

MINUTES

January 22, 2018



**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: January 22, 2018

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

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

ABSENT: Joe Clayton
John Murrey

CALL TO ORDER: Chairman Eddie Roberts called the meeting to order at 9:15 am

Paula J. Shaw, Executive Director, called the roll. A quorum was established.

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

MOTION CARRIED.

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

MOTION CARRIED.

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 24, 2017, 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 January 18, 2018.

APPEALS: The following appeals were heard by the Commission. Executive Director Shaw conveyed to the attendees the appeals process.

Troy Scott Carter
Gray Epperson Automotive, Cleveland TN

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

ROLL CALL VOTE

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

Motion carried, therefore the license is granted.

Michael Armour
Jones Chevrolet, Humboldt, 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 Lee.

ROLL CALL VOTE

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

Motion carried, therefore the denial is upheld.

Meghan Wemple
Ride and Drive, LLC, Nashville, TN

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

ROLL CALL VOTE

Ian Leavy	YES
Kahren White	YES

Debbie Melton	YES
Christopher Lee	YES
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

Motion passed, therefore the license is granted.

Phoenix Wholesale, Knoxville, TN

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

ROLL CALL VOTE

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

Motion carried, therefore the license is granted.



Executive Director’s Report
January 22, 2018

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

Dealers Opened, or Relocated (Last Quarter)..... 119

Active Licensees as of July 11, 2017

Dealers.....**3819**
Applications in Process.....**21**
Distributors/Manufacturers.....**131**
Auctions.....**29**
Representatives.....**559**
Salespeople.....**16439**
Dismantlers.....**271**
RV Dealers.....**39**
RV Manufacturers.....**65**
Motor Vehicle Show Permits.....**5**

Complaint Report- Opened Complaints from October 2017 – January 2018

Number of Complaints Opened.....149
Number of Complaints Closed.....157

Annual Sales Reports-(Due Feb 15):

Vehicles Reported Sold in 2017..... Data
Unavailable
Recreational Vehicles Reported Sold in 2017.....Data
Unavailable
Total Online Late Annual Sales Report Collected.....Data
Unavailable

Performance Metrics Taken from December CFG Report

Average Number of Days to License.....3.22 Days
Productivity Factor.....108.01%
CFG Goal.....235%
Compliance.....93.09% **as of**

December 2017

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

MVC Customer Satisfaction Rating November 2017 – January 2018

Quarterly Satisfaction Rating.....100%
Quarterly Satisfaction Rating (combined).....98.9%

Disciplinary Action Report – October 2017 through December 2017

Total Collected.....\$54,250

Online Adoption Across All Professions

- 71.43% online adoption for New “1010” Applications across all Professions available as of January 12, 2018.
- Remaining “1010” (new) transactions are the Motor Vehicle and RV Manufacturer/Distributor Application and Auction Application.

Fiscal Information

- As of November 2017, the MVC has a \$100,827 Deficit for Fiscal Year 2017-2018.

Outreach

- Executive Director attended the TACIR working group regarding Boat titling in the State of Tennessee.
- Tennessee Automobile Association (TAA) published notice of the Annual Sales Reporting and promoted online use.

Chairman Roberts called for a motion to approve the Director’s Report. Commissioner Barker 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.

LEGAL REPORT



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
OFFICE OF LEGAL COUNSEL
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DAVY CROCKETT TOWER, 5TH FLOOR
NASHVILLE, TENNESSEE 37243
TELEPHONE (615) 741-3072 FACSIMILE (615) 532-4750

MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

FROM: Sara R. Page, Assistant General Counsel
Shilina B. Brown, Assistant General Counsel

DATE: January 22, 2018

SUBJECT: MVC Legal Report

- 1. 2017052701 (SRP)**
First Licensed: 09/24/2013
Expiration: 12/31/2017
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent would not repair a vehicle he purchased from Respondent. Complainant also alleges salesperson's thirteen-year-old daughter did the paperwork for the sale. Respondent responded to show the vehicle was sold as-is, and stated Respondent had done a goodwill repair at the time of purchase. Respondent claims Complainant brought the vehicle back a month later after it appeared it had been used for off-road activity, and Complainant then claimed additional damages. Respondent states his thirteen-year-old did type on some of the forms that day while waiting for him at the dealership, but it was with oversight. Complainant did not claim any errors in the documents, and legal counsel did not identify any mistakes.

Recommendation: Close.

Commission Decision: Concur.

2. 2017053201 (SRP)

First Licensed: 06/20/2006

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold him a classic car that had rust and mechanical issues. Complainant alleged Respondent had the phrase, "No rust" on his website, and that no buyer's guides were displayed on the vehicles at the time of purchase. Respondent responded and indicated the vehicle was sold as-is, and that he was honest about the fact the vehicle had sat for seven years prior to Complainant purchasing it. Complainant does not dispute this, but states rust like that present could not have developed in seven years.

Legal reviewed Respondent's website and did not find any warranties about rust as Complainant suggested. It is possible it was removed due to the complaint, but no proof has been submitted it existed. Additionally, Respondent underwent inspections and Respondent was found to have proper buyer's guides at all inspections conducted.

Recommendation: Close.

Commission Decision: Concur.

3. 2017055241 (SRP)

First Licensed: 08/19/2011

Expiration: 04/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 2014 – Letter of Warning for false, fraudulent, and deceptive acts related to a failure to timely register a vehicle; 2015 – Paid \$1,000 Agreed Citation for missing entries in temporary tag log.

Complainant alleged Respondent sold her a vehicle with mechanical deficiencies. Complainant states Respondent attempted to repair the vehicle, but that it failed. Respondent responded to state it has done repairs again, and that the vehicle is operational, and the issues are resolved.

Recommendation: Close.

Commission Decision: Concur.

4. 2017058201 (SRP)

First Licensed: 12/13/2013

Expiration: 12/31/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): 2015 – \$1,000 Consent Order for incomplete temporary tag log.

Complainant experienced mechanical issues after purchasing a vehicle as-is. A franchise dealer's mechanic noted a hole appeared to be drilled into the top of the gas tank. Respondent responded to provide bill of sale which confirmed sale was as-is.

Recommendation: Close.

Commission Decision: Concur.

5. **2017058791 (SRP)**
First Licensed: 12/13/2013
Expiration: 12/31/2017
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant experienced mechanical issues after purchasing a vehicle as-is. The vehicle was rebuilt, and Respondent informed the consumer as such in a written disclosure. Other concerns were uncovered regarding email addresses used by Respondent that indicated someone associated with the business may be practicing law without a license, so that side of things was sent to the Attorney General's Office.

Recommendation: Close.

Commission Decision: Concur.

6. **2017058961 (SRP)**
First Licensed: 03/24/2015
Expiration: 03/31/2017 (CLOSED)
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

A county clerk alerted staff that Respondent sold a vehicle to a consumer while its licensed was expired. An investigation was conducted. The investigator discovered that Respondent had moved locations and was working to get his license renewed. Respondent has been held up by the city due to the necessity of a sewer connection for the new property. Respondent has hired a contractor and is working with the city. Respondent denies selling a vehicle while the license was expired; however, the back of the title of the vehicle shows Respondent's business as seller to the consumer for a sales price of \$200. The signature is not comparable to the signature from Respondent on his sworn statement due to one being in print and one in cursive. Additionally, the title shows Respondent purchasing the vehicle from an auction back in September 2015. Respondent also provided proof the business is insured during the transition period. Respondent stated that any sales that may occur will only be made if he titles the vehicle to himself and pays taxes, and he will not exceed five.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: Concur.

7. 2017053841 (Respondent Dealership) (SRP)

First Licensed: 07/08/2016

Expiration: 04/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

2017081191 (Respondent Salesperson) (SRP)

First Licensed: N/A

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent Dealership issued her nine temporary tags, and that her vehicle appeared in a newspaper for a garagekeeper's lien notice months after she purchased it. Later, Complainant told Department staff she wished to withdraw her complaint because Respondent's owner is her landlord, and he threatened to evict her if she cooperated.

An investigation was conducted. The investigator attempted to contact Complainant, but she refused to cooperate. She did send an email indicating the matter was resolved.

The investigator went to Respondent Dealership and learned that Complainant is Respondent Salesperson's daughter. Respondent Salesperson was the sole salesperson at Respondent Dealership with the owner working as a mechanic mainly. Respondent Dealership fired Respondent Salesperson in July 2017 after discovering Respondent Salesperson was fraudulently obtaining temporary tags and selling them for \$20.00 each. Respondent Dealership also discovered Respondent Salesperson lied about having a salesperson license and she had stolen some payments from the Respondent Dealership. Respondent Dealership estimates Respondent Salesperson sold about 40 vehicles, yet 120 temporary tags had been requested for sales from January 2017 until Respondent Salesperson was terminated. Meaning, if every consumer received two tags, a minimum of 40 sales had been fabricated in order to obtain more temporary tags through the online system.

Complainant had purchased the vehicle in question through her mother, Respondent Salesperson in October 2016. Complainant was to make payments to the Dealership, and Respondent Salesperson would have been responsible for obtaining tags for Complainant. Later in January 2017, they called a mechanic/tow worker that works with Respondent Dealership and requested he pick up the vehicle and do \$600 in repairs. The owner of the business stated he was not aware whether the repairs were for the dealership or Respondent Salesperson and Complainant as individuals. After the work was done, Respondent Salesperson stated they would not pay the \$600. The tow worker then applied for a garagekeeper's lien against the vehicle. However, the car was still titled and registered to the previous owner and it was never transferred to the Respondent Dealership. Therefore, the lien was recorded against a title held by an unsuspecting prior owner. Regardless, Complainant and Respondent Salesperson then paid off the lien and took the vehicle and new title as if they were innocent purchasers. Essentially, Respondent Salesperson set it up

so that Complainant only had to pay \$600 for the vehicle with a new clean title rather than the \$2,500 that they listed on the bill of sale as the price. It is likely although hard to show that the tow worker was aware of the situation and the fraud, or should have been.

Respondent Dealership did not have a deal file for the sale, and believes Respondent Salesperson took the file or destroyed it to hide the sale and subsequent fraud. Complainant then filed this complaint in order to attempt to get Respondent Dealership in trouble as retribution for firing Respondent Salesperson. Respondent Dealership's owner is Complainant's landlord, and he initiated eviction proceedings prior to the complaint being filed due to numerous complaints from the City regarding Complainant's lack of upkeep to the property despite lease terms making it Complainant's responsibility. Respondent Dealership notes that as another motivator in the complaint being filed.

Respondent Dealership admits it did not exercise reasonable supervision over Respondent Salesperson, allowing her to be unencumbered in committing multiple fraudulent acts. Respondent Dealership admits to not checking whether Respondent Salesperson had a license. Respondent Dealership has since hired a licensed salesperson who has worked to correct errors created by Respondent Salesperson. An inspection of the business records indicates that Respondent Dealership is fully in compliance since hiring the new manager/salesperson. Respondent Dealership's owner is also learning the office side more and is taking a more active role in overseeing employees.

Unfortunately, Respondent Dealership produced bills of sale that Respondent Salesperson allegedly conducted, but none of the Bills of Sale were signed by a salesperson. It would be difficult to show which vehicles Respondent Salesperson sold outside of the word of Respondent Dealership.

Recommendation: As to Respondent Dealership, authorize a civil penalty in the amount of \$10,000 for one act of failure to supervise and one act of hiring an unlicensed salesperson. As to Respondent Salesperson, authorize a civil penalty in the amount of \$5,000 for unlicensed activity.

Commission Decision: As to Respondent Dealership, authorize a civil penalty in the amount of \$2,500 for one act of failure to supervise and one act of hiring an unlicensed salesperson. As to Respondent Salesperson, authorize a civil penalty in the amount of \$2,500 for unlicensed activity.

8. 2017057841 (SRP)

First Licensed: 06/06/2016

Expiration: 06/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent failed to deliver title. Complainant filed the complaint less than a month from the time of purchase. After the complaint was filed, Respondent delivered title. Respondent explained the sales tax was not paid by Complainant. Complainant was confused about the additional costs (the tax) and did not pay

it. After further conversation, Complainant paid the outstanding tax, and the vehicle was titled within two months of purchase. Complainant indicated she was satisfied and no longer wished to pursue a complaint.

Recommendation: Close.

Commission Decision: Concur.

9. 2017058441 (SRP)

2017059181

2017062861

2017068021

2017071371

2018000271

First Licensed: 04/20/2012

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 2015 – \$3,500 Consent Order for incomplete temporary tag log and missing temporary tags

Multiple complaints came in from consumers unable to obtain title or registration for vehicles purchased from Respondent. Respondent is under active investigation by this Department as well as the Department of Revenue. All complaints allege Respondent will not provide titles, and many were issued large numbers of temporary tags. Other consumers have noted that they were asked to bring old tags that staff at Respondent dealership then modified to allow it to be used for additional time. The owner of Respondent dealership claims his employees sold vehicles out of trust with the floor planner while he was away, and he came back to find the mess left including stolen funds. It is the opinion of legal that Respondent's owner is not credible. Many of the vehicles sold by Respondent had liens on them to other places. One consumer paid cash for his vehicle only to discover it had a lien recorded against it, and no title was provided. The owner of Respondent dealership claims he was never paid, and has initiated a lawsuit against the consumer for the balance.

The dealership has now closed, and more complaints are arriving rapidly from consumers discovering the phone line disconnected and the gates locked. Consumers are being provided copies of the surety bond.

Respondent is running scams on consumers and leaving numerous consumers without recourse. Respondent has been facilitated in these crimes by a number of licensed salespersons that Revenue has assisted in identifying. Revenue's investigation is ongoing, but legal is working with Revenue to keep abreast to developments and possible charges.

Recommendation: Authorize the revocation of Respondent's license to be settled by consent order or formal hearing. Allow permission to open complaints against each involved licensed salesperson with authorization for revocation of their licenses. Additionally, grant authority for all similar complaints involved Respondent to be immediately combined with these actions in the pursuit of revocation.

Commission Decision: Concur.

10. 2017059661 (SRP)

First Licensed: 09/01/1991

Expiration: 11/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle from Respondent. Complainant resides in Arizona, but intends to move to Tennessee at some point in the near future. Complainant asked to take care of paying taxes to Arizona on his own, but pursuant to manufacturer and lienholder policy, Respondent stated it would register the vehicle for Complainant in Arizona, and pay the sales tax to Arizona that it collected from Complainant. Respondent did register the vehicle in Arizona. Arizona informed Respondent it had overpaid, so it sent a check to Respondent which Respondent forwarded on to Complainant. Respondent then checked the amount again, and realized Arizona had charged two years of sales tax instead of one. Respondent requested the State of Arizona reimburse Respondent, and at the same time, Respondent issued a check to Complainant for the overpayment. Respondent never received the money back from Arizona, but left the repayment to Complainant as a goodwill gesture.

Meanwhile, the Complainant received a letter from the city in Arizona where he resides requesting payment of the city sales tax

Recommendation: Close.

Commission Decision: Concur.

11. 2017061481 (SRP)

First Licensed: 05/15/2007

Expiration: 05/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant is an agent with the Tennessee Department of Revenue. Complainant attended Rod Run and noticed a vehicle for sale displaying a Tennessee dealer tag. Complainant contacted the number on the vehicle and met with a person later identified as a licensed salesperson with Respondent dealership. The salesperson is also the son of the owner. The salesperson had an open Kentucky title for the vehicle as well as a half-completed bill of sale listing the seller as the last titled consumer, not the dealership or the salesperson. Regardless, the salesperson claimed the vehicle was his personal vehicle and it was not being sold through the dealership. Complainant photographed three total vehicles being displayed by Respondent and bearing Respondent's dealer plates. Revenue confirmed the displayed tags were in fact issued to Respondent dealership.

Recommendation: Authorize a formal hearing with the ability to settle via Consent Order for a civil penalty in the amount of \$3,500 (\$500 for possession of an open title and \$1,000 for each of three acts of attempts to sell a vehicle from an unlicensed location).

Commission Decision: Concur.

12. 2017064581 (SRP)

First Licensed: 10/20/2015

Expiration: 10/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): 2015 -- \$1,500 Consent Order for placing tags on a salvaged vehicle and failing to execute a rebuilt/salvaged disclosure form.

This complaint was opened as a result of staff receiving notice that Respondent's liability insurance had lapsed and cancelled. Respondent provided proof of new coverage five days after the lapse. Respondent is now fully in compliance, and the lapse was less than one week.

Recommendation: Close upon issuance of a letter of warning regarding requirement to maintain insurance.

Commission Decision: Concur.

13. 2017065481 (SRP)

First Licensed: 09/10/2003

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): 2015 -- \$2,000 Consent Order for untimely delivery of a title and issuing more temporary tags than allowed by law.

This complaint was opened as a result of a Notice of Violation. Both Respondent's city and county business licenses were expired. The county license expired May 15, 2017, and the city license expired May 15, 2016.

Recommendation: Authorize a formal hearing with the ability to settle via Consent Order for a civil penalty in the amount of \$1,000 (\$500 x 2 for expired city and county business licenses).

Commission Decision: Concur.

14. 2017060601 (SRP)

First Licensed: 01/28/2013

Expiration: 12/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleged a vehicle she purchased from Respondent experienced numerous mechanical issues. Since then, Respondent has allowed Complainant to cancel her contract, and she is in a new vehicle. No allegations of deception were alleged, and Respondent appeared to attempt repairs as well. It was the length of time repairs were taking that prompted the Complainant to send in her complaint.

Recommendation: Close.

Commission Decision: Concur.

15. 2017062741 (SRP)

First Licensed: 10/04/2005

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant filed a complaint after receiving a summons to court from the financial institution that financed a vehicle purchase between Respondent and Complainant in early 2015. Complainant purchased a vehicle, then brought it back to have the wheel bearings replaced. Complainant did not retake possession of the vehicle, so it was ultimately repossessed, sold, and now the financial institution is suing Complainant for the remaining balance on the loan. No violations appear to have occurred, and Complainant is merely frustrated Respondent did not cancel the contract.

Recommendation: Close.

Commission Decision: Concur.

16. 2017064421 (SRP)

First Licensed: 09/22/2005

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent would not fix an airbag recall. Complainant purchased the vehicle in 2014, but reported this issue in September 2017. Complainant states he learned his airbag light was on due to a recall from an oil change mechanic. Legal searched Complainant's VIN through the NHTSA and it stated no recalls were open for the vehicle. Respondent responded and stated it had no knowledge of the airbag light, and it produced mechanics records showing that issue was never observed nor complained about.

Recommendation: Close.

Commission Decision: Concur.

17. 2017064721 (SRP)

First Licensed: 03/19/2015

Expiration: 03/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleged Respondent never sent their title to them. After telling Respondent as such, Respondent states he did send the title, but offered to get them a duplicate so long as Complainants paid for it. After Respondent got the duplicate from the auction, Complainants refused to pay for the fees. Respondent provided a tracking number that shows the title was mailed to the right address the week after Complainants purchased the vehicle. After receiving the tracking number through the complaint process, Complainants indicated that the picture of where the package was left was actually their neighbor's house which is currently unoccupied. It appears the delayed title delivery was a failure of the delivery service.

Recommendation: Close.

Commission Decision: Concur.

18. 2017065871 (SRP)
2017070081
First Licensed: 08/07/2014
Expiration: 06/30/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complaint 1:

The State of Florida contacted Board Staff to inform Tennessee that Florida found Respondent selling vehicles without a Florida license in Florida. Due to a concern that Respondent may be bringing back flood vehicles from Florida to Tennessee, an investigation and inspection were conducted. The inspection revealed that Respondent was missing five entries for five tags in the temporary tag log, and Respondent admitted issuing a Tennessee tag to a consumer in Florida. An investigation was conducted. The investigator requested copies of all titles from vehicles carrying Florida titles. Respondent stated the titles were not available, but copies of pictures were forwarded to the investigator three days later. None of the vehicles indicated a rebuilt/salvage history.

The investigator reviewed Respondent's temporary tag log, and noted that two tags were listed as being issued twice to different people and two tags were unaccounted for. The owner of Respondent dealership states that the reason they go to Florida is due to the desire to establish a wholesale business there, and they find the variety of units at auction more desirable.

Complaint 2:

In this complaint, Complainant alleges Respondent sold her a vehicle that had mechanical issues, was salvaged, and that she paid for a warranty she believed was included in the price, not extra. Respondent responded and stated that the vehicle has a clean title.

Respondent produced a car fax that shows two accidents, but not total losses. As to the warranty, Respondent provided the signed contract for the extended warranty offered by the third party. Additionally, the buyer's guide stated the vehicle came with a limited powertrain warranty only through a service contract. It is then properly marked that a service contract for an extended warranty could be purchased for additional cost. In bold letters, it indicates that the consumer can get the vehicle inspected by a mechanic prior to purchase. Complainant signed the agreement, which indicates the warranty's purchase price right at the top. Complainant alleges Respondent rushed them to sign the paperwork. The mechanical issues complained about were issues the warranty company denied coverage for due to the warranty only covering transmission issues.

Recommendation: As to complaint 1, pursuant to the Temporary Tag Agreed Citation Schedule, allow respondent 30 days to submit proof the entries have been remedied. If it remains deficient, issue a letter of warning. As to complaint 2, close.

Commission Decision: Concur.

19. 2017065281 (SRP)

First Licensed: 08/07/2014

Expiration: 06/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Respondent allowed its liability insurance to lapse for two months. The insurance has been reinstated and Respondent is now insured.

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

Commission Decision: Concur.

20. 2017062971 (SRP)

First Licensed: 02/02/2001

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): 2014 – Letter of Warning for selling vehicles without fully researching whether an open recall had been remedied.

Complainant had a mechanical issue with her as-is vehicle. Respondent paid for the repair out of good will after receiving the complaint. Complainant indicated she is satisfied.

Recommendation: Close.

Commission Decision: Concur.

21. 2017065261 (SRP)

First Licensed: 05/25/1995

Expiration: 05/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): None

Complainant is the grandson-in-law of a consumer that purchased a vehicle from Respondent. The vehicle ultimately had major transmission issues. Respondent has actively assisted the consumer in finding a new vehicle and looking into repairing the transmission if the consumer chose to do that. The purchase was as-is, but due to the catastrophic failure, Respondent has taken ownership in remedying the issue. While Respondent was working with the consumer, Complainant filed the complaint without the consumer's knowledge. All concerns appear to be remedied.

Recommendation: Close.

Commission Decision: Concur.

22. 2017066761 (SRP)
First Licensed: 11/03/2009
Expiration: 07/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): None

Complainant alleged mechanical issues with the vehicle he purchased. The sale was as is, and the fact that mechanical issues existed was disclosed as part of the negotiations.

Recommendation: Close.

Commission Decision: Concur.

23. 2017061951 (SRP)
First Licensed: 02/16/2016
Expiration: 01/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): 2016 – Letter of Caution regarding late delivery of a title.

Complainant alleged Respondent failed to timely deliver title. Complainant purchased the vehicle on June 28, 2017, and at the date of her complaint, September 15, 2017, Complainant still did not have a title. An investigation was conducted. Complainant did not cooperate. Respondent stated that the title was never delivered from the previous dealer from whom he purchased the vehicle. The previous dealer says he gave the title to Respondent, but he lost it and needed a duplicate. Complainant received the title in October. Respondent issued three temporary tags to Complainant.

Recommendation: Authorize a civil penalty in the amount of \$1,000 (\$500 for failing to timely deliver title, and \$500 for issuing more temporary tags than allowed by law) to be settled by consent order or a formal hearing.

Commission Decision: Concur.

24. 2017062401 (SRP)

First Licensed: 06/05/2014

Expiration: 04/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleged Respondent failed to timely pay off his trade-in and provide title. At the time the allegations were made, roughly one month had passed since the vehicle purchase. Complainant indicated Respondent stated the payment was on its way for the trade-in. The vehicle was purchased via financing, so financing had to be finalized. Legal followed up with Complainant and the trade-in had been paid off and Complainant had a license plate and title.

Recommendation: Close.

Commission Decision: Concur.

25. 2017070651 (SRP)

First Licensed: 12/23/2015

Expiration: 12/31/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 -- \$4,500 Consent Order for no buyer's guides, expired city/county business license, no temporary tag log, and possession of two open titles. Open complaint related to conditional delivery forms.

Respondent's license was set to suspended status due to falling behind in payments of the Consent Order described in the history above. An investigation was conducted. The investigation revealed Respondent's owner was sleeping in the dealership Monday through Friday to deter thefts. Respondent's dealership is an old home that has been converted, so the sleeping quarters are separated from the office space.

Respondent has had a number of complaints opened through inspections due to administrative errors. Respondent reached out to legal to express confusion on how to better come into compliance. Respondent hired a CPA to assist him as well to avoid further violations. Respondent's efforts to come into compliance seem genuine, and Respondent has corrected violations he has been penalized for. New complaints arise with new compliance issues, and not often repeated violations.

Legal had similar issues with a different dealership and executed a compliance plan with a check-in, and found it to be successful.

Recommendation: Authorize legal to send an inspector for a full inspection. Respondent shall be provided with detailed list of any compliance errors. Inspector will reinspect in sixty days. Any issues still occurring/not remedied will result in penalty of \$500 per violation to be settled by Consent Order or formal hearing. The

open complaint pending shall be combined with this compliance plan, and dealt with in the same manner.

Commission Decision: Concur.

26. 2017067511 (SRP)

First Licensed: 05/20/2015

Expiration: 05/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

On October 11, 2017, Respondent underwent an inspection. The inspection revealed Respondent was operating with an expired county business license. The license expired on May 15, 2016.

Recommendation: Authorize a civil penalty in the amount of \$250 for holding an expired county business license, to be resolved by consent order or a formal hearing.

Commission Decision: Concur.

27. 2017067541 (SRP)

First Licensed: 05/20/2016

Expiration: 04/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

On October 11, 2017, Respondent underwent an inspection. The inspection revealed Respondent was operating with expired county and city business licenses. The licenses expired on May 15, 2017.

Recommendation: Authorize a civil penalty in the amount of \$500 for holding an expired county business license, to be resolved by consent order or a formal hearing.

Commission Decision: Concur.

28. 2017070791 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

The Department of Revenue referred this matter to the Board after one of Revenue's field agents noticed cars displayed for sale in the business's parking lot. An inspector was sent to investigate for possible unlicensed activity. The investigation revealed that the owner of the business had four vehicles titled to him personally displayed on the lot. The owner stated he wished to enter the used car business. The investigator explained he may only sell up to five vehicles a year personally, and he would need a license to sell as a

dealer. The owner stated he was actively working on a license application. At the time of inspection, the owner had not exceeded the five car sales limit, and none of the vehicles were being advertised as if they were sold by a dealer. The business is not a dealership, and the name would not lead a consumer to believe it may be. The owner did, however, have titles for more than the four vehicles displayed, but there was no evidence that those vehicles were being displayed for sale anywhere else yet.

Recommendation: Close upon issuance of a letter of caution regarding sales limits and requirements for licensure.

Commission Decision: Concur.

29. 2017063261 (SRP)

First Licensed: 09/20/2007

Expiration: 08/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): 2017 – Letter of Caution from delayed delivery of title.

Complainant claims Respondent sold him a vehicle with 71,000 miles on the odometer. Complainant asked for a Car Fax at the time of purchase, and it showed 73,000. Complainant alleges Respondent assured him the 71,000 was proper, not the 73,000. A few months later, Complainant received a letter from Respondent stating the 73,000 was right.

An investigation was conducted. The investigator learned that the alleged discrepancy was a typographical error on one part of the disclosures, and Respondent corrected it prior to Complainant signing it, since Complainant noticed and pointed it out. The main concerns from Complainant actually are related to reoccurring mechanical issues. However, the vehicle is under warranty, and Respondent has made repairs pursuant to that warranty.

Recommendation: Close.

Commission Decision: Concur.

30. 2017065341 (SRP)

First Licensed: 01/28/2016

Expiration: 01/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – 1 closed w/ no action regarding late title delivery.

Complainant claims Respondent sold her a vehicle, and now has failed to produce a title or registration. Respondent stated the delay was due to needing extra paperwork for the DMV since the vehicle was rebuilt. An investigation was conducted. Complainant signed an affidavit alleging the owner of Respondent dealership stated the person shouldn't have sold her the vehicle since it had not gone through inspection. Complainant states she was given "five or six" temporary tags while the rebuild paperwork was being processed. If the rebuild process was not complete, then the temporary tags were being issued to a vehicle that was

illegal to drive on Tennessee roadways. When delays continued, eventually Respondent's owner offered other vehicles to Complainant, but they had mechanical issues.

Respondent responded via affidavit. Respondent states the vehicle was purchased for parts from Copart. The "salesperson" complainant named was the dealership's mechanic. He was supposed to have brought the car home to take out parts and work on them. Months later, Respondent received a call from Complainant stating she had purchased the car. Respondent claims he told her to bring the car back to the lot for a refund, since it should not have been sold. Respondent says Complainant never came to the lot. Respondent claims he learned the mechanic and Complainant had dated for some time, and they had an altercation. Respondent then followed up to check paperwork and tags, and learned that the mechanic was logging into their EZ tag account and printing tags for the vehicle. Respondent changed the log in information. Respondent claims Complainant has never been to the lot, and that she knowingly bought the car from her then-boyfriend who was a mechanic, and not a salesperson. Respondent claims any paperwork must have been forged by the mechanic since it was signed with the owner's name, but even Complainant states she conducted the sale with the "salesperson," not the owner. Additionally, the signatures on the bill of sale and odometer sheet that were allegedly the owners look dissimilar from the signature on the affidavit and inspection sheet.

This is a matter of one party's word against another, with some evidence seemingly giving some credibility to the concept that this sale was conducted without permission and outside the knowledge of the owner. Respondent alleges he attempted to remedy the issue. The bond information was provided to complainant.

Recommendation: Close upon an issuance of a letter of warning for failure to supervise.

Commission Decision: Concur.

**31. 2017068651 ("Complaint 1") (SRP)
2017018531 ("Complaint 2")
First Licensed: 01/04/2016
Expiration: 01/31/2018 (CLOSED ON 1/27/2017)
License Type: Motor Vehicle Dealer
History (5 yrs.): Complaint 2017018531 was previously closed and flagged due to business being closed. It is now open due to new complaint.**

Complainant 2 alleged Respondent failed to produce title or tags, and issued more than two temporary tags. The sale of the vehicle occurred in 2016. The Respondent was listed as closed after an inspection showed the phone line was terminated, all mail was returned, and the location was abandoned. As a result, Complaint 1 was closed and flagged, and the consumer was sent the bond information.

Complainant 1 alleges Respondent sold that consumer a vehicle in August 2017. The vehicle had severe mechanical issues on top of missing a catalytic converter. The sale occurred after the license was listed as closed.

An investigation was conducted. It was revealed that Complainant 1 was mistaken as to the identity of the dealership. The dealership Complainant purchased the vehicle from is located at Respondent's old address, but it is a separate licensed dealership that opened after Respondent closed. The actual dealership which sold the vehicle stated the sale was as-is, and that it was unaware of any mechanical issues since Complainant 1 had never contacted them. Complainant 1 stated he had not due to the name confusion, and calling the old dealership's disconnected number.

Recommendation: As to Complaint 2, leave in a closed and flagged status. As to Complaint 1, reopen under correct Respondent, and refer to the Tennessee Department of Environment and Conservation and consumer affairs.

Commission Decision: Concur.

32. 2017068801 (SRP)

First Licensed: 08/14/1997

Expiration: 10/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant claims Respondent failed to send a title and parts to Complainant after purchase. Respondent responded that they had tried to work with Respondent to both send parts and the title as well as get the title from Complainant's trade-in, but that he was difficult. Respondents contacted Complainant's wife and all parties were able to receive what they were waiting for. The matter is resolved.

Recommendation: Close.

Commission Decision: Concur.

33. 2017070361 (SRP)

First Licensed: 02/05/2009

Expiration: 12/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 2013 -- \$2,000 for titling incorrect vehicle.

Complainant alleges mechanical deficiencies in the vehicle he purchased from Respondent. The vehicle was purchased as-is. Additionally, there is no evidence that Respondent misled Complainant about the condition of the vehicle.

Recommendation: Close.

Commission Decision: Concur.

34. 2017070951 (SRP)

2017071941
First Licensed: 06/13/2016
Expiration: 05/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint 1:

Complainant alleges Respondent has failed to produce title and has issued Complainant three temporary tags that have now expired. Respondent responded to state the vehicle purchased came to the dealership as a trade in. Upon payoff, the lienholder stated it did not have the title. Respondent did not know which state the vehicle was titled in, and contacted the previous owner. After multiple attempts to contact the previous owner while simultaneously trying to find the state in which to request a duplicate, the owner responded to state they had the title. Respondent, at that point, had also attempted to get a duplicate from Massachusetts, but it turned out the title was from Maryland. The dealership picked up the title from the previous owner, and the registration is now completed. Additionally, Respondent denies issuing three temporary tags. A review of the temporary tag log supported that Respondent only issued two temporary tags. Respondent did allow Complainant use of a dealer tag for one month while the title issue was resolved.

Complaint 2:

Complainant alleges Respondent did not inform him a part on the vehicle he purchased was recalled, and as a result, the part failed and left Complainant in heavy traffic with an inoperable vehicle. An investigation was conducted. It turns out Respondent did not purchase the vehicle from Respondent. Complainant clarified that his complaint is against the manufacturer due to a faulty part in a used vehicle he purchased. Respondent merely assisted Complainant with a repair estimate. They did not even conduct repairs.

Recommendation: As to Complaint 1, issue a letter of warning. As to Complaint 2 close.

Commission Decision: Concur.

35. 2017071051 (SRP)
First Licensed: 09/01/1991
Expiration: 09/30/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges the vehicle she purchased new has had a number of mechanical issues over the years including needing a transmission replaced. It appears Complainant is attempting to make a lemon law violation claim. Respondent and Complainant have been in contact with the manufacturer, and all repairs have been done under the warranty. Respondent does not appear to have committed any wrongdoing.

Recommendation: Close upon issuance of a letter regarding Lemon Law to Complainant.

Commission Decision: Concur.

36. 201707131 (SRP)

First Licensed: 11/04/2010

Expiration: 11/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges a vehicle he purchased from Respondent arrived after shipment from Tennessee to Michigan with some minor cosmetic scratches and a missing antenna. Additionally, Complainant alleges without sending proof/pictures that the odometer read with 500 more miles than what he was told it had at the time of purchase. Complainant alleges Respondent told him the vehicle was in perfect condition. Respondent responded and provided email proof that Complainant was aware of a few small scratches on the vehicle, since Complainant emailed Respondent after receiving the vehicle and asked if those spots were the ones Complainant had asked Respondent to buff out. Respondent responded affirmatively. Additionally, Respondent purchased Complainant a new antenna in case it was lost in transport. The vehicle was purchased used and as-is. Due to a lapse in time since Complainant received the car, it is not possible to prove the vehicle arrived with 500 more miles than what was believed since the vehicle likely has been driven in the meantime.

Recommendation: Close.

Commission Decision: Concur.

37. 2017070041 (SRP)

First Licensed: 11/04/2010

Expiration: 11/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges Respondent misled him on the condition of a vehicle he purchased from a repossession auction. An investigation was conducted. The auction was duly licensed, and it was announced numerous times that the sales were absolute and as-is. While Complainant and friends that attended the auction with him state they stated the vehicle ran, nothing appears to have risen to the level with proof that would warrant an overtly deceptive act in the context of the type of auctions and the as-is status of the sale.

Recommendation: Close.

Commission Decision: Concur.

38. 2017071981 (SRP)

2017072741
2017076621
First Licensed: 03/24/2016
Expiration: 03/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainants alleges Respondent sold them vehicles, charged for titling and tagging vehicle, but never did. Respondent has avoided Complainants and neither can get anyone on the phone. Legal attempted to contact Respondent at 11:00 A.M. on a Wednesday, and the phone was not answered, and the voicemail was full. An investigation was conducted. The investigator concluded that Respondent is in fact closed. Respondent is behind with the floor planner is holding titles. The floor planner indicated it would release titles for consumers that we have complaints open with. Respondent likely closed, and left consumers without titles due to the debt.

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

39. 2017072721 (SRP)
First Licensed: N/A
Expiration: N/A
License Type: N/A
History (5 yrs.): N/A

This complaint was filed by a consumer with assistance from a county clerk. Complainant purchased a vehicle from an individual at a repair shop. A handwritten bill of sale was produced in which the seller signed individually. Complainant never received title and cannot register the vehicle. Respondent's shop is no longer in business. The county clerk pulled a vehicle history that indicated the last lienholder was an insurance company, and the vehicle is a salvaged vehicle. An investigation was conducted.

The vehicle was sold from an auction to a licensed dealer, and then to Respondent. The licensed dealer was unable to locate the paperwork related to the sale. Respondent was located at his residence. Respondent stated he sold the vehicle as an individual after doing repairs to it, but that he had not sold more than five in a year. The county clerk confirmed this is the only vehicle they could locate registered by Respondent, and nothing indicates Respondent held himself out as a dealer.

Recommendation: Close.

Commission Decision: Concur.

40. 2017073391 (SRP)
First Licensed: 04/24/2007
Expiration: 03/31/2017 (TERMINATED 09/09/2015)
License Type: N/A

History (5 yrs.): N/A

Complainant states that her late husband paid off a vehicle loan to Respondent in 2013. Complainant was trying to get the lien removed from the title. Respondent closed in September 2015. Complainant was provided the surety bond. Additionally, legal reached out to a different dealer that was once part of the corporation that owned Respondent to see if they could assist Complainant. The new company related to Respondent responded promptly. They discovered Complainant had never picked up the title from the old location. The new company called Complainant and mailed her the title, free of a lien which was removed in 2013, as well as a extra set of keys they had for the vehicle.

Recommendation: Close.

Commission Decision: Concur.

41. 2017073451 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

Complainant alleged Respondent was illegally selling vehicles from his home. Complainant provided a picture that seemed to show a few vehicles in the Respondent's yard. An investigation was conducted. The investigator identified that Respondent had an ATV, a utility trailer, and one truck for sale in his yard. All vehicles were registered to Respondent individually. There was no evidence of a violation.

Recommendation: Close.

Commission Decision: Concur.

42. 2017072001 (SRP)

First Licensed: 09/01/1991

Expiration: 04/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): 1 closed with no action in 2016 (as-is mechanical complaint)

Complainant stated that Respondent repossessed her vehicle after she failed to pay a deferred down payment two weeks after the purchase as promised. Complainant admits to the agreement for the deferred payment, but states that she went to the Respondent to ask for more time due to her bank account being "hacked." In the alternative she asked to be put in a cheaper car. Respondent told Complainant just to bring the car back, but Complainant refused. Respondent ultimately repossessed the vehicle after no payments were made

towards the deferred down payment or the next car payment. Respondent states they did not work further with Complainant due to her aggressive treatment of staff.

Recommendation: Close.

Commission Decision: Concur.

43. 2017074591 (SRP)

First Licensed: 06/20/2014

Expiration: 06/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 1 closed with no action in 2017 (no violation found)

Complainant alleged Respondent failed to deliver title in a timely manner. The vehicle was purchased October 19, 2017. The complaint was filed November 15, 2017. Respondent submitted proof that the title was mailed FedEx overnight delivery on November 16, 2017. FedEx confirmed delivery of the package to Complainant on November 17, 2017. The salesperson did seem to say it would be delivered within a week of purchase. Respondent apologized for the frustration, but states that Respondent explains the sixty-day requirement to all customers, but strives to deliver titles earlier.

Recommendation: Close.

Commission Decision: Concur.

44. 2017074911 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

Complainant alleged Respondent was illegally selling vehicles via a Facebook page. Legal identified approximately eleven vehicles Respondent had listed for sale online over the past year or so. Most were marked as sold. An investigation was conducted. The investigation showed that Respondent works as a mechanic, and admins a buy and sell page. Respondent has sold some for trade, some on consignment for others he knows for free. He sometimes gets some money from those sales as a tip or gift for helping out. Respondent did not believe he needed a license due to sales being a hobby and not his method of making a living. Additionally, Facebook temporarily blocked the page due to the allegations of Complainant, making Respondent even more aware of the requirements under the law.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: Concur.

45. 2017077161 (SRP)

First Licensed: 02/12/2008

Expiration: 07/31/2012 (CLOSED/EXPIRED)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – Close & Flag of a complaint related to when dealer was open and operating, but license expired.

Complainant wants to have a lien removed from a title due to the business closing, and Complainant unsure who to pay. The last payment made was in 2013, and now Complainant wants to get the lien removed. Complainant was provided the surety bond and contact information for the bond company for assistance. No violations were identified, and Respondent has been closed for five years.

Recommendation: Close.

Commission Decision: Concur.

46. 2017047201 (SRP)

First Licensed: 07/15/2011

Expiration: 06/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – 1 closed with no action

Complainant alleged Respondent sold him a vehicle with a number of mechanical issues, and ultimately repossessed the car. Respondent submitted proof that the sale was as-is, but despite that, Respondent had done some good will repairs and even gave Complainant a loaner vehicle during the time the vehicle was in the shop. Complainant had a deferred down payment outstanding that was properly recorded on the bill of sale. Complainant asked Respondent to roll the remainder of the down payment into the monthly payments, which Respondent did. Then, Complainant asked for lower payments, but Respondent could not do that. Complainant stopped paying, and Respondent repossessed the vehicle. No violations appear to have occurred.

Recommendation: Close.

Commission Decision: Concur.

47. 2017052581 (SRP)

2017053821

First Licensed: 09/20/2007

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): 2014 -- \$5,500 Consent Order for employing five unlicensed sales persons; 2015 -- \$4,000 Consent Order for issuing too many temporary tags, 2 open titles, and incomplete temporary tag log; 2017 – 1 closed with no action; Current – One open on report with recommendation to close (no merit).

Complaint 1:

Respondent issued three temporary tags to Complainant and has failed to deliver title in a timely fashion. Respondent responded and took full responsibility. The Controller explained that she was on an extended leave of absence, and the employees covering her role failed to properly handle Complainant's sale.

Complaint 2:

Complainant alleged Respondent failed to pay off her trade-in in a timely fashion. At the time of the complaint, the vehicle had been traded in for over one month. Respondent responded to indicate that the vehicle was paid off within twenty days of the deal funding, and Respondent reimbursed the Complainant for the vehicle payment she was charged while the deal funded to help satisfy the consumer. Tracking information was provided to Complainant to ensure the timeline.

Recommendation: As to Complaint 1, authorize a civil penalty in the amount of \$1,000, comprised of \$500 for issuing one more tag than allowed by law, and \$500 for the false act of not timely delivering title, to be settled by consent order or a formal hearing. As to Complaint 2, close.

Commission Decision: Concur.

48. 2017054961 (SRP)

First Licensed: 02/20/2004

Expiration: 02/28/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold him a vehicle with mechanical issues and lied about the accident history. Respondent responded that Complainant tried to peel off the pin stripping on the vehicle, and it caused paint damage which upset Complainant and sparked the issues between the parties. The vehicle was purchased as-is, and a Car Fax was provided at the time of sale which does not show any accidents.

Recommendation: Close.

Commission Decision: Concur.

49. 2017051101 (SRP)

First Licensed: 02/20/2004

Expiration: 02/28/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 2014 – 1 closed with no action; 2016 -- \$1,000 Consent Order for issuing more temporary tags than allowed by law; 1 closed with no action; 1

letter of warning for incomplete temporary tag log; 2017 – 1 closed with no action,

Complainant alleged Respondent was delayed in providing tags/title to a vehicle purchased from Respondent. Respondent took around three months to register the vehicle. Respondent responded to state that Complainant had purchased two vehicles, and respondent was unaware one of the vehicles had not been registered until receiving the complaint. Respondent immediately corrected the error upon receipt of the complaint, but Complainant alleged they tried to contact Respondent about the issue multiple times prior to complaining.

Recommendation: Authorize a civil penalty in the amount of \$500 for failing to timely provide tags/title.

Commission Decision: Concur.

50. 2017055241 (SRP)

First Licensed: 08/19/2011

Expiration: 04/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 2014 – Letter of warning for delay in providing title; 2015 -- \$1,000 Agreed Citation for incomplete temporary tag log entries.

Complainant complained about mechanical issues with a vehicle purchased used as-is from Respondent. Respondent stated it has been working with Complainant, and everything is fixed and resolved.

Recommendation: Close.

Commission Decision: Concur.

51. 2017036561 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

This complaint came in on a referral for possible unlicensed activity. After it was opened, staff realized the dealer was actually in Arkansas. No Tennessee sales were located. The Respondent could be licensed in Arkansas, but since the Arkansas State Police maintain the used motor vehicle dealer licenses, and they are not listed online, legal is unsure if they hold a license.

Recommendation: Close upon referral to Arkansas State Police.

Commission Decision: Concur.

52. 2017052781 (SRP)

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

Complainant alleged Respondent sold vehicles from his mechanic shop. An investigation was conducted. No evidence was located that supported the allegations. Two vehicles were displayed for sale, but both were registered to the owner of the body shop. The county clerk only showed those two vehicles, and did not have records of any additional sales. Respondent indicated he had a business dispute with Complainant, and believed that may have been the reason for the complaint.

Recommendation: Close.

Commission Decision: Concur.

53. 2017056061 (SRP)

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

A county clerk informed the Commission of Respondent's unlicensed activity. Respondent has access to an auction. Legal conducted an investigation. Respondent is licensed in New Jersey, but not in Tennessee. At least twenty-five vehicles were identified by the county clerk as having been registered after Respondent sold them to Tennessee consumers since 2016.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed dealership activity in the State of Tennessee to be settled by consent order or a formal hearing.

Commission Decision: Concur.

54. 201707931 (SRP)

First Licensed: 06/24/2016
Expiration: 01/31/2019
License Type: Motor Vehicle Dealer

History (5 yrs.): 2017 -- \$5,000 civil penalty for off-site sales and false, fraudulent, and deceptive acts (modified temporary tags, did not include rebuilt/salvage disclosures)

An investigator from the State of North Carolina contacted the Commission to report a licensed Tennessee dealer selling a salvaged vehicle to a North Carolina citizen in the State of North Carolina. Commission staff requested an inspection. Respondent admitted he used his Tennessee license to purchase salvaged vehicles from auctions, and then provided the details to other unlicensed individuals so they could pick up the vehicles and sell them. Respondent admits to doing that at least ten times. Additionally, when contacted by North Carolina, Respondent admits he forged sales documents in order to fake as if the sale had occurred at Respondent dealership in Tennessee.

Recommendation: Authorize a consent order for voluntary revocation of Respondent's dealership license.

Commission Decision: Concur.

55. 2017077561 (SRP)

First Licensed: 01/01/1992

Expiration: 04/30/2019

License Type: Dismantler/Recycler

History (5 yrs.): N/A

Complainant stated that Respondent bought and dismantled a truck that actually belonged to her, and it was sold without her permission. Respondent produced evidence that it purchased the vehicle in good faith, and has attempted to work with Complainant and the police. They have held the vehicle waiting for Complainant to bring proof of ownership, but Respondent was never provided that proof until it received this Complainant and attachments. This appears to be a dispute between Complainant and her ex-husband, with Respondent caught in the middle, attempting to do what it is supposed to with difficult parties. The police have intervened and are dealing with this matter.

Recommendation: Close.

Commission Decision: Concur.

SHILINA

56. 201707204 (SBB)

First Licensed: 10/08/2015

Expiration: 10/31/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): January 2017 – Agreed Order - \$5,000 civil penalty for employing unlicensed salespeople; failure to supervise and false/fraudulent/deceptive acts.

Complainant alleged Respondent sold her a vehicle and promised to make the necessary repairs prior to the Complainant's move out-of-state. The Respondent did not make the repairs. The Respondent provided a response and stated that the vehicle was sold "AS IS" and the repairs could not be done because the Complainant moved out-of-state.

Recommendation: Close.

Commission Decision: Concur.

57. 2017072541 (SBB)

First Licensed: 10/06/2015

Expiration: 09/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): March 2016 – Consent Order - \$2,000 for false/fraudulent/deceptive acts; July 2016 – Complaint closed and flagged because Respondent/Dealer was closed.

Complainant alleges the Respondent was given \$1,000 for a vehicle and asked to provide insurance coverage information. The Respondent provided the wrong fax number to send them insurance coverage information. Also, the Respondent provided temporary tags with the wrong VIN number. The Complainant alleges the Respondent has had other problems with other consumers and has asked for a refund for the vehicle purchased. The Respondent provided a response and stated the Complainant was attempted to defraud the Respondent and provided phony documents and after selling the vehicle requested the Complainant return the vehicle because of the fraud and the Complainant never returned the vehicle. Instead, the Respondent had to contact the police to recover the vehicle and the Complainant was arrested for theft. The Respondent had to pay impound fees and had to appear in court to testify against the Respondent.

Recommendation: Close.

Commission Decision: Concur.

58. 2017064801 (SBB)

First Licensed: 02/05/2014

Expiration: 01/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): April 2014 – Warning issued for advertising violation.

Complaint against the Respondent for selling a vehicle with mechanical problems. The Complainant attempted to return the vehicle two days after the purchase and was advised that the financing had already been processed and the Complainant could not return the vehicle. The vehicle had to be repaired and it took the Respondent two weeks to make the repairs and thereafter, the vehicle continued to have mechanical problems. The vehicle began to emit white smoke, jerking, lights would come on randomly and vehicle would misfire. The Respondent provided a response and stated the vehicle was purchased with 79,000 miles and was purchased "AS IS." The Complainant did purchase an extended

warranty and returned three times for repairs to be performed on the vehicle and those repairs were completed.

Recommendation: Close.

Commission Decision: Concur.

59. 2017066711 (SBB)

First Licensed: 09/01/1991

Expiration: 07/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint against the Respondent for selling the Complainant a salvaged vehicle without the Complainant's for selling a vehicle with mechanical problems. The Complainant attempted to return the vehicle two days after the purchase and was advised that the financing had already been processed and the Complainant could not return the vehicle. The vehicle had to be repaired and it took the Respondent two weeks to make the repairs and thereafter, the vehicle continued to have mechanical problems. The vehicle began to emit white smoke, jerking, lights would come on randomly and vehicle would misfire. The Respondent provided a response and stated the vehicle was purchased with 79,000 miles and was purchased "AS IS." The Complainant did purchase an extended warranty and returned three times for repairs to be performed on the vehicle and those repairs were completed.

Recommendation: Close.

Commission Decision: Concur.

60. 2017072901

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

Complainant alleges that Respondent is an unlicensed dealer operating in the State of Tennessee. Additional allegations are open titles and failure to pay sales tax. The application for license was submitted, however, it was denied. Following an investigation, there was no evidence of unlicensed activity. The Respondent admitted to previously selling a couple of vehicles from his home and is no longer selling vehicles from his home.

Recommendation: Close.

Commission Decision: Concur.

61. 2017072821

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): April 2017 – Consent Order - \$500 for one (1) unlicensed sales.

Complainant alleges that Respondent is operating as an unlicensed dealer in the State of Tennessee. Additional allegations are open titles and failure to pay sales tax. Respondent continues to sell motor vehicles in the State of Tennessee without a license.

Recommendation: Authorize a formal hearing and assess a civil penalty in the amount of \$5,000 (\$1,000 per unlicensed vehicle for sale on the unlicensed dealer location) to be settled by consent order.

Commission Decision: Concur.

62. 2017071451

First Licensed: 12/13/2013

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a used vehicle from the Respondent and after four months the vehicle began to have transmission problems. The Complainant returned the vehicle to the Respondent and the Respondent agreed to make the necessary repairs. Respondent provided a response and stated that the Complainant requested the Respondent refer him to a local repair shop to repair the transmission problems. The Respondent claims the Complainant contacted him and stated the vehicle had been repaired, but he could not afford to pay the invoice and asked if the Respondent would pay the invoice and add the amount paid by the Respondent to the loan amounts owed by the Complainant. The Respondent agreed and two days after the Complainant took possession, he stated the vehicle was still have problems and the Respondent advised the Complainant to return the vehicle for follow-up with the repair facility. Two weeks later, the Complainant contacted the Respondent and expressed his frustration with the repair facility because he believed they were not able to fix the problem and holding the vehicle. The Complainant asked for another recommendation for a repair facility and the Respondent recommended another repair shop. Additionally, the Respondent allowed the Complainant to use another vehicle for 10 weeks at no cost due to his wife's health condition.

Recommendation: Close.

Commission Decision: Concur.

63. 2017071411

First Licensed: 06/24/2016

Expiration: 05/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): August 2017 – Complaint was closed & flagged due to Respondent/Dealer being confirmed

Complainant purchased a vehicle from the Respondent and was making payments to the Respondent. The Respondent closed the dealership while the Complainant was making payments and the Complainant is unable to obtain the title to the vehicle. The dealership's license has expired and it is out of business. Complainant was provided with Respondent's bond information.

Recommendation: Close.

Commission Decision: Concur.

64. 2017071271

First Licensed: 12/08/2011

Expiration: 11/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant claims the Respondent provided one temporary tag and the Respondent did not provide another temporary tag and has failed to provide vehicle registration tags. Respondent provided a response and stated the Complainant was provided the title on November 1, 2017 that was finally provided by the prior title holder.

Recommendation: Close.

Commission Decision: Close & Flag.

65. 2017071001

First Licensed: 03/30/2016

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): December 2017 – Consent Order - \$5,000 civil penalty for false/fraudulent/deceptive acts and failure to disclose odometer discrepancy.

Complainant is unable to get a title for a vehicle purchased from Respondent. Respondent has issued four temporary tags. The Respondent has sent the Complainant a dealer tag. A bonded title application was submitted at the end of October 2017; however, the Complainant has still not received the title. The Complainant was sent surety bond information for the Respondent. Respondent provided a response and stated its title clerk has been absent and later resigned and was handing all titles. The Respondent was not familiar with the process, however, it was processed and mailed to the wrong address. Respondent stated it was an inadvertent mistake and regret this incident happened.

Recommendation: Close.

Commission Decision: Concur.

66. 2017070871

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

Complainant alleges that Respondent is operating as an unlicensed dealer in the State of Tennessee. Following an investigation, there was no unlicensed activity by the Respondent.

Recommendation: Close.

Commission Decision: Concur.

67. 2017070851

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

Complainant alleges that Respondent is operating as an unlicensed dealer in the State of Tennessee. Following an investigation, there was no unlicensed activity by the Respondent. The business no longer is in operation.

Recommendation: Close.

Commission Decision: Concur.

68. 2017070421

First Licensed: 07/24/2013
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant purchased a vehicle from the Respondent and is unable to obtain the title from the dealership. Complainant was provided with Respondent's bond information.

Recommendation: Close.

Commission Decision: Concur.

69. 2017070261

First Licensed: 03/04/2002
Expiration: 02/28/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant purchased a vehicle from the Respondent and alleges the Respondent was engaged in odometer fraud because the Complainant attempted to sell the vehicle and was told the mileage was incorrect and the odometer had been tampered. The Respondent provided a response and vehemently denied any allegations of odometer fraud. The vehicle sold to the Complainant was over 10 years old and these vehicles are sold with the mileage exempt in the State of Tennessee. The Complainant signed the odometer disclosure statement stating the vehicle was mileage exempt.

Recommendation: Close.

Commission Decision: Close & Flag.

70. 2017070191

First Licensed: 03/04/2002

Expiration: 02/28/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle from the Respondent and alleges the Respondent still has not provided the registration and vehicle tags. Also, a couple of months later, the vehicle stopped working and a mechanic said there were problems with the engine and had been a longstanding problem with the vehicle. The Respondent provided a response and stated the vehicle was sold "AS IS" and all proper disclosures and signatures were obtained by the Respondent.

Recommendation: Close.

Commission Decision: Concur.

71. 2017069691 (SBB)

First Licensed: 03/19/2014

Expiration: 10/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): May 2016 – Consent Order - \$1,000 civil penalty for failure to properly maintain temporary tag log.

Complainant purchased a vehicle from the Respondent and the vehicle had mechanical problems. The Respondent offered an extended warranty on the purchase of the vehicle and declined to purchase the vehicle. The vehicle was sold "AS IS."

Recommendation: Close.

Commission Decision: Concur.

72. 2017063351 (SBB)

First Licensed: 01/24/2005

Expiration: 11/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): November 2016 - \$1,000 civil penalty for false/fraudulent/deceptive acts.

Complainant purchased a vehicle from the Respondent and there were various rebates given to the Complainant. The Complainant disputed some of the sales taxes that were being collected by the Respondent. The Respondent assured the Complainant the taxes were proper and also the policies of the dealer meet the Tennessee Sales Tax Code. In an effort to resolve the dispute, the Respondent refunded the portion of the disputed sales tax amounts to the Complainant.

Recommendation: Close.

Commission Decision: Concur.

73. 2017059861 (SBB)

First Licensed: 03/30/2016

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Notice of Violation was issued for an expired city and county business license in violation of Tenn. Comp. R. & Regs. 0960-1-.25. Respondent did not provide a response.

Recommendation: Authorize a formal hearing with the ability to settle via Consent Order for a civil penalty in the amount of \$1,000 (\$500 X 2 for an expired city and county business license).

Commission Decision: Concur.

74. 2017062791 (SBB)

First Licensed: 05/16/2006

Expiration: 04/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): February 2017 - \$4,000 civil penalty for failure to reasonably supervise; possession of open titles; and failure to maintain city/county business licenses.

Complaint was filed against the Respondent for having a former employee take possession of a truck from the Complainant after a partial down payment and another subsequent down payment was made by the Complainant. The Respondent allowed the Complainant to take possession with the dealer tags on the motor vehicle. The Respondent later repossessed the truck. The Respondent stated the Complainant was supposed to return later in the day the day the Complainant took possession of the motor vehicle with a driver's

license and proof of insurance and the Complainant never returned. The Respondent repossessed the vehicle and the truck was damaged by the Complainant. The Complainant had possession of the vehicle for three weeks. The Respondent also had to pay for repossession services and for repairs for the damage to the vehicle. The Respondent agreed to provide a reasonable refund to the Complainant after factoring in all these costs incurred by the Respondent.

Recommendation: Close.

Commission Decision: Concur.

75. 2017071901 (SBB)

First Licensed: 09/01/1991

Expiration: 05/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.):

Complaint against the Respondent for a vehicle advertised by the Respondent. The Complainant alleges when he contacted the Respondent he was told it was a typo in the advertisement and the vehicle was not available, but they had the same vehicle in a different color and would sell it to the Complainant at the lowest price possible. The price provided was \$5,000 over the price listed in the advertisement and the Respondent's salesperson indicated that this was a typo. Complainant claims this dealership is engaged in bait and switch tactics.

Recommendation:

Commission Decision:

76. 2017073181 (SBB)

First Licensed: 12/10/2012

Expiration: 05/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint was received alleging that Dealer/Respondent had failed to timely provide title/registration and sold him a vehicle with multiple mechanical issues. In its response, Respondent stated that it had purchased the vehicle from auction and had not received the title when Complainant purchased vehicle. Legal confirmed with Complainant that the title was received prior to the first thirty (30) day temporary tag expired and also admitted to signing an As/Is No Warranty statement at the time of purchase.

Recommendation: Close

Commission Decision: Concur.

77. 2017076031

First Licensed: 09/01/1991

Expiration: 07/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle from the Respondent that ended up having several mechanical problems. The Complainant has owned the vehicle for over 400 days, but the vehicle has spent over 100 days in the repair shop. The Complainant alleges the Respondent did not properly perform the repairs to the vehicle. Respondent provided a response and stated the vehicle has had eight service visits. The Respondent did not misdiagnose the problems with the vehicle, but the prior dealer had misdiagnosed the necessary repairs and it was towed from the other dealership to the Respondent for the repairs. The repairs have ranged from mirror switch replacement to engine replacement. The delays that may have occurred have been a result of a lack of availability of necessary parts. The Respondent has always assisted and cooperated with the Complainant and has always made the repairs necessary upon the approval of the Complainant.

Recommendation: Close.

Commission Decision: Concur.

78. 2017076821

First Licensed: 08/20/2002

Expiration: 08/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle from the Respondent and the vehicle did not have sticker with a price on the window (no Monroney or window sticker). The Respondent would not tell the Complainant the price until the financing was processed. The selling price was \$22,012.93, but the Complainant stated after checking on the inventory list online after the purchase was completed, the price was \$15,665. The Complainant alleges the Respondent wrote the price as \$14,895 with a \$1,400 trade, however, the cost of the vehicle was \$15,665 and was reduced on the title application. The Complainant does not understand how she was charged \$22,012.93.

Recommendation: Close.

Commission Decision: Concur.

79. 2017077381

First Licensed: 05/16/2006

Expiration: 04/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): February 2017 - \$4,000 civil penalty for failure to reasonably supervise; possession of open titles; and failure to maintain city/county business licenses.

Complainant purchased a vehicle from the Respondent and alleges the Respondent has threatened to repossess the vehicle from the Complainant. The Complainant claims to have made a partial payment on the due date and had not paid the full amount by the late payment date. The Complainant alleges the Respondent does not have a motor vehicle dealer license and went to an auction to purchase the vehicle and later sold it to the Complainant from the unlicensed dealership.

Recommendation: Close.

Commission Decision: Concur.

80. 2017077821

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

Complainant purchased a vehicle from the Respondent and alleges the Respondent is selling vehicles without a motor vehicle dealership license. The Respondent promised the Complainant the hood of the vehicle would be painted at a later date and later refused to paint the hood. The Complainant alleges the Respondent had the vehicle for two weeks because it had to get the title from the auction located in Arkansas. After the Complainant received the vehicle, the engine went out and the vehicle had to be towed back to the Respondent and the Respondent agreed to put another motor in the vehicle. The Complainant paid the Respondent an additional \$1,300 and the Respondent never repaired the vehicle or refunded the money. It took the Respondent over two months to provide the Complainant with the vehicle title. The matter has been resolved.

Recommendation: Close.

Commission Decision: Concur.

81. 2017074651

First Licensed: 01/01/1992

Expiration: 05/31/2018

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs.): N/A

Respondent was issued a Notice of Violation for an expired city business license. The Respondent failed to comply and resolve the Agreed Citation issued to the Respondent.

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

Commission Decision: Concur.

RE-PRESENTS

SARA

82. 2016072051 (SRP)

First Licensed: 5/21/2013

Expiration: 04/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): None

This matter was authorized for a civil penalty in the amount of \$1,600 due to Respondent having expired businesses licenses and unaccounted for temporary tags. Respondent has since closed, and the license has fully expired. The owners of Respondent dealership were going through a contentious divorce and are no longer operating.

Recommendation: Close and flag.

Commission Decision: Concur.

83. 2016020072 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

Respondent acted as an unlicensed salesperson. However, this Commission revoked the license of the dealership allowing the unlicensed activity. The dealership was owned by Respondent's husband.

Recommendation: Close.

Commission Decision: Concur.

84. 2017029611 (SRP)

First Licensed: 09/26/2011

Expiration: 08/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): June 2015 - \$2,000 Consent Order for failure to provide business records and failure to respond; November 2015 - \$1,000 Consent Order for failure to supervise; February 2017 – Closed w/no Action; July 2017 - \$1,000 Consent Order for unlicensed activity and false/fraudulent/deceptive activity

Previously, this Respondent was assessed a civil penalty in the amount of \$5,000 for false, fraudulent, and deceptive acts. Respondent, in an effort to resolve a dispute with a Respondent regarding a vehicle with mechanical issues, was believed to have forged a power of attorney and sold the vehicle without the purchaser's permission. Ultimately the purchaser was satisfied with the resolution of this case, but she did not sign the power of attorney and reported to us that it was forged.

Respondent responded to the Consent Order stating the document had been executed by his staff, and he had not directed them to do so. Respondent made a settlement offer to resolve the matter. While it is ultimately Respondent's responsibility to supervise staff and ensure no fraud is conducted, the fact that complainant/purchaser was made whole and has expressed as much, leads legal to recommend the settlement offer as a sufficient means to resolve this dispute. Complainant has signed a waiver of claims with the Respondent.

Recommendation: Authorize the reduction of the civil penalty from \$5,000 to \$3,000.

Commission Decision: Concur.

85. 2016075031 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

Respondent acted as an unlicensed salesperson for an out-of-state dealer. Respondent was unaware of the illegality since he was hired via a pay for your own dealer license type arrangement. Respondent was helpful to our investigation into the dealership and Respondent instantly ceased activity. The case regarding the dealership is in formal charges status and will continue to be pursued.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: Concur.

86. 2017054631 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs.): 2017 – Final Order for \$90,000 for unlicensed sales.

This complaint was opened while a large-scale litigation case was being processed on the same Respondents. Respondents were assessed \$90,000 plus costs at the hearing, and additional complaints regarding a separate and new dealership are being pursued.

Recommendation: Close.

Commission Decision: Concur.

87. 2017050241 (SRP)

First Licensed: 03/09/2001

Expiration: 04/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): January 2017 – Letter of Warning issued for false/fraudulent/deceptive acts.

Respondent was assessed a \$2,000 civil penalty for (1) failing to execute a conditional delivery agreement and (2) holding tags in order to motivate payment of a deferred down payment that was not listed on the bill of sale. After receiving the Consent Order, Respondent produced a conditional delivery agreement that had been properly executed between itself and the Complainant. Respondent had failed to provide that in the original documents it sent to legal, not knowing it was relevant at that time.

Recommendation: Authorize the civil penalty in this matter be reduced to \$1,000 in light of the conditional delivery agreement being produced.

Commission Decision: Concur.

88. 2017021801 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs): N/A

Respondent was assessed a \$1,000 civil penalty for selling low speed vehicles without a license. Respondent promptly contacted staff upon receipt of notice. Respondent explained the confusion regarding the golf carts, and showed where they had inquired into

licensure back in 2014, but were told they did not need a license. The low speed vehicles are a vastly smaller part of their business, and they are not selling the units now that they are aware of the distinction in the law between a golf cart and a low speed vehicle. Respondent will apply for a license if they choose to continue sale in the future.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: Concur.

89. 20170218031 (SRP)

First Licensed: N/A

Expiration: N/A

License Type: N/A

History (5 yrs): N/A

Respondent was assessed a \$1,000 civil penalty for manufacturing low speed vehicles. Respondent worked with the Respondent dealer in the entry above. Likewise, Respondent previously sought guidance on licensure, and was mistakenly informed a license was not needed since the phrase “golf carts” was used and not low speed vehicles. Respondent is registered with NHSTA and has applied for a license now that the mistake has been identified. Respondent has been highly cooperative and willing to comply with any and all requirements.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: Concur.

90. 2017045501 (SRP)

First Licensed: 03/22/1995

Expiration: 03/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): November 2012 - \$8,000 Consent Order; January 2013 – Closed w/no Action; March 2017 - \$1,000 Consent Order for misuse of dealer plates and possession of open title(s).

Respondent was assessed a \$3,000 civil penalty for allowing its dealer and business licenses to lapse. Respondent contacted legal to indicate it had renewed its licenses, and showed proof an employee brought on to help with paperwork failed to meet reapplication deadlines. Respondent requested leniency since it is also paying \$5,000 for the failure to renew on its dismantler/recycling business from the same time due to the employee’s misrepresentations about her capabilities to maintain the business. Respondent is a small, rural operation run by a family. Legal showed Respondent how to use the electronic renewals, and explained the different licenses and renewal dates.

Recommendation: Close upon issuance of a letter of warning due to discipline being sufficient other complaint associated with dismantler/recycling license.

Commission Decision: Concur.

91. 2016066981

2016067031 (SRP)

First Licensed: 03/22/1995

Expiration: 03/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): November 2012 - \$8,000 Consent Order; January 2013 – Closed w/no Action; March 2017 - \$1,000 Consent Order for misuse of dealer plates and possession of open title(s).

PREVIOUS ENTRY:

This matter was set into litigation monitoring pending criminal charges filed against the owner of Respondent dealership. The original charges were for odometer tampering, and a complaint came in alleging the same. Additionally, another complaint came in alleging a vehicle was unsafely and improperly repaired before being sold to the Complainant.

Complaint #1: The Complainant and his mother allege Respondent committed odometer fraud. Complainant and his mother purchased a truck from Respondent for \$23,500.00. The odometer reflected the mileage as 65,242. The advertisement for the truck reflected the same 65,242 mileage. Complainant states Respondent even looked up the truck's value at the low mileage as being \$28,000, to emphasis the deal Complainant was receiving on the truck. Halfway through completing the purchase paperwork, Complainant alleges Respondent produced a title listing the mileage on the truck as 249,496. Complainant states Respondent said the title had a typo, in that the "2" should not be there. Complainant states that Respondent said that is why Complainant had to sign an odometer disclosure sheet, to account for the typo on the title.

A few months after the purchase, Complainant discovered through a car fax that the actual mileage of the vehicle was approximately 249,000 miles with service records supporting the higher mileage. Complainants contacted Respondent who stated he had informed the Complainant the mileage was unknown through the odometer disclosure form, but offered to buy the vehicle back for \$16,000. An investigation was conducted. The paperwork Respondent submitted to Complainant's financing center listed the mileage as 65,826 as did the "As-Is" warranty documentation. Complainant's mother states that Respondent stated to her that he did not think the dealer he purchased the truck from would roll back the miles. However, in a letter in response to the complaint, Respondent states the odometer was not operable, so he replaced the dash cluster. Respondent claims he explained that to the Complainant, and Respondent indicates he had Complainant sign a bill of sale which states "Not Actual Mileage," and the odometer disclosure form which indicates a discrepancy regarding the mileage.

The Tennessee Highway Patrol also investigated this matter. The THP's investigation has resulted in criminal charges. Respondent entered an Alford plea for a charge that was reduced from misrepresenting mileage on a used motor vehicle odometer to

deceptive business practices. The victims/Complainants agreed to the reduction in exchange for receiving a full refund on the vehicle. The resulting charge was a Class B Misdemeanor, and Respondent is to serve six-months of supervised probation with 96 hours of community service.

Complaint #2: In this complaint, Complainant alleges Respondent used temporary bonding materials to cover up frame damage and a major leak. Two days after Complainant purchased the vehicle, Complainant noticed major leaking and took the vehicle to her mechanic. The mechanic explained the frame was bent and the truck is not safe to drive. Complainant alleges multiple other consumers have made similar allegations via Facebook. Respondent claims Complainant must have wrecked the truck, and denies any knowledge of the mechanical error. Due to an ongoing criminal investigation into Respondent, investigation from this Department was light in an effort to not interfere.

NEW INFORMATION:

New information was provided by both Complainant from the first complaint and Respondent. Complainant alleged other parties were injured in a similar fashion. A follow-up investigation was conducted. While allegations were made online by other parties, none of the posters returned contact to the investigator despite attempts. No new, substantiated claims were uncovered.

As to Respondent, Respondent submitted a response through legal counsel. Respondent states again denial of the odometer issue. Respondent states he pled guilty because he was required to affix a plate or sticker showing the mileage prior to the cluster change, and he admits he did not know he had to do that. He denies any of the allegations that he was anything but up front about the repairs, but that he pled due to that sticker failure. Respondent states the charge he received is a Class B misdemeanor which is not even punishable with jail time, and is the second lowest criminal offense in Tennessee. Respondent has in fact repurchased the vehicle for the full sum so Complainants have been made whole. He has also paid all court costs. Respondent pleads that in light of the criminal charge being low, and the efforts to rectify the issues he has made, that he be allowed to continue to operate his business.

Previous Recommendation: Revocation of license.

New Recommendation: Discussion.

Commission Decision: Authorization a civil penalty in the amount of \$5,000 for false/fraudulent/deceptive acts to be settled by consent order or formal hearing.

SHILINA

92. 2017018601

First Licensed: 01/18/2006

Expiration: 01/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint alleging a salesman has worked there for over 10 years without a motor vehicle salesman's license. The unlicensed salesman works six days a week between eight to ten hours per day. The unlicensed sales man also has a business card indicating he is a motor vehicle salesman. No response was provided by the Respondent.

Recommendation: Authorize a civil penalty in the amount of \$6,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109) and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23 (\$1,000 civil penalty). To be settled by consent order or a formal hearing.

Commission Decision: Approved

New Information: Complainant alleges Respondent engaged in deceptive acts when the promised them to fix issues to their vehicle for free and was not charging \$3,000.

New Recommendation: Authorize a civil penalty in the amount of \$6,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109). To be settled by consent order or a formal hearing.

New Commission Decision: CONCUR

New Information: An investigation was completed, however, it was not included in the original presentation of this matter. The Complainant alleged Respondent engaged in deceptive acts when the promised them to fix issues to their vehicle for free but was not charging \$3,000. The Respondent did cover some of the repairs for the Complainant, however, there were additional amounts due by the Complainant that were not paid. This did not involve any unlicensed activity. A thorough investigation revealed that there was no wrongdoing by the Respondent. The repossession of the vehicle was proper and the Complainant had failed to make the necessary payments.

New Recommendation: CLOSE.

New Commission Decision: Concur.

93. 2017022931 (SBB)

First Licensed: 04/03/2008

Expiration: 03/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold her multiple vehicles with mechanical issues and failed to provide title/registration for the most recent vehicle purchased. After multiple mechanical issues on a vehicle purchased from Respondent, Complainant exchanged the vehicle for a different vehicle. The second vehicle also presented with multiple mechanical

issues shortly after purchase. Surety bond information was sent to the Complainant. The Respondent failed to provide a response to the Commission.

Recommendation: Authorize a civil penalty in the amount of \$1,500 for one count of false, fraudulent, or deceptive acts pursuant to Tenn. Code Ann. § 55-17-114(b)(1)(K) and failure to respond to Commission’s request for a response to the allegations pursuant to Tenn. Comp. R. & Regs. 0960-01-.23. To be settled by consent order or formal hearing.

New Information: An investigation was completed and the Complainant wanted to surrender the vehicle and it was repossessed in September 2017. The Respondent agreed to accept the return of the first vehicle and replaced it with another vehicle. The Complainant again alleged there were mechanical issues with the replacement vehicle and after it was checked by Respondent’s mechanic, it only needed a tune-up. The vehicle was later repossessed in September 2017 by the Respondent.

New Recommendation: CLOSE.

New Commission Decision: Concur.

94. 2017061121 (SBB)

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

Complaint filed against the Respondent concerning the sale of five vehicles at the “Shades of the Past” car show weekend in Pigeon Forge, TN on September 8, 2017. The vehicles were advertised for sale with the same phone number and the owner was identified as the Respondent through a driver’s license. The Respondent sold a vehicle in February 2017. The Respondent did not have a dealer’s license to sell the vehicles.

Recommendation: Authorize a formal hearing and assess a civil penalty in the amount of \$5,000 (\$1,000 per unlicensed vehicle for sale on the unlicensed dealer location) to be settled by consent order.

Commission Decision: CONCUR

New Information: Upon receipt of a VIR, there were only five vehicles in a 12 month period and this within the allowance under the statute.

New Recommendation: CLOSE.

New Commission Decision: Concur.

95. 2017041761 (SBB)

First Licensed: Unlicensed

Expiration: Unlicensed

License Type: N/A

History (5 yrs.): N/A

During an inspection, a Notice of Violation was issued to the Respondent for unlicensed activity for the sale of RV's without a motor vehicle dealer's license. The Respondent is listed as a franchised RV dealer, but does not have a Motor Vehicle dealer license.

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

Commission Decision: CONCUR

New Information: The Respondent has submitted an application and paid the application fee and is in full compliance with the Motor Vehicle Commission laws and rules.

New Recommendation: CLOSE.

New Commission Decision: Concur.

96. 2017033871 (SBB)

First Licensed: Unlicensed

Expiration: Unlicensed

License Type: N/A

History (5 yrs.): N/A

A Complaint was filed against the Respondent for engaging in unlicensed activity. The Respondent has had seven transactions on one license plate between April to June, 2017. The Respondent had been warned of curb stoning by the Clerk's office and told the Clerk's office, the Respondent is not concerned about curb stoning.

Recommendation: Authorize a formal hearing and assess a civil penalty in the amount of \$2,000 for unlicensed activity (exceeding the five vehicle sale limit) (Tenn. Code Ann. § 55-17-109) to be settled by consent order.

Commission Decision: CONCUR

New Information: The Respondent is supporting a disabled child and does this as a hobby. Most of the vehicles are trades and the Respondent was unaware of the violation of the statute and was not aware he was limited to five vehicles.

New Recommendation: CLOSE.

New Commission Decision: Concur.

97. 2017042061 (SBB)

First Licensed: 08/28/2006

Expiration: 02/28/2018

License Type: Recreational Vehicle Dealer

History (5 yrs.): N/A

The Complainant wanted to purchase an RV that was advertised on the Respondent's website and put a down payment for the RV to be transferred from another state to Tennessee. After entering to a buyer's order for the RV the local dealership contacted the Complainant and stated that they could not sell the RV at the price negotiated due to a mistake. The vehicle had been advertised at the agreed upon price for two weeks.

Recommendation: Authorize a formal hearing and authority to settle by Consent Order and a civil penalty in the amount of \$1,000 for deceptive acts and practices pursuant to Tenn. Code Ann. § 55-17-114.

Commission Decision: **CONCUR**

New Information: The Respondent states the Complainant signed the buyer's order after he was told that there was an error. In fact, the Respondent and the General Manager provided affidavits stating that they informed the Complainant prior to the Complainant entering into the transaction of the online pricing error.

New Recommendation: CLOSE.

New Commission Decision: Concur.



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MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

**FROM: Sara R. Page, Assistant General Counsel
Shilina B. Brown, Assistant General Counsel**

DATE: January 22, 2018

SUBJECT: MVC Legal Report Supplement

SARA

98. **2017056021 (SRP)**
First Licensed: 04/26/2011
Expiration: 01/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant purchased a used vehicle that displayed about 145,000 miles on the odometer. Later while having the vehicle serviced, the mechanic informed Complainant the vehicle history indicated a major mileage discrepancy. The vehicle history indicated the vehicle actually had 318,600 miles when sold at auction prior to Complainant purchasing the vehicle from Respondent. The vehicle history indicates the transmission was replaced after purchase at auction. Complainant alleges Respondent now denies he made that repair and claims he purchased it from another dealer. Complainant states that at the time of purchase, Respondent told Complainant that Respondent had recently repossessed the vehicle. The vehicle history indicates the transmission replacement occurred near the same time as the recorded repossession.

An investigation was conducted. Legal learned that the Complainant is filing suit against Respondent for this action. Auction documents were collected that show that the mileage was listed correctly when sold at auction to a dealer. The vehicle has since moved between dealers, and has been sold and repossessed at least twice. While it does appear the odometer was tampered with, or the cluster was replaced without notifying or marking that change, it is difficult to pinpoint when that change occurred.

Recommendation: Refer this matter to the Tennessee Department of Safety for investigation, and place this matter into litigation monitoring.

Commission Decision: Concur.

99. **2017070931 (SRP)**
2017081011
2017063831
2017040901
2017055021

First Licensed: 5/17/2006

Expiration: 05/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): March 2017 – Letter of Warning issued for advertising violation; November 2017 – Consent Order for \$2,000 for advertising violations.

All of the complaints, with the exception of 2017063831, arose early in 2017 due to Respondent's financial manager failing to complete financing for consumers, and being unavailable/deceptive. Respondent's owner fired the general manager and financial manager after the extensive issues came to light. All complaints were looked in to by legal, and new management had contacted the Complainants and worked to resolve the issues. Most Complainants wished to withdraw their complaints as a result. One asked not to be contacted any further.

2017063831 was an internal complaint related to an advertising violation. The violation arose as legal was working with the new management team to help them understand the advertising requirements, and what was unacceptable.

Overall, this is a dealership that was poorly run to the detriment of consumers. Internally, this was uncovered and the dealership's ownership made systematic staffing and policy changes prior to complaints coming to the Commission. New management team has remedied the complaints, and has been in contact with legal on how to clean up advertising.

Recommendation: As to Complaint 2017063831, letter of warning regarding clarity of lease advertising rules, to formalize the discussions held with management. As to rest of Complaints, close upon letter of warning regarding supervision of managers/staff.

Commission Decision: Concur.

SHILINA

100. 2017054651 (SBB)

2017054881 (Complaint 2)

First Licensed: 03/13/2001

Expiration: 02/28/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): October 2012 – Closed w/no Action; January 2016 – Closed w/no Action; July 2016 – Closed w/no Action.

Complainant alleged that Respondent sold a vehicle priced well over what her elderly parents could afford and refused to rescind the deal. Respondent/Dealer has worked with Complainant and her parents to locate a different vehicle more acceptable to the entire family and Complainant sent a request to withdraw her complaint.

Recommendation: Close

Commission Decision: Concur.

101. 2017054881 (SBB)

First Licensed: 03/13/2001

Expiration: 02/28/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): October 2012 – Closed w/no Action; January 2016 – Closed w/no Action; July 2016 – Closed w/no Action.

Complainant alleged three (3) years after purchasing a new vehicle from Respondent/Dealer, the vehicle required new bearings and believed Respondent/Dealer should be held responsible. In its response, Respondent/Dealer states that the vehicle was serviced several times prior by a different service center diagnosing the bearing issue and at no time was there any problems with the bearings.

Recommendation: Close

Commission Decision: Concur.

102. 2017057111 (SBB)

First Licensed: 02/25/2013

Expiration: 02/28/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): August 2017 – Multiple complaints closed and flagged for failure to provide title/registration.

Complainant purchased a vehicle and did not receive vehicle tags. The Complainant discovered the Respondent dealer was closed. The Commission staff sent the surety bond information to the Complainant. Respondent did not provide a response to the complaint.

Recommendation: Close & Flag

Commission Decision: Concur.

103. 2017059641 (SBB)

First Licensed: 09/01/1991

Expiration: 07/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint was received alleging that Respondent/Dealer had failed to timely provide title/registration and sold him a vehicle with multiple mechanical issues. Respondent provided a response and stated it had purchased the vehicle from an auction and

did not receive the title when the vehicle was purchased. The Respondent had encountered some issues obtaining the title, but Respondent/Dealer has since obtained a valid title and provided the title to the Complainant.

Recommendation: Close

Commission Decision: Concur.

104. 2017059711 (SBB)

First Licensed: 09/01/1991

Expiration: 07/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint was received alleging that Respondent/Dealer unlawfully repossessed vehicle and failed to give Complainant proper notice that the vehicle was being auctioned. Respondent/Dealer provided legal documentation evidencing that the vehicle was repossessed for non-payment and proper notice was sent to Complainant after the vehicle was repossessed.

Recommendation: Close.

Commission Decision: Concur.

105. 2017059791 (SBB)

First Licensed: 05/29/2012

Expiration: 06/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint was received alleging that Respondent/Dealer had failed to disclose that vehicle sold had been involved in an accident and sustained front end damage. Respondent/Dealer provided Complainant with a “clean” CarFax report at time of purchase that did not show any reported accidents. Several months after purchasing the vehicle, Complainant became aware that the vehicle had been involved in accident and upon contacting the repair shop, found that Respondent/Dealer had authorized the repairs. In its response, Respondent/Dealer did not deny or admit to knowing that the vehicle had been involved in an accident, but stated that they provided Complainant with the CarFax report and could not always depend on those reports being completely accurate; however, they had agreed to buy back the vehicle for what Complainant had paid, minus taxes and registration fees.

Recommendation: Authorization of a Five Hundred Dollar (\$500) civil penalty for false/fraudulent/deceptive act, to be settled by Consent Order or Formal Hearing.

Commission Decision: Concur.

106. 2017062811 (SBB)
First Licensed: 11/01/2013
Expiration: 08/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint was received alleging that Respondent/Dealer had overcharged for a vehicle purchased in 2015 and was then unlawfully repossessed in July 2017. Complainant provided proof of several payments made but was unable to provide receipts for all payments. In its response, Respondent/Dealer alleged that the vehicle was repossessed for non-payment and provided a record of all payments missed.

Recommendation: Close.

Commission Decision: Concur.

107. 2017063861 (SBB)
First Licensed: 06/13/2016
Expiration: 06/30/2018
License Type: Motor Vehicle Dismantler/Recycler
History (5 yrs.): N/A

Respondent received a Notice of Violation for failure to maintain a county business license. During the inspection, Respondent was notified that the posted county license was expired and was able to provide proof that the tax had been paid. Immediately after the inspection, Respondent contacted the county to inquire why a current copy of its license had not been received and realized there was an issue with the correct FEIN number being linked to the payment. Respondent has remedied the situation and provided proof that the taxes were paid on time and that a current license has been received and posted at its location.

Recommendation: Close.

Commission Decision: Concur.

Commissioner Jackson made a motion to approve the Legal Report and Supplemental Legal Report as amended during the Legal Review Meeting, Seconded by Commissioner Vaughan. Chairman Robert called for a voice vote.

VOICE VOTE/UNANIMOUS

MOTION CARRIES

NEW BUSINESS

Chairman Roberts invited Mr. Daryll Noble to address the Commission. Mr. Noble, for the past 12 years, was the Director of the Independent Auto Dealers Association and conveyed that he had resigned at the end of the year. Mr. Noble introduced the new director of the Association, Ms. Phyllis Sartin, who introduced herself to the Commission. Chairman Roberts welcomed Ms. Sartin and another audience participant, one of the Board Members for the TNIADA, Mr. Bob Delucci, who also addressed the Commission. Chairman Roberts thanked all for their contributions to the Board and the TNIADA.

Staff attorney, Elizabeth Goldstein, updated the Commission on the Commission Salvaged Disclosure Amended Rule and conveyed it was moving through the rule-making process and on January 3 was submitted to the Attorney General for final approval and that when the legal received the rule back from the AG's office, they would submit it to the Secretary of State.

OLD BUSINESS

NONE

ADJOURN

Chairman Roberts called for a motion to adjourn.

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

VOICE VOTE - UNANIMOUS

Motion carried.

Meeting Adjourned

Eddie Roberts, Chairman
