

MINUTES

July 23, 2019



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

**TENNESSEE
MOTOR VEHICLE COMMISSION MINUTES**

DATE: July 23, 2019

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

PRESENT: Commission Members:
John Roberts
Charles West
John Chobanian
Jim Galvin
Ronnie Fox
Nate Jackson
Stan Norton
Steve Tomaso
Farrar Vaughan
Victor Evans
Ian Leavy
Karl Kramer
John Murrey
Kahren White

ABSENT: John Barker, Jr.
Christopher Lee
Debbie Melton

CALL TO ORDER: Chairman John Roberts called the meeting to order at 9:08 am

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

MEETING NOTICE: Notice advising the Commission of the time, date and location of the meeting being posted on the Tennessee Motor Vehicle Commission website and that it has been included as part of the year's meeting calendar since October 15, 2018, 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 July 17, 2019. The meeting has also been noticed on the TN.GOV website.

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

MOTION CARRIED.

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

MOTION CARRIED.

APPEALS:

Jason Tyner
Tim Castellaw Ford, Dyersburg, TN

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

ROLL CALL VOTE

Ian Leavy	YES
Charles West	YES
Kahren White	YES
John Murrey	YES
John Chobanian	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES

Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
John Roberts	YES

Motion carried, therefore, the denial is upheld.

Joshua Murner
East Tennessee Dodge, Crossville, TN

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

ROLL CALL VOTE

Ian Leavy	YES
Charles West	YES
Kahren White	YES
John Murrey	YES
John Chobanian	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
John Roberts	YES

Motion carried, therefore, the license is granted.

END OF APPEALS



Executive Director’s Report

July 23, 2019

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

Dealers Opened, or Relocated (Last Quarter)..... 65

Active Licensees as of July 8, 2019

Previous Meeting

Dealers.....	3703	3723
Applications in Process.....	21	31
Distributors/Manufacturers.....	138	138
Auctions.....	28	28
Representatives.....	642	642
Salespeople.....	16927	17059
Dismantlers.....	259	266
RV Dealers.....	39	46
RV Manufacturers.....	69	74
Motor Vehicle Show Permits.....	5	4

Complaint Report- Opened Complaints from April 2019 – Current

Number of Complaints Opened.....	180
Number of Complaints Closed.....	176

Annual Sales Reports-(Due Feb 15):

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

Performance Metrics Taken from June CFG Report

Average Number of Days to License.....**2.90 Days**
CFG Goal.....127%
Compliance.....**94.45% as of June 31, 2019**

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

MVC Customer Satisfaction Rating April 2019 – July 2019

Quarterly Satisfaction Rating.....**97%**

Disciplinary Action Report – April – June

Previous Meeting

Total to be collected.....**\$9,800.00** **\$12,550.00**

Online Adoption Across All Professions

- **80.47%** online adoption for New “1010” Applications across all Professions available as of July 12, 2019.

Fiscal Information

- Pending Fiscal Year-End Closeout

Outreach

- County Clerk Retreat May 8-10
- Teen Driver Camp and Driver Safety
- Power Sport Safety Media Event
- NAMVBC Annual Meeting

Other

- Sunset Hearing for Tennessee Motor Vehicle Commission Scheduled for August 21, 2019

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

VOICE VOTE – UNANIMOUS

The motion carried to approve the Director’s Report.



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DEPARTMENT OF COMMERCE AND INSURANCE
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MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

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

DATE: July 23, 2019

SUBJECT: MVC Legal Report

- 1. 2018091911 (SH)
First Licensed: 04/30/2008
Expiration: 03/31/2020
License Type: Recreational Vehicle Dealers
History (5 yrs): 2018 – Two complaints closed without action; 2017 – Nineteen complaints closed without action, one open complaint alleging fraudulent, deceptive acts, one complaint open alleging failure to provide title/registration; 2016 – One complaint closed without action; 2015 – Two complaints closed without action**

Complainant alleges she purchased an RV on September 14, 2016 from the Hershey, PA. RV Show for the price of \$98,075.92. A \$5,000.00 deposit was written for the RV and the deposit was given to the Respondent.

On September 15, 2016 Complainant went back to the RV Show and told Respondent that they wanted to cancel their order. According to Complainant, Respondent told her that Pennsylvania does not have the law that allows for the cancelation.

As of December 1, 2016, after talking with several individuals associated with Boat-N-RV, Complainant stated that they have not been refunded the \$5,000 deposit nor have they been notified that the RV was ready.

An investigation was conducted. Respondent's counsel stated that the complaint has nothing to do with Boat-N-RV Supercenter of Tennessee. The complaint deals with Boat-N-RV Superstore of Hershey, Pennsylvania. Respondent enclosed a copy of his letter dated October 6, 2017 to the Attorney General's Office located in Pennsylvania wherein Complainant filed the same identical complaint.

Respondent went on to explain that the events happened more than two years ago and have nothing to do with Boat-N-RV Supercenter of Rockwood, Tennessee. Tilden Recreational Vehicles, Inc., a New York Corporation trading as Boat-N-RV Superstore in Pennsylvania served as the representative for the manufacture Coachman RV at the Hershey RV show in September 2016.

Respondent states that Complainant was not a customer of the dealership located in Rockwood, Tennessee. Complainant attended an off-site show in Hershey, Pennsylvania at which Tilden Recreational Vehicles, Inc., a New York Corporation, was an exhibitor of certain products. The Respondent provided individuals from Boat-N-RV, Rockwood, Tennessee that supplied contract labor to that company for the purpose of the show.

Further, Respondent was not a party to the contract signed by Complainant and the dealership in Pennsylvania.

Recommendation: Close.

Commission Decision: CONCUR

2. **2018083671 (SH)**
First Licensed: 06/10/2004
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint open alleging misrepresentation of purchased vehicle, one complaint closed without action; 2017 – One complaint closed without action; 2016 – One complaint closed without action; 2015 – One complaint closed without action

Complainant purchased a used tractor from Respondent dealership on August 22, 2018. The Respondent issued a Bill of Sale and sent the Complainant the original title via mail. After making repairs to the purchased vehicle, the Complainant insured the vehicle and went to the IRP office in North Carolina to submit the title so the vehicle could be registered. The IRP office stated that the Complainant did not have the last title issued for the vehicle, which was required. The Complainant then contacted the Respondent to relay this information, but the Respondent has yet to rectify this issue. According to the Complainant, the Respondent is allegedly in contact with the auction firm that they originally purchased the vehicle from to procure the correct title.

Respondent claims that the title apparently had another title outstanding from a previous state that Respondent and the auction was unaware. Respondent and the auction worked diligently to contact the former owner in order to get a duplicate and resolve the chain of ownership. The title has been resolved and the Complainant has received the correct title.

Recommendation: Send Letter of Warning regarding delay in delivering title.

Commission Decision: CONCUR

3. **2018089281 (SH)**
First Licensed: 03/27/2014
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges that the Respondent failed to generate an agreement after the Complainant purchased a vehicle on November 3, 2018. The Complainant also alleges that according to the Respondent dealership's financial department, there is no contract on file for the Complainant's purchase of the vehicle. A month after the purchase Complainant alleges they received a text message from a salesman at the Respondent dealership indicating that the Complainant needed to sign a new agreement with the Respondent. The Complainant asked the Respondent why a new agreement was needed, and the Respondent indicated that there was a \$1.00 discrepancy on the agreement. Respondent's financial department called and indicated the Complainant needed to pay additional money to avoid a late payment. Complainant stated they received a new agreement dealership with same date as the one on the original agreement. The Complainant stated to Respondent they would not be signing the new agreement and that the Respondent said they will need to repossess the vehicle.

After investigation it was determined that the issue had been resolved and the Complainant was satisfied with the outcome. Complainant stated she wanted to drop the complaint but did not know how to do so. Respondent indicated that in the future they will respond to complaints promptly so as not to cause an unnecessary use in resources.

Recommendation: Send Letter of Warning for failure to respond to complaint.

Commission Decision: CONCUR

4. **2019003591 (SH)**
First Licensed: 08/06/2001
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action; 2016 – Two complaints closed without action; 2014 – One complaint closed without action

Lindsey Riley Hodges purchased a vehicle from Respondent on November 2, 2018 and paid the vehicle in total with a check and debit card. Complainant alleged that in January she still had not received her title and was having mechanical issues with the vehicle that allegedly had been fixed prior to purchasing the vehicle.

Respondent admitted the title issue was a mistake on their part and concerned the 8300 Form. When the mistake was found the title was immediately sent to the Complainant.

Complainant's allegations of mechanic issues are currently being resolved. Even though the sale was "As Is", the Respondent has agreed to fix the issues and Complainant has agreed to pay for parts and labor.

Recommendation: Send Letter of Warning regarding delay in delivering title.

Commission Decision: CONCUR

5. **2019001721 (SH)**
 2019016281
 2019018171
 First Licensed: 08/19/2014
 Expiration: 08/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2019016281 and 2019018171, related to this case.

Respondent has three open complaints that are related to 2019001721. 2019016281 alleges failure to deliver title or paperwork pertaining to the sale of the vehicle in 2019001721 and 2019018171 alleges Respondent is offering Complainant incentives in exchange for helping Respondent as a witness in the current case, 2019001721.

Complainant alleges deceptive business practices of the Respondent. An investigation was conducted and first found that the owner is the only salesperson. The Respondent's salesperson's license had expired on October 31, 2018. The investigator requested all sales conducted since the first of the year.

It was determined that Complainant had approached Respondent in October 2018 expressing interest in wanting to buy for himself and a couple of his family member's re-buildable vehicles from the auction. Respondent admitted to allowing Complainant access into his auction online account to personally select the vehicles Complainant was interesting in purchasing. Respondent claimed they verbally agreed upon Complainant paying the auction's selling price for the vehicles plus an additional \$250 commission to be paid to Respondent personally for the use and access to his auction account. Respondent stated they agreed to have the vehicles shipped directly to his dealership for Complainant to pick up and take to a shop of Complainant's choice to have repaired.

Respondent also admitted in reselling the vehicles off the acquisition sales receipt provided him

from the auction but all titles had already been turned over to Complainant. Respondent stated that after the complaint questioning Complainant's failure to receive sales receipts identifying the dealership as being the seller Respondent decided to prepare Bill of Sale from the dealership to make available for Complainant to pick up.

Complainant stated he has received the titles for three vehicles that he currently possessed but was waiting on being rebuilt for registration.

The investigation found that this questionable practice fails to show proper resale transfer from the dealership to the consumer. It was only after the complaint was filed bringing attention to the dealings that the Respondent tried taking corrective measures to provide adequate documentation (Bill of Sales) evidencing the purchases and subsequent sale to Complainant. Additionally, Respondent's Salesperson license had expired. All the sales conducted with the Complainant and the additional eleven (11) transactions conducted since the first of the year have all been done so in an unlicensed capacity.

Recommendation: Authorize a civil penalty in the amount of \$5,500 for unlicensed activity of 11 separate vehicle sales on an expired license.

Commission Decision: CONCUR

6. **2019005741 (ES)**
First Licensed: 09/20/2007
Expiration: 08/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed without action; 2014 – Two complaints closed without action

Complainant put money down to purchase a vehicle from Respondent but wants Respondent to be advised that the purchase was not legal. An investigation was conducted. The investigator found that when Complainant realized that their Alaska address was used on the sales contract, the deal should be voided. However, Complainant used his State of Alaska driver's license during the transaction. Respondent denies any intentional misconduct and their supporting records obtained clearly indicate the Respondent reported the Complainant's address correctly based on the information he provided. Complainant's signature is on all purchase documents acknowledging the terms and conditions of the sale along with the identification information being reported for him

as being accurate. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

7. **2019003551 (ES)**
 First Licensed: 04/10/2014
 Expiration: 03/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant bought a used vehicle on 10/27/18 from Respondent but has not received the title, only receiving temporary tags thus far. An investigation was conducted. Respondent told the investigator they would provide the deal file by 3/22/19 and they didn't have title because the auction where Respondent purchased the vehicle had not provided it. Eventually, Respondent provided the deal file, picked up the title on 4/1/19 from the auction and was willing to reimburse Complainant the total price paid for the vehicle. Complainant confirmed title was received and the vehicle was sold to someone else by Complainant.

Recommendation: Letter of Warning concerning late delivery of title

Commission Decision: CONCUR

8. **2018082541 (ES)**
 First Licensed: 06/22/2012
 Expiration: 07/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 -- \$1,500 Consent Order for having salespersons with expired licenses;
 2017 -- \$500 Consent Order for using wrong conditional delivery agreement

The Complainant alleges that Respondent misrepresented the condition of a used vehicle they purchased from Respondent and further claims Respondent has failed to complete necessary mechanical repairs. Specifically, Complainant alleges the vehicle had water damage but Respondent provided the CarFax indicating the vehicle was well-maintained, passed multiple inspections, had no history of water damage/flooding and was no longer under warranty. An

investigation was conducted. The Respondent denies any intentional dishonest dealings related to this matter and provides supporting service records and documentation indicating Respondent's commitment to fixing any and all issues without any cost to Complainant. Complainant was provided a loaner vehicle and consistently updated by Respondent until the issues were confirmed to be fixed by Complainant. The investigation was then closed. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

9. **2018089621 (ES)**
 First Licensed: 06/05/2014
 Expiration: 04/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – \$5,000 Consent Order for advertising violations

Complainant alleges Respondent failed to disclose frame damage on the used vehicle she purchased causing its value to decrease but provides no evidence to support these claims. An investigation was conducted. Respondent denies failing to disclose the frame damage and provided all transaction documentation, including an Experian AutoCheck report, the Bill of Sale and the signed contract, all of which clearly disclosed the frame damage. Respondent believes the frame damage could be a result of a modification made to allow an amplifier to be mounted which required two holes drilled into the frame. Respondent has offered to inspect the vehicle and attempt repairs if necessary, but Complainant has yet to bring the vehicle in and is inconsistent with communications to both Respondent and the investigator. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

10. **2019024531 (SH)**
First Licensed: 06/27/2013
Expiration: 06/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle "As Is" from Respondent on May 7, 2018. Complainant alleges the vehicle had mechanical issues a month later. Complainant alleges she took the vehicle to Respondent numerous times, Respondent stated it was fixed and the same continued to occur. Complainant also took the vehicle to a "side mechanic" on July 5, 2018. Complainant's mechanic stated she needed new spark plugs and that a sensor was missing. Complainant went to the auto parts store to get the part and took the vehicle back to Respondent. Complainant alleges that the vehicle's engine light came on soon after again. Complainant then decided that she will not pay Respondent until they get the vehicle fixed. The vehicle was repossessed on December 27, 2018 however the Respondent subsequently redeemed. Complainant alleges deceptive practices of the Respondent by selling a damaged vehicle with safety concerns.

Respondent states the sale was "As Is" however they attempted to fix any minor issues the vehicle was experiencing for months after the sale. Respondent replaced sensors, drove the vehicle and inspected for any other issues each time with no issues or warning lights. Respondent states that the Complainant alleges in the complaint that the vehicle could not be driven due to all the issues. Respondent shows that the vehicle had been driven over 13,000 miles in 8 months. Respondent also is concerned that the Complainant used a "side mechanic" and the mechanic's qualifications are unknown. Respondent believes the Complainant is making excuses because she cannot afford payments based on her payment history. No deceptive practices or violations of the Respondent were found.

Recommendation: Close.

Commission Decision: CONCUR

11. **2019031671 (SH)**
First Licensed: 02/11/2009
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed without action.

A Notice of Violation was issued on April 11, 2019 against Respondent for employing two salespersons with expired licenses.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for employing two unlicensed salespersons.

Commission Decision: CONCUR

12. **2019021041 (SH)**
 2019022001
 2019023961
 2019047291
 First Licensed: 07/02/2015
 Expiration: 01/31/2019
 License Type: Recreational Vehicle Dealer
 History (5 yrs): None.

Complainant alleges that a member of the credit union his law firm represents contracted the purchase of an RV on or about January 5, 2019. The credit union extended a loan to its member on January 7, 2019 and the member gave the credit union a security interest in the vehicle. When the member returned to the dealership on January 26, 2019 to present the loan proceeds and obtain possession of the RV, he was told by the Respondent that the RV was repossessed, but they had a near-identical model available. The credit union's member amended his security agreement to update the new VIN number, but the Respondent dealership closed its business soon after. The credit member is unable to obtain the

to the RV and register the vehicle.

Respondent has two other complaints that involve non-delivery of title and non-payment to third party financier. All Complainants have been given the surety bond information. The owner of the property has filed a Writ of Possession, due to lease payments owed, on three recreational vehicles that were left on the property by Respondent. Respondent's location is closed and the office empty. Respondent's license has expired and out of the grace period.

Recommendation: Close and Flag

Commission Decision: CONCUR

13. **2019000451 (ES)**
 2019007701
 2019030331
 First Licensed: 08/31/2018
 Expiration: 08/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

2019000451

Complainant purchased a used vehicle from Respondent on 10/13/18 but Respondent had only issued temporary tags through December 2018 and failed to produce title. Respondent claims there was confusion with the title because of the dealer who sold the car to the auction where Respondent purchased it. Respondent mailed the title to Complainant on 1/7/19.

2019007701

Complainant purchased a used vehicle from Respondent in November 2018 and filed this complaint because she had not been able to register her vehicle and Respondent failed to disclose it was a rebuilt salvage vehicle. An investigation was conducted. Respondent eventually was able to provide Complainant with the registration and tag for the vehicle on or around 4/24/19. Respondent admitted to the mistake regarding not disclosing the vehicle was salvaged and the deal file showed proof Respondent issued temporary tags on a salvage vehicle as well.

2019030331

A Notice of Violation was issued to Respondent on 4/1/19 for false, fraudulent or deceptive acts; for having an open title; and failure to produce business records.

Recommendation: Authorize a total civil penalty of \$2,500 -- \$500 for failing to disclose rebuilt vehicle; \$500 for issuing a temporary tag to a salvage vehicle; \$500 for false, fraudulent or deceptive acts; \$500 for having an open title; \$500 for failure to produce business records

Commission Decision: CONCUR

14. **2019027151 (SH)**
First Licensed: 11/10/2010
Expiration: 10/31/2016
License Type: Motor Vehicle Dealer
History (5 yrs): 2014 – One complaint closed without action

Complainant leased a vehicle in 2014 from Respondent. When Complainant paid off the lease agreement in 2016, she was told by the Respondent she would receive her title within 14 days. She never received the title and believed it may have been due to her address changed. Complainant states a couple of weeks after she paid off the lease the Respondent was on the news for embezzlement. Complainant filed for a lost title but the Clerk could not find a title registered to Complainant.

Respondent closed down in 2016 after allegations of embezzlement. Complainant was given the surety bond in order to facilitate the registration.

Recommendation: Close.

Commission Decision: CONCUR

15. **2019020321 (SH)**
First Licensed: 11/21/2008
Expiration: 11/30/2020
License Type: Motor Vehicle Dismantler/Recycler
History (5 yrs): None.

Complainant was filed by the Department. According to licensing files, Respondent has failed to maintain liability insurance, between April 2017 through February 2019. Though the Respondent has coverage now, the requirement is to maintain liability insurance as long as the license is in force and effect.

Recommendation: Authorize a civil penalty in the amount of \$250 per month for lack of maintaining liability insurance for a total amount of \$2,750.

Commission Decision: CONCUR

16. **2019012931 (SH)**
 First Licensed: 10/12/2014
 Expiration: 10/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action; 2016 – One complaint closed without action

Complainant purchased an RV from Respondent on December 12, 2018. After two months Complainant has not received the title. Complainant alleges Respondent is behind on payments to the floor planner.

Respondent states that they owe outstanding balances to the floor planner and have been working with the lender to secure the titles. Respondent states they recently sent payment for some outstanding balances and waiting on the release of the titles, including Complainant's title.

Complainant states she filed a claim against the Respondent's surety bond and was able to finally get her title.

An investigation revealed that Respondent was no longer working with a floor planner liquidating the inventory. Respondent has decided to primarily perform repairs on motor vehicles and RVs at this time.

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

Commission Decision: CONCUR

17. **2019019971 (SH)**
 First Licensed: 09/01/1991
 Expiration: 01/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued on March 1, 2019 against Respondent for possessing an open title.

Recommendation: Authorize a civil penalty in the amount of \$500 for open title violation.

Commission Decision: CONCUR

18. **2019020531 (SH)**
 First Licensed: 07/12/2017
 Expiration: 07/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued on March 12, 2019 against Respondent for having an expired business license.

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

Commission Decision: CONCUR

19. **2019021801 (SH)**
 2019024021
 2019029701
 2019029811
 2019039551
 2019044191
 2019046601
 First Licensed: 07/02/2013
 Expiration: 06/30/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 - \$1,000 Agreed Citation for incomplete temporary tag log, one complaint closed without action. 2017 – One complaint closed without action. 2019 – Seven complaints opened for failure to deliver titles.

Complainants state they have paid the Respondent cash for vehicles purchased through auction but have not received their titles. Respondent has shut down. Complainants have been given surety bond information in order to facilitate obtaining their titles.

The Commission previously approved for this Respondent's dealership license to be revoked as well as the salesperson/owner's license to be flagged due to it being expired.

Recommendation: Add to the list of other complaints against this Respondent and continue to proceed in revoking Respondent's dealership license and flagging salesperson/owner's license.

Commission Decision: CONCUR

20. **2019029011 (SH)**
First Licensed: 01/01/1992
Expiration: 05/31/2020
License Type: Motor Vehicle Dismantler/Recycler
History (5 yrs): 2017 – One complaint closed without action

Complainant alleges that an employee of Respondent is delivery auto parts without a valid driver's license. Respondent states that the person the Complainant references is not a delivery driver.

Recommendation: Close.

Commission Decision: CONCUR

21. **2019023861 (SH)**
First Licensed: 07/07/2005
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action. 2017 – Two complaints closed without action. 2016 – One complaint closed without action. 2015 – Three complaints closed without action and one complaint closed with a \$500 civil penalty for failing to timely and properly obtain title/registration for a vehicle.

Complainant purchased a vehicle from Respondent mainly because he was told that it had a AEB autonomous braking system where the vehicle would automatically brake before hitting any object. Complainant alleges the AEB system did not work only giving a warning and then Complainant would have to apply the brakes. Complainant took the vehicle back and was told that the system only works if traveling 49-100 mph. Complainant alleges fraud, breach of contract and breach of warranty.

Respondent states the vehicle was purchased 17 months ago and had the latest technology in AEB. Respondent also states the system was properly presented as it aids in avoiding a collision by automatically applying the brakes. The system warns the driver with a sound and if there is no response then the brakes are applied. There is no mention of a speed restriction.

Recommendation: Close.

Commission Decision: CONCUR

22. **2019034101 (SH)**
 First Licensed: 06/15/2011
 Expiration: 05/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle from Respondent on April 18, 2019. Complainant wanted to do Buy Here Pay Here however Respondent financed through a bank. Complainant put money down after test driving and then drove home to Clarksville TN. Complainant alleges vehicle broke down with warning lights and started grinding. Complainant contacted the bank and told them to not go through with financing; telling them everything that was wrong with vehicle from grinding, check engine light, suspension light, tire light, shortage in wiring and much more. Complainant took the vehicle back April 19, 2019 and claims Respondent would not agree to return the down payment. Complainant alleges Respondent finally agreed to give the down payment back after they were informed that the bank would not fund the deal.

Respondent states that the Complainant returned the vehicle the next day and was refunded the down payment. Respondent claims that the Complainant had to wait for the owner to get into the office as he is the only one with access to the safe. Respondent also claims there is nothing wrong with the vehicle. Complainant is happy with the resolution of this matter.

Recommendation: Close.

Commission Decision: CONCUR

23. **2019038221 (SH)**
First Licensed: 09/23/2015
Expiration: 08/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed without action.

Complainant purchased a vehicle on February 22, 2019. The down payment requested was \$7,000 however Complainant and Respondent agreed to \$5,000 down and \$2,000 to be paid at later date. Complainant alleges all payments have been on time and that on April 29, 2019 Respondent stated they would not send the title to Complainant until the \$2,000 was paid. Complainant also alleges the registration has not been transferred by Respondent.

Respondent provided an agreement showing \$5,000 down and \$2,000 to be paid within 60 days while making any monthly payments due. Respondent provided proof of late payments and requests from Complainant of extensions for payment. On April 22, 2019, Respondent asked Complainant when the \$2,000 would be paid and Complainant allegedly needed more time. Respondent also states that Complainant asked for a temp tag however the Respondent told Complainant that their plates were ready for pick up as the vehicle was registered to Complainant on April 29, 2019. Respondent as agreed to give Complainant more time to come up with the \$2,000 remaining down payment.

Recommendation: Close.

Commission Decision: CONCUR

24. **2019021231 (ES)**
First Licensed: 07/05/2017
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
**History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to deliver title.
One complaint closed without action.**

Complainant alleges Respondent failed to disclose that the purchased vehicle has a salvaged title. Respondent only responded by providing a New York title for the vehicle. This vehicle appears to have a “washed” title from New York which did not seem to indicate it was previously salvaged.

However, the history printout clearly shows it was previously titled as reconstructed in Pennsylvania. It appears that someone then got a clean title in New York and the vehicle was later sold at auction. An investigation was conducted. Complainant provided a copy of an Experian AutoCheck report which states the vehicle had received a Salvage/Rebuilt or Rebuildable status, reported no damage to car and noted it had been stolen but recovered. The New York DMV online title check only stated there was no lien on the vehicle and a Tennessee Vehicle Information Request yielded no information about the vehicle having a branded title. The Pennsylvania DMV provided information that matched what was on a CarCheck report and was not able to provide copies or access to rebuilt certificates. The investigator attempted to contact the New York Title Services Bureau many times but was unsuccessful. Respondent provided a copy of the deal file, unbranded title from New York, signed Buyer's Guide, bill of sale, Odometer Disclosure statement, Virginia title re-assignment from Virginia to Respondent with no disclosure of a branded title and the Tennessee title reassignment to Complainant. Complainant has since stopped making payments and the vehicle has been repossessed.

Recommendation: Letter of Warning concerning due diligence in obtaining salvage or rebuilt history of vehicle prior to sale and concerning proper disclosure of salvage or rebuilt vehicles

Commission Decision: CONCUR

25. **2019034641 (SH)**
 First Licensed: 06/09/2011
 Expiration: 05/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complaint was filed by a credit union/lienholder that financed a vehicle purchase from Respondent. The credit union's member traded this vehicle in to Respondent and the loan was not paid off even after the vehicle was sold again.

Respondent, through attorneys, states there is pending litigation and an investigation against a former employee committing fraud by selling, trading, buying and consigning vehicles with individuals without executing binding contracts. Respondent immediately terminated the employee after discovering the scheme. Respondent is currently in discovery with the former employee. Part of the investigation has uncovered that the credit union's member is part of the fraudulent scheme.

Recommendation: Place in litigation monitoring status.

Commission Decision: CONCUR

26. **2019038451 (SH)**
 First Licensed: 09/01/1991
 Expiration: 08/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2019 – One complaint closed without action. 2015 – One complaint closed without action.

Complainant alleges he contacted respondent regarding a vehicle and made a down payment of \$2,500 on April 16, 2019. Complainant made a \$20,000 transfer from a Nigerian bank account. Complainant alleges Respondent made remarks of distrust and Complainant demanded money to be returned. The \$2,500 was returned. After 11 days Complainant alleges Respondent has yet to return the \$20,000.

Respondent states all funds were returned on May 3, 2019. Respondent states that their credit card processing company notified them that the \$2,500 from Complainant's debit card could possibly be fraudulent. Respondent asked Complainant if a wire transfer could be done instead however Complainant decided not to go forward with the purchase. Due to international wiring procedures, the return of the \$20,000 took more time than usual. Respondent claims that Complainant called 10-15 times a day harassing employees.

Recommendation: Close.

Commission Decision: CONCUR

27. **2019038461 (SH)**
First Licensed: 04/12/2016
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One open complaint related to NOV regarding issuing more temporary tags than allowable; 2017 – One complaint closed without action

Complainant alleges after purchasing a vehicle on March 17, 2019 with a check that as of May 2, 2019 no title has been received. Complainant states that Respondent told him it was mailed on April 23, 2019. Respondent states the title was sent by mail per Complainant's request and has not been returned. Complainant rebutted and said the envelope was postmarked May 3rd and title received on May 6th.

Recommendation: Send Letter of Warning regarding delayed delivery of title.

Commission Decision: CONCUR

28. **2019034801 (SH)**
First Licensed: 09/01/1991
Expiration: 01/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle after taking a test drive. Complainant purchased an extended warranty which covers mechanical repairs but not wear and tear. Complainant apparently purchased the vehicle with ID only and cash but had a driver with her. Complainant returned 9 days later to Respondent to have her brakes and rotors replaced. Complainant returned the vehicle 12 days later due to a grinding noise. Respondent states that the rear caliper was sticking so they ordered the part since it would be covered under the warranty. Complainant was given a loaner vehicle while waiting on the part to be delivered and replaced. Complainant presented an insurance card and her driver presented a valid driver's license. Respondent states that Complainant represented that the driver was covered under her insurance policy and she had full coverage.

Respondent replaced the caliper a few days later and had Complainant return the loaner. That day

Respondent learned that Complainant's driver wrecked the loaner vehicle and arrested. Complainant did not return the loaner until the next day. The vehicle had significant damage on the driver's side. The estimate of the damage was about \$5,900. Respondent requested Complainant to file a claim with her insurance company since she had represented full coverage. Complainant wanted her own vehicle returned however Respondent stated that they will not release her vehicle until coverage was verified and damage to the loaner would be covered. Complainant called the police and the situation was explained to the officer. It was further explained to Complainant that the loaner vehicle was a component of the repair order and her vehicle could be held until the claim was satisfied. It was later determined by Respondent that Complainant did not have collision coverage. Respondent went to give Complainant a copy of the estimate but she left.

Respondent also states Complainant returned to the dealership near closing time and was given a copy of the repair estimate. Complainant claimed she needed medication and her purse out of the vehicle and wanted to know the location of the vehicle. Respondent told Complainant that they would retrieve the items, if they were in there, and she could pick them up the following morning. Respondent states no purse or medication was found and Complainant did not return.

Recommendation: Close.

Commission Decision: CONCUR

29. **2019035091 (SH)**
First Licensed: 03/09/2016
Expiration: 02/29/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with Letter of Warning for failure to deliver title/registration.

Complainant purchased a vehicle from Respondent on February 18, 2019. After two months the Complainant still does not have his title after numerous attempts and calls to Respondent. Respondent states that on March 27, 2019 they issued a check to Kentucky MVC for taxes and title with other documentation to register vehicle for Complainant. Respondent states that the package never made it to the MVC office forcing them to obtain a duplicate title which caused this delay. The title work has been sent and in process.

Recommendation: Send Letter of Warning regarding delay in delivery of title.

Commission Decision: CONCUR

30. **2019036981 (SH)**
 First Licensed: 09/01/1991
 Expiration: 11/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges the vehicle they purchased as new with a lifetime powertrain warranty had many problems and eventually had a cracked engine which required a new one. Complainant alleges Respondent accused Complainants of having discrepancies in mileage and the warranty was voided. Complainants believe Respondents knew this type of vehicle had problems and had to pay \$10K to have engine replaced.

Respondent explains that the vehicle was a “program” vehicle that was sold to Complainant with 4,812 miles on February 24, 2017 with 2 free oil changes. Respondent states that a recall to repair the battery and vacuum pump was issued and Complainant brought the vehicle to Respondent. Respondent states the vehicle service report shows Complainant did not have any oil changes made and the mileage was at 52,357; meaning Complainant had put over 48,000 miles on the vehicle in 7 months. Respondent states that on March 29, 2018 the vehicle was towed to them. The mileage showed 84,242 (within 13 months) and the engine was severely damaged. Respondent states that Complainant could not produce records of required oil changes and other maintenance schedules which voided the lifetime powertrain warranty. The vehicle service report reveals other engine repairs and severe driving conditions. Within 2 years the Complainant has put over 130,000 miles on the vehicle.

Normally this type of complaint would be closed however Respondent stated in their response that this vehicle was a “program” vehicle used a courtesy transportation vehicle that was sold as new with 4,812 miles. Respondent also provided a copy of the contract which also shows the vehicle as new. Respondent admitted to selling a “used” vehicle as new which would be a violation of Tenn. Code Ann. 55-17-114(b)(1)(B), *Has represented or sold as a new or unused motor vehicle any vehicle that has been operated for demonstration purposes or that is otherwise a used motor vehicle.*

Recommendation: Close.

Commission Decision: CONCUR

31. **2019042581 (SH)**
 First Licensed: 09/01/1991
 Expiration: 03/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a truck on June 12, 2018 but due to a horse accident she could not drive. The truck sat in the driveway until May 6, 2019 and only 427 miles have been put on it since purchase. Complainant had AAA replace the battery and was told the battery pan needed to be replaced due to rust. Complainant then took the truck to a mechanic and was told the fuel lines were severely rusted and could burst at any moment. Complainant alleges Respondent must have known about the rusted fuel lines and wants Respondent to replace the lines. Complainant alleges Respondent was willfully negligent is selling an unsafe vehicle.

Respondent states the truck was inspected before it was purchased over a year ago. Respondent states they do not know when the truck would have started rusting and sat in a driveway for nearly a year. Respondent also states the truck was sold "As Is" with no warranties.

Recommendation: Close.

Commission Decision: CONCUR

32. **2019043371 (SH)**
 First Licensed: 05/09/2003
 Expiration: 04/30/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action. 2016 – One complaint closed without action. 2014 – One complaint closed without action.

Complainant alleges Respondent has been negligent in processing the title; sending the title to him and not to the lienholder; mailing temporary tags for Complainant's sister to him and is temporary tags to his sister; and Respondent had to obtain a duplicate title which could lead to devaluing the

vehicle. Complainant wants all his original paperwork and signed documents returned and proof his title work is processed correctly.

Respondent explains that due to a clerical error they had Complainant's address as the lienholder. When Complainant notified Respondent of the title issue, Respondent sent Complainant sent an overnight package for Complainant to return the title. Respondent states Complainant did not return the title so after two weeks they obtained a duplicate title in order to process for the lienholder. Respondent states the title has been processed correctly with no issues Complainant was worried about. Respondent further states they cannot return the original signed documents as they are required to retain sales transaction for 10 years. Respondent has sent a written apology to Complainant.

Recommendation: Send Letter of Warning regarding delay in delivery of title.

Commission Decision: CONCUR

33. **2019018571 (SH)**
 First Licensed: 03/23/2004
 Expiration: 03/21/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

This complaint is from Department of Revenue alleging Respondent selling salvaged title vehicles before the rebuilt titles have been obtained.

An investigation revealed that Respondent admitted that two salvaged title vehicles were sold because the vehicles were purchased from an auction through his dealership. Once the purchase was complete, the buyer picked up the vehicle and took them to their property. Respondent stated that the buyers left the vehicles at their residence and started getting complaints from their home owner association because the vehicles did not have tags. Respondent then stated that the buyers came back to the dealership and explained to him about the complaints and requested a tag so they could register the vehicles. Respondent then stated that he issued the temp tags so the buyers would stop getting complaints from their HOA. Once Respondent received the rebuilt title he then gave to the buyers.

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

Commission Decision: **CONCUR**

34. **2019027111 (SH)**
 First Licensed: 08/19/2005
 Expiration: 07/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2014 – One complaint closed without action

Complainant bought the vehicle in October of 2017 and alleges it has been messing up ever since the purchase. Complainant alleges the vehicle is constantly in the shop with the engine light on, transmission going out, rods knocking, air not working, defrost not working and has a loud noise when running and driving. Complainant requested the Respondent to pick up the vehicle and return their money or at least half however Respondent has refused.

Respondent provided work orders (November 3, 2017; January 19, 2018; May 9, 2018 and July 24, 2018) showing the vehicle in the service department four times. The vehicle included a limited warranty which paid for most of the repairs except the transmission due to Complainant failing to provide necessary service records. Respondent eventually replaced the transmission and set up a side loan for Complainant. The transmission went out again after two months due to an internal failure. Respondent replaced this transmission at no cost. On or about April 9, 2019, Complainant requested Respondent to pick up the vehicle. Said vehicle has been resold to a subsequent customer.

Recommendation: Close.

Commission Decision: **CONCUR**

35. **2019043531 (SH)**
 First Licensed: 05/03/2001
 Expiration: 04/30/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle from Respondent on May 9, 2019. After taking possession Complainant discovered several safety issues including no brake lights, windshield wipers didn't work and seat belts not functional. Complainant alleges Respondent refused to correct the issues. Complainant is requesting restitution of the amount it cost him to repair said issues.

Respondent stated that Complainant wanted to purchase the vehicle but needed a little more time to get the \$2,600 asking price. Respondent agreed to hold the vehicle for \$200 down. Respondent stated that Complainant knew about the seat belt and had plans for his son-in-law to fix the problem. Respondent states he was unaware of the brake light or wiper issues but claims Complainant test drove the vehicle and had more than two weeks, while Respondent was holding the vehicle, to check out everything prior to the sale.

Complainant has since sold the vehicle and did not wish to provide any other information.

Recommendation: Close.

Commission Decision: CONCUR

36. **2019044001 (SH)**
 First Licensed: 09/01/1991
 Expiration: 02/28/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 – One complaint closed without action.

Complainant alleged the vehicle purchased was wrecked before purchase and was not notified by Respondent. Complainant alleged she was notified by her insurance company and now the vehicle is a safety issue. Respondent claims the Carfax report is incorrect and misinformed corrections listed due to the Complainant. The Respondent claims the vehicle had a clean title when sold on August 12, 2017.

An investigation was conducted. Complainant received a letter from her insurance company stating the car was flagged as having structural damage. Complainant states the car had a

clean title, but sold at auction and was announced at auction as having structural damage. Complainant produced three CARFAX reports for the vehicle purchased, dated October 2, 2017, January 5, 2019, and May 11, 2019. The report for October 2, 2017 showed no accidents or damage. The reports for January 5, 2019 and May 11, 2019, indicated Structural damage reported but guaranteed No Problem with the Title as being Salvaged, Junk, Rebuilt, Fire, Flood, Jail, or Lemon.

Respondent states the vehicle had a clean title and perfect Carfax. The body of the car had no body damage on it. Respondent advised when notified of the concerns by the Complainant and the report from her insurance company Respondent inspected the vehicle and noticed some paint work in the trunk under the carpet. Another Carfax report was ran and it still showed no accidents. Respondent advised that the car may have been in one that wasn't reported and repaired at a body shop. Respondent advised the car is a front wheel drive with unitized body construction therefore has no frame. He advised that the car support beams are welded onto the trunk pan and that body shops replace them every day when doing rear end repairs. Respondent offered to trade the Complainant but refused due to the negative equity that would have occurred. Complainant did purchase another vehicle.

Recommendation: Close.

Commission Decision: CONCUR

37. **2019009491 (SH)**
 First Licensed: N/A
 Expiration: N/A
 License Type: N/A
 History (5 yrs): N/A

Complainant states that the Respondent has come in several times in the last two years selling vehicles and using a "dealership" name on the back of title in the seller's field. Initially Complainant thought he owned a dealership because he had a TN Sales Tax Number and list the "dealership" name as lienholder. Respondent apparently made the name up.

Respondent explains that originally he obtained the sales tax number when he performed clean-up services for car lots. This extra-job supplemented his full time employment with a company not in

the motor vehicle industry. Respondent explains that helps the disadvantaged community members help locate vehicles in-need by watching the want-ads, purchasing the vehicles, cleaning and any mechanical work; then allows the families to make payments to him as a lien-holder.

The investigator went to Respondent's house and did not observe any vehicles marked for sale. All vehicles present were registered to family members. The investigator checked all local on-line listings and was unable to find any advertisements using Respondent's phone number.

After speaking with the investigator, Respondent now understands the vehicle needs to be in his individual name. Respondent stated he does not nor has not sold more than 5 vehicles in a 12 month period. The investigator could not find any evidence to contradict his statement.

Recommendation: Send Letter of Warning.

Commission Decision: CONCUR

38. **2019020421 (SH)**
 First Licensed: 03/16/2012
 Expiration: 01/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant states on March 2, 2019 he bought a vehicle from Respondent with a 4,500 mile 90 day warranty on the powertrain.

On March 7, 2019 Complainant reported to Respondent that he discovered a bad water pump leaking all over the place. Complainant states he was informed that the water pump was not covered under the warranty. Complainant was quoted a rate of \$50.00 an hour for repairs and that he needed to have the vehicle towed to the dealership.

On March 9, 2019 Complainant was contacted by Respondent and quoted \$800.00 for repairs and 10 hours of labor. Complainant agreed to the repairs and had the vehicle at the dealership on Tuesday March 12, 2019.

On March 13, 2019 Complainant was informed that the vehicle would not be completed until the end of the week.

Respondent provided the warranty which states 4500 miles or 3 months and lists the covered items; Respondent states the water pump was not covered. Respondent replaced the water pump and the Complainant paid the invoice.

Recommendation: Close.

Commission Decision: CONCUR

39. 2019022011 (SH)
First Licensed: 09/01/1991
Expiration: 01/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on February 28, 2019 from Respondent. Complainant alleges Respondent advertised the vehicle as in excellent shape however had a tire pressure light on due to the size of the tires. Complainant alleges the vehicle began to have transmission issues the 20 minutes after leaving the lot. Complainant alleges the Respondent would not help since it was sold "As Is". Complainant took the vehicle to a transmission shop and it was discovered that the transmission was destroyed due to a design flaw and would have to be rebuilt. Complainant further alleges the coolant had been drained the day of purchase to hide the transmission sludge that had leaked into the radiator. Complainant claims that Respondent is ignoring his calls and emails.

Respondent states the vehicle was sold without any warranty and provided the paperwork. An investigation revealed that due to the circumstances, the Respondent replaced the transmission at their expense and provided the paid invoice.

Complainant is satisfied with the resolution of the matter and requests the complaint be dropped.

Recommendation: Close.

Commission Decision: CONCUR

40. **2019022241 (SH)**
 First Licensed: 07/07/1999
 Expiration: 08/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed with letter of caution.

Complaint opened up by the Department of Revenue investigator alleging Respondent sold salvaged vehicles prior to receiving the rebuilt title.

An investigation revealed the Respondent sold a salvaged vehicle on February 11, 2019. Customer was given two temporary tags before receiving the rebuilt title. The rebuilt title was issued on February 26, 2019. Apparently the customer was issued the first temporary tag on the day of purchase then defaulted and the vehicle was repossessed before it could be registered. The customer redeemed the vehicle and was issued another temporary tag on March 11, 2019. The vehicle was repossessed again after the customer was arrested on a separate charge and did not pay.

The Bill of Sale did show language at the bottom stating “the above vehicle has been wrecked before and had frame damage and/or branded Title X” and was signed by customer however this is not sufficient notification.

Recommendation: Authorize a civil penalty in the amount of \$1,500 for selling salvaged vehicles before a rebuilt title is issued and issuing two temporary tags on salvaged vehicles.

Commission Decision: CONCUR

41. **2019026591 (SH)**
First Licensed: 11/29/2010
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with \$2,000 civil penalty for failure to have a dealer license for each location and having two open titles.

Complainant alleges Respondent sold her a vehicle with a warranty and claims the Turbo Charger broke down the day after the purchase was made. Complainant had the vehicle towed to a covered repair shop and was notified that the warranty would not cover the part. The vehicle was eventually towed back to the Respondent and the Turbo Charger was replaced. Complainant alleges the vehicle overheated two weeks after the replacement.

Respondent states that the vehicle was sold "As Is" and suggests possible operator error on the part of the Complainant's son. However, Respondent did replace the Turbo Charger at their costs after the warranty company denied the coverage based on preexisting conditions. Respondent feels they have done everything possible to resolve this matter.

Recommendation: Close.

Commission Decision: CONCUR

42. **2019033241 (SH)**
First Licensed: 04/11/2014
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

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

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

Commission Decision: CONCUR

43. **2019034961 (SH)**
First Licensed: 04/20/1994
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant stated that he had a vehicle towed to Respondent to have a new engine put in the car. On or about February 28, 2019 Complainant stated that he picked the car up and drove it approximately 200 miles when the new engine blew cylinder #5 which left the vehicle incapacitated.

Complainant alleges Respondent informed Complainant on March 6, 2019 (in a recorded telephone call) that Respondent would reimburse Complainant for everything he lost; ordered a new motor for his car, which was not approved by Complainant, and are trying to charge Complainant for two motors.

Complainant alleges Respondent is trying to charge him \$30,000 in the matter and Respondent has filed a lien against the car that until Complainant pays the \$30,000.

Respondent states Complainant approached them about putting an engine in Complainant's vehicle. According to Respondent, the Complainant had an aftermarket super charger on the engine that was made to fit an LT1 motor. Complainant insisted that Respondent install an LT4 motor in the vehicle. Allegedly, Respondent informed Complainant that the LT4 motor would not fit the vehicle but Complainant would not listen.

Respondent went ahead and installed the LT4 motor and invoiced Complainant \$12,500. Complainant paid the invoice with a check from Complainant's Automotive Group drawn on Bank America.

Thereafter, Complainant telephoned Respondent and informed them that the engine had blown in the vehicle in Kentucky. Respondent agreed to have the vehicle towed back to them at no cost.

Respondent discovered that the engine had blown cylinder #7 because the fuel supply was too leaned out due to the super charger being installed on the engine. According to Respondent, the Complainant requested that Respondent install a second motor in the vehicle. Soon after the second engine was installed it was discovered the \$12,500 check was created on a computer to look like a real check but in fact was a fraudulent check on a non-existent account. Complainant states that he made an error in writing the first check to Respondent (\$12,500) because his computer put the wrong information.

Respondent notified the authorities and believes the Complainant has tried to commit fraud against them and they are out over \$30,000 for the two engines. The local police department is currently investigating Complainant's "false pretense/swindle/confidence game" and this matter most likely will be bound over to the Grand Jury.

Recommendation: Close.

Commission Decision: CONCUR

44. **2019038701 (SH)**
 First Licensed: 12/19/2013
 Expiration: 12/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges they went to purchase a vehicle advertised at approximately \$18K. The Bill of Sale shows the price at \$28K. The total payments at the end of the loan add up to over \$48K. Complainant alleges he signed the paperwork but when he was signing the paperwork the computer screen was blank and black. He stated that he couldn't see anything on the screen. Complainant alleges Respondent provided him with a thumb drive that had all the paperwork on it but Complainant has not been able to download anything from the thumb drive.

Respondent stated that the purchase price for the vehicle was \$27,275.00 and Complainant also purchased a service contract for an additional \$1,999.00. After taxes and fees the total for the vehicle was \$32,345.39 less the rebate of \$3,455.00 bring the total purchase price to \$28,890.39. Respondent stated that Complainant did not put a down payment on the vehicle and that his credit was not in good shape so his rate was at 12.51% which made the total payments for the vehicle \$41,435.28. Respondent stated the advertisement Complainant submitted was not from the time frame of when he purchased the vehicle. The advertisement was seven to eight months later from the purchase and based on the different incentives that are being offered by the manufacture.

An investigation could not produce an advertisement for the time of purchase due to there not being any copies of any advertisement. Also the date on the advertisement that was sent in by the Complainant is dated 4/30/19 according to search results on the advertisement. Further, there is no proof that the computer screen was blank at the time of the signature based on the information provided by the Respondent. All the paperwork in the deal file appears to be in order with the Complainant's signature or initials.

Recommendation: Close.

Commission Decision: CONCUR

45. **2019010331 (ES)**
 First Licensed: 02/02/2018
 Expiration: 01/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant remains anonymous and alleges Respondent is selling cars out of their residential neighborhood. Complainant further alleges Respondent has no business location, only a warehouse which is not used to conduct business. Complainant alleges Respondent has sold over 30 cars over the last few years from their residence. Complainant provides a link to Respondent's advertisements on Ebay. An investigation was conducted. Complainant told the investigator that Respondent buys cars from auctions, repairs and then sells them from his residence under his business ".com" name. Complainant further alleges Respondent has big trucks coming to his residence and dropping off vehicles and blocking the street because the street is not big enough. Based on the information obtained from this investigation, there is no evidence that Respondent is selling vehicles listed under their company's name from his residence or any evidence of any other violations.

Recommendation: Close.

Commission Decision: CONCUR

46. **2019014231 (ES)**
 First Licensed: N/A
 Expiration: N/A
 License Type: Unlicensed
 History (5 yrs): N/A

Complainant remains anonymous and alleges Respondent is acting as a dealer without a license and has been since January 2018. Further, Complainant alleges Respondent has sold dozens of vehicles with no fixed address, and is advertising on Instagram, EBay, Facebook and their own website. An investigation was conducted. The investigator was only able to find a website with very little information – it only provided the names of two people and a phone number for anyone who “wished to embark on [an] importing adventure.” The address listed for Respondent is in the middle of a wooded area in a national park. When the names were Googled, one person was connected with the National Enquirer and another “Attractions” business but no further information was available. The investigator contacted a Code Enforcement Officer with the local police department and he was not familiar with the names. When the investigator called the number from the Respondent’s website, he was instructed to leave a message and a return call would be made. One of the people named on the website called the investigator back and was informed of the investigation. The investigator was told Respondent was doing nothing wrong, only sold 4 cars in the last year and when questioned about the falsified address from the website, Respondent said if the investigator could find him, they could meet up and hung up. No further information has been provided by the local police department as requested.

Recommendation: Close and Flag.

Commission Decision: CONCUR

47. **2019022571 (ES)**
 First Licensed: 08/30/2007
 Expiration: 08/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used car from Respondent on 12/22/16. Respondent provided an Autocheck report that was dated 10/3/16 which did not disclose frame damage that Complainant alleges is present on the vehicle. Respondent argues that the vehicle was sold as-is but has not addressed why they did not run a new report to provide to the Complainant when the vehicle was purchased almost 3 months later than date on the Autocheck report. An investigation was conducted. Respondent was cooperative with the investigator and explained that he didn't think it was necessary to run another report because the original report and subsequent inspections failed to reveal any notable defects.

Recommendation: Authorize letter of instruction regarding due diligence and running current vehicle history reports if provided to customer before purchase

Commission Decision: CONCUR

48. **2019016321 (ES)**
 First Licensed: 10/31/2017
 Expiration: 10/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges failure to deliver title and that Respondent dealer is now closed. An investigation was conducted. Respondent told the investigator that the dealership was closed for 3 months due to illness until March 2019. Respondent states that Complainant came in and purchased a vehicle and was supposed to come back and make the down payment once she received her tax refund but never came back or contacted Respondent. Respondent has the vehicle tag at the dealership but no down payment has yet been made. The investigator attempted to contact the Complainant numerous times by phone and email and was unsuccessful. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

49. **2019009151 (ES)**
First Licensed: 10/29/2013
Expiration: 10/31/2016
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – Two complaints closed without action. 2015 – Thirteen complaints closed without action.

Complainant claims they not received their title with a lien and confirms Respondent went out of business in 2016. Respondent's license is expired. Complainant was provided with the surety bond.

Recommendation: Close.

Commission Decision: CONCUR

50. **2019008871 (ES)**
First Licensed: 02/05/2016
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed with a letter of caution and one complaint closed without action.

Complainant purchased a used vehicle "as-is" from Respondent's salesman in December 2018. Complainant was informed the car was in proper working order but claims it had catastrophic electrical failure after driving 75 miles. A manufacturer dealer for the vehicle diagnosed the problem and Respondent thought it would be covered by the aftermarket warranty but the manufacturer ended up not covering the issue because it was electrical in nature. Respondent notes Complainant test drove the car twice before negotiating a cash price and signing all required paperwork showing the purchase was "as-is." Respondent also notes the car was purchased from an auction with no mechanical announcements and had been in stock with Respondent for less than 30 days before Complainant bought it. Respondent denies the allegations and states there was no tampering or fraud on their part when selling the vehicle and understands it is frustrating to have an issue so soon after purchase. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

51. **2019009391 (ES)**
First Licensed: 09/24/2018
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued on January 31, 2019 against Respondent for a salesperson with an expired license.

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

Commission Decision: **CONCUR**

52. **2019009691 (ES)**
First Licensed: 08/08/2012
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed without action.

A Notice of Violation was issued on February 4, 2019 against Respondent for employing a salesperson with an expired license.

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

Commission Decision: **CONCUR**

53. **2019010691 (ES)**
First Licensed: 02/28/2008
Expiration: 01/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed without action.

A Notice of Violation was issued on January 6, 2019 against Respondent for unlicensed sales. Specifically, Respondent relocated to a new location without filing a relocation request for their license.

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

Commission Decision: CONCUR

54. **2019011331 (ES)**
 First Licensed: 04/12/2016
 Expiration: 03/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action.

A Notice of Violation was issued on February 7, 2019 against Respondent for issuing four 30 day temporary tags to one customer in violation of TCA §55-17-114(b)(1).

Recommendation: Authorize a civil penalty in the amount of \$1000 for issuing four temporary tags

Commission Decision: CONCUR

55. **2019010781 (ES)**
 First Licensed: 05/26/2011
 Expiration: 05/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed with letter of warning for advertising noncompliance. 2015 – One complaint closed without action. Two complaints closed with consent orders for failure to provide title/registration.

Complainant alleges Respondent is engaging in misleading advertising in relation to an ad that claims they have a “110% Price Match Guarantee” and will never be undersold. Complainant contacted Respondent about a vehicle after seeing this ad and was told Respondent could not match the sales price of a comparable vehicle at another dealership. Additionally, Complainant claims Respondent said that they could not sell the vehicle for a price any lower than what was shown on their website considering the original sales price had been clearly marked out and discounted already. Respondent explained to Complainant that the price match guarantee program only applies to customers who purchased a vehicle from them and then find an identical vehicle for sale at a lower price within 2 weeks of purchase. Respondent offered Complainant a \$500 voucher to go towards the purchase of a vehicle from their dealership and apologized for the confusion.

Recommendation: Close

Commission Decision: CONCUR

56. **2019011071 (ES)**
First Licensed: 05/25/2011
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Two complaints closed with consent order for failure to produce title/registration. One complaint closed without action. 2016 – One complaint closed without action. 2014 – One complaint closed without action.

Complainant saw an advertisement on Respondent’s Facebook page advertising a used truck for sale for \$39,148 but claims Respondent failed to honor the advertised price when he went to the dealership to purchase the truck. Respondent explains that Complainant came with a copy of a banner ad provided to Facebook by a third party provider based on the VIN number reflecting only stock information on the truck. However, the truck has undergone an upfit and been heavily modified but the third party provider pulled information that did not include additional costs added to the vehicle during the upfit. Respondent has disclaimers that include necessary details like ‘all prices are plus tax, title and license . . . doc fee and amount . . . and vehicle prices may be adjusted due to the dealer’s add an accessories – see dealer for details and final price,’ etc. Respondent immediately had the ad pulled and corrected when notified of the error. While ensuring all third party providers’ information was accurate, Respondent updated their own website to direct customers to call for pricing details, and denies that this error was intentionally deceptive or misleading.

Recommendation: Letter of Warning regarding advertising guidelines.

Commission Decision: CONCUR

57. **2019011951 (ES)**
 First Licensed: 10/29/2008
 Expiration: 02/28/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and claims Respondent sold him an unsafe truck, failed to honor an alleged warranty, charged too much interest and kept insurance money. Complainant does not provide further details. Respondent explains that Complainant financed a used truck through them, then wrecked it and brought Respondent the estimates of the repair cost. Respondent had debt cancellation on the loan because Complainant only had liability insurance on his truck. The insurance company paid \$3,000 on the account which left a balance of over \$4,000. Complainant then picked out another used truck for \$0 down and Respondent forgave the remaining balance on the original truck. Complainant had the second truck for a few weeks and didn't like it because it was a standard cab, and got mad because Respondent wouldn't trade another vehicle. The truck was eventually repossessed after Complainant failed to make payments. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

58. **2019012831 (ES)**
 First Licensed: 09/01/1991
 Expiration: 09/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant took his vehicle to Respondent for repairs in October and December 2018, spending

over \$7,000, and alleges Respondent has not resolved the issues. Complainant does not provide further details but the invoices provided do not show any deceptive or fraudulent acts by Respondent. Respondent reviewed the case from a fresh perspective and offered to meet with Complainant but has not heard from him. Respondent does explain that the vehicle is a non US compliant vehicle and they explained to Complainant that they preferred not to work on it because their literature and test equipment are programmed for cars manufactured for sale in the US. Complainant was persistent that Respondent try and has not been satisfied. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

59. **2019012961 (ES)**
 First Licensed: 05/17/2018
 Expiration: 04/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used vehicle from Respondent on 11/2/18 and noticed it started making a whining noise after purchase, but Respondent's mechanic checked it out and said it was fine. Complainant alleges a mechanic said the car needed a new transmission around 12/13/18 so Complainant went back to the dealership to figure out how to resolve the issues. Complainant further claims that she paid \$2,500 but provides an invoice showing the vehicle was bought for \$1,200 plus tax. Respondent provided all purchase documentation which properly disclosed the vehicle had a rebuilt title, had close to 200,000 miles on it and was sold as-is. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

60. **2019013181 (ES)**
First Licensed: 04/21/2009
Expiration: 06/30/2017
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed without action.

Complainant purchased a vehicle from Respondent in 2010 and alleges no title has been received to date. Respondent closed in 2016 and their license is expired. The surety bond was sent to Complainant.

Recommendation: Close and flag.

Commission Decision: CONCUR

61. **2019013281 (ES)**
First Licensed: 09/11/2012
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – Two complaints closed with consent order for failure to deliver title/registration. One complaint closed without action.

Complainant purchased a vehicle from Respondent and originally alleged that she overpaid for a vehicle and that no title was received. Respondent provided the purchase documents and eventually worked out alleged issues with Complainant, which Complainant's attorney confirmed.

Recommendation: Close.

Commission Decision: CONCUR

62. **2019013741 (ES)**
First Licensed: 12/07/2015
Expiration: 11/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with consent order for curb stoning. 2016 – One complaint closed with consent order for failure to produce documents for title transfer. One complaint closed without action. One complaint closed with letter of caution.

Complainant alleges that she purchased a used car from Respondent and they refused to release the Bill of Sale until Complainant paid a higher amount than what was listed in the contract. An investigation was conducted. Complainant claims they paid an additional \$600 when she went to obtain a Bill of Sale to register the car but cannot provide a receipt to show to Respondent to obtain a refund. The sales contract reflects two different amounts, \$1900 and \$2500, and the Bill of Sale reflects \$2,500. Respondent produced a temporary tag log and the deal file, which only consisted of one page, the sales contract. The investigator noticed 3 missing entries of VIN numbers (11/7/18, 12/20/18 and 1/16/19) and a missing entry for an address on 12/27/18. Complainant said she was issued one temporary tag but the log did not reflect that, and Complainant no longer had the alleged temporary tag.

Complainant also alleged Respondent was parking cars on a street near a gas station and advertising them for sale, but Respondent told the investigator that he had been fined for that last year and would not do that again. The investigator later went to observe whether Respondent was selling cars at this alleged location and found one as to be displayed for sale. The vehicle was marked with a telephone number and \$5900 on the rear, back and front window, the front windshield had a sticker normally used at auctions to display the VIN number and there was a Buyer's Guide in the back passenger window reflecting another dealership's name. The investigator took pictures to document this vehicle for sale and called the number, leaving a voicemail. Further, the investigator discovered the phone number from the vehicle was registered to Respondent and his wife. The investigator confronted Respondent with this information and Respondent said his wife drives the vehicle and it broke down on her at the location where the investigator photographed it near the gas station. Respondent provided the title to the vehicle to the investigator upon request and noted the vehicle was moved back to their lot.

This is the second offense for Respondent regarding curbstoning therefore Counsel recommends the maximum \$5,000 civil penalty.

Recommendation: Authorize a \$5,000 civil penalty for curbstoning and deficient temporary tag logs

Commission Decision: CONCUR

63. **2019013571 (ES)**
 First Licensed: 06/24/2016
 Expiration: 05/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant was involved in a traffic accident with another vehicle which was being test-driven by a customer of Respondent's. Complainant states that the test driver could not produce car insurance and it was owned by Respondent. Complainant has tried to contact Respondent to obtain their insurance information but Respondent refuses, and Complainant wants help obtaining the liability insurance information for the dealership. Respondent confirms the customer test driving the car will not communicate with them and explains that they have already paid for the damage to the wrecked truck, and are not responsible for damage to Complainant's car. This matter is more suited for civil court if Complainant would like to pursue action against Respondent. Respondent has complied with our statutes and rules as they relate to insurance in this situation.

Recommendation: Close.

Commission Decision: CONCUR

64. **2019013631 (ES)**
 First Licensed: 05/26/2011
 Expiration: 05/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant claims they started a purchase on 1/5/19 with Respondent, providing them with all prerequisites for the bank approval as requested, \$2,000 down and traded their vehicle. After signing all loan documents, Complainant states they left with the vehicle they purchased but claims Respondent did not provide copies of original signed documents or a Bill of Sale. When Complainant returned to the dealership on 2/6/19 to get registration details to transfer a tag, she was allegedly told that Respondent could not sell her the vehicle unless she paid an additional \$2,000. Complainant did not want the car Respondent was now offering, didn't have any more money and was told that Respondent already sold the car traded in. Complainant states Respondent is trying to cancel the deal. Complainant eventually received notice from the lender that explains they could not fund the purchase of the vehicle. Respondent states that Complainant originally came in December 2018 in search for a truck for her underage son. At that time after obtaining a used truck from a sister dealer, Complainant submitted to a number of banks looking for approval to purchase the truck for her son. Only one approval was obtained and it required an

additional down payment that Complainant could not provide. Complainant was driving a car from a third unaffiliated dealer which she had not yet purchased, and only had on an extended test drive. Complainant did not complete the truck purchase at Respondent dealer and continued to shop around. On 1/4/19, Complainant returned to Respondent dealer and attempted to buy a vehicle, and Respondent was working off a loan approval from her original visit on 12/15/19. The only vehicle Complainant was approved for that she was willing to consider needed an additional \$2,000 down. Respondent accepted \$1,000 down and took the loss, allowed for a trade in credit of \$2,500 and Complainant paid for the down payment with a debit card (\$800) and a credit card (\$200). The lender does not allow credit card down payments and asked Respondent to collect the \$200 in certified funds, which Respondent then forwarded to the lender. The lender then determined they would not fund the loan, the approval had expired and no new approval would be granted. Complainant then obtained an agreement from the lender to reconsider her loan and Respondent allowed Complainant to keep the vehicle during reconsideration. Complainant was then approved if she could make an additional down payment of \$2,000-\$2,500 but Respondent had recently acquired an almost identical vehicle, but Complainant did not like the color. Respondent reacquired Complainant's trade and she is currently in a loaner vehicle until this is resolved.

Counsel recommends a \$5,000 civil penalty considering Respondent accepted Complainant's trade-in vehicle and sold it before Complainant's financing was approved and the funds were received in violation of TCA §55-17-114(4)(A). This statute states. "... the commission may ... levy a civil penalty against any motor vehicle dealer who, in a motor vehicle transaction that is conditioned upon final funding to the dealer by a third-party financial institution, fails to ... [r]etain possession of any . . . trade-in vehicle, until the dealer has received funding from the financial institution[.]"

Recommendation: Authorize a \$5,000 civil penalty for violation of TCA §55-17-114(4)(A)

Commission Decision: CONCUR

65. **2019013431 (ES)**
 First Licensed: 07/29/2014
 Expiration: 06/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges Respondent sold him a used vehicle on 2/11/19 knowing it required

immediate repairs costing more than \$4,000 in order to be safe and roadworthy. Complainant traded in a vehicle with title but alleges Respondent will not provide title to the purchased car until Complainant's check cleared. Complainant states the check cleared the following day, but title still refused, and claims he then had the car inspected when he was informed of the alleged required repairs. Complainant admits that the vehicle was purchased as-is but claims Respondent acted in bad faith. Respondent states that his bank manager advises him to wait 7 days after a personal check is deposited considering stop payment can occur, and this has been their practice since they opened. Respondent had spoken with Complainant once over the phone but he allegedly started to send Respondent threatening emails so Respondent chose not to go back and forth arguing that way. Respondent sent the title to Complainant after the check cleared and denies the vehicle had any maintenance or safety issues. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

66. **2019013301 (ES)**
 First Licensed: 08/19/2011
 Expiration: 04/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action.

Complainant alleges Respondent is selling salvage vehicles and claims the car they purchased was one of them. Complainant claims Respondent is not going through the proper procedure of getting them registered for rebuilt titles. Complainant provides no proof or evidence to substantiate these claims. Respondent denies the accusations and provides the rebuilt title for Complainant's vehicle. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

67. **2019015051 (ES)**
First Licensed: 05/12/2015
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed with agreed citation. 2016 – One complaint closed with letter of warning.

Respondent was issued a Notice of Violation during an annual inspection on 2/20/19 for failing to disclose a motor vehicle's salvage history. The inspector found several contract sales of salvaged/rebuilt vehicles that the business failed to notify the customer of salvage history in writing and recorded two of those contracts with the NOV.

Recommendation: Authorize a civil penalty of \$1,000 for failing to disclose salvage history to customers

Commission Decision: CONCUR

68. **2019015171 (ES)**
First Licensed: 01/03/2019
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent is using rebates that do not apply to all units in order to create the appearance of a lower price in advertising. Complainant provides a screenshot of an advertised new car from Respondent's website but does not explain how the advertisement violates any rules or statutes with this advertisement. Respondent had failed to respond to this complaint so an investigation was conducted, and Respondent later provided a response. Respondent states that they believe in being completely transparent with their pricing and further believe the math stack in the advertisement is completely transparent. Respondent notes that the prices are itemized and clearly labeled, and further state they think it is helpful to let Military Veterans know there is some conditional rebate money available to them should they qualify. Respondent clearly displays the "final price" in the largest font and underneath, show that some "conditional" rebates apply to the customer. Respondent then shows a "Conditional Final Price" should the conditional rebates apply to the customer. Respondent denies any misleading or deceptive advertising. After review of the disclosure statement on Respondent's website, Counsel notes it was compliant in every way except that it did not include a statement specifically instructing that certain rebates are not available to all purchasers. Counsel therefore recommends a letter of warning advising Respondent to change

their disclaimer statement to include a clear indication that rebates are not available to all customers.

Recommendation: Letter of Warning regarding advertising guidelines and requirements for disclaimers

Commission Decision: CONCUR

69. **2019016531 (ES)**
 First Licensed: 03/21/2018
 Expiration: 03/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges Respondent is using the military rebates to advertise a lower price when not all consumers qualify for the military rebate, and is failing to disclose their processing fee. Complainant provides a screenshot of an advertised new car from Respondent's website. Respondent admits to the oversight regarding processing fees and have since modified their website to be in compliance. Respondent states that their website clearly distinguishes that there is a price for all customers and that additional rebates for military and veterans may apply as additional discounts that not all buyers will qualify for. However, they have modified their website to make this distinction even more clear.

Recommendation: Letter of Warning regarding advertising guidelines and disclosure of processing fee

Commission Decision: CONCUR

70. **2019016681 (ES)**
First Licensed: 06/17/2002
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed without action. 2018 – Two complaints closed without action. 2017 – Two complaints closed without action. 2014 – \$18,000 Consent Order for two complaints for advertising

Complainant bought a used truck from Respondent and realized months later that the GPS was installed improperly which caused there to be no backup light. Respondent told Complainant that he would receive a refund for the device because it could not be fixed to Complainant's satisfaction but Complainant has yet to receive the refund as promised. Respondent had to request a policy exception for the refund which took longer than expected but provided proof the check has been sent to Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

71. **2019017951 (ES)**
First Licensed: 07/10/1997
Expiration: 06/30/2019 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Respondent received a Notice of Violation for issuing more than two temporary tags to a vehicle in violation of TCA §55-17-114(b) on 3/14/19. Specifically, Respondent issued four temporary tags to the same person for the same vehicle since June 2018.

Recommendation: Authorize a civil penalty of \$1000 for issuing four temporary tags

Commission Decision: CONCUR

72. **2019017591 (ES)**
First Licensed: 03/11/2002
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant financed a vehicle and paid \$2,500 down from Respondent on 2/27/19. The vehicle started experiencing issues the day of purchase and Complainant brought it back to Respondent to be checked out by a mechanic. Respondent's mechanic claimed they fixed the issue but Complainant alleges the problems persist and Respondent refuses to spend any more money towards the vehicle's alleged issues. Complainant provides no documentation or further information to support the allegations. Respondent denies any misconduct and explains that when Complainant approached them about buying a specific car, all information was provided regarding the purchase throughout the transaction and Complainant declined to include a warranty. Complainant signed the Buyer's Guide showing the vehicle was purchased as-is. Respondent had driven the car before selling it and experienced no issues and Complainant had no issues when she test drove it. Respondent notes that the mechanic used a diagnostic tool and Respondent used a more expensive diagnostic scanner separately and no diagnostic codes were displayed. The check engine light was not on as alleged by Complainant. Respondent also drove the vehicle after the second diagnostic with Complainant's boyfriend and no issues arose. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

73. **2019017931 (ES)**
First Licensed: 12/29/1998
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent in October 2017 and claims she cannot get a tag because Respondent does not have the title, allegedly giving Complainant the run around for over a year. Complainant alleges she paid to get her tag back by Moneygram on 4/25/18 but has not received anything. Complainant "feels there is something going on with this title and the

[Respondent] car lot” in general but provides no further details or evidence to substantiate the allegations. Complainant explains that she does not live in the same area as Respondent and her cousin has been dealing with trying to get the tag and Respondent has given them the same problem. Respondent claims the information provided by Complainant is mostly incorrect or “half-truth.” Respondent normally doesn’t finance vehicles to anyone who doesn’t live in the county but helped Complainant because her father has been a good friend for many years. Complainant agreed in good faith that she would make payments on time and pay the taxes within 30 days of purchase. Complainant did not pay the sales tax and missed most of the payments so Respondent sent notices that were all returned unclaimed. Respondent spoke with Complainant on 4/20/18 and agreed to let her wire the sales tax so the title could be given to her if seriously delinquent payments were handled. Complainant failed to return a signed Power of Attorney for the vehicle transaction form and claimed Respondent didn’t have the title. Respondent had a duplicate title issued on 6/5/18 but no one came to pick it up. Respondent provides proof of title and documentation from the financing agreement and states that Complainant has yet to comply with the terms of the agreement and provide all signed documentation, so the title is still in their possession. Complainant does not refute the response provided by Respondent or provide further information. Counsel recommends requiring Respondent to provide temporary tag log to an investigator and if there are deficiencies or violations, authorize a penalty according the MVC Temporary Tag Agreed Citation Fee Schedule. If any other violations are presented as a result of the investigation, Counsel can represent this matter at a later date.

Recommendation: Authorize penalties in accordance with Agreed Citation Fee Schedule if violations present after further investigation – authorize closure if no violations present

Commission Decision: CONCUR

74. **2019018031 (ES)**
 First Licensed: 07/02/2004
 Expiration: 11/30/2009
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used vehicle from Respondent in 2006 and was provided with a clear title from the Tennessee Motor Vehicle Department. A mechanic lost the title and Complainant filed for a lost title and found the lien had not been discharged properly by the DMV or Respondent. Complainant thinks it must be a records problem because he received the title weeks after completing the payments on the car. Respondent went out of business in 2009 and their license is expired. The surety bond has been provided to the Complainant.

Recommendation: Close.

Commission Decision: CONCUR

75. **2019018331 (ES)**
 First Licensed: 04/29/2016
 Expiration: 05/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed with \$18,000 civil penalty for fraudulent, false, or deceptive business practices.

Complainant bought a used vehicle from Respondent in early 2019. Complainant states the car was working well for a few weeks so Complainant notified Respondent, who in turn sent a tow truck to pick it up. Complainant takes issue with how long the tow truck took to arrive which caused him to miss work. Complainant has been without the car for at least a week and complains that no one will communicate with him and he wants his down payment back. Complainant provides no documentation or further details. Respondent immediately responded to this complaint stating they have been having trouble reaching Complainant and asked that we request that Complainant call them at a specific number to discuss a possible resolution to this complaint. This information was immediately forwarded to Complainant and no further communication has been received from Complainant since April. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

76. **2019018861 (ES)**
 First Licensed: 05/03/2017
 Expiration: 04/30/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued to Respondent on 3/8/19 because of an expired county and city business tax license in violation of Rule 0960-01-25. The license provided to the inspector expired 5/15/18. Respondent then contacted Counsel and provided proof that there was no lapse in the license. Respondent states there was “a problem with Tennessee software changes for business licenses” and they never received the paper documents/active license when they renewed before the 2018 deadline until this issue came up. They have since received the active license and provided proof of proper display of the license.

Recommendation: Letter of Warning concerning proper display of business license

Commission Decision: CONCUR

77. **2019020041 (ES)**
 First Licensed: 04/05/2000
 Expiration: 03/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued to Respondent on 3/7/19 for several violations. The Notice stated Respondent had an expired county/city business tax license in violation of Rule 0960-01-25; had not posted business days/hours in violation of Rule 0960-01-.10; garage liability insurance expired 6/8/18 in violation of Rule 0960-01-.15; and for unlicensed activity as a Dismantler/Recycler in violation of TCA §55-17-109. The inspector notes he had tried to conduct an inspection for the past two years and finally got the owner on the phone this time who was unable to meet him. The owner said he would send someone to open the office for inspection and in a few minutes, an individual came out of an apartment at the back of the junkyard and opened the office. The investigator observed the above-referenced violations as well as visible mold growing on file cabinets and ceiling from water coming through a hole in the ceiling. This prevented the investigator from inspecting any business records. The investigator then went to the owner’s workplace and spoke with Respondent who was unable to produce anything requested. Respondent informed the inspector he did not keep any records of the car parts being sold from the junkyard and was unaware he needed a Dismantler and Recycler license to sell used car parts.

Counsel recommends offering Respondent two options: 1) pay a total civil penalty of \$8250 for all cited violations in Notice of Violation issued to Respondent or; 2) obtain a Dismantler/Recycler license within 90 days.

Recommendation: Authorize providing Respondent two options: pay a civil penalty for \$8,250 for failure to maintain active business license; non-compliance concerning business hours; failure to maintain business records; failure to maintain liability insurance for at least ten months; and unlicensed activity or obtain a Dismantler/Recycler license within 90 days of receipt of the Consent Order

Commission Decision: CONCUR

78. **2019019331 (ES)**
First Licensed: 12/16/2003
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – \$500 Consent Order for issuing more temporary tags than allowed by law, four complaint closed without action, one complaint closed with letter of warning about title and registration. 2015 – One complaint closed without action.

Complainant alleges Respondent has failed to produce the title as of 3/11/19 to a vehicle he purchased on 1/25/19. An investigation was conducted after Respondent failed to respond to the complaint. When the investigator called Complainant around 5/28/19, Complainant said he had gotten five temporary tags so far but had to turn them in whenever he got a new one and had not received the title yet. Respondent agreed to give the investigator the deal file, temporary tag log and sworn affidavit statement and informed him that he is in the middle of making changes in employees at the dealership and cleaning up matters. Respondent had the title for pickup on 5/24/19 and claims it had been ready for approximately 40 days sitting at their bank, which occurred under previous management. Respondent advised the title was not picked up for one reason or another. After much back and forth, Complainant finally received their title after receiving a fifth temporary tag on 6/8/19.

Counsel notes this is the Respondent's second offense for issuing more temporary tags than allowed by statute. In this case, Respondent issued three more than allowed, therefore Counsel recommends issuing a \$1000 civil penalty per tag for a total \$3000 civil penalty.

Recommendation: Authorize a \$3000 civil penalty for issuing five temporary tags

Commission Decision: CONCUR

79. **2019020291 (ES)**
 First Licensed: 01/08/2014
 Expiration: 12/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used vehicle from Respondent as a project car but claims Respondent is giving him the run around about getting a title. Respondent confirms Complainant bought the vehicle in February 2015 on the condition that Respondent was waiting on the title from the person who sold it to him. Respondent received the title from the seller about 3 weeks after Complainant bought the car and mailed it to Complainant's address in Louisiana. Respondent was shocked when Complainant called this year asking for the title, and told him he mailed it to him almost 4 years prior. Respondent offered to do a dealer bond registration but wasn't sure if it is applicable to an out of state consumer. The surety bond was sent to Complainant and Complainant continues to make allegations, but neither Complainant nor Respondent can provide any documentation from the sale that occurred in early 2015. It would be very difficult to prove whether the title was mailed in 2015 therefore Counsel recommends closing this matter.

Recommendation: Close.

Commission Decision: CONCUR

80. **2019020351 (ES)**
 First Licensed: 10/29/2014
 Expiration: 06/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant claims she purchased a used car from Respondent on 3/11/16 and when she called them in November of 2018 to request the payoff amount, alleges she was told she signed a lease and not a sales contract. Complainant alleges it was not explained to her at the time of the transaction that she was leasing the vehicle, but also states she should have asked more questions and read the documents she signed more carefully. Complainant had a wreck in the vehicle on 3/8/19 and had full coverage but learned that she still owed eight more payments and a residual amount since Respondent would not get the vehicle back. Complainant confirmed her insurance company would be paying off the balance to Respondent but feels they took advantage of her, are running a scam and are acting as predatory lenders. Respondent confirms Complainant entered into a lease agreement with his dealership and a lender/leasing company, and in accordance with their contract, is responsible for all of the collateral while it is in her possession. The insurance company notified Respondent the vehicle was a total loss and would pay almost \$4,000 towards the car which leaves a balance of over \$5,000. After consideration, Respondent agreed to accept the amount offered from the insurance company and Complainant owes nothing to Respondent. Respondent states they tried to reach out to Complainant multiple times to settle the debt and could not reach her. Respondent provides the lease agreement, policies and procedures and contract documentation signed by Complainant.

Recommendation: Close.

Commission Decision: CONCUR

81. **2019021511 (ES)**
 First Licensed: 01/31/2018
 Expiration: 01/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – Seven complaints closed without action.

Complainant purchased a used car from Respondent on 4/27/18 and Complainant has had difficulty obtaining the title. Respondent owner notified the licensing division he went out of business and the license status is closed. A surety bond was sent to the Complainant.

Recommendation: Close and flag

Commission Decision: CONCUR

82. **2019022101 (ES)**
 First Licensed: 10/18/2017
 Expiration: 09/30/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued to Respondent on 3/14/19 for issuing a temporary tag to a salvage vehicle in violation of TCA §55-17-114(b)(1)(K).

Recommendation: Authorize a civil penalty of \$500 for issuing a temporary tag to a salvage vehicle

Commission Decision: CONCUR

83. **2019021891 (ES)**
 First Licensed: 02/28/2011
 Expiration: 02/28/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle from Respondent and claims she instructed a salesman that the vehicle was to be titled in the name of a specific insurance company, not in Complainant's name. When Complainant received the title, his name was also on it and to get it corrected, Complainant was told he would have to pay usage tax of over \$2,000 which he already paid when he bought the car. Complainant wants Respondent to either pay the transfer usage tax for their [alleged] error or write a letter on their letterhead to the Commonwealth of Kentucky acknowledging the vehicle sold was titled incorrectly due to their error. Respondent provided Complainant with a copy of the purchase order where his name is below the company name as purchaser. Respondent also provides the finance manager's entire recollection of the transaction and a title application clearly signed by Complainant in the business name and in his personal name. Respondent has spent countless hours trying to work with the state of Kentucky but claims the head of the department

handling the title in Kentucky looked at the signature and said there could be no mistake. Complainant used both his name and his business name. Respondent apologizes for the time this state has spent investigating this when Kentucky holds the title and can rule on it. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

84. **2019022321 (ES)**
 First Licensed: 09/01/1991
 Expiration: 02/29/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action. 2016 – One complaint closed with letter of caution.

Complainant bought a new car from Respondent on 10/11/17. Complainant noticed a “bad hesitation” in the motor and a check engine light on by March 2018. Complainant has been to Respondent’s dealership multiple times for these issues and claims he was accused of racing the car, with Respondent claiming the data can be pulled from the car and warranty voided. Complainant took it to Autozone at one time who diagnosed all four cylinders misfiring. Respondent took the car again for repairs to put in new fuel injectors and fuel rail under warranty. Complainant claims when he picked up the car, he was told it was in better running condition than it was and alleges the car has never driven the same as in the first couple months after purchase. Respondent provided documentation for all five repairs done to the vehicle and states when test driving it, they cannot duplicate the concern. Complainant states he has taken the vehicle to eight other dealers in the last 20k miles but no one has filed any warranty repairs so it seems no one has been able to duplicate. Respondent notes the powertrain warranty doesn’t expire for another 8k miles and is willing to continue to try to work with Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

85. **2019023431 (ES)**
First Licensed: 09/01/1991
Expiration: 09/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant bought a used vehicle from Respondent in May 2017 and claims the vehicle has unresolved mechanical problems despite a warranty. Respondent states that all of their cars come with a 3 month/4,500 mile limited warranty at no cost and customers are encouraged to have their own mechanic check the vehicles out. Respondent also provides free vehicle history reports. Respondent has been in business since 1991, inspects all vehicles which are sent to auction if they do not pass, and would not put anyone in a car with known defects. Respondent paid for all repairs incurred during the warranty period but after 8 months, the car needed additional repairs. Respondent paid for an additional \$2,425 in repairs past warranty and even set up a promissory note for Complainant for another \$840.37 in repairs, which Complainant paid back. Respondent went above their contractual obligation on a vehicle with close to 140k miles on it. Respondent then agreed to refund Complainant the \$840.37 so they have now covered 100% of all necessary repairs.

Recommendation: Close.

Commission Decision: CONCUR

86. **2019023511 (ES)**
First Licensed: 09/23/2014
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action.

Complainant alleges Respondent did not properly negotiate a deal when he was trying to purchase a car but offers no evidence or detail to prove any violations. An investigation was conducted because Respondent had not provided a response to the complaint. Complainant did not meet or speak to the investigator upon request and her boyfriend was a no-show to a scheduled meeting with the investigator. However, Complainant texted the investigator a statement indicating

everything had been resolved. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

87. **2019023611 (ES)**
 First Licensed: 06/23/2017
 Expiration: 06/30/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges Respondent failed to post a Buyer's Guide in the vehicle he bought, misrepresented the vehicle, and alleges no contract was provided. Complainant further claims the vehicle has mechanical issues and wants Respondent to repair it. An investigation was conducted. The investigator was informed by Respondent that he closed the dealership but would cooperate. Respondent did not meet with investigator as planned and was informed Complainant moved back to Texas. There is now another dealership using the location where Respondent had been conducting business before closing.

Recommendation: Close and Flag.

Commission Decision: CONCUR

88. **2019024391 (ES)**
 First Licensed: 08/11/1998
 Expiration: 08/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant purchased a used vehicle from Respondent and it overheated twice on roadtrip to North Carolina weeks after purchase. Complainant took the car to a mechanic in North Carolina who told him that the car had a cracked engine block. Complainant took the car back to Respondent who agreed to make it right but claims he has had to spend close to \$2,400 on repairs for the vehicle which was supposed to run great. Complainant wants an apology and a refund of no less than \$2500. Respondent confirms Complainant bought a 14 year-old car with 85k miles as-is. Complainant signed in agreement that the sale was as-is without warranty in three different places in the sales documents and declined to purchase a warranty as documented. Respondent eventually paid for 50% of the cost of a used engine which Respondent ordered, installed and seemed to satisfy Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

89. **2019025341 (ES)**
 First Licensed: N/A
 Expiration: N/A
 License Type: N/A
 History (5 yrs): N/A

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

Recommendation: Authorize Litigation Monitoring Status

Commission Decision: CONCUR

90. **2019027021 (ES)**
 First Licensed: 04/14/2016
 Expiration: 03/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued on April 1, 2019 against Respondent for employing a salesperson with an expired license.

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

Commission Decision: CONCUR

91. **2019026361 (ES)**
 First Licensed: 05/14/2015
 Expiration: 05/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2015 – One complaint closed without action.

Complainant purchased a vehicle from Respondent two years ago and owed \$11,000 but wanted to see if she could trade it in for a newer vehicle. Complainant admits that the purchase of the newer vehicle and trade was as-is without warranty and because she was happy with the first purchase, trusted the sales team. Complainant claims the check engine light came on the day after purchase and Respondent paid for half of the repairs which totaled \$1,400 for a catalytic converter and put Complainant in a rental car for a week. Complainant had more issues and had to take it to a manufacturer dealer for an update to the powertrain control module. Respondent had their service department diagnose and repair the vehicle twice, performed repairs at wholesale rate with the Complainant's permission. There is nothing more Respondent can do at this point and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

92. **2019027631 (ES)**
First Licensed: 05/26/2011
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action. 2016 – One complaint closed without action. 2015 – One complaint closed without action.

Complainant purchased a vehicle from Respondent in November 2017. Complainant alleges since the purchase, another warranty company got access to his bank account and withdrew \$149.47 monthly for at least 15 months. The bank disputed the last three payments for Complainant and then denied his claim because the company had authorization according to the bank. Respondent states they have no affiliation to the warranty company and has no knowledge of how they would have obtained Complainant's information. Respondent does not share information with third party vendors. Respondent's finance director advised Complainant to stop payment on his credit card and cancel the contract directly. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

93. **2019030221 (ES)**
First Licensed: 03/26/2010
Expiration: 06/30/2017
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent in 2013 and after the business closed, couldn't find a way to make the final payment and get the title. Complainant was provided with the surety bond and Respondent is closed with an expired license.

Recommendation: Close.

Commission Decision: CONCUR

94. **2019030591 (ES)**
 First Licensed: N/A
 Expiration: N/A
 License Type: Unlicensed
 History (5 yrs): N/A

Complainant alleges unlicensed activity by Respondent for allegedly offering used box trucks for sale adjacent to the Complainant's dealership. An inspection was conducted and then an investigation request was made. The inspector met with the manager of the business on 4/11/19 at the business location and stated that the box truck in question belonged to UHaul and they were selling it for UHaul. The manager also stated they had sold one already and had one more for sale. The inspector recommended an investigation be conducted. If the investigation returns clear evidence of unlicensed activity, Counsel recommends assessing a \$500 civil penalty and requiring Respondent to obtain proper licensure within 90 days if they plan to continue selling vehicles.

Recommendation: Authorize \$500 civil penalty for unlicensed activity

Commission Decision: CONCUR

95. **2019032671 (ES)**
 First Licensed: 09/29/2015
 Expiration: 08/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 – One complaint closed with consent order for false fraudulent and deceptive acts, failure to maintain temp tag log, possession of open titles, and failure to produce business records.

A Notice of Violation was issued to Respondent on 4/10/19 for having three open titles and for

failure to produce business records. Specifically, during the annual inspection, the sign on the front of the building reads differently than the business license name and Respondent could not produce records of applying for an alleged name change. Respondent has failed to produce paperwork for the three sales transactions related to the open titles as promised.

This is the second offense for Respondent concerning open titles and failure to produce or keep business records, therefore Counsel recommends assessing a civil penalty of \$1,000 per violation for a total civil penalty of \$4,000.

Recommendation: Authorize a civil penalty of \$4,000 for having three open titles and failing to produce business records

Commission Decision: CONCUR

96. 2019032721 (ES)
 2019033341
 First Licensed: 02/11/2014
 Expiration: 11/30/2018
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action.

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

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

Commission Decision: CONCUR

97. **2019033151 (ES)**
First Licensed: 04/11/1994
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Two complaints closed without action. 2016 – One complaint closed with \$500 civil penalty for fraudulent, false, and deceptive business practices.

Complainant alleges Respondent sold a vehicle to her without disclosing it had a rebuilt title. Respondent confirms there was a mistake when a new employee did not catch that there was a rebuilt title while stocking. When notified, Respondent called Complainant and had them come in to fix the situation. Respondent refunded Complainant all monies paid and they came back a few days later and purchased another vehicle from Respondent. Respondent apologizes for this situation and states they have since educated employees to always make sure to check all titles while stocking vehicles into the system.

Recommendation: Authorize a civil penalty of \$500 for failure to disclose vehicle’s salvage history

Commission Decision: CONCUR

98. **2019033341 (ES)**
First Licensed: 07/12/2018
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

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

Commission Decision: CONCUR

99. **2019033861 (ES)**
 First Licensed: 01/28/2013
 Expiration: 12/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – One complaint closed without action. 2017 – One complaint closed without action. 2016 – One complaint closed without action.

Complainant alleges she closed on a contract with Respondent on 4/17/19 to purchase a used vehicle and that she and Respondent agreed the air conditioner would be fixed. Complainant alleges the skit board started to rub on the road when he left the dealership after purchase so Respondent agreed to have the car towed to be inspected by their mechanic. Respondent has since repaired the air conditioner and the vehicle's necessary repairs have been covered under warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

100. **2019033921 (ES)**
 First Licensed: 03/22/2007
 Expiration: 12/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 4/12/19 and due to a delay with a lienholder, Complainant did not receive their title until 5/1/19. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

101. 2019036871 (ES)
First Licensed: 07/01/2015
Expiration: 06/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action.

Complainant has been unable to communicate with the lienholder concerning a title for a vehicle purchased from Respondent over a year ago. Complainant states the vehicle is in disrepair and needs to be removed from her property. Respondent closed in 2017 and their license is expired. The surety bond has been provided to the Complainant.

Recommendation: Close.

Commission Decision: CONCUR

102. 2019038181 (ES)
First Licensed: 08/09/2013
Expiration: 05/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent and originally requested that they “unwind the deal” and pay back all monies paid towards the purchase. Complainant then notified Counsel that the issue was resolved to their satisfaction and all money was refunded as requested, and wanted to withdraw the complaint. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

103. 2019038321 (ES)
First Licensed: 09/04/2009
Expiration: 08/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant bought a used car from Respondent and there was eventually a problem with the oil. Respondent's mechanic worked on the car and Complainant was put in a rental car but takes issue with how long repairs are taking. Respondent has ordered an engine for the vehicle but it is on backorder and Respondent has no control of parts availability from a manufacturer. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

104. 2019039531 (ES)
First Licensed: 12/21/2004
Expiration: 11/30/2008
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant tried to file for a lost title for a vehicle purchased from Respondent. Complainant did receive the original title when they purchased it but was now informed there is a lien. Respondent went out of business in 2009 and their license is expired. The surety bond has been provided to the Complainant.

Recommendation: Close.

Commission Decision: CONCUR

105. 2019039681 (ES)
First Licensed: 06/05/2014
Expiration: 04/30/2020 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Two complaints closed and flagged, one complaint closed without action.
2017 – One complaint closed without action. 2016 – Two complaints closed without action. 2014
– Two complaints closed without action.

Complainant Respondent went out of business and closed. The surety bond has been provided to the Complainant.

Recommendation: Close and Flag.

Commission Decision: CONCUR

106. 2019040391 (ES)
First Licensed: 07/16/2009
Expiration: 06/30/2011
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges they lost the title to a vehicle purchased from Respondent in a house fire, and is unable to get a replacement due to an outstanding lien. Respondent went out of business and closed in 2010. The surety bond has been provided to the Complainant.

Recommendation: Close.

Commission Decision: CONCUR

107. **2019024251 (ES)**
First Licensed: 03/22/1995
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed with letter of caution. 2016 – One complaint closed for misuse of dealer plates and employing an unlicensed salesperson.

A Notice of Violation was issued to Respondent as a result of an inspection conducted when Respondent applied for reinstatement of their license which had expired 3/31/19. The Notice was issued for the following violations: dealer tag misuse, expired city/county business licenses, expired liability insurance, signage non-compliant and for failing to have a business phone number that is active.

This is the second time Respondent has misused dealer plates and still had the same plates on his personal vehicle that led to the first violation in 2017. Respondent's excessive violations lead Counsel to recommend Revocation of Respondent's dealer license.

Recommendation: Authorize Revocation of Dealer License

Commission Decision: CONCUR

108. **2019026791 (ES)**
First Licensed: 12/18/2017
Expiration: 11/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with letter of caution.

Complainant alleges Respondent used switch and bait techniques as well as false advertising for failing to advertise a cash only price. Respondent has since resolved any alleged issues, reduced the price of the vehicle to Complainant's satisfaction and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

109. 2019036721 (ES)
First Licensed: 09/01/1991
Expiration: 02/29/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action.

Complainant alleges Respondent verbally quoted a price for a used car but the written quote included a “processing fee” of \$599. Respondent allegedly said it was “extra profit” and that all dealerships did this. Respondent explains that they did verbally quote a sale price but followed it up with a written quote which properly disclosed all fees per guidelines. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

110. 2019036901 (ES)
First Licensed: 05/05/2017
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with agreed citation for possession of open titles.

Complainant purchased a used vehicle from Respondent in June 2018 and alleges Respondent gave them a fake CarFax report. Respondent provided the CarFax and it appears to be valid and reports no damage. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

111. 2019008841 (ES)
First Licensed: 05/05/2017
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with agreed citation for possession of open titles.

Complainant alleges Respondent misrepresented a vehicle she purchased by stating it was a good van that would last a few years. Complainant claims she had to bring the van back to Respondent's shop because it was blowing spark plugs after one month and had to pay \$280 for repairs followed by two more occasions where Complainant had to pay for repairs. Complainant alleges Respondent quit communicating with her and refuses to pay for the van to be towed to their shop. An investigation was conducted. The investigator found that Complainant purchased the vehicle with close to 115,000 miles on it with no express or implied warranties. Respondent alleges Complainant has been defaming them since January 2019 but they still offered to look at the vehicle again if Complainant brought it in. Respondent provided proof Complainant signed the paperwork showing the purchase was as-is. There is no evidence of any violations.

Recommendation: Dismiss

Commission Decision: CONCUR

112. **2019039091 (ES)**
 First Licensed: 09/01/1991
 Expiration: 04/30/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 – One complaint closed without action.

Complainant alleges Respondent increased the sales price of a vehicle from the original quoted price, however, the issue has been resolved to Complainant's satisfaction since the complaint was filed. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

113. **2019044841 (ES)**
 First Licensed: 06/04/2018
 Expiration: 05/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued to Respondent for employing an unlicensed salesperson and failing to have the copy of a title in a deal file.

Recommendation: Authorize a civil penalty in the amount of \$1000 for employing unlicensed salesperson and failure to keep business records

Commission Decision: CONCUR

114.2019036881 (ES)

First Licensed: 02/25/2013

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – 2018 – Three complaints closed without action. 2015 – One complaint closed without action.

Complainant alleges Respondent failed to pay off their trade-in but Respondent immediately provided proof that the vehicle had been paid off once funds for the new vehicle were confirmed but it took seven more days than the statutory requirement of thirty days.

Recommendation: Letter of Warning concerning requirement to pay off trade-ins within 30 days of receipt of funding

Commission Decision: CONCUR

115.2018091961 (ES)

First Licensed: 02/25/2013

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – 2018 – Three complaints closed without action. 2015 – One complaint closed without action.

Complainant alleges Respondent is selling personal information. An investigation was conducted and there was no evidence of any kind of violations.

Recommendation: Close.

Commission Decision: CONCUR

116.2019039861 (ES)

First Licensed: 06/27/2002

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

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

Complainant alleges Respondent is not honoring an extended warranty for their vehicle which was brought to Respondent's shop because it was running "sluggish". Complainant does not provide any evidence of any

violations and Respondent provided proof that they have handled the repairs properly considering the vehicle was purchased from another dealer. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

117.2019043711 (ES)

First Licensed: 04/24/2013
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased his vehicle new in 2002 from a dealership and recently brought it to Respondent's service department for repairs to a rear main seal which had been originally repaired by Respondent in 2016. Complainant alleges an intermittent knocking sound began after the most recent visit and believes Respondent exhibited incompetence when repairing his vehicle in 2016 and again at the recent visit. Complainant has debated this issue with Respondent's general manager and is upset they won't acknowledge the possibility of incompetence on Respondent's part. Complainant also filed a similar complaint with the BBB and wants a refund for recent repairs but is unable to produce any evidence of violation by Respondent. Respondent provided a very detailed response of all repairs completed to Complainant's vehicle, researched the history of the issue and offered discounts to Complainant for further repairs but denies that any negligence could have even caused the problems the vehicle is experiencing. Respondent also provided proof of the life span of certain parts involved with the vehicle's issues to show all repairs have been competently completed and after 150,000 miles, things need to be replaced.

Recommendation: Close.

Commission Decision: CONCUR

118.2019044581 (ES)

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

Complainant alleges Respondent is selling multiple cars from their front yard without registering them or collecting sales tax properly. Further, Complainant alleges Respondent used to own a dealership until being "shut down" for various unspecified reasons. An investigation was conducted. Respondent met with the investigator at the location where they are allegedly selling vehicles but no vehicles were present as alleged. Respondent explained that they understand the laws and licensing requirements and only sells vehicles registered in Respondent's name and is in compliance.

Recommendation: Close.

Commission Decision: CONCUR

119.2019044601 (ES)

First Licensed: N/A

Expiration: N/A

License Type: Unlicensed

History (5 yrs): N/A

Complainant alleges Respondent is buying and selling cars from their front yard without registering them or transferring titles, without paying taxes, and in excess of the amount allowed per year without a license. Further, Complainant alleges Respondent talks about his sales publicly and sells cars via Facebook Marketplace. An investigation was conducted. Respondent was no longer living at the location provided by Complainant but provided someone who knew Respondent with their business card. Respondent called the investigator as requested and stated that they had only sold two cars while living at the apartment building location and they were titled in Respondent's name. The investigator found no evidence of unlicensed activity.

Recommendation: Close.

Commission Decision: CONCUR

120.2019047771 (ES)

First Licensed: N/A

Expiration: N/A

License Type: Unlicensed

History (5 yrs): N/A

An inspection and investigation was conducted at Respondent's business establishment which led the inspector to issue Respondent a Notice of Violation for unlicensed sales. The inspector noted Respondent had 7 cars displayed for sale with prices advertised at this property owned by Respondent. The business had no banners or signage except for an abandoned printing company logo on the side of a large industrial style building on the property. An investigator later came back to the location with a police officer and was able to talk with Respondent on the phone when the lone employee washing cars called him from the business. Respondent explained he was in the process of applying for a dealership license and was advised to re-position the cars, remove any markings suggesting they are for sale and stop selling until the license is obtained.

Recommendation: Letter of Warning requiring licensure within 30 days and follow up inspection in 30 days

Commission Decision: CONCUR

121.2019046031 (SH)

First Licensed: 06/10/2009

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

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

Complainant was referred from Consumer Affairs and alleges transmission went out on her vehicle soon after purchasing from Respondent. Complainant alleges the vehicle was towed to the

Respondent and now she wants them to replace the transmission.

Respondent states that the Complainant mistakenly filed this complaint and thought she was contacting the Manufacturer's Consumer Affairs department. The Respondent states the Complainant did not purchase the vehicle from them; Respondent only diagnosed the issue per request for Complainant.

Recommendation: Close.

Commission Decision: CONCUR

122. 2019046911 (SH)
2019037431
2019040991
2019043591
2019043601
2019044031
2019044491
2019044801
2019044891
2019045041
2019045261
2019045611
2019045781
First Licensed: 08/22/2013
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Respondent has closed its business however had some trouble paying the floor planner resulting in customers not able to obtain registration and tags. The Respondent has been working diligently assisting the County Clerk and floor planner in obtaining the customer's registration and tags. Respondent is currently in bankruptcy and informed the Department that their attorney will be bringing numerous titles that have been released by the floor planner at their next hearing date. Further, Respondent has also stated it will surrender its license once all customers have their registration and tags.

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

Commission Decision: CONCUR

123. **2019047001 (SH)**
 First Licensed: 09/01/1991
 Expiration: 02/28/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges that he has been dragged into court by Respondent's attorney due to a judgment from a deficiency from the auto loan. Complainant claims he purchased a vehicle from Respondent in 2014. Complainant had to travel back and forth to Africa and his son was driving the vehicle. Unbeknownst to Complainant, his son had a wreck and that the other driver was at fault. Complainant alleges that Respondent called many times for payment and he explained he was working with the insurance company. Respondent eventually repossessed the vehicle after receiving no payments. Complainant states he could not reach a deal with insurance or the Respondent. Complainant states he purchased another vehicle and that Respondent obtained a judgment for the amount owed on the loan. Complainant further alleges that the Respondent's attorney continues to have him put in jail, harasses and has people following and stalking him. The complaint is more accusatory of the attorney than the Respondent.

Recommendation: Close.

Commission Decision: CONCUR

124. **2019047091 (SH)**
 First Licensed: 05/08/2014
 Expiration: 04/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

On March 12, 2019 Respondent submitted a salvage rebuild application to Revenue On April 17, 2019 the Revenue Agent went to Respondent for a second time to conduct the inspection but was told the vehicle is unavailable for inspection. On May 17, 2019 Respondent notified the Agent the vehicle was ready for inspection. The Agent visited the Respondent on May 21, 2019 and was informed the vehicle was not available. An inquiry of the EZ TAG system showed the Respondent sold the vehicle on March 12, 2019 and issued a temporary tag to the salvaged vehicle. On April 12, 2019 Respondent issued a second temporary tag to the salvaged vehicle. As of this date, the Agent is still in possession of the Rebuilt Title and has not been issued to Respondent.

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

Commission Decision: CONCUR

125. **2019047101 (SH)**
First Licensed: 04/03/2017
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

On April 2, 2019 Respondent submitted a salvage rebuild application to Revenue On May 9, 2019 the Revenue Agent went to Respondent to conduct the inspection but was told the vehicle is unavailable for inspection. An inquiry of the EZ TAG system showed the Respondent sold the vehicle on April 6, 2019 and issued a temporary tag to the salvaged vehicle. On May 7, 2019 Respondent issued a second temporary tag to the salvaged vehicle. As of this date, the Agent is still in possession of the Rebuilt Title and has not been issued to Respondent.

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

Commission Decision: CONCUR

126. **2019047431 (SH)**
First Licensed: 09/11/2015
Expiration: 08/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges the vehicle purchased from Respondent had no issues for 6 months until after the vehicle was taken in for an oil change. Complainant alleges Respondent held the vehicle for several months due to multiple issues. All issues were covered under the extended warranty. Complainant received a receipt from Respondent and claims it states that the Complainant had multiple complaints, such as oil leaking, jerking when driving, bad axles, etc. Complainant claims they did not make these statements and alleges Respondent told him that they needed to state them on the invoice in order for the extended warranty to be covered. Complainant alleges the vehicle has multiple issues now and believes they were taken advantage in order for Respondent to be compensated for false repairs.

Respondent states that the Complainant informed them of issues when making an oil change and requested to make repairs using the extended warranty. Respondent produced the service repair invoices showing inspections during oil change and possible issues. It cannot be determined whether any fraudulent actions took place by the Respondent.

Recommendation: Close.

Commission Decision: CONCUR

127. **2019047071 (SH)**
First Licensed: 06/15/2011
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant was fired two weeks after purchasing a vehicle. Complainant alleges respondent called him and notified him that the bank does not want to finance. Complainant states Respondent then repossessed the vehicle even though Complainant alleges he was current on his payments. Complainant wants help to obtain his personal property from the vehicle.

Respondent states Complainant was approved for bank financing after providing proof of employment. The next day the bank found that the Complainant had been fired several days before applying for the loan therefore defaulting on loan due to fraudulent information. Respondent requested Complainant to get a co-signor however he did not respond for 10 days. The bank refused the co-signor due to credit history. Respondent requested several times for Complainant to return the vehicle and when he did not they were forced to repossess. Complainant was notified to contact the repossession company to get his personal property.

Recommendation: Close.

Commission Decision: CONCUR

128.2019047301 (SH)
First Licensed: 03/22/2002
Expiration: 10/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed without action

Complainant alleges false advertising of a vehicle he purchased from the Respondent. Complainant also alleges odometer deception and that the purchase agreement does not match the vehicle. Complainant further alleges the vehicle has a salvaged title without his knowledge.

Respondent believes the Complainant was looking at the kilometers on the odometer, not the miles, therefore it shows different than what the contract lists.

Complainant rebutted and stated the mileage will not read in kilometers and that the Respondent is committing a bait and switch operation.

An investigation was made. Respondent states that the Complainant is leasing the vehicle and missing payments. Respondent provided a Lease Agreement showing \$1,800 down, \$150 bi-

weekly and purchase price of \$7,999. Since that time, Complainant missed 3 payments and the vehicle was repossessed on May 21, 2019. Respondent worked with Complainant and released the vehicle back to Complainant after he caught up on payments. Complainant believed he was purchasing the vehicle for \$1,800 and wants the title, however the Lease Agreement states purchase price of \$7,999. The Agreement also shows the mileage as 130,453 and was sold "As Is". The Complainant has amended his complaint at least 10 times, including pictures of what he thought were discrepancies in the purchase of the vehicle. No documentation shows a discrepancy in mileage. A picture taken by the investigator shows the odometer at 133,941.7.

The vehicle does not have a salvage brand and there was no evidence of bait and switch tactics from the Respondent.

Recommendation: Close.

Commission Decision: CONCUR

129. **2019014691 (SH)**
 2019036831
 2019036851
 First Licensed: 06/12/2017
 Expiration: 06/30/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainants are credit unions that funded loans for their members. Respondent deposited the funds. Complainants have not been able to perfect their liens due to Respondent not providing titles. Respondent never recorded the member's names as the owner or the credit union as the lienholder. A drive by was made and found that Respondent has closed its business and another dealership has opened. There is no connection between the new dealership and Respondent. Complainants have been provided the surety bond information and working to perfect their liens.

Lawsuits against Respondent are apparently being drafted and soon to be filed.

Recommendation: Authorize formal hearing and propose a Consent Order for Voluntary Revocation.

Commission Decision: CONCUR

130. **2019036741 (SH)**
 First Licensed: 04/16/2013
 Expiration: 02/28/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – Three complaints closed without action. 2015 – One complaint closed without action.

Complainant alleges they were forced into signing a credit application and contract. Complainant alleges Respondent never took possession because running boards had to be installed. Complainant requested their down payment returned and allegedly Respondent refused.

Respondent states that Complainant test drove the vehicle and spent 2 hours negotiating a price. Respondent also states Complainant requested running boards in exchange for the agreed price of the vehicle. Respondent informed Complainant that the running boards were not in stock and they became upset. Complainant wanted another truck with the equipment requested but it was more expensive. Respondent let the Complainant know they could not sell that vehicle for the same price earlier negotiated. Complainant then demanded their down payment. Respondent states they asked for Complainant to return a couple of days later to pick up their money but they never showed. Respondent has returned the down payment in full.

Recommendation: Close.

Commission Decision: **CONCUR**

131. 2019038001 (SH)
First Licensed: 03/27/2014
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent advertised a certain vehicle online for lease at \$485 per month through a third party webpage. Complainant made a down payment on the leased vehicle on April 24, 2019 and was told paperwork would be delivered over that weekend. On April 29, 2019 no paperwork was received and Complainant demanded delivery of vehicle. Complainant alleges that Respondent continued to make excuses and finally informed him that the vehicle was not available for lease. Respondent returned the down payment however Complainant believes the Respondent committed false or misleading advertisement. Complainant alleges that after his refund the same vehicle was advertised for \$835 per month. This advertisement was listed on Respondent's page. Complainant believes Respondent should have honored the advertised lease \$485 payment. A review of the third party website showed a few of the same types of vehicles for nearly 3 times the monthly lease payment.

An investigation was conducted and revealed that the Respondent credited all funds made by Complainant. Complainant also informed the investigator that he no longer wanted to pursue this complaint and only opened it for fear of not getting his money returned.

Recommendation: Close.

Commission Decision: **CONCUR**

132. **2019038821 (SH)**
First Licensed: 11/10/2015
Expiration: 10/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action. 2016 – One complaint closed with \$5,000 civil penalty for false, fraudulent, deceptive business practice.

Complainant purchased a vehicle on January 8, 2019 and requested an extended warranty that would cover the engine and transmission. Complainant alleges the vehicle has been in the shop multiple times but this last time they were informed that the warranty was terminated. Complainant has demanded Respondent take the vehicle back and return their money. Complainant alleges Respondent offered \$10K however Complainant would still owe \$5K.

Respondent states Complainant was offered to purchase an extended warranty for an additional price but refused. Respondent states they have repeatedly taken care of several repairs for Complainant after the purchase of the unit. The Complainant had previously reached out and Respondent offered them a trade in credit price of \$12,000 for the vehicle in question. Respondent states Complainant has refused the offer.

Recommendation: Close.

Commission Decision: **CONCUR**

133. **2019046571 (SH)**
First Licensed: 01/28/2016
Expiration: 01/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for issuing more temporary tags than allowed by law.

Complainant alleges bait and switch tactics of Respondent. Complainant alleges she received emails regarding a commercial vehicle and made an appointment to look at it. Complainant drove 110 miles one way because the price was a good deal for this type of commercial vehicle. Complainant alleges when she arrived Respondent tried to sell a more expensive vehicle so she left, wasting time, mileage and gas money.

Respondent states that the salesperson sent a picture of the correct vehicle that was on the lot but sent the wrong pricing. When Complainant arrived, Respondent realized the mistake and admitted fault. Respondent claims Complainant became upset and complained about gas and mileage. Respondent offered another truck and would take care of the pricing in her favor however Complainant only responded thanking them for sending pictures. There is no evidence of intentional bait and switch tactics.

Recommendation: Send Letter of Warning concerning advertisements.

Commission Decision: CONCUR

134. **2019050861 (SH)**
 First Licensed: 02/16/2011
 Expiration: 04/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Respondent has demonstrated a pattern of failure to maintain business hours and post proper signage at the noted location after numerous inspections. Based on the submitted annual sales reports from Respondent the indication is that the business sold only one (1) vehicle per year for approximately the last three (3) calendar years. Respondent will schedule an appointment to meet an inspector and will post his sign for that meeting only; then remove the sign once the inspector has left. Based on this pattern of behavior Respondent does not appear to meet the definition of a motor vehicle dealer; no public restroom, no parking lot, the office is a snack room within another business, no established business hours, etc.

Recommendation: Authorize formal and propose Consent Order for Voluntary Revocation.

Commission Decision: CONCUR

135. **2019039371 (SH)**
 First Licensed: 04/30/2008
 Expiration: 03/31/2020

 License Type: Recreational Vehicle Dealer
 History (5 yrs): Numerous closed without action due to lack of jurisdiction over boat sales.

Complainant purchased a RV on February 22, 2016. Complainant saw a couple of tan marks on the bedroom ceiling and asked Respondent if the RV had any leak issues. Respondent replied no. Three days after purchase, Complainant found two cracks on the roof and filled them with sealer. Complainant states that over two years later they were in a severe storm alleging rain was pouring from the bedroom speakers. When they looked into the issue Complainants found rust which they believe are from previous leaks. Complainants took the RV back to Respondent and were told the entire roof needed to be replaced for a cost of \$18K. Respondent showed them another RV that they could afford with the trade. Complainant alleges Respondent

did not provide certain items that they agreed to; rude behavior from the owner; leak issues on the new RV; non-working air conditioner; plugged toilet and crystalized faucets with low pressure.

Respondent states that Complainant has purchased three (3) older motorhomes from them since 2013. In February 2016, they purchased a Friendship RV. Respondent obtained the Friendship from its New York store, where it was received in December 2015. At the time Respondent's NY store received the Friendship, the customer trading the vehicle completed a Trade Appraisal/Condition report. The Trade Appraisal does not indicate any kind of roof leak. Respondent did perform a standard roof reseal as part of the prep work on the vehicle. However, to be clear, Respondent had no knowledge of any leaks and believe that if any leaks had existed, they would have manifested themselves during Respondent's ownership period or during the period during which the Complainant stored the vehicle prior to departing for Florida. We understand that when the Complainant got to Florida with the Friendship, he sealed the vehicle and sealed the roof. Respondent states that Complainant performed no additional roof seals or roof maintenance during their ownership of the Friendship motorhome. When the Complainant presented the vehicle for repair in November 2016, Respondent states Complainant did not identify or request repair of any water intrusion issues.

Respondent states that the other items complained of, Respondent can only say that the Complainant purchased a 16 year old vehicle. The vehicle and its accessories are likely to require maintenance and/or replacement during Complainant's period of ownership. Respondent offers service contracts to all of its customers to defray the expense associated with the necessary replacement of such items. However, Respondent states Complainant did not purchase a service contract at the time of their purchase and executed numerous documents which set forth the "as is-where is" nature of their purchase.

Recommendation: Close.

Commission Decision: CONCUR

136. **2019047461 (SH)**
 First Licensed: 05/09/2003
 Expiration: 04/30/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2017 – One complaint closed without action. 2016 – One complaint closed without action. 2014 – One complaint closed without action.

Complainant purchased a vehicle that was to be in excellent condition and for an additional fee could be certified. Complainant ordered the vehicle from Respondent who was 5 hours away. When Complainant took possession of the vehicle she alleges the carpets were wet and looked like it was in a flood with mud in areas. Respondent told her that they had shampooed the carpets and offered Complainant to take the car to the local dealer to have it detailed at Respondent's expense. Complainant alleges that after a few days the vehicle was still wet and has a moldy smell.

Complainant believes the leak issues were caused by two prior wrecks as stated in the CarFax report. Complainant further alleges that Respondent issued four temp tags because they did not deliver the paperwork to the local DMV office for over three months.

Respondent states the vehicle was not sold as certified and Complainant was provided a copy of the CarFax report prior to purchase. The report provided by Respondent does not reflect any accidents, no structural damage, no flood issues; only reports damage to front right twice which Respondent states could be as minor as bumping into something. Respondent states title paperwork was sent and signed for by the local DMV 30 days after purchase. Respondent states that Complainant was upset because she was issued a temporary registration tag instead of being able to transfer a vanity license plate.

Complainant rebutted and demands the vehicle to be bought back by Respondent. Complainant continues to complain of wetness and moldy smell.

Recommendation: Close.

Commission Decision: CONCUR

137. **2019047891 (SH)**
 First Licensed: 03/22/2002
 Expiration: 10/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2015 – One complaint closed without action.

The Commission received an anonymous complaint alleging possible unlicensed vehicle part sales, scrap metal and EPA violations by Respondent. The Respondent is a Motor Vehicle Dealer not a Scrap Metal Site. The investigator met with Respondent whom stated he does not sell any type of vehicle parts at his business. Respondent stated he sells used vehicles and rebuilt vehicles. Investigator observed a fenced area at the rear of the Respondent with numerous vehicles that were located inside the fence. Respondent stated these vehicles were separated from his other vehicles because they were being rebuilt and not for sale. The investigator did not observe any type of fluids anywhere on the grounds of Respondent or any other environmental issues.

Recommendation: Close.

Commission Decision: CONCUR

138. **2019038681 (SH)**
First Licensed: 11/06/2009
Expiration: 10/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges the tires on the vehicle purchased were worn in less than a year. Complainant alleges Respondent refused to replace under warranty due to Complainant not rotating tires with the oil changes. Complainant alleges they took the vehicle to another dealer to trade and it was determined that the ball joints were faulty and believe this was the case before purchase.

Respondent states Complainant purchased the vehicle on June 4, 2015 and had no service visits until September 26, 2016. Complainant informed Respondent of the abnormal wearing of the tire and it was determined that the tires had been replaced twice with the latest replacement being 3 months and 8,000 miles prior. Respondent advised an alignment and 2 front tires but Complainant declined. Respondent states it has been almost 3 years since the last contact with Complainant. Respondent also states that the Complainant has traded the vehicle at some other dealer.

Complainant rebutted and states that they took the vehicle to Respondent several times and were accused of being at fault for the abnormal wear of the tires. Complainant explains that they refused the alignment because they had just had it checked and it was fine when they replaced the tires 3 months prior.

Recommendation: Close.

Commission Decision: CONCUR

139. **2019045061 (SH)**
First Licensed: 05/21/2010
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed without action.

Complainant purchased the vehicle from auction and when they picked it up they noticed the transmission light on and a whining noise. Complainant went to arbitration. Complainant alleges that the Respondent's mechanic damaged the hood latch but replaced the cable and latch. Complainant was informed that no transmission codes or issues were found. Complainant alleges that he has a copy of the repair estimate and it shows codes for the transmission issues. Complainant alleges when they went to pick up the vehicle there was body damage, cables

hanging from bumper, standing water on floor, power switched not working. Complainant alleges that after 2 ½ months nothing has been done to resolve this matter since it is out of arbitration time limits.

Respondent claims they have followed the arbitration policies of the National Auto Auction Association. Complainant purchased the vehicle on January 29, 2019 and opened an arbitration claim. Respondent found no codes but could not fully check transmission due to the latch not working. Respondent finally got latch undone and found the noise to be from the engine and not transmission. In March, Complainant opened a damage claim against Respondent. Respondent explained that the claim was outside of arbitration lime limits and due to no condition report being made there was no way of knowing the original condition. Further, based on year of the vehicle any electrical issues would not have been eligible for arbitration. Respondent replaced the cable and hood latch. The vehicle was inspected by Respondent and found the front bumper was busted and held together with staples and glue. It was not damaged by Respondent because cables were run under hood into driver's compartment. Respondent met with Complainant on March 27th showing their findings and explained they were not responsible however offered a reimbursement of the buyer's fee which Complainant refused. Respondent also shows the codes but they are not transmission related.

Recommendation: Close.

Commission Decision: CONCUR

140. **2019046081 (SH)**
 First Licensed: 08/22/2018
 Expiration: 07/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

A Notice of Violation was issued during an inspection on May 16, 2019. Respondent's business license had expired the day before the inspection and Respondent could not produce confirmation that payment was made to renew. Respondent states they made several attempts to verify during the inspection. The next day on the 17th, Respondent verified payment for renewal and provided a copy of the renewed business license.

Recommendation: Letter of Warning concerning business license.

Commission Decision: CONCUR

141. **2019047991 (SH)**

First Licensed: 06/25/2018
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle and was informed that it was running hot but Respondent had not had a chance to get it checked out. Respondent told Complainant it was likely a thermostat issue. Complainant agreed to purchase and replace the thermostat. Complainant alleges when she took the vehicle to emissions center, there was antifreeze leaking. Complainant replaced the thermostat the next day but the vehicle continued to run hot. Complainant alleges that when she took the vehicle to a licensed mechanic it was determined the vehicle had a cracked head gasket and needed a transmission replacement.

Respondent states that the vehicle had not been inspected when Complainant wanted to purchase. The only issue Respondent knew of was it was running hot but did not know the cause. Respondent states Complainant was persistent in purchasing the vehicle and took possession "As Is" as stated on the signed paperwork.

Recommendation: Close.

Commission Decision: CONCUR

142. 2019049811 (SH)
First Licensed: N/A
Expiration: N/A
License Type: N/A
History (5 yrs): N/A

Complainant alleges Respondent is selling commercial vehicles without a license and had not received the title for over a year. Complainant was forced to obtain a replacement title by posting bond and cost them over \$2200. An investigator went to Respondent and inquired whether Respondent had a license. Respondent replied the he had no license due to being denied because he has no on-site inventory space. Respondent did not have any business signage or markings visible. Respondent did have current business licensed but no surety bond. Respondent explained that he had limited parking and no place for inventory to be displayed but had a lot approximately ½ mile down the road with his inventory. Respondent was asked about the internet ads and initially said that most were not owned by him and he was selling them for others. However no consignment sheets (or written statements) could be produced. Respondent has 65 commercial vehicles listed on their website.

Recommendation: Authorize civil penalty of \$500 for unlicensed activity; \$250 for not having good title; \$750 for business signage, hours and records violations; \$500 for no surety bond; \$500 for off-site inventory and no license for that lot; total penalties of \$2,500.

Commission Decision: **CONCUR**

143. **2019052281 (SH)**
 First Licensed: 08/28/2015
 Expiration: 08/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges that the vehicle he purchased would not start after two days. Respondent sent a mechanic and could not get it started so they towed it to lot. Complainant alleges that Respondent determined it was bad fuel and ruined the fuel system. Complainant made a complaint with the TN Dept of Agriculture regarding the contaminated fuel from the gas stations Complainant purchased gas from in the last two days. Complainant states Respondent said it was not responsible for any issues and would not accept vehicle back.

Respondent states the vehicle had no issues on the day of purchase. Respondent sent a mechanic and had the vehicle towed at their expense. Respondent's mechanic found the issue to be contaminated fuel. The fuel pump was replaced and the vehicle started as normal. Complainant purchased vehicle "As Is" however Respondent made an effort to repair. Respondent states they are not responsible for the fuel and that Complainant needs to take possession of the vehicle. Complainant wanted to wait until the fuel report was received. Report came back negative on fuel contamination.

Complainant provided the car service report showing that the issue was the ECM however the mechanic found the fuel pump was not plugged in and two wires were touching each other. Complainant alleges these issues were present prior to the purchase and Respondent should be responsible for taking back the car.

Recommendation: Close.

Commission Decision: **CONCUR**

144. **2019054201 (SH)**
 First Licensed: 08/28/2015
 Expiration: 08/31/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for improper display of vehicles on public sidewalk; 2017 – One complaint closed without action, one complaint closed

with \$1,000 civil penalty for issuing more temporary tags than allowed; 2016 – One complaint closed with letter of caution against false, fraudulent, or deceptive practices

Complainant purchased a vehicle on April 27, 2019. On June 14, Complainant called the DMV and alleges that Respondent did not pay the sales tax or send the paperwork so that she could have the vehicle registered in her name. Complainant alleges Respondent stated they confirmed having the title on May 20 however they never registered the vehicle in her name. Complainant alleges that when she went to Respondent to pick up title, they claimed to have sent the title, registration and tags to her via UPS. Complainant claims to have never received the package and Respondent would not confirm the address they sent it to.

Respondent states the sales tax was collected and reported paid in April 2019. Respondent states this was a cash sale and that no lien would be perfected. Respondent offered the UPS receipt showing that the title, registration and tags were delivered at Complainant's address on May 17. Despite Complainant not willing to cooperate, Respondent obtained a duplicate title and notified Complainant that is ready for pick up.

Recommendation: Close.

Commission Decision: CONCUR

145. **2019054461 (SH)**
 2019054881
 2019058501
 First Licensed: 07/06/2009
 Expiration: 06/30/2020
 License Type: Motor Vehicle Dealer - CLOSED
 History (5 yrs): None.

Complainant alleges they have not received their title since purchasing the vehicle in February 2019. The County Clerk filed a complaint stating that Respondent called and notified them that he had not paid the floor planner and took the money. The clerk advised that she would sell the customers drive out tags until they could obtain their titles. The clerk provided a list of 12 customers that Respondent named. Another complaint came in recently concerning not being able to obtain title. Surety bond has been sent. Respondent has shut down its business and has no inventory.

Recommendation: Authorize formal and propose Consent Order for Voluntary Revocation of license.

Commission Decision: CONCUR

146. **2019056021 (SH)**
First Licensed: 10/12/0215
Expiration: 09/30/2019
License Type: Motor Vehicle Dealer - CLOSED
History (5 yrs): 2019 – Sixteen complaints closed with voluntary revocation of motor vehicle dealer license for engaging in false, fraudulent, or deceptive practices; 2017 – One complaint closed without action.

This complaint was received after Respondent agreed to voluntarily revoke the dealership license and signed the Consent Order on June 7, 2019.

Recommendation: Close.

Commission Decision: CONCUR

147. **2019054031 (SH)**
First Licensed: 05/09/2003
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action. 2016 – One complaint closed without action. 2014 – One complaint closed without action.

Complainant alleges that Respondent sold them a vehicle with bad tires and refused to replace. Complainant had to immediately purchase new tires and believes Respondent should be responsible. Complainant further alleges Respondent charged a theft deterrent fee and cleaning fee that they want refunded. Respondent states they have reached an agreement with Complainant for reimbursement of \$600 for 2 tires.

Recommendation: Close.

Commission Decision: CONCUR

148. **2019048571 (SH)**
First Licensed: 05/05/2006
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges unethical business practices of Respondent. Complainant states he has bad credit and had trouble getting approved for purchase. Respondent was able to approve Complainant. Complainant alleges Respondent inflated the sales price from \$11K to \$28K and never gave a copy of the contract. Complainant alleges he tried to return the vehicle within 72 hours and Respondent refused to accept the vehicle. Complainant alleges he is now behind on other bills and stressed that his vehicle will be repossessed.

Respondent states that Complainant had a limited down payment which affected APR, term and options. Complainant was accepted by a finance company and that the \$28K is the total amount of payments that would be received after the loan was paid. Respondent states this was explained to Complainant and provided the signed paperwork. Respondent spoke with Complainant after a week of purchase concerning a 72 hour cooling off period and explained that there is no such thing.

In Tennessee, there is no general three day right to cancel for motor vehicle retail contracts unless specifically stated in the contract.

Recommendation: Close.

Commission Decision: CONCUR

149. 2019052891 (SH)
First Licensed: 10/23/2015
Expiration: 10/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is a former employee and alleges Respondent is forcing bogus anti-theft products on their customers adding \$500 to their contract. Complainant alleges Respondent fired him just after his wife got diagnosed with cancer and he missed days for medical appointments. Complainant alleges retaliation by Respondent for discussing fraudulent practices with attorneys.

Respondent denies the allegations and only offers the anti-theft device as an optional purchase. If the customer elects the optional purchase, it is disclosed on three separate documents and explicitly identified. Respondent further states Complainant was hired in October 2016 and resigned in September 2017. Respondent states they had no knowledge of his wife's medical

issues when he resigned.

Recommendation: Close.

Commission Decision: CONCUR

150. **2019053081 (SH)**
First Licensed: 09/01/1991
Expiration: 10/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed without action; Related to 2019052891 on this report

Complainant is a former employee and alleges Respondent is forcing bogus anti-theft products on their customers adding \$500 to their contract. Complainant alleges Respondent fired him just after his wife got diagnosed with cancer and he missed days for medical appointments. Complainant alleges retaliation by Respondent for discussing fraudulent practices with attorneys.

Respondent denies the allegations and only offers the anti-theft device as an optional purchase. If the customer elects the optional purchase, it is disclosed on three separate documents and explicitly identified. Respondent further states Complainant was hired in October 2016 and resigned in September 2017. Respondent states they had no knowledge of his wife's medical issues when he resigned.

Recommendation: Close.

Commission Decision: CONCUR

151. **2019053101 (SH)**
First Licensed: 12/02/1993
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed without action; Related to 2019052891 on this report

Complainant is a former employee and alleges Respondent is forcing bogus anti-theft products on

their customers adding \$500 to their contract. Complainant alleges Respondent fired him just after his wife got diagnosed with cancer and he missed days for medical appointments. Complainant alleges retaliation by Respondent for discussing fraudulent practices with attorneys.

Respondent denies the allegations and only offers the anti-theft device as an optional purchase. If the customer elects the optional purchase, it is disclosed on three separate documents and explicitly identified. Respondent further states Complainant was hired in October 2016 and resigned in September 2017. Respondent states they had no knowledge of his wife's medical issues when he resigned.

Recommendation: Close.

Commission Decision: CONCUR

152. 2019056731 (SH)
First Licensed: 09/01/1991
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent will not refund the down payment made on a motorcycle that was not delivered. Respondent states that Complainant had not contacted them until after they received a chargeback dispute. Respondent states Complainant inquired about a motorcycle on March 28, 2019, making a \$500 hold deposit and aware the motorcycle was being repaired. On April 1, Complainant made a dispute but Respondent was unaware until receiving a chargeback request on April 22. The credit card company issued a temporary credit to Complainant's account therefore Respondent could not refund the money since the credit had been applied. On May 29, Respondent spoke with the credit card company and Complainant and confirmed the Complainant should be issued a refund. On June 23, Respondent received a form asking why the funds were not released. On June 24, Respondent called the merchant dispute department and was informed that the refund was not processed and the dispute time limit had expired. On June 25, a refund was issued by Respondent. Respondent admits that this was a small issue that snowballed however it could have been avoided with better communication.

Recommendation: Close.

Commission Decision: CONCUR

153. 2019057451 (SH)
First Licensed: 06/28/2017
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent is price gouging repair costs, not adequately repairing the vehicle, damaging the vehicle while servicing and charging for services originally ordered without repairing.

Respondent claims the Complainant's vehicle has been in their shop for 5 different repair orders. The vehicle did not have electrical problems until the 4th visit. Respondent delivered the vehicle and it would not start once it got to Complainant's house. The vehicle was brought back to the shop and it was determined the wiring harnesses in the vehicle are dry rotted and cracking due to the vehicle being 25 years old. Respondent claims Complainant has insisted they have created this issue however Respondent believes the age of the vehicle is causing the issues.

Recommendation: Close.

Commission Decision: CONCUR

154. 2019050321 (SH)
First Licensed: 09/01/1991
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action.

Complainant saw an advertisement for a used vehicle being sold at Respondent. Complainant inquired about the vehicle and any significant rust or mechanical issues. Complainant alleges Respondent stated there were none. Complainant booked a flight to TN from Virginia with the intent to purchase the vehicle. Complainant states that when she arrived she noticed significant rust underneath. Complainant was willing to purchase the vehicle if Respondent would make suitable repairs. Complainant alleges that Respondent refused to make the repairs stating the amount of rust was normal but willing to provide an undercoating and install a skid plate replacement. Complainant believes the vehicle was misrepresented by Respondent and she would not have spent money to travel to TN if the rust issue was known.

Respondent states the rust issue was on the skid plate and they offered to replace the plate as a condition of the purchase. Respondent removed the plate while Complainant was present however Complainant decided not to purchase and left the dealership. The vehicle was subsequently purchased by another customer.

Complainant rebutted and denies that the offer to replace was made as a condition to purchase. Complainant believes Respondent is responsible for her travel costs due to the misrepresentation of the amount of rust.

Recommendation: Close.

Commission Decision: CONCUR

155. **2019052731 (SH)**
 First Licensed: 12/04/2014
 Expiration: 08/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 – One complaint closed without action.

Complainant purchased “Standard Range” type vehicle and was told at delivery that the downgrades were already completed. Complainant received an email regarding more downgrades needed to be completed. Complainant alleges range will be reduced, acceleration reduced, and multiple software features will be deleted unless Complainant pays to keep the "upgrades" received and what the window sticker reflects. Complainant alleges Respondent offered a 7 day trial period to make sure the vehicle was acceptable as delivered. Now that the car will be drastically changed, Complainant believes he should be given another 7 days to evaluate the car and see if the reduced acceleration is acceptable. Complainant alleges he was told the vehicle had already been downgraded and nothing further was to be done. Complainant claims Respondent is changing the rules after the fact and the vehicle ordered is not the same as listed on the window sticker.

Respondent states that the Complainant purchased a “Standard Range” model for \$37K which is listed on the Purchase Agreement. However, the sticker that was delivered shows a “Standard Range Plus” model that sells for \$40K. Respondent admits the clerical error and apologizes for any

confusion caused. Respondent states the vehicle has been configured as the Complainant ordered online and paid for.

Recommendation: Close.

Commission Decision: CONCUR

156. 2019059401 (SH)
First Licensed: 03/31/2017
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued for a dealer license that expired 4 months prior to inspection. Records show the dealer submitted its renewal before expiration however did not complete the process by paying the fee. Respondent completed the renewal process the day after inspection.

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

Commission Decision: CONCUR

157.2019038091 (ES)
First Licensed: 06/01/2017
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

This complaint was opened on allegations of unlicensed activity (Respondent's license expired 4/30/19 and has since been renewed), failure to deliver title and sales price discrepancies regarding the purchase of a vehicle. An investigation was conducted. Respondent sold a used vehicle to a purchaser on 2/27/19 for \$2,000 to include tax, tag and title. Respondent explained to the investigator that there was no attempt to circumvent tax laws regarding this sale – Respondent inadvertently placed \$200 in the Bill of Sale where the computer automatically fills in the tax, tag and title fee. When Respondent realized this mistake was made, they tried to get the purchaser to come back and sign the correct paperwork but the purchaser refused to come back and do so. Respondent had the title because the purchaser has not paid off the vehicle yet. Respondent ended up taking a \$300 loss on the vehicle because the purchaser ended up taking the title to a title loan company who gave her \$700 when she still owed \$1,000.

Recommendation: Close.

Commission Decision: **CONCUR**

REPRESENTATIONS

- 158. 2019008261 (SH)**
First Licensed: 04/12/2016
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One open complaint related to NOV regarding issuing more temporary tags than allowable; 2017 – One complaint closed without action

Complainant alleges after 30 days from purchasing vehicle from Respondent they never received the title. Respondent apparently said it was lost and were having to back track to previous owner. Complainant states they were issued temporary tags from August 2018 through January 2019. Complainant was pulled over by the local police and issued a citation for an unregistered vehicle and expired temporary tag. The vehicle was parked at a local VA Hospital and Complainant was told that after February 9, 2019 the vehicle must be removed. Complainant states that the previous owner had died, and that Respondent was having difficulty getting a duplicate title.

Respondent states that they purchased the vehicle at an auction in 2016 and realized they never received the title after it was sold two years later. On February 4, 2019, Respondent states that they have been diligently trying to retrieve the title from the auction however the auction's records are being withheld due to a business matter but hopeful the title is on its way. Complainant informed the office that they received the title on 2/6/2019.

Recommendation: Authorize a civil penalty in the amount of \$1,500 for issuing three more temporary tags than allowed by law.

Commission Decision: CONCUR

Update: Respondent stated that he has never had such a title problem as this situation and has taken steps to avoid this issue in the future. Respondent stated that he offered the Complainant a full refund after the second temp tag expired but Complainant refused. Respondent stated

that they have had difficulties in obtaining the title from the auction because of the previous owner's business situation and franchise split. Respondent took it upon himself to speak with the Clerk and figure out how to obtain the title without the auction's assistance. Respondent states that he finally obtained title and registered Complainant back in February. Respondent states he worked diligently in trying to get this title and feels that the auction is more at fault.

New Recommendation: Letter of Warning and Close.

New Commission Decision: CONCUR

159.2019001041 (SH)

First Licensed: 07/09/2015

Expiration: 05/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with no action

Related to 201808349, 201900099, 201900102, 201900107, 201900110, 201900112, 201900114, 201900116, 201900118, 201900120, 201900123, 201900127, 201900130, 201900133, 201900135, 201900141, 201900577

Anonymous complaint states that Respondent is advertising as the owner of the vehicle and not as a dealer. Some photos show dealer tags and phone numbers associated with the ads are dealer numbers. There are no stock numbers listed nor is the motor vehicle dealer identified by name or dealer number. It is difficult to know whether the vehicles are registered to individuals or dealers. It is difficult to know whether the vehicles are registered to individuals or dealers.

Recommendation: Authorize civil penalty of \$250 for deceptive business practices and misleading advertising.

Commission Decision: CONCUR

Update: The Respondent denied having advertised any vehicles as an "owner" that were in his inventory. Respondent stated that all vehicles advertised include stock number and dealer contact info. After investigating the ad and vehicle, it was determined that the vehicle in

question was not stocked or owned by the Respondent. There is no evidence that the Respondent is advertising vehicles for sale as an “owner” on advertising websites. Respondent was notified of the advertising rules and acknowledged his understanding.

New Recommendation: Close.

New Commission Decision: **CONCUR**

160.2019024591 (SH)

First Licensed: 07/07/2005

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): One complaint closed without action. 2017 – Two complaints closed without action. 2016 – One complaint closed without action. 2015 – Three complaints closed without action and one complaint closed with a \$500 civil penalty for failing to timely and properly obtain title/registration for a vehicle.

Respondent failed to notify the Commission of a dealership name change.

Recommendation: Authorize a civil penalty in the amount of \$250 for failure to notify of name change.

Commission Decision: CONCUR

Update: Respondent claims that the process of changing their name was in place a month before the inspector arrived. This information was apparently given to the inspector. The Respondent states that the company did not change its name, only the DBA name. Looking at the records it shows notification of the name change was received by the Commission less than two weeks after the inspection.

New Recommendation: Close.

New Commission Decision: **CONCUR**

161.2019024751 (SH)

First Licensed: 07/07/2005

Expiration: 06/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2014 – One complaint closed without action

Respondent failed to notify the Commission of a dealership name change.

Recommendation: Authorize a civil penalty in the amount of \$250 for failure to notify of name change.

Commission Decision: CONCUR

Update: Respondent claims that the process of changing their name was in place a month before the inspector arrived. This information was apparently given to the inspector. The Respondent states that the company did not change its name, only the DBA name. Looking at the records it shows notification of the name change was received by the Commission less than two weeks after the inspection.

New Recommendation: Close.

New Commission Decision: **CONCUR**

162.2019024791 (SH)

First Licensed: 03/04/2011

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to deliver title/registration; 2017 – One complaint closed without action; 2016 – Four complaints closed without action; 2015 – One complain closed without action; 2014 – One complaint closed without action

Respondent failed to notify the Commission of a dealership name change.

Recommendation: Authorize a civil penalty in the amount of \$250 for failure to notify of name change.

Commission Decision: CONCUR

Update: Respondent claims that the process of changing their name was in place a month before the inspector arrived. This information was apparently given to the inspector. The Respondent states that the company did not change its name, only the DBA name. Looking at the records it shows notification of the name change was received by the Commission less than two weeks after the inspection.

New Recommendation: Close.

New Commission Decision: **CONCUR**

163.2019010531 (SH)

First Licensed: 07/28/2010

Expiration: 4/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Salesperson for Respondent was displaying a license affiliated with another dealership other than Respondent. Respondent failed to have the salesperson's license transferred in its name.

Recommendation: Authorize a civil penalty in the amount of \$500 for license affiliation violation.

Commission Decision: CONCUR

Update: Respondent stated he was never issued a Notice of Violation due to the salesperson that was in the office at the time was not an employee. The salesperson was there speaking with the Respondent's owner about employment because the owner was soon to have double knee surgery. The owner of Respondent is the only salesperson located at this location. Apparently the inspector and the salesperson did not get along and had a heated discussion causing some confusion. Respondent has been advised that the salesperson with the closed

dealership listed on the license will need to be changed to Respondent's name. Respondent fully understood and has properly licensed the salesperson.

New Recommendation: Close.

New Commission Decision: **CONCUR**

164.2019001331 (SH)

First Licensed: 12/19/2013

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Related to 201808349, 201900099, 201900102, 201900104, 201900107, 201900112, 201900114, 201900116, 201900118, 201900120, 201900123, 201900127, 201900130, 201900135, 201900141, 201900577

Anonymous complaint states that Respondent is advertising as the owner of the vehicle and not as a dealer. Some photos show dealer tags and phone numbers associated with the ads are dealer numbers. There are no stock numbers listed not is the motor vehicle dealer identified by name or dealer number. It is difficult to know whether the vehicles are registered to individuals or dealers.

Recommendation: Authorize civil penalty of \$250 for deceptive business practices and misleading advertising.

Commission Decision: CONCUR

Update: After Respondent called and provided more information the matter was again investigated subsequently and yielded no proof that the Respondent owned the vehicles in the advertising. Respondent was notified of the advertising rules and acknowledged his understanding.

New Recommendation: Close.

New Commission Decision: CONCUR

165.2019005771 (SH)

First Licensed: 03/10/2016

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Related to 201808349, 201900099, 201900102, 201900104, 201900107, 201900110, 201900112, 201900114, 201900116, 201900118, 201900120, 201900123, 201900127, 201900130, 201900133, 201900135, 201900141

Anonymous complaint states that Respondent is advertising as the owner of the vehicle and not as a dealer. Some photos show dealer tags and phone numbers associated with the ads are dealer numbers. There are no stock numbers listed not is the motor vehicle dealer identified by name or dealer number. It is difficult to know whether the vehicles are registered to individuals or dealers.

Recommendation: Authorize civil penalty of \$250 for deceptive business practices and misleading advertising.

Commission Decision: CONCUR

Update: The investigation into this matter failed to return any supporting information evidencing the Respondent is continuing to advertise vehicles as being for sale or was involved at all. Because the Complainant is anonymous and information supplied with this matter was very limited the claims made in relation to questionable advertising activities associated could not be substantiated. It further seems that this Respondent is not associated with a dealer.

New Recommendation: Close.

New Commission Decision: CONCUR

166.2018010311 (SH)

First Licensed: 12/11/1998

Expiration: 09/30/2019

License Type: Motor Vehicle Salesman

History (5 yrs.): None

The Commission approved revocation of Respondents' licenses due to the business fraudulently floating titles, creating liens, and failing to pay off trade ins. Respondents are implicated in an investigation with the Tennessee Department of Revenue, and Revenue is working on charges. Revenue was the lead investigator, and holds most of the evidence on these matters. Revenue will work with legal after it has processed its case, and as a result, the complaints need to be held to await the availability of evidence.

Recommendation: Place these and any related matters into litigation monitoring without a written order.

Commission Decision: CONCUR

Update: Respondent was included in an Agreed Order voluntarily revoking its license on May 21, 2019. This matter needs to be closed.

New Recommendation: Close.

New Commission Decision: CONCUR

167. 2018056641 (“Respondent Dealership 1”) (SH)
First Licensed: 09/21/2001

Expiration: 07/31/2018 (08/06/2018 CLOSED)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

2018077971 (“Respondent Salesperson”) (SH)

First Licensed: 09/01/1991

Expiration: 08/31/1993 (EXPIRED)

License Type: Motor Vehicle Salesperson

History (5 yrs): None.

Local police contacted the Tennessee Department of Revenue, alleging Respondent Salesperson was operating a dealership without any active licenses. The location had advertisements for an unlicensed dealership and for Respondent Dealership 1. Both were allegedly at the same location.

During a telephone conversation, Respondent Salesperson identified himself as the owner of the “dealership” location. Respondent Salesperson stated a vehicle on the lot was for sale. This vehicle had a dealer tag on it however it was later discovered that the dealer tag had expired in 2013 but is now under another dealership that has no involvement with this matter. Verification revealed Respondent’s salesperson license had expired in 1993, the unlicensed dealership advertised was licensed from 1996-2004 but reopened in 2005 and closed again in 2013.

An “Open” sign was displayed and operating. Two additional individuals identified themselves as employees of the dealership. None of the identified employees had licenses. Both employees stated that if a potential customer wanted to buy a car they would call Respondent Salesperson. One employee indicated that Respondent Dealership 1 was responsible for all sales documentation and reporting.

When agents entered the business, they discovered Respondent Dealership 1’s office location was identified as abandoned and the license was closed. All sales documentation included the unlicensed dealership name. There were two buyer’s orders listed under the unlicensed dealership

name and signed by Respondent Salesperson. In a file cabinet there were over 20 open titles with single-signature entries.

In November 2018, the investigator went to the location and found another dealership, properly licensed, in business. Respondent Salesperson told the investigator that he was looking to open another dealership however he was involved in a divorce, back surgery and lost the property where he was going to open the new dealership. Respondent Salesperson presented an email to the Department stating that the unlicensed dealership never opened due to a divorce and requested to close out the sales tax account.

The investigator spoke to Respondent Dealership 1 who stated that the Respondent Salesperson rented the property to them and helped with operations but was never a salesperson for the dealership. Respondent Dealership 1 stated that it was closed in August 2018 due to poor sales.

In January 2019, Respondent Salesperson's attorney sent information to the investigator claiming that Respondent Salesperson sold no more than 4 cars in the last 12 months.

The Revenue investigator believes Respondent salesperson has been actively selling vehicles at this property he owns for the last 9 years.

At the time of our investigation there was no unlicensed activity or inventory of Respondent Dealership 1 on this property and the property is no longer owned by Respondent Salesperson due to a foreclosure sale.

Previous Recommendation: Table and represent.

Previous Commission Decision: Concur

New Recommendation: Close and Flag as to Respondent Dealership 1. Authorize a civil penalty in the amount of \$10,000 against Respondent Salesperson for possessing 20 open titles and conducting unlicensed activity.

New Commission Decision: CONCUR

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

ROLL CALL VOTE

Ian Leavy	YES
Charles West	YES
Kahren White	YES
John Murrey	YES
John Chobanian	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
John Roberts	YES

MOTION CARRIES

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

Staff attorney, Maria Bush, indicated that there were no legislative updates that affected the Motor Vehicle Commission directly, but there were two which may affect licensees. The first was House Bill 0533, which exempts licensed dismantlers/recyclers from maintaining records related to transactions for certain automotive parts. She indicated it would become effective July 1, 2019. She also presented House Bill 0538. This bill will become law once the governor signs it. The proposed law eliminated a tow company's requirement to wait 30 days prior to selling an unclaimed vehicle, it also eliminates the requirement that certain abandoned vehicles left in a lot for 30 days be reported to the Department of Revenue, lastly, the bill changes the restrictions on the amount of fees that can be charged to an individual claiming a stored vehicle.

Chairman Roberts called for a motion to approve the legislative updates. A motion was made by Commissioner Jackson, and seconded by (unintelligible).

RULES COMMITTEE

Nothing to Report

AUDIT COMMITTEE

Nothing to Report

NEW BUSINESS

OLD BUSINESS

ADJOURN

Chairman Roberts called for a motion to adjourn.

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

VOICE VOTE - UNANIMOUS

Motion carried.

Meeting Adjourned

John Roberts, Chairman _____