

MINUTES

January 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: January 28, 2020

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

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

ABSENT: Christopher Lee
Ian Leavy

CALL TO ORDER: Chairman John Roberts called the meeting to order at 9:01 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 staff member, Jason Gilliam. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since January 22, 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 Norton. 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 Norton made a motion to approve the minutes, seconded by Commissioner Melton. Chairman Roberts called for a voice vote.

MOTION CARRIED.

APPEALS:

Christopher Roach
615AutoSales.Com, Hendersonville, 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 uphold the denial, seconded by Commissioner Norton.

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
John Murrey	YES
Karl Kramer	YES
Kahren White	YES
John Barker, Jr.	YES
Charles West	YES
Debbie Melton	YES

Motion carried, therefore, the denial is upheld.

Robert M. Stafford
Valley Ford Mercury Inc, Sparta, TN

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

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
John Murrey	YES
Karl Kramer	YES
Kahren White	YES
John Barker, Jr.	YES
Charles West	YES
Debbie Melton	YES

Motion carried, therefore, the denial is upheld.

Kari Kenworthy
Camden Chevrolet Buick, Camden, 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 uphold the denial, seconded by Commissioner Melton.

ROLL CALL 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
John Murrey	YES
Karl Kramer	YES
Kahren White	YES
John Barker, Jr.	YES
Charles West	YES
Debbie Melton	YES

Motion carried, therefore, the denial is upheld.

Robert Brandon Selph
CARite of Goodlettsville, Goodlettsville, 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 uphold the denial, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Ian Leavy	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
John Barker	YES

Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
John Roberts	YES

Motion carried, therefore, the denial is upheld.

END OF APPEALS



Executive Director's Report

January 28, 2020

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

Dealers Opened, or Relocated (Last Quarter)..... 73

Applications in Process.....24

Active Licensees as of January 6, 2020

Dealers..... 3678
Auctions.....29
Distributors/Manufacturers..... 134
Salespeople.....16848

Representatives.....562
Dismantlers.....252

RV Dealers.....40
RV Manufacturers.....76

Motor Vehicle Show Permits.....3

Complaint Report- Opened Complaints from November 2019 – January 2020

Number of Complaints Opened.....122
Number of Complaints Closed.....72

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

Vehicles Reported Sold in 2018.....**Annual Sales Ongoing**
Recreational Vehicles Reported Sold in 2018.....**Ongoing**
Total Online Annual Sales Report Collected.....**562**
Late Annual Sales Report Collected **Deadline February 15**
Total revenue from Annual Sales Report collection: N/A

Average Performance Metrics November 1, 2019 – January 14, 2020

Average Number of Days to License...**2.3 Days**
Compliance.....**93.58% as of November 2019**
(Beginning July 1, 2017, Motor Vehicle Commission Complaints were transferred to the Centralized Complaints Unit at 97.97%)

MVC Customer Satisfaction Rating October 2019 – December 2019

Quarterly Satisfaction Rating.....**97.3%**

Disciplinary Action Report – October 2019 – December 2019

Total to be collected.....**\$65,500**

Online Adoption Across All Professions

- **95.24%** online adoption for New “1010” Applications across all Professions available between November 1, 2019 and January 14, 2020.

Outreach

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

VOICE VOTE – UNANIMOUS

The motion carried to approve the Director's Report.



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
OFFICE OF LEGAL COUNSEL
500 JAMES ROBERTSON PARKWAY
DAVY CROCKETT TOWER
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: January 28, 2020

SUBJECT: MVC Legal Report

1. 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

2. **2019073431 (ES)**
First Licensed: 07/19/1999
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent in 2017 and paid the car off a few months ago. Complainant alleges the transmission has since gone bad and alleges Respondent employee told them it was covered under warranty but claims it has not been repaired under warranty. Complainant feels the car should have lasted longer than 2-3 years without mechanical issues. Respondent explains that Complainant has driven the car more than 50,000 miles since purchase, which ended the terms of the warranty. Respondent confirmed the diagnosis and offered repair and quoted the costs to Complainant and the vehicle was repaired. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

3. 2019073451 (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 purchased a new vehicle from Respondent in 2017 and alleges mechanical issues that they claim were caused by an aftermarket installation completed at Respondent's suggestion and wants a full refund. Respondent explains that Complainant has brought the vehicle in for repairs on six separate occasions and addresses each allegation, denying any wrongdoing and explains how they have repaired the issue. Respondent has offered \$8,000 trade assistance which was declined. Respondent and the manufacturer field engineers have exhausted every measure of reassurance to Complainant that the vehicle is safe and functioning within factory specifications and guidelines. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

4. 2019075981 (ES)

First Licensed: 08/28/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges the check engine light was disabled. Complainant provided an inspection report from the vehicle's emission test which shows a catalytic converter issue and cylinder misfires. Respondent explains that the Complainant's original informed them that the vehicle wouldn't pass emissions, noting the check engine light was on but not illuminated. Respondent states this was news to them. Respondent further states that they understand there are many unscrupulous dealers or personal sellers who remove sensors and CEL bulbs to trick unsuspecting customers and even other dealers. Respondent bought the car through auction from a dealer. Respondent states the

vehicle ran so well, they didn't think to search for a problem that didn't seem to exist when it was put up for sale by Respondent. Respondent told the Complainant to bring it in so they could put an oxygen sensor on the vehicle and requested the Complainant pick it back up to complete the drive cycle. Respondent states the situation went from bad to worse at that point and Complainant refused to help with the process. Therefore, Respondent drove it through a cycle and repaired it. The check engine light came on again and was driven through a second cycle, and then was free and clear to pass the emissions test. Complainant now has the vehicle.

Recommendation: Close.

Commission Decision: CONCUR

5. 2019077071 (ES)

First Licensed: 06/26/2015

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$1,000 civil penalty for failure to maintain garage liability insurance.

Complainant alleges they purchased a used car from Respondent which was listed as having a clean title for \$5995. Complainant alleges the sale transaction occurred very quickly and the salesman explained the difference in paint color on the rear bumper was due to a fender bender. Complainant further alleges he took it to a mechanic for an inspection and learned that the car was not safe and had been totaled. Complainant went to Respondent's lot to work things out but "things got out of hand" and the owner yelled at Complainant's fiancée. Complainant alleges his money has been taken, and claims Respondent's employee took his belongings from his trade-in vehicle. The salesman who helped Complainant responded to the complaint directly and states that he directly told Complainant before the purchase that the vehicle had a rebuilt title and denies that it was ever advertised otherwise. Respondent further notes the contract discloses the rebuilt title in large, bold font. Respondent also informed Complainant that the back bumper had been replaced and this was not an issue for them. Respondent alleges Complainant came back to the lot and was threatening violence against the owner. When the car was repossessed for non-payment, only a phone charger was in the vehicle. Respondent notes Complainant is not allowed on the property now and claims they tried to hustle their way into getting a car "dirt cheap." Respondent explains that their down payment was put toward damage done to the vehicle, the repossession and cleaning fees.

Recommendation: Close.

Commission Decision: CONCUR

6. **2019077091 (ES)**
2019079761
First Licensed: 01/09/2012
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to disclose salvage title.

2019077091

Complainant bought a used vehicle from Respondent in July 2019 and alleges they noticed the coolant light come on when they drove off the lot. Complainant called Respondent who asked them to bring the vehicle back so coolant could be added, but Complainant said they could handle it. Complainant alleges the vehicle continued to leak and they brought it to Respondent who claimed to have fixed the issue. Complainant further alleges the vehicle continued to have maintenance problems and was in the shop more than it was on the road. Complainant also claims the salesperson that assisted in the original transaction had an expired license but provides no further detail or evidence to prove this allegation. Respondent states that Complainant was going around the dealership taking photos and videos and threatened to have them shut down, creating a very hostile environment bordering harassment. The “salesperson” that Complainant claims was expired is not acting in that capacity, they are a manager and Complainant acknowledged in writing that another person was the salesperson who assisted with the transaction. Respondent states that Complainant drove the vehicle 1600 miles with the coolant light on, and when it was brought in for repair, Respondent checked the vehicle and replaced the water pump at no cost. Complainant asked Respondent to price parts at a later date, which they did and Complainant felt it was too expensive and got very upset. Despite Respondent’s alleged best efforts to work with Complainant, they state the situation continued to deteriorate due to Complainant’s “unreasonable” behavior leading to the police having to come to the scene and Complainant later defaulted on their payments. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

2019079761

Complainant alleges Respondent sold him a vehicle on 9/14/19 with a clean title, but was worried that it should have a rebuilt title because it had been in an accident. Since this complaint was filed, both parties state this has been resolved. Specifically, Respondent purchased the vehicle with a clean title which was provided to Complainant and later verified by Counsel.

Recommendation: Close.

Commission Decision: CONCUR

7. **2019080381 (ES)**
First Licensed: 01/04/2002
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges it had oil leaks the day after purchase. Complainant notes it was then in the shop for two days and they asked for their money back but Respondent refuses. Complainant takes issue with the fact they are being asked to pay for towing fees before getting their vehicle back because it had to be towed to a dealership. Respondent states that Complainant is responsible for repairs and maintenance considering this was an As-Is sale without warranty. Respondent did fix the leak at no cost. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

8. **2019080881 (ES)**
First Licensed: 08/08/1997
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant states that on or before 9/18/19, they used an online “Build and Buy” program to select the vehicle model, trim level, interior and exterior color, package option and accessories that they wanted in a new car. Complainant states that after test-driving and discussion, they were told by Respondent’s sales manager that the car discussed had not yet been built. Respondent offered to order a hybrid car like Complainant wanted but said they would need a \$1,000 non-refundable deposit, noting the car could take 4-6 months, may be a 2020 and the selling price and trade-in value of Complainant’s car could change during that time. Complainant did not buy or order a car through Respondent. Respondent apologizes that Complainant felt misled but explains that while the manufacturer’s online website offers every possible configuration for any particular model, it would be impossible for any dealer to have every potential combination physically on-hand. Respondent maintains inventory-trading relationships with sister-dealers in their region so they can enhance their ability to provide customers with maximum access to inventory. While Respondent’s salespeople and customers are able to electronically “see” other dealer inventories, the actual availability of a specific vehicle is not similarly obvious. In this instance, the vehicle was in-bound to another dealership and appeared to be available. As negotiations progressed, the sales manager found that it had been marked as “reserved” within the internal communication system which indicated that the receiving dealership was unwilling to swap it. In discussions with Complainant, Respondent may have caused some confusion with the use of terms like “availability,” “allocated,” and “in transit” and have apologized to Complainant.

Recommendation: Letter of Warning outlining advertising guidelines

Commission Decision: CONCUR

9. **2019072051 (ES)**
First Licensed: 05/07/2010
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent made repairs on a recall and now claims the vehicle has more severe mechanical issues. An investigation was conducted. The investigation revealed that Complainant had the recall work performed on his vehicle in Florida which seemed to have negatively impacted the vehicle's performance. The Complainant's vehicle was then taken to Respondent to try to find a remedy to the problem, perhaps caused by the recall. Respondent did replace a DPF (diesel particulates filter), but this did not fix the problem. The Complainant was spending time in Florida at the time of this investigation and has followed up with the dealership that performed the services there. When the investigation concluded, the Complainant had not found a solution to these issues, and will be filing a claim with Florida Attorney General and Consumer Affairs for a remedy. This dispute is centered around the fact that the manufacturer refuses to compensate the dealerships for recall work performed on Complainant's vehicle for issues related to a recall and in Counsel's opinion, does not involve any wrongdoing by the Respondent. Additionally, no violations were revealed upon investigation.

Recommendation: Close.

Commission Decision: CONCUR

10. **2019073971 (SH)**
First Licensed: 08/31/2017
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 5/6/19 and alleges Respondent gave 2 temporary tags then a dealer plate. Complainant further alleges Respondent is unable to obtain the title and is not cooperating.

Respondent states they purchased this vehicle through an online platform from another dealer and the unit was flooded. When the vehicle was purchased by Complainant, Respondent sent in the required paperwork for financing, the floor planner told Respondent the title had been lost but they were working on it. Respondent states they relayed this information to the

Complainant and continue to pressure the previous dealer to provide a title.

Recommendation: Authorize a civil penalty of \$500 for issuing a dealer tag to customer as a third temporary tag.

Commission Decision: Letter of Warning for misuse of dealer plate.

11. **2019075871 (SH)**
First Licensed: 09/01/1991
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 6/17/2019 and alleges Respondent has not made the promised repairs and refuses to do so because the vehicle was purchased "as is". Complainant is frustrated because she is spending more money for upkeep than she can afford.

Respondent states that Complainant was able to test drive and check the vehicle before purchase. Respondent also states Complainant refused to take it to another mechanic to have it inspected. Complainant purchased the vehicle for cash, in full, and was given the title in order to register the vehicle. Respondent states Complainant was told she had 30 days to register the vehicle but has not done so. Respondent advises the Complainant was notified the purchase was "as is" with no warranty.

Recommendation: Close.

Commission Decision: CONCUR

12. **2019076361 (SH)**
First Licensed: 01/23/2017
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$250 civil penalty for engaging in advertising violations.

Complainant purchased a vehicle from Respondent on 6/29/2019 for cash, in full, and alleges that Respondent told her there were no problems with the vehicle. When Complainant drove the vehicle home there was a sound from the front end and called the Respondent. Respondent told her to call the third party warranty company. When Complainant called the warranty company she was advised that some issues were not covered. The noise was determined to be bad sway bars and tire rods. Complainant provided an estimate of the needed repairs totaling over \$1,200.

Respondent states they only offer a third party warranty that covers major issues with the engine, transmission, head gasket, etc. Respondent states that Complainant was fully aware of the warranty coverage on the brochure and the purchase was "as is".

Recommendation: Close.

Commission Decision: CONCUR

13. **2019078421 (SH)**
First Licensed: N/A Unlicensed
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

Anonymous complaint alleges Respondent is unlicensed and selling more than 5 vehicles in a 12 month period. An investigation did not produce any evidence that Respondent has sold more than 5 vehicles in a 12 month period.

Recommendation: Close.

Commission Decision: CONCUR

14. **2019078351 (SH)**
First Licensed: N/A Unlicensed
Expiration: N/A
License Type: Motor Vehicle Dismantler/Recycler
History (5 yrs): N/A

An investigation was made against Respondent by the local police department for allegedly operating a dismantler operation and scrap yard without a license. The police observed a car crusher with a vehicle inside, a vehicle in the process of having an engine removed. Also observed was an enormous quantity of oil and other fluids around this platform and flowing onto the bare ground. Inside the main warehouse area there were 100 plus engines, transmissions, and various other parts on the bare concrete floor.

The police officer asked to see any licenses and/or permits. The officer was told they would be in the main office. No licenses or permits were displayed in the main office nor issued for Respondent's location.

An investigation was conducted. The investigator found the business to be closed with a locked gate and chain linked fence surrounding the property. In front of the property was a sign for Pallets & Containers however he did not observe any pallets. The investigator also did not observe any activity on the lot. There were many vehicles behind the fenced area that appeared to be wrecked and or damaged vehicles. Some vehicles were stacked on one another. The investigator met with Respondent and was told that the vehicles were towed there from Respondent's towing business and the owners never picked them up. Respondent advised that he did hire a contractor with a car crusher and crushed some of the vehicles that belonged to him and sold those vehicles to a Scrap Company. Respondent advised that he purchased the property in August 2017 because he needed additional space to store vehicles that his towing business picked up upon the request of the Police Department. The property is totally fenced and locked and is not open for business, just used for vehicle storage. Respondent said he does not sell vehicles or automotive parts or tires.

The Environmental Enforcement Department of Memphis and TN Environment and Conservation Department looked into the matter as well. Storm Water Department staff inspected the site on 9/23/19. At the time of the inspection, no evidence of vehicle fluids was DTS Towing observed on the ground or entering nearby storm water drains.

The site was also referred to the Tennessee Department of Environment and Conservation, Division of Water Resources (TDEC-DWR) to ascertain if the site needed to obtain a permit for their industrial activities associated with storm water runoff. On 9/25/19, notification from TDEC-DWR indicated that their Division conducted an investigation of the site and made the determination that coverage under a Tennessee Multi Sector Storm Water Permit (TMSP) would be needed. TDEC-DWR will be sending a letter to the property owner to submit an application to obtain coverage.

All investigations determined that it did not appear Respondent was operating as a scrap yard/dismantler recycler business.

Recommendation: Close.

Commission Decision: CONCUR

15. **2019058791 (SH)**
First Licensed: 04/25/2018
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a truck from Respondent and later learned that it had a salvaged title. The copy of the title did not show it to be salvaged. Complainant wants Respondent to reimburse the purchase price and repair costs.

Respondent purchased the truck from a Nebraska auction company with no mention of a salvaged title. The paperwork received by Respondent mentions nothing about prior accidents or salvaged title. Respondent does not believe it is responsible for any repairs however will contact the auction company to determine the proper remedy for Complainant.

Complainant, Respondent, and the auction company in Nebraska reached an agreement on October 28, 2019 for full reimbursement to Complainant due to the title being salvaged. There is no liability on Respondent.

Recommendation: Close.

Commission Decision: CONCUR

16. **2019066441 (SH)**
First Licensed: 09/24/2018
Expiration: 09/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a truck from the Respondent on 6/19/2019 and took it back to his residence in North Carolina. Two weeks later the truck began to sputter and it was determined to be a module in the ignition had blown. The mechanic replaced the module but then the other module blew and had to be replaced. After replacing the 2nd module the muffler blew apart. The mechanic informed Complainant that the muffler installed on the truck was not appropriate. The undercarriage was severely rusted and brake line was leaking. Complainant alleges Respondent knowingly sold an unsafe vehicle.

An investigation revealed the vehicle had some rust on the undercarriage, a newer muffler, lower panels without obvious signs of rust, and some separation between the front quarter panels to the bumper. These pictures were used and sent out in conjunction with the sale of the vehicle. The Complainant sent an email containing pictures of the undercarriage of a vehicle. The pictures appear to show the same vehicle as shown in the pictures provided by the Respondent. The pictures show the same muffler, and does show rust, however no documentation was provided to show the damage the rust has caused, or that it is excessive for the year of the vehicle.

Recommendation: Close.

Commission Decision: CONCUR

17. **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: CONCUR

18. **2019063391 (SH)**
First Licensed: 05/16/2018

Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 7/13/2019 and was told by Respondent that they had the title in possession. Later the Respondent said they needed to pick it up at the DMV and then the story was that the title was with Respondent's father. Respondent stated the title has been delivered to Complainant.

Recommendation: Close.

Commission Decision: CONCUR

19. **2019063741 (SH)**
First Licensed: 04/07/2016
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant has not received her tags in over three months and states that Respondent keeps making excuses. Complainant also called the DMV and they told her that no tags have been applied for even though Complainant paid for the tags at purchase. Complainant also states she has been pulled over by the police and they have told her that she needs to get a tag or she will be ticketed. Respondent has not responded to the complaint.

Recommendation: Place in monitoring status in order to conduct an investigation

Commission Decision: CONCUR

20. **2019064671 (SH)**
First Licensed: 05/25/2011
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with letter of warning for false, misleading, or deceptive advertising.

Complainant purchased a vehicle on 5/27/2019 with a maintenance contract as well. Complainant complains they were told oil changes were every 5,000 miles when in fact it is 10,000. When they lost a key fob the service department gave them difficulties with replacing even though the contract said they could have two key fobs replaced every year. Complainant states the tires wore out too fast due to Respondent putting too much air and making the pressure higher than recommended. Complainant feels the Respondent should reimburse due to having to replace the tires quicker than expected on 6/22/2019. On 7/7/2019 the vehicle experienced leaking boots, brakes and rotors had to be replaced, and oil was leaking from passenger side.

Respondent states that the vehicle has gone through the appropriate maintenance schedule. On 6/22/2019 the tire pressure according to the inspection form was the recommended 35-36 and tire tread was low and needed attention soon. Respondent has recommended that the vehicle have a fuel injection service, brake flush, brakes replaced, and alignment however Complainant declined.

Recommendation: Close.

Commission Decision: CONCUR

21. **2019071491 (SH)**
First Licensed: 10/12/1994
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is a third party finance company who funded a vehicle purchase for their member and states the Respondent collected the total payment and sales tax. Complainant alleges the Respondent did not process the title and registration paperwork causing the member to not be able to drive the vehicle. The member quit paying the monthly payments and the vehicle was repossessed by the Complainant. Complainant has been unable to contact Respondent in order to resolve the title issue. Respondent has made no response.

Complainant was given the surety bond information and has applied through the agency.

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

Commission Decision: CONCUR

22. **2019068411 (SH)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

This complaint was opened by the Department of Revenue and requested Commerce and Insurance to investigate possible unlicensed activity and Respondent not collecting sales tax. An investigation was conducted and determined that Respondent is not a motor vehicle dealer but a repair shop. Respondent repairs salvaged vehicles for licensed dealerships that are the actual owners of the vehicles. The investigation did not discover any violations for unlicensed activity or sales tax evasion.

Recommendation: Close.

Commission Decision: CONCUR

23. **2019074951 (SH)**
First Licensed: 04/25/2018
Expiration: 02/29/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant states her vehicle was repossessed by Respondent even though there was a verbal agreement that Complainant would make a payment the day it was repossessed. The verbal agreement included revising her biweekly payments to monthly payments.

Respondent states the Complainant made no verbal or written agreement and two payments behind. Respondent supplied a payment schedule which showed Complainant making late payments and failed to show proof of insurance.

Recommendation: Close.

Commission Decision: CONCUR

24. **2019074991 (SH)**
First Licensed: 12/04/2014
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant placed an order for a new vehicle and wanted to trade his current vehicle. Complainant made a \$2500 deposit. The trade process requires pictures to be uploaded for trade and then the Respondent will respond with a trade value. Complainant states that the Respondent continued to request pictures and it became suspicious. Respondent allegedly lied about the pictures and was trying to get a picture of bumper damage. Respondent cancelled the order without Complainant's permission.

Respondent states the pictures were low resolution and additional pictures were needed. Once the damage was noticed, additional pictures were needed to adjust the trade value. Respondent states Complainant created a hostile environment and they reserve the right to refuse service to anyone. Respondent has fully refunded the deposit to Complainant.

Recommendation: Close.

Commission Decision: CONCUR

25. **2019076591 (SH)**
First Licensed: 08/19/2014
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint open regarding failure to deliver title.

Complainant alleges Respondent harassed and placed an offensive sticker on the vehicle for refusing to be a witness for Respondent in a MVC complaint. Complainant is an Uber driver and

is humiliated and embarrassed due to the sticker placed on the vehicle by Respondent.

Respondent alleges this is retaliation from a Complainant in a previous MVC complaint. Respondent states that previous Complainant sold the vehicle to the current Complainant and brought the vehicle to the shop for repairs. Current Complainant asked Respondent to provide a bogus Bill of Sale so that he could register the vehicle. Respondent refused and claims he is being harassed by both Complainants.

Respondent did provide a text message evidencing the request and refusal. The text from Complainant also demands Respondent to register the vehicle and pay for repairs or Complainant will allege placing stickers on the vehicle.

Recommendation: Close.

Commission Decision: CONCUR

26. **2019076751 (SH)**
First Licensed: 09/01/1991
Expiration: 11/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

An inspection was conducted when it was observed that a line of 11 cars parked on a grocery store parking lot with no plates. One of the vehicles had displayed a red dealer's plate. No visible markings were on the cars indicating they were for sale. While examining the vehicles the inspector was approached by the grocery store owner. He explained that Respondent uses the lot for storage of extra inventory that they currently don't have room for at their licensed location. The inspector stopped by Respondent and spoke to the owner who confirmed that Respondent did use the grocery store parking lot to store some of the inventory and that one of his dealer tags were on the vehicle. Respondent agreed that by parking the vehicles facing the road probably garnered too much attention so he immediately agreed to move them back to other areas of the parking lot. Respondent also said he would move the vehicle bearing the dealer plate to their location.

Recommendation: Letter of Warning

Commission Decision: CONCUR

27. **2019077981 (SH)**
First Licensed: 07/07/2017
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle, in cash, on 8/19/2019 and alleges he never received the title. After contacting the Respondent, Complainant states that the Respondent wants to charge \$250 in order to get a duplicate.

Respondent states they sent the title to his residence the next day and provided a FedEx receipt showing the delivery on 8/23/2019. Only after telling him the service fee of obtaining a duplicate out-of-state title, the Complainant began to say he never received the title instead of losing it. Respondent states they will order the duplicate title but will still charge the Complainant for the time and effort.

Recommendation: Close.

Commission Decision: CONCUR

28. **2019079031 (SH)**
First Licensed: 09/16/1994
Expiration: 09/30/2016 (Expired License)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant traded a vehicle and paid the remaining balance in cash on 8/10/2016. Respondent closed its business in 2016 before Complainant received a title. Complainant was given the surety bond information to assist in obtaining title and registration.

Recommendation: Close.

Commission Decision: CONCUR

29. **2019076591 (SH)**
First Licensed: 08/19/2014
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint open regarding failure to deliver title.

Complainant purchased a vehicle from Respondent on 4/23/2019 for the amount of \$4,500 with a check however has been unable to get the title for the vehicle. Complainant stated that she was told by Respondent that the title was in its name and would transfer the title. Seven months later Complainant still has not received a title. Complainant was contacted by Respondent and told the title was in and come by the lot to pick up the title. Once there Complainant stated that there was no title but a stack of paperwork and in that paperwork was an altered bill of sale and a document of a garage lien. Respondent allegedly told Complainant to sign the paperwork and then register the vehicle but Complainant did not sign the paperwork due to being suspicious. The title was not included in the paperwork. Complainant has attempted to register the vehicle twice and has not been able to do so.

Recommendation: Respondent's Dealer license has been suspended for non-payment of a previous civil penalty. Place in monitoring status.

Commission Decision: CONCUR

30. **2019072311 (SH)**
First Licensed: 07/05/2017
Expiration: 07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with Letter of Warning for failure to disclose salvage title. 2018 – One complaint closed with \$500 civil penalty for failure to deliver title.

Complainant is a dealer that bought a vehicle at auction offered for sale from Respondent on 5/17/2019. Complainant has not received the title from Respondent. Respondent closed its business two months after the auction sale. Complainant was given the surety bond information in order to assist in obtaining a title.

Recommendation: Close.

Commission Decision: CONCUR

31. **2019077041 (SH)**
First Licensed: 04/15/2002
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased vehicle from Respondent on 7/22/2019. Upon driving back home to another state the vehicle developed a vibrating sound. After a few weeks the sound became worse. Complainant contacted Respondent and was informed to bring the vehicle in for a diagnosis and possible repair. Respondent diagnosed a transmission shudder and estimated repairs of \$3100. Complainant states that Respondent refused to help with the costs and feels the Respondent knew of the problem before the purchase. Complainant also complains that as of 9/12/2019 they have not received their title and was told there is an issue with the previous lienholder. Complainant has received three temporary tags.

Respondent states the vehicle was acquired by trade on 7/6/2019 and a payoff check was sent to lienholder on 7/17/2019. Upon following up with lienholder it was discovered that additional funds remained and those funds were sent to lienholder on 9/25/2019. The title was sent to Complainant's county clerk that day. Respondent also states the vehicle was purchased "as is" and they are not required to help with repair costs.

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

Commission Decision: CONCUR

32. **2019079131 (SH)**
First Licensed: 04/25/2018
Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant recently traded in a 2005 International 9900i road tractor into Respondent and financed a Kenworth road tractor converted into a dump truck for \$46,000. The conversion was not made known to Complainant. The dump truck broke down 13 miles from the Respondent. Complainant took truck to a shop that specializes in equipment of this type. The shop advised it was not safe to drive due to the driveshaft was about to fall out, the wrong hydraulic cylinder was installed, and the frame had been welded on. The driveshaft and yokes were wrong and were supposed to be fixed prior to being shipped to Complainant as they had already come out 13 miles from Respondent when it broke down. The biggest issue was the Air Trac suspension is bending as it was not designed to carry the heavy amount of weight. The truck was pieced together incorrectly and made it extremely unsafe to operate.

Respondent denies the allegations and states that Complainant knew the truck could not be driven without some additional repairs made which Respondent agreed to handle. The repairs would not be finished by the end of the day so Complainant spent the night at a hotel. The next day the repairs were not finished and Respondent claims Complainant did not want to stay another night stating he would take care of the other issues when he returned home. After the truck broke down, Respondent had the truck towed back to its location to make the repairs and told Complainant they would ship the truck to his home. Respondent denies the truck was pieced together with incorrect parts and unsafe to drive.

Complainant later sent an email informing the Commission that the parties have reached an agreement wherein the Respondent will reimburse the Complainant for the repairs to be made in order for the truck to be safely operable and Complainant will request this complaint to be dropped.

Recommendation: Close.

Commission Decision: CONCUR

**33. 2019079541 (SH)
First Licensed: 03/05/2001**

Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges vehicle was repossessed on 9/22/2019 even though she was current in payments. Complainant stated she was offered to reveal the location of another customer who was out for repossession in exchange to get her vehicle back for free or at least have the number of payments reduced. Complainant alleges Respondent repossessed because the sales taxes were not paid. Respondent also refused to return the vehicle after she allegedly had the money to pay the tax.

Respondent provided a timeline showing the following:

- 1-the car was purchased on 8/1/2019 for 7500.00 with 613.00 sales tax due.
- 2-down payment of 1000.00 was also required and was made in two payments. 750.00 8/1 and 250.00 8/2
- 3-requirement of 100.00 a week regular payment started 8/10.
- 4-the 613.00 sales tax had 30 days to be paid from 8/1.
- 5-Only one drive out tag issued and the customer was told no more drive out tags until the sales tax was paid.
- 6-By 9/22 700.00 of the 800.00 due had been paid with the next payment being 9/27. Several made late after calls.
- 7-613.00 sales tax still not paid. Customer driving on expired tag.
- 8-Certificate of Title Extension, Re-Assignment supplement to a certificate of title form was signed by Respondent
- 9-***** did offer a finder's fee to them that could've helped with payment if they could tell where an 01 Dodge a friend has had since 4/2019 and not making payments and couldn't be found. The owner of that vehicle was the same friend that had led them to the car lot in the first place. But no information on whereabouts could be given.
- 10-She was allowed to take possession of her belongings. Her purse, cell phone etc. were in the car. If she had the money at that time she never produced such

to us.

11-She still has key to the vehicle.

12-I've included with paper work attached a spreadsheet showing the payments as paid and due. Handwritten sheet is a little hard to read.

If necessary we do have the carbon copies of the receipts written for payments in my payment book.

The sales contract shows a cash price of \$7500 with a \$750 down payment. The amount financed is \$6750 to be paid at \$100 per week. No sales tax was mentioned on the contract. Payment history shows the Complainant had two late payments that were eventually made and accepted by Respondent. At the time of repossession the Complainant was current in payments however the sales tax had not been paid within 30 days. Respondent did not offer or issue a second temporary tag.

Pursuant to Tenn. Code Ann. §67-6-501(a), the responsibility for sales tax rests on the dealer that provides the taxable product or service. The law requires that the dealer pass the tax to the customer; failure to do so does not relieve the dealer of the responsibility to timely remit the tax to the state.

Recommendation: Authorize a civil penalty of \$1,000 for not collecting sales tax from customer and paying the tax in order for customer to register vehicle.

Commission Decision: CONCUR

34. **2019079561 (SH)**
First Licensed: 09/01/1991
Expiration: 09/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent in February 2018. On 9/5/2019 the vehicle would not start and the transmission indicator was on. Respondent had the vehicle for a week

and replaced two chips that control the transmission. Complainant had the vehicle for 4 days and would not start with every hazard light on.

Respondent made a roadside assistance call and found Complainant upset because a "Service Transmission" light was on and the vehicle was operable. The trouble code found a failed right side transmission uplift switch which was replaced at no charge. The vehicle was tested several times with no issues. Respondent states the Complainant came back a few days later and was upset and belligerent stating that the vehicle had died while driving. Respondent tested the vehicle and there were no issues found. Complainant apparently disrupted the Respondent's business and was asked to leave. Respondent states the warranty is good at any certain manufacturer dealer and they are exercising their right to refuse further business with Complainant.

Recommendation: Close.

Commission Decision: CONCUR

35. **2019080561 (SH)**
First Licensed: 09/01/1991
Expiration: 03/31/2012
License Type: Motor Vehicle Dealer
History (5 yrs): None.

The Respondent is apparently still listed as lienholder on Complainant's title however the business closed in 2012. Complainant was given the surety bond information to assist in removing the lienholder from the title.

Recommendation: Close.

Commission Decision: CONCUR

36. **2019080771 (SH)**

First Licensed: 09/29/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$1,500 civil penalty for false fraudulent and deceptive acts, failure to maintain temp tag log, possession of open titles, and failure to produce business records.

Department of Revenue agent conducted a salvage rebuild inspection at Respondent's location and observed a vehicle with an EZ Tag in the rear window. The vehicle history showed the vehicle as salvaged and sold to a customer on 5/18/2019.

Recommendation: Authorize a civil penalty of \$500 for issuing a drive-out tag on a salvaged vehicle.

Commission Decision: CONCUR

37. 2019081461 (SH)

First Licensed: 02/08/2018

Expiration: 01/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

On 7/18/2019 Complainant purchased a vehicle and was given the title and paperwork to register the vehicle in Alabama. When Complainant went to the Clerk's office it was determined that the title has two lienholders and the paperwork was incorrect. Complainant contacted Respondent on 8/30/2019. On 9/30/2019 the paperwork was still not received by the local Clerk and the title had the wrong purchase date. Complainant states that he second lienholder was not paid by Respondent.

Respondent claims the vehicle was a repossession and did not bring more than what was owed by previous owner so the second lienholder does not have to be paid. Respondent called the Clerk's office to verify the lienholder situation and was told that AL needs a document releasing the second lienholder. Respondent contacted the second lienholder and they refused to provide any documents unless they were paid. In order to resolve the situation, Respondent paid the second lien and fixed the date discrepancy. All correct paperwork has been sent to the AL Clerk.

Recommendation: Close.

Commission Decision: CONCUR

- 38. 2019081501 (SH)**
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 temp tag log. 2018 – One complaint closed with \$500 civil penalty for failure to provide a copy of the contract to the Complainant.

Complainant purchased a vehicle on 8/17/2019 and as of 10/01/2019 they have not received any paperwork to transfer the registration. On 10/3/2019 Respondent explained that the transferring took longer than expected however the plates have been transferred and the registration paperwork has been delivered to Complainant. Complainant informed the Department that the issue has been cleared up and the complaint can be dismissed.

Recommendation: Close.

Commission Decision: CONCUR

- 39. 2019073151 (SH)**
First Licensed: 09/28/2011
Expiration: 09/30/2019
License Type: Motor Vehicle Salesman
History (5 yrs): None.

Complainant purchased a vehicle on 3/28/17 and claims fraudulent/wrongful repossession that occurred on or about 4/19/17. Respondents are alleged to have acted in concert in furtherance of a civil conspiracy to defraud Complainant or, in the alternative, individually defrauded the Complainant and/or unlawfully converted and deprived her of property acquired as a bona fide

purchaser in good faith. Complainant sued for breach of contract, conversion, fraud and violation of the Tennessee Consumer Protection Act in General Sessions Court and obtained judgment in the amount of \$24,500.00 against Respondents.

Respondent states that Complainant did not make timely payments which led to the repossession. Respondent claims the Complainant did not have an interest in the vehicle because it was sold to another individual. The judgment has been appealed.

Recommendation: Close.

Commission Decision: CONCUR

40. **2019070531 (SH)**
First Licensed: 08/28/2017
Expiration: 08/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from an individual that owns a tire shop at the same address that Respondent, a dealership, is located. Complainant had trouble obtaining the title to register the vehicle from Respondent.

Apparently the individual that owns the tire shop is partners with the owner of Respondent. There was a subsequent issue between the two where owner of Respondent had the owner of tire shop arrested. Complainant alleges that the individual of the tire shop was trying to extort more money from her in order to get the title from Respondent.

Respondent states that the two are no longer partners and the issue has been cleared up. The lien was released and Complainant is satisfied with the resolution.

Recommendation: Close.

Commission Decision: CONCUR

41. **2019071651 (SH)**
First Licensed: 09/06/2013
Expiration: 09/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent in February 2018 for a little over \$8000. It started to smoke while driving down the highway so the vehicle was towed to a franchise lot. Complainant wanted to trade in for a newer vehicle and alleges they were told the vehicle was worth only \$7,000. Complainant alleges the Respondent is selling used vehicles at new vehicle prices.

Respondent states that Complainant purchased the vehicle with a 48 month/100,000 mile extended service plan and financed the vehicle through a third party. Respondent states Complainant should contact them to have the vehicle serviced through the ESP if the mileage is still less than 100,000 miles.

Recommendation: Close.

Commission Decision: CONCUR

42. **2019075621 (SH)**
First Licensed: 01/31/2006
Expiration: 11/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant negotiated a purchase for a vehicle and met with the F & I Manager to sign documents. Complainant also did not finance or secure a loan with this purchase. Complainant did not want to sign the Personal Information document allowing Respondent to share Complainant's personal information. Complainant alleges Respondent stated they would refuse to sell the vehicle if the document was not signed. Complainant believes that under the Gramm-

Leach-Biley Act that Respondent is required to offer an Opt Out form if a customer does not want information shared with non-affiliates. Complainant refused to sign the document and alleges fraudulent business practices.

The Privacy Rule does not apply to you if a person buys a car with cash or arranges financing on their own through another lender. Due to the Complainant not financing or securing a third party loan the Act does not apply in this situation.

Recommendation: Close.

Commission Decision: CONCUR

43. **2019078931 (SH)**
First Licensed: 09/01/1991
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent is selling broke vehicles and now demanding payment for a vehicle that is not fixed. Respondent sold the vehicle in-house "as is" on a bi-weekly note. Respondent states that complainant refused the service agreement at the time of sale. Complainant notified Respondent in June 2019 that the vehicle was making a noise so Respondent asked to leave the vehicle so that it could be looked at by their mechanic and diagnosed. Complainant refused at that time but later called Respondent in August 2019 asking to tow the vehicle because it was not running. Respondent diagnosed the engine had locked up and that it would be \$2,000 to repair. Respondent also tried to assist by asking for \$1000 down and adding the balance to the note. Complainant refused to pay and stopped making bi-weekly payments so Respondent exercised their repossession rights.

Recommendation: Close.

Commission Decision: CONCUR

44. **2019080091 (SH)**
First Licensed: 09/01/1991
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is the father of a Fort Campbell soldier that purchased a vehicle from Respondent on March 17, 2018 and then a second vehicle in September 2019. The purchased was financed through a third party lender as well as GAP Insurance obtained. Complainant alleges Respondent took advantage of his son and financed the loan at 19.99%. Complainant was able to secure a loan at 3% and had his son take the payoff check to Respondent but Respondent refused to accept the check. Respondent explains they did not finance the loan and the check should have been directed to the third party lender.

Recommendation: Close.

Commission Decision: CONCUR

45. **2019090031 (SH)**
First Licensed: 09/01/1991
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant did not purchase a vehicle from Respondent however they did use the service department to diagnose a transmission issue. Complainant states that the warranty company denied the claim due to modifications made to the vehicle. Complainant asked Respondent to replace the transmission and paid for it out-of-pocket for \$4000. After repair the vehicle continued to have the same issues and it was returned to diagnose the problem. Later it was determined that the real issue was the vehicle needed a tune-up. After the tune-up the issues ceased. Complainant demanded a reimbursement for the transmission due to a misdiagnosis and Respondent has offered an in-store credit of \$1400.

Respondent stands behind their original diagnosis and states that the warranty company confirmed the diagnosis and recommended transmission replacement. After an extended period of testing, Respondent was able to determine that the vehicle also needed a tune-up. The maintenance service, diagnostic time, and rental vehicle was provided at no charge. Respondent further offered an in-store credit of \$1400 however Complainant has refused.

Both parties met with a manufacturer representative and requested a report documenting the condition of the transmission when it was received. Respondent asked Complainant to obtain this report and if there is a discrepancy in the original diagnosis they have agreed to full reimbursement.

Complainant notified the Department that the issue was resolved and accepted a check in the amount of \$1400.

Recommendation: Close.

Commission Decision: CONCUR

46. **2019080221 (SH)**
First Licensed: 07/29/2013
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a motorcycle on 9/16/2017 and financed it through a third party and alleges unauthorized payments made. Respondent reversed the transactions in their system but not with Complainant's credit card. Complainant provided bank statements but Respondent never fixed the problem. Complainant feels the loan is paid in full but Respondent withdrew an additional \$700.

Respondent does not dispute there have been some clerical errors made. After an audit of the account the issue occurred when Complainant used a different card for additional payments in January 2019. There was no record of this card in their system so the account was showing to

be delinquent. Respondent states they have been cooperative with Complainant by eliminating late payment fees. Respondent has also fixed the problem with the account and once the last payment is made they will release the title and dismiss the account in good standing.

Recommendation: Close.

Commission Decision: CONCUR

47. **2019081111 (SH)**
First Licensed: 03/25/2009
Expiration: 05/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – \$250 agreed citation for expired county business license. One complaint closed with Letter of Warning for deceptive advertising.

Complainant purchased a vehicle in full with cash. Complainant alleges the vehicle broke down and he tried to scrap the vehicle but couldn't because the Respondent never registered the vehicle and does not have the title.

Respondent provided a copy of the Bill of Sale from the purchase and the title that was given to Respondent on the date of purchase. Respondent sold the vehicle "as is" with no implied warranties.

Complainant advised the investigator that he was more upset the vehicle's engine light came on in such a short time after purchase. This resulted in not passing emissions and consequently cannot finalize registration.

Recommendation: Close.

Commission Decision: CONCUR

48. **2019074781 (ES)**
First Licensed: 04/24/2009
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent sold them a vehicle without disclosing that it had frame damage. An investigation was conducted. Respondent stated that after running a vehicle history report, it was noted that the vehicle had received minor damage to the right rear with no airbag deployed. There was no frame damage to the vehicle. Complainant was given a copy of the report, the \$500.00 down payment was forgiven, and Respondent is working with Complainant to trade them out of the vehicle. Complainant has confirmed that this has been resolved and does not wish to pursue the complaint.

Recommendation: Close.

Commission Decision: CONCUR

49. **2019076601 (ES)**
First Licensed: 09/20/2007
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed with letter of caution for misrepresentation. 2016 – One complaint closed with letter of warning for failure to deliver title. 2015 – One complaint closed without action.

Complainant purchased a new vehicle from Respondent and alleges they have not received their tags. Complainant also alleges they have received 5 temporary tags. Respondent has failed to respond. An investigation was conducted but has not been completed yet. Counsel recommends issuing a \$1000 civil penalty for issuing more temporary tags than allowed and failing to deliver the title. However, if the investigation reveals that Respondent has issued the title in a timely fashion and no violations were committed as alleged, Counsel recommends closing the complaint without action.

Recommendation: Authorize a \$1,000 civil penalty for issuing two more temp. tags than allowed or close without action if investigation reveals no violations as alleged

Commission Decision: **CONCUR**

50. **2019078181 (ES)**
First Licensed: 11/18/2009
Expiration: 11/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant bought a used car from Respondent, claims they purchased a warranty and alleges there has been an oil leak issue since they test drove the car with the salesman prior to purchase. Respondent denies these allegations, stating that the purchase was "As-Is" with no warranty. Respondent picked up the car from Complainant and the mechanic inspected it and found no oil leak. Respondent offered to sell Complainant an extended warranty because Complainant was then concerned about the long term condition of the vehicle, in an effort to appease them, but the offer was declined. Respondent states they have gone above and beyond its contractual duty and stands by their position that the vehicle was purchased "As-Is" and therefore they have no liability for any further repairs needed or requested. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: **CONCUR**

51. **2019078301 (ES)**
First Licensed: 04/21/2016
Expiration: 02/29/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant and Respondent have been close friends for decades and after a falling out, Complainant makes various unsubstantiated allegations about Respondent's business and claims Respondent threatened his life which led Complainant to leave Tennessee and go back

to his state of residence. Complainant wanted to buy Respondent's business. Respondent allowed Complainant to restructure the payment plan at least three times because they could not come up with the down payment. Pending payment and approval of their own dealer license, Complainant was allowed to be on the lot to become familiar with the business where he cleaned cars as well. Complainant even stayed at Respondent's personal residence with their family while in town. When it came time for the first \$10,000 payment, Complainant's behavior towards Respondent quickly deteriorated and Respondent began to doubt Complainant's ability to operate the business in an ethical manner. Respondent is in the process of closing the business down and denies the allegations. There is no evidence of any violations and this seems to be a personal matter between Complainant and Respondent.

Recommendation: Close.

Commission Decision: CONCUR

52. **2019079641 (ES)**
First Licensed: 02/06/2009
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant bought a new vehicle from another dealer and has had mechanical issues with it, taking it to various shops before bringing it to Respondent for repairs. Complainant alleges Respondent has failed to diagnose the problem or follow up with them about the vehicle. Respondent states that Complainant originally brought the vehicle in on 8/13/19 with motor problems and a new engine was installed under warranty. On 9/3/19, Complainant brought it in claiming a rough idle when stopped but Respondent's technician could not duplicate the problem. On 9/4/19, Complainant brought it in again and Respondent performed multiple tests on the vehicle and was picked up by Complainant without issue. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

53. **2019081911 (ES)**
First Licensed: 09/01/1991
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant bought a new vehicle from Respondent specifically for the purpose of towing goose neck and fifth wheel trailers. Complainant discussed these specific requirements with the salesman and was advised that the vehicle they ended up purchasing could provide the hauling performance required but when Complainant went to have a goose neck ball installed, they were informed that the vehicle could not be fitted with the towing parts because it could not withstand the weight requested. Complainant communicated this information with the salesman and was told that this information was incorrect initially, but later was informed that the salesman had provided the wrong specs to Complainant for the vehicle. Respondent confirmed they are aware of this issue and have been working with the manufacturer. Respondent states Complainant specifically requested a certain make/model and the salesman provided the towing capacity based on specs provided to them by the manufacturer. Respondent relies on this kind of information to be true but have since been told that there is a difference in towing capacity by trim level within vehicle models. Respondent did make attempts to trade Complainant out of the purchased vehicle, but the price difference for the model Complainant chose was too great. Respondent has notified their regional and district managers of this issue and they are working with Respondent to encourage the manufacturer to offer Complainant trade assistance which will enable Respondent to get Complainant into the vehicle that fits their needs. Respondent is trying to resolve this as quickly as possible.

Recommendation: Close.

Commission Decision: CONCUR

54. **2019083591 (ES)**
First Licensed: 02/25/2009
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with \$1,500 civil penalty for failure to maintain county/city business licenses and misuse of temp tags. 2018 – One complaint

closed with \$1,500 civil penalty for expired business licenses and two salespersons operating on expired licenses.

A Notice of Violation was issued to Respondent for having an expired city business license since 2018. This is the third time a Notice of Violation has been issued for the same violation. An investigation was conducted. Respondent has since taken corrective action and immediately obtained an active city business license which they were eligible for at the time and are in now in compliance. Counsel recommends issuing a \$1,000 civil penalty for failing to maintain an active city business license considering this is the third time Respondent has received this kind of Notice of Violation.

Recommendation: Authorize a \$1,000 civil penalty for failure to maintain active city business license

Commission Decision: CONCUR

55. **2019098081 (ES)**
First Licensed: 03/09/2011
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to purchase a warranty with their warranty payment. Respondent has offered to reimburse Complainant the cost of the warranty and feels this issue is now resolved.

Recommendation: Close.

Commission Decision: CONCUR

56. **2019067931 (ES)**
2019090051
First Licensed: 10/15/1998
Expiration: 09/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with letter of warning for failure to deliver

title in a timely manner.

2019067931

Complainant claims Respondent is failing to honor the correct sales price for the new vehicle they purchased. Complainant further alleges Respondent is attempting to require them to sign a new contract and threatening to withhold title to the vehicle purchased. Respondent's attorney responded to this complaint and states Complainant signed paperwork during the purchase process which reflected the correct sales price. Complainant then went to the finance office and the finance manager accidentally picked up a sale price number that was over \$9,000 below the correct sales price as agreed to in the contract. Respondent claims Complainant was aware of this mistake but did not notify anyone about it, instead signing the incorrect finance contract. When the mistake was discovered, Complainant was contacted and asked to come in to re-contract with Respondent but refused to communicate further. The finance provider rejected the contract as submitted considering the mistake. Complainant signed a Conditional Delivery Agreement and is thus obligated to return the vehicle; especially considering both Complainant and Respondent signed the original paperwork with the correct sales price. There is no binding contract at this point but Respondent is still willing to sell the vehicle to Complainant at the correct price that was agreed to, but Complainant's refusal to communicate and subsequent intervention of their boyfriend has now raised the red flag with the potential lender that this was a "straw" purchase all along, meaning the lender may not accept the contract under any circumstances.

Recommendation: Close.

Commission Decision: CONCUR

2019090051

Complainant claims Respondent did not inform them of any add-ons to the vehicle purchased until Complainant saw them listed on the contract. Complainant asked about them and was told the vehicle already had the add-ons and printed out paperwork for each item with corresponding prices (\$495 for ding shield, \$495 for permaplate and \$299 for alarm). Respondent told Complainant once the sale was complete, they would receive a PIN number to register the GPS tracking with alarm but Complainant states they have not received it. Respondent apologized for the Complainant's dissatisfaction with the service provided and has cancelled the three optional products referred to as add-ons and issued full refunds to Complainant's lender per the loan agreement.

Recommendation: Close.

Commission Decision: CONCUR

57. 2019071761 (ES)
First Licensed: 10/01/2010
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant traded in a vehicle to Respondent on or around 7/17/19 and claims it had a new license plate at the time of the transaction. Complainant further states that Respondent offered \$2500 for the trade in towards the purchase of the vehicle and agreed to transfer the plate from the trade-in. Two weeks after the purchase, Complainant alleges that they noticed one of the tires had a “bump” so they took the vehicle back to Respondent and asked for their trade-in back. Complainant also claims Respondent told them they could give the trade-in back and take the car purchased back from Complainant but Complainant would have to pay for the business, state and local taxes; Complainant was not able to pay for the taxes and therefore could not reverse the trade. Respondent then agreed to change the tire out at no cost so Complainant kept the vehicle they purchased with their trade-in and have made two payments of \$350 each. Complainant claims that Respondent continues to ask them to start paying towards the taxes charged as a result of the trade-in transaction which total \$1,476.06 or Complainant cannot get their plates transferred. Respondent states that Complainant has been consistently late with their payments and has yet to pay towards the taxes due as agreed. Respondent refers to the paperwork which Complainant signed (Bill of Sale, Sale Contract, Security Agreement and Disclosure Agreement), and argues that they agreed to pay the taxes within 55 days via payment separate and in addition to the normal scheduled loan payment as noted in the Supplemental Payment Agreement. Respondent had given Complainant two temporary tags within the 55 day window and required payment of the taxes within that time knowing they cannot issue more than two, which was discussed with Complainant and allegedly agreed to. Counsel was notified that Complainant stopped making payments and Respondent has obtained possession of the vehicle as a result of the default.

Recommendation: Close.

Commission Decision: CONCUR

58. 2019071811 (ES)
First Licensed: 11/21/2006

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

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

Complainant traded their vehicle for another vehicle and alleges Respondent overcharged them by \$8.00, specifically charging them \$33.50 instead of \$25.50 for the fees related to transferring Complainant's tag. Respondent explains that Complainant was charged \$25.50 for the transfer of the plate and \$8.00 for the temporary tag completed in the EZ Tag system.

Recommendation: Close.

Commission Decision: CONCUR

59. 2019062851 (ES)

First Licensed: 03/27/2014

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with letter of warning for failure to respond to a complaint.

Complainant alleges Respondent failed to pay off their trade-in vehicle in a timely manner. An investigation was conducted. The investigator obtained evidence that showed that the three late payments made on the trade-in were not Respondent's fault but the result of an expired Lease Accelerator Program. Evidence also showed that Respondent has bent over backwards for Complainant regarding her lease agreement, noting that they have lost about \$5,000 on Complainant's lease agreement/trade-in and have even repaired the trade-in at their cost. Complainant met with the investigator and stated that the issue has been resolved and notes that they must have read the lease agreement incorrectly. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

60. 2019063131 (ES)

First Licensed: 04/24/2009

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

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

Complainant alleges Respondent sold her a vehicle without disclosing that it had damage and notes how many mechanical issues it has had since purchase. Respondent has no knowledge of any damage and states they purchased the vehicle from an auction and it passed inspection. Respondent has since purchased the vehicle back from Complainant and paid off their loan, and the issue has been resolved.

Recommendation: Close.

Commission Decision: CONCUR

- 61. 2019064791 (ES)**
First Licensed: 12/16/2003
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$3,000 civil penalty for failure to deliver title/registration. 2018 – One complaint closed with letter of warning for failure to provide title in a timely manner.

Complainant purchased a used vehicle from Respondent and claims that they also bought a vehicle service contract which was never paid for by Respondent. An investigation was conducted and it was found that Respondent immediately contacted our office and provided proof of the payment made to the service contract vendor.

Recommendation: Close.

Commission Decision: CONCUR

- 62. 2019065771 (ES)**
First Licensed: 05/19/2016
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent sold them a vehicle “As-Is” with many mechanical problems and requested a full refund. Since the complaint was filed, the issue has been resolved and the complaint has been dropped. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

63. 2019073811 (ES)

First Licensed: 05/23/2017

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

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

A Notice of Violation on 8/28/19 was issued to Respondent for having an expired county business license. Respondent has already entered into a Consent Order for having an expired county business license in September 2019 (2018064641) and has since renewed the license, therefore Counsel recommends closing this complaint to avoid assessing discipline for a violation that has already resulted in a civil penalty and is resolved.

Recommendation: Close.

Commission Decision: CONCUR

64. 2019071881 (ES)

First Licensed: 03/13/2001

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant states that they are a victim of identity theft and alleges that an unknown inquiry was made through Respondent dealer and asks that Respondent remove the inquiry from the credit bureaus. Respondent immediately began the process to remove such inquiry once made aware of this issue and have made numerous attempts to contact Complainant, and is making a concerted effort to bring resolution to the situation. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

65. 2019072761 (ES)

First Licensed: 03/31/2017

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent in September 2018 and alleges that it was not properly inspected, not ready for sale and maintenance performed on the vehicle caused further damage to other parts. Respondent and Complainant have since come to a resolution regarding these allegations and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

66. 2019073111 (ES)

First Licensed: 09/26/2011

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with \$3,000 civil penalty for false/fraudulent/deceptive acts. 2015 – One complaint closed with \$1000 civil penalty for false/fraudulent/deceptive acts.

Complainant alleges they have claims arising from the good faith purchase of a used vehicle from Respondent and an alleged wrongful repossession. Complainant alleges Respondent acted in concert with another person and conspired to defraud Complainant, and further claims to have obtained a judgment for \$24,500 regarding this matter. Respondent states that another person, the other party who was sued by Complainant, was the actual purchaser of the vehicle in 2017. The purchaser did not make timely payments toward the loan which led to the rightful repossession. After the vehicle was repossessed, Complainant claimed they had an interest in it; however there is no contractual agreement between Complainant and Respondent. Respondent has appealed the judgment as of 9/12/19. This complaint is related to No. 39 above which is also recommended to be closed without action.

Recommendation: Close.

Commission Decision: CONCUR

67. 2019076821 (ES)

First Licensed: N/A

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

Complainant purchased a used vehicle from Respondent and has not received the title. Respondent does not have a dealer license. An investigation has confirmed that the owner of this business has since passed away.

Recommendation: Close.

Commission Decision: CONCUR

68. 2019077341 (ES)

First Licensed: 03/15/2007

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

A Notice of Violation was issued to Respondent when an annual inspection revealed Respondent was in possession of 8 open titles, had 21 missing entries on the temporary tag log, could not produce a surety bond and had an expired county business license. Additionally, Respondent failed to produce business records. Counsel recommends issuing a \$4,000 civil penalty for the open titles (8 x \$500), a \$500 civil penalty for the expired surety bond, a \$250 civil penalty for the expired county business license, a \$10,500 civil penalty for the deficient temporary tag log (21 x \$500) and a \$500 civil penalty for failure to produce records. In total, Counsel recommends a \$15,250 civil penalty and a follow-up inspection in 30 days.

Recommendation: Authorize a \$15,250 civil penalty for open titles, deficient temporary tag log, expired surety bond, expired county business license, failure to produce records, and re-inspection in 30 days

Commission Decision: CONCUR

69. 2019065911 (ES)

First Licensed: 09/01/1991

Expiration: 11/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with letter of warning for failure to maintain sales and use tax.

A Notice of Violation was issued to Respondent when an annual inspection revealed several violations. Respondent did not have their dealer license posted and could not produce when we asked by the inspector. Respondent's business license was expired. Respondent did not have a Tennessee Sales Tax number posted and one could not be produced (this is the second violation for failure to display the sales tax number). Respondent's general liability insurance had expired 7/18/19. Counsel recommends issuing a civil penalty for each of these violations to total \$1,250 and conducting another inspection to follow up on these issues within 30 days.

Recommendation: Authorize a civil penalty in the amount of \$1,250 and re-inspection in 30 days

Commission Decision: CONCUR

70. **2019074051 (ES)**
First Licensed: 03/22/2007
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent in June 2019 and alleges it was unsafe due to severe tire damage. Respondent states they did an inspection when the vehicle was taken in as inventory and once completed, no issues were found. When Complainant contacted Respondent about the tire issue, it was unknown how many miles had been driven or how the vehicle had been driven, however Respondent offered them a set of tires at dealership cost which was refused. This vehicle was purchased "As-Is" with no warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

71. **2019074101 (ES)**
First Licensed: 08/11/1998
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant bought a used car from Respondent for their daughter and states that it was not driven much in the first year because she was away at college. Complainant alleges the check

engine light eventually came on and they made repairs but the vehicle still needed another repair that would cost around \$800. Complainant alleges the vehicle was in a bad accident and had three owners prior to this purchase. Respondent notes that the vehicle was purchased back in March of 2018 and feels it is the owner's responsibility to maintain and store the vehicle as they see fit, further arguing that Respondent cannot be responsible for a vehicle that is 18 months old at the time of the initial complaint. Respondent had the vehicle serviced prior to sale and provided the CarFax to Complainant, which shows the prior owners and accident history. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

72. **2019074821 (ES)**
First Licensed: 03/22/2002
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges the vehicle stalled in the middle of an interstate and required roadside assistance. No further detail or documentation is provided. Respondent states that before purchase, Complainant was allowed to take the car to a mechanic of their choosing, so Complainant took it for a long test drive and an inspection and came back satisfied with the vehicle's condition. Complainant paid \$1900 for the vehicle "As-Is" with no warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

73. **2019077381 (ES)**
First Licensed: 02/05/2002
Expiration: Closed
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent in August 2018 and alleges the air compressor went out after a few weeks. Complainant contacted the manufacturer about a possible recall and also checked the CarFax report again. Complainant claims the report they

purchased showed two issues (damage to front end) which they allege was not disclosed by Respondent prior to purchase. Complainant does not provide any documentation or evidence to support the allegations and Respondent has since closed and been bought out by new owners who explained to Complainant that they cannot take responsibility for such allegations. Considering the lack of evidence of any violations and the closure of the dealership without renewal of the license, Counsel recommends closure.

Recommendation: Close.

Commission Decision: CONCUR

74. **2019070971 (ES)**
First Licensed: 09/01/1991
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a new vehicle from Respondent and alleged mechanical problems and possible lemon law claim. Respondent promptly responded to the complaint and explained that the vehicle was being dealt with by the manufacturer and acknowledged they would make any repairs covered under warranty. Complainant later provided an update that the issue was resolved by the manufacturer and the vehicle had been re-purchased from Complainant for a satisfactory price. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

75. **2019072271 (ES)**
First Licensed: 01/21/2016
Expiration: 12/31/2019 – check before meeting
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for expired city and county business license.

During an annual inspection at Respondent's dealership on 8/22/19, Respondent was issued a Notice of Violation because they could not produce their county and city business licenses or their sales tax identification number. Counsel recommends assessing a civil penalty of \$500 per violation for failure to maintain city and county business licenses considering this is the second

offense of this kind, and issuing a \$500 civil penalty for failing to display sales tax identification number, for a total civil penalty of \$1,500. Counsel also recommends a follow-up inspection in 30 days.

Recommendation: Authorize \$1500 civil penalty for failure to display sales tax identification number, and failure to have an active county and city business license, and re-inspection in 30 days

Commission Decision: CONCUR

76. 2019076771 (ES)
First Licensed: 09/01/1991
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used car from Respondent and alleges Respondent sold them an illegal GAP insurance policy that violates the Military Lending Act. Respondent cancelled the GAP insurance policy and refunded the full amount charged to Complainant which resolved the issue. Respondent provides ongoing training with their staff to ensure full understanding of the Military Lending Act in light of this complaint.

Recommendation: Close.

Commission Decision: CONCUR

77. 2019077661 (ES)
First Licensed: 06/22/2004
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant refinanced their vehicle with a credit union in July of 2019 and the loan officer advised them to cancel their GAP insurance and extended warranty with Respondent. Complainant cancelled them and a check was sent to Respondent, which Respondent sent to the lienholder. Complainant claims the lienholder was no longer owed any money and told Respondent that the check needed to be retrieved and sent to them. After the complaint was filed, Respondent looked into this issue and it was resolved, and the amount owed to Complainant has been paid.

Recommendation: Close.

Commission Decision: CONCUR

78. **2019078011 (ES)**
First Licensed: 09/11/2012
Expiration: 08/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to deliver title.

Complainant alleges Respondent is not recording their vehicle payments correctly and misrepresented the condition of the used vehicle purchased by Complainant. Complainant provides no further detail or evidence to substantiate these allegations. Respondent denies the allegations and provides the deal file showing Complainant purchased the vehicle “As-Is” without warranty and provided the Installment Contract with a detailed payment schedule which was signed by Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

79. **2019078901 (ES)**
2019057901
First Licensed: 04/18/2005
Expiration: 03/31/2019 - SUSPENDED
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – Several complaints open for failure to deliver title.

Respondent was arrested for a third time recently and charged with two counts of filing a false sales tax return. Respondent bonded out and is scheduled for a status hearing on 6/19/20, and trial is set for 7/20/20. Respondent is also under Receivership due to charges filed by the Department of Revenue. Respondent’s next status conference with the DOR is 2/14/20. Respondent’s license is suspended and expired.

At the last meeting, the Commission voted to put all of the open complaints related to this Respondent into Monitoring status. Counsel recommends placing these two complaints into

Litigation Monitoring status as well, considering these matters will be represented at a later date once the criminal cases and DOR case has concluded.

Recommendation: Place in Monitoring

Commission Decision: CONCUR

80. 2019079701 (ES)
First Licensed: 09/05/2007
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent on 9/20/19 when an inspection revealed that both the Respondent's dealer license and their county business license had expired. Respondent immediately took steps to renew the dealer and county business licenses, having successfully renewed by early October 2019. Considering this is the first time Respondent has received a Notice of Violation and has been licensed since 2007, and Respondent addressed the issues promptly, Counsel recommends a \$250 civil penalty for failure to maintain an active county business license and a \$500 civil penalty for unlicensed activity for time the dealer license was expired, for a total \$750 civil penalty.

Recommendation: Authorize \$750 civil penalty for failure to maintain an active county business license and unlicensed activity

Commission Decision: CONCUR

81. 2019057631 (ES)
First Licensed: 04/09/2018
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent on 6/26/19 when an inspection revealed that the Respondent's county and city business licenses had expired. Counsel recommends issuing a \$250 civil penalty for each of the two violations, for a total \$500 civil penalty.

Recommendation: Authorize \$500 civil penalty for failure to maintain an active county and city business license.

Commission Decision: CONCUR

- 82. 2019061581 (ES)**
First Licensed: 08/03/2006
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

In February 2019, Complainant claims they were informed by Respondent through a mailed notification that Respondent had possession of Complainant's car, and that it was considered abandoned and they were going to take possession of the title. Complainant contacted Respondent and stated that the vehicle they had for the lot number given was not Complainant's vehicle because they had maintained possession of their vehicle since it was purchased in 2016. Respondent acknowledged the mistake and assured them that the issue would be resolved. Complainant never heard from Respondent again but when they tried to renew their tags in July 2019, the county clerk informed them that Respondent had possession of the title and therefore no renewal could take place. Complainant claims Respondent never contacted the DMV about the title issue and despite further promises, has failed to correct the problem. Respondent states they have since remedied the issue and explained the steps taken, also providing proof that Complainant's vehicle has been properly reinstated and a title re-issued to them.

Recommendation: Close.

Commission Decision: CONCUR

- 83. 2019070361 (ES)**
First Licensed: 07/31/2017
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint open for expired business license.

A Notice of Violation was issued to Respondent on 8/16/19 when an inspection revealed that the Respondent's dealer license had expired a couple weeks prior to inspection. Respondent contacted our office the same day and immediately renewed their dealer license. 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

84. 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: CONCUR

85. 2019071311 (ES)
First Licensed: 09/12/2011
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with letter of caution for getting agreements in writing when purchasing a vehicle for a customer from any auction.

A Notice of Violation was issued to Respondent on 8/21/19 when an inspection revealed that the Respondent's dealer license had expired a couple weeks prior to inspection. Respondent immediately took steps to resolve this issue and renewed their dealer license. 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

86. 2019071431 (ES)

First Licensed: 02/21/2002
Expiration: 02/29/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent on 8/20/19 when an inspection revealed multiple violations. Respondent was cited for dealer plate misuse, for issuing tags to a salvage vehicle and for failure to produce business records. Respondent admitted to giving dealer plates to a friend for use on their vehicles since 2016 simply because the two were such good friends. This friend was pulled over in a vehicle that they had purchased from a dealer in Alabama back in 2016 and was using the dealer plate which Respondent had loaned him. The vehicle is listed as a junk vehicle by the state of Alabama and by CarFax and cannot be registered or driven on a public road. The police also found two more expired plates in the vehicle which were registered to Respondent from 2016 and 2017. Respondent told the inspector that they were unaware the vehicle being driven by their friend which was displaying Respondent's dealer license was junk. The Tennessee Department of Revenue has since seized the original dealer plate and they are researching the unpaid taxes for the 2.5 years since none was collected in Alabama. The inspector also found several motorcycles at Respondent's dealership and two of them had expired plates. When asked about the sales prices for the motorcycles, a salesman pulled a piece of paper from their wallet and gave a price for one of the tagged bikes. Respondent stated they were selling the bikes for a friend and one of them was owned personally by a salesman employed there. Respondent was unable to produce any consignment forms or documentation for the bikes. Counsel recommends issuing a \$500 civil penalty for dealer plate misuse, a \$500 civil penalty for issuing a tag to a salvage vehicle, and a \$500 civil penalty for failure to produce business records for a total \$1500 civil penalty. Counsel will also follow up with the Department of Revenue concerning the outcome of their findings and represent any new information is provided.

Recommendation: Authorize \$1500 civil penalty for dealer plate misuse, for issuing a tag to a salvage vehicle, and for failure to produce business records

Commission Decision: CONCUR

87. 2019059031 (ES)

First Licensed: 05/06/2014
Expiration: 05/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – Two complaints closed without action.

Complaint alleges the new vehicle they purchased from Respondent in November 2017 is a "lemon" and also alleges that Respondent is failing to honor a warranty. Respondent first notes that the vehicle came with an express warranty from the manufacturer, not from Respondent, and claims that any issues Complainant has are therefore with the manufacturer. However, Respondent has done everything they can to try to assist Complainant as they deal with this issue by providing free loaner vehicles over an extended period of time while trying to replicate the problems with the vehicle. Respondent technicians and staff have never been able to diagnose the alleged problem or replicate the claims of Complainant and due to rising tensions, Complainant is no longer allowed on the business premises. Complainant has made threats and acted in ways that cause Respondent to fear they and their employees could be in danger. Respondent will continue to carry out any responsibility they have to Complainant as it relates to the warranty and any covered repairs, but have exhausted their efforts at this time and deny allegations. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

88. 2019064251 (ES)

2019072171

2019077581

2019078531

2019079591

First Licensed: 09/01/1991

Expiration: 11/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with letter of warning for failure to issue refund on over-paid taxes and one complaint closed without action.

2019064251

Complainant alleges Respondent has failed to fix or return their vehicle as agreed upon. Complainant states that the vehicle has been with Respondent for 5 weeks. Respondent did provide Complainant with a loaner car but Complainant takes issue with the fact it was not a large vehicle like their own. Respondent switched out the loaner when a larger option became available. Respondent states that the delay in repair of the vehicle was caused by a parts delay from the manufacturer because the parts were on back order. Respondent has since completed agreed upon repairs and returned the vehicle to Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

2019072171

Complainant alleges Respondent utilized “bait and switch” marketing tactics and is engaging in misleading advertising. Complainant received a large post card in the mail from Respondent which advertised new vehicles available for lease under specific terms. Complainant was interested in one of the vehicles and went to Respondent’s offsite location to meet with a salesperson but they could not find a similar vehicle, and everything was more expensive. Respondent continued to work with Complainant over the course of a weekend and found a few vehicles that were similar enough to the vehicle advertised on the post card, leading Complainant to fill out paperwork to move forward with a lease. When the time came to apply, the Financial Services Director met with Complainant and explained that the advertised terms were only for the specific vehicles pictured on the post card, which included the vehicle model and stock numbers. The Director went back to their office for some time to try to work something out for Complainant but eventually stated that the lease price for the vehicle Complainant wanted would not be the same as the advertised price for the vehicle on the post card because Respondent would lose money. Respondent offered to lease it for \$120 more per month but Complainant refused. Complainant asked about the vehicle on the post card and Respondent stated that it had already been sold/leased. Complainant feels that Respondent wasted their time and believes it is unethical to offer lease terms on an advertisement that seem to only be valid and available to consumers if they were to lease one of the specific cars pictured in the ad. Respondent states that the advertisement was placed in error after the vehicle Complainant saw and wanted from the post card was manually placed in Respondent’s inventory and assigned a stock number because they had an agreement to obtain it through a dealer trade. The dealer trade failed. The vehicle was not deleted from the system before the advertising agency selected it for the lease advertisement. The ad agency provided a statement verifying this information. Respondent apologizes for the misunderstanding and confusion caused by this error and has offered to lease Complainant a similar vehicle under the terms advertised.

Recommendation: Close.

Commission Decision: CONCUR

2019077581

Complainant alleges Respondent gave their car keys to an unauthorized person to work on their vehicle in a back alley parking lot after Complainant chose to have it towed to Respondent’s business for needed repairs. Complainant filed a police report as a result of these allegations and requests that Respondent pay \$6000 in damages for making such a reckless decision. Complainant also alleges Respondent allowed the “mechanic” to use non-certified parts on the

vehicle which would never have been allowed if Complainant had been notified. Respondent explains that the owner of a parking agency (owns the lot where the vehicle must have been damaged) called them to let them know he was having Complainant's vehicle towed to Respondent's shop, gave his contact information and stated that he was responsible for the costs of all repairs. Respondent's service advisor spoke with Complainant the next morning and advised they would look at the vehicle on Monday (this was Saturday), to which Complainant agreed. Later that morning, a representative of the parking agency owner came by and asked for the keys. Considering that the parking agency owner was the one authorizing the repairs, the keys were given to the representative who took the vehicle to another location on Respondent's property and proceeded to make mechanical repairs to it. When Complainant came to check on the vehicle, Respondent informed them of what had transpired which led to the police being notified. No action was taken by the police and the parking agency representative returned the vehicle to Respondent. Respondent never made any repairs and the vehicle eventually was transported to another mechanic at a sister collision center for the body repairs.

Recommendation: Close.

Commission Decision: CONCUR

2019078531

Complainant states that they dropped their car off at Respondent's service department after hours so the battery could be replaced the next morning. Complainant had a scheduled appointment for this visit and left the car in the designated spot with the keys as instructed. Complainant received a call that morning asking for authorization to replace the battery and for additional electrical repair. Complainant authorized the battery work and declined any further repairs at that time. Approximately 10 minutes later, Complainant called Respondent back and asked them not to do anything with the car because Complainant did not feel comfortable after the phone call and wished to have the battery replaced somewhere else. Complainant was first told that no work had been performed yet, but then immediately got another call informing them that the battery had already been replaced, an oil change had been performed and electrical repair was completed. Upon arrival to pick up the car, Complainant was informed that an employee had attempted to jump the vehicle that morning due to the dead battery and had accidentally crossed the wires causing electrical damage. Respondent explains that a member of the early greeting staff tried to jump start the vehicle and crossed the wires, but the issue was immediately handled and necessary electrical work performed at no cost to the Complainant. The Respondent was honest with Complainant about what transpired and apologized for any miscommunication by employees who were not fully aware of the situation.

Recommendation: Close.

Commission Decision: CONCUR

2019079591

Complainant is a licensed dealer out of Colorado. Complainant claims they purchased a used vehicle through an online auction after running a CarFax and AutoCheck report which showed a clean history for the vehicle. Complainant retailed the vehicle and it was purchased by a consumer from their dealership. The consumer notified Complainant that they had taken it to be serviced by the manufacturer dealer and was told the factory warranty was blocked. After some research, Complainant realized the vehicle had been stolen from Respondent, recovered by the police, resulting in the warranty being blocked and the title being scrapped by the manufacturer. Complainant claims that CarFax and AutoCheck were not notified and the vehicle was sold to a Kentucky dealer through another dealer's auction. Complainant has tried to find out what the announcement was for that auction sale but has not been successful. The vehicle was then sold to another dealer in Kentucky before Complainant purchased it online. Complainant went through arbitration with the online auction and did not prevail. Respondent confirms the car was stolen and later recovered in Tennessee with no engine or wheels. Eventually the wheels and engine were recovered as well, and Respondent repaired the vehicle. The repair was covered by Respondent's insurance company and the vehicle was sold at auction. No warranty was offered and no representations were made of warranty coverage to anyone at any time. Respondent has never done business with Complainant and denies any wrongdoing.

Recommendation: Close.

Commission Decision: CONCUR

89. 2019064451 (ES)

First Licensed: 02/23/2017

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent misrepresented the used vehicle they purchased and that the vehicle is unable to pass emissions test because the drive cycle has not been reset. Respondent states that they do not give any warranty past 30 days and the limited warranty provided to Complainant only applies if the vehicle stops operating. Complainant bought the car on 1/9/19, "As-Is" with one month warranty on the engine and transmission if it stopped operating. Complainant was aware of the terms of this transaction, was allowed to take the vehicle to a mechanic for inspection but failed to do so, and Respondent argues that they are not responsible for any issues arising seven months after purchase. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

90. 2019065221 (ES)

2019067191

First Licensed: 08/08/1997

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

2019065221

Complainant alleges Respondent damaged their vehicle while making recall repairs. Respondent states that Complainant brought their vehicle in for a recall replacement on 2/19/19 and the repairs were completed at no cost to Complainant within a couple of days. On 4/5/19, Complainant brought the car back and alleged there was a knocking noise coming from the engine bay, and Respondent diagnosed the issues after finding cracks in the center of the flex plate mounted between the engine and transmission. Respondent did not feel the cracks were related to the recall repairs but after consulting with the manufacturer, found that there was a possibility the cracks occurred at the time of installation during the recall repair. Respondent notified Complainant that the problem was going to be taken care of at no cost to them and repairs were completed on 5/8/19. Complainant brought the vehicle back because they were concerned about further knocking noise and Respondent had to make the same repairs after consulting with the manufacturer again at no cost to Complainant, and the vehicle was picked up on 5/31/19. On 7/8/19, Complainant brought it back because a check engine light had allegedly come on, but Respondent could not duplicate the issue and the light was not on, so Complainant picked up the vehicle on 7/10/19. On 7/24/19, Complainant again brought the vehicle to Respondent for the same check engine light concern and Respondent found that an oil control valve needed to be replaced. Respondent explained that this was completely unrelated to the recall repair and subsequent issues stemming from that, but Complainant would not pick it up or authorize any repairs, and the vehicle remained with Respondent. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

2019067191

Complainant alleges Respondent listed the incorrect VIN number on the Bill of Sale for the new

vehicle they purchased. Respondent immediately responded to this complaint and stated that they had been contacted by the credit union that funded the purchase and were then made aware of a discrepancy with regards to the title for Complainant's vehicle. Respondent reviewed the matter and realized they had sold 2 identically equipped 2018 vehicles during the same month (in June 2018), noting the vehicles were exactly the same in color, interior, equipment and price. Respondent also realized the VIN numbers had been reversed when recorded on the paperwork for these two transactions and contacted the Tennessee Department of Revenue in regards to this issue. Respondent has followed the DOR's instructions to correct the problem and correct titles have been issued for the vehicles.

Recommendation: Close.

Commission Decision: CONCUR

91. 2019065301 (ES)

2019057971

2019079651

2019088331

2019085601

2019085621

First Licensed: 03/01/2019

Expiration: CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Respondent closed their business and cancelled their dealer license with the Commission on or around 10/1/19. All of the complaints listed above involve failure to deliver title and all Complainants were provided with the surety bond information.

Recommendation: Close.

Commission Decision: CONCUR

92. 2019065781 (ES)

First Licensed: 02/16/1994

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with letter of warning for deceptive advertising. 2015 – One complaint closed with letter of warning for failure to disclose at

time of purchase that a vehicle had been in two prior accidents.

Complainant alleges Respondent misrepresented the vehicle which they purchased and failed to honor a warranty. Complainant is seeking a refund or trade. Respondent states that Complainant purchased the used car with an extended warranty but never brought it in to be diagnosed; therefore Respondent was unable to make any repair that may be necessary. Complainant did call Respondent's service department and was advised by the Service Director on how to proceed with getting the vehicle repaired under warranty. Respondent notes that the warranty has its own guidelines with regards to repairs covered, as well as the manufacturer. Respondent personally extended Complainant the courtesy of guidance through every step of the process and it is not Respondent's fault that the warranty company will not cover needed repairs. The same applies with the warranty claim made with the manufacturer. Respondent denies allegations and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

93. 2019067541 (ES)

2019084331

First Licensed: 12/13/2013

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – One complaint closed with \$1,000 civil penalty for incomplete temporary tag log.

2019067541

Complainant is a former employee of Respondent's and alleges that Respondent engaged in unscrupulous business practices, such as failure to repair vehicles to state and federal safety standards, failure to disclose salvage titles to buyers, and unlawful repossession. An investigation was conducted. The investigator arrived to the Respondent's business location to find that it had been completely destroyed by a fire. The investigator spoke with the manager who advised that there was a total loss and all keys to inventory, deal files and many titles were destroyed in the fire. Complainant has failed to respond to the investigator's numerous attempts to contact them in order to obtain sworn statements and detail about the allegations made in the complaint. Counsel recommends closing and flagging this complaint considering the Complainant is no longer in contact or cooperating with our investigator and records are no longer available due to the fire.

Recommendation: Close

Commission Decision: CONCUR

2019084331

Complainant alleges Respondent took a payment as part of a "layaway" for down payment. After Complainant submitted \$1100 as a down payment to hold the vehicle for them until the balance was paid, the Respondent allegedly added \$3900 for the taxes which Complainant claims had to be paid or the car would be repossessed a short time after purchase. Complainant further alleges Respondent only gave them a receipt for the down payment which was labeled "miscellaneous." Complainant alleges that the Respondent will not refund the money already paid. Respondent states that Complainant did receive a receipt that clearly lists the total amount due and also shows \$1100 paid as a down payment. Respondent will revise the receipt and add the details to satisfy Complainant. However, the Complainant and some of her relatives have been calling in claiming to be cops or someone other than who they really are, and harassing Respondent to the point that they are no longer allowed inside the business. Respondent argues that Complainant is just upset that they do not have the money to purchase the vehicle and denies all allegations.

Recommendation: Close

Commission Decision: CONCUR

94. 2019067611 (ES)

First Licensed: 04/24/2019

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent misrepresented a vehicle online and alleges advertising violations. Complainant did not purchase the advertised vehicle but wants to be able to buy it for the advertised price or KBB value. Respondent states that they have attempted to contact Complainant numerous times by phone and email to try to explain the issue and correct any miscommunication that may have occurred when Complainant spoke to someone by phone after seeing the ad. Respondent admits that their employee who spoke with Complainant was new and thus may have been unclear when explaining the pricing and answering questions. However, Respondent has communicated to Complainant in voicemails and emails that he can purchase the vehicle he is interested in for the price advertised online and after using their employee pricing certificate, the final price would be even less than advertised. Respondent states that they received one email from Complainant who stated they do not wish to do

business with Respondent. Respondent denies any misrepresentation or advertising violations. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

95. 2019067681 (ES)

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 alleges Respondent misrepresented vehicle and overcharged for repairs. Respondent states that they first replaced a switch panel for the AC, as well as the front control interface module and console trim where it had broken. The charges for these repairs totaled \$1746.59. After Complainant had put more than 35,000 miles on the vehicle since those repairs, the sunroof would not close because of an inoperable motor which led to Respondent replacing the motor for \$1534.19. Respondent has since refunded Complainant \$100 for the costs incurred when Respondent advised Complainant to get a second opinion which led to a body shop cleaning out the drains in the sunroof which fixed the remaining issue. Complainant does not provide any evidence to substantiate the allegations and Respondent denies overcharging for repairs.

Recommendation: Close.

Commission Decision: CONCUR

96. 2019068671 (ES)

First Licensed: 05/17/2016

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – Two complaints closed with letter of warning for failure to provide title. One complaint closed with letter of warning for issuing more temporary tags than allowed. One complaint closed with \$2,000 civil penalty for advertising violations. Two complaints were closed with a \$5,000 civil penalty for continued advertising violations.

Complainant alleges Respondent charged an extra fee that was not part of the contract.

Respondent states that they will unwind the transaction for Complainant but notes that Complainant failed to mention that they have been using Respondent's loaner car and states that the loaner will need to be returned. Once the loaner is inspected, Respondent will refund the down payment to Complainant. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

97. 2019068891 (ES)

First Licensed: 05/17/2016

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – Two complaints closed with letter of warning for failure to provide title. One complaint closed with letter of warning for issuing more temporary tags than allowed. One complaint closed with \$2,000 civil penalty for advertising violations. Two complaints were closed with a \$5,000 civil penalty for continued advertising violations.

Complainant alleges Respondent owes them a second key for the vehicle which they purchased in December 2018. Complainant alleges they spoke with the used car manager on numerous occasions and was told that Respondent would reimburse them if they went ahead and purchased the key. Complainant did purchase a key and sent Respondent a copy of the invoice and was advised that a check would be sent for reimbursement. Respondent confirmed that a check was sent to Complainant for the reimbursement as promised and this issue has been resolved.

Recommendation: Close.

Commission Decision: CONCUR

98. 2019070521 (ES)

First Licensed: 08/12/2004

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

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

This complaint was opened when the Commission was notified by a county clerk that they had received a phone call from a consumer who had purchased a vehicle from a dealer whose license has been and is currently suspended pending criminal charges against the owner. There are

open complaints against this dealer that are in a monitoring status until the criminal case is concluded, at which time they will be presented to the Commission with a recommendation. The consumer had mentioned that they thought the dealer was working with Respondent to sell cars despite having a suspended license and the clerk passed this information on to our office. An investigation was conducted to find out if Respondent was allowing the suspended dealer to sell cars at Respondent's lot or through their dealership and/or website. Respondent told the investigator that they were personal close friends of the suspended dealer and provided the paperwork on file for the consumer which showed a temporary tag issued by the suspended dealer. Respondent advised the investigator that the suspended dealer fraudulently gained access to their paperwork in order to sell the vehicle in question to the consumer. Once Respondent learned of this, they demanded their paperwork to be returned and notified an agent of the Tennessee Highway Patrol of the situation. Respondent never accepted money from the suspended dealer and the transaction was voided and the vehicle eventually was retrieved from Complainant. The investigator spoke with the Agent handling the criminal matter and was advised that the suspended dealer is currently charged with multiple felonies and based on all evidence collected, Respondent did fraudulently obtain the paperwork while the owners of Respondent dealership were away on vacation knowing that everyone in the area trusted them and would provide the requested paperwork based on their long-standing reputation as a dealer prior to being suspended for acts such as this. There is no evidence that Respondent committed any violations. The Respondent was a victim of the suspended dealer's fraudulent acts and crimes and has fully cooperated with our investigator and the THP Agent.

Recommendation: Close.

Commission Decision: CONCUR

99. 2019057011 (ES)

2019064761

2019089141

2019100211

First Licensed: 10/31/2017

Expiration: 10/31/2019 - (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Various complaints were filed making allegations that Respondent failed to deliver titles. An investigation was conducted. The investigator did not receive any documents from the Respondent after requesting the information several times and could not complete the investigation due to the Respondent's refusal to cooperate and provide the requested information. All Complainants were provided with surety bond information. Respondent closed

and cancelled their dealer license with the Commission on or around 12/16/19.

Recommendation: Close

Commission Decision: CONCUR

- 100. 2019049451 (ES)**
First Licensed: 02/25/2011
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to honor agreement to exchange vehicle. Complainant also filed a complaint with the BBB. An investigation was conducted. The Respondent denies any intentional misconduct on their behalf pertaining to this matter and provided the deal file. They claim no promises were made to the consumer about the mechanical condition of the vehicle. They further noted that the Consumer signed the sales contract acknowledging the vehicle was being sold "As Is" and with no warranty. There is no evidence of violations related to the Complainant's allegations but the investigator did mention looking over Respondent's current advertising campaign while investigating this matter as well. The investigation found Respondent's advertising fell short of the standard requirements outlined in Rule 0960-01-.12 (4)(a)(1). Specifically, the investigator found the Respondent's ads failed to properly disclose a disclaimer stating that tax, tags, title or a documentation fee were included in the advertised price and/or those fees would be an added expense.

Recommendation: Letter of Warning outlining advertising guidelines and rules

Commission Decision: CONCUR

- 101. 2019050311 (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.

Complainant alleges Respondent sold her a vehicle on 3/2/18 that had been declared a total loss without disclosing that information. Complainant filed a lawsuit against Respondent in civil court alleging violations of the Tennessee Consumer Protection Act, fraud, and misrepresentation regarding their sales practices. Respondent requests this matter be held in abatement until the conclusion of the civil case, therefore Counsel recommends placing this complaint in a Litigation Monitoring status.

Recommendation: Place in Litigation Monitoring

Commission Decision: CONCUR

102. 2018061911 (ES)
First Licensed: 06/19/2012
Expiration: 07/31/2021
License Type: Motor Vehicle Salesman
History (5 yrs): None.

This is an administrative complaint based on information indicating Respondent may be selling salesman licenses. Respondent is not licensed with the Commission. This complaint was last investigated in September 2018, therefore Counsel requests this be placed in Monitoring so a new investigation can be conducted.

Recommendation: Place in Monitoring

Commission Decision: CONCUR

103. 2018052131 (ES)
First Licensed: Unlicensed
Expiration: N/A
License Type: N/A
History (5 yrs): N/A

An investigation concluded that this Respondent is the same person as the Respondent in No. 102 above, therefore Counsel recommends closing this complaint.

Recommendation: Close.

Commission Decision: CONCUR

104. 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

105. 2019051011 (ES)
First Licensed: 07/06/2006
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed without action.

Complainant purchased a used vehicle from Respondent and had two temporary tags before the vehicle was repossessed. Complainant claims the person who repossessed the vehicle put over 2,000 miles on the car and trashed it and alleges Respondent won't provide the name of the person who picked it up. Respondent states the Complainant fell behind on payments and the vehicle was repossessed before the hard tag was issued. The customer-signed policy states that no hard tag will be issued if an account is past due and a minimum of six attempts to contact them are unsuccessful. Complainant also failed to bring the emissions inspection proof to Respondent within 7 days.

Recommendation: Close.

Commission Decision: CONCUR

106. 2019054011 (ES)
First Licensed: N/A
Expiration: N/A
License Type: N/A
History (5 yrs): N/A

Complainant purchased a used vehicle from a dealer located in Arkansas and alleges the salesman who helped them with the transaction has not provided the title as promised. Complainant provides the Bill of Sale which shows that the transaction has no connection to any dealer or salesman in Tennessee. Counsel recommends closing this complaint and will advise Complainant to file a complaint with the Commission in Arkansas.

Recommendation: Close.

Commission Decision: CONCUR

107. 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

108. 2019076631 (ES)
First Licensed: 08/28/2007
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent during an inspection on 9/9/19. Respondent was in possession of 6 open titles and when asked to produce temporary tag logs, Respondent stated they had been thrown away when they started using the EZ Tag system in October 2018. The investigator informed Respondent that they are required to keep the temporary tags and log for 18 months past the time they were thrown out. Counsel recommends issuing a civil penalty of \$500 per open title (6 x \$500) and a \$500 civil penalty for failure to produce business records, for a total \$3500 civil penalty.

Recommendation: Authorize a \$3500 civil penalty for failure to produce business records and for possessing open titles

Commission Decision: CONCUR

109. 2019080461 (ES)
First Licensed: 09/01/1991
Expiration: 02/29/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with a letter of warning for failure to disclose that a vehicle had been in an accident.

Complainant is an active duty member of the military and alleges Respondent misled them, manipulated paperwork to hide the fact that they allegedly left out the military rebate, and asked them to go through a Kentucky dealer after the purchase was complete so Respondent would not have to pay sales tax. An investigation was conducted. Complainant refused to cooperate with the investigation after speaking with the investigator at the onset of the investigation despite multiple requests. Respondent cooperated with the investigator and provided documentation and sworn statements which revealed no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

- 110. 2019081561 (ES)**
First Licensed: 05/25/2011
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

The Complainant alleges that Respondent misled them into purchasing a used vehicle by claiming it was a certified pre-owned vehicle. Respondent denies the allegation and states Complainant purchased the vehicle As-Is without warranty as shown in the deal file. Respondent notes that the vehicle's mileage and model year clearly indicate that it could not meet the criteria for a certified pre-owned vehicle and states that it was never represented to be one. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

- 111. 2019081671 (ES)**
First Licensed: 10/20/2016
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to disclose flood damage to the vehicle they purchased. Respondent denies this allegation and provides the paperwork from the transaction, including the CarFax which shows no accidents or flood history. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

112. 2019082641 (ES)
First Licensed: 01/04/2017
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to disclose mechanical issues with the used vehicle that Complainant purchased. Respondent states that Complainant purchased the vehicle As-Is without warranty and denies any knowledge of mechanical issues which allegedly arose three weeks after purchase. Respondent and Complainant have since resolved this matter and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

113. 2019073001 (SH)
First Licensed: 06/29/2017
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed with a letter of warning for operating without a license.

A Notice of Violation was issued against Respondent on August 23, 2019 for dealer plate misuse, issuing more than the authorized amount of temp tags, and fraudulent or deceptive business practices.

While performing an annual inspection of Respondent, a late model Chevrolet Trail Blazer was observed parked in front of the office displaying an expired dealer plate bolted to the rear. This

vehicle was pulled into the front of the office and not displayed on the lot with the other for sale vehicles. The office manager was unsure who was driving the vehicle.

The Temporary Tags and Log was in disarray, out of sequence and several incomplete entries. There were three entries for a red 1999 Jeep Wrangler issued to the office manager. The office manager stated they did not buy the Jeep at the lot but had purchased it from another individual. The office manager said that she was only issued one (1) tag but the log showed: C518691 Issued 10/7/17, C799175 Issued 12/28/17, C935000 Issued 2/24/18.

Respondent was also unable to provide proof of surety bond and Garage Liability compliance. The investigator also found several titles that had the business's name printed on the back but not signed.

Recommendation: Authorize a civil penalty of \$2,000 and follow up-inspection in 30 days.

Commission Decision: CONCUR

- 114. 2019079521 (SH)**
First Licensed: 04/03/2017
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$1,000 civil penalty for selling a vehicle on a salvage title.

Complainant purchased a vehicle on 8/7/2017 from Respondent and is trying to trade but found out there is a salvaged title.

Respondent provided documents from the file but not a Rebuilt Disclosure form. A VIR was completed and found that the title was certified rebuilt on 9/25/2017 which is 6 weeks after it was sold by Respondent.

Recommendation: Authorize a \$500 civil penalty for selling a vehicle before the title was certified rebuilt.

Commission Decision: CONCUR

115. 2019080041 (SH)

First Licensed: 08/06/2001

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with a letter of warning for misrepresenting vehicle and failure to deliver title.

Complainant purchased the vehicle in June 2019 and alleges they are on their 4th temporary tag. Respondent states before the sale to Complainant, Respondent sent the payoff to the previous lienholder and obtained a lien release however the lienholder did not possess the actual paper title. Respondent claimed to be in the process of obtaining the title with the lien release.

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

Commission Decision: CONCUR

116. 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

117. 2019083341 (SH)
First Licensed: 03/22/2005
Expiration: 03/31/2021
License Type: Motor Vehicle Salesperson
History (5 yrs): N/A

Respondent was cited for city code violations. Complainant alleges Respondent is a motor vehicle dismantler. An investigation revealed that Respondent has numerous home appliances on his property in which he repairs or takes to the scrap yard. Respondent also has several vehicles parked on his property but no sign of dismantling. Respondent stated he scraps the vehicles but has stopped due to the low prices. Respondent has the appropriate business licenses and has a valid salesperson license with a local dealership.

Recommendation: Close.

Commission Decision: CONCUR

118. 2019084241 (SH)
First Licensed: Unlicensed
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

Complainant alleges that Respondent is flipping vehicles at a rate of 2 to 10 per month. The Respondent will sell the vehicle for a friend whose name is listed as the registered owner. Complainant alleges he is selling as an unlicensed dealer from Nashville, Tennessee.

Respondent was posting about refurbishing vehicles and then selling for his friends on a Facebook post. Research reveals that Respondent owns a registered trucking company and lives in Alabama but did live in Tennessee in the past. There is no proof that Respondent is selling vehicles in Tennessee.

Recommendation: Close.

Commission Decision: CONCUR

119. 2019084791 (SH)

First Licensed: 06/14/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – One complaint closed with letter of warning for odometer fraud.

Complainant claims to have bought a vehicle in 2016 from a different dealer than Respondent however the salesperson from that dealer took the Complainant to Respondent to get financing. The dealer that Complainant purchased the vehicle has since gone out of business.

Respondent has no record of a sale or financing of the Complainant's vehicle.

Recommendation: Close.

Commission Decision: CONCUR

120. 2019084801 (SH)

First Licensed: 10/12/2015

Expiration: 09/30/2019 (Revoked)

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Several complaints opened for failure to deliver title.

Respondent's license was revoked.

Complainant bought a vehicle from Respondent that closed without having a title issued. Respondent voluntarily surrendered its license after filing bankruptcy. The Complainant has been sent the surety bond information to assist with obtaining registration.

Recommendation: Close.

Commission Decision: CONCUR

121. 2019085271 (SH)
First Licensed: Unlicensed
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

Respondent is alleged to have bought and sold 17 vehicles while unlicensed. Complainant was suspicious when Respondent did not want the title mailed to him but for the Clerk to hold for pick up. Complainant believes Respondent requests are due to him selling the vehicle he just registered. Many transactions are “even trades”.

An investigation was conducted and determined that Respondent did not understand the rules and regulations of selling vehicles. Respondent admitted to selling vehicles but did not know about the rule regarding 5 vehicles within a 12 month period.

Within a 12 month period, Respondent sold 9 vehicles for cash and 7 vehicles on “even trade”. Respondent told the investigator that he will stop selling vehicles until he either gets a license or goes to work for a local dealership.

Recommendation: Authorize a civil penalty of \$5,500 for unlicensed activity.

Commission Decision: CONCUR

122. 2019083001 (SH)
First Licensed: 03/30/1994
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with letter of warning for incomplete temp tag log.

Complainant alleges Respondent has not provided titles in a timely manner for customers. The Complainant does not give any specific customers names or associated vehicles. Respondent states they do not know the Complainant or what the complaint is referring to since they have had no problems brought to their attention.

Recommendation: Close.

Commission Decision: CONCUR

123. **2019084811 (SH)**
First Licensed: 04/19/2016
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant contacted Respondent in March 2019 about purchasing a vehicle. Complainant put down \$3500 and received a temporary tag however did not have the sales tax money. The parties agreed that Complainant would make payments for the sales tax. As of October 2019, Complainant states she received a second temporary tag but no registration papers.

Respondent states that Complainant purchased the vehicle on 2/20/2019 and was on the repossession list for non-payments. On 9/17/2019, Complainant was notified she was 120 days past due and came in on 10/11/2019 to make the payments. Complainant stated she had misplaced her Bill of Sale and could not get the car registered. On 10/25/2019 Complainant acquired the registration papers.

Recommendation: Close.

Commission Decision: CONCUR

124. **2019087711 (SH)**
First Licensed: 07/02/2013
Expiration: 06/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2018-2019 – Several Complaints open regarding failure to deliver title/registration.

Complainant is a third party lender stating they have not received titles from Respondent after they financed 9 loans. Respondent closed its business around the end of 2018. Surety Bond information was provided to the Complainant.

Recommendation: Close.

Commission Decision: CONCUR

125. 2019088311 (SH)
2019091631
First Licensed: 09/07/2018
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Both complaints involve Respondent's failure to register the vehicle. Respondent has recently shut down and the Surety Bond information was sent to both Complainants.

Recommendation: Authorize the voluntary surrender of Respondent's license due to not expiring until July 2020.

Commission Decision: CONCUR

126. 2019082971 (ES)
First Licensed: 05/28/1996
Expiration: 01/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to properly repair their vehicle. Respondent states that Complainant brought their car in for an oil change on 6/5/18 where an inspection revealed a rear main crankshaft seal leaking but Complainant declined suggested repairs. Complainant then came back on 9/4/18 and authorized the repairs which were completed. One month later, Complainant asked for a refund because the oil light came on and based on alleged advice from another mechanic. After some time, Complainant stated that they had been constantly adding oil while trying to get the issue diagnosed. Respondent tried to explain that there were two issues but due to the continual oil usage and waiting for the light to come on to add oil, the engine needs to be replaced. Respondent offered to refund half of their money out of goodwill but Complainant declined and met with the General Manager. Respondent notes that the car has just under 200,000 miles on it and is almost 20 years old. There is no evidence of any

violations.

Recommendation: Close.

Commission Decision: CONCUR

127. **2019083881 (ES)**
First Licensed: 01/10/2019
Expiration: 10/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to deliver title/registration after they paid \$2000 towards a \$2500 down payment. Respondent notes that Complainant borrowed the remaining \$500 owed on the deposit from Respondent with a promise to repay in 30 days. Complainant called their lender and told them Respondent would not give them the tags, which was then communicated to Respondent when the lender called and asked that they unwind the deal or keep it because Complainant was two payments behind. Respondent ended up repossessing the vehicle at the dealership and Complainant began harassing them and showed up with the police at one point. The police ended up asking Complainant to leave the property. Respondent does not owe Complainant any monies and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

128. **2019084651 (ES)**
First Licensed: 03/09/1998
Expiration: 02/29/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent charged them to repair their vehicle but did not properly complete repairs related to the hybrid battery, leaving the vehicle inoperable. Complainant requests a refund of all monies paid. Respondent denies all allegations and states that Complainant chose to purchase a used battery from someone other than Respondent despite advice to the contrary. The battery came in damaged and had at least two dead cells. Respondent only performed the services Complainant approved and requested. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

129. 2019085661 (ES)
First Licensed: 08/06/2019
Expiration: 07/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and claims it started having mechanical problems within one week. Complainant alleges Respondent is failing to honor their buy-back guarantee. Respondent denies the allegations and notes that the purchase was As-Is with no warranty. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

130. 2019083061 (ES)
2019084211
2019086631
2019084481
2019092381
First Licensed: 05/05/2017
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with \$4,000 agreed citation for possession of open titles. 2019 – Several complaints open for failure to deliver title.

Respondent recently signed a Consent Order agreeing to voluntary revocation of their dealer license and their license is now revoked. Therefore, Counsel recommends closing these complaints considering they stem from failure to deliver titles. Complainants have been sent the surety bond information.

Recommendation: Close

Commission Decision: CONCUR

131. 2019083351 (ES)
First Licensed: 04/23/2018
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges failure to deliver title after purchasing a used vehicle from Respondent. Complainant also states that Respondent has closed their business. Respondent dealer is owned by the same person and is part of the same business as the Respondent in No. 130 above and No. 132 below. Counsel recommends approving voluntary revocation of this license considering the Respondent above already entered into a Consent Order voluntarily revoking their license at their sister location.

Recommendation: Authorize Voluntary Revocation of dealer license

Commission Decision: CONCUR

132. 2019083401 (ES)
2019089341
First Licensed: 12/14/2010
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed with \$1,000 civil penalty for failure to deliver title.

Complainant alleges failure to deliver title after purchasing a used vehicle from Respondent and confirms the dealer has closed. Respondent dealer is owned by the same person and is part of the same business as the Respondent in Nos. 130 and 131 above. Counsel recommends approving voluntary revocation of this license considering the Respondent above already entered into a Consent Order voluntarily revoking their license at their sister location.

Recommendation: Authorize Voluntary Revocation of dealer license

Commission Decision: CONCUR

133. 2019088621 (ES)
First Licensed: 01/06/1999
Expiration: 12/31/2002

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant is trying to obtain a lien/release but doesn't specify how Respondent is involved. Respondent is a rental car business and has not had a license since 2002. Complainant was sent surety bond information.

Recommendation: Close.

Commission Decision: CONCUR

134. 2019089191 (ES)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): N/A

On 10/25/29, an inspection at Respondent's establishment revealed that Respondent is operating as a Dismantler & Recycler at an unlicensed location, which they are aware of. Counsel recommends offering Respondent a \$1,000 civil penalty unless they obtain a license for this location within 30 days.

Recommendation: Authorize a \$1,000 civil penalty unless license obtained within 30 days

Commission Decision: CONCUR

135. 2019081601 (SH)

First Licensed: 02/26/2019

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle with deferred down payments to be made on certain dates. After making partial payments and asking if her account was fine her vehicle was repossessed. Complainant alleges she was told she needed \$1,000 to redeem but when she went to the lot she was told it would be \$1,800.

Respondent provided documentation and a payment history of Complainant showing that she paid the deferred down payments, which were late, and that she was to pay \$500 on the 29th per month per contract. Complainant failed to make the first payment and paid \$200 on the 2nd and \$200 a month later. Respondent repossessed her vehicle for being two months behind. In order to redeem she would need to pay the outstanding balance plus late fees which were \$1,800.

Recommendation: Close.

Commission Decision: CONCUR

136. 2019084581 (SH)
First Licensed: 09/01/1991
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges consumer fraud against Respondent. Complainant says they bought a vehicle on 5/15/2019 that could not pass emissions on 5/16/2019, yet the Respondent issued them a temporary tag. Soon after, the vehicle started to experience major problems. The vehicle was taken to a manufacturer dealer and diagnosed with a failing transmission. Complainant claims that Nissan would not honor a warranty and they have lost income due to the vehicle issues.

Respondent states that Complainant purchased a vehicle on 4/18/2019 but then a month later brought it back due to issues. Respondent gave them the option to purchase another vehicle or doing repairs. Complainant chose to purchase the larger vehicle mentioned above. The vehicle was sold "as is" without warranty. When the vehicle began experiencing transmission issues, the Respondent suggested calling the manufacturer due to the low mileage. Respondent states the transmission was replaced under this manufacturer warranty. Respondent further states an extension was made for monthly payment yet the Complainant has not made any other payments and the Respondent is not in possession at this time.

Complainant states the transmission, catalytic converter, seat belts and much more was replaced under warranty. Complainant rebutted alleging discrimination, false advertising, consumer fraud, product liability and personal injury. No proof of any allegations was

presented.

Recommendation: Close.

Commission Decision: CONCUR

137. **2019084961 (SH)**
First Licensed: 07/07/2005
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant claims that the vehicle overheated on the 13th day after purchase. Complainant took the vehicle to a manufacturer dealer and it was discovered the vehicle had been in a previous accident and the parts were after market. Complainant alleges the manufacturer warranty will not cover the repairs nor will the extended warranty that was purchased at the time of sale.

Respondent explains that the vehicle was repaired before it arrived at their lot. Complainant purchased a third party extended warranty at the time of sale. The manufacturer dealer explained that the one of the aftermarket parts malfunctioned and caused the vehicle to overheat. As a goodwill gesture Respondent agreed to pay for the malfunctioning part and labor. Respondent was later informed that due to the Complainant driving the vehicle after it overheated that the engine had been further damaged. Respondent believes that any of the further damage needs to be taken up with the manufacturer or the third party warranty company.

Recommendation: Close.

Commission Decision: CONCUR

138. **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

- 139. 2019087061 (SH)**
First Licensed: 02/12/2014
Expiration: 01/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant contacted Respondent regarding a certain vehicle on 9/4/2019 and test drove the next day. Complainant was told that the title had not been received from the auction but Respondent was going up there the next day, 9/6/2019, and would have it ready. Due to this representation Complainant went ahead and purchased the vehicle, plus tax and tag fees. After 7 weeks, the Respondent had not obtained the title.

Respondent advised Complainant that the title had been processed and ready for pick up on 10/26/2019. The Complainant was issued two temporary tags and received the title before the second temp tag expired.

Recommendation: Close.

Commission Decision: CONCUR

140. 2019089131 (SH)
First Licensed: 12/22/2005
Expiration: 09/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 8/26/2019 and after two months they had not received their title. Complainant was told USPS lost the paperwork. Complainant filed a complaint with USPS and the police department and took the complaint to the County Clerk. Complainant was notified that the vehicle had not been registered to them and Respondent stated they have had problems obtaining the title. Complainant was given a 3rd temporary tag and as of 10/28/2019 had not received any paperwork.

Respondent admits they purchased the vehicle from a manufacturer auction website and sold the vehicle before it was processed in their name. The day after the vehicle was sold a safety recall was issued and the auction held the title. Respondent claims they are waiting on the auction to release the title and until then they will need to issue temporary tags to Complainant.

Complainant was contacted for an update and stated they have received their registration and the title is with the finance company.

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

Commission Decision: CONCUR

141. 2019082721 (SH)
First Licensed: 04/30/2008
Expiration: 03/31/2020
License Type: Recreational Vehicle Dealer
History (5 yrs): None.

Complainant traded a boat for a motorcycle on 8/21/2019. After almost 2 months the registration paperwork has not been received. Complainant claims that Respondent is waiting on the title to come from Georgia.

Respondent states that Complainant traded a boat for the motorcycle at their South Carolina location which is operated by corporate. The payoff was made by the SC store and the title was mailed to the store instead of corporate headquarters in Tennessee. At the time the title was received in SC the title clerk in TN was out due to a death in the family. Respondent received an extension through the County Clerk with expiration of 11/6/2019. The paperwork was completed registered in Complainant's name on 11/12/2019.

Recommendation: Letter of Warning concerning late delivery of title.

Commission Decision: CONCUR

142. 2019081101 (SH)
First Licensed: 12/11/2013
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant received a letter from Respondent that referenced the loan balance of their vehicle financed through another finance company. Complainant is concerned that Respondent knows this information.

Respondent sent a flyer to Complainant offering to finance the balance of the loan at a lower rate through their affiliated finance company, purchase a newer vehicle, or sale their current vehicle with no purchase necessary. There was also an opt-out notice of the pre-screened offers. No violations were found regarding the advertisement and offers.

Recommendation: Close.

Commission Decision: CONCUR

- 143. 2019086141 (SH)**
First Licensed: 10/20/2015
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed with \$1,500 civil penalty for failure to disclose salvage vehicle. One complaint closed with letter of warning for failure to maintain liability insurance.

Complainant alleges Respondent knew about issues with the vehicle before it was sold. Respondent told Complainant that the vehicle was recently acquired at a Kentucky auction however the title showed Respondent had it for three years. Complainant was told the brakes made the vehicle pull to the right and the oil cap was missing but Respondent replaced the oil cap. Complainant took the vehicle to a mechanic three days after purchase and found the rear oil seal needs to be replaced and probably a transmission. Complainant states Respondent is unwilling to help with repairs because it was sold "as is". Complainant has requested the Respondent to buy back the vehicle and Respondent has refused.

Respondent states the vehicle did not have any issues except the brakes, not leaking any fluids, and Complainant test drove the vehicle for over an hour and did not find any problems. Respondent states that Complainant admitted the vehicle was not leaking any fluids when purchased. A mechanic stated it looked like someone had driven over a curb and dented the oil pan causing the leak.

Recommendation: Close.

Commission Decision: CONCUR

- 144. 2019087751 (SH)**
First Licensed: 06/11/2013
Expiration: 12/31/2019 Check before meeting
License Type: Motor Vehicle Dealer
History (5 yrs): 2018 – One complaint closed with \$2,000 civil penalty for engaging in false, fraudulent, or deceptive business practices.

Complainant purchased a vehicle and has not received the title and they are on the 2nd

temporary tag. Respondent stated that there was an issue with the previous lien however the registration and title has been transferred to Complainant before the 2nd temporary tag expired. Complainant informed the Department that the issue has been resolved.

Recommendation: Close.

Commission Decision: CONCUR

145. 2019088111 (SH)

First Licensed: 06/22/2012

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with \$500 civil penalty for failure to use a proper delivery conditional agreement. 2018 – One complaint closed with \$1,500 civil penalty for employees practicing on expired licenses.

Complainant alleges that Respondent is encouraging customers that filed Chapter 7 bankruptcy to drop off Complainant's vehicles and then charge Complainant storage fees.

Respondent denies the allegation and explains that bankruptcy customers do not have the ability to trade the vehicle so they give them the option to surrender the vehicle to them and then purchase another vehicle. Respondent then notifies the lienholder, in this case, the Complainant, to have the vehicle returned. Respondent notified Complainant on 10/8/2019 they had the vehicle and there was a \$100 storage fee and \$30 per day thereafter. Respondent states the vehicle was not picked up the next day as agreed. Respondent alleges they notified Complainant three times to pick up the vehicle however on 10/22/2019 Respondent was forced to file a lien on the vehicle for storage. Complainant has refused to pay the storage fees.

Recommendation: Place in monitoring status and send out for investigation.

Commission Decision: CONCUR

146. 2019091251 (SH)

First Licensed: 04/13/2016

Expiration: 03/31/2020

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

Complaint filed by the Dept. Of Revenue after conducting a salvage rebuild inspection. The rebuild inspection was applied on 9/30/2019. On 11/4/2019 the Respondent was contacted regarding the salvage vehicle and advised the vehicle was still at auction. The agent determined the vehicle had been issued a temporary tag on 9/26/2019. Respondent has been previously warned about selling salvaged vehicles before rebuild title are issued at least 7 times.

Recommendation: Authorize a civil penalty of \$4,000 for issuing eight (8) temporary tags on salvaged vehicles.

Commission Decision: CONCUR

147. 2019080941 (ES)
First Licensed: 04/11/2005
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent failed to honor a warranty and is seeking a refund. The warranty claim for a drive shaft was denied after being inspected at Respondent's service department. Respondent states the repair claim was submitted to the manufacturer and it was determined that the component of the drive shaft needing replacement was not covered under warranty. Respondent attempted to qualify the repairs under their Goodwill Policy but due to the vehicle's mileage, it did not qualify. There is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

148. 2019086241 (ES)
First Licensed: 10/01/2002
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is alleging deceptive business practices and unethical conduct by the Respondent regarding the vehicle purchased and later repossessed. Respondent denies these allegations and notes the lack of evidence from Complainant. Respondent provides the transaction documents from the sale and the repossession paperwork which shows no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

149. 2019088691 (ES)
First Licensed: 03/03/2004
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges that they have been unable to receive a replacement title for the car they purchased in November 2017 from Respondent. Respondent recently notified this office that the Arizona Dept. of Motor Vehicles has mailed the replacement title to Complainant and this issue is resolved.

Recommendation: Close.

Commission Decision: CONCUR

150. 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

151. 2019005881 (SH)

First Licensed: 03/10/2017
Expiration: 02/28/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 1/7/2019 however the brakes went out on 1/19/2019 while driving on the interstate. The Complainant alleges the brake fluid reservoir was empty. After putting two bottles of brake fluid into the reservoir the brakes still did not work. Complainant alleges that a mechanic told him the bottom of the vehicle is completely rusted out and that a rust-proofing agent was sprayed underneath to cover the issue. Complainant alleges the Respondent refuses to pay for any repairs.

Respondent states that all vehicles are checked for basic safety issues and road tested prior to being made for sale. No issues were observed for the 585 miles the vehicle was driven while in Respondent's possession. Complainant was offered a third party extended warranty however refused the purchase. Respondent believes Complainant failed to properly check all fluids after the purchase. Respondent denies any allegations of disguising the rust underneath. Respondent states that the vehicle was purchased from a northern area dealer and the undercoating for protection was an added reason it was purchased.

Recommendation: Close.

Commission Decision: CONCUR

152. 2019087741 (SH)
First Licensed: 12/11/2013
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 10/2/2019 with an APR of 21.86%. Complainant alleges she was called on 10/22/2019 and told some paperwork didn't get signed and needed to come in and sign. When Complainant got to the dealership on 10/23/2019 she was told my loan didn't go through 15 business days later and needed to pay \$1,000.00 down in order to complete the deal. In the alternative, Complainant was told the bank would agree to APR of 23.86%. Complainant feels she was forced to sign paperwork 21 days after the original

deal and if refused to do so she would need to return the car. Complainant states Respondent told her that Tennessee has no laws protecting purchasers against them raising the price that many days later.

Respondent denies the allegations and states that all issues have been resolved after explaining to Complainant that in order to get the APR 21.86% she would need to put down more money.

Recommendation: Close.

Commission Decision: CONCUR

153. 2019089151 (SH)
First Licensed: 12/05/2017
Expiration: 12/31/2019 (Expired-Grace)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges the vehicle purchased on 8/12/2019 had several mechanical issues and possibly sold with a salvaged title. Respondent denies the allegation and states the title was clean when sold.

A Notice of Violation was issued on 11/5/2019 due to the dealership's failure to notify the Commission of a name change within 30 days from the date of change. The inspector found a framed picture with customer's photographs and the new dealership name displayed as well as Bill of Sale documents with the new name.

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

Commission Decision: CONCUR

154. 2019090291 (SH)
First Licensed: 10/26/2015
Expiration: 07/31/2019 (Expired)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

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.

An inspection was made and Respondent denied selling this vehicle to Complainant. Respondent claimed customers mix them up with another dealer with a similar name.

A Notice of Violation was issued on 11/5/2019 for unlicensed activity. Respondent was operating on an expired dealer license since 7/31/2019. Respondent claims the CPA renewed the license but it had not been received from the State. As of 1/3/2019 the license has not been renewed and there is a bad check on file from the 5/20/2019 annual sales report fee.

Respondent claims to have been defrauded by their CPA who they paid to renew their Dealer's License, insurance & bond. Respondent advised their CPA renewed their Bond but did not renew their license or insurance and they have been waiting to receive their Dealer's License from the State thinking all had been paid and taken care of. She advised she learned of this information after the Investigator left their business on November 5, 2019, and made telephone calls to the MVC and to others. Respondent advised they also learned from a local news story that their CPA was arrested for defrauding another business owner. MVC told them they will have to start the process over and reapply for their dealer license since it was not renewed in time, which they are taking the steps to do. The story regarding the CPA was verified.

Recommendation: Close.

Commission Decision: CONCUR

155. 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

- 156. 2019093341 (SH)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

The Board opened this complaint when notified of Respondent selling temporary tags on Facebook Marketplace. An investigation needs to be requested to determine if the temporary tags are stolen or a dealer is involved in the criminal activity however the Respondent is presumed to be armed and have a criminal history.

Recommendation: Refer to Dept. of Revenue.

Commission Decision: CONCUR

- 157. 2019082291 (ES)**
First Licensed: 05/11/2012
Expiration: 08/31/2019-CLOSED
License Type: Motor Vehicle Dealer
History (5 yrs): None.

An inspection of Respondent's business revealed multiple violations and a Notice of Violation was issued. The Notice cites the following violations: Failure to Possess and Display Motor Vehicle Dealership License, Failure to Produce Business Records, Lapsed Surety Bond, No

Liability Insurance, and Possession and Display of Expired Salesman License. Respondent closed their business in and cancelled their license with the Commission in July 2019 therefore Counsel recommends closure.

Recommendation: Close.

Commission Decision: CONCUR

158. 2019082441 (ES)
First Licensed: 03/21/2018
Expiration: 01/31/2020
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

159. 2019082471 (ES)
First Licensed: 08/21/2012
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and claims it began leaking oil after the purchase. Complainant wants their money refunded. Respondent has since resolved this issue with Complainant and they do not wish to pursue the complaint.

Recommendation: Close.

Commission Decision: CONCUR

160. 2019083841 (ES)
First Licensed: 10/04/2005
Expiration: 09/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent listed incorrect mileage on the contract, failed to disclose prior accidents, and misrepresented cost and condition of vehicle. Complainant presents no documentation or evidence to substantiate the allegations. Respondent provides the transaction documents and there is no evidence of any violations.

Recommendation: Close.

Commission Decision: CONCUR

161. 2019088181 (ES)
First Licensed: 12/05/2013
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent. Complainant did purchase an extended warranty and takes issue with the company whom they purchased the warranty from. This complaint does not allege any wrongdoing with regards to Respondent, therefore this matter should be closed.

Recommendation: Close.

Commission Decision: CONCUR

162. 2019088821 (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 purchased a used car from Respondent and alleges they found out the suspension

was tampered with and claims it is rusty. Complainant wants Respondent to buy the car back. Respondent reached out to Complainant and offered to replace the customized and lowered suspension with OEM suspension components if that is what they prefer. Respondent has paid for new brakes out of goodwill. Respondent states there are no issues with the vehicle and surface rust underneath is common and usual. However, Respondent has also offered to clean and undercoat the underside of the car. Respondent denies there are any grounds for them to buy the car back.

Recommendation: Close.

Commission Decision: CONCUR

163. 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

164. 2019092691 (ES)
First Licensed: 09/01/1991
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant brought their vehicle to Respondent for an oil change and alleges it started making a knocking sound from the engine, and claims the ABS light and traction control light came on. Respondent reached out to the Complainant and they brought the vehicle in for inspection and to resolve the issue.

Recommendation: Close.

Commission Decision: CONCUR

165. 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

166. 2019094881 (ES)
First Licensed: 11/12/2003
Expiration: 10/31/2021
License Type: Motor Vehicle Dismantler/ Recycler
History (5 yrs):

Complainant received a Notice of Violation during an inspection on 11/18/19 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

167. 2019084061 (ES)
First Licensed: 07/08/1998
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent during an annual inspection in October 2019 for having expired city and county business tax licenses. Counsel recommends issuing a \$250 civil penalty for each of the two violations, for a total \$500 civil penalty.

Recommendation: Authorize a \$500 civil penalty for expired city and county business licenses

Commission Decision: CONCUR

168. 2019090431 (ES)

First Licensed: 05/11/2007

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$1,000 civil penalty for false, fraudulent, or deceptive acts. 2017 – One complaint closed with \$2,000 civil penalty for deceptive advertising.

Complainant claims Respondent sold them a vehicle made in Canada which they allege is fraud because they could not get an extended warranty. An investigation has been conducted because Respondent has failed to respond. Counsel recommends placing this in monitoring status pending the outcome of the investigation.

Recommendation: Place in Monitoring

Commission Decision: CONCUR

169. 2019084171 (SH)

First Licensed: 06/06/2013

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on October 1, 2019 and test drove the vehicle to make sure all was good. No issues were found except and second temperature gauge installed on the side of the dashboard due to the other not working. A week later the vehicle overheated and it was determined by a mechanic that the water pump needed to be replaced. Complainant wants Respondent to pay for the repairs or a full refund.

Respondent offered to pick up the vehicle at the mechanic to make the repairs but Complainant refused. Respondent feels the Complainant is responsible for the repairs because the vehicle was purchased "as is".

Recommendation: Close.

Commission Decision: CONCUR

170. **2019094181 (SH)**
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 temp tag log. 2018 – One complaint closed with \$500 civil penalty for failure to provide copy of contract to customer.

Complainant purchased an antique auto from Respondent on 8/22/2019 and paid in full. As of 11/18/2019 Complainant has not received the title. Respondent admitted the title had been lost and a duplicate was ordered. Respondent submitted documentation of the assigned title and FedEx delivery to Complainant scheduled for 11/21/2019.

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

Commission Decision: CONCUR

171. **2019094761 (SH)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

The Board opened this complaint when notified of Respondent selling temporary tags on Facebook Marketplace. An investigation needs to be requested to determine if the temporary tags are stolen or a dealer is involved in the criminal activity however the Respondent is

presumed to be armed and have a criminal history.

Recommendation: Refer to Dept. of Revenue.

Commission Decision: CONCUR

172. 2019091881 (SH)
First Licensed: 02/29/1996
Expiration: 06/30/2021
License Type: Motor Vehicle Auction
History (5 yrs): None.

Complainant alleges the Respondent did not allow a pre-inspection of the vehicle before it was placed for bidding. On the way home Complainant alleges the vehicle would barely stop. Complainant believes the vehicle was known by Respondent to be unsafe. The repairs for the vehicle amounted to \$4800 and did not solve the issues.

Respondent states the vehicle, as well as all vehicles, was available for inspection prior to the sale. All units are sold without warranties and payment is not accepted without the purchaser signing a document which confirms the purchaser's knowledge of these facts. Respondent provided the paperwork that Complainant signed with the acknowledgments.

Recommendation: Close.

Commission Decision: CONCUR

173. 2019016081 (SH)
First Licensed: 09/01/1991
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges the Respondent is passing a business tax to the consumer which they believe to be illegal. Complainant wanted to finance the vehicle and pay the taxes and fees

separately. When the deal was presented there was an additional business tax charged prior to the taxable subtotal. Complainant alleges the Respondent stated it was a tax charged by the State. Researching this issue it was determined that disclosure of this type of fee must be disclosed at the time of setting the final purchase price.

Tenn. Code Ann. § 67-1-112 (2017) provides: "the business tax is a privilege tax imposed upon persons engaged in various businesses and activities in the state. If a dealer invoices the business tax as a separate item and passes it on to the dealer's customers, then the tax shall be added to the gross receipts and be used in determining the tax base for both business tax and sales and use tax purposes."

Recommendation: Close.

Commission Decision: CONCUR

174. 2019021761 (SH)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

Complainant alleges that he gave Respondent cash for the vehicle but never received the vehicle or a refund of the money. Respondent stated to the investigator that he does not sell or offer vehicles in Tennessee. He informed the investigator that he has a Mississippi license and sells for a dealership in Mississippi. Complainant states he met Respondent at a location in Tennessee and gave him the money at that location. Respondent did not have any vehicles at the time but asked for one week to find the vehicle Complainant wanted. Respondent stated he showed Complainant three vehicles but Complainant did not want any of them. Respondent further stated that he was paying back the Complainant in installments.

Complainant and two other consumers filed charges for False Pretense/Swindle/Confidence Game and Theft; the Respondent was arrested, charged with three counts of felony theft, and has a court date on 1/7/2020. Respondent has a history of scamming individuals by taking the money and not producing a vehicle.

Recommendation: Close.

Commission Decision: CONCUR

175. 2019021791 (SH)
First Licensed: 04/06/2017
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with \$250 civil penalty for advertising violation.

Complainant alleges the transmission went out the next day after purchase. Complainant sued the Respondent but lost the case due to the sale being “as is”. Complainant alleges Respondent knew the transmission was bad and disconnected the battery in order to clear the codes. Complainant did have a mechanic look at the vehicle before purchase.

Respondent states that Complainant showed up with a mechanic. The mechanic hooked up the obd2 machine and no codes, pending or incomplete, showed up. The vehicle was sold “as is” however they did help Complainant replace a sensor and cut another program key.

Recommendation: Close.

Commission Decision: CONCUR

176. 2019022521 (SH)
First Licensed: 08/04/2017
Expiration: 08/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued on 3/19/2019 to the salesperson/owner of Respondent for not having a license. Respondent’s license had expired. Respondent made reapplication and granted the license on 3/22/2019.

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

Commission Decision: CONCUR

177. 2019024041 (SH)

First Licensed: 01/23/2017

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$250 civil penalty for advertising violation and one complaint closed with letter of warning for misrepresenting purchased vehicle.

Complainant purchased a vehicle and paid in full. Respondent told them he would get the title and priority-mail it to them in Alabama. The vehicle apparently was leaking oil and had a burning smell by the time Complainant arrived home. Complainant left a bad review and alleges Respondent is holding their title ransom.

Respondent decided not to mail the title based on the Complainant's review and advised them to pick it up. Respondent claims that at no time did they tell Complainant they would not release the title. Complainant did pick up the title.

Recommendation: Close.

Commission Decision: CONCUR

178. 2019025271 (SH)

First Licensed: 04/27/1998

Expiration: 04/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges the key does not work, the radio/CD player gets hot, and the dual climate control does not work properly. Complainant alleges Respondent has had 4 to 5 opportunities to fix but still have the same issues.

Respondent states they did not sell or do repair work on this vehicle. The vehicle was sold at

another dealership with a similar name.

Recommendation: Close.

Commission Decision: CONCUR

179. 2019027951 (SH)
First Licensed: 05/23/2018
Expiration: 04/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 2/13/2019 and everything checked out good. The next day the vehicle's check engine light came on and it started shifting hard. The vehicle ran out of gas even though the gauge showed a quarter full. Respondent asked for Complainant to return the vehicle to be inspected and repaired. Complainant alleges that they have been unable to speak with anyone for two months and the Respondent still has the vehicle.

Respondent states that all repairs were made at no charge and the Complainant is in possession of the vehicle.

Recommendation: Close.

Commission Decision: CONCUR

180. 2019029921 (SH)
First Licensed: 09/01/1991
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with letter of warning for deceptive practices.

Complainant alleges she traded a vehicle for a new one on 2/25/2019 and paid \$10,000 cash. Complainant believes Respondent defrauded her by taking her down payment and charging her 25% APR instead of taking the trade and cash for the vehicle to paid in full.

An investigation was conducted. Respondent indicated that nothing was unusual with the original transaction and Complainant did agree to finance her newly obtained 2016 Nissan Frontier. It wasn't until 04-12-2019 (approximately 7 weeks later) when Complainant came in to the dealership and said she could not afford the truck. Complainant went on to say that she did not have her glasses with her on the purchase date, and was upset with the current arrangement. Respondent agreed to buy the truck back from the Complainant and to 'un-wind' the deal. Respondent also made sure she was released from any responsibilities relating to the finance company and the Complainant was not out any money whatsoever. The entire deal was financed and no money out-of-pocket was made by Complainant.

Recommendation: Close.

Commission Decision: CONCUR

181. 2019035221 (SH)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

Complainant alleges Respondent sold her a vehicle that soon broke down after purchase. Complainant got two other replacement vehicles but those became inoperable. Respondent is alleged to be selling vehicles as an unlicensed dealer however Complainant is unwilling to cooperate for fear of retribution. Respondent states they are a detail shop and not selling any vehicles. The investigator informed the Department that Respondent is known for criminal activities and this complaint should be transferred to Department of Revenue since the investigators have more resources.

Recommendation: Refer to Dept. of Revenue.

Commission Decision: CONCUR

182. 2019095491 (SH)
First Licensed: 05/20/2014
Expiration: 03/31/2016

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

Complainant purchased a vehicle from Respondent and paid the loan off in 2006. Complainant received the title but has now lost it. Complainant went to apply for a duplicate title and found out that Respondent did not release the lien. Respondent has since closed since 2016. Surety bond information was sent to Complainant.

Recommendation: Close.

Commission Decision: CONCUR

183. 2019086001 (SH)
First Licensed: 03/01/2005
Expiration: 02/28/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

On May 22, 2019, Complainant ordered a transmission and engine form Respondent for \$9000. Respondent withdrew \$9,000 from Complainant's bank account on July 10, 2019. On October 3, 2019, the engine and transmission had not been delivered so Complainant asked for a refund. Complainant has not received a refund.

Respondent states they did not sell an engine and transmission nor withdraw any funds. The Complainant is confusing Respondent with another business with a similar name. Respondent gave the correct business name and contact information.

Recommendation: Close.

Commission Decision: CONCUR

184. 2019088631 (SH)
First Licensed: 12/23/2003
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant paid \$5,000 cash for the vehicle and was told the title was rebuilt. Complainant alleges Respondent told him he would clean the title and transfer the old plate to this vehicle. After a year, Respondent has done nothing and Complainant cannot register the vehicle.

Respondent states they have no record of selling this vehicle to Complainant.

Recommendation: Close.

Commission Decision: CONCUR

- 185. 2019088801 (SH)**
First Licensed: 05/03/2017
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with a letter of warning for expired county and city business licenses.

Complainant purchased a vehicle from Respondent on 7/2/2019 and paid extra to have the title transferred to KY where they live. After 30 days, Complainant called Respondent and drove by discovering the business had shut down and no vehicles were on the lot. Surety bond information was sent to Complainant.

Recommendation: Authorize the voluntary surrender of license.

Commission Decision: CONCUR

- 186. 2019089411 (SH)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

Complainant paid off loan for the vehicle but lost the title and the lien has not been released. The Respondent is no longer in business. The name of the Respondent that Complainant gave is not at the address also given. It is an auction business. We have not heard back from Complainant to verify names and addresses.

Recommendation: Close

Commission Decision: CONCUR

187. 2019089771 (SH)
First Licensed: 08/28/2007
Expiration: 06/30/2011 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent, paid it off, and needs the title in order to sell the vehicle. Respondent closed in 2011. Surety bond information was given to Complainant.

Recommendation: Close.

Commission Decision: CONCUR

188. 2019096441 (SH)
First Licensed: 06/20/2014
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle, paid in full with cash, from Respondent on 10/23/2019 and the temporary tags expired after 30 days. Respondent has not sent the title. Respondent stated that Complainant wanted another temporary tag before the first one expired. When the complaint was received, Respondent had already sent the registration paperwork and it was delivered to Complainant.

Recommendation: Close.

Commission Decision: CONCUR

189. 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 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 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 November 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 in order for an investigation to be conducted.

Commission Decision: CONCUR

190. 2019097291 (SH)
First Licensed: 06/07/2017
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle and the power steering went out so the vehicle was returned to Respondent. Complainant purchased another vehicle and on the way home there was an oil burning smell. Complainant took the vehicle to a mechanic and it was found that the oil assembly needed to be replaced as well as motor mounts. Complainant then heard a knock from the engine and determined the fly wheel was bad. Complainant wanted Respondent to fix however Respondent states the vehicle was test driven by Complainant before purchase and sold "as is".

Recommendation: Close.

Commission Decision: CONCUR

191. 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

192. 2019095431 (SH)
First Licensed: 12/02/2015
Expiration: 12/31/2019 (Expired-Grace)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 7/12/2019 for her son to use at college. On 7/20/2019 the transmission went out on the vehicle. Respondent had the vehicle for two weeks and did not fix it. Complainant had a deadline so she took it to another mechanic and spent \$7,000 in repairs. Respondent refuses to help with the costs.

Respondent states the vehicle was purchased "as is" with no warranty. However, Respondent took the vehicle to a repair shop, and was going to help, but states that Complainant was not happy with the repairs being made and it was not fast enough. It was the Complainant that decided to take the vehicle to a dealership mechanic and Respondent feels they are not liable for those repairs.

Recommendation: Close.

Commission Decision: CONCUR

193. 2019096911 (SH)
First Licensed: 08/25/2003
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle with high mileage and was offered a powertrain warranty for \$1000. After a month the vehicle started spraying transmission fluid and eventually caught on fire. It was determined that the transmission was bad but the warranty company denied the claim based on the Respondent previously working on the transmission.

Respondent states that Complainant never contacted them regarding the transmission issue and instead had the vehicle towed to an independent mechanic. Respondent states the Complainant does have a warranty and had the vehicle towed to Respondent. Respondent is in the process of completing the transmission repair and Complainant is satisfied with the progress.

Recommendation: Close.

Commission Decision: CONCUR

- 194. 2019097931 (SH)**
First Licensed: 09/09/2010
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

On 5/6/2019 Complainant took the vehicle that was purchased from Respondent back for repairs because the check engine light was going on and off. The check engine light was off when the vehicle was taken to the repair shop. Complainant also found that the catalytic converter on this type of vehicle had a recall. Complainant alleges that Respondent could not find anything wrong with the vehicle and that no codes were showing. Complainant returned to the repair shop on 10/30/2019 after the check engine light remained on. Respondent determined the code was for the catalytic converter. Respondent acknowledged the recall but because the vehicle had too many miles it was not covered and would cost \$1190. Complainant reached out to the manufacturer who agreed the converter should be replaced under the recall and that the recall department would contact the repair shop. Complainant went back and forth with Respondent about replacement and has not heard anything.

Respondent stated that the manufacturer had approved the claim and the Complainant was contacted on the next steps to have the vehicle repaired under the recall.

Recommendation: Close.

Commission Decision: CONCUR

195. 2019098151 (SH)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

On 7/17/2019 Complainant purchased a vehicle from an Arkansas dealership. Respondent has yet to deliver the title as of 12/5/2019. Complainant filed a complaint with the Arkansas State Police and then found out the vehicle was from a Tennessee car lot. Criminal activity may be involved.

Recommendation: Refer to the local law enforcement authorities

Commission Decision: CONCUR

196. 2019098871 (SH)
First Licensed: 07/13/2011
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle online from Respondent on 10/24/2019 and picked it up on 11/1/2019. As of 12/9/2019 Complainant states that no title has been received and that registration paperwork has not been received by the DMV. Complainant lives in Nebraska.

Respondent states that Complainant knew there would be a delay in receiving the title before purchasing the vehicle. The previous owner traded the vehicle and had to get the title from the bank. As of 12/11/2019 the title and registration was sent to Complainant.

Recommendation: Close.

Commission Decision: CONCUR

RE-PRESENTATIONS

197. **2017075161 (SH)**
First Licensed: 5/20/2015

Expiration: 6/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): None

Complainant purchased two vehicles from the Respondent and has still not received the tags for the vehicle. The Complainant alleges the Respondent has issued 11 temp tags to date.

Recommendation: Authorization of a civil penalty in the amount of \$4,500 (9 x \$500 for issuing more temporary tags than allowed by law). To be settled by consent order or formal hearing.

Commission Decision: CONCUR

New Information: The Respondent has closed its business as of 6/26/2018 and its license has expired as of 6/30/2019 therefore out of grace period and in closed status. The location has a new dealer operating and is not associated with Respondent.

New Recommendation: Close and flag Respondent as well as owner's individual expired salesperson license.

New Commission Decision: **CONCUR**

198. **2016016511 (ES)**
First Licensed: 09/01/1991
Expiration: 11/30/2016 - SUSPENDED
License Type: Motor Vehicle Salesman
History (5 yrs.): None.

Respondent salesperson received 21 complaints against him for deceptive acts, investigation and sworn statements from dealership show Respondent was integral in dealership's deception and fraud. Dealership is now closed and has signed a consent order.

Recommendation: Authorization of a civil penalty in the amount of \$10,500 for 21 x \$500 deceptive acts. To be settled by consent order or formal hearing.

Commission Action: Approved

New Information: This complaint was internally generated in connection with a dealership that has already closed and entered into a Consent Order with discipline. Respondent was suspended by the Commission and denied reinstatement in 2016. Respondent's license is already flagged and they would need Commission approval if they ever reapplied. Respondent has not been active in the industry in four years and we have received no complaints against Respondent since. Counsel recommends closing this complaint.

New Recommendation: Close and Flag.

New Commission Decision: CONCUR

**199. 2016021731 (ES)
First Licensed: Unlicensed
Expiration: N/A
License Type: Motor Vehicle Salesman
History (5 yrs.): None.**

Notice of violation written for unlicensed sales, investigation conducted. Investigation revealed at least eight (8) unlicensed vehicles offered for sale while Respondent posed as a dealer.

Recommendation: Authorization of a civil penalty in the amount of \$4,000 (8 x \$500 for unlicensed activity). To be settled by consent order or formal hearing.

Commission Action: Approved

New Information: Respondent is in jail in Kentucky and is being held for U.S. Marshals on regarding criminal charges out of Tennessee. Respondent's charges are now federal due to the fact Respondent crossed state lines. Counsel recommends closing this complaint.

New Recommendation: Close and Flag.

New Commission Decision: **CONCUR**

200. 2016068451 (ES)

First Licensed: Unlicensed

Expiration: N/A

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

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

As a result of the above, an investigation was conducted to determine the scope and extent of Respondent 1's sales in Tennessee. The investigation revealed Respondent 2 owns

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

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

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

Commission Decision: Approved

New Information: Respondent has voluntarily surrendered and terminated their salesman license as of 3/22/19, therefore Counsel recommends closure of this complaint. All other complaints related to this matter have been closed as of October 2019.

New Recommendation: Close and Flag.

New Commission Decision: CONCUR

201. 2017022311 (SH)

First Licensed: 10/18/2001

Expiration: 10/31/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint filed by the Robertson County Clerk's office stating the Respondent had issued the consumer two bills of sale with differing purchase prices. The Respondent failed to provide a response.

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

Commission Decision: Approved

New Information: An investigator met with the owner of the dealership where the vehicle was sold. According to the investigative report, the owner and the dealership's CFO stated that before finalizing the paperwork they created a preliminary bill of sale but it did not reflect the correct trade-in value owed to the purchaser. The error was discovered when the purchaser was signing the paperwork. They immediately voided the document and prepared a second sales receipt depicting the correct balance owed to the purchaser. The dealership provided a copy of the original, unsigned receipt and the corrected version signed by the buyer. The dealership owner and CFO stated they have no idea how the buyer wound up with copies of both documents, as the first one should have been discarded, but they suspect it was just a clerical error.

Thereafter the investigator randomly selected six files to review. The investigator reported that no additional errors were discovered. They also noted that the dealership's temporary tag logs were in order. Finally, the investigator spoke with staff at the County Clerk's Office, who reported no additional concerns with dealership's business conduct.

Also note that it is unclear if notice of this complaint was ever sent to Respondent, as there was no complaint letter or certified mail receipt in the file—only the investigation. There have been no further complaints against Respondent.

New Recommendation: Close.

New Commission Decision: **CONCUR**

202. 2018019931 (SH)
First Licensed: 08/21/2014
Expiration: 07/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Respondent received a Notice of Violation for displaying vehicles on a neighboring lot. Respondent's owner stated that the cars were there because more space was required.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for displaying vehicles. Penalty can be waived for a letter of warning if Respondent submits proof it has moved vehicles back to its licensed location within thirty days of receiving the consent order.

Commission Decision: Approved

New Information: Investigator conducted a drive by to determine if any activity was in progress at both locations. The investigator did not observe any activity on the lots that would suggest a dealership or activity of sales occurring.

New Recommendation: Close.

New Commission Decision: CONCUR

203. 2019014691 (SH)
2019036831
2019036851
2019095661
First Licensed: 06/12/2017
Expiration: 06/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

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

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

Commission Decision: CONCUR

New Information: Respondent's license expired on 6/30/2019 therefore out of grace period and closed.

New Recommendation: Close and flag Respondent as well as owner's individual expired salesperson license.

New Commission Decision: CONCUR

204. 2019005831 (SH)
2019006821 2019013791 2019065291
2019008651 2019021801
2019010271 2019024021
2019010651 2019029701
2019011731 2019029811
2019012171 2019039551
2019013031 2019044191
2019013401 2019046601
First Licensed: 07/02/2013
Expiration: 06/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2017 – One complaint closed with no action; 2016 - \$1,000 Agreed Citation for incomplete temporary tag log, one complaint closed without action

Numerous complaints were received about the same time regarding Respondent not sending titles or paying floor planner. Respondent has apparently closed down recently and unable to be contacted. All Complainants have been given the surety bond information. The Salesperson for Respondent has an expired license from February 2018.

Recommendation: Authorize formal hearing to be heard before an ALJ only and send Consent Order for voluntary revocation of the Respondent’s license. It is also recommended to flag the Salesperson’s license.

Commission Decision: CONCUR

New Information: Respondent’s license expired on 6/30/2019 therefore out of grace period and closed.

New Recommendation: Close and flag Respondent as well as owner’s individual expired salesperson license.

New Commission Decision: CONCUR

205. 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 up 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: **CONCUR**

206. **2019008731 (SH)**
First Licensed: 01/12/2016
Expiration: 12/31/2019
License Type: Motor Vehicle Dealer (Closed)
History (5 yrs): 2018 – One complaint closed and flagged, one complaint closed without action, one complaint closed by staff due to being duplicate complaint

Complainant purchased a vehicle from Respondent on 5/15/2018. Complainant advised that

Respondent went out of business and never registered the vehicle or delivered title. Complainant has been provided surety bond information in order to obtain title.

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

Commission Decision: CONCUR

New Information: The Respondent has closed its business as of 10/12/2018 and its license has expired as of 12/31/2019 and in closed status.

New Recommendation: Close and flag.

New Commission Decision: CONCUR

207.2017080541 (SBB)

First Licensed: 9/07/2017

Expiration: 9/30/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): None

Entity No.: 1204986

A Notice of Violation was issued against the Respondent. The Respondent had off-site sales location. The Respondent is operating as an unlicensed dealer at a new location.

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

Commission Decision: CONCUR

New Information: This dealership is no longer in business in the State of Tennessee.

New Recommendation: Close.

New Commission Decision: **CONCUR**

208.2018038491 (SBB)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Entity No.: 1247498

Complainant purchased a motor vehicle from the Respondent and did not receive a bill of sale. Also, the Complainant claims there were no air bags on the vehicle and the vehicle was not equipped with proper seat belts. The Respondent did not provide a response. Following an investigation, it was discovered the Respondent is an unlicensed motor vehicle dealer.

Recommendation: Authorize a formal hearing and settlement by consent order with a civil penalty in the amount of \$500.00 for unlicensed activity.

Commission Decision: CONCUR

New Information: This business does not exist in the State of Tennessee and unable to locate the individual claiming to operate the business.

New Recommendation:Close

New Commission Decision: CONCUR

Commissioner Jackson 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
John Murrey	YES
Karl Kramer	YES
Kahren White	YES
John Barker, Jr.	YES
Charles West	YES
Debbie Melton	YES

MOTION CARRIES

Before moving on to the Legislative Update, Assistant General Counsel, Stuart Huffman, addressed the Commission regarding discussion of a motion of declaratory order. Mr. Huffman read into the record, the overview. After having read the overview, Mr. Huffman invited Mr. James Cameron, attorney for Hickory Hollow Kia, to address the Commission. Following Mr. Cameron's address, the attorney for Kia Motors American, Mr. John Ross addressed the Commission.

After some discussion, Commissioner Norton made a motion to grant the petition for the declaratory order to allow the Tennessee Motor Vehicle Commission to hear the case. Commissioner Melton seconded. The Chairman called for a roll call vote.

ROLL CALL VOTE

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

MOTION CARRIED

Commissioner Barker made a motion to set the petition to grant the declaratory order for the July 14-15 Quarterly Commission meeting date. Commissioner Fox seconded. Chairman Roberts called for a roll call vote.

ROLL CALL VOTE

John Roberts	YES
John Chobanian	YES
Jim Galvin	YES
Ronnie Fox	YES
Nate Jackson	YES
Stan Norton	YES
Steve Tomaso	ABSTAIN
Farrar Vaughan	YES
Victor Evans	YES
John Murrey	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, Stuart Huffman presented the Legislative Updates, which included perceived changes in the requirements for Motor Vehicle Auction licensing after statutory changes of the Auctioneers licensing requirement. Mr. Huffman also advised the Commission of the results of the Sunset Hearing, giving the Commission six (6) years.

Chairman Roberts called for a motion to approve the Legislative Update. Commissioner West made a motion to accept the Legislative Update, seconded by Commissioner Galvin. Chairman called for a roll call vote.

ROLL CALL 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
John Murrey	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 Norton.

VOICE VOTE - UNANIMOUS

MOTION CARRIED

Meeting Adjourned

John Roberts, Chairman _____