Respondent states the responsibilities for the above were once the duties of Respondent's office manager, who was fired a few months prior to the complaint. Respondent states it acknowledges its responsibility in not allowing employment gaps to cause oversights like licensure applications. The new business model divides the duties between parties to ensure future employment gaps will not cause licensure to be missed or ignored. Respondent memorialized its new corrective actions into a detailed corrective action plan.

In light of the efforts Respondent has taken, Respondent has requested it be charged a \$5,400 civil penalty (\$100 x 54 sales) in lieu of the previous \$27,000 penalty (\$500 x 54 sales).

Recommendation: Authorize the reduction of Respondent's civil penalty from \$27,000 to \$5,400 to be settled by consent order of formal hearing.

Commission Action: Approved.

This concluded the legal report. Chairman Roberts called for a motion to adopt the legal report. Commissioner Norton made a motion to adopt the legal report with changes requested during the legal review meeting, seconded by Commissioner Galvin.

VOICE VOTE – UNANIMOUS

Motion passed, therefore, the legal report was approved.

Staff Attorney Elizabeth Goldstein updated the Commission on House Bill 0019, which involves motorcycle dealers, and authorizes temporary off-site sales.

Another bill which passed and has been enacted is Public Chapter 25 and becomes effective March 29, 2017 adds to the violations of the Tennessee Consumer Protection Act of 1977 regarding deceptive advertising for motor vehicle warranties.

Senate Bill 0545 and House Bill 273 became Public Chapter 90 and specifies certain services provided by a motor vehicle manufacturer under a service contract which are not considered to be insurance.

Senate Bill 252 and House Bill 296 regarding Autonomous Vehicles is moving through the process, but is still too premature to update the Commission.

Chairman Roberts called for a voice vote to approve the Legislative Update.

VOICE VOTE – UNANIMOUS

Legislative Update was approved.

RULE COMMITTEE DISCUSSION

Director Shaw recalled the Commission’s attention to the legislation which was passed and regarding the review of the language to address the concern for the 66/33% rule. Ms. Shaw read the new language proposed by legal staff into the record. The language reads,

“Within thirty (30) days of receipt of the written request, provide certification to the Commission, or its agents, certifying that the gross income of the motor vehicle dealer or recreational vehicle dealer and the gross income of the additional business are in compliance with T.C.A. § 55-17-129. The certification shall be completed on a form approved by the Commission, if any such form exists at the time of request. In addition to the certification, the motor vehicle dealer or recreational vehicle dealer shall provide proof, satisfactory to the Commission, of the claimed gross income of the dealership, and income of the additional business. This may include, but is not limited to, past financial statements, current financial statements, and CPA audits.”

Commissioner Tomaso asked if there was a distinction between what the other businesses were, whether they be automotive related enterprises which support the dealership vs ones that do not. Director Shaw explained historically there was a long standing statute that speaks to those businesses that were “incidental thereto” to the dealership.

Staff attorney, Elizabeth Goldstein read the Regulatory Flexible Addendum into the record.

Chairman Roberts called for a Roll Call Vote to approve the language as presented by legal staff.

ROLL CALL VOTE

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

Motion carried, therefore the language is approved.

AUDIT & FINANCE COMMITTEE DISCUSSION

Chairman Roberts called for discussion of the Audit Committee Meeting which was held on March 29, 2017. The Committee members are Chairman Joe Clayton, Commissioner Debbie Melton, Commissioner Don Parr and at-large member, Chairman Eddie Roberts. All were present. Also present was Assistant Commissioner Carter Lawrence. Director Shaw indicated the Committee recommended the following: Chairman Roberts made a motion requesting staff to perform a study of what the budget would look like if the Commission hired an adequate number of motor vehicle dedicated personnel for inspections, legal and investigations as opposed to the current model. This motion passed unanimously.

Assistant Commissioner Carter Lawrence indicated that it takes a little time for end of year close-out and it could be ready for presentation in October. Commissioner Lawrence assured the Chairman that Administration would be able to provide the report by the October 23, 2017 meeting.

Chairman Roberts made a motion to the amendment to provide the report by the October 23, 2017 meeting.

ROLL CALL VOTE

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

Motion carried. Report to be provided by October 23, 2017.

A motion was made by Commissioner Jackson and seconded by Commissioner Lee to approve the minutes from the Audit Committee Meeting.

VOICE VOTE - UNANIMOUS

NEW BUSINESS

OLD BUSINESS

ADJOURN

Chairman Roberts called for a motion to adjourn.

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

Meeting Adjourned

Eddie Roberts, Chairman
