

MINUTES

July 14, 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: July 14, 2020

PLACE: WebX Conference

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

ABSENT: John Murrey

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

Executive Director, Denise Lawrence called the roll. A quorum was established.

MEETING NOTICE: Notice advising the Commission of the time, date and location of the meeting being posted on the Tennessee Motor Vehicle Commission website and that it has been included as part of the year's meeting calendar since October 22, 2019, was read into the record by Executive director, Denise Lawrence. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since July 9, 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 Vaughan. Chairman Roberts called for a roll call vote.

ROLL CALL VOTE

Ian Levy	YES
Charles West	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
John Roberts	YES

MOTION CARRIED

STATEMENT OF NECESSITY

Chairman Roberts asked if the staff attorney, Maria P. Bush wanted to address the Commission. Ms. Bush affirmed that she wished to address the Commission and read the Statement of Necessity into the record.

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 Barker. Chairman Roberts called for a roll call vote.

ROLL CALL VOTE

Ian Levy	YES
Charles West	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
John Roberts	YES

MOTION CARRIED.



Executive Director’s Report

July 14, 2020

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

	<u>Last Meeting</u>
<u>Dealers Opened, or Relocated (Last Quarter)</u>..... 89	72
<u>Applications in Process</u>..... 32	16

Active Licensees as of June 26, 2020

Dealers.....	3654	3659
Auctions.....	29	28
Distributors/Manufacturers.....	134	134
Salespeople.....	16770	16861
Representatives.....	597	592
Dismantlers.....	252	242
RV Dealers.....	40	41
RV Manufacturers.....	79	77
Motor Vehicle Show Permits.....	0	4

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

Number of Complaints Opened.....**94**
Number of Complaints Closed.....**198**

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

Vehicles Reported Sold in 2019.....	1,371,114	1,304,359
Recreational Vehicles Reported Sold in 2019.....	7,317	7,198
Total Online Annual Sales Report Collected.....	3,056	2,705
Late Annual Sales Report Collected	/... 747	296

Total revenue from Annual Sales Report collection: \$74,700

Average Performance Metrics

Average Number of Days to License... **.72 days to license with clock-stoppers**

Compliance.....**90.97% as of July 1, 2020**

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

MVC Customer Satisfaction Rating May 1 - Present

Quarterly Satisfaction Rating.....**97.6%**

Disciplinary Action Report – April – May 2020 (June Numbers not Reported)

Total to be collected.....**\$16,500**

Online Adoption Across All Professions

- **89%** online adoption for New “1010” Applications across all Professions available as of July 2, 2020.

Administrative News

You should have received via email a link for Title VI Training required for all Board Members to complete. Please be sure to complete this by July 17th. If you need for us to resend that link please email either Jason or myself.

We had been working towards a July 6th reopening of the building to the public but, with the uptick in COVID cases and the issuance of Executive Order 50 by the Governor on June 29th, the stay at home order has been extended through August 29th. Please be assured that the Motor Vehicle Commission is continuing to function at full capacity and our customers are receiving prompt and accurate service.

Outreach

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

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

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

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

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

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

ROLL CALL VOTE

Ian Levy	YES
Charles West	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
John Roberts	YES

MOTION CARRIED.



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

MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

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

DATE: July 14, 2020

SUBJECT: MVC Legal Report

1. **2020008791 (ES)**
First Licensed: 01/10/2017
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Respondent was issued a Notice of Violation during an inspection at their dealership. Respondent failed to maintain their regular business hours as posted in violation of Rule 0960-01-.10, failed to maintain an active county business license, and the phone number posted at their dealership was to an unassociated private residence in violation of Rule 0960-01-.21(3). Counsel recommends a \$250 civil penalty for failure to maintain business hours, a \$250 penalty for failure to maintain an active business license and a \$500 civil penalty for failure to post phone number, for a total \$1,000 civil penalty.

Recommendation: Authorize a \$1,000 civil penalty for failure to maintain business hours, expired county business license and failure to post valid business phone number

Commission Decision: Authorize a \$1,000 civil penalty and have a follow-up inspection within 30 days.

2. **2020014131 (ES)**
First Licensed: 09/17/2001
Expiration: 09/30/2019 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent sold them a vehicle that will not pass emissions and further, Complainant alleges Respondent is operating as an unlicensed dealer. Complainant is seeking a refund for the payments made on a vehicle allegedly purchased 12/3/19. Respondent cancelled their license on 5/1/18 prior to the license expiring on 9/30/19. An investigation was conducted. Complainant states they purchased the vehicle at a residential address. Respondent denied representing himself as a motor vehicle dealer but confirmed they used to own a licensed dealership. Respondent stated they had a leftover temporary tag from their prior dealership, and as a favor, gave it to Complainant until they could afford to get it registered. Additionally, Respondent gave Complainant an old business card leftover from their closed dealership. Respondent provided a copy of the title immediately upon request which showed they owned it personally when it was sold to Complainant. Counsel recommends a Letter of Warning instructing Respondent to cease holding himself out to be associated with his closed dealership or any motor vehicle dealership unless properly licensed and to cease utilizing temporary tags.

Recommendation: Issue a Letter of Warning regarding unlicensed activity and misuse of temporary tags. The Letter of Warning shall state that if any subsequent violations are found that a penalty will be incurred. The Respondent shall also be flagged.

Commission Decision: APPROVED

3. **2020016391 (ES)**
First Licensed: 08/20/2018
Expiration: 06/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent misrepresented a vehicle and failed to provide registration in a timely manner, claiming it took 2 months to receive the tag. Complainant requests that Respondent pay for repairs and cover costs of registration. After this complaint was filed, Respondent and Complainant reached an amicable resolution and Respondent refunded \$281.86 to Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

4. **2020017291 (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 is requesting a refund of a \$2,500 deposit paid to Respondent towards a used vehicle in August 2019. Complainant explains that due to some unfortunate life events, they were unable to proceed with the purchase once the special-order vehicle arrived in September. Complainant alleges Respondent agreed to refund the deposit but never did. After this complaint was filed, Respondent confirmed that a full refund of the deposit was provided to Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

5. **2020018471 (ES)**
First Licensed: 05/17/2016
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs.): 2017 – Three complaints closed with letter of warning for failure to provide title/registration. One complaint closed with \$2,000 civil penalty for advertising violations. Two complaints closed with letter of warning for engaging in false, fraudulent, or deceptive activities. 2018 – One complaint closed with \$5,000 civil penalty for advertising violations.

Complainant alleges Respondent failed to issue a refund for an extended warranty they purchased. After this complaint was filed, Respondent provided a refund of \$720.23 for the warranty and denies any allegations of misconduct. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

6. 2020020011. (ES)

First Licensed: 09/01/1991

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges there are missing components from the vehicle they purchased (speaker/subwoofer, interface battery and interface module). Complainant states they had sporadic issues with the radio not coming on that could not be duplicated by Respondent, as well as issues with the navigation system and Bluetooth. Complainant feels Respondent did not sell them a complete vehicle because these parts are allegedly missing or not working properly. Respondent sold the vehicle as-is, with no guarantees for the vehicle, except for providing a Lifetime Limited Powertrain Warranty. Complainant then purchased an Elite Used Extended Service Contract and Respondent encourages Complainant to utilize these warranties if applicable. Complainant argues that they are not simply complaining about something not working after purchase, but notes their grievance is the fact that there are “actual parts missing” that are “inclusive with the standard entertainment package on a 2017 Cadillac XTS Sedan.” Complainant feels they should have been notified of the missing parts if known to Respondent, and if unknown to Respondent, then Complainant feels a proper inspection must not have been conducted. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

7. 2020014891 (SH)

First Licensed: 01/29/2018

Expiration: 11/30/2019 (Expired License)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Tennessee Highway Patrol pulled over a vehicle for speeding that came back as unregistered on 2/23/2020. The driver, a GA resident, offered a Bill of Sale, dated 3/10/2019, and a GA title. The GA title was signed by the previous seller/dealer and previous buyer/individual, who sold to the driver on 3/10/2019. The driver/purchaser had

not signed the title nor had the individual seller. The vehicle had a TN passing emissions test dated 3/13/2019. The driver was cited for an unregistered vehicle and no insurance.

The TN dealer plate on the vehicle was issued to Respondent that at that time held an expired TN dealer license. Respondent renewed the dealer license and paid the fee on 11/26/2019 however on 3/6/2020 the Respondent requested cancellation of the license.

Recommendation: Close and flag since Respondent has voluntarily revoked/cancelled its license.

Commission Decision: APPROVED

8. 2020017801 (SH)

First Licensed: 04/11/1994

Expiration: 04/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle on 2/7/2020 from Respondent and financed through a credit union. After 30 days the credit union had not received the title from Respondent. Complainant called Respondent on 3/6/2020 and was told that Respondent had to request a duplicate title from North Carolina. Further, Complainant alleges the vehicle experienced transmission issues on 3/5/2020 and needs repairs totaling \$4,000.

Respondent states the vehicle was a trade-in and it was necessary to apply for a duplicate title. As for the transmission issues, Respondent states the vehicle was sold as-is and the Complainant refused to purchase a service contract offered at the time of the sale.

Records show the vehicle was registered to Complainant on 5/19/2020.

Recommendation: Letter of Warning for late delivery of title.

Commission Decision: APPROVED

9. 2020017811 (SH)

First Licensed: 05/10/2019

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle in October 2019 from Respondent and began to have overheating issues in February 2020. Complainant took the vehicle to a mechanic and was told the engine was bad. Complainant alleges Respondent agreed to tow the vehicle back and have it repaired so Complainant could stay in the vehicle. Complainant further alleges Respondent subsequently told her that he would be filing a lawsuit against her.

Respondent states the vehicle was purchased as-is. Complainant was given the opportunity to inspect and test drive the vehicle. Respondent states that Complainant admitted she drove the vehicle while it was overheating causing a blown head gasket. Respondent also states that Complainant has refused to pay the contractual monthly payments. Respondent is willing to assist Complainant in a payment agreement or roll the balance over to another vehicle.

Recommendation: Close.

Commission Decision: APPROVED

10. 2020018401 (SH)

First Licensed: 02/25/2014

Expiration: 07/31/2018 (CLOSED 10/30/2019)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Tennessee Highway Patrol pulled over a vehicle for no lights when raining. The dealer plate on the vehicle had expired in May 2017 and the driver was a former salesperson of Respondent/dealer. The driver admitted to driving for about a year on the expired dealer plate. THP confiscated the dealer plate. Respondent's license and driver's salespersons license expired on 7/31/2018. The dealership is closed, and the former salesperson has not renewed his license since.

Recommendation: Close and Flag both Respondent and former salesperson's licenses.

Commission Decision: APPROVED

11. 2020020791 (SH)

First Licensed: 03/25/2009

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – One complaint closed with \$250 agreed citation for expired county business license. One complaint closed with letter of warning for deceptive advertising. /

Complainant purchased a vehicle from Respondent online on 1/29/2020 and purchased an extended warranty for \$289. Complainant received a letter from the manufacturer stating the manufacturer warranty was still in effect. Complainant called Respondent for a refund of the extended warranty and claims he was refused.

Respondent submitted an extended warranty declination form signed by Complainant. No money for a warranty was exchanged therefore no funds to refund.

Recommendation: Close.

Commission Decision: APPROVED

12. 2020021001 (SH)

First Licensed: 04/22/2019

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle on 2/19/2020 and has not received his registration in over 30 days even though the County Clerk states registration was sent to the Respondent. Complainant alleges the mistakenly sent him the title that is in his name with no lienholder, but he owes over \$2000 for the vehicle.

Respondent states that Complainant signed a Power of Attorney form allowing Respondent to obtain the tags. The tags were received before this complaint was filed. Respondent states that the tags have been mailed overnight to the address on file which will be the 30th day. As for the title being sent, that is a clerical error on the Respondent, and they are resolving the issue with Complainant. Complainant confirmed receiving their tags.

Recommendation: Close.

Commission Decision: APPROVED

13. 2020010741 (SH)

First Licensed: 09/01/1991

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – One complaint closed with \$2,000 civil penalty for advertising violations. 2018 – One complaint closed with \$5,000 civil penalty for deceptive practices.

Complainant, a Louisiana resident, purchased a vehicle online which the contract was completed on 9/9/2019. The price of the vehicle was \$50,441 with a \$15,500 down payment and \$35,441 was financed. The vehicle was not transported, but driven 1000 miles away and arrived dirty, full of trash, and at 12:30am. After 30 days, Complainant began to inquire about the registration papers and was told that there was an error in financing and paperwork was sent to the wrong address. Complainant made their second monthly payment but could not drive the vehicle. On 11/16/2019, Respondent informed Complainant the paperwork was sent to the County Clerk. Complainant alleges he asked for the address but did not get a reply. On 12/9/2019, When the December monthly payment became due, Complainant transported the vehicle back to Respondent and demanded a full refund of all costs. Complainant alleges Respondent is not cooperating. The finance company void the contract and cancelled Complainant's monthly payments.

Respondent states that the registration paperwork was sent to the Louisiana DMV on 10/8/2019. They were told the paperwork was not received so Respondent resent on

11/7/2019. Respondent alleges Complainant refused to pick up the registration papers and brought the vehicle back, demanding a refund. Respondent reviewed the account and decided to repurchase the vehicle back from Complainant and return the down payment of \$15,000 on 2/26/2020 via check.

Complainant explains that the \$15,000 did not include other costs associated such as monthly payments of \$1860, re-delivery of vehicle for \$2040, and detailing costs of \$150. Complainant is demanding \$4050 to be reimbursed before they will agree to close this complaint. This demand is a civil matter between Complainant and Respondent to be handled in the local court.

Recommendation: Close.

Commission Decision: APPROVED

14. 2020018961 (SH)

First Licensed: 04/02/2018

Expiration: 02/28/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Hearing was issued on 3/10/2020 against Respondent for failure to produce a current business license.

Respondent stated that he had an old control number for a previous location and his newer control number for his current location. When he renewed the license, the DOR entered the old control number in error. Respondent produced a current business license.

Recommendation: Close.

Commission Decision: APPROVED

15. 2020018981 (SH)

First Licensed: 04/11/1997

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): 2015 – One complaint closed with \$2,500 civil penalty for advertising violation.

Complainant alleges to have purchased a new vehicle from Respondent that had undisclosed repair and repaint work. Complainant took the vehicle to a body shop to have a small paint scratch repaired and it was determined that the driver's side had received substantial amount of repaint work. A second opinion form another body shop also identified multiple signs of post-manufacturer repaint.

Respondent claims to have no prior knowledge of any damage or paint work to this vehicle before it came into their inventory. No work was performed on the vehicle while it was in their possession. Respondent immediately contacted corporate representative and was informed that the manufacturer is responsible. The corporate representative stated they are handling the matter and is replacing the vehicle for the Complainant.

Recommendation: Close.

Commission Decision: APPROVED

16. 2020019181 (SH)

First Licensed: 07/07/2005

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

On 1/13/2020, Complainant purchased a vehicle from Respondent with a lien on it. As of 3/10/2020, Complainant had not received her registration and was told she would need to take the vehicle to emissions in order to receive the registration and title. Complainant went to Respondent and was told to leave the vehicle so it could be taken to emissions testing. Complainant was frustrated and eventually Respondent gave Complainant a voucher to take to emissions.

Respondent states the Complainant purchased a recently traded vehicle and the payoff was sent to the lienholder. The vehicle was registered in Complainant's name on 3/19/2020. Respondent states they have the title and can either be available for pick or mailed to Complainant.

Recommendation: Letter of Warning for late delivery of title.

Commission Decision: APPROVED

17. 2020018091 (SH)

First Licensed: 01/06/2017

Expiration: 12/31/2020

License Type: Recreational Vehicle Dealer

History (5 yrs.): None.

Complainant bought an RV in 2018 and alleges that it had leak issues and the floors are rotten. Respondent confirmed that a small water line under the slideroom that moves in and out with the slide. It has slowly leaked over a period of time and got under the wood flooring. The insurance company has denied coverage due to the time frame. Respondent states they have tried every avenue for Complainant to get this repair work covered but has had no luck.

Recommendation: Close.

Commission Decision: APPROVED

18. 2020012461 (ES)

First Licensed: 12/19/2013

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

The Complainant lives in Texas and alleges Respondent caused a delay in sending the correct paperwork for vehicle registration for 6 months and wants to return the car for a full refund. Soon after the complaint was filed, Respondent states they ran into several hurdles getting the out of state title processed but confirmed a duplicate title was delivered to Complainant. Counsel has requested more detail from Respondent to explain why it took 6 months to give Complainant a duplicate title but did not receive a response. Nonetheless, there does not appear to be any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

19. 2020013071 (ES)

First Licensed: 01/08/2015

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent provided false information in an advertisement. Specifically, Complainant alleges they had purchased a vehicle which was originally advertised as having 10,350 miles. Two and a half years later, Complainant claims they asked Respondent to take the car back because of their financial difficulties and at that time, alleges the vehicle had over 43,000 miles on it. Now, Complainant alleges Respondent is advertising the returned vehicle for sale with 10,000 miles on it. Complainant also alleges Respondent did not disclose the vehicle was a salvage vehicle. Respondent states they accidentally chose the wrong picture of the odometer which was from the original advertisement when reactivating the vehicle's status on their website after the Complainant returned it. Respondent states it was an honest mistake and no fraud or misdirection was intended. Additionally, Respondent states it was clearly explained to Complainant that the vehicle was salvage with a rebuilt title, and she signed the contract and disclosures required when selling a rebuilt vehicle. Counsel recommends a Letter of Warning citing advertising guidelines.

Recommendation: Letter of Warning regarding advertising violation.

Commission Decision: APPROVED

20. 2020016651 (ES)

First Licensed: 02/24/2011

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – One complaint closed with letter of warning for failure to provide title/registration.

Complainant alleges the vehicle they purchased has had many mechanical issues and claims Respondent failed to honor an extended warranty. Complainant's warranty claim was denied because of a long-time oil leak leaving the engine starved for oil. Complainant feels their warranty should be covering the required repairs because they believe there must be a defective mechanical issue. Respondent explains that Complainant did bring the vehicle in regularly for oil changes for the first year and all mechanical issues were addressed and covered by warranty, but then the customer stopped bringing it in. For almost 40,000 miles, the customer had no documentation that their oil had been changed. Because the vehicle is no longer under the manufacturer's warranty and has no recalls on any engine components, the decision to repair is solely with the Complainant's extended warranty company, not at Respondent's discretion. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

21. 2020016791 (ES)

First Licensed: 01/27/2020

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a dealer and alleges Respondent is engaging in the sale and display of new vehicles at an offsite location by a furniture warehouse. An inspection was conducted. The inspector found that Respondent violated TCA §55-17-110(a) which requires a dealer to have a separate license for each location where vehicles are sold. Respondent was displaying cars for sale in an overflow lot down the highway from their licensed dealership where they also had signs with arrows pointing down the road towards the dealership. Additionally, the inspector found an advertisement that did not include the required disclosure "does not include tax, tag and title" in violation of Rule 0960-01-.12(4). The advertisement also stated that "xylon and destination [fees]" were added to the price of the vehicle in violation of Rule 0960-01-.12(1)(b). The inspector discussed the violations with Respondent who seemed genuinely apologetic and stated they would take care of the errors and issues that led to the violations. Counsel recommends a \$500 civil penalty for failure to have a separate license for the location where they are selling overflow vehicles and a Letter of Warning regarding the advertising violations.

Recommendation: Authorize civil penalty of \$750 for failure to have a separate license for each dealer location and advertising violations.

Commission Decision: APPROVED

22. 2020018521 (ES)

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.

Complainant bought a used vehicle from Respondent and alleges it is having major mechanical issues. Complainant researched the vehicle and claimed to find three different odometer readings on the title and bill of sale. Complainant further alleges there is a smell of burning while driving. Last, Complainant alleges they paid \$3,400 cash but the bill of sale and title say \$500. The title notes the vehicle has been rebuilt and showed 91,000 miles when transferred to Complainant for \$500. The Bill of Sale shows the price of the vehicle was \$500 and notes the mileage at 91,000. Complainant does not provide a receipt or any evidence showing how much they paid for the car except for the title and bill of sale which do not show \$3,400 as claimed. Respondent sold the vehicle as-is and states the Complainant test drove the vehicle at least three times, once with a friend who was supposedly a mechanic. Respondent spoke with Complainant in person sometime after the complaint was filed and Complainant allegedly confirmed they test drove the vehicle multiple times, as well as confirmed they paid \$500 and not \$3,400. Complainant rebuts this and states they did not confirm these things and claims the original allegations in the complaint are true, not Respondent's account. Because Complainant is still not satisfied, Respondent has now offered to allow Complainant to return the vehicle and they will refund the purchase price in order to resolve this situation. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Close and refer to Department of Revenue for review.

23. 2020020721 (ES)

First Licensed: 01/28/2013

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent failed to perform necessary repairs regarding oil leak issues on the used vehicle purchased. Eventually, Complainant was told there was something failing in the transmission and the engine needed to be replaced. After this complaint was filed, Respondent confirmed that they addressed the Complainant's concerns and replaced the engine and transmission, apologizing for the inconvenience caused to their customer. There is no evidence of any violations despite the inconvenience to Complainant.

Recommendation: Close.

Commission Decision: APPROVED

24. 2020016231 (SH)

First Licensed: 11/20/2017

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant found a vehicle being offered by Respondent online for \$9850. When Complainant received the worksheet to present to the credit union for financing, the price was \$9950. The Respondent revised the price to \$9850. Complainant subsequently went to Respondent, test drove the vehicle with his mechanic, and ultimately negotiated a price of \$9800 on 2/3/2020. Complainant paid \$4000 in cash and counted it out in front of Respondent and the mechanic multiple times. Complainant alleges the Respondent called after they left and stated that money was missing. Complainant also states the police department called and harassed her about the missing money. Complainant states that the tags have not been sent and it is over 30 days and the temp tag has expired.

Respondent explains that they negotiated a price that would come to an even \$9800 including tax. The vehicle price was \$9020. Respondent was told by the credit union that she only qualified for \$5800 and she would pay the remaining \$4000 in cash. When Complainant arrived, she began to count the cash, and her mechanic tried to distract the Respondent. Respondent says he only counted \$3200 in cash after the paperwork was signed and Complainant left in a rush. He called the police department to see if there was any recourse and they called Complainant to discuss. Later, Respondent claims the credit union told him that the mechanic was her fiancé. Respondent received the title on 3/3/2020 and has mailed it to the Complainant with a tracking number.

Recommendation: Close.

Commission Decision: APPROVED

25. 2020017621 (SH)

First Licensed: 03/28/2011

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued against Respondent for failure to produce a dealer license, city and county business licenses, tag log, or proof of insurance. Respondent is currently licensed but is a rental car company that does not offer the sale of vehicles.

Recommendation: Authorize a civil penalty of \$1,000 for failure to display dealer license, failure to produce county and city business licenses and proof of insurance.

Commission Decision: APPROVED

26. 2020017641 (SH)

First Licensed: 09/01/1991

Expiration: 09/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued against Respondent for an advertising violation. The advertisement state “does not include tax, title, licenses or processing fees.” Under the rules, processing fees must be included in the advertised price.

Recommendation: Authorize a civil penalty of \$250 for advertisement violation.

Commission Decision: APPROVED

27. 2020018411 (ES)

First Licensed: 09/01/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a police officer who filed this complaint after a routine traffic stop. Complainant noticed an expired dealer tag on a vehicle which was being driven by an employee of Respondent dealership. Once pulled over, the employee explained that they must have grabbed the wrong dealer tag for a trip to take the vehicle to an interested customer and was able to provide a picture of a valid dealer tag and fleet insurance for the vehicle. The officer seized the expired dealer tag and then allowed the employee to take the vehicle to the customer. Respondent confirms they immediately brought the valid dealer tag to the employee once the traffic stop commenced and apologizes for the mistake. Counsel recommends closure considering this seems to be an honest mistake and the lack of any prior disciplinary issues on Respondent.

Recommendation: Close.

Commission Decision: APPROVED

28. 2020017831 (ES)

First Licensed: 05/19/2010

Expiration: 04/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant lives in California and alleges Respondent is selling salvage and rebuilt vehicles that may not be safe to drive and/or don't have titles and proper ownership. Complainant claims there are many complaints on Google and Yelp that are “negative and toxic”. Complainant feels that a dealership should not sell a vehicle with a rebuilt title

for an “outrageous price”. Complainant did not provide any evidence or documentation to support their allegations. Respondent has had a license for over 10 years without any complaints and was inspected less than a month before the complaint was filed. There is no evidence of any violations and Counsel recommends closing this complaint.

Recommendation: Close.

Commission Decision: APPROVED

29. 2020017781 (ES)

First Licensed: 07/12/2012

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent for just under \$8,000 and claims the salesman did not disclose that the vehicle was a total loss. Complainant wants to return the vehicle and obtain a full refund. Respondent confirms that the 2009 vehicle was sold to Complainant and states they show all customers photos from the insurance auction of any and all damage a vehicle may have had before any repairs were made. Respondent provided the Autocheck report and a copy of the clean title to disprove Complainant’s allegation the vehicle was salvaged and a “total loss.” Respondent denies any wrongdoing but finally agreed to buy back the vehicle for \$5,500 after Complainant had been driving it for over a month, to which Complainant agreed to. However, Complainant is still not satisfied. Respondent tried to explain that just because a vehicle history report shows an insurance loss, it does not mean it is a salvaged and rebuilt vehicle, further explaining that each state is different in this regard. Respondent provided both the Texas title issued at the time of sale and the Tennessee title they received upon registration of the vehicle after purchase. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

30. 2020017391 (ES)

First Licensed: 02/16/1994

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): 2017 – One complaint closed with letter of warning for failure to disclose prior accidents at time of purchase. 2018 – One complaint closed with letter of warning for false advertising.

Complainant alleges Respondent sold them a faulty vehicle and is requesting that it be replaced. After the complaint was filed, Respondent swapped out the vehicle for another and states Complainant was very satisfied. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

31. 2020017161 (ES)

First Licensed: 04/27/1998

Expiration: 04/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is alleging that the Respondent sent their trade in vehicle to an auction in Georgia before the deal was finalized. Respondent confirms that Complainant purchased the vehicle on 2/14/20 and traded a vehicle. Upon completion of the paperwork, Respondent had the trade-in vehicle towed to their own Atlanta auction, so the vehicle would still be in Respondent's possession. When the lender tried to verify the information on Complainant's credit application, an income discrepancy by Complainant caused a denial to fund the contract. Respondent then had Complainant's trade-in towed back to their dealership from their auction and the vehicle was returned to Complainant.

Recommendation: Close.

Commission Decision: APPROVED

32. 2020015301 (ES)

First Licensed: 03/30/1995

Expiration: 02/28/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is an out of state dealer who alleges Respondent failed to perfect a lien on a vehicle that they sold and further alleges because this lien was not perfected, Respondent's eventual repossession of the vehicle was illegal. Respondent states that this has been a misunderstanding and provides documentation to show the history of the title throughout multiple states and alleges the State of New York failed to properly report that Respondent was a lienholder even though it stated that Respondent was on the back of the title. Counsel feels this matter is better suited for civil court, as it requires interpretation of securities law as it relates to the perfection of a lien. Additionally, Counsel will refer this matter to the Department of Revenue. Counsel does not see any violation of the statutes and/or rules that govern the motor vehicle dealer industry and recommends closure.

Recommendation: Close and refer to Dept. of Revenue

Commission Decision: APPROVED

33. 2020013911 (ES)

First Licensed: 01/22/2019
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant is anonymous and alleges Respondent has no licensed salesman on staff. An investigation was conducted. The investigation revealed that Respondent had recently undergone substantial changes in ownership and in their business, and at the time of investigation, there was one salesman with an expired license. Counsel recommends a civil penalty of \$500 for employing an unlicensed salesman.

Recommendation: Authorize a \$500 civil penalty for employing unlicensed salesperson

Commission Decision: APPROVED

34. 2020012341 (ES)

2020032311

First Licensed: 12/03/2019

Expiration: 11/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2020012341

Complainant alleges Respondent two and a half months to get their trade-in vehicle paid off. An investigation was conducted. Once the Complainant was contacted by the investigator, they revealed they had been made whole, confirmed the trade-in vehicle had been paid off, and stated they no longer wished to pursue the complaint. Respondent cooperated with the investigator fully and admits to experiencing problems while trying to secure a lender for final funding of the Complainant's deal in a timely fashion. Respondent noted they are a brand-new dealer (Dec. 2019) and this was a part of the problem and source of delay. Respondent was trying to get familiarized and established with lenders. However, Respondent denies any intentional misconduct and/or deceptive business practices as a result of the delays. Respondent also reimbursed Complainant for two payments made towards the trade-in vehicle as a gesture of goodwill.

2020032311

Complainant alleges Respondent failed to pay off the vehicle they traded in when they purchased a used car on or around 3/20/20. After this complaint was filed, Respondent confirmed the vehicle has been paid off and had been for some time. Respondent explained that the delay was caused by the fact that they only had half of their staff working due to COVID-19. Counsel recommends issuing a \$500 civil penalty for each violation for failure to pay off a trade-in vehicle within 30 days, for a total \$1,000 civil penalty.

Recommendation: Authorize a \$1,000 civil penalty for failure to pay off two separate trade-in vehicles within 30 days

Commission Decision: Remove from legal report and send for further investigation.

35. 2020014531 (ES)

First Licensed: 10/30/2000

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

This complaint was administratively opened after it was discovered that Respondent's business had moved to a new location in May 2019 and had been operating without a license from that new location until February 2020. Respondent has since obtained a license for the new location, but an investigation was conducted to determine how many vehicles were sold from the unlicensed location before the license was issued. An employee for Respondent promised to have this documentation requested by the investigator submitted by a certain deadline but never followed up with the investigator. The investigator tried to obtain this information on how many vehicles were sold by Respondent by going to local auctions but was unsuccessful despite much effort. Counsel recommends a \$1,000 civil penalty for violation of Rule 0960-01-.11 which requires licensees to keep records of their business dealings and make them available if requested by this Commission plus a \$500 civil penalty for unlicensed activity at a new location, for a total \$1,500 civil penalty.

Recommendation: Authorize a \$1,500 civil penalty for unlicensed activity and failure to produce business records

Commission Decision: APPROVED

36. 2020023201 (ES)

First Licensed: 08/21/2014

Expiration: 07/31/2018 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges no title has been received. An investigation was conducted and revealed that Respondent has been out of business since their license expired 7/31/18. The surety bond information was sent to Complainant.

Recommendation: Close and flag.

Commission Decision: APPROVED

37. 2020023531 (ES)

First Licensed: 07/09/2015
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges the vehicle has experienced major mechanical issues within the first week. Complainant was able to test drive the vehicle and states it checked out when they bought it. Respondent states they did everything possible to check out and inspect the vehicle before selling it to Complainant. Respondent also replaced the front brake pads and rotors and made sure it passed the state's emission test. Respondent argues Complainant signed the Buyer's Guide which advises consumers that vehicles have the possibility of having some defects. Respondent sold Complainant a 1-year warranty to cover any components of the drivetrain up to \$5,000. When the warranty company denied the claim, Respondent worked with them and Complainant to get them to agree to cover repairs up to \$5,000 and advised Complainant where they could bring the vehicle for repairs. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

38. 2020009471 (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 deceptive business practices. 2018 – One complaint closed with \$1,500 civil penalty for employees practicing on expired licenses. One complaint closed with letter of instruction for contracts.

Complainant purchased a vehicle and it was to be shipped to California after the down payment was made. Complainant alleges the Respondent stated they would pay the local DMV fees. Respondent also explained that the vehicle would not be shipped until funds were received from the financing company. The shipment was cancelled, and Respondent agreed to pay half the costs. Respondent also agreed to send 2 keys however they only sent 1. No documents have been sent and the vehicle arrived with no plate or permit. Complainant claims no key was sent, half of the cancel fee was not paid, and no registration papers have been sent.

Respondent claims the issue has been resolved to the Complainant's satisfaction. The Department reached out to Complainant to verify but did not receive a response.

Recommendation: Close.

Commission Decision: APPROVED

39. 2020022241 (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 deceptive business practices. 2018 – One complaint closed with \$1,500 civil penalty for employees practicing on expired licenses. One complaint closed with letter of instruction for contracts.

Complainant looked online to purchase a vehicle from Respondent and decided to buy a blue vehicle. When Complainant arrived at Respondent, the salesperson tried to sell her a different type of vehicle, but Complainant wanted the blue vehicle. Complainant alleges she was told the blue vehicle was having some minor touch ups and would not be ready until the next morning. After signing the contract and when Complainant got home, she noticed the contract listed a black vehicle and not the blue one she picked out. Complainant felt they were misled.

Respondent claims a mistake by the salesperson and the matter was resolved; the down payment was refunded. Complainant confirmed the refund of the down payment.

Recommendation: Close.

Commission Decision: APPROVED

40. 2020013081 (SH)

First Licensed: 03/05/2007

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – One complaint closed with letter of warning for deceptive practices. 2018 – One complaint closed and flagged for advertising violations.

Complainant co-signed with a friend on a vehicle on 1/23/2020 and claims to never receive a copy of her credit application. Complainant alleges her income was triple of her actual income.

Respondent claims the Complainant was the friend of the buyer. Complainant reviewed the application and stated it was her income that was listed on the application and signed it. Complainant's father was upset that the income was misstated and objected to Complainant co-signing for her friend. The deal was funded, and the permission of the father was not required.

Recommendation: Close.

Commission Decision: APPROVED

41. 2020004441 (SH)

First Licensed: 06/07/2017

Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is a dealer that repossessed a vehicle that they sold 3 months prior and never tagged. When they got the vehicle on 1/16/2020 there was an EZ Tag alleged to have been issued by another dealer, expiring 1/17/2020.

An investigation was made. Using access to the E-Z Tag Database the tag number was research and found to be issued by a former dealership of Respondent's co-owner on 7/28/2017 and appeared to be re-issued again on 8/11/2017; all to the same owner. This person is not the customer that was repossessed. The tag was also reported to be issued on 5/11/2018. The former dealership closed on 4/12/2019. The owner of the closed dealership has an ownership in Respondent. The E-Z Tag log did not show this temp tag being issued by Respondent.

The driver of the repossessed vehicle informed the investigator that she received two temp tags from the Complainant/dealer from who she bought the vehicle. This was verified in the investigation.

Respondent was unable to log into the EZ Tag system for the closed dealership but did not know how their temp tag was placed on the vehicle since they did not sell the vehicle to that customer. No connection was found between the previous customer the temp tag was issued by the closed dealership and the customer that was repossessed.

There was no conclusive evidence found of any fraud and it is still unknown how a temp tag from a closed dealership in 2018 issued an unexpired temp tag and placed on a vehicle that was repossessed by the selling dealer.

Recommendation: Close.

Commission Decision: APPROVED

42. 2020024301 (SH)

First Licensed: 06/07/2017

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleged she found in 2017 that she had tags on two vehicles in her name that she did not purchase. Per a VIR report Complainant purchased a vehicle from a now closed dealership on 8/27/2017. According to police reports, Complainant alleged the license plate to the vehicle purchased from the closed dealership was stolen. According to the Clerk, the closed dealership applied for registration in Complainant's name on 9/11/2017. On 2/28/2018, Complainant went to the County Clerk asking for replacement tags. The report alleges that the plate was stolen on 9/1/2017 while parked at the closed dealership. The Clerk told Complainant that the dealer can obtain the tag by a Power of Attorney. The Clerk allegedly cancelled the previous tag and issued a second tag to Complainant on 2/28/2018.

Complainant also alleged that the Respondent was obtaining tags in other people's names and giving them to illegal immigrants. No evidence of this allegation was found.

Recommendation: Close.

Commission Decision: APPROVED

43. 2020019571 (SH)

First Licensed: 04/07/1999

Expiration: 06/30/2021

License Type: Motor Vehicle Auction

History (5 yrs.): None.

Complainant alleges that the Respondent, that is an auction, would not cooperate when Complainant experienced title issues after purchasing a vehicle on 8/19/2019. Complainant subsequently sold the vehicle to a customer but could get it transferred. The title needed two signatures and there was only one. Complainant states the signature needed was deceased. Complainant believes the Respondent should have delivered a clear title, but Respondent is refusing to accept liability.

Complainant was able to obtain the necessary paperwork from the Probate Court in order to transfer the title.

Respondent explains that vehicles are conveyed directly from the seller to the buyer. This vehicle in question was donated by a charity program. The vehicle was consigned by a charity that was gifted the vehicle from the estate of the deceased. Respondent states they were notified 6 months later about a title issue and tried to assist the Complainant as much as possible. Respondent claims they are not responsible for the error of the estate incorrectly executing the title.

Recommendation: Close.

Commission Decision: APPROVED

44. 2020012561 (SH)

First Licensed: N/A

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

An anonymous complaint alleged a licensed dealer was offering vehicles for sale on an unlicensed lot. There was no evidence of the allegation.

Recommendation: Close.

Commission Decision: APPROVED

45. 2020011711 (ES)

First Licensed: 09/01/1991

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

An inspection of Respondent's dealership revealed Respondent was operating with expired county and city business licenses. A Notice of Violation was issued for these two violations. Counsel recommends a \$250 civil penalty for each expired license for a total \$500 civil penalty.

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

Commission Decision: APPROVED

46. 2020012581 (ES)

First Licensed: 09/01/1991

Expiration: 11/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

An inspection of Respondent's dealership revealed Respondent was operating with an expired county business license. A Notice of Violation was issued for this violation. Counsel recommends a \$250 civil penalty.

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

Commission Decision: APPROVED

47. 2020014691 (ES)

First Licensed: 04/17/2014

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges the vehicle they purchased from Respondent caught on fire 5 days after purchase. Complainant feels Respondent knew about the vehicle's mechanical issues that caused the alleged fire prior to sale but did not disclose them. An investigation was conducted. Respondent cooperated and explained that Complainant came to the dealership to purchase a vehicle for \$5,000 and was given at least fifteen vehicle options. Complainant test drove vehicles and eventually narrowed it down and bought their chosen vehicle as-is, without a warranty. When Complainant told Respondent, the vehicle caught on fire, Respondent offered a trade value to switch vehicles and Complainant would need to pay the difference. Complainant refused this offer and wanted a full refund. Complainant had collected a check from their insurance company once the vehicle was totaled. There is no evidence of any violations as it relates to the allegations in the complaint and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

48. 2020018691 (Respondent 1) (ES)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

2020039191 (Respondent 2) (ES)

First Licensed: 07/15/2016

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$500 civil penalty for delivering incomplete titles.

Complainant wishes to remain anonymous. Complainant states they purchased a vehicle from Respondent 1 and alleges that they claimed to be associated with a licensed motor vehicle dealer, Respondent 2. Complainant states Respondent 1 sold the vehicle from their personal residence. Complainant states they had some issues with the vehicle and tried contacting Respondent 1, who allegedly blocked them from any contact. Complainant then looked at the Bill of Sale which referenced Respondent 2 and tried contacting them. An investigation was conducted. The investigator went to the supposed residential address for Respondent 1, which turned out to be a vacant field/bad address. The investigator then drove down the street assuming Complainant may have conveyed the wrong address and found the residence of the brother of Respondent 1. No one was home so the investigator

left their business card. The investigator then went to Respondent 2's place of business and obtained their "inventory list" which only included bills of sales on vehicles acquired from an auction in Wisconsin. When the investigator asked questions about vehicles and information on some of the Bills of Sale, there seemed to be no sense of record keeping. The employee helping the investigator was seen pulling Bills of Sales out of an empty 5-gallon kitty litter container. The investigator noted that another investigator confirmed that Respondent 1, and other family members, had been investigated for alleged unlicensed activity around the same time last year. It seems that Respondent 1 was a mechanic for Respondent 2 at one time. The investigator was able to eventually obtain the correct address for Respondent 1 and went by their residence to see if there were any vehicles for sale as alleged, and there were none. The investigator had attempted to contact Complainant multiple times, and they finally responded to the investigator's email requesting the documentation and Bill of Sale from the transaction at issue. Complainant stated the county clerk kept the Bill of Sale but did provide a Buyer's Guide showing the vehicle was purchased As-Is with no warranty, and some documentation that referenced Respondent 2 dealer. Additionally, Complainant provided a Facebook advertisement that showed Respondent 1 selling "Affordable Cars in West Tennessee." There is no evidence that Respondent 1 has sold more than 5 vehicles in a calendar year as an individual or is selling as an unlicensed salesperson for Respondent 2. The VINs for the vehicles were not recovered. However, there is a connection with Respondent 1 and Respondent 2 and is believed Respondent 1 is the mechanic. There is also a previous open complaint, 2019067851, that allege Respondent 1 family is also selling vehicles for Respondent 2/dealership.

Recommendation: Close Respondent 1, 2020018691. Authorize voluntary revocation for Respondent 2, 2020039191, within 30 days and allow 30 days to wind down from signing date.

Commission Decision: APPROVED

49. 2020027521 (ES)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges fraudulent activity by Respondent and another business. Respondent does not have a dealer license, but the Respondent business owner did have a salesman license that expired in 1993. An investigation was conducted. Complainant purchased a used vehicle from Respondent on 3/25/20 for \$1,500 from the Respondent's residence (which is also their business address). Complainant alleges Respondent refused to provide them with a title or a refund when asked. The investigator could not find any advertisements online showing Respondent is selling vehicles, but Complainant states they found this vehicle for sale on an App called "letGo." The investigator could not find any advertisements by Respondent on the "letGo" app when they conducted their research and Complainant was unable to provide a copy of the alleged advertisement. The investigator also confirmed there is no business record for Respondent on the Secretary of State's website. Complainant did receive a temporary tag that was registered to a licensed dealer. Complainant allowed Respondent to come pick up the vehicle they

purchased on 4/2/20 so Respondent could sell it and provide the requested refund to Complainant. Respondent left Complainant with another vehicle for them to use in the meantime but claimed Respondent came back and took the second vehicle without Complainant's knowledge. Respondent told the investigator that the residential address is no longer correct and refused to provide a current address. Respondent admitted to selling the vehicle at issue to Complainant and states they are working on paying them back. Respondent denied having a dealership and states the transaction was a personal sell with a personal invoice and promised to provide corresponding documentation. Respondent states Complainant decided they did not want the vehicle, so Respondent picked it up and brought a different vehicle. Complainant did not want the second vehicle either, which is why Respondent picked it up as well. Respondent did not want to provide a statement to the investigator and stated they would have their attorney handle anything else if this "goes to court." Respondent would not provide their attorney's name or information upon request. Respondent states that this was an individual sale to another individual.

The investigation into this matter also revealed the following pertinent details:

1. The vehicle purchased by Complainant was last registered to an individual on 7/11/19, not to Respondent or to the dealer who issued the temporary tag given to Complainant.
2. The EZ Tag Database showed that from 1/17/20 through 4/1/20, the licensed dealer had issued 5 temporary tags to Respondent for 5 different vehicles, including the vehicle at issue in this complaint.
3. The County Motor Vehicle Registration Records Administrator confirmed that Respondent had only registered 1 of the 5 vehicles associated with the 5 vehicles they purchased from the licensed dealer.
4. Licensed dealer cooperated with investigator and provided the deal files for all 5 vehicles they sold to Respondent.

Recommendation: Close as this was an individual sale.

Commission Decision: APPROVED

50. 2020015581 (SH)

First Licensed: 01/24/2018

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle from Respondent on 11/16/2019 and after three months the title has not been produced. The title is still under the previous owner's name. Complainant further alleges the Respondent gave them a dealer plate, but Complainant is not comfortable in using the plate.

Research shows the registration was transferred on 3/12/2020 and lien perfected on 5/5/2020.

Recommendation: Authorize a civil penalty of \$500 for misuse of a dealer plate.

Commission Decision: APPROVED

51. 2020018671 (SH)

First Licensed: 11/15/2018
Expiration: 10/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant has not received registration paperwork from Respondent and Respondent has apparently closed its business. Respondent states they have tried to reach out to Complainant with no luck. Complainant put a down payment on the vehicle and never came back to make monthly payments. Respondent has been unable to repossess the vehicle.

Recommendation: Close.

Commission Decision: APPROVED

52. 2020024201 (SH)

First Licensed: 03/09/1998
Expiration: 02/28/2022
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a vehicle from Respondent that was listed on an advertisement. On the advertisement it stated the vehicle had a sunroof. When the vehicle was delivered it did not have a sunroof. Complainant alleges Respondent has not been helpful with the situation.

Respondent states that the Complainant had ample time to inspect the vehicle when it was delivered and before signing the paperwork. Later, Complainant realized that it did not have a sunroof and wanted a discount of several thousand dollars. Respondent states that the listing was on a third-party vendor. The advertisement on their own website did not list a sunroof and the pictures on both sites also did not show a sunroof. Respondent also states there are disclaimers on both websites that make it clear the information may not reflect accurate details. Respondent was willing to negotiate a solution however Complainant is being unreasonable.

Recommendation: Letter of Warning regarding accurate advertising.

Commission Decision: APPROVED

53. 2020025761 (SH)

First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs.): 2019 – two open complaints of unlicensed activity with penalty of \$2,500 and \$5,000.

Complainant alleges that the title was salvaged from Florida and was not disclosed at the time of sale. The vehicle was advertised as in good condition but when the vehicle was delivered it was diagnosed with a drop axle malfunction, bad electrical wiring, control box full of water, and the studs broke from the wheels.

Complainant continues to sale vehicles without a license. This Department has been speaking with Respondent's attorney in order to become license and resolve the previous complaints filed against Respondent. The attorney has since retired, and this case was transferred to another attorney in the firm. The other attorney is reviewing, and the Department will be in contact soon. This complaint should be added to the others.

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

Commission Decision: APPROVED

54. 2020008731 (SH)

First Licensed: 07/01/1991

Expiration: 06/30/2021

License Type: Motor Vehicle Manufacturer/Distributor

History (5 yrs): None.

Complainant alleges that the vehicle she purchased from Respondent has a transmission issue and that Respondent, manufacturer, is aware of the issue. Complainant requested a refund through a Lemon Law Complaint Form. Complainant alleges the vehicle was sold as "Certified Used" however it was not properly inspected, and the transmission issue was not resolved with software updates.

Respondent has reviewed the Complainant's contention with the servicing department, inspected the vehicle per the New Vehicle Limited Warranty, and vehicle's service history. The vehicle service history verifies that there have been no excessive repairs or time out of service for a specific nonconformity that impaired the use, value or safety of the vehicle. The alleged concern is a 9-speed transmission and not due to manufacturing materials. The safety of the vehicle or the drivability are not in question. After review and updates to the software enhancements, Respondent is refusing to repurchase the vehicle. Respondent will continue to work with Complainant to resolve any issues per the terms of the Limited Warranty.

Recommendation: Close.

Commission Decision: APPROVED

55. 2020003441 (ES)

First Licensed: 08/09/2012

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges vehicle had a higher mileage than advertised by the Respondent. Respondent claims the mileage was exempt and Complainant was aware. An investigation was conducted. The investigation revealed Respondent purchased the vehicle from an auction in December 2019. It wasn't until after the purchase and after a complete mechanical inspection of the vehicle that Respondent noticed some of the original digital instrument cluster was inoperable. Respondent told the investigator that this was a common occurrence with some of the older GM/Chevrolet vehicles and as a result, admitted to purchasing a used instrument cluster from a salvage yard and installing it to rectify the problem. Respondent admitted they failed to provide the Odometer Disclosure statement to Complainant which would have noted possible odometer discrepancies. Respondent argues they thought because the vehicle was older than 10 years, it was exempt from this sort of thing. To be transparent, Respondent had written on both the title and the bill of sale that the vehicle's mileage was exempt, and the true mileage was unknown (TMU). Respondent vehemently denies any intentional misconduct and states the Complainant was aware that the vehicle's true mileage was exempt from reporting and was unknown at the time of purchase and acknowledged such when they signed the bill of sale where it was disclosed. Counsel recommends issuing a \$500 civil penalty for failure to use an Odometer Disclosure statement form.

Recommendation: Authorize \$500 civil penalty for failure to use proper Odometer Disclosure form

Commission Decision: APPROVED

56. 2020015681 (ES)

First Licensed: 05/12/2015

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed with agreed citation. 2016 – One complaint closed with letter of warning.

A Notice of Violation was issued to Respondent on 2/25/20 during an inspection at the dealership. The following violations were noted by the inspector: issuing more temporary tags than allowed, issuing a temporary tag to a salvaged vehicle, failure to disclose vehicle's salvage history, and failure to adhere to regular business hours. From January 27, and January 31- February 3 and 4, 2020 the inspector tried to complete an annual inspection for Respondent during their advertised business hours, but the business was closed every time they went by the dealership. This led the inspector to submit an out of business request to the Tennessee Motor Vehicle Commission. On February 25, 2020, the inspector went back to Respondent's dealership when they had requested to be re-opened by the Commission. The inspector spoke with Respondent's manager and asked them about a vehicle that was parked at another dealership but had been issued temporary tags from Respondent. Respondent confirmed they sold the vehicle to someone who used to clean cars for them. When the inspector asked to see the vehicle deal file, they admitted they sold it as a salvage vehicle along with the parts to fix it, but there was no notification of a salvaged history in this file. Respondent also found through Carfax that the vehicle was still, as of 2/26/20, showing as salvaged. The inspector also discovered through the Dealer Drive-Out Temporary Tag Program that Respondent has issued no less than 12 temporary tags to the vehicle in question, beginning at the time of the sale 10/3/18 to 12/2/19. The investigation also revealed through Carfax that the vehicle showed severe mileage discrepancies with owners four, five, eight, and ten. This information will be passed on to C.I.D. of the Tennessee Highway Patrol for possible odometer tampering.

Counsel notes that Respondent has already been disciplined and issued civil penalties for failure to disclose salvage history, issuing a temporary tag to a salvage vehicle and failure to produce records twice since 2019. Due to the recurring violations of the same nature in such a short amount of time and in consideration of the Respondent's disciplinary and complaint history as a whole, Counsel recommends allowing Respondent to voluntarily surrender their dealer license within 30 days of signing a Consent Order so Respondent can have 30 days to wrap up and wind down their business. If Respondent refuses, Counsel recommends a formal hearing.

Recommendation: Authorize voluntary revocation and a formal hearing if Respondent does not surrender their license

Commission Decision: APPROVED

57. 2020004491 (ES)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

Complainant purchased a used vehicle from an individual who works for Respondent; Respondent is a repair shop and is not a licensed dealer. The individual is a licensed salesman and is associated with a separate licensed dealer, not with Respondent. The vehicle was registered in Respondent's name. The Bill of Sale does not refer to Respondent or the individual, but instead lists a different licensed dealer name and has the signature of a salesperson not mentioned in the complaint. The Instagram advertisement was posted by Respondent. Complainant alleges someone wrongfully repossessed the car and did not return their belongings. Complainant states they had been making payments of \$125 per week since December 2019 which left a balance of \$1,550 at the time the vehicle was taken. Counsel notes these payments were paid to the Respondent because each receipt had Respondent's written business name or initials on it. After Complainant had been searching for the vehicle and called the police, they finally got a call back from the individual. Complainant asked the individual to check the GPS tracker on the vehicle so they could find out who stole it and where it was. Complainant was told the tracker had been disconnected and was given the last location by the individual. Complainant states the individual gave them the wrong information purposefully to mislead them and once Complainant's Facebook friend helped to locate the vehicle, Complainant believed that the individual stole their vehicle and sold it to another couple on the exact day the vehicle went missing from Complainant's possession. Complainant claims that once the police became involved, the individual claimed they repossessed the vehicle because Complainant was not current with their payments. Complainant requests a refund of all payments and wants their belongings to be returned to them. An investigation was conducted. The investigator first spoke to the owner of the licensed dealership whose name was on the Bill of Sale. Upon inspection of the Bill of Sale, the owner stated it was not a BOS from their dealership and had been forged. The investigator asked if the owner knew the individual who sold the vehicle to Complainant and the owner confirmed they had met the individual when they bought a salvage vehicle in the past to repair or use for parts. Complainant informed the investigator that their home has outdoor cameras and there is video showing the individual did take the vehicle from Complainant. The investigator also obtained a copy of the police report because Complainant ended up reporting the vehicle as stolen. Complainant also advised they have already begun to pursue litigation with General Sessions court. When the Sheriff tried to serve the individual at Respondent's business, they were informed the individual no longer worked for Respondent. Eventually, the individual was located and served but failed to appear in court and Complainant was awarded a default judgment of \$6,200 against Respondent and the individual.

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

Commission Decision: APPROVED

58. 2020010031 (ES)

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Recreational Vehicle Manufacturer

History (5 yrs): N/A

Complainant alleges Respondent is a RV Manufacturer that has at least two dealers in the state yet is not registered as a manufacturer. An investigation was conducted. When the investigator contacted Complainant to obtain a sworn statement and documentation to support these allegations, the Complainant said they did not want to be involved in the investigation but was simply letting the state know about the possibility of Respondent selling RVs without a license. Respondent informed the investigator that they do not manufacture RVs and only manufactures horse trailers, toy haulers and stock trailers. There is no evidence of any unlicensed activity and Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: APPROVED

59. 2020014091 (ES)

First Licensed: 03/29/2019

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

An inspection of Respondent's dealership revealed Respondent was operating with expired county and city business licenses. A Notice of Violation was issued for these two violations. Counsel recommends a \$250 civil penalty for each expired license for a total \$500 civil penalty.

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

Commission Decision: APPROVED

60. 2020018251 (ES)

First Licensed: 09/01/1991

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges they are having mechanical issues with the car. Complainant states the Carfax provided by Respondent

showed no accident history but claims they have been advised by a mechanic that it must have been in an accident. Complainant wants to return the vehicle to Respondent and get a refund. Respondent provides the Carfax which confirms no accidents at the time Complainant purchased it. Respondent confirmed Complainant brought the vehicle in because there was a noise while braking but that was only after they had the vehicle for 2.5 months and put 6,000 miles on it. Respondent repaired the vehicle at no cost. A few weeks later, Complainant brought the vehicle back again stating someone told them it had been in an accident. There is no proof of this, but Respondent still addressed Complainant's concerns again at no cost to them. There is nothing more Respondent can do and there is no evidence of any violations. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

61. 2020023791 (ES)

First Licensed: 02/16/2010

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent sold them a vehicle without disclosing it was salvage and had a rebuilt title. Complainant has been having mechanical issues with the vehicle since purchase and wants Complainant to switch out vehicles. Respondent provided the Notice of Disclosure for the rebuilt vehicle signed by Complainant and proof the vehicle was purchased as-is without warranty. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

62. 2020025501 (ES)

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 alleges Respondent caused damage to their vehicle while completing requested repairs after the vehicle had been in an accident. Complainant claims Respondent will not perform further repairs stating the issues are the fault of the Complainant after the insurance company denied paying for the repairs because of the

diagnostic result. The Complainant is requesting that the Respondent pay for the repairs. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

63. 2020026941 (ES)

First Licensed: 09/01/1991

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent failed to notify them about a recall to their vehicle. Specifically, Complainant states they began having problems with their 2012 vehicle and the engine light came on. On 4/26/20, Complainant took the vehicle to a mechanic and was advised there was excessive oil consumption. Complainant states the mechanic told them to contact their dealership because there was a recall to repair valves inside the engine. Complainant called Respondent and provided VIN to service manager, who then told Complainant about several special coverage campaigns on the vehicle up to 150,000 miles. Several of the campaigns had expired including the one that Complainant thought was related to their engine. Complainant told Respondent they were not aware of these campaigns and had never been notified by mail, so Respondent advised Complainant to call the manufacturer. Complainant states they have had their oil changed by Respondent several times over the years and claims the campaign for the engine was issued in 2017. Complainant feels Respondent therefore had 2 opportunities to correct the problem, once in August 2017 and again in December 2017 during oil changes. Complainant wants Respondent to complete and pay for repairs needed. Respondent confirms Complainant only recently called to ask about recalls and was told there was no recall for an engine on their vehicle. However, Respondent did inform Complainant about a special coverage to extend the warranty on the engine for oil consumption but explained the vehicle was past 150,000 and there were no previous complaints to back up any coverage. Respondent advised Complainant to call manufacturer and they would try to assist Complainant if there was cooperation. Complainant brought the vehicle in and started the oil test and Respondent feels it is now the Complainant's responsibility to follow the guidelines of the oil test. If the test shows a need for engine repairs, Respondent will submit the request to the manufacturer. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

64. 2020018331 (SH)

First Licensed: 08/30/2017

Expiration: 08/31/2021 (CLOSED 4/13/2020)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Customer traded a vehicle with Complainant/dealership in December 2019 but at the time did not have the title. Customer previously purchased the vehicle from Respondent in November 2019. Customer stated the Respondent never sent the title before it closed, and the titles were apparently in storage.

The vehicle was properly registered and titled as of 5/27/2020. Respondent has closed operations.

Recommendation: Authorize voluntary surrender of paper title.

Commission Decision: APPROVED

65. 2020020171 (SH)

First Licensed: 08/10/2015

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

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

Complainant inquired about a salvaged vehicle after the tornado damage through text messaging the Respondent. Complainant was allegedly told the vehicle had minor damage and decided to purchase the vehicle. When Complainant inspected the vehicle, the windshield was cracked and the back window was blown out, Respondent acknowledged the vehicle was not running properly. There was no notice of salvage or rebuilt, no buyer's guide, etc. Complainant still purchased the vehicle and asked to trade a scooter. The next day, Complainant decided they did not want the vehicle and went back to get the scooter and refund. Respondent refused.

Respondent states the Complainant was fully aware the vehicle was rebuilt, heavily damaged in the tornado, and the sale was completed in the proper way. Complainant acknowledged this information on a signed document. Respondent states the issue has been resolved and Complainant is in possession of the vehicle and title.

Recommendation: Close.

Commission Decision: APPROVED

66. 2020020281 (SH)

First Licensed: 01/14/2019

Expiration: 11/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle from Respondent on 7/13/2019 but never received the registration documents or title after 10 months. The vehicle has been paid for in full as of 2/1/2020.

Respondent states that Complainant wanted to purchase a wrecked vehicle that was in the process of being rebuilt. The Complainant has been driving a different vehicle and a rental paid for by the Respondent. Complainant has making payments for the wrecked vehicle and has paid off. Respondent has continued to keep Complainant updated on the rebuilt process. The Respondent was finally able to find parts from another like vehicle purchased at auction. On 4/7/2020, Respondent sent the paperwork and receipts to obtain a rebuilt title.

As of 6/5/2020, the title has been properly rebuilt and transferred to Complainant.

Recommendation: Close.

Commission Decision: APPROVED

67. 2020023581 (SH)

First Licensed: 09/01/1991

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – One complaint closed with \$2,000 civil penalty for advertising violations. 2018 – One complaint closed with \$5,000 civil penalty for deceptive practices.

Complainant showed an advertised price on a vehicle was \$63K but when he called the Respondent to get a cash quote, he was given \$83K. Complainant believes the Respondent is being misleading with the advertising.

Respondent states that the advertised prices are based on zip code, rebates offered by the manufacturer, owner loyalty, trade assist, farm bureau member, credit issuer, etc. Respondent states they did not mislead and were transparent with their questions to Complainant.

Research shows the advertised vehicles have the appropriate disclaimers and appropriate information on their websites when the vehicle is selected.

Recommendation: Close.

Commission Decision: APPROVED

68. 2020024501 (SH)

2020028511

2020039771

First Licensed: 01/12/2016

Expiration: 03/31/2020 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2020024501

Complainant purchased a vehicle in full on 2/29/2020 but did not receive the title because allegedly the previous owner misstated the mileage on the title and Respondent was trying to resolve the issue.

Respondent states the error was due to the County Clerk and the issue was resolved on 4/14/2020. Complainant confirmed and agreed to close the complaint.

2020028511

Complainant purchased a vehicle in full on 3/17/2020 but could not get the title because the floor planner was holding the titles until the debt was paid by Respondent.

Respondent states that after the tornado and virus, the dealership had to be closed. The floor planner repossessed the vehicles on the lot and demanded payment for all titles in full. Respondent has been forced to file bankruptcy. Respondent also states that the floor planner took advantage of many other dealers and the TN AGs office is investigating.

The surety bond info was given to the Complainant.

2020039771

Complainant purchased a vehicle on 2/28/2020 and never received the registration or title. Complainant states the floor planner was holding title until Respondent paid. The surety bond information was sent to Complainant.

Respondent states that after the tornado and virus, the dealership had to be closed. The floor planner repossessed the vehicles on the lot and demanded payment for all titles in full. Respondent has been forced to file bankruptcy. Respondent also states that the floor planner took advantage of many other dealers and the TN AGs office is investigating.

Recommendation: Close all three complaints.

Commission Decision: APPROVED

69. 2020011681 (ES)

First Licensed: 04/05/2012

Expiration: 04/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

A Notice of Violation was issued to Respondent on 2/10/20 for employing a salesperson whose license has been expired since 1/31/18 and failure to have an active county business license.

Counsel recommends a \$250 civil penalty for failure to maintain an active county business license and a \$500 civil penalty for employing an unlicensed salesperson.

Recommendation: Authorize a \$750 civil penalty for expired county business license and employing an unlicensed salesperson

Commission Decision: APPROVED

70. 2020029761 (SH)

First Licensed: 12/06/2017

Expiration: 12/31/2019 (Expired License)

License Type: Motor Vehicle Salesman

History (5 yrs): None.

On 3/21/2019, Complainant contacted Respondent about a vehicle on Craigslist. Respondent showed a title in his name as owner. Complainant drove the vehicle and noticed an issue with the transmission, but Respondent stated the vehicle was not warmed up. Complainant agreed to purchase the vehicle and Respondent agreed to deliver the vehicle to Illinois. Complainant alleges the vehicle immediately had issues and the ECM showed 717K miles instead of 260K as advertised. Complainant also learned that the previous title was salvage and he will need to obtain the salvage title from Missouri.

Respondent sold this vehicle as an individual therefore the Commission does not have authority over this matter.

Recommendation: Close.

Commission Decision: APPROVED

71. 2020028351 (ES)

First Licensed: 09/01/1991

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent should have known and failed to disclose that the transmission would need to be replaced on the vehicle just over three months after purchase. Complainant had purchased a warranty for 36 months or 36,000 miles when they bought the vehicle but then cancelled it a few weeks later and accepted the reimbursement check. Therefore, Respondent and Complainant agreed that Respondent would pay for \$1080.81 of the repair order and Complainant agreed to the repairs. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

72. 2020027771 (ES)

First Licensed: 03/17/2017

Expiration: 03/31/2021

License Type: Motor Vehicle Auction

History (5 yrs): None.

Complainant alleges Respondent is in breach of a contract and filed this complaint against Respondent dealer/auction licensee as well as a complaint with the Auctioneer Commission. The auctioneer complaint was dismissed and closed because the complaint pertains to the interpretation of a contract.

Complainant and Respondent have competing contractual terms and a court of competent jurisdiction (circuit or chancery) is more appropriate to hear this complaint. Counsel agrees and recommends closure of this complaint, but the specifics of the matter are below.

Complainant states they took their vehicle to Respondent's auction on 3/19/20 to be sold on 3/21/20. Complainant claims they told Respondent's agent that they had recently been experiencing an issue where the vehicle wouldn't accelerate unless you pulled it over and turned it off and back on. Complainant states they were told that was fine because Respondent auctioned vehicles as-is, and that the issue could be caused by anything. Complainant signed the contract for auction and the power of attorney and left the keys and title with Respondent. Complainant confirmed by phone call that their vehicle had sold on 3/21/20 in the auction for \$2,550 and they could come in that Monday for payment from Respondent. When Complainant showed up to collect payment, the auctioneer came to speak with them. Respondent informed Complainant that someone had purchased the vehicle at auction but within 1 mile of driving it away, it seemed to have overheated or something to cause smoke to come from the hood. Respondent was concerned because there was red leaking substance all over the motor, so they had it towed to a mechanic. Respondent told Complainant they wouldn't pay them until it was diagnosed. Complainant takes issue with this because they feel Respondent was informed of the recent issue with acceleration and entered a contract with this knowledge. Respondent ended up voiding the sale and refunding the buyer's money. Complainant they could pick up the vehicle from the mechanic because it needed a new transmission. Respondent confirms this and argues they are within their contractual rights in this scenario because their listing contract states, "Auctioneer reserves the right to refuse to sell items at any time for any reason." Respondent states if the buyer would have had an issue the following day or after, they would not have voided the sale but in this case, a mile down the road and confirmation the vehicle had a bad transmission required voiding the sale. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

73. 2020022371 (ES)

First Licensed: 07/01/1991

Expiration: 06/30/2021

License Type: Motor Vehicle Auction

History (5 yrs): None.

Complainant states they purchased a vehicle from Respondent auction and alleges the Respondent will not honor their "Ride and Drive Guarantee" to refund a purchase. Complainant feels the time frame allowed to return the vehicle isn't long enough because it ends at 5:00 pm each day and they purchased the vehicle at 4:00 pm. Complainant feels this is bad business and allows Respondent to circumvent honoring their Ride and Drive Guarantee. Respondent ended up voiding the sale for this transaction anyways, considering Complainant purchased it online which changes the arbitration deadline for the guarantee. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

74. 2020019681 (ES)

First Licensed: 03/26/2019

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and had concerns of alleged discrepancies with the vehicle's odometer reading and further claims Respondent failed to properly disclose alleged discrepancies during negotiation of the sale. An investigation was conducted. Respondent presented the entire deal file and transaction documents from their auction purchase of the vehicle, as well as rebuilt title documentation and proper disclosures signed by Complainant. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

75. 2020022091 (ES)

First Licensed: 04/24/2019

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

This complaint was filed by someone who used to be employed by Respondent. Complainant alleges they worked for Respondent without a salesman license and sold multiple cars without a license. Further, Complainant claims the finance manager did not have their license. Complainant claims they did work for which they were not paid for and alleges Respondent fired them and never gave them a final paycheck. Complainant provides no further detail or documentation to support these allegations. This matter was forwarded to the Department of Labor and Counsel recommends closure.

Recommendation: Close

Commission Decision: APPROVED

76. 2020029021 (ES)

First Licensed: 12/11/2013

Expiration: 10/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a new car from Respondent in 2018. Complainant alleges the back-up camera and GPS is malfunctioning and wants Respondent to fix it. Complainant states they have contacted the manufacturer once and received a reply by email, but nothing has been done. Respondent confirms they have been in contact with the manufacturer about Complainant's concerns and asked Complainant to bring the vehicle in so repairs can be made. Respondent later confirmed repairs were made at no cost to Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

77. 2020029311 (ES)

First Licensed: 05/16/2018

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent misrepresented the vehicle they purchased. Complainant states the vehicle had a lot of problems and smoked continuously which led them to return it to Respondent. Complainant takes issue with the fact Respondent allegedly charged a \$850 restock fee causing them to have to borrow more money to purchase another vehicle. Respondent confirms Complainant purchased the vehicle as-is and signed the proper related disclosure, agreeing to the terms in the disclosure. Respondent did perform a free diagnostic, checked all fluids and test drove it but could not reproduce the issue with the vehicle causing smoke to be released from the tailpipe. Respondent does not have a return policy because all vehicles are purchased as-is but they made an exception for Complainant and allowed them to return it with the restock fee deducted from the down payment. Complainant signed a notarized statement confirming their awareness of an agreement to the restock fee and further agreed there would be no further claims or obligations by either party. Respondent notes the restock fee paid for a vehicle inspection upon its return by Complainant, car detail to prep for resale, compensation for the mileage put on vehicle by Complainant and Respondent's regular sales processing fee of \$145. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

78. 2020030241 (ES)

First Licensed: 09/15/1993

Expiration: 09/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Respondent is a licensed dealer, but Complainant alleges they are also engaging in the salvage and dismantling business without a proper license. An inspection was conducted, and Respondent cooperated with the inspector. Respondent stated they were approved by the City to have a D & R business at the location complained of and produced a document as proof. The document was a letter dated 10/4/19 from the City Administrator stating Respondent's recycler business location is in a M-1 zone and that "the work of dismantling and recycling can be conducted at this site..." Respondent did not get a D & R license because of the costs associated with it. Respondent confirmed they have salvaged vehicles parked at that location and they use the parts from them to rebuild vehicles they sell at their licensed dealership. Respondent stated they have never sold parts from the salvaged vehicles to anyone. The inspector completed the annual inspection for Respondent dealer and no issues were found. Counsel recommends a Letter of Instruction if Respondent needs to obtain a D & R license.

Recommendation: Letter of Instruction informing Respondent to obtain a D & R license

Commission Decision: APPROVED

79. 2020030601 (ES)

First Licensed: 05/26/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

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

Complainant is an out of state resident who purchased a used vehicle from Respondent and alleges Respondent failed to deliver tag and title. Respondent states they use a third-party company to complete tag and title work for out of state customers. The company stated that neither Complainant nor their insurance company would download the insurance policy for the requirements to obtain tag in Georgia. After some time, paperwork was sent back to Respondent who immediately forwarded it to the Complainant's local DMV in Georgia. The issues have since been resolved and Complainant has their tag and title. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

80. 2020028961 (ES)

First Licensed: 01/04/2017

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant is alleging deceptive business practices and unethical conduct by the Respondent. Complainant purchased a used vehicle for \$5,500 with a \$1,000 down payment and within a half hour of leaving the dealership, Complainant alleges the vehicle stopped working and turned off. Complainant ended up bringing the vehicle back and Respondent offered to trade it for another vehicle. Complainant left the vehicle with Respondent while waiting to find out if they would qualify for a loan necessary for the trade. Complainant alleges Respondent never called them back to let them know they did not qualify for the loan and never repaired the vehicle. Respondent states they have attempted to assist Complainant by either repairing the vehicle or finding another vehicle for them, but no solution has been reached that satisfies both parties. Respondent notes Complainant purchased the vehicle as-is with no promises or guarantees so repairs would have to be paid for by Complainant. Respondent is committed to continuing to try to reach a resolution. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

81. 2020023021 (SH)

First Licensed: 09/07/2018

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – Two complaints open related to issues with receiving tags/title.

Complainant purchased a vehicle on 9/18/2018 and a few days later started to have issues with the vehicle. Respondent requested the vehicle go to a mechanic shop which kept it for three weeks. When the Complainant got the vehicle back it broke down and was leaking oil. The vehicle was towed back to the shop and fixed. A couple of months later the vehicle had the same issues but the shop had closed. Surety bond information has been sent to Complainant.

The Respondent has also closed, and the owner was arrested for stealing the two hydraulic lifts in the shop. The shop was leased.

There are open complaints against the Respondent and all certified mailings are being returned as unclaimed.

Recommendation: Close.

Commission Decision: APPROVED

82. 2020024811 (SH)

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

Complainant alleges that vehicles with for sale signs have been showing up at a location and the Respondent is unlicensed.

The location is a Farm and Home Supply company and individuals occasionally park their vehicles there to offer for sale.

Recommendation: Close.

Commission Decision: APPROVED

83. 2020031201 (SH)

First Licensed: 01/22/2020
Expiration: 01/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 7/31/2019 and never received registration papers because apparently the vehicle was salvaged and never rebuilt. It has been 10 months and Respondent continues to issue temporary tags.

Respondent states the title was rebuilt properly and the Complainant only filed the complaint after his vehicle was repossessed due to no payments. The tags have been available to be picked up for 10 months and there was one temporary tag issued. Tag history does not show 10 months of temporary tags being issued.

Recommendation: Close.

Commission Decision: APPROVED

84. 2020031521 (SH)

First Licensed: 03/08/2018
Expiration: 02/28/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant, a Texas resident, purchased a vehicle from Respondent, a Tennessee dealer, online with a 90-day unlimited power train warranty and paid for an extended warranty on 5/31/2019. The Carfax did not show any issues. Complainant needed a reliable vehicle to utilize for mail delivery route. The Respondent advised the purchase would be “as is” so that the extended warranty could be issued. When the vehicle was delivered, the check engine light was on and it shook when going the speed limit. Complainant states they

have spent over \$4600 in order to keep their job delivering mail. The check engine light was due to a leaky gas cap.

Respondent states that Complainant would not sign all the paperwork for the extended warranty and that the repairs would have been covered. The 90-day warranty had already run by the time the vehicle was taken to the shop for repairs. Complainant would not sign the "as is" document unless it was certain the repairs would be covered.

Recommendation: Close.

Commission Decision: APPROVED

85. 2020025441 (SH)

First Licensed: 04/16/2013

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant had issues with their vehicle running hot and called the Respondent's service department. After the vehicle was repaired and Complainant paid \$965, the vehicle ran hot while returning to the house. Complainant returned the vehicle to the service department and was told the engine needed to be replaced. Complainant did not purchase the vehicle at Respondent.

Respondent states that upon inspection it was determined the water pump was leaking coolant. The water pump was replaced and the drive belt. The vehicle was test driven with no problems after repairs. Respondent believes the head gasket had blown due to driving the vehicle while hot for a long time. It was recommended an engine replacement be done but Complainant has not returned the vehicle.

Recommendation: Close.

Commission Decision: APPROVED

86. 2020025771 (SH)

First Licensed: 01/18/2013

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to maintain county/city business license.

Complainant purchased a vehicle from Respondent in Nov 2019 and still had not received registration paperwork as of April 2020. Complainant alleges Respondent has continued to issue temporary tags.

There was no response from Respondent however Complainant did acknowledge she received 4 temporary tags before receiving her permanent tags in May 2020.

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

Commission Decision: **APPROVED**

87. 2020031011 (SH)

First Licensed: 11/13/2017

Expiration: 10/31/2021

License Type: Motor Vehicle Dealer

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

Complainant purchased a vehicle on 1/17/2020 and after a few months had not received the registrations documents or title. Respondent explains the COVID pandemic has delayed registrations with the Clerk's office. Temporary tags were extended through June 15, 2020 per Governor's executive orders. Respondent states the registration documents are with the Clerk's office as of April 30.

Recommendation: Close.

Commission Decision: **APPROVED**

88. 2020031891 (SH)

First Licensed: 05/27/2011

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with letter of warning for potential deceptive act. One complaint closed with letter of warning for advertising.

Complainant planned to purchase a vehicle from Respondent and was told it was \$15K out the door. Complainant put down \$500 to hold. When he arrived at the dealer the price went up to \$16,491. Complainant decided not to purchase the vehicle and complains that the \$500 hold funds have not been refunded.

Respondent states the out the door price did not include tax and fees. The \$500 has been refunded.

Recommendation: Close.

Commission Decision: **APPROVED**

89. 2020033101 (SH)

First Licensed: 09/18/2000

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant financed a three-wheeled bike on May 30, 2018. Respondent allegedly promised the Complainant that 3 wheeled bikes were easier to ride than 2. Complainant found that it was more difficult and dangerous, so he returned the bike and Respondent offered to resale it. Complainant continued to make payments for 5 months. Complainant found that Respondent had not put the bike in clear view of potential buyers and requested it to be moved. In July 2019, the finance company repossessed the bike and it was sold at a discounted price. Complainant still owed \$4200 and this amount was sent to collections. The collection company set up payments with Complainant on a \$2500 balance and informed him that he would receive a 1099 cancellation of debt for the difference.

Respondent states that they offered Complainant a demo ride however Complainant declined. The bike was showcased on the floor but when he came in it had been moved due to a dead battery since it had been sitting for some time. As for the repossession process, Respondent made a good faith effort to resale the bike, but any issues would be between Complainant and finance company.

Recommendation: Close.

Commission Decision: APPROVED

90. **2020030671 (ES)**
First Licensed: 08/08/2012
Expiration: 07/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges another mechanic found evidence of major flood damage while doing an oil change and other misc. repairs. Respondent allegedly told Complainant there was a clean title and there was nothing they could do. Respondent states they never buy flood vehicles and run a Carfax on every vehicle before they purchase it. Respondent bought this vehicle at an auto auction, it passed their post-sale inspection and has a clean title from Texas, which was provided to Counsel. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

91. **2020032021 (ES)**
2020032411
2020035131
First Licensed: 10/30/2014
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainants allege Respondent is employing unlicensed salespeople, selling vehicles without buyer's guides, and engaging in fraudulent activity. The inspector suggested further investigation, so an investigation was conducted. Respondent cooperated with the investigator and provided a sworn statement. Respondent denied any fraudulent activity and states all vehicles display a buyer's guide and all deal files contain a signed buyer's guide. Respondent further states that Complainant 1 was initially assisted by a licensed salesperson and for reasons unknown, the salesperson abandoned the customer by leaving the property. The only other employee that present at that time was a lot attendant and they completed the sales transaction with Complainant. Respondent notes that the lot attendant is now a licensed salesperson and moving forward, Respondent is licensing all employees to avoid this situation in the future. The Complainants never provided any sworn statements to the investigator as promised and would not follow up with the investigator after their initial contact. Investigation also revealed that the Complainant were encouraged to file these complaints by a former employee of Respondent who wants to remain anonymous. Counsel recommends issuing a \$500 civil penalty for Respondent's failure to supervise their employees which led to an unlicensed person completing a sales transaction.

Recommendation: Authorize a \$500 civil penalty for failure to supervise employees

Commission Decision: APPROVED

92. 2020032391 (ES)

First Licensed: 09/09/2010

Expiration: 09/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a rebuilt vehicle from Respondent with a warranty and paid \$600 for the warranty premium. Complainant states they were told by the warranty company that they should get a refund for the premium because a vehicle that has been salvaged is not eligible for a warranty. Respondent immediately took action to ensure this never happens again. Respondent's policies have been updated so no product is offered for any vehicle that was salvaged. Respondent notes that no vehicle service contract was ever offered and that the policy purchased and since refunded in full was for etch, interior and exterior protection. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

93. 2020026861 (ES)

First Licensed: 05/23/2018

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and states the 4 X 4 light was on before purchase. Additionally, Complainant alleges the steering column was bent and the rims were cracked. Further, Complainant alleges they never signed anything that stated the vehicle had GPS tracking on it. The vehicle was repossessed. Complainant feels Respondent had an illegal tracking system on the vehicle and sold it with faulty equipment. Complainant stated they would contact attorneys about the faulty equipment and that this complaint is not “about the repo” but because they feel Respondent is “running a scam.” Respondent argues Complainant never complained about any issues with the vehicle and put over 33,000 miles on it before it was repossessed. Respondent provided the paperwork disclosing the GPS tracker as a condition of sale signed by Complainant. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

94. 2020032681 (ES)

First Licensed: 09/01/1991

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges they later discovered an extended warranty contract which they never signed or saw during the transaction. Complainant alleges Respondent forged their signature. Respondent immediately met with Complainant because they felt this was likely a misunderstanding and failure of process. Respondent reimbursed Complainant for the warranty amount and denies any intentional wrongdoing. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

95. 2020033531 (ES)

First Licensed: 03/13/2001

Expiration: 02/28/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent sent them home with a vehicle awaiting financing and then repossessed it once financing fell through but did not allow them to get their things out of the vehicle. Complainant claims Respondent wants \$500 to return their belongings from the vehicle. Respondent explains the situation differently. Respondent received a conditional approval from the lender based on the information given in the Complainant’s purchase documents, including a year-to-date paycheck stub which ended up being

fraudulent. Respondent had requested some additional financial documentation which Complainant never complied with. Complainant was also supposed to provide the title to their trade-in vehicle which never happened. Additionally, Complainant committed to paying \$500 as a down payment and was given credit for it in the purchase documents even though it had not been paid at the time and was never brought in as promised. The financing fell through and Respondent suffered a lot of damage from this transaction. Respondent also had to pay at least \$350 for the repossession to occur and Complainant had put almost 3,000 miles on the vehicle in 20 days (it only had 8 miles when Complainant took it). Respondent feels requiring \$500 to be paid by Complainant as restitution and requiring Complainant to have their inoperable trade-in vehicle towed away is more than fair considering the terms Complainant agreed to in all the purchase/repossession documents they signed. Counsel reviewed the terms and agrees with Respondent. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

96. 2020033731 (ES)

First Licensed: 12/29/2014

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent alleges they have had nothing but problems with the vehicle. Complainant feels they have been charged too much for the vehicle and wants to trade it for a different, more reliable vehicle. Complainant also takes issue with not receiving the title, however Counsel notes that Complainant has not paid the vehicle off. Respondent sold the vehicle to Complainant as is with no warranty over one year ago. Respondent provides proof Complainant has been late with their payments and is not communicating well despite Respondent's attempts to understand their concerns. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

97. 2020034401 (ES)

First Licensed: 07/05/2002

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 2/15/20 and as of 5/5/20, Complainant did not have their title. Respondent tried to explain to Complainant that due to COVID, there could be a delay with tags and all temporary tags would be good until 6/15/20. Respondent confirmed that the tag and title was sent to Complainant, and

Complainant was reimbursed for the tag and title fee even though they did everything they could considering the situation. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

98. **2020037841 (ES)**
 First Licensed: 09/01/1991
 Expiration: 01/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2019 – One complaint closed with \$500 civil penalty for possession of open titles.

A Notice of Violation was issued during an inspection to Respondent for having 9 unlicensed salespeople. Counsel recommends issuing a \$500 civil penalty per unlicensed salesperson, for a total \$4,500 civil penalty.

Recommendation: Authorize a \$4,500 civil penalty for employing 9 unlicensed salespersons.

Commission Decision: APPROVED. Send follow-up inspection within 30 days.

99. **2020037851 (ES)**
 First Licensed: 04/29/2015
 Expiration: 01/31/2022
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used vehicle from Respondent on 11/19/18 and traded in a vehicle as part of the transaction. Complainant alleges they received a notice of a parking ticket on 3/10/20 issued to the trade in vehicle. Respondent states that Complainant has been emailed the documentation that will release them from any ownership of the vehicle. Respondent provided documentation showing an auto auction bought the vehicle from Respondent and then sold it to another dealer. Respondent states vehicles are not retitled until there is a retail sale and when a situation like this arises, the documentation provided usually suffices. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

100. **2020019251 (SH)**
 First Licensed: 05/26/2011
 Expiration: 05/31/2021

License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – Two complaints closed with \$750 civil penalty for issuing more temp tags than allowed.

Complainant purchased a vehicle on 10/15/2019 and have not received their tags after 5 months. Respondent has allegedly sent temporary tags each month since purchase.

Respondent explains that the vehicle purchased was a trade in September 2019. The lien payoff was timely made but the title never was received from the lien company within 30 days. The title was a Missouri title. Respondent tried to get a duplicate title from Missouri but was denied. In March 2020, Respondent learned that the trading customer never titled the vehicle in their name. Due to COVID pandemic, Respondent had delays, but all has been resolved now.

Recommendation: Close.

Commission Decision: APPROVED

101. 2020026561 (SH)
First Licensed: 05/12/2015
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 12/23/2019 and has not received her tags as of 4/6/2020. Complainant alleges Respondent's assets have been frozen and unable to get the title.

There has been no response from the Respondent and research has failed to provide any answers on the alleged frozen assets.

The 2nd temporary tag would have expired on 2/23/2020. A third temporary tag was issued, and this tag would have not expired until 6/15/2020 due to the COVID pandemic.

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

Commission Decision: APPROVED

102. 2020031641 (SH)
First Licensed: 09/01/1991
Expiration: 06/30/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 11/15/2019 and was told the vehicle had never been wrecked and only one prior owner. The manufacturer report

shows 8 prior owners, 2 auctions, 2 leases. There are issues with the vehicle and allegedly uses a quart of oil a week. Complainant states part of the purchase deal was that Respondent would reupholster the convertible top. When Complainant got the vehicle back the top would not open. Complainant took the vehicle back to the shop and it was determined the vehicle was wrecked.

Respondent sent a report showing no wrecks and 4 prior owners. The vehicle was put through an inspection and all parts worked properly. The vehicle was sold "as is" except for reupholstering the convertible top which was done.

Recommendation: Close.

Commission Decision: APPROVED

103. **2020033891 (SH)**
 First Licensed: 04/12/2016
 Expiration: 03/31/2022
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – One complaint closed with letter of warning for failure to deliver title. 2019 – One complaint closed with \$1,000 civil penalty for issuing more temporary tags than allowed. One complaint closed with letter of warning for failure to deliver title.

Complainant purchased a vehicle on 2/24/2020, in full, from Respondent but has not received her title in three months. Respondent states the title was sent to Complainant's address on file and most likely lost the title. Complainant disagrees they received the title and cannot get insurance for the vehicle.

The temporary tag would have expired during the exemption period due to the COVID pandemic. Respondent has been delayed in trying to get a duplicate title but is working on it.

Recommendation: Close.

Commission Decision: APPROVED

104. **2020036731 (SH)**
 First Licensed: 04/24/2015
 Expiration: 04/30/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle on 2/11/2020 but the check engine light was on. Respondent promised to fix the issue but on 2/14/2020, Complainant returned the vehicle due to a mechanical issue. On 2/21/2020, Complainant got the vehicle back but alleges that nothing was fixed, no tags have been received in 4 months, and there is no valid paperwork.

Respondent states that the vehicle was purchased “as is” however they offered to repair the vehicle or put him in another vehicle since it had only been one day. Complainant wanted his down payment returned but the finance company had already funded the deal. Respondent paid \$700 out of pocket to make the repairs at no cost to Complainant. Respondent states that the vehicle could not be registered due to the COVID pandemic, but the finance company rescinded the deal. Respondent requests Complainant to return the vehicle to inspect, and any refunds available will be given to Complainant after inspection. Respondent claims Complainant is refusing to return the vehicle.

Recommendation: Close.

Commission Decision: APPROVED

105. **2020036991 (SH)**
 2020044381
 2020046911
 First Licensed: 05/27/2010
 Expiration: 05/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 – One complaint closed with \$1,000 civil penalty for incomplete temporary tag log. 2018 – One complaint closed with \$500 civil penalty for misrepresenting terms of contract and failure to provide a copy of the contract to the complainant. 2020 – Three complaints recommended to be closed upon voluntary surrender of motor vehicle dealer license.

The three complaints against Respondent have the same title issues. Complainants purchased vehicles from Respondent and have not received documents in order to register their vehicles. Respondent has shut down operations and surety bond information has been sent to all Complainants. Respondent is still working with the floor planner and County Clerk to properly register the Complainants.

Recommendation: Close.

Commission Decision: APPROVED

106. **2020037681 (SH)**
 First Licensed: 07/19/2012
 Expiration: 06/30/2022
 License Type: Recreational Vehicle Dealer
 History (5 yrs): 2018 – Two complaints closed with letter of warning for engaging in deceptive or fraudulent activity.

A Notice of Violation was issued against Respondent on 5/12/2020 for employing a salesperson with an expired license. The salesperson's license expired on 5/31/2019.

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

Commission Decision: APPROVED

107. **2020036611 (SH)**
 First Licensed: 01/18/2006
 Expiration: 01/31/2022
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle on 3/7/2020 from Respondent after a test drive but left the vehicle with Respondent to fix an air conditioner belt. After a week, the vehicle began to have the same issues, but Respondent allegedly encouraged the Complainant to keep driving. Complainant is requesting another vehicle because they are not comfortable driving this vehicle, but Respondent has refused. Respondent has had the vehicle in the shop since the middle of March.

Respondent states they fixed the belt, but later Complainant contacted them stating the vehicle was hesitating. This vehicle has a CVT transmission which according to Respondent is different than regular transmission vehicles. Respondent took the vehicle to check it but could not find anything wrong. The spark plugs were replaced for good measure. Respondent explains that there is a mechanical issue or an electrical issue but due to COVID pandemic, schedules have been cut back, and trying to get specialists out to check the vehicle have been difficult. Respondent is trying to fix the vehicle but is willing to give a partial refund to Complainant to resolve this issue.

Complainant accepted the partial refund and this matter has been resolved.

Recommendation: Close.

Commission Decision: APPROVED

108. **2020039401 (SH)**
 First Licensed: 09/05/2017
 Expiration: 09/30/2019
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges a lien is still on their vehicle that has been paid in full. They are requesting the surety bond which has been sent to the Complainant.

Recommendation: Close.

Commission Decision: APPROVED

109. **2020038201 (ES)**
 First Licensed: 02/16/2016
 Expiration: 02/28/2022
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 – One complaint closed with a letter of caution for false, fraudulent, or deceptive acts. 2017 – One complaint closed with a \$1,000 civil penalty for failure to deliver title. 2018 – One complaint closed with a \$500 civil penalty for improper display of vehicles on a public sidewalk

Complainant alleges that Respondent did not disclose flood damage to the vehicle purchased. Complainant claims that after owning the vehicle for a few weeks, they believe it has been “under water” but provides no evidence or documentation to substantiate the allegation. Complainant also alleges they have not received their title because the local title office lost it. After this complaint was filed, Complainant confirmed that they did pick up their title and tag but still takes issue with possible flood damage. Respondent confirmed that they assisted Complainant with getting a duplicate title and provided the Autocheck report showing there was “no non-title flood damaged record” or any other reported issues. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

110. **2020028341 (ES)**
 First Licensed: 08/31/2018
 Expiration: 08/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2019 – One complaint closed with \$2,500 civil penalty for failure to disclose salvage history on vehicle.

Complainant is an out of state resident who purchased a used vehicle from Respondent and has not received the title within four days as allegedly promised. When Complainant filed this complaint, it had been almost a month since purchase in early March 2020. Respondent stated that due to COVID, their office was not open during normal business hours and they kept missing the delivery of the title from the auction who had it. Respondent provided proof the title was sent to Complainant in a timely fashion considering the circumstances. Counsel recommends closure.

Recommendation: Close.

Commission Decision: APPROVED

111. **2020029641 (ES)**

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

Complainant alleges Respondent failed to refund them for cost of new tires and towing fees after the vehicle had issues right after purchase causing Complainant to bear the costs on the front end. Counsel is awaiting response and status update from Respondent and Complainant.

Recommendation: Close.

Commission Decision: APPROVED

112. **2020030261 (ES)**
First Licensed: 04/22/2016
Expiration: 03/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is an out of state resident who purchased a 1957 classic car from Respondent for \$26,000. Complainant states they made it clear to Respondent they did not want a show car and needed to know the vehicle was mechanically sound and something they could drive every day. Complainant states there have been problems with the vehicle since it was delivered to them and they are afraid to drive it. Complainant states there are a lot of gas fumes in the car while driving, gauges don't work, and they were told by a mechanic that it needed a lot of repair and shouldn't have been sold. Complainant wants a refund or wants to trade the vehicle for a different classic car. Respondent and Complainant have since resolved the situation and they traded for a different classic car of Complainant's choosing. There is no evidence of any violations and Counsel recommends dismissal.

Recommendation: Close.

Commission Decision: APPROVED

113. **2020034101 (ES)**
First Licensed: 11/13/2015
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent with a 2-year warranty superior protection plan. The vehicle did not pass inspection due to an issue with the catalytic converter and Complainant wants Respondent to repair the converter. Respondent replaced the converter and explained to Complainant that they would need to take the

vehicle through the 90-mile drive cycle to clear the check engine light. All issues have been resolved, there is no evidence of any violations and Counsel recommends dismissal.

Recommendation: Close.

Commission Decision: APPROVED

114. **2020039521 (ES)**
 First Licensed: 06/28/2006
 Expiration: 09/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used vehicle with a \$1,300 deposit from Respondent and claims they were never informed of the poor condition of the vehicle's frame which shows damage and rust. Additionally, Complainant claims the frame is not supporting the truck cab and the mounts are completely rusted out, as well as the main frame under the engine. Complainant wants to return the truck and obtain a refund for the deposit. Respondent did refund the deposit and repurchased the truck in question. There is no evidence of any violations and Counsel recommends dismissal.

Recommendation: Close.

Commission Decision: APPROVED

115. **2020030691 (ES)**
 First Licensed: 07/01/1991
 Expiration: 06/30/2011 (Expired)
 License Type: Motor Vehicle Manufacturer/Distributor
 History (5 yrs): None.

Complainant claims they paid Respondent \$45,000 to build them a replica Porsche 356b, but Respondent has not completed the job. Our office attempted to obtain a response to this complaint but has been unable to locate Respondent and their license has been expired for over 9 years. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: APPROVED

116. **2020033921 (ES)**
 First Licensed: 06/10/2015
 Expiration: 05/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and claims a mechanic later told them the vehicle had been wrecked and the poor bumper alignment would cause problems. Complainant further alleges Respondent failed to disclose the vehicle was salvaged. Respondent provided proof that the information was properly disclosed and acknowledged by Complainant's signature. There is no evidence of any violations and Counsel recommends dismissal.

Recommendation: Close.

Commission Decision: APPROVED

117. **2020027671 (SH)**
 First Licensed: 08/06/2001
 Expiration: 07/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2019 – One complaint closed with letter of warning for failure to deliver title. One complaint closed with \$1,000 civil penalty for failure to deliver tags.

Complainant purchased a vehicle on 3/19/2020 but after a few days it did not operate properly. Complainant took the vehicle to a mechanic and found numerous leaks, airbag sensor bad, broken bolts, bad brakes, that were allegedly not revealed by the Respondent at the time of purchase. Complainant was quoted a \$6000 repair bill and alleges Respondent refuses to help since it was sold "as is".

Respondent states the vehicle was sold "as is". Respondent further states the Complainant test drove the vehicle and was fully aware the air bag light was on. Respondent provided an invoice showing that it paid to have the brakes and rotors replaced before purchase and any issue need to be brought to the shop that did the work.

Due to the Complainant having knowledge of the air bag light when test driving, it nullifies the violation of selling a vehicle with a blatant safety issue.

Recommendation: Letter of Warning concerning selling vehicles with known safety issues.

Commission Decision: APPROVED

118. **2020028261 (SH)**
 First Licensed: 06/23/1995
 Expiration: 05/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle on 2/4/2020 and has not received registration papers or title. The vehicle also has a mechanics lien even though it was advertised as a clean title.

Respondent purchased the vehicle from a transmission shop where the previous owner did not pay the repair bill and abandoned the vehicle. Respondent paid the bill, but it was delayed clearing the lien. Complainant tried to register the vehicle in KY, but it was refused. Respondent got the paperwork back from Complainant and resolved the issue through the local County Clerk's office.

Recommendation: Close

Commission Decision: APPROVED

119. **2020029551 (SH)**
 First Licensed: 09/01/1991
 Expiration: 03/31/2018 (Closed)
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant was making payments at a buy here pay here, but the Respondent closed its operations. Respondent still has a lien on the title, and it needs to be removed. Surety Bond information has been sent to the Complainant.

Recommendation: Close.

Commission Decision: APPROVED

120. **2020035441 (SH)**
 First Licensed: 03/03/2017
 Expiration: 01/31/2021
 License Type: Motor Vehicle Dealer

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

Complainant purchased a vehicle online from Respondent. The Respondent delivered the vehicle and the paperwork was signed at Complainant's house. Complainant did not test drive the vehicle but noticed some issues after about 180 miles; check engine light on, power set controller fell out, windshield nozzles missing, door rattling, left taillight busted.

Respondent states that the Complainant purchased the vehicle "as is" and refused the extended warranty for the vehicle.

Recommendation: Close.

Commission Decision: APPROVED

121. **2020037081 (SH)**
 First Licensed: 06/06/2013
 Expiration: 07/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle on 4/13/2020 and made a down payment and the first two weekly payments. The first payment due would be 5/2/2020. Complainant claims they were late and paid on 5/6/2020. When the 5/9/2020 payment came due Complainant claims to have made arrangements to pay 5/18/2020. The vehicle was repossessed on 5/11/2020.

Respondent presented a detailed list of dates showing the repossession on 5/11/2020. In order to get the vehicle back the Complainant would need to pay the past due amount, late fees, repossession fees. Respondent states the Complainant has recently disputed the down payment and 2 advanced weekly payments with their credit card company.

Recommendation: Close.

Commission Decision: APPROVED

122. **2020040251 (SH)**
 First Licensed: 08/15/2012
 Expiration: 08/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges Respondent knowingly sold then a bad car, refuses to fix the issues unless they agree to the inflated repair costs, and suspects criminal activities. Complainant did not provide a VIN or contact number.

Respondent states that they have no record of selling a vehicle to Complainant. An investigation also revealed that Complainant did not reside at the address provided.

Recommendation: Close.

Commission Decision: APPROVED

123. **2020041141 (SH)**
 First Licensed: 06/02/2006
 Expiration: 05/31/2010
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant has a vehicle that has been sitting in their driveway for 4 years and they are needing the title in order to junk it or sell. The Respondent/dealer closed many years ago, but the Surety Bond information was sent to Complainant to assist in obtaining the title.

Recommendation: Close.

Commission Decision: APPROVED

124. **2020041311 (SH)**
 First Licensed: 09/09/2008

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

Complainant purchased a vehicle on 4/2/2020 and have not received the title in nearly two months. Respondent states the COVID pandemic delayed registrations, but her title was sent to her on 5/18/2020.

Recommendation: Close.

Commission Decision: APPROVED

125. **2020039801 (SH)**
 First Licensed: 12/23/2016
 Expiration: 03/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle around 3/22/2020 and Respondent has not sent the registration paperwork. Respondent was delayed due to an employee error and the COVID pandemic. Respondent states that registration and plate has been sent to Complainant and the issue has been resolved.

Recommendation: Close.

Commission Decision: APPROVED

126. **2020043241 (SH)**
 First Licensed: 09/14/2016
 Expiration: 08/31/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle on 5/9/2020 and since then it has had many issues. The vehicle has a 90-day warranty and some repairs were made. On 5/30/2020, Complainant demanded a refund and was refused by the Respondent.

Respondent states that Complainant purchased the vehicle in good condition and only wanted the dash cover to be replaced, which Respondent agreed to. Complainant later informed Respondent that the A/C was not working so Respondent had her come in to recharge the A/C and replace the compressor. Respondent made the repairs at no cost or against the third-party warranty. The vehicle was sold "As is" but Respondent feels they have gone above and beyond in customer satisfaction and will not refund any money.

Recommendation: Close.

Commission Decision: APPROVED

127. **2020043631 (SH)**
 First Licensed: 04/05/2011
 Expiration: 03/31/2017 (Closed)
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant purchased a vehicle in 2016 but never received the title. The Respondent closed in 2017 after the owners were arrested. There is no Surety Bond information on file.

Recommendation: Close.

Commission Decision: APPROVED

REPRESENTATIONS

128. **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

New Information: An investigation revealed there was a delay in getting the vehicle title from the dealership in order to get the vehicle registered. The Respondent received the title soon after the complaint was filed. Since then, the Complainant has since filed bankruptcy through the courts. Respondent informed the investigator that the Complainant disabled the GPS. Complainant informed the investigator that the vehicle is in storage and would not reveal her address. Complainant is not cooperating.

New Recommendation: Close.

New Commission Decision: **APPROVED**

129. 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

New Information: After Respondent received the Consent Order, they immediately called Counsel to discuss it. Counsel was informed that the open titles were not in the possession of Respondent dealer. Respondent tried to explain that to the inspector at the time of inspection, but it was not documented in the inspection report. Respondent dealer shares an office with a wrecker service and these titles were in the wrecker's possession. Counsel recommends voiding the previous Consent Order and issuing a \$500 civil penalty for failure to produce business records.

New Recommendation: Authorize a \$500 civil penalty for failure to produce business records

New Commission Decision: Further investigate complaint regarding open titles.

130. 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

New Information: Respondent has provided documentation to the investigator and offered to refund Complainant for the warranty purchased. Counsel recommends closure.

New Recommendation: Close.

New Commission Decision: APPROVED

- 131. 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

New Information: An investigation was conducted. Complainant stated that their customer filed chapter 7 in August 2019, and they were waiting for the court to determine if the customer would surrender the vehicle or continue paying. During this time Complainant got a call from Respondent stating that the customer had purchased a vehicle from Respondent and left Complainant's vehicle at the lot. Respondent stated Complainant needed to pay \$100 to pick it up that day or they would have to pay \$30 a day storage. Complainant stated they paid \$100 and \$500 in towing. On October 8, 2019, Complainant received another call from Respondent stating another customer recently filed Chapter 7 had dropped the vehicle at the lot. Respondent demanded the \$100 fee for storage and if not picked up there would be a \$30 per day charge for storage. Complainant alleges Respondent is encouraging its customers to drop vehicles off after purchasing another car from Respondent.

Respondent explained they go out and meet with attorneys that do bankruptcy and give them a flyer with their dealership information to pass on to clients that are needing to purchase a vehicle while they are filing bankruptcy. Respondent stated that when the customers comes in, they cannot trade their vehicles while they are under bankruptcy, so they offer them the service of leaving the vehicle at the lot. Bankruptcy debtors are not able to drive two vehicles at once, so the vehicle is then surrendered to Respondent. Respondent then contacts the lienholder and informs them the vehicle is on the lot. If the lienholder does not come and get the vehicle, they will charge them for storage because the vehicle is then taking up space that could be used for Respondent's vehicles.

Respondent is encouraging debtors to surrender their vehicles to them instead of the lienholder. Respondent is further charging for storage claiming the surrendered vehicle is taking up space. Respondent is causing the space issue by forcing the surrender of the vehicle on their own lot. Another concern revealed from this investigation is that bankruptcy attorneys are encouraging a debtor to incur more debt after filing bankruptcy.

New Recommendation: Authorize a civil penalty of \$5,000 for deceptive business practices and refer to the Tennessee Board of Professional Responsibility.

New Commission Decision: APPROVED

132. 2020015261 (SH)
First Licensed: 09/01/1991
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

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

Commission Decision: APPROVED

New Information: Respondent's City and County business licenses were current at the time of the inspection however the Respondent could not find them at the time. The licenses were submitted to show they were current at inspection.

New Recommendation: Close.

New Commission Decision: APPROVED

133. 2020013751 (ES)
First Licensed: 02/16/2016
Expiration: 02/28/2022
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with a letter of caution for false, fraudulent, or deceptive acts. 2017 – One complaint closed with a \$1,000 civil penalty for failure to deliver title. 2018 – One complaint closed with a \$500 civil penalty for improper display of vehicles on a public sidewalk.

A Notice of Violation was issued to Respondent on 2/18/20 during an annual inspection for failure to maintain an active city business license. Additionally, the inspector noted Respondent

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

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

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

New Information: Respondent immediately reached out to Counsel and provided proof that the issue of having vehicles on the sidewalk has been resolved permanently. Respondent laid out the steps taken to resolve the need to park vehicles on the sidewalk, sent in pictures and proved to Counsel they will no longer have this problem. Counsel recommends voiding the previous Consent Order and issuing a \$250 civil penalty for failure to maintain an active city business license considering Respondent already agreed to pay the single civil penalty and sent in a check for \$250. Counsel explained this matter would need to be represented before any payment could be accepted.

New Recommendation: Authorize a \$250 civil penalty for failure to maintain an active city business license

New Commission Decision: **APPROVED**

134. 2019094231 (ES)
 First Licensed: 03/31/2017
 Expiration: 03/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

Complainant alleges Respondent submitted their credit information to so many lenders that it is affecting their credit. Respondent states that too much time has passed for them to validate Complainant's allegations. Complainant recently produced evidence of 19 lenders showing

inquiries on their credit report. An investigation is being conducted in light of this new evidence. This matter will be presented at the next meeting with the investigative findings and a recommendation from Counsel.

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

New Information: Respondent cooperated fully with the investigation and remembered the transaction but explained that the information regarding the allegations was no longer in their database. Respondent explained that they simply do not work with as many lenders as Complainant alleges their financial information was submitted to. Complainant did give approval by text message to Respondent for a “soft pull” of their credit in order to speed up the process and for all the pulls on their credit after they left the dealership on the day in question. There is not enough evidence to prove any violations and Counsel recommends closing this complaint.

New Recommendation: Close.

New Commission Decision: **APPROVED**

135. **2019092981 (ES)**
 2019096831
 First Licensed: 09/20/2007
 Expiration: 08/31/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2018 – Two complaints closed without action. 2017 – One complaint closed with letter of caution for misrepresentation. 2016 – One complaint closed with letter of warning for failure to deliver title. 2015 – One complaint closed without action.

2019096831

Complainant alleges Respondent used a deceptive contract claiming the vehicle ended up

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

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

New Information: An investigation was conducted which revealed no violations by Respondent. Counsel recommends closing this complaint.

New Recommendation: Close.

New Commission Decision:

2019092981

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

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

New Information: An investigation was conducted which revealed no violations and Respondent deeply apologized for the confusion brought about from this transaction and denied any wrongdoing. Counsel recommends closing this complaint.

New Recommendation: Close.

New Commission Decision: APPROVED

136. **2019095221 (ES)**
 First Licensed: 04/17/2014
 Expiration: 03/31/2022
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.

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

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

New Information: An investigation was conducted, and Respondent explained that they originally agreed to repair the vehicle at no cost to Complainant. Complainant agreed to this arrangement and then changed their mind. Both parties stated there was a recording of a phone call that was in the Complainant’s possession from when this was discussed and Complainant promised to provide it, but never did. The Carfax did report an accident but did not show the vehicle had ever been totaled, salvaged or rebuilt. The investigator was also provided a copy of the clean title showing the vehicle had not been rebuilt. There is no evidence of any violations and Counsel recommends closure.

New Recommendation: Close.

New Commission Decision: APPROVED

137. **2019101081 (ES)**
 First Licensed: 05/12/2015
 Expiration: 04/30/2021
 License Type: Motor Vehicle Dealer
 History (5 yrs): 2016 – One complaint closed with letter of warning for incomplete temporary tag log. 2017 – One complaint closed with agreed citation for \$500 for failure to maintain city/county business license.

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

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

New Information: An investigation was conducted, and Complainant stated it had been 6 months without a tag or title from Respondent. Complainant states they purchased the vehicle from an unlicensed person who "works with" Respondent's dealership on 6/25/19. Respondent denies this allegation and further states the salesman no longer works at the dealership. Respondent states they only issued one temporary tag to Complainant and the title and registration was issued 12/19/19 and provided corresponding temporary tag log and documents. The vehicle at issue is the fourth car purchased by Complainant after trading the first three back into Respondent since January 2019, claiming something has been wrong with all of them. Complainant tried to trade this vehicle back in as well, but Respondent refused to make another trade. Respondent believes Complainant is angry about this and filed this complaint in retaliation. Respondent stated they had not provided title and registration to Complainant because they had not been making payments on the vehicle. Additionally, Respondent has tried to get Complainant to come in and reimburse Respondent for the taxes paid on the vehicle and Complainant has refused. Complainant has since withdrawn their complaint and no longer will cooperate with the investigator or Counsel. Counsel recommends closing this complaint.

New Recommendation: Close.

New Commission Decision: **APPROVED**

138. 2019101501 (ES)
First Licensed: 10/31/2018
Expiration: 09/30/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

Recommendation: Place in Monitoring status for investigation

Commission Decision: APPROVED

New Information: An investigation was conducted. Respondent admitted to the investigator that during the past few years, the lettering on their windows identifying their dealership had faded to a point they were illegible and needed to be replaced. The same day, Respondent had a new sign made and put up. Respondent has made sure all signage complies and business hours are properly displayed. When asked about their business operations and lack of inventory being present at their facility, Respondent explained that they primarily concentrate on wholesale transactions and do little to no retail sales with the public. Moreover, Respondent typically only sells vehicles to other dealerships and therefore does not keep surplus inventory. When asked if they intended on keeping their dealer and salesman license, they acknowledged that they wanted to. Respondent also provided proof of their current certificate of liability insurance and a notarized statement responding to the questions generated as result of the noted non-compliance issues found during the previous inspection. The investigator noted that the discoveries made during the course of their investigation indicated the Respondent took corrective measures by addressing all noted deficiencies which initially led to the issuance of the NOV. Counsel recommends issuing a Letter of Warning for the issues mentioned in the Notice of Violation regarding signage, and business hours.

New Recommendation: Letter of Warning regarding signage and business hours

New Commission Decision: APPROVED

**139. 2020016311 (ES)
 First Licensed: 10/04/2005
 Expiration: 11/30/2020
 License Type: Motor Vehicle Dealer
 History (5 yrs): None.**

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

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

Commission Decision: APPROVED

New Information: Counsel discussed the specific details regarding this transaction after Respondent received the Consent Order. Respondent explained that they did allow a customer to sign a contract to purchase a salvaged vehicle and collected a deposit, having Complainant complete all proper paperwork and sign salvage disclosure. Respondent also explained to Complainant they could not take the car or get it registered until the rebuilt title was issued and inspection had been completed, to which the Complainant completely agreed to and understood. TCA §55-3-201(8) allows ownership of a vehicle with a salvage title to be transferred if that vehicle is not registered for use on the highways or roads until it has a rebuilt title. After reviewing the law and discussion with the Director, Counsel recommends closing this complaint because there are no violations. Respondent did not allow the buyer to remove or register the vehicle until after the DOR completed their inspection and issued the rebuilt title.

New Recommendation: Close.

New Commission Decision: APPROVED

140. **2018024211 (SH)**
 2018036541
 2018038781
 First Licensed: 06/13/2018
 Expiration: 03/31/2020 (Closed)

 License Type: Motor Vehicle Dealer

 History (5 yrs.): N/A

2018024211:

This complaint was opened against the former owners of Respondent dealership, although it appears it was the current owners that were involved in the transaction. Many of Complainant's issues relate to mechanical problems with the vehicle. While the vehicle was sold as is, the vehicle had a branded title, and no disclosure was given to the consumer.

Recommendation: Authorize a civil penalty in the amount of \$500 for failure to execute a rebuilt disclosure form.

Commission Decision: CONCUR

2018036541:

Complainant purchased a vehicle from Respondent in mid-February, but title was not delivered until June 14, 2018.

2018038781:

Complainant purchased a vehicle from Respondent at the end of 2017 but has yet to receive title. Complainant also claims Respondent changed the cluster while conducting other repairs without informing her, modifying the odometer.

Recommendation: As to complaint 1, authorize a civil penalty in the amount of \$500 for false, fraudulent, and deceptive acts for not delivering a title in a timely manner. As to complaint 2, authorize a second \$500 civil penalty for late delivery of title, and refer this matter, and all other open matters, to the Tennessee Department of Safety and Homeland Security.

Commission Decision: CONCUR

New Information: The Respondent was closed in 2019 after a fire destroyed the building. The building was torn down and business operations have stopped. The lot has been empty since the incident. Respondent's license has expired and is out of grace period.

New Recommendation: Close and Flag all three complaints.

New Commission Decision: APPROVED

141. **2019067851 (SH)**
 First Licensed: N/A
 Expiration: N/A
 License Type: Motor Vehicle Salesman
 History (5 yrs): N/A

On August 12, 2019 our inspector drove to the home of Respondent expecting to see vehicles displayed for sale. The Complainant alleges Respondent advertises on Facebook and had 7 vehicles posted on the site for sale. The Complainant's cousin bought a car recently from

Respondent which broke down a day or so later. Looking at Respondent's Facebook page it appears that 7 different vehicles were at one time listed for sale, and the photos seemed to have been taken at the Respondent's address. These posts on Facebook were in the months of April and May 2019. The inspector found no vehicles displayed for sale. One seemed to be disabled in the backyard, 2 were registered, and one did not have any tags on it.

Recommendation: Authorize a civil penalty of \$1,000 for unlicensed activity

Commission Decision:

New Information: This complaint is associated with 2020018691 and 2020039191 that are on this report. The Respondent advertised vehicles on their personal property and may have sold vehicles for Respondent/dealership in 2020039191. There is no evidence these vehicles were sold except for the one sold in this complaint. There is a connection with this Respondent and the Respondent in 2020018691; being family members. It is recommended that this complaint be closed, and disciplinary action be taken against the Respondent/dealership in 2020039191. The dealership may be hiring these unlicensed individuals to sale vehicles on their behalf. The sale of the vehicles is conducted at the dealership. The dealership has also been found to not keep required business records among other violations. The recommendation in 2020039191 is for voluntary revocation and if no cooperation from Respondent/dealership, then file for formal hearing.

New Recommendation: Close.

New Commission Decision: APPROVED

142. **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

New Information: Respondent reached out to discuss this matter with Counsel as soon as they received the Consent Order. Since that discussion, Respondent has sent proof that they reasonably thought their dealer license had been renewed in March 2019 because their \$800 renewal payment was received by our department and taken out of their bank account on 3/14/20 (bank statement provided). Respondent also sent the documentation required to be sent in with the renewal fee to Counsel showing they reasonably thought everything had been turned in for the renewal. Furthermore, Respondent provided the application for their business license renewal that was sent in February 2019, well before their business license expired. Respondent had not realized the procedures for obtaining business licenses in their county had changed until this misunderstanding. For many years, business taxes were paid to the county/city and the renewal certificate sent out. The process changed and now taxes are paid to the Dept. of Revenue. Complainant notes the rules changed once more based on the DOR's webpage which states the renewal application had to be made to the county/city with a one-time fee of \$15 for each license, and they will be "automatically renewed." Counsel has reviewed all documentation provided by Respondent and recommends this matter be closed considering the confusion and Respondent's on-time efforts to renew their licenses.

New Recommendation: Close.

New Commission Decision: **APPROVED**

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

ROLL CALL VOTE

Ian Levy	YES
Charles West	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
Ronnie Fox	YES

Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
John Roberts	YES

MOTION CARRIED.

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

Assistant General Counsel, Maria Bush, conveyed the legislative updates that were currently in process. Ms. Bush indicated there were no legislative updates at this time.

RULES COMMITTEE

Nothing to Report

AUDIT COMMITTEE

Nothing to Report

NEW BUSINESS

OLD BUSINESS

ADJOURN

Chairman Roberts called for a motion to adjourn.

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

ROLL CALL VOTE

Ian Levy	YES
Charles West	YES
Kahren White	YES
Debbie Melton	YES
John Chobanian	YES
Christopher Lee	YES
Ronnie Fox	YES

Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Karl Kramer	YES
Victor Evans	YES
John Roberts	YES

MOTION CARRIED.

MEETING ADJOURNED

John Roberts, Chairman_____