

MINUTES

April 28, 2020



**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: April 28, 2020

PLACE: WebX Conference

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

ABSENT: John Murrey

CALL TO ORDER: Chairman John Roberts called the meeting to order at 9:22 am

Executive Director, Denise Lawrence 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 22, 2019, was read into the record by Executive director, Denise Lawrence. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since April 23, 2020. 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 Galvin. 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 Vaughan made a motion to approve the minutes, seconded by Commissioner West. Chairman Roberts called for a roll call vote.

VOICE VOTE

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

MOTION CARRIED.

APPEALS:

Raymond Hawk
Carson Springs Auto Sales, Newport, 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 Galvin moved to grant the license, seconded by Commissioner Chobanian.

VOICE VOTE

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

Motion carried, therefore, the license is granted.

Kari Kenworthy
Nissan of Paris, Paris, TN

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

VOICE VOTE

John Roberts	YES
John Chobanian	YES
Jim Galvin	YES

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

Motion carried, therefore, the license is granted.

Richard Heatherly
Viles Auto Group, Powell, 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 West moved to grant the license with clarity on “no contact”, seconded by Commissioner Chobanian.

VOICE VOTE

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

Motion carried, therefore, the license is granted.

Stephen Edwards
Jim Keras Chevrolet, Memphis, TN

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

VOICE VOTE

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

Motion carried, therefore, the license is granted.

Tony Barnes
Wyatt Johnson Ford, Nashville, TN

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

VOICE VOTE

John Roberts	YES
John Chobanian	YES
Jim Galvin	YES
Ronnie Fox	YES

Nate Jackson	YES
Stan Norton	YES
Steve Tomaso	YES
Farrar Vaughan	YES
Victor Evans	YES
Christopher Lee	YES
Ian Leavy	YES
Karl Kramer	YES
Kahren White	YES
John Barker, Jr.	YES
Charles West	YES
Debbie Melton	YES

Motion carried, therefore, the license is granted.

Mario Mitchell
Nashville Karz Automotive, Nashville, TN

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

VOICE VOTE

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

Motion carried, therefore, the license is granted.

END OF APPEALS



Executive Director’s Report

April 28, 2020

Since the last Commission meeting in January 2020, the following activity has occurred:

Dealers Opened, or Relocated (Last Quarter)..... 72

Applications in Process.....16

Active Licensees as of April 20, 2020

Dealers..... 3659
Auctions.....28
Distributors/Manufacturers..... 134
 Salespeople.....16861
Representatives.....592
 Dismantlers.....242
RV Dealers.....41
 RV Manufacturers.....77
Motor Vehicle Show Permits.....4

Complaint Report- Opened Complaints from February 1, 2020 - Present

Number of Complaints Opened.....**141**
Number of Complaints Closed.....**227**

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

Vehicles Reported Sold in 2019.....**1,304,359**
Recreational Vehicles Reported Sold in 201.....**7,198**
Total Online Annual Sales Report Collected.....**2,705**
Late Annual Sales Report Collected **296**
Total revenue from Annual Sales Report collection: \$29,600

Average Performance Metrics

Average Number of Days to License... **.80 days to license with clock-**
stoppers

Compliance.....**90.97% as of March 31, 2020**

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

MVC Customer Satisfaction Rating February 1 - Present

Quarterly Satisfaction Rating.....**98.6%**

Disciplinary Action Report – January 2020 – March 2020

Total to be collected.....**\$28,000**

Online Adoption Across All Professions

- **85%** online adoption for New “1010” Applications across all Professions available as of April 20, 2020.

Outreach

Plans to attend the County Clerks regional meetings were canceled due to the current climate and stay at home orders. Those meetings have been rescheduled for August and we will be attending to address any concerns/issues our county clerks may continue to encounter.

Immediately following the tornadic activity in early March, we reached out to our licensees in the affected counties to assess damage and offer assistance. We notified those affected licensees that MVC would waive any fees associated with relocation as a result of the storm damage. To date we have had at least one dealer in Cookeville take advantage. He was very appreciative of the gesture.

We issued a COVID-19 bulletin to our licensees in an effort to communicate our understanding of the Governor’s guidelines relative to essential businesses and their continued operation. This is also available on our home page. Overall we have had minimal inquiries from our licensees seeking direction on operation so we believe our early communication has been helpful.

At the request of the Commission at a previous meeting, the staff has added a reminder on all renewal notices regarding City/County Business Tax renewals, in order to avoid possible penalty assessment.

We updated and issued a press release for tax season, vehicle purchase scams, and signs for which consumers should be cognizant when purchasing a vehicle.

Chairman Roberts called for a motion to approve the Director’s Report. Commissioner Barker made a motion to approve the Director’s Report, seconded by Commissioner Galvin.

VOICE VOTE

John Roberts	YES
John Chobanian	YES
Jim Galvin	YES
Ronnie Fox	YES
Nate Jackson	YES
Stan Norton	YES
Steve Tomaso	YES
Farrar Vaughan	YES

Victor Evans	YES
Christopher Lee	YES
Ian Leavy	YES
Karl Kramer	YES
Kahren White	YES
John Barker, Jr.	YES
Charles West	YES
Debbie Melton	YES

MOTION CARRIED



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
OFFICE OF LEGAL COUNSEL
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DAVY CROCKETT TOWER, 12TH FLOOR
NASHVILLE, TENNESSEE 37243
TELEPHONE (615) 741-3072 FACSIMILE (615) 532-4750

MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

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

DATE: April 28, 2020

SUBJECT: MVC Legal Report

1. 2019091741 (ES)

First Licensed: 12/15/2015
Expiration: 12/31/2019 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges that they bought a used vehicle which had its check engine light come on soon after purchase. After going back and forth with Respondent, they would not make the repairs and the warranty did not cover repairs. The Respondent failed to respond to the complaint, so an investigation was conducted. The investigator discovered Respondent dealership had closed and new owners had already moved into the location. The new owners are unaffiliated with the prior owners. Respondent's license was cancelled prior to its expiration on 12/31/19.

Recommendation: Close.

Commission Decision: APPROVED

2. **2019093241 (ES)**
First Licensed: 04/01/2005
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed with \$2,750 civil penalty for curbstoning.

Complainant alleges Respondent misrepresented the condition of vehicle purchased and refuses to continue making repairs. Complainant is seeking a refund. Respondent provides proof the vehicle was purchased As-Is with no warranty. Respondent offered to inspect the vehicle and it was determined the engine was knocking and would need replacement. Respondent located an engine at a local used auto parts shop with a 90-day warranty for \$2,000 and agreed to install it for free. Complainant would not agree to that and wanted a full refund. Respondent feels they did what they could. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

3. **2019096181 (ES)**
First Licensed: 06/27/2016

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$1,500 civil penalty for failure to obtain salvage title for vehicle before selling it.

Complainant alleges Respondent failed obtain a salvage title and did not wait for the rebuilt vehicle to be inspected by the Department of Revenue. An investigation was conducted. Complainant notified the investigator that Respondent had refunded their money and the vehicle was returned. The investigation revealed that the owner of the dealership sold Complainant the vehicle at issue while their license was expired. The owner has since renewed their salesman license (1/15/20). The owner told the investigator that the vehicle was salvaged, and they had applied for a rebuilt title. Respondent further states that normally, they would send the paperwork to the State who then sends back an inspection sticker and title. This time, Respondent claims they were told that a state inspector would come out and visually inspect the vehicle before receiving a rebuilt title. Respondent told them the vehicle had already been sold and was being driven by Complainant. Respondent contacted the Complainant and explained the situation and asked that they bring the vehicle back so it could be inspected, and they could use a loaner car, but Respondent ended up just taking the car back and refunding Complainant. The deal file revealed that Respondent did provide a Notice of Disclosure or Rebuilt or Salvage Vehicle which was signed by Complainant. Counsel recommends a civil penalty of \$500 for employing an unlicensed salesperson, plus a civil penalty of \$2,500 for failing to obtain a salvage title for the vehicle before selling it, for a total civil penalty of \$3,000. This is the second time since 2018 that Respondent has failed to obtain a salvage title on a rebuilt vehicle.

Recommendation: Authorize a \$3,000 civil penalty for failure to obtain rebuilt title for salvage vehicle and for employing an unlicensed salesperson

Commission Decision: APPROVED

4. 2019093471 (ES)

First Licensed: 08/20/2010

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges it had mechanical issues for some time. Respondent provided a detailed timeline of how they have consistently handled all issues for Complainant and provided a loaner vehicle at no cost each time. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

5. **2019093631 (ES)**
First Licensed: 07/01/2015
Expiration: 06/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent wrongfully repossessed their vehicle and then closed their dealership. An investigation was conducted. The investigation revealed Complainant was behind on their payments leading to the repossession of their car. Respondent dealership has been closed for some time, their license is expired, and the location is now a tire shop. Additionally, Complainant is suing the owner of the dealership in civil court for pain and suffering.

Recommendation: Close.

Commission Decision: APPROVED

6. **2019094831 (ES)**
First Licensed: 10/13/2004
Expiration: 10/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges warranty repairs have not been made due to an alleged clerical error regarding the date the vehicle was “put into service.” Complainant alleges the manufacturer’s warranty should be active and the repairs should not have to be made under the extended warranty. Respondent states the vehicle was a service loaner vehicle and the manufacturer’s warranty started from the time it was put into loaner status, not when purchased.

Recommendation: Close.

Commission Decision: APPROVED

7. 2019097381 (ES)

First Licensed: 05/26/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with a letter of warning for alleged advertising violation.

Complainant alleges Respondent violated advertising rules and guidelines by posting an ad on Facebook offering a free television to a limited number of customers who purchased a vehicle on 11/29/19. This Complainant filed a similar complaint (2018082021) for the same reason in 2018 and the Respondent received a letter of warning for a violation. In the advertisement at issue, Respondent is offering a free television in conjunction with purchase in violation of Rule 0960-01-.12. Respondent argues that there is no violation because they did not use the word “free” or anything similar. The advertisement states that every purchase on Black Friday receives a 49” television. Respondent also included a disclaimer within view of the advertising summary that refers to “while supplies last.” Complainant provides a rebuttal where the word “FREE” is used in the same advertisement on a different platform.

Recommendation: Authorize a \$500 civil penalty for advertising violation of Rule 0960-01-.12

Commission Decision: APPROVED

8. 2019097391 (ES)

First Licensed: 05/26/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with a letter of warning for alleged advertising violation.

This complaint was opened administratively concerning the advertising violation summarized above, making this complaint duplicative.

Recommendation: Close.

Commission Decision: APPROVED

9. 2019096851 (ES)

First Licensed: 01/16/2018

Expiration: 01/31/2020

License Type: Recreational Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used RV from Respondent and after moving into it with their family, noticed the underbelly seemed to be taped with duct tape. Complainant feels Respondent misrepresented the RV and failed to disclose defects. Respondent states they conducted an inspection of the RV prior to sale and confirms the existence of duct tape, which they assume had been put there by a previous owner when repaired. Respondent explains that taping the underbelly after a repair is very common in the RV industry and there appeared to be no secondary issues from any prior underbelly repairs. Respondent denies any wrongdoing but has agreed to remedy any issues with Complainant until they are resolved to their satisfaction, in order to provide the best service. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

10. 2019094231 (ES)

First Licensed: 03/31/2017

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent submitted their credit information to so many lenders that it is affecting their credit. Respondent states that too much time has passed for them to validate Complainant's allegations. Complainant recently produced evidence of 19 lenders showing inquiries on their credit report. An investigation is being conducted in light of this new evidence. This matter will be presented at the next meeting with the investigative findings and a recommendation from Counsel.

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

11. **2019092981 (ES)**
2019096831

First Licensed: 09/20/2007

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

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

2019096831

Complainant alleges Respondent used a deceptive contract claiming the vehicle ended up costing \$10,000 more than expected. Complainant is requesting to trade vehicle for vehicle with lower price. An investigation is being conducted. This matter will be presented at the next meeting with the investigative findings and a recommendation from Counsel.

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

2019092981

Complainant alleges misleading and unethical conduct by Respondent, specifically claiming that they changed a trade-in sale to a new purchase sale without informing Complainant. The investigation revealed that Complainant initially wanted to trade in their vehicle towards a used vehicle purchase but once the deal was transferred over to their finance department, the lender payoff on the trade-in was quite high and they were not interested in taking the trade-in. Complainant then decided to leave their vehicle out of the deal and purchased the used vehicle without a trade-in. An investigation is being conducted. This matter will be presented at the next meeting with the investigative findings and a recommendation from Counsel.

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

12. 2019100851 (ES)

First Licensed: 08/11/2016

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to deliver title.

The Department of Revenue (DOR) informed our office that Respondent sold a salvage vehicle without a rebuilt title. Specifically, on 11/21/19, Respondent applied for a rebuilt title and submitted a salvage Kentucky title for the vehicle with their application. On 12/16/19, a DOR agent went to inspect the vehicle and was told it was not available because it was “at the paint shop.” The agent rescheduled for a later date. When looking up the vehicle in the EZ Tag system, the agent discovered Respondent had issued a drive-out tag and a second tag to the salvage vehicle since the date it was sold, 9/11/19. Respondent had sold it more than two months before applying for the rebuilt title. Respondent violated TCA 55-3-211(8) which prohibits salvage vehicles from being registered for use on the roads unless it has been issued a rebuilt title (class C misdemeanor pursuant to 55-5-120). Respondent put the consumer and the public at risk by allowing a salvage vehicle to be driven and then deliberately lied to an agent to cover it up. Counsel notes the intentional actions of the Respondent and recommends a \$1,000 civil penalty for failure to obtain a rebuilt title on a salvage vehicle before selling it.

Recommendation: Authorize \$1,000 civil penalty for failure to obtain a rebuilt title on a salvage vehicle

Commission Decision: APPROVED

13. 2019095691 (ES)

First Licensed: 04/06/2010

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant had their vehicle towed to Respondent’s repair shop and alleges Respondent is charging them for unauthorized repairs. Respondent provides a detailed timeline and states that Complainant did authorize repairs but could not pay for them when the vehicle was ready. Respondent allowed Complainant to drive a loaner vehicle at their request so they could “figure something out and come up with the money.” Respondent states Complainant had the loaner for almost 4 months at no cost to them until Respondent had to send a tow truck to pick it up, and Complainant now refuses to communicate to resolve the monies owed. Respondent has offered to reduce the cost of repairs, but Complainant still refuses to take calls or reach out to Respondent. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

14. 2019096321 (ES)

First Licensed: 08/27/2018

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent refused to let them keep a vehicle for the day to have it inspected by a mechanic before purchase. Complainant purchased the vehicle after test driving it and claims Respondent had inspected it and found no mechanical issues. Complainant alleges the vehicle began having mechanical issues after the purchase which were not entirely covered by the 90-day powertrain warranty which was included with the purchase of the vehicle. Complainant states the vehicle is at Respondent's shop where the mechanical problems are still being investigated. Complainant wants a refund. Respondent explains that Complainant was allowed to have the vehicle inspected by a mechanic and did have the opportunity to do so on more than one occasion before purchase. Respondent provides signed paperwork showing Complainant was allowed to do so, that they were satisfied with the vehicle, purchased it As-Is, and declined to purchase extended warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

15. 2019100691 (ES)

First Licensed: 07/09/2001

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Respondent was issued a Notice of Violation on 12/12/19 during their annual inspection when the inspector observed Respondent had parked and displayed for sale approximately 35-40 vehicles from their inventory across the street at a parking lot adjacent to their dealership. The vehicles were marked with prices for sale. Respondent also had their business sign displayed at this location but have no dealer's license for this location.

Recommendation: Authorize a \$500 civil penalty for unlicensed activity at a location with no dealer's license

Commission Decision: Issue a Letter of Warning for unlicensed activity and have a follow-up inspection in 15 days.

16. 2019099601 (SH)

First Licensed: 02/16/2001

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – One complaint closed with \$5,000 civil penalty for altering contractual agreement.

Complainant had repairs done to her vehicle by Respondent on 9/9/2019. Complainant feels the service was incorrect and Respondent failed to replace some items, and the service charges were too high. Complainant alleges the credit card has a 30.24% rate.

Respondent states that all repairs were explained in detail to Complainant before the Complainant approved the charges and work to be performed. Complainant wanted used parts to be used and Respondent refused as it is not standard practice. Respondent feels Complainant is receiving bad advice from friends and neighbors. The charges were placed on a 0% (for one year) card as approved by Complainant and parts have a one-year warranty.

Recommendation: Close.

Commission Decision: APPROVED

17. 2019092141 (SH)

First Licensed: 07/07/2005

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

On 7/27/2019 Complainant purchased a vehicle from Respondent in full with cash. Complainant alleges they are on their fourth temporary tag due to an issue with the obtaining the title.

No response from Respondent has been received.

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

Commission Decision: APPROVED

18. 2019098031 (SH)

First Licensed: 07/05/2002
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Anonymous complaint alleged that Respondent was misusing dealer plates for personal vehicles. An investigation revealed all vehicles were properly registered with Respondent and no violations were found.

Recommendation: Close.

Commission Decision: APPROVED

19. 2019098911 (SH)

First Licensed: 09/01/1991
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with a letter of warning for deceptive business practices.

Complainant traded two vehicles for one vehicle with Respondent on 10/3/2019. Complainant contacted Respondent after 30 days inquiring about the title and was told there was an issue in obtaining the title from the previous owner's financial institution. It has been over 60 days and Complainant still has not title.

Respondent states that when the previous owner's loan was paid off the financial institution sent the title to the previous owner by mistake. The previous owner was contacted, and the title has been sent to the DMV for proper registration with Complainant.

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

Commission Decision: APPROVED

20. 2019099801 (SH)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 - \$2500 for unlicensed activity;

Complainant purchased a vehicle from the Respondent, but that the Respondent delayed the shipping of the truck for over a month, and when it did arrive, it would not start. The vehicle also was absent features that were advertised and had many other problems not known at the time of purchase. The Respondent maintains that the Complainant knew that the shipping would be handled by a 3rd party thus was subject to another's schedule, and not therefore adherent to a tight delivery timetable.

Recommendation: Authorize a civil penalty of \$5,000 for unlicensed activity.

Commission Decision: APPROVED

21. 2019099991 (SH)

First Licensed: 11/05/2010

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with a letter of warning for false, fraudulent, or deceptive acts.

Complainant financed a vehicle with their mother-in-law as co-buyer that was purchased from Respondent. After 30 days the Complainant could not get the title and tags in order to register the vehicle. Respondent allegedly told Complainant could not get financing and took the tags from Complainant.

Respondent explains that the lender was unable to verify the information and the car could not be finance. The Respondent reached out to Complainant and requested more documentation. Complainant has not been able to provide the requested information. The Respondent has reached out to the co-buyer and has requested to submit documents in order to finance in co-buyer's name only, providing that the lender can verify the documents. The co-buyer has not

come to Respondent.

Recommendation: Close.

Commission Decision: APPROVED

22. 2019100401 (SH)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

Complainant alleges they entered into a contract with Respondent to purchase a vehicle in the amount of \$3,800.00. Complainant also advised she gave Respondent a \$500.00 deposit for which a receipt was provided by Respondent. Complainant alleges Respondent referred her to a dealership in town for the signing of the documentation for the vehicle. The dealership was the registered owner of the vehicle. Complainant went to sign documents for the vehicle and the price was not as agreed upon by the Respondent. It is alleged that Respondent used deceptive business practices and is operating without the proper licensure.

Respondent advised that he never “sold” a vehicle due to not being a licensed dealer or salesman. Respondent explained that he works on cars for the dealership and Complainant’s boyfriend approached him about a vehicle that was in the yard at his residence. Respondent advises that Complainant was never involved in the transaction. Respondent contacted the dealership and the owner advised him to write a receipt for \$500.00 and send them to the dealership on the following Monday to complete paperwork. Respondent advised he was simply trying to “help out” the owner of the dealership and never “sold” anything as Respondent does not have a license to sell vehicles.

The owner of the dealership admitted he stores his vehicles that need repairs at Respondent’s residence. Every now and then someone will want to purchase a vehicle that is located at Respondent’s residence and the dealership would pay respondent a commission from the sale. The owner of the dealership is fully aware that Respondent is not licensed.

Respondent set up an LLC in August 2019 and was in the process of obtaining a dealership license. Respondent was approved for licensure on March 6, 2020.

A complaint was opened against the dealership in this matter and issued a penalty for unlicensed activity. This dealership has signed the Consent Order and paid the penalty.

Recommendation: Send Letter of Warning.

Commission Decision: APPROVED

23. 2019100671 (SH)

First Licensed: 06/18/2004

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with a \$1,000 civil penalty for false, fraudulent, or deceptive acts.

A Notice of Violation was issued due to Respondent displaying 25 vehicles for sale at an unlicensed location down the street from the dealership.

Recommendation: Authorize \$500 civil penalty for failure to possess a license for each location.

Commission Decision: APPROVED

24. 2019093591 (SH)

First Licensed:

Expiration:

License Type: Motor Vehicle Dealer

History (5 yrs):

Anonymous complaint was made showing a picture of a vehicle with a dealer plate. The complaint alleged the person driving the vehicle was using a dealer plate on a personal vehicle. The vehicle with the tags in question was owned by a licensed dealership and currently being driven by the wife of the owner. The owner stated that his wife is regularly at the dealership performing duties for the dealership such as going to the bank, picking up parts and administrative work. The dealership provided documents in support of being the registered owner of the vehicle, the title to the vehicle with the dealer plate, insurance information and the drivers listed for the dealership by the insurance company. The owner's wife is listed as a driver for the dealership.

Recommendation: Close.

Commission Decision: APPROVED

25. 2019094161 (SH)

First Licensed: 09/01/1991

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent and later found out it was infested with cockroaches. The vehicle was returned and replaced with a same model vehicle but different year. The vehicle would not start after two weeks and was determined by Respondent that the fuel pump needed to be replaced. Once replaced, a noise started on the driver's side that eventually led to the motor mounts busting and the engine falling out. Complainant states the Respondent is refusing to help.

Although there has been no response from Respondent, this matter is more of a customer service issue. The vehicle was purchased "as is".

Recommendation: Close.

Commission Decision: APPROVED

26. 2019094351 (SH)

First Licensed: 09/08/2009

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – One complaint closed with \$500 civil penalty for failure to post business hours and phone number. 2017 – One complaint closed with \$500 civil penalty for second offense of failure to maintain business hours.

A Notice of Violation was issued on 11/15/2019 for three open titles. Only the seller's signature was on the back of three trade-in titles.

Respondent disputes the violation and states that the titles were for vehicles that were purchased on-line for the owner's personal use and in no way were co-mingled with inventory or being offered for sale. These titles were in a locked room and the vehicles were being transported to the owner's personal residence in Florida. The vehicles listed on the titles seem to be collector cars.

Recommendation: Close.

Commission Decision: APPROVED

27. 2019095411 (SH)

2019095701

First Licensed: 07/21/2017

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant was a co-owner of a vehicle that was to be traded on 5/19/2019 however was not able to be there for the transaction. Complainant advised the bank and requested an extension for the Respondent to make the payoff. At the end of June 2019 Complainant began to receive calls about past due payments. Complainant states the Respondent would send money to Complainant through a cash app in order to make the payments. Payments stopped in October and the payment is now 30 days late.

Respondent provided a copy of a payoff check sent on 12/15/2019 to Complainant's bank.

Recommendation: Authorize a civil penalty of \$500 for failure to pay off trade-in within 30 days.

Commission Decision: APPROVED

28. 2019099641 (SH)

First Licensed: 11/02/2011

Expiration: 10/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle from Respondent and subsequently learned that there was paint damage from the factory of the manufacturer; white specs on all horizontal surfaces, small hole in door and a paint blemish on the hood and deck lid. Complainant was advised by the manufacturer warranty company to take the car back to the dealership to have the hole and blemishes repaired. Respondent sent the vehicle to a paint and body shop for repairs that were

covered under the manufacturer warranty. When the vehicle was returned it was discovered that the paint shop used a buffer and burned the paint in some areas, buffed off the ceramic coating that was professionally applied, and didn't finish the work. Complainant blames Respondent for the poor workmanship and wants it fixed.

Respondent believes they provided reasonable customer service even though they had no obligation to do so. It is Respondent's position that any paint issues would be under the liability of the paint and body shop. Respondent states the warrantor of paint issues would be the manufacturer and Respondent did not make any corrective actions to the vehicle.

Recommendation: Close.

Commission Decision: APPROVED

29. 2019099821 (SH)

First Licensed: 08/04/2017

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 12/10/2019 from Respondent. On the way home the transmission did not want to shift into lower gears. Over the next few days the transmission failed. A code check revealed the Transmission Control System and Pressure Control Solenoid had failed. Complainant alleges that Respondent has not responded to their requests for help.

Respondent requested Complainant to take the vehicle to a local manufacturer dealer to have the issues properly diagnosed. Respondent paid for a new transmission to be installed and all issues have been resolved.

Recommendation: Close.

Commission Decision: APPROVED

30. 2019101911 (SH)

First Licensed: 01/29/2018

Expiration: 01/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 12/9/2019 with a \$1,000 down payment. A few days later Respondent contacted Complainant and requested proof of additional income that Complainant was unable to produce. Complainant returned the vehicle on 12/17/2019 cancelling the contract however Respondent refused to return the \$1,000 down payment.

Respondent states that after the papers were signed and the documents were submitted to the lender details started to emerge that Complainant had not been honest and straight forward during the process. Respondent provided a signed Credit Application that states Complainant has been employed for 20 years however Complainant cannot provide any evidence of more than a couple of months. Complainant mentioned he would provide the last 2 years of tax records but subsequently stated he could not get the information. Also, Respondent's contract states any misstatement or misrepresentation by the buyer will be considered a default. Respondent believes they are under no obligation to return the down payment.

Recommendation: Close.

Commission Decision: APPROVED

31. 2019100781 (ES)

First Licensed: 05/09/2003

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with a Letter of Warning for engaging in deceptive or fraudulent activity.

Complainant alleges Respondent would not allow their 18-year-old daughter to test drive the used vehicle eventually purchased but allowed her 90-year-old grandmother to test drive it. Additionally, Complainant alleges Respondent did not disclose frame damage. Respondent agreed to refund the money for the vehicle and Complainant brought the car back and was satisfied with the resolution.

Recommendation: Close.

Commission Decision: APPROVED

32. 2019094921 (ES)

First Licensed: 09/24/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges misrepresentation of vehicle, failure to disclose flood damage, and claims that the vehicle was not repaired as agreed by Respondent. An investigation was conducted. Respondent provided the investigator with the title which reflected that it was a flood vehicle, as well as the deal file and a sworn statement from the salesperson who sold the vehicle to Complainant. The deal file reflected that the vehicle was sold As-Is and Complainant signed a rebuilt/salvage disclosure form. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

33. 2019095221 (ES)

First Licensed: 04/17/2014

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant bought a used car from Respondent and claims they received a "clean" Carfax on the car. Complainant claims the car had been totaled and has no airbags. An investigation is being conducted. This matter will be presented at the next meeting with the investigative findings and a recommendation from Counsel.

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

34. 2019097801 (ES)

First Licensed: 12/05/2013

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent misrepresented the vehicle sold to Complainant and wants a refund. Complainant purchased a slightly used vehicle and alleges it had problems soon after purchase. Respondent states they immediately instructed Complainant to bring the vehicle into the nearest dealer shop and assumed the manufacturer's warranty would cover any issue considering the vehicle only had 13,000 miles at the time. After inspection, it was discovered the issues were caused by an accident unknown to Respondent and not reported on the CarFax. Respondent understands Complainant's frustration and has been working with them to make all necessary repairs and provide a resolution to this matter.

Recommendation: Close.

Commission Decision: APPROVED

35. 2019099291 (ES)

First Licensed: 03/13/2001

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges unethical conduct by Respondent, specifically claiming Respondent caused their credit to be accessed through multiple finance companies without their authorization, which allegedly resulted in dropping their credit score. Complainant requests the reports to be taken off. Respondent states they immediately began looking into this matter when brought to their attention. Respondent confirms Complainant's son purchased a vehicle from them in 2018 and that is the only record they could find associated with their dealership accessing Complainant's credit. After much communication between Respondent and Complainant, this issue seems to be resolved and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

36. 2019101291 (ES)

First Licensed: 02/16/2016

Expiration: 02/29/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with a letter of caution for false, fraudulent, or deceptive acts. 2017 – One complaint closed with a \$1,000 civil penalty for failure to deliver title. 2018 – One complaint closed with a \$500 civil penalty for improper display of vehicles on a public sidewalk.

Complainant purchased a used vehicle from Respondent and alleges they failed to disclose frame damage. Complainant wants to get a different vehicle from Respondent. Respondent refused Complainant's demand and denies the allegation. Complainant had the vehicle inspected prior to purchase and bought it As-Is. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

37. 2019100321 (ES)

First Licensed: 08/10/2016

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges Respondent promised to fix the catalytic converter but has not. Further, Complainant claims the vehicle had been wrecked, and has costly frame damage but alleges Respondent did not disclose that information. Complainant does not provide any evidence to support the allegations. An investigation was conducted and revealed the converter was repaired, and Complainant was refunded their half of the repair cost as a gesture of goodwill. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

38. 2019101401 (ES)

First Licensed: 06/11/2010

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with letter of warning for deceptive advertising.

Complainant states they called Respondent to inquire about a vehicle and claims a salesman took their credit information over the phone. Complainant alleges when they went into the dealership, their information was “laying on the front desk for anyone to see.” Complainant further alleges it was hard to distinguish between new and used vehicles because one of the vehicles they looked at had “all the new car window stickers” but had 36,000 miles on it. Complainant felt the salesperson seemed very dishonest. Complainant does not provide any evidence to support the allegations. Respondent denies the allegations completely, has no record of the Complainant calling or filling out any paperwork, and feels this is a bogus complaint. Counsel recommends closure based on the lack of evidence.

Recommendation: Close

Commission Decision: APPROVED

39. 2019102531 (ES)

First Licensed: 11/10/2015

Expiration: 10/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$5,000 civil penalty for false, fraudulent or deceptive business practices.

Complainant purchased an extended warranty from Respondent when they bought a vehicle and alleges Respondent has failed to provide a refund regarding a warranty claim. Respondent explains that because Complainant had an active loan on their vehicle, the refund check had to be paid to the lienholder on record, which was done. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

40. 2019099021 (SH)

First Licensed: 06/01/1999

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant’s grandson is in the military and purchased a vehicle from Respondent in January 2019. Complainant believed the financing interest was abusive and the warranty provided cost too much. The grandson was to be deployed in November 2019 and would not be able to keep the vehicle on base. Complainant agreed to store the vehicle in their garage and decided to pay off the loan for their grandson. Complainant alleges the warranty company would not cancel the warranty and send a pro rata refund.

Respondent only sold the vehicle to the grandson and the deal was financed through a third party as well as the warranty. Respondent reached out to the warranty company even though they did not need to and were told that a refund check was being sent to Complainant's grandson.

Recommendation: Close.

Commission Decision: APPROVED

41. 2019100921 (SH)

First Licensed: 12/04/2014

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle in September 2019 that was traded into Respondent on July 18, 2019. The title accepted by Respondent was a TN Title No. 93387725, dated 8/28/2014. A replacement title was issued to the previous owner in June 2018, TN title No. 14700065837. Complainant alleges Respondent sold the car without a current and valid TN Title and Complainant purchased the car believing it was a current and proper title. Complainant states Respondent has been stonewalling and the vehicle cannot be registered.

Respondent took possession of the vehicle as part of a vehicle trade on July 18, 2019 from the previous owner from Rhode Island. The vehicle was sent to auction in the Boston, MA area and Respondent sent the title on August 2, 2019 to the auction when the vehicle was sold. On November 15, 2019, Respondent was first notified that Complainant could not register the vehicle because the original title provided to Respondent was not the most recent title. Respondent immediately began working on obtaining the current title. There was no indication that a newer title had been issued otherwise Respondent would not have sold the vehicle. It was the previous owner that provided the purported wrong title to Respondent. Respondent reports that as of December 19, 2019, the replacement title from June 2018 was received and sent to the auction in order to be properly executed to Complainant for registration.

Recommendation: Close.

Commission Decision: APPROVED

42. 2019096231 (ES)

First Licensed: 04/29/2010

Expiration: 04/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant is the lienholder and alleges Respondent sent in a payoff check for a vehicle that was insufficient. Complainant alleges Respondent said it was not their problem and is refusing to pay for the difference owed or for the GPS that was on the vehicle. An investigation was conducted. Respondent and Complainant both confirmed that the issues have been resolved, the vehicle has been paid off and title received. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

43. 2019097231 (ES)

First Licensed: 05/20/2015

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with letter of warning for curbstoning.

Complainant alleges Respondent misrepresented the used vehicle that they purchased for \$2,200. Complainant specifically claims that they inspected the vehicle, test-drove and let it idle for 30 minutes while inspecting the vehicle before purchase and assumes Respondent must have cleared any warnings/engine codes before selling it, trying to cover up issues. Complainant alleges the vehicle stopped working within 7 miles of leaving the dealership after purchase but Respondent refuses to refund the purchase price despite the fact Complainant immediately drove back there after the transmission failure. Respondent does confirm that the events played out as Complainant states but denies emphatically that they cleared any engine codes or knew about any issues with the vehicle. Respondent notes that they have no history of complaints and because there is risk associated with purchased a vehicle As-Is, the Complainant is responsible for the future repairs and maintenance of it. Respondent states there was never any signs of problems with this vehicle while it was in their possession and further notes that Complainant drove the vehicle for some time and made a very informed decision after hours of inspection and discussion. There is no evidence provided to support the allegations or to prove any violation occurred.

Recommendation: Close.

Commission Decision: APPROVED

44. 2019097481 (ES)

First Licensed: 08/09/2012
Expiration: 03/31/2020 (Expired-Grace)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant originally alleges Respondent failed to provide the title to the vehicle they purchased but later confirmed the title has been received. The issue has been resolved and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

45. 2019101081 (ES)

First Licensed: 05/12/2015
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with letter of warning for incomplete temporary tag log. 2017 – One complaint closed with agreed citation for \$500 for failure to maintain city/county business license.

Complainant purchased a used vehicle from Respondent on 6/25/19 and filed this complaint on 12/18/19 because they claim they still do not have a title/tag. Complainant alleges Respondent told them to drive the vehicle with a temporary tag in someone else's name until they received another temporary tag. Respondent states there was only one temporary tag issued to Complainant before the title was provided. An investigation is being conducted. This matter will be presented at the next meeting with the investigative findings and a recommendation from Counsel.

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

46. 2020000031 (ES)

First Licensed: 01/11/2013
Expiration: 11/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to provide the lifetime warranty paperwork for the vehicle purchased. After this complaint was filed, this issue was resolved, and all warranty paperwork and documentation has been provided to Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

47. 2020000181 (ES)

First Licensed: 11/21/2006

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant originally alleges Respondent failed to provide the title to the vehicle they purchased without requiring Complainant to travel to dealer. Complainant later confirmed the title has been received. The issue has been resolved and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

48. 2020000871 (ES)

First Licensed: 03/24/2015

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent refused to deliver title without Complainant traveling to the dealership. Complainant is requesting the title. Respondent states they did not have an address or P.O. Box to send the title to, until the complaint was filed. Respondent mailed the title and the issue is resolved. Complainant thanked us for the quick resolution.

Recommendation: Close

Commission Decision: APPROVED

49. 2019094651 (SH)

2019101461

2020002531

First Licensed: 05/27/2010

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$1,000 civil penalty for incomplete temporary tag log. 2018 – One complaint closed with \$500 civil penalty for misrepresenting terms of contract and failure to provide a copy of the contract to the complainant.

Complainant purchased a vehicle on 9/25/2019 with a third party extended warranty. The vehicle had some issues and was towed to another dealer's shop where it was diagnosed with multiple issues. Complainant also did not receive the title and registration documents from Respondent. Complainant tried to contact Respondent however Respondent closed its business.

Recommendation: Authorize voluntary surrender of license since Respondent has closed.

Commission Decision: APPROVED

50. 2019097301 (SH)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

An auction was held, and Respondent was the successful bidder on 4 vehicles. An invoice was mailed, and Respondent was to be back at the auction after the weekend to pick up the vehicles. Respondent never showed or paid the invoice. Respondent has not been heard from since the auction was held a month earlier. Complainant found out that Respondent is not a licensed dealer but was using a name similar to a licensed dealer. Complainant reached out to this dealer and was informed that no one has ever heard of Respondent.

Recommendation: Close.

Commission Decision: APPROVED

51. 2019097441 (SH)

2019102821

2020013961

First Licensed: 06/07/2012

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

2019097441. Complainant purchased an antique vehicle in full and after 3 months has not received the title. Respondent was acting as a broker between Complainant and seller. The argument was over the price of the vehicle and all issues have been resolved according to Complainant.

2019102821. Complainant alleges Respondent would not deliver the title even though it received total funding on the vehicle. Respondent explains that they would not release the title until funding was made by Complainant's lender. Further, the vehicle was on consignment and the registered owner was out for medical treatment for two weeks causing the delay. Complainant states that all issues have been resolved.

2020013961. Complainant alleges he has had two temp tags for his antique vehicle and no documents have been received in order to register the vehicle in his state. Respondent explains the vehicle was on consignment and the registered owner was out of town without access to the title causing the delay. Complainant states that all issues have been resolved.

Recommendation: Close all complaints.

Commission Decision: APPROVED

52. 2019100931 (SH)

First Licensed: 05/25/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$2000 civil penalty for engaging in false, fraudulent, or deceptive practices and issuing more temporary tags than allowed. One complaint closed with \$500 civil penalty for failure to deliver title. 2019 – One complaint closed with letter of warning for deceptive advertising.

Complainant alleges the vehicle experienced serious mechanical issues including overheating, loud noises and not accelerating which almost caused an accident. The vehicle was taken back to Respondent where the engine was replaced. Complainant alleges the vehicle experienced more problems and Respondent told her that a wire was loose. Complainant wants the vehicle replaced as she does not feel safe in it even after repairs were made.

Respondent serviced the vehicle twice because of a warning indicator, a check engine light had illuminated, and found a Manufacture's bulletin regarding the engine short block be replaced. Respondent's technician performed the required repairs and returned the vehicle back to Complainant. Unfortunately, the technician did not secure a ground wire which would cause the engine to lose power and shut down. Once this repair was made Respondent again returned the vehicle. Again, Complainant had to return the vehicle to Respondent for a similar problem. The technician found a different Manufacturer's bulletin to correct a connector/pin fit corrosion issue. Once this repair was corrected the vehicle was test driven 100 miles before returning to customer. Respondent states that all issues have been resolved correctly, Respondent offered a bumper to bumper warranty for the life of the vehicle, Complainant is in talks with the Manufacturer regarding replacing the vehicle and Respondent is willing to work with her on trade-in.

Recommendation: Letter of Warning.

Commission Decision: APPROVED

53. 2019101001 (SH)

First Licensed: 11/04/2002

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle in full on 8/24/2019 and as of the end of November had not received the title. Complainant alleges Respondent offered to purchase the vehicle back but then dropped the offer. Complainant states he was issued two temporary tags than allowed by law.

Respondent states they realized that the title to the vehicle was lost in transit. Respondent contacted the lienholder and requested that they obtain a duplicate title. Since the duplicate title process would take up to six weeks or longer, Respondent offered to purchase the vehicle back, however Complainant declined the offer. On December 17, 2019, Respondent received the duplicate title with no odometer reading. The title was sent back to the lienholder for correction and Complainant has since received all the documents to finish registering and titling his vehicle as of January 2020.

Recommendation: Authorize a civil penalty of \$1,000 for issuing two additional temporary tags as allowed by law.

Commission Decision: APPROVED

54. 2020000411 (SH)

First Licensed: 09/05/2019

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle with cash from Respondent on 5/28/2019. Complainant alleges Respondent did not have the title in hand and said they would mail it certified mail. The title never came to Respondent's address and USPS states it is lost. Respondent has tried for 6 months to get a new title however the owner has since sold the business. The Respondent has sent six temporary tags.

Respondent states that Complainant bought this vehicle from the dealership that existed before he purchased the dealership when it was going out of business. New owner purchased the business name, furniture, two computers, and the signage. New owner states that pursuant to their Purchase Agreement, he did not buy or assume responsibility to the previous owner's customer database, records, or files and that the new owner is not responsible for previous customers' files that previous owner sold or serviced prior to the transaction. The new owner claims that any issues that may arise should be handled by previous owner. As a courtesy, Respondent states they researched the vehicle and determined how to get the title from Florida. The title was obtained, and Complainant wishes to drop the complaint.

Recommendation: Close.

Commission Decision: APPROVED

55. 2019101441 (SH)

First Licensed: 07/01/1991

Expiration: 06/30/2021

License Type: Motor Vehicle Auction

History (5 yrs): None.

Complainant purchased a vehicle from another dealer in February of 2019. When Complainant met the selling dealer to get paperwork and title, she was informed that she must pay a 425.00 processing fee. Complainant noticed the vehicle was a repo and the title had a lien noted on it from a bank. The selling dealer explained that a Certification of Sales under special circumstances form would clear the lien off the title. Complainant paid and took the paperwork and title to the Clerk's office to register the vehicle. Complainant was informed that the paperwork was wrong, selling dealer signed in the wrong spot on the back of the title. Complainant was told by the Clerk's office that she needed a notarized letter from selling dealer stating the intent of selling the vehicle and the title was signed in the wrong spot. Complainant alleges selling dealer has since ignored any requests and making excuses for not cooperating. The vehicle has been involved in an accident and totaled on 9/9/2019. Complainant is unable to give a title to the insurance company.

Respondent stated that it is a wholesale auto auction and does not sell to the retail public. There are signs posted that retail sales/customers are not allowed on our lot. The sale of the referenced unit at this facility was from a licensed dealer to a licensed dealer. Respondent was not involved in any retail sale that the Complainant may have enacted after leaving the Respondent's facility.

Recommendation: Close.

Commission Decision: APPROVED

56. 2019101671 (SH)

First Licensed: 04/27/1998

Expiration: 06/30/2021

License Type: Motor Vehicle Manufacturer/ Distributor

History (5 yrs): None.

Complainant is a franchised dealer in which the manufacturer has decided to terminate the franchise agreement due to low sales. Complainant has filed a protest with the Commission to be heard on July 14, 2020. Respondent has recently filed a Stay with the Commission and a Petition for Judicial Review in Chancery Court. The Attorney General's office will be representing the Commission in Chancery Court.

Recommendation: Place in Litigation Monitoring

Commission Decision: APPROVED

57. 2020000121 (SH)

First Licensed: 06/13/2014

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle in cash and did not receive the title within 30 days. Respondent explains that the vehicle was purchased in TX and it took a little longer than normal to obtain the title due to the holidays and medical appointments. Respondent sent a second temporary tag a few days after the first one expired. A few days after, Respondent received the title and sent it to Complainant.

Recommendation: Close.

Commission Decision: APPROVED

58. 2020001921 (SH)

First Licensed: 09/08/2011

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with a letter of warning for off-site sales and buyer's guide violation.

Complainant purchased a vehicle from Respondent on 12/18/2019 and had it financed through the credit union. Complainant alleges that Respondent said they could have the title within two weeks. After two weeks Complainant had not received the title. Complainant further alleges the temporary tag had a date that was two weeks from purchase and not 30 days.

Respondent states that the credit union check needed to be verified but Complainant came in after hours since he was driving in from Kentucky. Respondent alleges that Complainant became irate. Complainant has received the title on 1/13/20 well within 30 days of purchase.

Recommendation: Close.

Commission Decision: APPROVED

59. 2020001971 (SH)

First Licensed: 11/14/2006

Expiration: 10/31/2018 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – One complaint closed with \$500 civil penalty for false, fraudulent, or deceptive business practices. One complaint closed with \$1,000 civil penalty for failure to provide title. 2018 – Several complaints opened for failure to deliver title.

Complainant needed surety bond information due to not receiving a title. Surety bond information was given to Complainant. Respondent closed its business in 2018.

Recommendation: Close.

Commission Decision: APPROVED

60. 2019101501 (ES)

First Licensed: 10/31/2018

Expiration: 09/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

An inspection on 12/18/19 led to a Notice of Violation being issued to Respondent for failure to have a sign with the dealership name. The inspector noted: “no vehicles for sale, never retailed vehicles, no salesman license, no proof of insurance, no sign.” An investigation is being conducted into whether this dealer is conducting business. This matter will be presented at the next meeting with the investigative findings and a recommendation from Counsel.

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

- 61. 2019102351 (ES)**
First Licensed: 05/23/2007
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges Respondent did not disclose it was a flood vehicle. Complainant provides no evidence to support the allegation. Respondent denies the allegation and provides the deal file showing the vehicle has not had flood damage. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

- 62. 2020006041 (ES)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): None.

An investigation is being conducted into alleged unlicensed activity by Respondent in regard to selling U-Haul trucks. The investigator went to Respondent's business location, a "flea mall," and found that one Ford E-450 box truck (formally UHAUL truck) with an Arizona license plate was displayed for sale. The truck has never been registered in Tennessee and was last registered in Arizona. The investigator spoke with the UHAUL Area Field Manager who confirmed that UHAUL does display used trucks at the addresses of their leasing agents at various locations nationwide, including Tennessee. The titles for the trucks are held at the corporate office in Phoenix and the final sale price is negotiated through the corporate office. An internet search of the UHAUL Truck Sales website revealed 23 vehicles listed for sale at 6 separate Tennessee locations within a 50-mile radius of Nashville. The Respondent's address was one of the locations showing an inventory of one vehicle.

Respondent does not seem to be responsible for selling the box trucks as alleged, therefore further investigation will be done into U-Haul and their responsibility for the alleged unlicensed sales. This matter will be brought to the Commission's attention at a later date once the investigation into U-Haul has concluded. Counsel recommends holding this matter in a Monitoring status until further investigations conclude.

Recommendation: Place in Monitoring status for further investigation.

Commission Decision: APPROVED

63. 2019101871 (ES)

First Licensed: 09/25/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Respondent was issued a Notice of Violation for an open title and for failing to have an active business license on display. Respondent later provided Counsel with proof that the business license was active at the time the Notice was issued and the active license is on display. Counsel recommends a civil penalty of \$500 for having an open title.

Recommendation: Authorize \$500 civil penalty for open title

Commission Decision: APPROVED

64. 2020002021 (ES)

First Licensed: 05/25/2011

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a new vehicle with a lifetime warranty from Respondent in 2018 and alleges the vehicle began having issues after one year of ownership. Complainant further alleges Respondent was not able to repair the vehicle to their satisfaction after multiple attempts and requests a refund. Respondent does not believe Complainant is entitled to the relief they seek and summarizes the service records which show mostly normal issues that come up with a vehicle after it has been driven for a year and over 23,000. Respondent also notes the vehicle was in an accident before it was brought back for repair the second time. Respondent is willing to continue to work on the vehicle to address the most recent issue of cylinders misfiring but is unwilling to buy the vehicle back and Complainant is unsatisfied with that option. Respondent explains that the warranty covered the necessary repairs mentioned in the complaint and they feel they have provided all services in good faith, and Complainant would need to address their concerns with the manufacturer at this point. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

65. 2020000761 (SH)

First Licensed: 01/03/2018

Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant found a vehicle online for the sale price of \$12,999. Complainant drove 4 hours to the dealership and when it came time to purchase there was a \$1,200 paint sealant charge and a \$550 doc fee. Complainant feels that Respondent was deceptive in its advertisement.

Respondent states there were no add-on products required to purchase the vehicle. The doc fee and all other mandatory fees were part of the advertised price and would not have been in addition to the sales price.

Recommendation: Close.

Commission Decision: APPROVED

66. 2020003391 (SH)

First Licensed: 09/21/1998
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges he met Respondent after responding to a craigslist advertisement to purchase a vehicle. Respondent explained that he recently moved to TN. Respondent did show a Bill of Sale and current registration of the vehicle in Respondent's name. The title was apparently being updated due to the move. Complainant test drove the vehicle and paid \$3,500 in cash. When Complainant went to register the vehicle, the clerk advised that Complainant must have the actual title. Respondent has been evasive, and Complainant believes Respondent was curbstoning. After research, the address on the title was a post office box and showed to possibly be Respondent.

Respondent knows nothing of this transaction and does not have a post office box. Respondent states he did not sell this vehicle.

Recommendation: Close.

Commission Decision: APPROVED

67. 2020004411 (SH)

First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges that Respondent has bought and sold numerous vehicles without being licensed. Respondent explained that all vehicles were registered in his name. A few of the vehicles were not working so he sold them instead of just leaving the vehicle sitting at his residence. Those vehicles were sold for parts. Respondent also stated that he traded some of the vehicles for other vehicles that he drove until he traded or sold them. Respondent admitted to selling 6 vehicles within a 12-month period and traded one.

Recommendation: Authorize a civil penalty of \$500 for selling 6 vehicles which is more than 5 vehicles in a 12-month period as allowed by law.

Commission Decision: APPROVED

68. 2020007691 (SH)

First Licensed: 04/13/2016
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint opened for issuing temporary tags on salvaged vehicles.

On January 28, 2020 while conducting an annual inspection of Respondent, the inspector found Respondent had issued four temporary tags to a 2012 silver Nissan Maxima. Of these four temporary tags, one tag was issued on November 6, 2019 and shows that it was sold to a consumer and had a rebuilt title however the salesman stated it had never been sold. In addition, another tag was issued on January 20, 2020 to this vehicle with the owner now being Respondent and again showed the vehicle to be rebuilt. The vehicle was confirmed with the Tennessee Department of Revenue that the vehicle's title was salvaged and not rebuilt.

Recommendation: Authorize a civil penalty of \$4,000 for issuing four temporary tags on a salvaged vehicle.

Commission Decision: APPROVED. Also, refer to Dept. of Revenue for further investigation.

69. 2019100361 (ES)

First Licensed: 03/22/2007

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent is taking too long to repair the truck they purchased from them. Respondent explains that the vehicle was brought in for two recalls and has been repaired by the manufacturer, however Complainant will have to bring it back in March 2020 once the backordered replacement part comes in. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

70. 2019100521 (ES)

First Licensed: 10/10/2000

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent did not properly perform repair and recall work, claiming their shoddy repair work caused electrical issues. Respondent agrees with the Complainant's timeline of events but denies causing the electrical issues or performing shoddy repair work. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

71. 2020001411 (ES)

2020003761

2020010011

2020010841

First Licensed: 04/06/2017

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

2020001411

Complainant alleges Respondent failed to provide the title to their vehicle and states that two temporary tags were issued. Respondent confirms Complainant has since received the title and notes that there were issues in receiving accurate information and proof of residency from Complainant which caused the delay.

Recommendation: Close.

Commission Decision: APPROVED

2020003761

Complainant alleges that the Respondent scammed them by hiding the payment amount regarding their lease and is requesting a full refund. Respondent has been working with Complainant to try to help resolve the issues that they are confused about, but Complainant stopped communicating with them. Respondent also agreed to release Complainant from the lease with no impact to their credit. Respondent denies the allegations and states the payments for the lease are very clear in the contract, which was provided. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

2020010011

Complainant claims they worked for Respondent and alleges they witnessed “mileage fraud,” specifically alleging that vehicle mileage would be changed to random numbers to process tag work. Complainant also claims Respondent forged signatures on their documents. Complainant does not provide any more detail or evidence to support these allegations. Respondent denies all allegations and states the complaint itself is fraudulent. Respondent has never employed Complainant and notes that the address Complainant gave in their complaint does not exist. Respondent believes Complainant gave a false name and thinks that a former disgruntled employee was involved with filing this complaint. The disgruntled employee was found to have embezzled over \$3,000 in cash gift cards from Respondent’s FedEx Rewards account, which is evidenced in detailed documents provided by Respondent. The employee was suspended and then fired after the internal investigation about one week before this complaint was filed. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

2020010841

This complaint was filed by the disgruntled employee referenced in the summary above (2020010011). An investigation was conducted. The investigator met with Respondent’s attorney

who noted that they were aware of this complaint and had already responded as summarized above. The employee had worked for Respondent for 10 years but never had access to titles or mileage information as alleged in the complaint. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

72. 2020001691 (ES)

First Licensed: 12/08/2016
Expiration: 10/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges the used vehicle they purchased from Respondent over a year ago was wrecked but claims Respondent did not disclose this information. Respondent denies any misrepresentation and provides the complete auto history report which confirms no damage or accidents. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

73. 2020005901 (ES)

First Licensed: 05/17/2010
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent refused to issue refund of deposit after failure to deliver purchased vehicle. Respondent provided proof of refund and the issue has been resolved. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

74. 2020006571 (ES)

First Licensed: 05/30/2019
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent on 1/22/20 after an annual inspection revealed the following violations: Respondent issued temporary tags to 2 salvaged vehicles upon selling them to customers, and Respondent was in possession of an open title.

Recommendation: Authorize \$1,500 civil penalty for issuing temporary tags to two salvage vehicles and for possession of an open title

Commission Decision: APPROVED

75. 2020006841 (ES)

First Licensed: 08/31/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$2,500 civil penalty for failure to deliver title. One complaint closed with consent order for false, fraudulent or deceptive acts.

A Notice of Violation was issued to Respondent on 1/24/20 after an annual inspection revealed sales by an unlicensed individual. Respondent's owner provided approximately 70 deal files that had the unlicensed person's signature on the contracts. Considering the amount of deals the unlicensed salesperson has completed, Counsel recommends issuing the maximum civil penalty for a single violation of \$5,000 for unlicensed sales.

Recommendation: Authorize \$5000 civil penalty for employing an unlicensed salesperson

Commission Decision: APPROVED

76. 2019101891 (SH)

First Licensed: 06/28/2017

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle in February 2019 that came with a CPO warranty. In August 2019 the check light came on and Complainant was given a loaner vehicle until a diagnosis was made. As of December 2019, Complainant alleges there has been no diagnosis and Respondent is more interested in selling him a new vehicle.

Respondent states the issue was resolved and the Complainant was given additional warranty.

Recommendation: Close.

Commission Decision: APPROVED

77. 2019102701 (SH)
First Licensed: 05/16/2018
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 10/19/2019 and have not received the title in order to register the vehicle in Alabama. Complainant alleges Respondent has offered to return their money however Complainant had spent over \$2,000 in repairs.

Respondent explained that the auction took longer to release the title, but the Complainant has been sent the title.

Recommendation: Close.

Commission Decision: APPROVED

78. 2020001451 (SH)
First Licensed: 07/07/2005
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant was looking to trade their vehicle for a newer one and decided to go to Respondent. Complainant believes Respondent pressured them into buying a particular vehicle by having another salesperson come out and state that someone is wanting to buy that vehicle. Further, Complainant states that one of the options that they were told was on this vehicle was later determined not to be. Respondent states that Complainant was shown the standard and optional equipment that was included on this vehicle and all terms of the agreement were agreed to by Complainant. Respondent has offered to provide any additional options to Complainant at a discounted price.

Recommendation: Close.

Commission Decision: APPROVED

79. 2020001521 (SH)

First Licensed: 09/01/1991

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a new 2016 Polaris with less than 200 miles on it and brought it in to Respondent in for a 200-mile recommended service. Complainant picked it up, trailered it home, and put it in the climate-controlled garage. After about 60 days, Complainant noticed the unit was riding rough, so he took it back to the Respondent to have it inspected since it had only run 15 mins since the last major service. When Respondent called, they said it would cost over \$450 to repair. Complainant had already paid \$552.13, rode 15 minutes since last maintenance, another \$450 seemed totally unreasonable. Complainant alleges the unit was running when he took it in, and now it would not even start. Respondent dragged the unit onto the trailer with no explanation.

Respondent explained that Complainant had an ATV at Respondent being repaired in 2018. Respondent experienced a fire and Complainant's ATV was burned completely. Respondent's insurance company offered Complainant more than book value and was not charged for his previous service bill. Respondent also offered a deep discount on a newer model ATV. Complainant brought the ATV for a yearly routine maintenance on 7/19/2019. Respondent made the Complainant aware of the cost of the maintenance and the Complainant approved the costs. Two days later the Complainant was informed to pick up the ATV however Complainant did not pick up the ATV until two months later. Respondent did not charge the Complainant storage fees. Respondent informed the Complainant that any future maintenance would require a 50% deposit. Complainant brought the ATV back on 11/29/2019 claiming the unit would not start and was contacted about the costs after the diagnosis of water in the gas tank. Complainant refused the repair and picked up the ATV that still would not start since no repairs were made.

Recommendation: Close.

Commission Decision: APPROVED

80. 2020004911 (SH)

First Licensed: 08/10/2000

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 12/23/2019 that later overheated on 1/9/2020. Complainant alleges Respondent told him to top off the coolant. The vehicle overheated again the next day. Complainant had the vehicle repaired and spent \$2,395. Respondent offered a refund of \$200. Complainant alleges the vehicle stopped working a few days later.

Respondent states the Complainant was traded out of this vehicle on 1/22/2020 and Complainant is pleased.

Recommendation: Close.

Commission Decision: APPROVED

81. 2020006391 (ES)

First Licensed: 08/15/2018

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with letter of warning for deceptive advertising.

Complainant represents a lienholder involved in this matter. The customer purchased a car in the Florida from a representative for Respondent's dealership. The customer never received the title for the vehicle and was allegedly told by Respondent's owner that they could not give up the title because their sales representative who sold the car in Florida kept the funds from the sale. Respondent has tried to give the customer their money back. The surety bond information has been provided to Complainant considering this is more of a civil dispute.

Recommendation: Close.

Commission Decision: APPROVED

82. 2020003401 (SH)

First Licensed: 10/08/2015

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$5,200 civil penalty for unlicensed activity. 2019 – One complaint closed with \$250 civil penalty for advertising violation.

Complainant is from Alabama and began the process of purchasing a vehicle from Respondent around 12/2/2019. Complainant alleges Respondent never sent the paperwork to be signed and never sent the registration to the Alabama clerk. Complainant further alleges Respondent would not respond to inquiries.

Respondent explains that they informed Complainant that certain paperwork needed to be signed and notarized so the paperwork could be sent to the clerk in Alabama. On 12/20/2019 Complainant was contacted about the paperwork and said he was in town and would come by and sign. Respondent gave Complainant another temporary tag and the paperwork was received by the Alabama clerk on 1/15/2020.

Recommendation: Close.

Commission Decision: APPROVED

83. 2020006881 (SH)

First Licensed: 07/24/2006

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchases a trailer from Respondent on 10/25/2019 and after 3 months not title has been received.

Respondent states that this is a dealer to dealer transaction. The title was held up by the

auction and lost in transit, so a duplicate title was ordered from another state.

Recommendation: Close.

Commission Decision: APPROVED

84. 2020010171 (SH)

First Licensed: 07/14/2015

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for expired county business license.

A Notice of Violation was issued on 2/5/2020 for failure to keep correct temporary tag logs. Respondent was able to produce requested business records to include the temporary tag and log. It was determined that one tag had not been entered on the log sheet and the four previous temporary tags had also not been logged and were missing. Another temporary tag in a deal file was incompletely logged. It showed to be issued on a different vehicle than what was in the deal file.

Recommendation: Authorize a civil penalty of \$3,000 for failure to correctly log 6 temporary tags.

Commission Decision: Authorize a civil penalty of \$1,500.

85. 2020009311 (SH)

First Licensed: 12/18/2007

Expiration: 12/31/2019 (Expired)

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): 2018 - \$1,500 penalty for operating on an expired Dismantler/Recycler license and County Business License.

A Notice of Violation was issued on 2/4/2020 against Respondent for having an expired Dismantler/Recycler license.

Recommendation: Authorize a civil penalty of \$1,000 for operating on an expired D/R license.

Commission Decision: Authorize a civil penalty of \$2,500

86. 2020004011 (ES)

2020003941

First Licensed: 09/01/1991

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer / Motor Vehicle Dismantler/Recycler

History (5 yrs): None.

2020004011 and 2020003941

Respondent was issued a Notice of Violation during an annual inspection for failing to have an active city and county business license on display. Respondent later provided Counsel with proof that the business license was active at the time the Notice was issued and the active license is on display.

Recommendation: Close.

Commission Decision: APPROVED

87. 2020008501 (ES)

First Licensed: 05/03/2004

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with \$500 civil penalty for failure to disclose salvage title. 2019 – One complaint closed with letter of warning for false advertisement.

Respondent was issued a Notice of Violation during an annual inspection for failing to have an active city and county business license on display. Respondent later provided Counsel with proof that the business license was active at the time the Notice was issued and the active license is on display.

Recommendation: Close.

Commission Decision: APPROVED

88. 2020009021 (ES)

First Licensed: 07/20/2007

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with letter of warning for false advertisement.

Complainant takes issue with the fact their credit was checked 15 times in one month. Respondent explains that Complainant was trying to purchase a vehicle from them but states they first came in on 12/4/19 wanting to trade a vehicle and needed to know if they would be approved and how much their payments would be. Respondent tried getting Complainant financing that day, but Complainant had no proof of income and the bank was needed Complainant to put money down. Complainant communicated with Respondent by text over the next few days and asked if they put \$3,000 down would they qualify for financing, so Respondent continued to try to assist Complainant to obtain financing. Complainant later came back with proof of income and asked again if they could be approved with no money down but with proof of income. Unfortunately, Complainant was not approved despite Respondent's efforts and Respondent feels that this complaint is a product of that frustration. Respondent denies any wrongdoing and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

89. 2020003461 (ES)

2020005871

First Licensed: 05/26/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with letter of warning for advertising violation. 2019 – One complaint closed with letter of warning for misrepresentation of purchased vehicle. One complaint closed with letter of warning for not performing maintenance as stated.

2020003461

Complainant purchased a new car from another dealer in September 2017 and claims it has been routinely maintained at that dealership since the purchase date. Complainant alleges they began having issues with the vehicle after an oil change there in April 2018, and further alleges the oil plug was not installed during the oil change. Complainant alleges the dealership was miscommunicating with them about the issues and they eventually brought it to Respondent. Complainant feels Respondent did not treat them with respect and refused service because they are a minority. Complainant wants an explanation and relief for inconvenience, mental anguish, discriminatory behavior and distress. Complainant does not provide evidence to support these allegations. Respondent is shocked by the allegations and denies them vehemently. Respondent

states they do not tolerate discrimination or retaliation as alleged by Complainant, noting their employees must abide by their No Harassment policy and Equal Opportunity policy. Respondent assisted Complainant when the vehicle was brought in and communicated appropriately with them, but Complainant was upset that they had to wait for their car while it was diagnosed. Respondent also feels Complainant was disrespectful and unreasonable with their staff. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

2020005871

Complainant alleges they received an unsolicited email advertisement from Respondent stating the Respondent was “going out FOR business” and claims this was misleading to make consumers think they were going out of business and having a sale related to their closure. Complainant feels this is in direct violation of TCA §47-18-104(a) which prohibits unfair or deceptive acts or practices affecting the conduct of any trade or business. Complainant also notes TCA §47-18-104(b)(17) states that advertising by falsely representing that a person is going out of business is a violation. Respondent carefully reviewed their ad in light of this complaint and disagrees with Complainant, stating that it is clear Respondent is inviting more business, offering to purchase consumer vehicles along with the other details in the ad which also point to the purpose of the ad. Counsel reviewed the advertisement and does not feel it would mislead the average consumer into thinking they were going out of business.

Recommendation: Close.

Commission Decision: APPROVED

90. 2020005641 (ES)

First Licensed: 10/27/2016

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent got a vehicle financed in their grandmother’s name but claims it was supposed to be in Complainant’s name. Complainant and their grandmother have the same name. Respondent’s owner immediately contacted Complainant and is resolving this issue. Respondent further denies any misconduct and notes the Complainant and their grandmother were both there during the transaction. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

91. 2020005721 (ES)

First Licensed: 07/08/2004

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges tampering of the TIPM which later needed to be repaired. Respondent denies any tampering and offered to inspect the vehicle and try to work with Complainant to resolve the issue. Complainant has not brought in the vehicle despite the offer and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

92. 2020008531 (ES)

First Licensed:

Expiration:

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with a Letter of Warning for engaging in deceptive or fraudulent activity.

Complainant alleges Respondent sold them a vehicle that had been damaged and has been inoperable since purchase. Respondent first notes that Complainant purchased this used vehicle from a different sister dealer and provides proof that the vehicle was purchased As-Is. The Respondent has still been assisting Complainant with their complaint and it has since been resolved. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

93. 2020008581 (ES)

First Licensed: 01/14/2002

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent misrepresented and wrongfully repossessed their vehicle. Respondent denies these allegations and explained that Complainant was in default on their retail

installment contract. Respondent produced documents to show there was no misrepresentation and the repossession was, in fact, lawful and procedures were appropriate. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

94. 2020009361 (ES)

First Licensed: N/A

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

Complainant is a licensed dealer and alleges unlicensed activity and an investigation was conducted. The investigation revealed that address provided in the complaint is being used for unlicensed activities. The advertisement of vehicles in excess of five by the same individual is ongoing, as per the phone number listed on all the vehicles. The investigator was unable to meet with anyone at the location but returned multiple times and confirmed that there is a turnover in the vehicles being advertised and the property is being maintained around the vehicles. The Respondent did talk to the investigator over the phone and claims they aren't doing anything wrong but the investigator states that Respondent gave false information over the phone and has not been forthcoming on providing a statement. The investigator concluded that Respondent is unlicensed, advertising the sale of vehicles, offering for sale vehicles they are not the registered owner of, and operating from multiple unlicensed locations, including a residence.

Recommendation: Authorize a civil penalty of \$1,000 or obtain a dealer license within 60 days

Commission Decision: Authorize a civil penalty of \$1,000 and obtain a dealer license within 60 days

95. 2020010311 (ES)

First Licensed: 12/01/2016

Expiration: 11/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges that they noticed a "hard inquiry" on their credit report which they claim traces back to Respondent. Complainant further alleges they have never done business with Respondent and wants the inquiry removed from their credit report. Complainant contacted Respondent and they suggested that Complainant file a dispute with Equifax, which Complainant

did. Complainant states they received information from Equifax that essentially said the report was accurate and Complainant would need to contact the creditor and obtain more information to have the inquiry removed. Respondent provided Complainant with a letter that confirmed they did not perform a credit inquiry as requested. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

96. 2020010491 (ES)

First Licensed: 02/16/2010

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

A Notice of Violation was issued to Respondent on 2/5/20 for unlicensed activity and failure to have an active county business license. Respondent was found to be open and conducting business as a dealer despite the fact their dealer license had expired on 1/31/20. Respondent immediately renewed their dealer license the same day the NOV was issued.

Recommendation: Authorize a \$250 civil penalty for expired county business license

Commission Decision: APPROVED

97. 2020011971 (ES)

First Licensed: 02/08/2012

Expiration: 10/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

A Notice of Violation was issued to Respondent on 2/11/20 when a routine inspection found that they had issued 5 temporary tags to a customer for the vehicle they purchased. Counsel recommends issuing a \$500 civil penalty per temporary tag issued in excess of two, for a total \$1,500 civil penalty.

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

Commission Decision: APPROVED

98. 2019102781 (SH)

First Licensed: 06/29/2015
Expiration: 05/31/2017 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is attempting to sell his vehicle that he paid in full however the Respondent/lienholder did not release the lien and has gone out of business. The surety bond was provided to the Complainant.

Recommendation: Close.

Commission Decision: APPROVED

99. 2020000421 (SH)

First Licensed: 05/26/2011
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$5,000 civil penalty for failure to retain trade-in vehicle until funding was received.

Complainant purchased the vehicle from Respondent on 11/16/2019 and the temporary tag expired on 12/16/2019. Complainant alleges Respondent will not return her calls or issue another temporary tag since Complainant has not received her title and registration.

Respondent stated that the second temporary tag was hand delivered and soon after the Complainant was given the registration papers before the second temporary tag expired.

Recommendation: Close.

Commission Decision: APPROVED

100. 2020001931 (SH)

2020001941
2020001951
2020002001
First Licensed: 10/12/2015

Expiration: 09/30/2019 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): 2018-2019 – 16 complaints closed with revocation of dealer’s license for failure to deliver title.

Complainant needed surety bond information due to not receiving a title. Surety bond information was given to Complainant. Respondent closed its business in 2018.

Recommendation: Close all complaints.

Commission Decision: APPROVED

101. 2020001981 (SH)
First Licensed: 11/14/2006
Expiration: 10/31/2018 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed with \$500 civil penalty for false, fraudulent, or deceptive practices. One complaint closed with \$1,000 civil penalty for failure to deliver title. 2018 – One complaint closed and flagged for failure to deliver title.

Complainant needed surety bond information due to not receiving a title. Surety bond information was given to Complainant. Respondent closed its business in 2018.

Recommendation: Close.

Commission Decision: APPROVED

102. 2020002331 (SH)
First Licensed: 12/21/2007
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed with \$1,500 civil penalty conducting offsite sales.

Complainant agreed to terms on a vehicle purchase with Respondent. Complainant traveled

from New York to complete the deal. After trying to register the vehicle in New York Complainant learned that the vehicle was considered a total loss in 2018 and had a rebuilt title.

Respondent explains that the Complainant test drove the vehicle, produced the necessary paperwork and notices signed by Complainant, purchased the vehicle "as is", and signed the back of the title that clearly states Rebuilt on the front. Respondent has explained to Complainant how to get the title registered in New York, but Complainant must have the vehicle inspected again in New York.

Recommendation: Close.

Commission Decision: APPROVED

103. 2020004711 (SH)
First Licensed: 02/28/2017
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased four vehicles on 6/18/2019 from Respondent and did not receive proper Bill of Sales or titles to the vehicles. Respondent provided paperwork that the vehicles were acquired through storage liens. Complainant alleges one vehicle, which is the subject of this complaint, had a lien against it and Respondent knew about it when it was sold. Complainant alleges that Respondent did not send a certified letter to the lienholder and therefore cannot obtain a clear title.

Respondent claims the Certification of Sales Under Special Conditions form was provided at sale and all other appropriate documents were also provided to have the vehicle registered. Respondent claims the vehicle was properly registered to Complainant's customer on 1/6/2020 which is prior to this complaint and feels the Complainant filed it out of malice. Respondent sent all the paperwork that Complainant was requested, via certified mail, on 2/12/2020.

Recommendation: Close.

Commission Decision: APPROVED

104. 2020007931 (SH)
First Licensed: 04/25/2018
Expiration: 03/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased two vehicles from Respondent on 12/26/2019. Complainant alleges that Respondent said they had the titles in their vault but turns out they did not. Respondent received one title about two weeks later and inquired about the other title. Complainant alleges Respondent was dodging the issue and would not respond. Respondent explains that the title was lost in transition and a duplicate title was obtained and sent to Respondent on 2/7/2020.

Recommendation: Close.

Commission Decision: APPROVED

105. 2020007921 (SH)
First Licensed: 08/28/2015
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 11/26/2019 and has yet to receive the title two months later. Respondent explains that this title was with their floor planner and somehow got lost. IT was a Wisconsin title and it took longer than expected to obtain a duplicate title. Respondent subsequently obtained the title and sent it to Complainant on 2/26/2020. Complainant is satisfied with this matter and requested to be closed.

Recommendation: Close.

Commission Decision: APPROVED

106. 2020008561 (SH)
First Licensed: 10/06/2003
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent refuses to release the title on the vehicle purchased on 12/14/2019 unless Complainant returned a dealer tag that was accidentally left in the vehicle.

Respondent denies the allegations and showed that the title was sent on 1/16/2020 and received by Complainant on 2/6/2020. Respondent was unable to retrieve the dealer tag and filed a report with the local police department.

Recommendation: Close.

Commission Decision: APPROVED

107. 2020008941 (SH)
First Licensed: 05/01/2012
Expiration: 03/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for issuing more temporary tags than allowed.

Complainant alleges Respondent cannot obtain the title to the vehicle that was purchased in August 2019. Complainant further alleges Respondent will not refund funds or trade into another vehicle that is equivalent.

Respondent denies the allegations and states that Complainant became dissatisfied with the vehicle and wanted to purchase a vehicle elsewhere. Respondent had a meeting with Complainant on 2/4/2020 and agreed to refund Complainant and this matter can be closed.

Recommendation: Close.

Commission Decision: APPROVED

108. 2020009451 (SH)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

An anonymous complaint alleges Respondent is selling vehicles without a license. Respondent denies the allegations and states that he lets individual owners of vehicles for sale park their vehicles in his parking lot of an old business.

Recommendation: Close.

Commission Decision: Issue a Letter of Caution for curbstoning.

109. 2020010991 (SH)
First Licensed: 01/29/2020
Expiration: 01/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 12/24/2019 and has not received the title and registration for nearly two months.

Respondent states the title was sent on 2/4/2020 however required a signature. The Complainant did not sign for the envelope with the title and it was returned. Respondent has been in contact with Complainant regarding the tracking numbers and that he needs to sign for the envelope. Apparently, Complainant is not present when the envelope is delivered and does not go to the post office to retrieve it.

Recommendation: Close.

Commission Decision: APPROVED

110. 2020007521 (ES)
First Licensed: 05/25/2011
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

The Complainant alleges they have been having problems with the new vehicle they purchased after just one year, and claims the Respondent was not able to repair it despite having a lifetime warranty. Complainant requests a refund. Respondent confirms Complainant purchased the vehicle on 11/23/18 and brought it in on 10/9/19 because the engine light had come on. Repairs were made and then Complainant brought the vehicle in again after they had an accident and the light came on again. Respondent has made all necessary repairs; the warranty has covered them, and any issues complained of are not the fault of Respondent. Respondent notes that Complainant would need to take their concerns to the manufacturer at this point. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

111. 2020008621 (ES)
First Licensed: 05/23/2017
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to disclose that treatment from a former owner devalued the purchased vehicle. Specifically, Complainant alleges the vehicle had a pre-purchase inspection (“PPI”) completed at another dealership on 4/6/18 before they bought it from Respondent on 5/29/18. Complainant feels the PPI report is proof that the car was abused with serious “over revs” stored in the car’s DME memory; Complainant takes issue with the fact that Respondent did not inform them about this issue. Complainant recently reached out to a California dealer inquiring about consignment sale of the vehicle because they can no longer drive a manual transmission due to knee replacement. Complainant claims the CA dealer declined to consign it because they conducted a Google search of the VIN and found a forum where another previously interested party posted a negative DME report with the “over revs.” Respondent denies any wrongdoing and states that they have no responsibility to provide Complainant with a PPI report that was ordered by and paid for by a prior interested consumer and completed by another dealer. Respondent opines Complainant most likely obtained this PPI report from the internet. Respondent provides the transaction paperwork showing Complainant purchased the vehicle As-Is and was encouraged to get their own PPI since they live in California and could not inspect the vehicle themselves. Complainant also executed the standard TN Buyers Guide identifying multiple issues that an inspection might address. Respondent’s reading of the PPI is very different

from Complainant's and they argue it is a positive report that shows the "over revs" was actually an extremely brief technical issue with no apparent practical effect. The report did not advise any caution or recommended action in relation to this issue. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

112. 2020009201 (ES)
First Licensed: 01/11/2000
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to properly repair their vehicle and did not honor a warranty by using parts from manufacturer. Specifically, Complainant alleges their vehicle was repaired by Respondent and then ended up back in the repair shop for the same issue after only 7,000 miles. Respondent confirms Complainant brought the vehicle in with an internal bearing failure. Respondent repaired their vehicle using aftermarket parts since original equipment manufacturer (OEM) parts were not available at the time. Respondent states Complainant was fully aware that OEM parts were not used, and the repair was considerably less expensive as a result. Respondent states the repair was done properly and came with a one-year warranty. Complainant then brought the vehicle in after the warranty expired and demanded Respondent pay for more repairs needed due to a new issue. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

113. 2020011841 (ES)
First Licensed: 11/28/2018
Expiration: 11/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and takes issue with the repairs and maintenance issues that have arisen since purchase. Complainant alleges another dealer denied a trade-in claiming a Carfax report showed the vehicle to have 170,000 miles in 2018 despite the vehicle having around 108,000 miles at that time. Complainant did not supply the Carfax report despite a request from Counsel. Respondent denies any misconduct or any wrongdoing and provides the deal file showing the vehicle was purchased As-Is with the correct, unaltered mileage recorded. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

114. 2020013221 (ES)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

An administrative complaint was opened after internal research pointed to possible unlicensed activity by Respondent. An investigation was conducted, and it was confirmed there is no unlicensed activity occurring. The cars suspected to be for sale were vehicles that belonged to customers of a repair shop across the street. There were also cars being stored there for customers who could not afford to fix them.

Recommendation: Close.

Commission Decision: APPROVED

115. 2020013751 (ES)
First Licensed: 02/16/2016
Expiration: 02/28/2022
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with a letter of caution for false, fraudulent, or deceptive acts. 2017 – One complaint closed with a \$1,000 civil penalty for failure to deliver title. 2018 – One complaint closed with a \$500 civil penalty for improper display of vehicles on a public sidewalk.

A Notice of Violation was issued to Respondent on 2/18/20 during an annual inspection for failure to maintain an active city business license. Additionally, the inspector noted Respondent was parking inventory and employee vehicles on a sidewalk making it unsafe for customers who have to back out onto a major highway when coming to the business or park on the shoulder of the road with their vision obscured by the illegally parked vehicles on the sidewalk. The inspector noted the Respondent has already received a civil penalty for this same issue in 2018. Counsel recommends issuing a \$250 civil penalty for failure to maintain an active city business license and a \$1,000 civil penalty for improper display of vehicles on a public sidewalk.

Recommendation: Authorize a \$1,250 civil penalty for failure to maintain an active city business license and improper display of vehicles on a public sidewalk

Commission Decision: APPROVED. Also, refer to local Codes Enforcement.

116. 2020010121 (ES)

First Licensed: 05/11/2012

Expiration: 05/31/2020

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): None.

The Complainant alleges not receiving the money owed to them for their vehicle towed to Respondent's salvage yard for recycling. Respondent explained to Complainant that they could pick up the car with tow truck and bring it in but could not pay them until the title was received. Complainant said the title was "in limbo" and Respondent has yet to receive it.

Recommendation: Close.

Commission Decision: APPROVED

117. 2020004081 (ES)

First Licensed: 05/27/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with letter of warning for charging incorrect sales tax. One complaint closed with letter of warning for misrepresentation of purchased vehicle.

The Complainant alleges they paid Respondent for a deposit to hold a vehicle for them for purchase and claims Respondent has failed to refund the deposit. Respondent provided proof that the refund has since been received by Complainant and the issue is resolved.

Recommendation: Close.

Commission Decision: APPROVED

118. 2020011441 (ES)
First Licensed: 12/11/2018
Expiration: 11/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent is offering a potential scam prize. Specifically, Complainant states Respondent sent out flyers through the mail for the week of 2/11/20 and the flyer has a winning number matched with prizes. Complainant felt led to believe they won a cash prize of \$1,500 but once they arrived at the dealership, they felt pressured by a salesman while their prize is being processed. Then, Complainant was told they didn't win the prize because the dealer uses the smaller prize code number on the flyer instead of the bigger prize code. After review of the flyer, Counsel does not see any evidence of violations as alleged.

Recommendation: Close.

Commission Decision: APPROVED

119. 2020005881 (SH)
First Licensed: 09/01/1991
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$500 civil penalty for unlicensed activity. One complaint closed with \$1,000 civil penalty for failure to deliver title.

Complainant alleges they had a very bad experience in customer service with Respondent. Complainant purchased a vehicle and paid in full. Complainant was an out of town resident and requested the title to take back with them in order to register the vehicle in their state. Complainant alleges Respondent refuses to give them the title.

Respondent explains that the Complainant lives in Alabama and Complainant did not want

Respondent to handle the title work or by Alabama's rules. Complainant demanded to have the title given to him instead of us sending to the state. Complainant had to return the title back to Respondent because the state would not except. Respondent then filed paperwork the way it should have been done the first time.

Recommendation: Close.

Commission Decision: APPROVED

- 120. 2020009491 (SH)**
First Licensed: 02/25/2011
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent in February 2019 but soon after experienced engine trouble. Complainant took the vehicle to Respondent to repair but the warranty company denied the claim due to the Complainant running the engine low on oil. Respondent and Complainant agreed on repairs, but Complainant was unable to pay in full until December 2019. Complainant now complains that she cannot get her tags because Respondent was closed for weeks.

Respondent states that her tags have been in their possession soon after she purchased but the vehicle has been in the shop and Complainant was not paying for repairs. Complainant finally began to pay and has paid all repairs. Respondent was in the hospital for a few days but has the tags, which now have expired. Respondent states they will help Complainant renew the tags.

Recommendation: Close.

Commission Decision: APPROVED

- 121. 2020010631 (SH)**
First Licensed: 12/08/2014
Expiration: 10/31/2016
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed with \$500 civil penalty for failure to maintain liability insurance.

Complainant alleges they never received their title on a vehicle purchased in 2015. The Respondent has closed. The surety bond has been given to Complainant.

Recommendation: Close.

Commission Decision: APPROVED

122. 2020011091 (SH)
First Licensed: 06/20/2014
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges the Respondent falsified her income on the application for financing in order to purchase a certain vehicle. Complainant alleges they cannot afford the vehicle.

Respondent states that the Complainant came in with her boyfriend and test drove the vehicle the boyfriend was interested. Respondent states that the Complainant went to the credit union and signed a credit application and brought back a signed Bill of Sale along with a check. Afterwards, Complainant took possession of the vehicle. Respondent denies the allegations because they did not qualify her for credit or verify her income, all of that was done at the Credit Union. Further, Respondent believes this complaint to be a former employee's attempt to retaliate since his departure.

Recommendation: Close.

Commission Decision: APPROVED

123. 2020013551 (SH)
First Licensed: 06/05/2014
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$5,000 civil penalty for engaging in false, fraudulent, or deceptive practice(s).

Complainant alleges Respondent sold her a Canadian model without disclosure on 11/2/2018. When Complainant went to trade the vehicle for a newer model on 1/18/2020, the dealership informed Complainant that the vehicle did not have a valid warranty and less value in the U.S. Complainant alleges that the manufacturer verified that the vehicle did not have a warranty and

less value. Complainant alleges Respondent admitted to purchasing 5 Canadian vehicles by mistake but denied it had less value in the U.S.

Respondent claims that the manufacturer confirmed that the warranty is valid in the U.S. and provided proof from the manufacturer.

Complainant rebutted and feels they were deceived and never would have traded their American vehicle for a Canadian. Complainant alleges deceptive advertising and business practices against Respondent. Complainant requests Respondent to take the vehicle back, refund the trade value of the American vehicle, and refund the amount of money spent.

Recommendation: Close.

Commission Decision: Issue a Letter of Warning concerning “Gray Market” vehicles.

124. 2020015261 (SH)
First Licensed: 09/01/1991
Expiration: 12/31/2019 (Expired)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued on 2/24/2020 against Respondent for operating under an expired City and County licenses.

Recommendation: Authorize a civil penalty of \$500 for operating under expired City and County licenses.

Commission Decision: APPROVED

125. 2020015571 (SH)
First Licensed: 02/01/2018
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued on 2/26/2020 against Respondent for issuing three temporary tags to a vehicle.

Recommendation: Authorize a civil penalty of \$250 for issuing one temporary tag than allowed by law.

Commission Decision: APPROVED

126. 2020012631 (SH)
First Licensed: 09/01/1991
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant took her vehicle to Respondent to perform a leak test. The roof needed to be sealed due to a leak caused by the roof rack being removed. Complainant alleges that after 6 trips Respondent didn't perform an accurate leak test, and did not seal my leaking roof, lying and defrauding her in the process. Complainant believes her was overcharged. Complainant alleges she discovered the leak on her own with a water hose after Respondent's mechanic could not find the leak. Complainant further alleges the sealant was not adhering to vehicle because area was not prepped and cleaned properly, and the Respondent used the wrong sealant.

Respondent explains that Complainant recently had this vehicle painted at another shop. Upon our inspection of the vehicle we discovered the paint/body shop had removed the roof rack to complete the repaint. Upon removal of the roof rack, and the reinstall of the roof rack, the shop damaged the seam around the mounting studs. Complainant was charged \$260.40 of labor time to perform a leak test and diagnose the issue. Complainant declined the repair and indicated she would be going back to the body shop, who caused the issue, and make them pay for the repair. Complainant subsequently informed Respondent that the body shop agreed to pay for the repair, so Complainant returned with the vehicle on 1/7/2020. Upon the second visit Respondent repaired the seams and replaced some missing parts of the roof rack that the body shop did not install. Complainant was given a rental car (\$38) for transportation which was added to the repair order. The total bill for this visit was \$330.91. The body shop called us to verify the repairs and the cost of the repairs. The body shop told Respondent they were

reimbursing Complainant for the cost of the repair. Complainant stated the body shop had given her a check to pay for the repair. A second small leak was discovered, which according to Respondent is not uncommon in leak repairs. Complainant brought the vehicle back on 1/27/2020 for a leak test and repairs at no cost to her.

Respondent also agreed to reimburse Complainant for her troubles, gas, travel, diagnostics, etc. yet Complainant refused.

Recommendation: Close.

Commission Decision: APPROVED

127. 2020013121 (SH)
First Licensed: 02/06/2007
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 10/7/2019 but feels he was deceived due to not being fluent in English. After a few days of the sale, the vehicle experienced severe brake issues. Complainant alleges the Respondent held the vehicle for several weeks. After making \$1200 in payments the transmission failed on 12/31/2019. Complainant has requested to return the vehicle and reimbursement of down payment or put him in another vehicle. Complainant alleges Respondent held the vehicle for two months and demanded payment before he would return the vehicle.

Respondent explains that they do not do repairs and all repairs are referred to a shop across the street. Respondent has no responsibility of repairs. Respondent offers lot financing and Complainant was to pay \$125 weekly but began to pay late after first payment. Respondent told Complainant many times that if he did not get current then the vehicle would be repossessed.

Recommendation: Close.

Commission Decision: APPROVED

- 128. 2020013871 (SH)**
First Licensed: 04/12/2016
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with letter of warning for failure to deliver title. 2019 – One complaint closed with \$1,000 civil penalty for issuing more temporary tags than allowed. One complaint closed with letter of warning for failure to deliver title.

Complainant purchased a vehicle from Respondent on 1/8/2020 and soon experienced mechanical issues. Complainant alleges a mechanic discovered a bad thermostat, defective head gasket, and the engine had been replaced which Complainant was not informed at purchase. Respondent agreed to exchange vehicles. This vehicle began to overheat, and it was taken back for repair. Complainant alleges that the owner called and was extremely rude and hatred because a BBB complaint was filed by Complainant; refusing to help Complainant.

Respondent states that Complainant purchased a vehicle “as is”. Complainant drove the vehicle with a stuck thermostat which caused the vehicle to overheat and blew the head gasket. Respondent believes they are not responsible for repairs caused by the Complainant.

Recommendation: Close.

Commission Decision: APPROVED

- 129. 2020016401 (SH)**
First Licensed: 07/11/2017
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 - \$2,000 penalty for issuing three temp tags and misuse of dealer plate.

On 2/24/2020, Complainant purchased a used vehicle, paid in full, from Respondent and left with what Complainant understood were the contract, title and sales package. When Complainant tried to register the vehicle on 2/25/2020, Complainant learned that the title transfer was incorrect, and the vehicle could not be registered. On 3/3/2020, Complainant had

the vehicle looked over after experiencing electrical issues. The mechanic provided Complainant a list of at least \$1200 of repairs and tests that were needed to make the vehicle road worthy. Complainant contacted Respondent and was told there was no recourse and the only option was to wait for the title. As of the evening of 3/3/2020, Complainant is frustrated because they have a vehicle that needs repairs, no title, no contract, Respondent is not responsive, and Complainant has no way to register the vehicle.

Respondent state they have mailed the required paperwork and that this vehicle was sold "as is". Respondent claims the Complainant had the opportunity to test drive the vehicle and acknowledged the vehicle was sold "as is".

Recommendation: Close.

Commission Decision: APPROVED

130. 2020014821 (SH)
First Licensed: 07/01/1991
Expiration: 06/30/2021
License Type: Motor Vehicle Auction
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 12/19/2019 and after two months has not received the title. Complainant alleges Respondent told them the title paperwork was with North Carolina and if Complainant did not want to wait, he could return the vehicle and they would refund the purchase price. Complainant had already spent money in repairs and those funds would not be returned. Complainant alleges the dealer that sold the vehicle through Respondent apparently has not paid the lienholder listed on the title.

Respondent has been in constant contact with Complainant has explained that the selling dealer is working with NC to get a title in their customer's name and that NC is behind on paperwork. Respondent has explained the arbitration process and offered to return he purchase price. On 3/4/20 Complainant contacted Respondent and decided to return the vehicle. Respondent explained that Complainant is responsible for any repairs made and provided the associated policies. Respondent still has the original check presented at purchase and will give it back to Complainant when the vehicle is returned in the same or better condition as when purchased.

Recommendation: Close.

Commission Decision: APPROVED

131. 2020012381 (ES)
First Licensed: 10/10/2018
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to provide paperwork necessary to register vehicle in Kentucky. Complainant explains they then traded the vehicle a month or so after purchase. Complainant then was notified of a buyback order voiding the trade and the vehicle was picked back up by Complainant. Complainant wants this resolved. Respondent states that the problem is the failure of Complainant to register the vehicle as they said they would, not because of alleged incomplete documentation from Respondent. Complainant never requested any additional documents which would be specific to the registration in Kentucky. Complainant's failure to register caused the finance company to elect to return/reassign the finance contract back to the selling dealer. Respondent has indicated their willingness to let Complainant return the vehicle and issue them a reasonable refund and void the finance agreement, as well as set aside Respondent's rights to repossess the vehicle and seek a possible deficiency judgment.

Recommendation: Close.

Commission Decision: APPROVED

132. 2020013101 (ES)
First Licensed: 11/13/2017
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to deliver title.

Complainant alleges Respondent failed to deliver title and issued two temporary tags. Respondent acknowledges a delay but confirms Complainant did receive their title and there were no more than two temporary tags issued.

Recommendation: Close.

Commission Decision: APPROVED

133. **2020013191 (ES)**
First Licensed: 01/23/2017
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$250 civil penalty for engaging in false, fraudulent, or deceptive practice(s). One complaint closed with letter of warning for failure to deliver title.

Complainant alleges Respondent misrepresented the vehicle they purchased. Complainant took the vehicle to a body shop for spot painting and fixing the bumper and claims they were told there wasn't much that could be done with the bumper. It was allegedly their opinion the car should have been totaled and must have been in a bad wreck. Respondent sold the car As-Is and denies misrepresenting anything about the vehicle. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: APPROVED

134. **2020014971 (ES)**
First Licensed: 09/01/1991
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent misrepresented the vehicle they purchased and failed to honor a warranty. Specifically, when the vehicle experienced issues, the warranty company would not cover the necessary repairs because the vehicle had been modified. Complainant is requesting to dissolve loan and to receive a refund. Respondent acknowledges the Complainant's concerns but denies any misrepresentation. Respondent offers Complainant the following options: trade Complainant out of the vehicle into another vehicle, assist Complainant with repairs needed, or Complainant can cancel vehicle service contract and the amount will be applied to current loan balance with lienholder.

Recommendation: Close.

Commission Decision: APPROVED

135. 2020016311 (ES)
First Licensed: 10/04/2005
Expiration: 11/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

An agent from the Department of Revenue filed this complaint after they found clear evidence that Respondent sold a salvage vehicle prior to their inspection and approval for a rebuilt title. Counsel recommends issuing a \$1,000 civil penalty for failure to obtain a rebuilt title on a salvage vehicle.

Recommendation: Authorize a \$1,000 civil penalty for failure to obtain a rebuilt title on a salvage vehicle

Commission Decision: APPROVED

136. 2020007661 (ES)
2019095331
First Licensed: 10/31/2017
Expiration: 10/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainants allege Respondent failed to deliver title/registration. Respondent's dealership closed and their license was made inactive on 12/16/19. The surety bond information was sent to Complainants.

Recommendation: Close and flag

Commission Decision: APPROVED

137. 2020007321 (SH)
First Licensed: 09/06/2019
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 11/29/2019 and alleges that a few days later Respondent called and instructed them to have the vehicle run through inspection in order to get the title. Complainant further alleges the air bag light stayed on and Respondent pulled

the module to have it inspected. The module was replaced but did not fix the issue. The vehicle was taken to the mechanic and every light was illuminating. Complainant alleges they took the vehicle back to Respondent and subsequently on 1/28/2020 told the engine needed to be replaced however Respondent did not have another vehicle to swap with them.

A VIR shows the vehicle passed inspection and was issued a rebuilt title on 11/21/2019 so the vehicle did not have a salvaged title when sold. The Division has been unable to obtain contact with Complainant to determine if the Respondent was able to find another vehicle for them.

Recommendation: Close.

Commission Decision: APPROVED

138. 2020007741 (SH)
First Licensed: 12/04/2008
Expiration: 10/31/2018 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 12/22/2016 and has never received the title. Respondent is out of business after the owner passed away. Complainant has been sent the surety information.

Recommendation: Close.

Commission Decision: APPROVED

139. 2020011751 (SH)
First Licensed: 12/05/2017
Expiration: 12/31/2019 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint authorized for a \$250 civil penalty for deceptive business practices.

Complainant purchased several loans from Respondent and has yet receive the titles to four vehicles after Respondent was funded.

Respondent states the four titles in question were sent to the State to be rebuilt and they are waiting to have them returned.

Vehicle Information Requests were made for the four vehicles in question and show that the Respondent sold salvaged vehicles to the consumers and then subsequently sold the loans to the Complainant. Three title have been inspected and have rebuilt titles. One vehicle was rejected and still does not have a rebuilt title.

Recommendation: Authorize a civil penalty of \$4,000 for selling four salvaged vehicles before obtaining rebuilt titles.

Commission Decision: APPROVED

140. 2020011801 (SH)
First Licensed: 01/26/2011
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant received an alert on her credit that she had three new inquiries on her credit account on 2/8/2020. None of these were authorized by Complainant as she lives in California. When Complainant called Respondent, she was told that her social security number had been entered by mistake for someone else's loan.

Respondent explains that a customer came in to purchase a vehicle, but her application was declined through Respondent's verification program. The customer returned with her husband on 2/8/2020 as a co-signor to attempt to purchase the vehicle. Respondent received a call from Complainant regarding the credit report alerts. Respondent requested the customer's SSN card but could not produce it. Respondent stopped the transaction and flagged her file until customer could produce proof of her identity. No further contact has been made with customer.

Complainant informed the Commission that the issue has been cleared up on her credit and this complaint can be dismissed.

Recommendation: Close.

Commission Decision: APPROVED

REPRESENTATIONS

141. **2019070661 (ES)**
First Licensed: 06/17/2015
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent on 8/19/19 when an inspection revealed that the Respondent's dealer license had expired in May 2019 and a salesman's license had also expired in 2017. Respondent has since renewed their dealer license but the salesman's license is still expired, however there is no evidence the salesman is working for the dealership anymore and was not at the dealership on the day of inspection. Counsel recommends a \$500 civil penalty for the expired salesman's license and a \$500 civil penalty for the unlicensed activity during the time the dealer license was expired.

Recommendation: Authorize \$1000 civil penalty for having an expired salesman's license and for unlicensed activity

Commission Decision: Approve

New Information: After discussion with the Executive Director, Counsel was informed that Respondent dealer is closed and their dealer license has been cancelled. A new dealer is occupying the Respondent's business location. Respondent business is closed but is looking for a new space and intends to reapply for licensure when they have located an adequate facility. Respondent understands the seriousness of their deficiencies and was grateful that the Commission did not assess a greater penalty. Respondent has obviously suffered economically from the current state of affairs surrounding the pandemic. Respondent has been forthcoming with the Executive Director about this matter, explained some misunderstandings about the alleged unlicensed activity, and provided all requested information. After careful consideration and discussion with the Executive Director, Counsel

recommends closing this matter.

New Recommendation: Close.

New Commission Decision: APPROVED

142. **2019017981 (SH)**
First Licensed: 09/17/2012
Expiration: 08/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – One complaint closed with NOV for incomplete temporary tag log and one complaint closed with NOV for open title.

After an annual inspection on 3/1/2019, Respondent found to have expired dealership, city and county licenses. Respondent stated to the inspector that he had only sold a couple of vehicles since August. Respondent was in possession of open titles however signed the titles while the inspector was present. Further, Respondent's liability and surety bond had also expired.

Recommendation: Authorize consent order for voluntary surrender, cease and desist unlicensed activity, sending an inspector to obtain VIN list of remaining inventory. It is also recommended to send inspector at a later date after surrender to verify no further business activity. Once confirmed then close. If business activity is continuing, refer to local District Attorney for possible criminal charges.

Commission Decision: CONCUR

New Information: A drive-by investigation was made and determined that the business has closed, and no inventory was on the lot.

New Recommendation: Close and Flag

New Commission Decision: APPROVED

**143. 2018027081 (ES)
2018027082**

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: N/A

History (5 yrs.): None.

Complainant provided money to the Respondent to purchase a vehicle from an auction. The Respondent never purchased the vehicle for the Complainant and never returned the money to the Complainant. The Complainant alleges the Respondent has done this to other individuals and is an unlicensed motor vehicle dealer in the State of Tennessee. Upon investigation, it appears the Respondent has an active warrant for Aggravated Robbery. The Investigator did not attempt to approach the Respondent considering the seriousness of the warrant. The Respondent is listed as Memphis Most Wanted. Instead, the Investigator did contact the Respondent by telephone and left a voicemail and never received a return phone call from the Respondent. The Investigator also contacted the Complainant and was unable to reach the Complainant. The Complainant later contacted the Investigator and provided update contact information for the Respondent. The Respondent did get arrested and was later released. The Investigator finally contacted the Respondent and was scheduled to meet with the Respondent, however, the Respondent never showed up to meet with the Investigator. The Respondent did not show up at the location to meet the Investigator.

Recommendation: Authorize a formal hearing for violation of the Tennessee Motor Vehicle Title and Registration Laws for unlicensed motor vehicle sales pursuant to Tenn. Code Ann. § 55-17-109 to be settled by Consent Order and payment of civil penalty in the amount of \$1,000.

Commission Decision: CONCUR

New Information: Respondent has since paid the Complainant back and there have been no

further allegations of unlicensed activity. Counsel recommends closing and flagging this complaint due to its age and considering Respondent's efforts to resolve the matter with Complainant.

New Recommendation: Close and flag

New Commission Decision: APPROVED

144. **2018011181 (ES)**
2018011161 (Complaint Closed)
First Licensed: 01/03/2006 (Respondent 2)
Expiration: 12/31/2019 (Respondent 2)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Complaint was filed by a County Clerk's Office concerning unlicensed activity at Respondent 1's auto repair facility. The owner of Respondent 1, auto repair facility, sold at least six motor vehicles without possessing a valid salesman license. Respondent 2, the dealership, is promoting that unlicensed activity and exhibiting a form of deception in their business practices by processing the transactions and billing out the sales for Respondent 1, auto repair facility, to avoid detection of the unlicensed sales activities.

Recommendation: As to Respondent 1, authorize a formal hearing for violation of the Tennessee Motor Vehicle Title and Registration Laws for unlicensed dealer and salesman pursuant to Tenn. Code Ann. § 55-17-109 to be settled by Consent Order and payment of civil penalty in the amount of \$2,000. As to Respondent 2, authorize a formal hearing with the authority to settle by Consent Order and payment of civil penalty in the amount of \$500 for false, fraudulent, and deceptive acts

Commission Decision: CONCUR

New Information: Respondent's auto repair facility is no longer in operation and a new repair business has been opened on the property where Respondent's business once stood. Our office has been unable to secure service on Respondent and there have been no further allegations of unlicensed activity. Due to the age of this matter and difficulty in locating Respondent, as well as the fact that the related matter against the dealership was already settled by a Consent Order with a civil penalty paid. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: **APPROVED**

145. **2018030661 (ES)**
 First Licensed: 08/14/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – Letter of Warning for issuing more temporary plates than allowed; 2017 – \$250 Consent Order for operating on an expired city business license.

Complainant filed a complaint after a deal fell through between himself and Respondent. Respondent is a consignment dealer that sells classic vehicles. Complainant located a vehicle for sale through Respondent. He negotiated a price, signed a contract, and paid a non-refundable deposit. After thirty days of trying to get the vehicle, the Respondent informed Complainant it could not provide the vehicle. Respondent refunded the deposit. Ultimately it was discovered that the vehicle was no longer in Respondent's possession, but rather, had been returned to the owner when it had not sold within the time set under the consignment contract. After the deal was made between Respondent and Complainant, Respondent attempted to get the owner to sell the vehicle, but the owner decided not to at the negotiated price. The consignment contract had expired between the owner and the Respondent in mid-2017, and the deal between Complainant and Respondent was started in March 2018.

Respondent responded to state that part of its business practice is to continue to advertise vehicles that have been removed from their lot after the consignment agreement ends. They indicate which vehicles this applies to by denoting an “R” behind the stock number. Legal counsel reviewed the Respondent’s website on May 29, 2018 and identified twenty-seven vehicles listed that contained an “R” after the stock number. Every vehicle’s advertisement stated that the vehicle was at Respondent’s showroom. By Respondent’s own admission, that statement is false in each of the advertisements. Copies of the consignment agreements were obtained, and they all had an end date pre-dating the advertisements found.

Recommendation: Authorize a civil penalty in the amount of \$13,500 (\$250 x 27 false/misleading advertisements related to location of vehicles and \$250 x 27 for false, fraudulent, and/or deceptive acts for advertising vehicles without an active consignment agreement).

Commission Decision: CONCUR

New Information: Counsel recently spoke with Respondent’s attorney who explained that they had discussions with the Disciplinary Counsel who originally presented this matter back in 2018 after they received the Consent Order with the \$13,500 civil penalty. Respondent and the Disciplinary Counsel agreed that this could be resolved if Respondent took steps to correct the advertising issues. Respondent immediately took those steps by adding language to its website making clear that certain vehicles are no longer on the showroom floor or for sale. Counsel reviewed the steps taken by Respondent and reviewed the website and advertisements and concludes that Respondent did remedy the advertising violations back in 2018. Counsel recommends voiding the proposed Consent Order with a civil penalty and issue a Letter of Warning for advertising violations, especially considering Respondent has never been cited for an advertising violation since being licensed.

New Recommendation: Letter of Warning for advertising violations

New Commission Decision: APPROVED

146. 2018069141 (ES)
First Licensed: 06/20/2017
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer

History (5 yrs): None.

Respondent failed to timely renew its county business license.

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

Commission Decision: CONCUR.

New Information: Respondent provided proof that the county business license was, in fact, active at the time of inspection but the active license was not on display at the time of inspection.

New Recommendation: Issue Letter of Instruction regarding compliance with business license requirements

New Commission Decision: **APPROVED**

147. 2018077441 (ES)
First Licensed: 11/01/2017
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent is trying to scam him by charging him interest on an

outstanding balance Complainant has not remitted to Respondent. Respondent stated that Complainant was subject to a daily charge for not remitting the payment, not interest. Legal requested copies of the deal file and any documents in which Complainant agreed to such a charge. Respondent provided demand letters where it informed Complainant he would be charged \$50 a day for the overdue balance, but the deal file did not indicate that fee, so no agreement to the charge was produced.

Recommendation: Authorize a civil penalty in the amount of \$250 for false, fraudulent, and deceptive acts related to charging a fee not agreed to in writing.

Commission Decision: CONCUR.

New Information: Respondent has closed their dealership and cancelled their license as of 10/16/19 therefore Counsel recommends closing and flagging this complaint.

New Recommendation: Close and Flag

New Commission Decision: APPROVED

148. 2018084171 (ES)
First Licensed: 06/23/2017
Expiration: 06/30/2019 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed due to no jurisdiction

Respondent received a Notice of Violation because both its city and county business licenses were found to be expired during an inspection. Additionally, Respondent could not produce any records when the inspector asked for six months of sales contracts, liability insurance and surety bond information. An employee stated there had been a break in in April 2018 and all their paperwork had been stolen but could not produce a police report. The investigator was informed that Respondent no longer uses Tennessee temporary tags and instead uses Texas temporary tags for cars sold in this state. The owner is in Texas where he has

another car lot. Respondent also had one open title in their possession during inspection. An Agreed Citation assessing a \$1,250 civil penalty was sent to the Respondent for these violations. Respondent signed the certified mail receipt showing delivery of the Agreed Citation on 12/6/18 but no response has been received.

Recommendation: Authorize a civil penalty in the amount of \$1,250 for failure to maintain an active city and business license, failure to maintain records and for possession of an open title.

Commission Decision: CONCUR WITH ADDITON OF FLAG AND REINSPECTION

New Information: Respondent has closed their dealership, their license expired and has been cancelled as of 6/30/19, therefore Counsel recommends closing and flagging this complaint.

New Recommendation: Close and Flag

New Commission Decision: APPROVED

149. 2019010691 (ES)
First Licensed: 02/28/2008
Expiration: 01/31/2019 (Closed)
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

New Information: Respondent has closed their dealership, their license expired and has been cancelled as of 6/18/19, and their request for renewal has already been denied, therefore Counsel recommends closing and flagging this complaint.

New Recommendation: Close and Flag

New Commission Decision: APPROVED

**150. 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

New Information: Counsel has spoken with the Respondent who provided a statement that confirmed they do not sell used car parts to the public but was a wholesale car dealership. The parts that were on their property are used to fix the vehicles they buy at auctions or sales. Respondent will wholesale cars with the parts inside ready to be fixed. Respondent explains they have always done business this way, which is why they do not have a Dismantler/Recycler license. Additionally, Respondent's dealer license expired and has not been renewed. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: APPROVED

**151. 2019068301 (SH)
2019065371
First Licensed: 03/01/2018
Expiration: 02/29/2020 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): None.**

The two complaints are related to the same incident. On 7/29/2019 Complainant was pulled over in her 2010 Nissan Maxima. The police officer ran the tag and informed Complainant the tag was registered to the previous registered owner. The police officer also noticed two other tags on the vehicle, one belonging to a Chevy truck and the other tag in another person's name. Complainant received a ticket that for fictitious plates and towed. The vehicle was impounded while the investigation was pending. An investigation was conducted. The lienholder of the

previous registered owner was contacted and stated the vehicle was repossessed and sold at auction. The buyer was Respondent. Respondent then sold the vehicle to Complainant and filed for a title but there was no copy of a registration for Respondent as the owner of the vehicle before it was sold. NCIC was contacted and it was determined that the temp tag was in Complainant's name but not the registration. It was also still showing the previous lienholder.

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

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

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

Recommendation: Authorize to place in monitoring status.

Commission Decision: Approved

New Information: The Respondent has closed its business since December 2019 and the surety bond company is working with a few other customers to get them registered. There is a new dealership that has opened at this location that is not associated with the Respondent.

New Recommendation: Close and flag.

New Commission Decision: APPROVED

152. **2019021211 (SH)**
First Licensed: 11/14/2016
Expiration: 10/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent is selling vehicles 10 miles from their dealership at a car wash parking lot and do not have a license for that particular lot. Complainant states the Respondent has been doing this for 2 years.

An investigation was requested.

Recommendation: Place in monitoring status and review investigation when received.

Commission Decision: CONCUR

New Information: The investigation revealed there were many cars on display at the car wash, a sign on one windshield listed Quality Used Cars to call if you have questions about the cars, and many vehicles had tags listing their model year and mileage and some had prices. The end wash bay of the car wash was being converted to an office.

Respondent stated that all sales were being conducted from his licensed dealership. Respondent further stated he would move the cars from the car wash and no longer try to sell cars from that location until he could get the car wash location licensed.

Respondent removed the vehicles and was in the process of having the location licensed through his accountant.

New Recommendation: Authorize a civil penalty of \$500 for offering motor vehicle sales from an unlicensed location.

New Commission Decision: APPROVED

153. **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

New Information: Counsel has since discussed this matter with the program and it has been revealed that the inspection was performed as a result of a reinstatement request for Respondent's license that had been cancelled/closed in 2018. Respondent wanted to open their dealership back up and after the inspection, provided proof within 4 days that all issues had been resolved, all required licenses and insurance was active and signage/phone number had been fixed. Respondent's dealer license was then reinstated. Counsel recommends closing this complaint considering the dealer was not operating their business when the inspection occurred and did not open back up until their license was reinstated and issues resolved.

New Recommendation: Close.

New Commission Decision: APPROVED

154. 2018077971 (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 is not involved 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

New Information: All certified mail to known addresses have been returned as undeliverable or unclaimed due to location being vacant.

New Recommendation: Close and flag.

New Commission Decision: APPROVED

155. 2019037431 (SH)
2019040991
2019043591
2019043601
2019044031
2019044491
2019044801
2019044891
2019045041
2019045261
2019045611
2019045781
2019046911
2019049381
2019050191
2019052151
2019056331
2019056531
2019067621
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

New Information: Respondent, with the help of Bankruptcy Court, has resolved the issues with customer's tags and registrations. The Respondent's license has expired.

New Recommendation: Close and flag.

New Commission Decision: APPROVED

156. 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

New Information: Respondent's former employee was involved in a scheme without the Respondent's knowledge or consent to purchase any vehicles on behalf of Respondent. The court determined that there were no enforceable contracts between Complainant and Respondent. All the vehicles involved, including the one subject to this complaint, were repossessed and in the Complainant's possession. There are no further claims of Complainant against the Respondent. No liability has been found against Respondent. Complainant has informed the Commission that it wishes to dismiss this complaint.

New Recommendation: Close and flag.

New Commission Decision: Close without action.

157. 2019082441 (ES)
First Licensed: 03/21/2018
Expiration: 01/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

An inspection revealed that Respondent could not produce garage liability insurance, had an expired business license and could not produce their sales tax identification number. The investigator was told that the business hadn't been open for over eight months which was clear by the state of the property. There is no evidence that any business is being conducted on this lot, but the license is active through 1/31/20. Therefore, Counsel recommends Voluntary

Revocation of Respondent's dealer license.

Recommendation: Voluntary Revocation

Commission Decision: CONCUR

New Information: When this matter was originally presented Counsel had no contact with Respondent and believed the business was closed, and the license would have expired on 1/31/20. However, Counsel has since been informed that Respondent was not conducting business at the time of inspection because they had been overseas. When Respondent returned from overseas, Respondent had another inspection where Respondent showed that they were in compliance. Respondent provided Counsel with proof of garage liability insurance, an active business license and their sales tax identification number. Counsel has spoken with Respondent extensively and feels this matter should be closed because no business was conducted while the insurance and business license were expired and considering Respondent worked with our licensing division and inspectors as soon as they returned to the country and their dealer license was renewed after the most recent inspection.

New Recommendation: Close.

New Commission Decision: APPROVED

**158. 2019044271 (ES)
First Licensed: Unlicensed
Expiration: N/A
License Type: N/A
History (5 yrs): N/A**

This is an administrative complaint opened due to concerns Respondent is selling vehicles without the proper license. Documentation gathered seems to indicate Respondent is mostly even trading and constantly transferring tags. An investigation was requested and is currently being conducted. Counsel requests this be placed in monitoring status until the investigation concludes at which time this will be represented to the Commission.

Recommendation: Place in Monitoring

Commission Decision: CONCUR

New Information: A new investigation revealed that Respondent sold 6 vehicles in 2019 and even traded 7 vehicles. When Respondent “sold” the vehicles mentioned, they received between \$100-\$500 for vehicles they had obtained. Respondent stated that they are not making a profit on the vehicles but is “selling” or trading vehicles because they are on a fixed income. Counsel recommends issuing a strong Letter of Warning explaining the law as it pertains to trading and selling vehicles without a license and making it clear that if Respondent sells more than 5 cars in a calendar year, even if there is “no profit” in their opinion, they will be fined for unlicensed sales.

New Recommendation: Letter of Warning for unlicensed sales.

New Commission Decision: **APPROVED**

159. 2019044791 (ES)
First Licensed: 02/03/2003
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and was told they needed to register the vehicle themselves. Complainant further alleges Respondent has not provided the title as promised and is not communicating with them anymore. Complainant also is concerned about not being charged sales tax according to the Bill of Sale, which only lists the amount owed without itemization of any taxes or other charges. Respondent has failed to respond to this complaint. Complainant was provided with the surety bond information. Counsel recommends putting this in monitoring status so an investigation can be conducted. Once the investigation has concluded, this matter will be presented to the Commission.

Recommendation: Place in Monitoring

Commission Decision: CONCUR

New Information: An investigation revealed that the Complainant's daughter bought the vehicle at issue from a mechanic who rents space from Respondent, not from Respondent. There is no evidence of any violations.

New Recommendation: Close.

New Commission Decision: **APPROVED**

160. 2019045141 (SH)
First Licensed: 01/22/2007
Expiration: 11/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2014 – One complaint closed with agreed citation for unlicensed activity.

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

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

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

Commission Decision: Approved

New Information: Respondent sold the motorcycle on 07/11/2016 to Complainant. Respondent provided the sales receipt and title to the customer. Around 6 months to a year after the sale Complainant made Respondent aware that he misplaced the paperwork and title. Respondent went to the local DMV with copies of the sale documents. The clerk at the DMV advised Respondent that since Respondent did not have a power of attorney on this title, a lost title application needed to be completed. Respondent was informed that Complainant would need to apply and complete the paperwork since he was the registered owner. The DMV provided the necessary application and list of items needed to support the application for lost title. This information was sent to the Complainant. There is no proof to support the allegation of title jumping.

New Recommendation: Close.

New Commission Decision: **APPROVED**

161. 2019085341 (SH)
First Licensed: 09/01/1991
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant went to Respondent to purchase a vehicle in full on 12/21/2018. Complainant alleges that the Respondent offered a special rebate program wherein Complainant pays in full and the Respondent would pay the finance company for 4 months. After the 4 months the Complainant would receive a \$1500 rebate and clear title. Complainant agreed to the rebate program but after 4 months they did not receive the title. In September 2019, the Respondent advised that the loan would be paid off and title sent. On October 8, 2019 Complainant was advised that Respondent had filed bankruptcy and would need to begin paying the finance company. Complainant believes Respondent was running a Ponzi scheme and leaving them to pay for the vehicle twice.

Respondent replied through their attorneys advising it has filed bankruptcy and the complaint was forwarded to the bankruptcy attorneys.

Recommendation: Place in Litigation Monitoring

Commission Decision: CONCUR

New Information: The bankruptcy attorneys are aware of the situation and the issues will be handled through the court.

New Recommendation: Close and flag.

New Commission Decision: APPROVED

162. 2019090071 (ES)
First Licensed: 09/18/2015
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant remains anonymous and makes serious allegations about Respondent, claiming they are running back odometers, stealing parts and engaging in fraudulent and deceptive business practices. Counsel has requested an investigation that is ongoing. Counsel recommends placing this in monitoring status for further investigation.

Recommendation: Place in Monitoring

Commission Decision: CONCUR

New Information: The Respondent denies any fraudulent and/or dishonest dealings being exhibited on their behalf in relation to the motor vehicle industry. During the unannounced visit made to Respondent dealership and subsequent audit of their records, the investigator failed to uncover any questionable and/or concerning business practices being exhibited by representatives of the dealership or Respondent. In the numerous records and deal files reviewed, the investigator found all to be in proper order with no noticeable discrepancies. The allegations of possible fraudulent business practices made by the anonymous

Complainant could not be substantiated.

New Recommendation: Close.

New Commission Decision: **APPROVED**

163. 2019090261 (SH)
First Licensed: 06/28/2005
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle for cash on 2/17/2019 and has yet received the title as of November 2019. Complainant alleges that Respondent asked him to go to Louisville, KY to retrieve the title. Complainant is driving on expired temporary tags.

Respondent states the vehicle was repossessed and has applied for the title in KY. Respondent offered to pay for Complainant's gas and time to go get the title because Respondent does not have anyone to go. Respondent states Complainant initially agreed to go but then made this complaint instead. Respondent agreed to take back the vehicle from Complainant. The vehicle had an additional 22,000 miles, interior damage, engine leaking oil, and additional repairs needed but Respondent agreed to accept it back. Complainant was transferred to another vehicle with the title.

Complainant replied that he is in another vehicle however was still upset that he had to risk his license and drive an unregistered vehicle for 9 months. Complainant also stated he was issued 7 extra temporary tags.

Recommendation: Place in monitoring status and review investigation when received.

Commission Decision: CONCUR

New Information: Respondent admitted to selling the vehicle to Complainant before receiving title back from Kentucky as the secured lender on the repossession. Respondent explained that the Kentucky secured lien holder release process proved to be much more challenging and confusing. Unfortunately, after the multiple attempts to communicate with the State of Kentucky Respondent was not able to successfully secure the title from them so proper ownership could never be transferred over to Complainant. After failing to successfully acquire title for the vehicle from the State of Kentucky Respondent refunded the Complainant the down payment funds and credited it towards the purchase of another vehicle. However, as evidenced in supporting records obtained, the Respondent appears to have issued a total of four (4) temporary tags on this vehicle.

New Recommendation: Authorize a civil penalty of \$1,000 for issuing two additional temporary tags as allowed by law.

New Commission Decision: **APPROVED**

164. **2019093401 (SH)**
First Licensed: 12/07/2015
Expiration: 11/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to produce business records. One complaint closed with letter of warning for incomplete temp tag log. 2018 – One complaint closed with \$2,500 civil penalty for engaging in false, fraudulent, or deceptive practices.

Complaint opened and related to 2019090291 above. Complainant alleges she has not received her title since February 2019 when she purchased her vehicle. Complainant further alleges Respondent sent her to another dealer to get another temporary tag.

Recommendation: Place in monitoring status and review investigation when received.

Commission Decision: CONCUR

New Information: An investigation revealed that the Respondent did not sell the vehicle to Complainant. No other contact with Complainant could be made.

New Recommendation: Close.

New Commission Decision: APPROVED

**165. 2019096801 (SH)
First Licensed: 03/15/2007
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.**

Complainant alleges Respondent sold a vehicle to them on 9/20/2019, claiming it was not a rebuilt. The vehicle ran poorly and over the next few weeks, the spark plugs, wires, oil and filter and 4 tires were replaced. Once Complainant got the title, they noticed it was a rebuilt.

The Tennessee title is clean however the vehicle was a salvage vehicle according to the Arkansas title. Complainant provided a Bill of Sale on 3/15/2019 from the previous owner stating it was a salvage title and needed to be rebuilt. The Tennessee title that is clean shows the purchase date of 3/15/2019.

There is also a letter from the State showing Respondent successfully processing the rebuilt title in April 2019. Complainant believes there is a title washing scheme happening through Respondent.

Respondent claims he did not sell this vehicle to Complainant. It looks to be the wife of the owner of Respondent who sold the vehicle as an individual.

Recommendation: Place in monitoring status for an investigation to be conducted.

Commission Decision: CONCUR

New Information: The title was in the name of the wife of Respondent's owner. The vehicle was not sold through the Respondent and the Bill of Sale does not have the Respondent listed. This was an individual sale therefore out of the Commission's authority.

New Recommendation: Close.

New Commission Decision: APPROVED

166. 2019094981 (ES)
First Licensed: 11/17/2011
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant received a Notice of Violation during an inspection on 11/19/19 for unlicensed activity for operating with an expired license. Respondent renewed their license. Counsel recommends a \$500 civil penalty for unlicensed activity.

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

Commission Decision: CONCUR

New Information: Counsel spoke with Respondent's owner who explained that they were out of the country when their license briefly expired. The owner had left all paperwork and monies needed for renewal with their relatives who are also employees, and they did not properly renew the license. As soon as the owner returned from their trip, they were notified of this issue and immediately took care of it and renewed their license. The owner asks for a warning as this is the first time this has happened and promises it will not happen again. Counsel recommends issuing a Letter of Warning for unlicensed activity.

New Recommendation: Letter of Warning for unlicensed activity

New Commission Decision: APPROVED

167. 2019091801 (ES)
First Licensed: 09/29/2011
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

An inspection on 11/5/19 revealed that Respondent's dealer license had expired on 10/31/19. Respondent's license was renewed and became active on 11/14/19. Counsel recommends a \$500 civil penalty for unlicensed activity for time the dealer license was expired.

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

Commission Decision: CONCUR

New Information: Counsel spoke with Respondent and was informed that the dealership was not selling cars during the time the license was expired – their building was being remodeled, and a demolition crew was there when the inspection occurred. Respondent did not start selling cars again until January 2020 and their license was active by November 2019, about a week after the NOV was issued. Counsel recommends closing this complaint.

New Recommendation: Close.

New Commission Decision: APPROVED

168. 2019082021 (SH)
First Licensed: 09/01/1991

Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on July 31, 2019. Complainant alleges no information was sent to County Clerk to register the vehicle and they are on their 3rd temporary tag.

Respondent purchased the vehicle from the auction, and it took several weeks to receive the paperwork/title work. Once the paperwork was received, it was missing a signature and the paperwork was returned to the auction to receive the appropriate signature from the vehicle's previous owner. Respondent states that the Complainant has received the necessary paperwork.

Recommendation: Authorize a civil penalty of \$500 for issuing one additional temporary tag than allowed by law.

Commission Decision: CONCUR

New Information: Dealership has closed as of October 2019 and the owner has surrendered the paper license.

New Recommendation: Close.

New Commission Decision: APPROVED

169. 2018086161 (SH)
2018086671
2018090271
2018085321
2018086521
2018087971
2019006191
First Licensed: 02/14/2013
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Respondent closed suddenly without providing multiple consumers titles. An investigation was requested. Respondent is in the process of working with multiple individual investors and floor planners to obtain the titles for customers. Customers are placing claims on the surety bond and releasing once obtaining their title.

Respondent has been charged for allegedly not paying creditors, misrepresenting the value of vehicles, selling out of trust and failing to provide titles to consumers. Respondent is possibly being charged with felony charges however prosecutors are in the process of working with Respondent's attorneys regarding making whole the persons claiming damages. The investigator did verify that the floor planners are diligently working with consumers and Complainants in obtaining titles.

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

Commission Decision: CONCUR

New Information: Respondent's attorney confirmed that all customer's titles have been properly transferred to the customers. Further, Respondent's license has expired and out of grace period.

New Recommendation: Close and flag.

New Commission Decision: APPROVED

170. 2019015901 (SH)
First Licensed: 04/11/2014
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

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

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

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

Commission Decision: Approved

New Information: An investigation was conducted. During the meeting Respondent adamantly denied any fraud being exhibited on his behalf in relation to the Sales Taxes being charged and/or collected on a particular deal. Respondent claimed that he utilizes Dealer software which specifically generates a report of sales taxes collected on all transactions. He explained this software and its sales tax report is then forwarded to his Accountant that reports and pays the required sales tax on a monthly basis. The investigator went back the next day to pick up copies of the sales tax reports that he agreed to have available. These reports are from current date and go back to 2016. As evidenced in supporting documents collected in this matter it appears the Respondent is in fact reporting sales taxes to the State on vehicles sold. Subsequently as was alleged in the initial complaint filed there doesn't appear to be Sales Tax Fraud being committed by Representatives of the dealership.

The investigator proceeded to question Respondent about his issuance of temporary tags and the allegation of modify the tags using a software program. At first Respondent appeared to be very reluctant to talk about it and denied possessing any such software. However, after emphasizing the previous supporting information received and the importance of transparency in this matter Respondent admitted to being able to modify the tags using PDF software called Nitro Pro 9. Respondent believes he has committed this act at least 20 times. Respondent explained that instead of issuing subsequent tags through the EZ Dealer Temporary Tag System Respondent saves the original temporary tags issued and stores them to a file on his computer. When or if a subsequent issuance is needed, he simply opens the temporary tag using the Nitro Pro 9 software, makes the needed changes to the initial temporary tag issued in order to keep the vehicle operational for an additional period of time. When asked if Respondent charges for the additional temporary tags Respondent denied doing so.

New Recommendation: Authorize formal hearing and send a proposed Consent Order with a civil penalty of \$100,000 for unauthorized use of altered EZ Tags at least 20 times.

New Commission Decision: Approved

New Information: Respondent and his attorney reached out to the Commission to explain what occurred regarding the EZ Dealer Temporary Tag system. Respondent employed others

to handle the EZ system and never learned how to renew the tags online. Respondent does not deny that he was using the Adobe software to alter the temporary tags. Respondent stressed that he never had any malicious intent to harm the State, the public or his customers. Respondent accepts responsibility but pleads to the Commission that the penalty imposed would put him out of business, especially during these times. Respondent has also learned how to use the EZ system which decreases any future risk. After review and discussion, it is believed that the Respondent is not involved in any sales tax fraud or deceptive business practices. Respondent does not have a history of complaint or violations.

New Recommendation: Authorize a civil penalty of \$500 per altered tag for a total penalty of \$10,000.

New Commission Decision: APPROVED

171. 2019074241 (SH)
2019075691
First Licensed: 07/12/2007
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

2019074241

The board opened this complaint when notified that Respondent charged \$99.50 for title and tags but the County Clerk only charges \$56.00. It is alleged that the Respondent is overcharging customers for title and tags.

Respondent's attorney responded explaining that additional fees are added to the purchase price such as: transfer of title of the vehicle, cost of permanent or temporary vehicle tags, preparation of the title, travel fees to and from the County Clerk's office, notary charge and mailing expenses. These additional fees are not listed on the Bill of Sale or Sales Contract.

The investigator pulled the last three vehicle sales and the Bill of Sales showed the same

amounts being charged as the Complainant. Respondent is charging \$99.50 on the Bill of Sale for "Title & Related Fees" when the County Clerk fee for registration, issuance fee, lien fee, title fee adds up to \$56.00. Respondent is also charging \$499.50 for "Processing Fee" as noted on the Bill of Sale.

The additional fees that Respondent admits to charging should be absorbed in the "Processing Fee" or listed separately for the customer to be on notice.

2019075691

Complainant purchased a vehicle on 10/9/2019 that had low mileage apparently from sitting in a garage and barely driven. Complainant also state they were told that the car had never been in a wreck or damaged. Complainant subsequently went to trade the vehicle and was told the vehicle sat at auction for 2 years and was in a severe car wreck.

Respondent denies the allegations and states that the auction is required to notify them if a vehicle has a rebuilt title, salvage history, frame damage, or flood damage before purchase. This particular vehicle had no negative history and a clean title when Respondent purchased from the auction.

Recommendation: Close 2019075691. For 2019074241, authorize a civil penalty of \$20,000 (\$5,000 x 4 BOS) for including hidden fees on its Bill of Sales.

Commission Decision: Approved

New Information: Respondent provided proof that the requested adjustments have been made to the retail installment contracts. The fees were changed to reflect the correct "Title & Related Fees" as charged by the local County Clerk. Respondent added the previous fees to the "Processing Fees" line. Respondent also spoke with numerous local dealers regarding this issue and found that most of the dealers were charging the same fees incorrectly. These dealers believed this was a normal business procedure in the industry and were charging accordingly. A discussion was had with Respondent which determine that the Commission should provide an explanation to the licensees concerning title and registration fees. Respondent was very cooperative and requested the penalty to be reconsidered due to the

economy and his willingness to assist the Commission in explaining this matter to others in the industry.

New Recommendation: Issue a Letter of Warning explaining the fees issue. Further, issue a bulletin to TNIADA and TAA concerning the fees to be charged in their next newsletters.

New Commission Decision: Issue a civil penalty of \$1,000 and a bulletin to TNIADA and TAA concerning the fees to be charged in their next newsletters.

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

VOICE VOTE

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

MOTION CARRIED

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

Assistant General Counsel, Maria Bush, conveyed the legislative updates that were currently in process. Ms. Bush indicated two legislative updates that were submitted to the Department for review. The first clarified the notice a dealer is required to give the Commission during termination. The second codifies the requirement that a dealer must comply with requests for documents from the Commission.

Commissioner Barker made a motion to adopt the legislative update, seconded by Commissioner Lee.

VOICE VOTE

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

MOTION CARRIED

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 Jackson.

VOICE VOTE - UNANIMOUS

MOTION CARRIED

Meeting Adjourned

John Roberts, Chairman _____