

MINUTES

October 27, 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: October 27, 2020

PLACE: WebX Conference

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

ABSENT: John Murrey
John Chobanian
Farrar Vaughan

CALL TO ORDER: Chairman John Roberts called the meeting to order at 9:30am

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 October 21, 2020. The meeting has also been noticed on the TN.GOV website.

AGENDA: Chairman Roberts requested the Commission look over the agenda. Commissioner Galvin made a motion to adopt the Agenda, Seconded by Commissioner Norton. Chairman Roberts called for a roll call vote.

ROLL CALL VOTE

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

MOTION CARRIED.

SALESPERSON/DEALER APPLICATIONS

James Michael Arnold
Tennessee Valley Ford, Parsons, TN

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

ROLL CALL VOTE

Ian Leavy	YES
Charles West	ABSTAIN
Kahren White	YES
Debbie Melton	NO
Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Nate Jackson	YES
Karl Kramer	YES

Victor Evans **NO**
John Roberts **YES**

MOTION CARRIED. LICENSE IS GRANTED.

Kyle Humphrey
Wyatt Johnson Buick GMC, Clarksville, TN

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

ROLL CALL VOTE

Ian Leavy **YES**
Charles West **YES**
Kahren White **YES**
Debbie Melton **YES**
Christopher Lee **NO**
John Barker **YES**
Ronnie Fox **YES**
Jim Galvin **YES**
Stan Norton **NO**
Nate Jackson **YES**
Karl Kramer **YES**
Victor Evans **YES**
John Roberts **NO**

MOTION CARRIED. LICENSE IS GRANTED.

Scottie Austin
Hyundai of Bristol, Bristol, TN

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

ROLL CALL VOTE

Ian Leavy **YES**
Charles West **YES**
Kahren White **YES**
Debbie Melton **YES**

Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
John Roberts	YES

MOTION CARRIED. LICENSE IS GRANTED.

Mario Mitchell
Auto Brokers of Nashville, Nashville, TN

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

ROLL CALL VOTE

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

MOTION CARRIED. LICENSE IS GRANTED.



Executive Director's Report
October 27, 2020

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

<u>Meeting</u>	<u>Last</u>
<u>Dealers Opened, or Relocated (Last Quarter)</u>57	89
<u>Applications in Process</u>25	32

Active Licensees as of October 13, 2020

Dealers.....	3605	3654
Auctions.....	29	29
Distributors/Manufacturers.....	135	134
Salespeople.....	16518	16770
Representatives.....	607	597
Dismantlers.....	244	252
RV Dealers.....	39	40
RV Manufacturers.....	79	79
Motor Vehicle Show Permits.....	2	0

Complaint Report- Opened Complaints from July 1, 2020 – September 30, 2020

Number of Complaints Opened.....	114
Number of Complaints Closed.....	36

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

Vehicles Reported Sold in 2019.....	1,379,420	1,371,114
Recreational Vehicles Reported Sold in 2019.....	8,878	7,317
Total Online Annual Sales Report Collected.....	3,112	3,056
Late Annual Sales Report Collected	803	747

**Total revenue from Annual Sales Report collection:
\$80,300**

Average Performance Metrics

Average Number of Days to License... **.5 days to license with clock-stoppers**
Compliance.....**93% as of September 30, 2020**

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

MVC Customer Satisfaction Rating July 1, 2020 – September 30, 2020

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

Disciplinary Action Report July 1, 2020 – September 30, 2020

Total to be collected.....**\$23,250.00**

Online Adoption Across All Professions

- **90%** online adoption for New “1010” Applications across all Professions available as of October 1, 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 for November have been finalized. Ongoing efforts to visit county clerks offices will resume as the pandemic allows.

We issued an email to all of our licensees (for whom we have email addresses) notifying them of the Governor’s Expanded Business Relief program in conjunction with the TN Dept of Revenue.

Ongoing efforts continue to locate current email addresses for all licensees so that we may update our records and communicate more effectively with our licensees.

In conjunction with hurricane season, we issued a press release and had news coverage warning consumers to thoroughly inspect used vehicles for any flood damage.

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.

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

ROLL CALL VOTE

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

MOTION CARRIED.



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
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DAVY CROCKETT TOWER, 12TH FLOOR
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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: October 27, 2020

SUBJECT: MVC Legal Report

1. 2020042231 (SH)
Date Complaint Opened: 06/02/2020
First Licensed: 01/03/2007
Expiration: 12/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states the vehicle he purchased in July 2019 was voluntarily surrendered however the Respondent called stating he owes over \$5,000 for the vehicle. Respondent states that Complainant missed many payments and surrendered the vehicle in November 2019. Per default remedies provided in the Contract, Respondent sent Notice of Intent to Sale Property and Ten (10) Day Right of Redemption ("Notice") to Complainant on November 7, 2019. Complainant's balance at the time the Notice was sent was \$9,850.20. Respondent sold the vehicle at auction on January 28, 2020 for \$4,255.00 leaving a remaining deficiency balance that Complainant is responsible for per the contract.

Recommendation: Close.

Commission Decision: Concur.

2. 2020043841 (SH)

Date Complaint Opened: 06/08/2020

First Licensed: 08/16/1995

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant test drove a vehicle and alleges that salesperson informed him that nothing was wrong with the vehicle. The vehicle suffered transmission issues 3 hours after purchase and Complainant returned the vehicle. Complainant alleges the Respondent promised to refund or put in another vehicle but now is refusing to help. Respondent states that the deposit and sales tax has been refunded to Complainant and the issue is resolved. Refund was verified by signed agreement between the parties.

Recommendation: Close.

Commission Decision: Concur.

3. 2020038931 (SH)

Date Complaint Opened: 05/19/2020

First Licensed: 12/20/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased an ATV Go Cart from Respondent's website and was charged immediately with no receipt. Complainant wanted to reverse the deal when Respondent could not confirm a delivery date. Complainant states that Respondent charged a 10% restocking fee on an item they did not have in stock.

Respondent states the transaction was cancelled due to high risk of fraud as the credit card information came back as possibly fraudulent.

Recommendation: Close.

Commission Decision: Concur.

4. 2020044511 (ES)

Date Complaint Opened: 06/10/2020

First Licensed: 04/16/2018

Expiration: 04/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 1/25/20 and alleges they began to have problems with it in April. Despite the fact Complainant was provided with a Carfax report which showed no prior accidents or damage repairs, they believe the vehicle had been wrecked in the past and provide an invoice from a mechanic noting it seems the vehicle had been wrecked. Complainant states Respondent has only offered to trade the vehicle in for a different one but they can't afford to pay the difference in price for any vehicles that meet their criteria. Complainant states they ended up paying over \$3,000 for repairs and wants Respondent to reimburse the cost of those repairs. Respondent refuses to reimburse Complainant for multiple reasons,: 1) vehicle purchased in January and Complainant did not reach out about the damage to the vehicle until April, after 10,000 miles; 2) photos of the vehicle provided by Complainant, shows damage is extensive and several technicians agreed the vehicle could not have been driven for 4 months and 10,000 with that kind of damage; 3) Respondent inspected it as they do with all vehicles and no damage was noticed by the auction or Respondent prior to their purchase from auction; 4) the Carfax report showed no accidents at the time of purchase and still indicates no accident history; and 5) after Complainant noticed the damage, they never gave Respondent the opportunity to assess the damage to determine whether it was fresh or old. Respondent also takes issue with the fact Complainant presented the repaired vehicle and then demanded over \$3,000 in reimbursement. Respondent believes the vehicle was damaged after Complainant purchased it. Counsel recommends dismissal.

Recommendation: Close.

Commission Decision: Concur.

5. 2020044921 (ES)

Date Complaint Opened: 06/10/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant is a resident of Arizona who purchased a used vehicle from Respondent through Ebay. Respondent is an unlicensed individual who resides in Memphis. Complainant alleges Respondent holds themselves out to be a dealer selling multiple vehicles on Ebay. An investigation was conducted. The investigator found 15 vehicles listed for sale through auction on Ebay by Respondent. After speaking with their attorney, Respondent met with and cooperated with the investigator and provided a notarized sworn statement. Respondent states they are not holding themselves out as a dealer but as an individual who is a car collector. Respondent titles and registers any vehicle they purchase in their own name, which evidence supports. Respondent does not have any dealership or consider themselves a dealer. Respondent states they only sell a couple to a few vehicles a year and further states they were told by their county clerk that you can sell up to 10 vehicles a year without needing a license. Counsel recommends issuing a Letter of Warning to Respondent instructing them to obtain a license if they sell more than 5 cars in a calendar year and explaining they will be issued a civil penalty in the future if they do not abide by the instructions.

Recommendation: Letter of Warning

Commission Decision: Send Letter of Warning and Letter to County Clerk's office. Investigate further to see if Respondent sold more than 5 vehicles. If so, then authorize a \$500 civil penalty.

6. 2020045081 (ES)

Date Complaint Opened: 06/12/2020

First Licensed: 09/01/1991

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a Ohio dealer who purchased an RV from Respondent dealer on 5/30/19. Complainant states they were supposed to receive a clear title as part of the purchase agreement but when they received it, the title was not assigned to Respondent and was still titled to the previous owner. Complainant states they took the title to the local clerk and was denied a title transfer because Florida allegedly issued a junk title for the RV in 2011. Complainant claims once there is a junk title, a vehicle cannot be titled in another state and should be used as parts or destroyed. Complainant does not provide copies of any documentation or evidence to support these allegations. Complainant states they have hired an attorney regarding this matter and wants to recoup the money spent for purchase, delivery, interest, fuel and attorney's fees. Complainant wants the RV removed from their property. After Respondent bought the vehicle from a dealer, they sold it on a dealer-to-dealer sale and conveyed good Tennessee title to Complainant. Respondent further provides proof of the prior good title in Mississippi. Respondent states they relied on the governing bodies of Mississippi and Tennessee to be the authority on titles and conveyed the title in good faith, therefore arguing they have done no wrong. A title search shows the vehicle was not issued a junk title in Florida. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

7. 2020046591 (ES)

Date Complaint Opened: 06/18/2020

First Licensed: 05/23/2018

Expiration: 04/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant was issued a Notice of Violation (NOV) during an inspection on 6/16/20 for having an unlicensed (expired) salesman and an expired county business license. Counsel recommends a civil penalty of \$250 for the expired business license and \$500 for expired salesman license for a total \$750 civil penalty.

Recommendation: Authorize \$750 civil penalty for expired business license and expired salesman license

Commission Decision: Concur.

8. 2020045981 (SH)

Date Complaint Opened: 06/19/2020

First Licensed: 09/01/1991

Expiration: 02/28/2016 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Respondent was pulled over for reckless driving and had a Manufacturer/Transporter plate that expired in 2015. Respondent was previously a dealer but closed his business in 2014. The plate was confiscated by our investigator.

Recommendation: Close.

Commission Decision: Concur.

9. 2020046061 (SH)

Date Complaint Opened: 06/16/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a travel trailer/camper from Respondent on 5/26/2020 for \$10K and only given a Bill of Sale. Complainant went to register the trailer and was informed that the trailer was not titled in Respondent's name. Complainant states that Respondent is refusing to help with registration and title issues. Complainant researched the title and discovered the title was salvaged without their knowledge.

An investigation revealed the RV had a non-repairable certificate issued by the insurance auction and was purchased by Respondent. Respondent is a dealership registered in Alabama but the RV was sold from a lot in TN. Respondent also has a dealership in TN but the RV was not sold through the TN dealership. Respondent stated he purchased the RV with a friend who owns another dealership and they would split the profits. Respondent claims that there was no title to the RV, but the insurance auction did provide a non-repairable certificate with the RV which was not given or disclosed to the Complainant.

Recommendation: Refer complaint to Alabama Motor Vehicle Commission. Request an inspection to be made on Respondent's Tennessee dealership.

Commission Decision: Concur.

10. 2020046011 (ES)

Date Complaint Opened: 06/16/2020

First Licensed: 05/25/2011

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

Complainant purchased a vehicle from Respondent and after some time, the vehicle would not start. Respondent inspected the vehicle and provided a loaner, eventually informing Complainant they would need to purchase new fobs to fix the issue. Complainant originally took issue with how this was handled by Respondent but later asked to withdraw the complaint stating they had come to a mutual agreement and settled the matter. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

11. 2020047401 (ES)
Date Complaint Opened: 06/20/2020
First Licensed: 09/01/1991
Expiration: 03/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a motorcycle from Respondent on 5/2/20 and claimed they did not have the title when this complaint was filed on 6/20/20. Respondent stated when they issued payoff for the title, the bank released the lien and accidentally sent the title to the original owner. Respondent had to apply for a duplicate title and due to the pandemic, were unsure how long the process would take which they tried to explain to the Complainant. Respondent confirmed title was delivered to Complainant on 7/21/20. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

12. 2020047751 (ES)
Date Complaint Opened: 06/23/2020
First Licensed: 11/04/2019
Expiration: 09/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 4/24/20 and received their title on 5/20/20. When Complainant took the title to obtain registration for the vehicle, they were allegedly informed there was a date missing and was altered on another line, and further alleged they were overcharged sales tax. Complainant states they took the title back to Respondent that day and was told it would be resolved. Respondent claims they have been given the run around ever since. Respondent states they immediately spoke to the Complainant when this complaint was received and resolved the issues about the title and tax. Complainant later emailed and stated the clerk informed them that the details on the title were not corrected. Complainant now just

wants a full refund. An investigation was conducted. The investigator tried many times to get in touch with Complainant and was unsuccessful. The Respondent cooperated with the investigator and they denied any intentional wrongdoing. Respondent again explained there was a clerical error and stated the issue has been corrected. Respondent only issued two temporary tags to Complainant. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

13. 2020046521 (ES)

Date Complaint Opened: 06/17/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Automotive Mobility Dealer

History (5 yrs.): None.

Complainant alleges Respondent is selling cars without a dealer license. Respondent is a body shop and mechanic. Complainant alleges Respondent buys wrecked cars from an auction, fixes and then sells them. An investigation was conducted. The investigation did not reveal any evidence of unlicensed activity online or at Respondent's mechanic shop. When the investigator contacted Complainant, the Complainant stated they did not want to be involved and was just passing information along. Respondent denied acting as a dealer and states they have only sold 3-4 vehicles in the past 4-5 years. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

14. 2020032651 (ES)

Date Complaint Opened: 05/04/2020

First Licensed: 05/21/2019

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and claims they were not informed that it was salvaged after driving it over 4,000 miles. Respondent explains that Complainant bought two salvage vehicles, one on 3/31/20 and the other on 4/9/20. The Disclosure of Rebuilt or Salvage Vehicle form was signed for the first purchase, however the Respondent admits that Complainant did not sign the form for the second transaction. Respondent states the salesperson signed the disclosure form and there is video of the disclosure being presented to Complainant, but the salesperson did not catch that the Complainant did not sign it. An investigation was conducted. Respondent stated they reviewed video footage of the sale and noticed that Complainant moved the paperwork around and then intentionally distracted the salesman to slip the rebuilt documents under the paperwork that was already signed. Respondent stated that because of the amount of time that had passed, the video had been recorded over and is no longer

available. Respondent agreed to return the Complainant's money and Complainant has since returned the vehicle. Counsel recommends issuing a Letter of Warning for failure to obtain Complainant's signature on the salvage disclosure form.

Recommendation: Letter of Warning for failure to obtain signature on Disclosure of Salvage Vehicle form

Commission Decision: Concur.

15. 2020033021 (ES)

Date Complaint Opened: 04/30/2020

First Licensed: 01/28/2016

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with letter of warning for failure to reasonably supervise agents, salespersons, or employees.

The Complainant is an auction insurance agency who wants to file a bond claim against Respondent dealer for failure to provide a valid title. The vehicle at issue was stolen/not returned to Enterprise Rental Car and a police report was filed. An investigation was conducted. Respondent advised they had no documents related to the vehicle and because it was purchased and sold by a former salesman at their dealership. The surety bond was sent to Complainant as requested. There has been no evidence presented to prove any violations were committed by Respondent at this time. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

16. 2020040431 (ES)

Date Complaint Opened: 05/26/2020

First Licensed: 05/06/2014

Expiration: 09/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges one of their employees purchased a vehicle from Respondent and used them as a co-signer without authorization. Respondent did a thorough investigation into this matter and considers it resolved to Complainant's satisfaction. Respondent informed Complainant of the steps that were taken to resolve their concerns and provided them with all documentation requested. The deal was unwound after the investigation was completed. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

17. 2020042071 (ES)

Date Complaint Opened: 06/01/2020

First Licensed: 04/14/2016

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$500 civil penalty for operating on expired salesperson license.

An inspection was conducted on 5/28/20 and it revealed Respondent's license had expired on 3/31/20. A Notice of Violation was issued to Respondent during the inspection for unlicensed activity. Counsel recommends a \$500 civil penalty for unlicensed activity.

Recommendation: Authorize \$500 civil penalty for unlicensed activity

Commission Decision: Concur.

18. 2020040131 (ES)

Date Complaint Opened: 05/23/2020

First Licensed: 08/30/2001

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant is a resident of Ohio and saw Respondent's advertisement geared towards COVID relief with "no payment for 6 months" on the purchase of a new vehicle. Complainant states they didn't find out until they got to the dealership they would not qualify for the offer because they were upside down on the loan for their trade-in vehicle. Complainant alleges Respondent lied about the offer and what vehicles it applied to. Respondent explained the advertisement and denies the allegations. Respondent states that customers who are upside down on a loan do qualify for the offer pending bank approval. However, if the customer's loan amount does not fall within the lender's guidelines, the sale cannot be approved. Respondent has no way of knowing without doing a thorough appraisal at the dealership with the customer. Respondent further explained that offers cannot be combined – for example, an advertised sale price plus 6 months no payment offer cannot be combined. Counsel finds no evidence of advertising violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

19. 2020041181 (ES)

Date Complaint Opened: 05/28/2020

First Licensed: 12/26/2012

Expiration: 11/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and states they maintained regular payments for over 20 months. When they attempted to make a payment on 5/20/20, Complainant states the doors were locked and there was a sign that instructed customers to call regarding payments and someone would come out to take payment. Complainant states they called Respondent and was told their payment was late and claims a \$100 late fee was assessed. Respondent states they have not charged any late fees to any customers in the midst of the pandemic and have been working with their customers to come to a resolution if payment is an issue. Respondent states Complainant was past due \$780 and offered to make a \$200 payment. Respondent informed Complainant they would need to make \$100 more towards their amount past due and this was not any sort of late fee as alleged. Respondent states Complainant has been unresponsive to their attempts to contact them. Counsel finds no evidence of violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

20. 2020042841 (ES)

Date Complaint Opened: 06/03/2020

First Licensed: 07/14/2015

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

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

Complainant took their vehicle to Respondent for an oil change and alleges Respondent caused a mechanical problem leading to further issues with the vehicle. Respondent denied the allegations and provided a detailed history of the vehicle's oil changes and any work they performed. After this complaint was filed, Complainant asked to withdraw this complaint because the vehicle was repaired. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

21. 2020043831 (ES)

Date Complaint Opened: 06/08/2020

First Licensed: 09/01/1991

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$1,500 civil penalty for possession of open title and engaging in off-site sales.

Complainant purchased a vehicle from Respondent and alleges they were not informed of possible odometer discrepancies. Additionally, Complainant alleges the vehicle won't pass emissions. Complainant provides no evidence or documentation to support their allegations. Respondent states the Complainant has not brought the vehicle in to be inspected as requested and they feel

this is a scam to try an extort money from them. Counsel requested more information from Complainant and asked if they had brought the vehicle in to Respondent for inspection but never received a response from Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

22. 2020036361 (ES)

Date Complaint Opened: 05/12/2020

First Licensed: 05/16/2018

Expiration: 03/31/2020 (Expired)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent on 4/24/20 and alleges the vehicle had mechanical issues after a few days. Complainant ended up bringing the vehicle back and getting \$2,000 back considering it was purchased as-is without warranty for \$3,300. An inspection was conducted because this transaction took place when Respondent's license was in an expired status. The inspection was conducted on 5/14/20 and it revealed Respondent's license had expired on 3/31/20. A Notice of Violation was issued to Respondent during the inspection for unlicensed activity. Counsel recommends a \$500 civil penalty for unlicensed activity.

Recommendation: Authorize \$500 civil penalty for unlicensed activity

Commission Decision: Concur.

23. 2020044681 (ES)

Date Complaint Opened: 06/10/2020

First Licensed: 10/31/2017

Expiration: 10/31/2019 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed and flagged for failure to deliver title. 2020- One complaint closed and flagged for failure to deliver title.

Complainant alleges Respondent failed to deliver title after purchasing a vehicle from them. Respondent dealership is now closed and their license is expired. The surety bond information was sent to Complainant.

Recommendation: Close and flag.

Commission Decision: Concur.

24. 2020048991 (ES)

Date Complaint Opened: 06/26/2020

First Licensed: 07/13/2015

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

This complaint was opened based on information from the Department of Revenue that the Respondent sold a vehicle on a salvaged title without obtaining a rebuilt certificate. An investigation was conducted. Respondent admitted to the sale of the vehicle prior to the inspection for a rebuilt title.

The vehicle was sold 3/5/20 and an application for Motor Vehicle Identification Certification was submitted 3/10/20. Respondent stated this occurred at the beginning stages of the COVID-19 Stay at Home Mandate. Respondent volunteered this information to the DOR Agent when contacted about the inspection. Respondent issued a temporary tag on 3/5/20 prior to the inspection. A Rebuilt Title was issued after the vehicle passed an Anti-Theft Inspection. The deal file did include a signed Disclosure of Rebuilt or Salvage Vehicle form. Counsel recommends issuing a \$1,000 civil penalty for issuing a temporary tag to a salvage vehicle.

Recommendation: Authorize \$1,000 civil penalty for issuing a temporary tag to a salvage vehicle

Commission Decision: Concur.

25. 2020040911 (SH)

Date Complaint Opened: 05/28/2020
First Licensed: 03/10/2014
Expiration: 03/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs):

Complainant purchased a vehicle on 4/8/2020 and paid cash but has not received the title. Complainant alleges the Respondent's secretary beat her up and broke her arm when they went to the lot to inquire about the title a month later. Respondent simply stated that the title was delayed due to COVID-19 however the title has now been given to Complainant as of end of June.

Recommendation: Close.

Commission Decision: Concur.

26. 2020044901 (SH)

Date Complaint Opened: 06/10/2020
First Licensed: 09/01/1991
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges Respondent's service department was lazy and inexperienced when they dropped off their vehicle for transmission issues on 5/14/2020. Complainant states that the warranty would not pay for the repair because Respondent could not diagnose the issues. Complainant purchased a transmission and had it delivered on 5/26/2020. A week later, Complainant was informed the transmission pan was cracked and needed to be replaced. On 6/9/2020 Complainant was informed the transmission was no good and the vehicle had been towed from Respondent to another dealer.

Respondent explains that the Complainant's vehicle was diagnosed with an internal fault and the warranty company wanted the transmission to be disassembled for diagnoses. Respondent told the Complainant to take it to a transmission shop as they do not rebuild transmissions. Complainant requested a replacement and purchased a used one. Respondent agreed to replace but if there were any issues with the used one then Complainant would be responsible for labor. When the used one was replaced, the pan was cracked and there was an internal fault on that one also. Respondent and Complainant came to an agreement for labor at a reduced price. Respondent states the vehicle was towed by Complainant.

Recommendation: Close.

Commission Decision: Concur.

27. 2020041731 (SH)

Date Complaint Opened: 05/29/2020

First Licensed: 06/23/1995

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant attempted to register a vehicle with the County Clerk and presented a Bill of Sale from an individual and not the Respondent/dealer. Complainant admits she purchased the vehicle after seeing it on Marketplace but the individual used Respondent's paperwork (BOS). Respondent issued a temporary tag to Complainant. Respondent is refusing to release the paperwork to the Clerk because the individual has not paid them for the tax, title and license fees.

An investigation revealed that the individual sometimes purchases vehicles and then sells to Respondent. In this case, the individual sold the vehicle to Respondent but since the vehicle would not run, Respondent could not sell the vehicle. The individual fixed the vehicle and found Complainant to purchase. Complainant went to Respondent to do the paperwork because the vehicle was owned by Respondent. The individual was paid a fee for finding the Complainant to purchase the vehicle. According to the VIR it shows that the vehicle was sold to Respondent on 04/01/2020 and then sold on 04/24/2020 to Complainant. The individual also stated that he works sometimes for another dealer as a salesman and is licensed with that dealer. The VIR report does not show that the vehicle was ever titled in the individual's name.

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

Commission Decision: Concur.

28. 2020032521 (SH)

Date Complaint Opened: 04/29/2020

First Licensed: 10/08/2015

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

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

Complainant is the insurance agency for an auction that has filed a complaint against Respondent claiming a stolen vehicle (#1) was sold at auction by Respondent on 12/3/2019. The vehicle was owned by a rental car company and stolen from a South Carolina airport on 11/22/2019. The vehicle's VIN, door VIN and glove box stickers had been replaced with a fraudulent VIN (#2).

Respondent's attorney responded stating that an individual rented a vehicle (#1) on 11/22/2019 and provided false and fraudulent information. This individual failed to return the vehicle. On 11/28/2019, a dealer contacted Respondent about purchasing a like vehicle (#3), which occurred on 11/30/2019 for \$20K. Respondent exercised due diligence and the vehicle did not show any suspicious activity and received a clean title. Respondent sold the vehicle at auction on 12/3/2019 for \$37,200. On 3/12/2020 the vehicle was recovered by THP and it was determined that the VINs had been changed (#2). Respondent claims they did their due diligence and was a good faith, bona fide purchaser with no knowledge of suspicious activity (#2). The #1 vehicle possess two VINs, but the vehicle Respondent purchased (#3) had one VIN and associated clean title. This title did not show it to be owned by the rental car company.

An investigation was conducted and did not find any wrongdoing on the part of Respondent. There is an active criminal investigation because apparently there are five other vehicles that turned up with fraudulent titles. Law enforcement believes the vehicle involved in this matter could be a part of an interstate scheme.

Recommendation: Close.

Commission Decision: Concur.

29. 2020041071 (SH)

Date Complaint Opened: 05/29/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): N/A

Complainant alleges Respondent sold a vehicle that did not work and refused to refund any monies or fix the vehicle until she hired an attorney. Complainant claims Respondent has not refunded the money and is operating unlicensed.

Respondent sold the vehicle to Complainant while their license was active. The Respondent agreed to take the vehicle back even though it was purchased "as is". Respondent stated that they have bent over backwards for Complainant and Complainant had been driving the vehicle for

about a year when it started developing problems. Respondent rented a car (\$500) for Complainant so they could visit their father. Respondent feels that, through his generosity, he is being taken advantage of. However, the Respondent has not refunded the \$6000 yet. Complainant has filed a lawsuit against Respondent for the money.

Recommendation: Close.

Commission Decision: Concur.

30. 2020035481 (SH)

Date Complaint Opened: 05/07/2020

First Licensed: 02/06/2003

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 2/17/2020 from Respondent. After the paperwork was signed, Complainant alleges Respondent's salesperson stated they had to fudge some numbers on their credit application. Complainant did not feel comfortable and wanted to return the vehicle the next day however claims Respondent has refused. Complainant further alleges that Respondent will not provide them a copy of the credit application that was presented to the finance company. The finance company stated they did not have a copy either.

Respondent denies the allegations and has worked out a settlement agreement with Complainant. All documents have been sent to Complainant and finance company.

Recommendation: Close.

Commission Decision: Concur.

31. 2020044181 (SH)

Date Complaint Opened: 06/09/2020

First Licensed: 05/07/2019

Expiration: 05/31/2021

License Type: Motor Vehicle Salesman

History (5 yrs): None.

Complainant alleges two former salespersons began to do fraudulent deals after repossessions. The Respondent, without Complainant's knowledge, would delete the original deal in the system and create a new deal with a fake business as lienholder but Complainant as the seller. The Respondent would have a repossession company extract money from the original client and if they refused, the Respondent would resell the vehicle as lienholder and leave the Complainant with the tax liability. The Respondent and other salesperson have been fired and a police report is being filed.

Respondent was the general manager of Complainant's dealership. Respondent knew that Complainant wanted to sell the dealership and knew an acquaintance that may wanted to expand. Respondent was interested in becoming an owner of the dealership and connected the Complainant and potential buyer. The allegations of the Complainant are against the potential buyer.

Respondent explains that the buyer and Respondent were in the process of purchasing the dealership from Complainant on a lease-to-own structure that had the buyer leasing the dealership pending bank financing. In connection with the purchase, Respondent's partner had a legitimate Delaware LLC that financed the purchase of a few vehicles; these vehicles were placed on the Complainant's lot to sell. Complainant would purchase the vehicle and sell under the dealership name.

Respondent states that the allegation of deleting the original deal and creating a new deal is not true. The Delaware company had vehicles on the lot that were not purchased by the dealership, that were sold on consignment, and the company was the lienholder. A few were repossessed for lack of payment. Respondent deny making any deletions to harm the dealership. The buyer had no access to the system. Respondent and the buyer worked with Complainant for more than a year in good faith to purchase the dealership. Respondent and the buyer were properly licensed and did not use Complainant's signature to falsely obtain any licenses. One of the terms of the purchase was for both to be properly licensed and have all applicable permits to operate prior to closing.

It was verified through an investigation that both individuals were properly licensed. Complainant began to demand too many things that the negotiations failed. Complainant did not cooperate in the investigation and informed the investigator that he is in the process of eliminating inventory so that he can shut down the dealership by December 2020 when the license expires. Respondent is properly licensed and working at another dealer. The buyer is located in Georgia. Each party is contemplating litigation but nothing has been filed.

Recommendation: Close.

Commission Decision: Concur.

32. 2020025661 (SH)

Date Complaint Opened: 04/02/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Salesman

History (5 yrs.): N/A

Complainant alleges Respondent is using an out-of-state dealer license to sell vehicles in TN. Respondent sold Complainant a vehicle that looked to be in great shape but turned out to be rusted badly. Complainant alleges Respondent is purchasing vehicles from auction and the flipping them for cash. Complainant also alleges Respondent has sold dozens of vehicles within a 12-month period.

An investigation was made and did not reveal sales transactions occurring involving the Respondent, but the Clerk was familiar with the out-of-state dealer. The documents that were

provided included a Vehicle Registration, a Bill of Sale (showing a sale price of \$7,000), a Virginia Title for a prior owner, a State of Tennessee Cert of Title Extension, and a Reassignment of Certificate of Ownership by Licensed New Jersey Motor Vehicle Dealer.

Multiple auctions were contacted and the Respondent was not known however the New Jersey dealer was known as an online buyer. The dealer also did not know the Respondent. The investigator was unable to contact the Respondent. Complainant has filed a lawsuit against Respondent.

Recommendation: Close.

Commission Decision: Concur.

33. 2020045431 (SH)

Date Complaint Opened: 06/15/2020

First Licensed: 04/13/2016

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with payment plan setup for \$4,000 civil penalty for issuing temporary tags to salvage vehicles.

Complainant purchased a vehicle “as is” from Respondent on 3/14/2020. Respondent gave a 30-day warranty. Two weeks after purchase, the hood flew back and broke the windshield while traveling down the interstate. Complainant was told it would be two weeks to fix the vehicle however it has been 3 months. Complainant wants their money back.

Respondent explains that no warranty was given. Respondent was contacted by Complainant before the hood incident and was told that the Complainant said the vehicle was running hot so the Complainant popped the hood and added water. This seem to help and all was good. Later that day, the Complainant told him that the hood flew up and broke the windshield. Respondent does not feel they are responsible but agreed to help and put the repair costs on the back of the loan. The delay of the repairs is due to the COVID-19 pandemic. Respondent offered to return \$1700 and states the Complainant became extremely angry and threatening. Complainant and Respondent finally agreed to the offer.

Recommendation: Close.

Commission Decision: Concur.

34. 2020049121 (SH)

Date Complaint Opened: 06/29/2020

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 4/27/20 and has not received a title in over two months. Respondent explains that due to the COVID-19 pandemic the registration has been delayed. Title has been sent to the Complainant.

Recommendation: Close.

Commission Decision: Concur.

35. 2020048271 (ES)

Date Complaint Opened: 06/25/2020

First Licensed: 12/22/2005

Expiration: 09/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with \$500 civil penalty for failure to deliver title.

Complainant is a resident of Ohio and alleges Respondent failed to offer lifetime warranty as advertised. Complainant alleges they spoke with someone at the dealership in February and told them they wanted the advertised 2014 used vehicle with the lifetime warranty. Once they arrived at the dealership, Complainant claims they were informed the lifetime warranty did not apply to the vehicle. Complainant states they reluctantly purchased the vehicle as-is without warranty because they had already been lured there. Complainant states they have had to spend almost \$2,000 in repairs since purchase due to electrical issues. Respondent provided screenshots showing the vehicle was not advertised as having a lifetime warranty and additionally states that the used car manager explained to Complainant that the vehicle was not advertised nor eligible for Respondent's unlimited warranty. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

36. 2020050691 (ES)

Date Complaint Opened: 07/06/2020

First Licensed: 08/27/2015

Expiration: 07/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent does not have a working phone number, restroom facilities or regular business hours, and did not use buyer's guides as required. An investigation was conducted. The investigator requested Complainant provide a sworn statement and they did not provide one and stopped communicating with the investigator. Respondent provided a sworn

statement stating that there were no deficiencies and a visit to the dealership showed no deficiencies as alleged. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

37. 2019100811 (SH)

Date Complaint Opened: 12/17/2019

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges that Respondent gave them a clean title however Complainant later determined the vehicle had been totaled in New York. Respondent did not disclose that the vehicle sold to them was salvaged. Complainant also alleges the clean title is fraudulent and that Respondent admitted to selling 300 cars in the past year.

Respondent had transferred ownership to 20 vehicles within a 12-month period. 2 vehicles were gifted and 10 vehicles were listed as even trades. Respondent, as an individual, has sold 15 vehicles over the allowed limit as authorized by law. Complainant has hired an attorney to pursue the Respondent for the alleged fraudulent title and non-disclosure.

Recommendation: Authorize a civil penalty of \$7,500 for the unlicensed sales of vehicles.

Commission Decision: Concur.

38. 2019093431 (SH)

Date Complaint Opened: 12/14/2019

First Licensed: 08/19/2014

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – Three complaints closed with \$5,500 civil penalty for engaging in false, fraudulent, or deceptive practice(s) and unlicensed salesman activity.

This complaint should have been included in the previous disciplinary action taken against the Respondent (listed in the history) in early 2020 and should be closed.

Recommendation: Close.

Commission Decision: Concur.

39. 2020041421 (SH)

Date Complaint Opened: 05/28/2020

First Licensed: 11/07/2018

Expiration: 10/31/2020 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant states the Respondent did not properly register the vehicle in their name prior to selling to the Complainant. This has caused the Complainant to not be able to properly register the vehicle. Respondent has recently went out of business and cancelled their license in September 2019. Complainant has hired an attorney and given the surety bond information.

Recommendation: Close.

Commission Decision: Concur.

40. 2020042751 (SH)

Date Complaint Opened: 06/03/2020

First Licensed: 09/26/2011

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – One complaint closed with \$1,000 civil penalty for false, fraudulent, or deceptive acts. 2017 – One complaint closed with \$3,000 civil penalty for false, fraudulent, or deceptive acts.

Complainant purchased a vehicle on 3/3/2020 and due to the COVID-19 pandemic has been unable to register her vehicle. Complainant contacted Respondent in May and was told they needed her original documents in order to register her vehicle. Complainant believes Respondent is just making excuses for the 3-month delay. Respondent blames the delay on the COVID-19 pandemic. As of July 20th, Complainant has been asked if they have received their registration and if this is resolved but there has been no response.

Recommendation: Close.

Commission Decision: Concur.

41. 2020049051 (SH)

Date Complaint Opened: 06/26/2020

First Licensed: 09/11/2012

Expiration: 08/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to provide title.

Complainant purchased a vehicle on 6/17/2020 showing 77,808 miles on the odometer. After purchasing, Complainant was on the interstate and noticed that the speedometer was still on 0 mph and the odometer was not increasing in miles. Respondent asked for the vehicle to be returned so they could investigate. Complainant later determined that on 3/2/2020, the vehicle's miles was listed at 258,597.

Respondent denies rolling back the digital odometer. Respondent provided a copy of the deal file showing the odometer as “exempt” and the Odometer Disclosure Statement, signed by Complainant, acknowledging the discrepancy and the mileage reading not be actual miles. Respondent also provided an Odometer Discrepancy Certification that was signed by Complainant. Respondent states they informed the Complainant that the odometer may or may not work. After Complainant was not comfortable with the vehicle, Respondent offered numerous times to switch to another vehicle but refused and they offered a \$3,000 refund for exchange of the vehicle.

The auction report in April 2020 shows the vehicle to have 258,597 miles with a salvage title. On 5/7/2020 the vehicle received a rebuilt title with exempt mileage. There is no evidence that Respondent tampered with the odometer.

Recommendation: Letter of Warning regarding Odometer tampering.

Commission Decision: Concur.

42. 2020049171 (SH)

Date Complaint Opened: 06/28/2020

First Licensed: 12/17/2015

Expiration: 11/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges that the odometer on the vehicle she purchased from respondent had been rolled back about 80,000 miles according to the CarFax report. Respondent states that they purchased a vehicle at auction for the Complainant. The vehicle was 16 years old and the title was marked exempt and to the best of Respondent’s knowledge, the mileage was correct. Respondent denies any odometer tampering. The report shows that the “roll back” occurred in Mississippi before Respondent purchased the vehicle. Respondent provided the Odometer Disclosure Statement signed by Complainant.

Recommendation: Close.

Commission Decision: Concur.

43. 2020049851 (SH)

Date Complaint Opened: 07/01/2020

First Licensed: 01/09/2012

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 5/1/2020 and has been given two temp tags which have expired. Respondent explained to Complainant that due to the COVID-19 pandemic, the tags are good until 7/15/2020. Complainant alleges that the Clerk told them that no paperwork has been received from Respondent.

Respondent blames the pandemic for the delay and has verified with the Clerk that the paperwork was received but they are delayed in processing. Complainant has verified this matter has been resolved.

Recommendation: Close.

Commission Decision: Concur.

44. 2020052061 (SH)

Date Complaint Opened: 07/12/2020

First Licensed: 01/29/2013

Expiration: 01/31/2015 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 7/25/2013 and given the title. Recently, a wrecker service called Complainant and asked if they wanted to pick up the vehicle they had just delivered to their lot. It was determined that the title Complainant was in possession was not the title to their vehicle but to the vehicle that was picked-up.

Respondent has been closed since 2014. Surety bond information has been given to the Complainant.

Recommendation: Close.

Commission Decision: Concur.

45. 2020041971 (SH)

Date Complaint Opened: 05/31/2020

First Licensed: 04/30/2008

Expiration: 03/31/2022

License Type: Recreational Vehicle Dealer

History (5 yrs): 2015-2019 – More than 20 complaints opened for failure to pay of trade in, failure to deliver title, and engaging in false, fraudulent, or deceptive acts.

Complainant alleges Respondent is not willing to fix issues with the boat that was purchased. This complaint was referred to the Tennessee Fish and Wildlife Commission.

Recommendation: Close.

Commission Decision: Close and Flag.

46. 2020044311 (ES)

Date Complaint Opened: 06/09/2020

First Licensed: 09/29/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

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

Complainant alleges Respondent failed to deliver the title to their purchased vehicle. Respondent states the delay in receiving the title from the auction was out of their hands and due to the COVID pandemic, but confirmed the title was delivered to Complainant. Respondent has since closed their dealership. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

47. 2020048821 (ES)

Date Complaint Opened: 06/25/2020

First Licensed: 06/22/2011

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent on 5/12/20 and states their temporary tag expired 6/11/20. Complainant alleges Respondent failed to communicate with them about it after the Governor's Order expired 6/15/20 and further claims they were later told that their tag from their old vehicle would become the permanent tag for the purchased vehicle. This complaint was filed on 6/25/20 and Complainant claimed they still did not have the new tags they paid for. Respondent states they do not interfere with personal items and instructed Complainant to retrieve their state registered tag from their trade-in because it may be going to auction after the transaction. Complainant did not retrieve it and Respondent explained to Complainant they would have to apply for a lost tag and replace it at their own expense. Respondent states they provided Complainant with all documentation related to the purchased vehicle necessary to obtain a new tag. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

48. 2020049631 (ES)

Date Complaint Opened: 06/30/2020

First Licensed: 06/22/2011

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant is a resident of Colorado who purchased a used vehicle from Respondent on 6/19/19. Complainant alleges Respondent failed to disclose a "red alert" noting structural damage on their

vehicle and states they were only notified of prior accidents via Autocheck. Complainant was selling the vehicle to a buyer and states the buyer was denied a loan because of structural damage. Complainant provides a copy of the Carfax they state they obtained in June 2020 which shows “structural damage reported” with a red alert sign next to it. Respondent states the Complainant purchased the vehicle as-is and confirms Complainant was not provided with a Carfax history report at the time of purchase because Respondent did not have it. Respondent only offers Autocheck reports which notified Complainant of the prior accidents and provided a copy to Counsel. Respondent offers Autocheck reports as a means to verify vehicle titles are clean and clear, as was the case with this vehicle. Respondent states they encourage consumers to obtain a pre-sale inspection and to do their own research prior to purchase, especially if they are out of state customers. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

49. 2020049501 (ES)

Date Complaint Opened: 07/01/2020

First Licensed: 02/16/2006

Expiration: 01/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to pay off trade-in vehicle.

Complainant purchased a used vehicle from Respondent in 2014 and alleges they were never informed it was determined to be a total loss by an insurance company. Complainant wanted to trade the vehicle in on 6/18/20 and states they were shown a Carfax report by a dealer which showed the loss reported. Respondent states they had no knowledge of what Complainant has alleged at the time they sold the vehicle to Complainant. Respondent provides a copy of the title they had at the time of purchase which shows Respondent purchased the vehicle from another dealer with a clean title. Respondent believes the insurance company must have made a mistake and recorded the information incorrectly. Counsel obtained the vehicle history report from the Department of Revenue which showed no history of being salvaged. Counsel requested documentation from Complainant but nothing has been received. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

50. 2020050371 (ES)

Date Complaint Opened: 07/07/2020

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 alleges Respondent failed to deliver a permanent tag and a title. Specifically, Complainant purchased a used vehicle from Respondent in March 2020 and alleges they have been given four temporary tags. Respondent states that almost everything Complainant stated in their complaint is false and denies the allegations. Complainant obtained insurance in March but the insurance was cancelled in May against policy for vehicles purchased with a loan (until that loan is paid off). Respondent has tried to explain to Complainant that the vehicle must go through emissions before the tag can be obtained but Complainant has been difficult and walked away during their last communication. An investigation was conducted. The investigation revealed Respondent only issued two temporary tags and no evidence of any violations. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

51. 2020053581 (ES)

Date Complaint Opened: 07/16/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Information was received by a county clerk's office regarding possible unlicensed activity. Specifically, 73 vehicle registrations were produced with names of multiple individuals but attached to the same address. An investigation was conducted and a translator was used because Respondent does not speak English. Respondent explained that they find vehicles which need to be repaired, fix them and sell them. Respondent has been doing so for about five years now. Respondent states they were informed by the clerk that if they paid taxes on the vehicles that they would be fine. The investigator advised Respondent that as a private citizen, they are only allowed to sell five vehicles a year without a license. Respondent stated they did not know that. Respondent asked about the different names on the registration on the vehicles and Mr. Linares stated that the only names on the registration should be their name or their spouse's name. Respondent stated they sold 5 vehicles this year (11 vehicles registered), 10 vehicles in 2019 (19 vehicles registered), 10 vehicles in 2018 (15 registered), 7 vehicles in 2017 (14 vehicles registered) and 5 vehicles in 2016 (vehicles registered). Respondent stopped communicating with the investigator after they attempted to get a sworn statement. Counsel recommends authorizing a Consent Order giving the Respondent two options: pay a \$1,000 civil penalty for unlicensed sales and agreement to apply for a dealer license within 30 days of signing the Order or pay a civil penalty to total \$500 for each vehicle sold in the last three years.

Recommendation: Authorize a Consent Order giving the Respondent two options: pay a \$1,000 civil penalty for unlicensed sales and agreement to apply for a dealer license within 30 days of signing the Order or pay a civil penalty to total \$500 for each vehicle sold in the last three years.

Commission Decision: Concur.

52. 2020050401 (ES)

2020051131

Date Complaint Opened: 2020050401: 07/04/2020, 2020021131: 07/10/2020

First Licensed: 04/15/2019

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

2020050401

Complainant is a licensed dealer in Tennessee. Complainant questions Respondent's business model. Specifically, Complainant alleges and questions how Respondent is able to complete their transactions from locations other than their place of business and further asks if they have special provisions to be able to deliver vehicles to customer homes. Respondent states they are an online platform for buying and selling used vehicles whose business model is slightly different than a traditional used car dealer, which they feel explains the misunderstandings that must have led to this complaint. Respondent explains the business model as follows: A customer can visit Respondent's website and browse an inventory of more than 18,000 vehicles, select one, arrange financing, and then sign electronic purchase and finance contracts online as anticipated by the federal ESIGN Act of 2000 and state statutes enacting the Uniform Electronic Transactions Act. While Respondent sells vehicles online, the purchase is completed when the customer's contract is accepted by Respondent at the licensed location indicated on the contract. Therefore, Respondent argues the sale takes place at that licensed location rather than "in the cloud" or "online." Respondent further argues that this means the purchase of the vehicle is complete before delivery, and delivery is the performance of the agreed to contract, rather than a sale. At the time of delivery at the customer's location or at a licensed vending machine facility, the customer's purchase is complete. The customer does not sign purchase contracts at the time of delivery, does not negotiate the price, and is not sold any additional products at the time of delivery. The customer only signs ancillary documents at delivery or pickup, such as title record related documents and federal odometer disclosure documents. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2020051131

Complainant purchased a used vehicle from Respondent through an online platform in April 2020 and alleges they have not received their permanent tag as of 7/8/20. Complainant states they were pulled over 6/29/20 and given a warning for their temporary tag being expired. They stated the officer told them the tag office had been open since May. Complainant admits they did not send everything necessary (proof of residency, POA, etc.) to Respondent until 5/23/20, and emission results on 6/8/20. Respondent submitted all documentation to the third-party registration vendor they use on 6/22/20, and the vendor submitted all paperwork to the DMV with an expedited processing request on 6/23/20. Respondent apologized to Complainant for the major delays they experienced and agreed that one of their employees did not provide Complainant with proper expectations as to when their temporary tag would expire considering the Governor's Executive Order during the COVID-related suspension of emissions requirement and later re-implementation on July 1. Respondent stated they would reach out to Complainant to discuss the possibility of providing a rental vehicle or reimbursement for one or providing additional

compensation for the inconvenience. Respondent confirmed the registration was completed and delivered on 7/30/20. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

53. 2020050801 (ES)

Date Complaint Opened: 07/06/2020

First Licensed: 04/17/2014

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent three months ago and alleges they have not received the title. Respondent states they lost the title to the vehicle and by the time they requested a duplicate title, the auctions in the area all shut down due to COVID. Respondent managed to get in contact with the employees at the auction but they could not officially process an order since they were working from home. Once the auctions opened back up, the order was processed in June and title came within a month. Respondent apologized for the inconvenience. Counsel recommends closing the complaint.

Recommendation: Close.

Commission Decision: Concur.

54. 2020051551 (ES)

Date Complaint Opened: 07/14/2020

First Licensed: 05/23/2018

Expiration: 05/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges the vehicle has been nothing but trouble since purchase. Complainant states they purchased a warranty and when a mechanic called to make a claim, they were told it was not in effect until Complainant had driven 1000 miles. Respondent states Complainant was made aware this was an as-is purchase and the warranty they purchased was a powertrain warranty through another company. Respondent has made some repairs they were not obligated to make since Complainant purchased the vehicle and feel they have gone above and beyond. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

55. 2020053291 (ES)

Date Complaint Opened: 07/15/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): None.

This complaint was opened as a result of information received from the Tennessee Department of Revenue for potential unlicensed activity. An investigation was conducted. The investigation revealed Respondent has sold 6 vehicles in 12 months (July 2019-July 2020) and a Notice of Violation was issued. Counsel recommends issuing a Letter of Warning for unlicensed activity which will inform the Respondent that they must apply for and obtain a license in order to continue selling more than 5 cars in a calendar year.

Recommendation: Letter of Warning for unlicensed activity and instruction to obtain a dealer license

Commission Decision: Concur.

56. 2020052121 (SH)

Date Complaint Opened: 07/12/2020

First Licensed: 10/30/2013

Expiration: 09/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges the vehicle cut off on the highway three hours after purchase. Complainant states that the Respondent agreed to reimburse the \$1200 down payment to the debit card used but then gave her the run around.

Respondent picked up the vehicle and took it to their service center to determine the issue. Respondent could not diagnose the issue and offered Complainant reimbursement of the \$1200 down payment. The reimbursement occurred on 7/13/2020 and is resolved.

Recommendation: Close.

Commission Decision: Concur.

57. 2020052141 (SH)

Date Complaint Opened: 07/13/2020

First Licensed: 12/16/2003

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for issuing more temporary tags than allowed. One complaint closed with letter of warning for false,

fraudulent, or deceptive practice(s). 2019 – One complaint closed with \$3,000 civil penalty for failure to deliver title/registration.

Complainant purchased a vehicle on 2/25/2020 and after 4 ½ months they have not received their registration or plates. The finance company closed Complainant's account, refunded the 4 months of payments, and returned the contract to Respondent.

Respondent states the COVID-19 pandemic delayed the registration. Complainant signed a new contract on 7/17/2020 and has been properly registered. The issue is resolved.

Recommendation: Close.

Commission Decision: Concur.

58. 2020054071 (SH)

2020062771

Date Complaint Opened: 2020054071: 07/17/2020, 2020062771: 08/17/2020

First Licensed: 07/01/1991

Expiration: 06/30/2021

License Type: Motor Vehicle Manufacturer/ Distributor

History (5 yrs): None.

2020054071

Complainant alleges the vehicle's engine began to run badly and the coolant began to leak. The service department ran a compression test and determined the issue to be a hair-line fracture in the engine block. There was a recall for this issue. Complainant states that the Respondent, a manufacturer, refused to fix under the warranty and recall because the recall expired 1 ½ years previously. Respondent states that the recall was extended 10 years to 1/26/2018 and has expired. Complainant rebutted and states that the issue did not appear until a year after the expiration of the recall. Complainant believes the Respondent should fix the issue but Respondent believes they have no obligation at this point.

2020062771

Complainant is requesting Respondent, a manufacturer, to replace their vehicle for failure to provide coverage outlined in the repair policy. The vehicle suffered vibrations, hesitations, and other safety issues that Respondent knew of when the vehicle was purchased in 2015. This particular vehicle model was involved in class-action lawsuits and a service bulletin in 2015 for the issue Complainant alleges. Complainant states the vehicle has been serviced numerous times and the issues have not been fixed. Respondent has tried software updates, kits to cure the vibrations, and after five years, nothing has worked. Complainant believes there is a safety risk to the public and potential for damage to the vehicle. Complainant states that Respondent refuses to do anything further and demand a refund of \$31,000 or a replacement of a new vehicle.

Respondent states they have reviewed the service department records and determined there has not been an excessive number of repairs nor time out of service for any specific issue that would impair the vehicle or cause a safety concern. Respondent states it will not grant Complainant's request for consideration.

Recommendation: Close both complaints.

Commission Decision: Concur.

59. 2018074251 (ES)

Date Complaint Opened: 10/18/2018

First Licensed: Unlicensed (N/A)

Expiration: N/A

License Type: Motor Vehicle Salesman

History (5 yrs): None.

Complainant alleged Respondent accepted a wire transfer for the purchase of a vehicle but never received the vehicle. A criminal investigation was conducted. In short, Respondent "sold" a vehicle to Complainant in another state online. Respondent accepted the \$21,000 from the victim and then never delivered the vehicle, stating that it had been stolen. Respondent claimed their brother spent the \$21,000 and stole the car before it could be sent to Complainant, wrecked it, and then Respondent fixed it and sold it to a church in Michigan. Respondent told Complainant they would reimburse the \$21,000 which was eventually paid back to Complainant. An insurance claim was also filed and paid. Respondent pled guilty to theft, possession of firearm and evading arrest as a result of this transaction and the criminal investigation. Respondent does not have a license and was denied one by the Commission in the past because of their felonious history. Counsel recommends closing and flagging this complaint close and flag considering Respondent has already paid Complainant and has been criminally penalized. Additionally, Respondent cannot get their license going forward without coming before the Commission and is now a fifth time felon.

Recommendation: Close and flag.

Commission Decision: Concur.

60. 2020044411 (SH)

Date Complaint Opened: 06/11/2020

First Licensed: 09/01/1991

Expiration: 01/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant drove from Missouri to look at a vehicle with no hail damage however when they got there the Respondent showed them a vehicle with hail damage. Respondent state the damage could be fixed for \$500-\$700. Complainant decided to purchase the damaged vehicle and drove the vehicle back to Missouri. Complainant states they took the vehicle to two dent repair shops and were quoted \$8,000 to \$10,000 to repair. Complainant further states they were going to finance through their credit union with no finance fee. Complainant decided to go with dealer financing because the payment would be lower but later found out that they were charged a finance fee of \$1700. Respondent apparently never told Complainant of the fee.

Respondent states that the Complainant requested a reimbursement of the down payment and to cancel the financing contract. Respondent agreed to the terms and the issue has been resolved. Complainant has requested the complaint to be closed.

Recommendation: Close.

Commission Decision: Concur.

61. 2020046531 (SH)

Date Complaint Opened: 06/17/2020

First Licensed: 07/07/2005

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2020 – one complaint closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s).

Complainant went to Respondent to purchase two vehicles after seeing the price of the vehicles at \$88 online. When Complainant arrived, Respondent refused to sell the vehicles at \$88 each, as advertised. Complainant believes Respondent is attempting a bait and switch scam through false and misleading advertising. The advertised price that was provided shows a pre-owned vehicle priced at \$588 but the Respondent's deal is \$88.

Respondent states that clearly the price was incorrect and contacted their website host to correct the issue.

Recommendation: Close.

Commission Decision: Concur.

62. 2020047361 (SH)

Date Complaint Opened: 06/19/2020

First Licensed: 03/24/2011

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – One complaint closed with letter of warning for incomplete temporary tag log.

Complainant purchased a vehicle on 2/8/2020 in cash from Respondent but has not received registration documents in over four months. Respondent states the March tornado and COVID-19 pandemic have delayed the process. Complainant sent an update stating he had received the registration and title on 7/11/2020 and the issue is resolved.

Recommendation: Close.

Commission Decision: Concur.

63. 2020052051 (SH)

Date Complaint Opened: 07/14/2020

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 alleges that his name was forged on finance documents dated 5/11/2020 and associated with the purchase of the vehicle. Respondent denies the forgery and states that Complainant personally completed a credit application. Complainant signed paperwork on 3/10/2020. The Complainant added additional items for the vehicle and warranties increasing the purchase price. The credit application was denied by one financing company. Complainant came back to the Respondent on 4/15/2020 and signed new contracts and paperwork eliminating the extra items in order to reduce the purchase price. Respondent states that the paperwork clearly contemplates submitting for financing through any of its third-party sources.

Complainant rebutted, through his attorney, with a lengthy list of events and allegations. Included with the rebuttal were copies of the contracts signed on 3/10/2020, 4/15/2020, and one signed on 5/11/2020. The signature of Complainant is allegedly forged but seems to be digital and flattened. The buyer and seller signatures are different than the signatures on the original 3/10/2020 paperwork and 4/15/2020 paperwork. Complainant believed he would be receiving payment books from the financing company mentioned on 4/15/2020 but later received a book from another company that approved based on the alleged forged contract of 5/11/2020. Complainant further alleges Respondent did not disclose the terms on any of these contracts, revised the terms of the contracts without notice, removed warranties without notice, damaged Complainant's credit, and other deceptive business practices.

Respondent provided a credit application signed by Complainant on 4/15/2020 to the third party that Complainant claims the installment contract was forged on 5/11/2020. The signatures seem to be the same from previous documents and there has been no handwriting expert review.

Recommendation: Letter of Warning.

Commission Decision: Concur.

64. 2020052461 (SH)

Date Complaint Opened: 07/13/2020

First Licensed: 04/26/2019

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges that he agreed to purchase a vehicle online on 5/12/2020. Being out of state, Complainant did not sign paperwork and pick up the vehicle from Respondent until 7/9/2020. Respondent apparently called two weeks later and stated they made a mistake on the contract and needed Complainant to sign a second contract. Complainant alleges Respondent offered to

reimburse him 3 months of payments if he would sign the second contract. Complainant agreed but only received the contract and no refund. Subsequently, the vehicle was repossessed by Respondent.

Respondent states that the finance company could not fund the deal under the original terms so Complainant needed to sign a revised contract. Respondent agreed to pay the first three months of car payments. The new contract was sent to Complainant but he refused to sign because no checks were included. Respondent tried to explain that no payments have been due or made because the deal was not finalized so there would not be any physical checks. When Complainant refused to sign the revised contract, Respondent had the vehicle picked up.

Recommendation: Close.

Commission Decision: Concur.

65. 2020053331 (SH)

Date Complaint Opened: 07/15/2020

First Licensed: 10/01/2010

Expiration: 10/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 6/8/2020 but after a week the vehicle experienced issues. Respondent requested the vehicle to be brought in for inspection. Complainant states that there were many issues and parts changed without his knowledge but gave a 30-day warranty. After a week, the check engine light came on and the vehicle was brought back to Respondent. Complainant alleges that Respondent had the vehicle for a month and then advised that Complainant would have to pay for parts and labor totaling nearly \$1000. Complainant believed he had a 30-day warranty, but Respondent added the repair costs to the loan.

Respondent denies Complainant's version and states that he came to the dealership two weeks after purchase to make his first payment and advised of no issues with the vehicle. Respondent also states that this vehicle is fast and Complainant admitted to racing it, which in turn, damaged the vehicle. Respondent agreed to repair but also stated that Complainant knew he would need to pay for repairs. Respondent sold the vehicle "as is" and there was no 30-day warranty. When the vehicle was repaired, Complainant told Respondent that he had no money so the costs were added to the loan.

Recommendation: Close.

Commission Decision: Concur.

66. 2020053471 (SH)

Date Complaint Opened: 07/16/2020

First Licensed: 09/01/1991

Expiration: 07/31/2022

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 went to Respondent to purchase a vehicle on 6/10/2020 but decided not to make the deal and went somewhere else. Complainant had her own financing but Respondent stated they could get a better rate through them. Complainant did not want Respondent to run her credit and was told they would not until the deal was made. Complainant later learned that Respondent ran her credit on 6/12/2020. The bank told Complainant that Respondent would need to send a rescind letter.

Respondent states that a deal was being negotiated and in the process, Complainant's credit was submitted to a couple of banks to find the best rate. Respondent states that Complainant gave permission to pull her credit and provided a signed credit application. Respondent agreed to send rescind letters to the banks.

Recommendation: Close.

Commission Decision: Concur.

67. 2020037641 (ES)

Date Complaint Opened: 05/14/2020

First Licensed: 09/01/1991

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

A Notice of Violation was issued to Respondent during an inspection on 5/12/20 for failure to produce a county business license. Counsel recommends a \$250 civil penalty for failure to maintain an active county business license.

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

Commission Decision: Concur.

68. 2020044941 (ES)

Date Complaint Opened: 06/11/2020

First Licensed: 12/03/2019

Expiration: 11/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2020 – Two complaints closed with \$1,000 civil penalty for failure to pay off trade-in vehicle.

Complainant is a resident of Minnesota who purchased a vehicle from Respondent on 3/12/20. Complainant alleges Respondent has failed to provide the title and license plate as well as the warranty paperwork from the transaction. After this complaint was filed, Respondent resolved

these issues with the Complainant and stated their “out of state tag work got behind” due to COVID. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

69. 2020047431 (ES)

Date Complaint Opened: 06/20/2020

First Licensed: 05/23/2017

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant feels Respondent’s practices are deceptive and unfair because they did a bait and switch, and did not inform Complainant that it would be near impossible to obtain full coverage car insurance on a salvage/rebuilt vehicle. Respondent states they spent a lot of time to explain the car-buying process and pride themselves on a no pressure experience. Respondent states everything was explained before Complainant agreed to purchase the vehicle. Unless Respondent is required per industry standards to disclose information about full coverage insurance and salvage/rebuilt vehicles, Counsel recommends closing this complaint.

Recommendation: Close.

Commission Decision: Concur.

70. 2020052451 (ES)

Date Complaint Opened: 07/13/2020

First Licensed: 01/31/2012

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant is a resident of North Carolina who purchased a vehicle from Respondent at the dealership. Complainant states the vehicle was described to be in excellent condition, with everything working properly. Complainant states they were informed that the warranty referred to on Respondent’s website did not apply to the vehicle at the time they were signing the paperwork, as well being informed the airbag light was on. Complainant states they did a walk-around inspection of the vehicle and the salesman reiterated the excellent condition of the car. Complainant alleges that during the drive back to his home, the top stopped coming down automatically and they realized the brakes were “unsafe.” Additionally, Complainant alleges the battery would not last one night without being drained and the a/c would not work because there was a freon leak. Respondent notes that Complainant purchased a 28 year-old “antique” Porsche and stated they understood that these vehicles can have quirks, and therefore decided to drive it on a 550+ mile trip despite knowing Respondent had only driven it about 100 miles over the few weeks Respondent had it in stock. Respondent states they told Complainant the airbag light was on before they drove in from North Carolina and was further informed the purchase would be as-

is without a warranty. Respondent states Complainant decided to come in and after inspecting the vehicle, purchased it and signed all required as-is paperwork. Respondent states that Complainant later texted the salesman stating the sweet spot was at 90 mph and the vehicle ran great. Complainant also sent multiple pictures of the car with the top down. Respondent states that it was not until the Complainant took the vehicle to a Porsche dealership for service that they started to have buyer's remorse. Respondent does not feel any responsibility for repairs that may need to be made after purchase considering this was an as-is purchase. Counsel has requested proof that Respondent advertised the vehicle to be in excellent condition but Complainant confirmed most conversations were over the phone and no evidence was submitted. There is no evidence of any violations. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

71. 2020049671 (ES)

Date Complaint Opened: 06/30/2020

First Licensed: 09/01/1991

Expiration: 09/30/2013

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant was having issues getting a duplicate title for a vehicle that Respondent allegedly has a lien on. Respondent has been closed since 2013 and surety bond information was sent to Complainant. Complainant then asked to withdraw this complaint after they found their title. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

72. 2020053251 (ES)

Date Complaint Opened: 07/15/2020

First Licensed: 03/11/1994

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent is falsely advertising vehicles for sale online. Specifically, Complainant alleges they reached out to Respondent online to inquire about a few vehicles and get pricing through virtual chat, then decided to make the 200-mile trip on 7/14/20 to purchase one that was priced over chat. Complainant states that once they arrived, the vehicle they were interested in was sold the day before and the second similar vehicle was "actually a demo unit they were listing and pricing as a new vehicle." Complainant filed this complaint because they made the trip for nothing and because on 7/15/20, they alleged both vehicles referred to in the complaint were being advertised for sale as new vehicles online. Respondent states they priced the vehicles prior to Complainant making the trip and states the demo vehicle had never been

registered or titled. Counsel asked the Complainant to provide proof of the advertisements referred to in the complaint but Complainant stated they did not have a copy or proof. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

73. 2020055101 (ES)

Date Complaint Opened: 07/22/2020

First Licensed: 09/18/2018

Expiration: 08/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint closed with letter of warning for failure to use conditional delivery agreement or a Buyer’s Guide in the deal file at issue.

Complainant purchased a used vehicle from Respondent and made a partial down payment. Complainant alleges Respondent failed to return vehicle as agreed after they made an overdue payment of \$900. Complainant wants their money returned. Respondent states the Complainant owed \$500 towards the deposit and they agreed to defer that payment until 7/1/20. Respondent repossessed the vehicle on 7/7/20 because Complainant had still not paid the remaining \$500 due towards the deposit. Respondent held the vehicle for 10 days and then sold it because Complainant failed to pay what was owed after repossession. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

74. 2020057331 (ES)

Date Complaint Opened: 07/29/2020

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 on 7/24/20 and alleges they had to take it to a mechanic on 7/27/20 because it was accelerating into low gear from a complete stop. Complainant states there was also an extreme vibration when traveling at high speeds. Complainant states they eventually took it to a manufacturer dealer who diagnosed the issue and stated the CVT transmission needed to be replaced for just under \$9,000. Complainant’s father went to the dealership and asked Respondent to help out somehow but Respondent allegedly stated there was nothing they could do because more than 24 hours had passed since the transaction occurred. Further, Complainant alleges Respondent offered to sell them a third-party warranty and advised them to make a fraudulent warranty claim after a month goes by. Complainant did not purchase any warranty. Complainant states Respondent called them and told them they were no longer welcome on the property after Complainant’s father advised a customer at the dealership of their situation and recommending that customer not do business with

Respondent. Complainant ended up calling the police who allegedly told Respondent to not contact Complainant. Counsel recommends closure. Respondent states Complainant and their father took the vehicle to a mechanic to perform a pre-purchase inspection and then came back two hours later because everything checked out. Complainant purchased the vehicle as is and did not want to purchase the extended 3 months/3000-mile warranty offered, and ended up getting \$500 discounted from the asking price. Respondent states they inspect all vehicles before they are listed for sale and this vehicle had no mechanical issues at the time of sale. Respondent denies advising Complainant to make any sort of fraudulent warranty claim and simply stated they did not appreciate their father came by and threatened the dealership. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

75. 2020055661 (SH)

Date Complaint Opened: 07/23/2020

First Licensed: 12/29/2014

Expiration: 12/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges they purchased a vehicle on 2/15/2020 with the promise that an engine knock would be fixed by Respondent. On 3/12/2020, the vehicle was returned to Complainant after a timing chain was replaced. On 5/27/2020, Complainant noticed the tires were at an odd angle and wearing improperly. The tire shop told them the sway bar link was broken. Complainant took the vehicle to a mechanic and was told the driver and passenger side sway bars were cut, front and rear engine mounts were improperly installed, and there was an oil leak from timing chain.

Respondent states they had the timing chain replaced and in doing so, the engine cradle had to be dropped in order to get to the timing chain. Complainant called about a week later stating the vehicle would not start. Respondent determined the fuel pump needed to be replaced and did so at no cost. Respondent states that Complainant came to the lot to make payments over a long period of time and never mention any issues with the vehicle. On 7/16/2020, Complainant came to the lot with a letter from a lawyer demanding a full refund and accusing Respondent of dishonest business practices. Respondent denies any wrongdoing and states they would have repaired any issues at no cost if it was determined to be caused by their actions. Respondent believes that the issues were sabotaged by the mechanic friend and Complainant is just trying to get their money back.

Recommendation: Close.

Commission Decision: Concur.

76. 2020055791 (SH)

Date Complaint Opened: 07/24/2020

First Licensed: 01/22/2018

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

Complainant purchased the vehicle on 6/11/2020 and has not received registration papers after over a month. Respondent states the vehicle was purchased by them through a mechanic's lien sale. The vehicle is titled in another state and they will not accept a mechanic lien in lieu of a title for registration purposes. Respondent says the delay is because of the process they will have to complete in order to register the vehicle to Complainant. As of 9/10/2020 Respondent has yet to complete registration.

Recommendation: Letter of Warning for late delivery of title.

Commission Decision: Concur.

77. 2020055871 (SH)

Date Complaint Opened: 07/24/2020
First Licensed: 05/08/2012
Expiration: 03/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges they have not received registration documents after 30 days of purchase because the title is not registered to Respondent. Respondent explains that the title has been at the lot since the purchase date but Complainant has not paid the sales tax. Respondent made a deal for Complainant to pay the sales tax outside the contract.

Recommendation: Authorize a civil penalty of \$500 for failure of Respondent to pay the sales tax in order to register the vehicle.

Commission Decision: Concur.

78. 2020058051 (SH)

Date Complaint Opened: 07/31/2020
First Licensed: 12/20/2005
Expiration: 11/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges the vehicle purchased broke down after a month and has numerous issues that need to be repaired. The repair costs are more than the vehicle is worth.

Respondent explains the vehicle was purchased on 4/17/2020 with a 3 month/3,000-mile warranty that covers major repairs. Complainant was given the warranty service company's number to contact them. On 6/18/2020, Complainant called and said the warranty company would not cover the costs because the mileage was over 3,000 since purchase.

Recommendation: Close.

Commission Decision: Concur.

79. 2020056151 (ES)

Date Complaint Opened: 07/29/2020

First Licensed: 09/01/1991

Expiration: 11/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed without action. 2017 – One complaint closed without action. 2016 – Two complaints closed without action. 2015 – One complaint closed without action.

Complainant states they intended to purchase a specific brand new 2020 vehicle from Respondent but ended up being sold a vehicle that had 1,535 miles on it because it had been a service loaner. Complainant takes issue with the following: 1) salesman quoted \$26,500 to Complainant but when deal sheet was presented, the price was \$27,500 because the salesman had incorrectly priced an XL instead of an XLT; 2) Complainant tried contacting the salesman the following day to express concerns and complaints regarding the purchase but could not get in touch with anyone at the dealership; 3) Complainant left multiple messages over the next few days to try to reach someone; 4) Complainant spoke with owner of the dealership on or around 7/2/20 who said they may have been able to work something out if they had been contacted the day after purchase; 5) Complainant feels the Respondent failed twice at detailing the vehicle to meet Complainant's requests and per their agreement; 6) Complainant requested replacement of all cabin air filters because there was "evidence that animal(s) have been roaming all over interior of vehicle, including under the seats where the cabin air filters are located" because Complainant's wife has asthma, sinusitis, environmental sensitivity, allergic to cats and dogs, etc. but found that the filter under the driver seat had not been replaced; and 7) Complainant feels that this was a bait and switch sale and Respondent has presented one lie after another. Complainant wants a new ordered vehicle for an exactly equipped duplicate in exchange for the vehicle they purchased. Respondent confirms Complainant ended up purchasing a vehicle which had been part of the manufacturer's Courtesy Transportation program that allows new vehicles to be placed as service loaners. Respondent disclosed this information when Complainant was in finance and it was explained that Complainant would have a chance to back out of the deal and not sign the paperwork. The finance manager left the office to give Complainant and their spouse time to privately discuss their decision and they ended up moving forward with the purchase. When Complainant called the owner regarding the cleanliness of the vehicle, Respondent agreed to have Complainant bring it back in to be detailed and filled with fuel, and a rental vehicle was provided to Complainant at Respondent's expense. At the time Complainant picked up the vehicle, they noticed something else that needed to be cleaned so Respondent vacuumed again. Respondent also cut a check for \$406 to Complainant as a form of goodwill. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

80. 2020056351 (ES)

Date Complaint Opened: 07/27/2020

First Licensed: 01/12/1996

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges they are failing to honor a warranty. Complainant details the repair history of the vehicle showing multiple warranty repairs being performed by Respondent since May 2017, with the last repair being on 7/3/20 for a sensor replacement and a second recall repair related to the coolant level sensor system installation, as well as a transmission service performed at Complainant's request. Complainant states on 7/10/20, the vehicle had to be towed to Respondent due to a transmission fault alert causing the car to go into "limp mode" while on the highway traveling at 75 mph. Respondent allegedly told Complainant the transmission needed to be replaced and did not offer assistance even though the vehicle only has just over 83,300 miles. Complainant alleges the repair ticket states the torque converter and pump are faulty which indicates a manufacturer defect which should be covered under warranty. The service director for Respondent responded to this complaint. Respondent states they diagnosed the vehicle on 7/10/20 with said findings: pump bushings were worn out and leaking fluid from converter housing; with these faults and presence of two other codes, Respondent recommended an overhaul of the transmission. Respondent states the vehicle also presented a third code with only 5th gear operable, so Respondent's final recommendation was to remove and replace the transmission. Without a complete teardown of the transmission, Respondent cannot state all the failed components. Respondent then contacted the manufacturer on Complainant's behalf to request financial assistance but was denied. Complainant then declined any repairs. Respondent also notes they have assisted Complainant with 2 matters requesting financial assistance from the manufacturer. Respondent offered to pay for half of the repair if the manufacturer would pay the other half, but that was declined as well. Respondent contacted their Regional Service Representative requesting additional assistance but was denied. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

81. 2020057071 (ES)

Date Complaint Opened: 07/29/2020

First Licensed: 11/07/2014

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent in July 2019 and needs the title since it has been paid off. Complainant cannot get in touch with Respondent and states they are closed, and requests the surety bond information. Respondent confirms that they have been unable to acquire the title from the auction and has spoke to Complainant since the complaint was filed. Respondent offered to refund or replace the purchased vehicle on two occasions and Complainant declined the offers. Respondent explains that they were closed for some time due to the pandemic and considering their local area has a high infection rate and the owner has parents at a higher

risk. Respondent later met with Complainant in person and they came to a mutual agreement that Respondent would replace the vehicle with one of equal value. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

82. 2020057541 (ES)

Date Complaint Opened: 07/30/2020

First Licensed: 09/01/1991

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a used vehicle from Respondent on 3/26/19 and claims the a/c does not work. Complainant wants Respondent to fix the vehicle or put them in a different vehicle that has no issues. Respondent states the Complainant brought the vehicle in for service to the air conditioner in July 2019 and a condenser was put on the vehicle; Complainant paid the bill in full for this repair work. Respondent states Complainant never complained about the repair work until a year later, in July 2020. Complainant told Respondent that another mechanic stated the wires were loose and Respondent explained that would not have anything to do with the air conditioner condenser that was installed in 2019. Respondent notes the air conditioner came with a 30-day warranty. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

83. 2020057721 (ES)

Date Complaint Opened: 07/30/2020

First Licensed: 04/28/2005

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant states they purchased a used vehicle from Respondent on 6/30/20 and then ended up trading it for another vehicle the following day. Complainant states the vehicle stopped working while they were traveling to Oklahoma. Respondent paid over \$1,000 to get the vehicle back and after inspection, allegedly told the Complainant the motor was burnt. Complainant states they only had the vehicle for 4 days and wants a refund. Respondent states their mechanic cannot figure out how the engine and transmission got locked, but they think it can happen in new cars with electronic shift gears. Respondent cannot afford to repair the vehicle for Complainant because it would cost about \$6,000. Respondent notes that they allowed Complainant to return a vehicle purchased prior and trade it for another vehicle because it was in the same condition as when it was sold. That is not the case with this vehicle or Respondent would have allowed Complainant to trade it again. Respondent states this vehicle was purchased as-is without a

warranty and they have assisted Complainant as much as they can, stating they have lost thousands of dollars on this vehicle in the end. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

84. 2020057751 (ES)

Date Complaint Opened: 07/30/2020

First Licensed: 06/19/2019

Expiration: 03/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 10/25/19 and alleges Respondent has mistakenly tried to repossess their vehicle multiple times and has not reflected all of their payments made with cash and money orders in the account. Complainant also claims Respondent forged paperwork when they recently became delinquent on their payments. Respondent confirms that they accidentally overlooked a payment made one time and sent for a repossession but the payment was located and the repossession never occurred. When the payment was overlooked, Respondent had sent the repossession request to two companies and because the first didn't happen, the second "repo man" showed up trying to repossess the vehicle due to the same mistake. Respondent has apologized to Complainant and admitted their mistake and the vehicle was never actually repossessed. This occurred some time ago. Recently, Complainant has become delinquent by \$1,139.95 and Respondent has been trying to work out a payment arrangement with Complainant to avoid rightful repossession. Complainant alleges the respondent mistakenly attempted to repossess his vehicle, failed to credit his account for payments, and forged his signature on a repossession agreement. An investigation was conducted. The investigation did not reveal evidence of any violations. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

85. 2020060111 (ES)

Date Complaint Opened: 08/07/2020

First Licensed: 04/16/2018

Expiration: 04/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent failed to properly install a part in their vehicle which allegedly left the vehicle in an unsafe condition to drive. Complainant purchased an ABS module, fuse block replacement and engine wiring harness and asked Respondent to complete the repair and installation. Complainant wants Respondent to pay the exact estimate cost of \$2,229.25 to fix the issue. Respondent denies their repairs left the vehicle in an unsafe condition evidenced by the fact Complainant drove over 600 miles from Tennessee to Michigan without incident after the repairs

were completed. Respondent argues the issues Complainant has been experiencing are simply not a result of the work done by Respondent on the vehicle, and they further note this is a 2007 vehicle with over 154,000 miles on it. Respondent did offer to refund Complainant for the labor costs but will not authorize a payment for another mechanic's estimate that seems to be more than necessary to fix the issues referred to by Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

86. 2020060641 (ES)

Date Complaint Opened: 08/11/2020

First Licensed: 09/23/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant paid Respondent \$2,000 on a down payment towards the purchase of a vehicle for their son and alleges the vehicle began to smoke and lose power immediately after purchase. Complainant wants a refund of the down payment. Respondent has since secured the vehicle and issued a refund to Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

87. 2020061291 (ES)

Date Complaint Opened: 08/12/2020

First Licensed: 03/09/1998

Expiration: 02/28/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent installed an incorrect replacement part in their vehicle related to a hybrid battery. Complainant is seeking a refund. Respondent notes that Complainant has already gone to the BBB and local news stations with this matter. Respondent states Complainant brought their 12 year old Prius in and they diagnosed it as needing a new battery. Complainant bought a refurbished battery from somewhere in Atlanta and Respondent installed it but realized it had multiple dead cells straight out of the box. Complainant then asked Respondent to work on the issue for free or let the company from Atlanta send people to work on it at Respondent's shop. Respondent states this matter was dealt with a year ago and they owe Complainant nothing. Complainant left their vehicle there for months and was not charged a storage fee. Complainant's daughter had already filed a complaint (2019084651) which was presented and dismissed by the Commission in January 2020. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

88. 2020050681 (SH)

Date Complaint Opened: 07/06/2020

First Licensed: 10/26/2015

Expiration: 07/31/2019 (Expired)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant recently was told that the title had not been signed by the Respondent as seller. Complainant went back to the lot and found out the Respondent had permanently closed. The surety bond was given to Complainant to help with the title issue.

Recommendation: Close.

Commission Decision: Concur.

89. 2020050741 (SH)

Date Complaint Opened: 07/06/2020

First Licensed: 05/03/2001

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 4/16/2020 in cash and as of 7/6/2020 they had not received their title. Respondent received the title the day this complaint was filed. The title was delivered to Complainant on 7/7/2020. Complainant verified receiving the title and asked to close the complaint.

Recommendation: Close.

Commission Decision: Concur.

90. 2020051861 (SH)

Date Complaint Opened: 07/10/2020

First Licensed: 06/05/2014

Expiration: 04/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$5,000 civil penalty for false, fraudulent, or deceptive practice(s). One complaint closed with letter of warning.

Complainant went to Respondent to purchase a vehicle for an agreed \$5000 after the trade value. When Complainant arrived, Respondent's salesperson test drove the vehicle and offered over \$10,000 for the new vehicle after the trade value. Complainant has countered to \$7,500 but believes Respondent was being deceptive. Respondent denied any deceptive practices and states

the matter was resolved. Respondent offered Complainant's email requesting the complaint to be closed. Complainant is very satisfied with the outcome.

Recommendation: Close.

Commission Decision: Concur.

91. 2020052381 (SH)

Date Complaint Opened: 07/13/2020

First Licensed: 07/07/2005

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2020 – one complaint closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s).

Complainant's vehicle was totaled on 2/16/2020 and alleges Respondent has not paid off the loan or refunded the extended warranty funds. Respondent states that the lender was contacted and the loan was paid in full from insurance but the warranty cancellation check was accidentally sent to the lender. Since the vehicle was totaled the check should have been sent to customer. This issue has been resolved.

Recommendation: Close.

Commission Decision: Concur.

92. 2020057871 (SH)

Date Complaint Opened: 07/31/2020

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 took the vehicle to Respondent on 2/25/2019 for repairs. After 7 months, there has been an antifreeze smell coming from the vents and a clunking noise from the rear of the vehicle. For over a year, Complainant alleges Respondent is unable to fix the smell or the noise and Complainant has been having health issues due to the smell. Complainant has taken the vehicle to three other places and all have not been able to replicate the issues and stated the smell is normal.

Respondent states that on 2/25/2019 the service department could not replicate the smell after running the vehicle for nearly two hours. On 4/16/2019, the vehicle was serviced for standard maintenance and there is no record of Complainant mentioning the smell. Later that year, the vehicle was serviced twice and there are no specific notations about smells or clunking. On 1/24/2020, the vehicle was brought in due to an abnormal noise when stopping and a vibration at higher speeds. These issues were fixed on 2/3/2020 at which time Complainant did mention a

coolant smell. According to a manufacturer's bulletin issued in 2015, the coolant smell is normal unless there are any leaks to be present. Respondent states no leaks were present on Complainant's vehicle.

Complainant rebutted and has found other vehicle owner's that have complained of the same smell. Respondent feels they are not responsible for what could be a manufacturer issue.

Recommendation: Close.

Commission Decision: Concur.

93. 2020058041 (SH)

Date Complaint Opened: 07/31/2020

First Licensed: 12/17/2010

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with \$1,000 civil penalty for failure to provide title.

Complainant purchased the vehicle on 6/5/2020 and has been unable to pass emissions, the horn does not work, and they were not notified the vehicle was involved in a wreck and missing the steering wheel air bag.

Respondent states that Complainant badly needed a vehicle but was declined numerous times to be financed. Respondent decided to tote the note because he felt sorry for Complainant. All issues of the vehicle were made fully aware to the Complainant. According to Respondent, Complainant stated he did not care and would make the necessary repairs. Respondent believes the repairs would take more work than Complainant believed. Respondent took the car back and gave a full refund to Complainant.

Complainant rebutted and believes the Respondent is lying and denies that they would be the one to make the repairs. Respondent states the vehicle was sold "as is" with no "We Owe".

Recommendation: Close.

Commission Decision: Concur.

94. 2020058581 (SH)

Date Complaint Opened: 08/03/2020

First Licensed: 03/24/2016

Expiration: 04/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with letter of warning for unlicensed activity.

Complainant states the title that was issued to Respondent is not correct and they have not been able to get a response from Respondent.

Respondent states that the VIN associated with the complaint is to another vehicle that was sold to another person. The Bill of Sale was provided. The Complainant is not known nor a vehicle was sold to them by Respondent.

Recommendation: Close.

Commission Decision: Concur.

95. 2020060801 (SH)

Date Complaint Opened: 08/12/2020

First Licensed: 12/06/1993

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant drove from Michigan to purchase a recreational vehicle from Respondent. Complainant states Respondent rushed them in to sign papers and they did not look at the paperwork until they got back to Michigan. Complainant says the vehicle they purchased was not the one in the advertisement, different model, no heated tanks, not a queen bed, and no side air bags. Complainant alleges Respondent admitted to making up the advertisement and would make it right when they returned to get the title. When Complainant returned, they were given an envelope with the title but did not have a check for the sales tax and fees like they agreed to.

Respondent states that the advertisement was advertised as a different model in error on their part. Complainant and Respondent agreed to settle for an amount in exchange for a release of liability among the Respondent. The settlement was provided by the Respondent.

Recommendation: Letter of Warning concerning advertisements.

Commission Decision: Concur.

96. 2020061101 (SH)

Date Complaint Opened: 08/12/2020

First Licensed: 02/20/2013

Expiration: 02/28/2019

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs): 2019 – One complaint closed with \$750 civil penalty for unlicensed activity.

A Notice of Violation was issued on 12/6/2020 against Respondent for having an expired dismantler/recycle license however continues to do business.

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

Commission Decision: Concur.

97. 2020051061 (SH)

Date Complaint Opened: 07/13/2020

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.

Complainant purchased a vehicle on 8/29/2019 but never received their registration papers. Complainant alleges they were given temporary tags up to April 2020. Respondent has shut down and surety bond was provided to Complainant to help with their registration. Respondent's license has expired and is out of grace.

Recommendation: Close.

Commission Decision: Concur.

98. 2020053551 (SH)

Date Complaint Opened: 07/16/2020

First Licensed: 01/12/2016

Expiration: 03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased vehicle on 3/18/2020 and on 4/20/2020 they received a letter stating the Respondent was in default and the title was being held by the floor planner. Complainant is unable to get their title from the floor planner and Respondent has filed bankruptcy. Complainant has been given the surety bond information. The bankruptcy court will resolve the issue.

Recommendation: Close.

Commission Decision: Concur.

99. 2020056361 (SH)

Date Complaint Opened: 07/27/2020

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 4/24/2020 and has paid it off but cannot get title from Respondent. An investigation was made and determined that the vehicle was sold in Arkansas and has an Arkansas title. The local clerk's office in Arkansas is assisting Complainant in obtaining the title.

Recommendation: Close.

Commission Decision: Concur.

100. 2020058011 (SH)

Date Complaint Opened: 08/04/2020

First Licensed: 04/04/1997

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant states the buyer's guide was not given when the vehicle was purchased on 7/21/2019 and Respondent did not inform that the vehicle was formerly owned by a rental car agency. Complainant states the emergency crash zone sensor continues to malfunction and Respondent is unable to properly fix.

Respondent provided a Carfax document signed by Complainant acknowledging the vehicle was formerly a rental. Respondent claims they have not been able to replicate the issues Complainant has alleged but will continue to assist Complainant with servicing. The manufacturer has been made aware of the issues as well.

Complainant rebutted and alleged that the Respondent forged his signature on the 7/21/2019 document and that they changed the sales agreement but got caught by the bank and were forced to redo the loan to the original terms.

The signatures look the same however there has been no handwriting expert review.

Recommendation: Close.

Commission Decision: Concur.

101. 2020058901 (SH)

Date Complaint Opened: 08/04/2020

First Licensed: 01/09/2012

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$500 civil penalty for failure to disclose salvage vehicle.

Complainant purchased a vehicle from Respondent on 5/9/2020 and two months later the transmission went out. The vehicle was towed to Respondent and determined that there was no transmission fluid. Complainant alleges she asked for service papers before the vehicle was sold but Respondent is unable to produce. Complainant also alleges an odometer discrepancy.

Respondent states the Complainant drove over 13,000 miles within 2 months and the transmission experienced problems. Complainant refused a service warranty at purchase and has refused

discounted repairs. Respondent has learned that Complainant is apparently driving as a courier, which is prohibited by their contract. Respondent denies any odometer fraud; the mileage at the time of sale is the same as reported. Respondent also denies they sold the vehicle without transmission fluid. All vehicles go through inspection of fluids and if fluids were missing the vehicle would have failed sooner than the 13,000 miles Complainant has driven within 2 months.

Recommendation: Close.

Commission Decision: Concur.

102. 2020060911 (SH)

Date Complaint Opened: 08/11/2020

First Licensed: 03/20/2020

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle on 6/9/2020 but that night was pulled over because the taillights were not working. Also, due to it raining that night there was water entering the trunk causing a mildew smell. The next day the key fob stopped working and cost the Complainant \$150 to replace. Complainant alleges Respondent could not fix the taillights and had to take it to another mechanic. On 6/19/2020 Complainant asked for a full refund of \$7500 and Respondent refused. On 6/29/2020, Complainant filed a lawsuit against Respondent due to finding about several repair issues and believes the vehicle should not have been granted a rebuilt title. Complainant alleges that all repairs needed will cost \$14,000.

Respondent states the vehicle was sold “as is” and the Complainant acknowledged the Notice of rebuilt Title form. Respondent notified the Complainant that the left rear quarter panel, the trunk lid, and rear bumper were repaired. Respondent showed the repairs made and told the Complainant to take it to a mechanic to have it inspected. Complainant had the vehicle for four hours before purchase and came back and stated that all is good with the vehicle. Respondent provided the rebuilt inspection approval letter dated 5/20/2020 from the Dept. of Revenue. Respondent also states that Complainant removed the trunk insides, trim panel, and carpet; also learning that the vehicle had been in an accident on 7/2/2020.

Recommendation: Close.

Commission Decision: Concur.

103. 2020064361 (SH)

Date Complaint Opened: 08/19/2020

First Licensed: 08/15/2018

Expiration: 06/30/2022

License Type: Motor Vehicle Dealer

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

A Notice of Violation was issued against Respondent for advertising violations on its website. The advertisements did not have the tax, title, and license disclosure, stock numbers, or state whether used or preowned.

Recommendation: Authorize a civil penalty of \$250 for advertising violations.

Commission Decision: Authorize a civil penalty of \$500 for advertising violations.

104. 2020051981 (ES)
Date Complaint Opened: 07/11/2020
First Licensed: 09/01/1991
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a new truck from Respondent and part of the deal included leather installation throughout the vehicle. Complainant filed this complaint because after 4 months, the leather has yet to be installed. Respondent states COVID interrupted all of their leather suppliers that provide and install leather. Since the complaint was filed, Respondent has confirmed they have secured the leather and made an appointment with Complainant to install it. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

105. 2020052431 (ES)
Date Complaint Opened: 07/13/2020
First Licensed: 05/17/2010
Expiration: 04/30/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant leased a vehicle from Respondent and alleges they were told by multiple people from the dealership that going over the mileage limits would not hurt them because they were purchasing the vehicle at the end of the lease term. Complainant decided to purchase the vehicle two months early due to COVID, had no issues at the time of transaction in March 2020, was told the new payment amount and then signed the paperwork and left. A few weeks later, Complainant states they received a bill for over \$9,200 from the company who they leased the vehicle from. Complainant alleges after sending in proof of purchase, it was determined Complainant still owed that amount. Complainant claims they spoke to the VP at Respondent's dealership who agreed that the salesman had made a mistake by telling Complainant there would be no harm done by going over on the mileage. Respondent argues the original lease contract signed by Complainant on 2/16/16 states that excess mileage at the end of the lease term will be charged to the customer at a rate of .25 cents per mile. Respondent denies the allegations but in the end, agreed to pay for the mileage overage costs and cut a check for the total amount. Complainant was satisfied with this and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

106. 2020056061 (ES)
Date Complaint Opened: 07/27/2020
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is alleging Respondent overcharged them for a vehicle and is requesting a refund. Complainant also explains they need Respondent to send them the proper paperwork needed so they can obtain their tags. Respondent is unlicensed so an investigation was conducted. The investigation revealed that the vehicle was picked up at Respondent's residential address. When the investigator arrived, there was no obvious evidence of unlicensed activity but Respondent confirmed they have sold at least 10 vehicles in the last year. Counsel recommends issuing a \$500 civil penalty for unlicensed sales.

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

Commission Decision: Concur.

107. 2020057781 (ES)
Date Complaint Opened: 08/03/2020
First Licensed: 04/29/2016
Expiration: 05/31/2022
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant leased a vehicle from Respondent on 2/29/20 and alleges they never received a copy of the sales contract. Complainant did not want to pay their alleged overdue balance until they received a copy of the contract. Complainant states Respondent has disabled their vehicle in retaliation for asking for the contract multiple times. Respondent fully investigated the Complainant's allegations after this complaint was filed and Complainant did receive a copy of the lease agreement by mail and email. Complainant has since moved to Massachusetts and since Respondent does not operate there, they offered a resolution to Complainant regarding the outstanding balance due so Complainant would not be negatively reported to the credit reporting agency. Respondent has yet to hear back from Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

108. 2020061171 (ES)

Date Complaint Opened: 08/12/2020
First Licensed: 09/30/2009
Expiration: 05/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a used vehicle from Respondent and alleges it needed to go to the mechanic 3-4 times in less than one month after the purchase. Respondent states are sorry to hear that a customer is having mechanical issues with their vehicle but states they purchase vehicles with cash from auctions and sell them as is without warranty. Respondent offers to analyze the problem and repair it if necessary at dealer cost, and any repair comes with a 30-day warranty. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

109. 2020062421 (ES)
Date Complaint Opened: 08/14/2020
First Licensed: 10/23/2015
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a new vehicle from Respondent on 4/7/20 and alleges Respondent applied for a credit card with Complainant's mother's information without authorization. Complainant states they owed \$800 towards the down payment and Respondent had told them they could pay it later. Respondent denies telling Complainant they could pay the remainder of the down payment at a later date and provides the contract showing Complainant's and their mother's (buyer and co-buyer) signatures agreeing to pay the \$1,800 down payment as well as applying for the credit account with the lender. Respondent is notifying the lienholder that the contract signed is now void due to nonpayment of the down payment agreed to. Counsel recommends closure. Counsel has reached out to Complainant and requested proof of the fraudulent credit card account but Complainant has not responded. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

110. 2020061561 (ES)
Date Complaint Opened: 08/14/2020
First Licensed: 12/08/2005
Expiration: 12/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is a resident of Kentucky who alleges mileage was altered on the semi-truck purchased from Respondent in March 2019. Complainant states they were having repairs done in May 2020 when the technician informed them the mileage on the odometer was showing 211,500 but was actually 369,000 miles. Complainant is requesting compensation for mileage discrepancy. Respondent states they were unaware of the mileage difference between the speedometer and the ECM and is in contact with the dealer who sold the truck to Respondent. Respondent and Complainant have since resolved this matter to Complainant's satisfaction. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

111. 2020061751 (ES)

Date Complaint Opened: 08/13/2020

First Licensed: 05/21/2015

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$250 civil penalty for expired county/city business license.

Complainant is alleging fraudulent activity by the Respondent and is requesting a refund. Specifically, Complainant states Respondent took advantage of their son, who is a minor, when he purchased a used vehicle. Complainant claims their son paid Respondent \$7,000 cash but alleges Respondent fraudulently lied by putting \$2,000 cash in the paperwork for the deal. The receipt provided by Complainant states the sale was made for \$7,000 cash. The Bill of Sale and Application for Registration show the sale price of \$1,757.64. The purchase was made on 8/6/20 and Complainant's son was 17 at the time (9 days from turning 18). Complainant states they wanted out of the contract because the vehicle was leaking fluids immediately after purchase and they were afraid to drive it. Complainant sent written notice of this with son's signature and statement to Respondent on 8/10/20. Respondent admits there was a mistake on the Bill of Sale and an Affidavit of Correction was completed and sent to the Department of Revenue. The correct sales tax of \$535.54 has been collected and paid to the DOR. The Official Vehicle Registration copy was provided by the Respondent which shows the sales tax collected and was completed after the Complainant's son turned 18. Respondent has since changed their policy to prevent the sale of a vehicle to a minor because the contract can be voided. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

112. 2020062661 (ES)

Date Complaint Opened: 08/18/2020

First Licensed: 09/01/1991

Expiration: 04/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent failed to make warranty repairs to vehicle. Complainant purchased the vehicle in early 2015 and claims it has suffered from vibrations, hesitations, safety issues, and faults since purchase and further claims the problems are known problems with the year/make/model car. Complainant states the problems have been documented in a class action lawsuit against the manufacturer. Complainant has brought the vehicle to Respondent for repair of the problems over a dozen times but states they have not corrected the issues and told Complainant no further efforts would be made. Complainant believes Respondent has only made efforts to mask the problems. Complainant has asked Respondent's management to be their advocate with the manufacturer. Complainant wants a full refund of the purchase price of the vehicle when it was new (\$31,000). Respondent's service records show 9 repair orders referencing vibration issues, software updates and a service bulletin. The cost for each repair was covered by the factory warranty or internally absorbed by Respondent. Respondent received notice that the manufacturer closed out the claim which led to the general manager reaching out in a good faith effort to Complainant to work with them on a trade for a new or used vehicle and feel they have put together a "more than reasonable sales offer" to trade in to a new vehicle. Complainant has since considered these offers and done overnight test-drives. Complainant is very specific about what they are willing to purchase and Respondent will continue to work with them until this is resolved. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

113. 2020064121 (ES)

Date Complaint Opened: 08/20/2020

First Licensed: 09/01/1991

Expiration: 09/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant alleges Respondent damaged vehicle during warranty service. Complainant brought their vehicle to Respondent for basic maintenance at 35,000 miles. Complainant claims Respondent did not do an intake inspection, charged for services that were not completed, and alleges their wheels wobble and make grinding noises when they come to a stop. Complainant feels Respondent tried to harm them and intentionally caused this situation to get them to trade in the vehicle for a new one. Respondent states Complainant asked them to perform a fuel injection service and tire rotation, but declined a diagnostic test (check engine light was on). When Complainant picked up the vehicle, they complained it was not inspected because they noticed the engine coolant was low and engine compartment was dirtier than when they brought it in. Respondent asked Complainant to bring the vehicle back in so they could address Complainant's concerns. Complainant brought it in 10 days later and Respondent test drove the vehicle and felt the vibration but upon inspection, did not find any loose, worn or damaged suspension or steering components. Respondent did find the tires to be wearing irregularly due to alignment and recommended replacement of the tires as well as performing an alignment but Complainant declined. Respondent cleaned the engine compartment to remove dirt that was already there plus residue from the injection cleaning they performed, topped off all fluids that needed to be and performed a safety inspection. Complainant had already cleared the codes causing the engine light to be on. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

114. 2020052271 (SH)

Date Complaint Opened: 07/16/2020

First Licensed: 07/05/2017

Expiration: 07/31/2019 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to deliver title. 2019 – One complaint closed with Letter of Warning for failure to disclose salvage title.

Complainant purchased a vehicle in February 2019. In February of 2020 the Complainant decided to trade in the vehicle and learned that it was flood damaged with a salvage title. The loan was for nearly \$14,000 and \$7,000 is still owed to the bank. The vehicle is allegedly worth about \$500. Complainant says the bank never received the title and the dealership is now closed.

Respondent was charged with theft over \$2,500 for stealing two hydraulic lifts from the building he leased. Respondent's business has been shut down. Respondent's license expired July 31, 2020 and will be out of grace period at the end of this month.

Recommendation: Close and flag.

Commission Decision: Concur.

115. 2020053311 (SH)

Date Complaint Opened: 07/21/2020

First Licensed: 12/14/2010

Expiration: 06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – One complaint closed with \$1,000 civil penalty for failure to deliver title.

Complainant purchased a vehicle in July 2019 and got her tags in August. When Complainant went to register her vehicle in 2020 it was determined that tag was under the VIN of the vehicle they traded to the dealership, not the vehicle they purchased. Respondent is no longer operating and license has expired. The surety bond was sent to Complainant.

Recommendation: Close.

Commission Decision: Concur.

116. 2020046761 (SH)

2020056341

Date Complaint Opened: 2020046761: 06/18/2020, 2020056341: 07/28/2020

First Licensed: 12/20/2018

Expiration: 08/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

2020046761

Complainant purchased an ATV in September 2019 on a 12-month layaway plan through Paypal. December and January payments were not deducted because the dealership was no longer working with Paypal. Complainant began to make payments by calling the office. Complainant began to have trouble reaching the Respondent to make payment and just wants to be refunded the amount that has been paid. Respondent states they have been affected by COVID-19 and have agreed to refund the amount paid by Complainant.

2020056341

Complainant ordered a moped April 10, 2020 but never received the tags. Complainant alleges Respondent has not filed registration in TN so they cannot get a lost title in OH, where they live. Respondent states the Bill of Sale was given to Complainant on the day of purchase and there is no title on a moped.

Recommendation: Close both complaints.

Commission Decision: Concur.

117. 2020057091 (SH)

Date Complaint Opened: 07/31/2020

First Licensed: 07/19/2011

Expiration: 06/30/2021

License Type: Motor Vehicle Dealer

History (5 yrs): None.

Complainant purchased a vehicle but never received the tags and the temporary tag expired. Respondent told Complainant that the temp tag was extended due to COVID-19. Complainant states that the 1st temp tag was out of the extended date timeframe. After getting another temp tag the Complainant went to the County Clerk and was told there was no registration on file. Respondent has apparently shut down. Respondent states the issues were caused by a former employee. Respondent states they are working with Complainant and trying to sort out all issues.

Recommendation: Authorize a civil penalty of \$250 for failure to supervise.

Commission Decision: Concur.

118. 2020059531 (SH)

Date Complaint Opened: 08/06/2020

First Licensed: 12/16/2011

Expiration: 12/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with Letter of Warning for failure to correct title information.

Complainant began to have problems with their vehicle in May 2019. Complainant took the vehicle to Respondent and learned that oil was draining into the spark plugs and burning them out. The problem persisted and in December 2019 Complainant reached out to the manufacturer. The manufacturer claimed there was no issue field by Respondent and closed the complaint. Complainant claims that the manufacturer is aware of the issue and there are class action lawsuits concerning the same engine issue. Complainant was to be reimbursed repair costs.

Respondent details the repairs and claims Complainant failed to properly maintain the vehicle causing the issue. Respondent states in March 2019, Complainant brought the vehicle in for a recall on the ECM, In May 2019, the vehicle was diagnosed with a spark plug misfire and the oil was changed. In October 2019, the vehicle was brought in for an oil change after 14,821 miles. In December 2019, the vehicle was sputtering and had no acceleration. The pedal signal was being interrupted due to a failure. Respondent recommended a pedal replacement and Complainant refused. Respondent denies failure in their work or lack of proper diagnosis. Any manufacturer flaws are also denied.

Recommendation: Close.

Commission Decision: Concur.

119. 2020062381 (SH)

Date Complaint Opened: 08/14/2020

First Licensed: 11/01/2016

Expiration: 08/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with \$250 agreed citation for failure to produce sales tax ID number.

Complainant is from Arkansas and purchased a vehicle in TN. They were told the sales tax information would be sent within 30 days. After two months, no sales tax info had arrived and Complainant obtained a 2nd temporary tag. Complainant claims no tags, registration or sales tax information has been received by the local clerk.

Respondent claims the paperwork has been completed and sent to the local clerk in AR as of 8/17/20. Complainant verified receiving tags and all is resolved.

Recommendation: Close.

Commission Decision: Concur.

120. 2020064181 (SH)

Date Complaint Opened: 08/21/2020
First Licensed: 06/19/2015
Expiration: 06/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle on 8/3/2020 and traded a vehicle. On 8/20/2020 Respondent called and stated the loan was not approved by the bank and they needed \$4000 down payment or a co-signor. Complainant claims they have registered the vehicle and believes the Respondent is trying to scam them out of the \$4000.

Respondent states the contract specifies that this transaction is not final and delivery is based on the bank funding the deal. Complainant was refused the loan due to misstating their income on the application. Due to this, the bank will not approve the \$30K but will at \$26K and that is why they need the \$4000 down payment. The registration is a temporary registration tag and is not in the customer's name until funding is approved. Respondent is continuing to work on funding.

Recommendation: Close.

Commission Decision: Concur.

121. 2020068521 (SH)
Date Complaint Opened: 09/01/2020
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): None.

TN Department of Revenue filed a complaint against Respondent for selling a salvaged vehicle before receiving a rebuilt title. Two temporary tags have been issued on this vehicle and there is no inspection scheduled as of 9/1/2020.

Recommendation: Authorize a civil penalty of \$3,000 for selling a salvaged vehicle and issuing two temporary tags on a salvage vehicle.

Commission Decision: Concur.

122. 2020067251 (SH)
Date Complaint Opened: 08/28/2020
First Licensed: 04/30/2008
Expiration: 03/31/2022
License Type: Recreational Vehicle Dealer
History (5 yrs): 2020 – One complaint closed with Letter of Warning for late delivery of title.

On 8/14/2020, Complainant wired \$9000 to Respondent for a down payment. On 8/17/2020, Complainant decided not to purchase and requested to cancel. No purchase agreement was signed

between the parties and the RV stayed on the Respondent's lot. Complainant claims Respondent is not responded to calls and has not cancelled the purchase or returned the \$9000.

Respondent claims the Complainant made a \$500 deposit pursuant to an agreement and then paid the full amount of agreement making it enforceable. After accepting the terms of the agreement Complainant tried to trick Respondent saying the money came from the wrong account promising to bring a check from the correct account if they would reverse the wire transfer. Complainant now states they have buyer's remorse, so Respondent has offered a settlement in order to resolve this matter.

Complainant provided an update claiming the agreement has been reached and the complaint can be closed.

Recommendation: Close.

Commission Decision: Concur.

123. 2020055381 (ES)
Date Complaint Opened: 07/23/2020
First Licensed: 05/23/2007
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

A Notice of Violation was issued to Respondent during an inspection on 7/20/20 for an expired county business license. Counsel recommends a \$250 civil penalty for the expired business license.

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

Commission Decision: Concur.

124. 2020062911 (ES)
Date Complaint Opened: 08/17/2020
First Licensed: 09/01/1991
Expiration: 01/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent on 7/27/20 and claims the salesman told them the vehicle would arrive to the lot in a few days. Complainant filed this complaint after 3 weeks passed without receiving the vehicle. Respondent states that all information available to them at the time of sale indicated delivery of Complainant's vehicle within a day or so after purchase. Respondent states they were not aware at the time that COVID had drastically affected transportation times from certain factories and made delivery extremely unpredictable. Respondent compensated Complainant by reimbursing a payment on their trade. Complainant confirmed they were happy with the way this was resolved. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

125. 2020063231 (ES)

Date Complaint Opened: 08/18/2020

First Licensed: 05/29/2015

Expiration: 05/31/2021

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – One complaint closed with letter of instruction for correct use of the Conditional Delivery Agreement form.

Complainant purchased a used vehicle from Respondent around 6/5/20 and claims the purchase was contingent on Respondent repairing what is necessary to turn off the traction control light and check engine light. Complainant alleges Respondent had to send it to a manufacturer dealer to diagnose the problem. Complainant states the problem is the engine currently in the vehicle is not compatible and is being held in by bolts in the vacuum lines. Complainant later asked to withdraw this complaint. Respondent denies the allegations that they promised to repair anything and notes Complainant purchased the vehicle as is by signing three different “as-is” documents at the time of sale. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

126. 2020076471 (ES)

Date Complaint Opened: 09/30/2020

First Licensed: 03/15/2004

Expiration: 03/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A complaint was filed alleging unlicensed activity. An investigation was conducted. The investigation revealed Respondent has been allowing one of their licensed salespersons to advertise vehicles for sale from their separate auto repair facility. Counsel recommends a \$1000 civil penalty for curbstoning and offsite sales.

Recommendation: Authorize a \$1,000 civil penalty for curbstoning and offsite sales and a Letter of Warning to the salesperson

Commission Decision: Concur.

127. 2020049741 (ES)

Date Complaint Opened: 06/30/2020

First Licensed: N/A (Unlicensed)

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

Complainant alleges unlicensed motor vehicle sales against their neighbor. An investigation was conducted and determined that Complainant believes the Respondent is buying and flipping vehicles from their side yard. The vehicles have become a nuisance according to the Complainant. The Respondent has junk cars in their side yard, all of which are not registered nor have "for sale" signs on them. The Respondent also has a few cars across the street at other homes that they own for "security purposes" since the homes are not occupied. It was determined that Respondent is not selling vehicles but in fact just old junk cars they have collected over the years. Apparently there has been a argumentative relationship with Complainant over landscaping issues, property line disputes, and cat issues between the parties after the Respondent refused to sell one of the houses to Complainant.

Recommendation: Close.

Commission Decision: Concur.

128. 2020054931 (ES)
Date Complaint Opened: 07/21/2020
First Licensed: 10/13/2011
Expiration: 10/31/2021
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant is a resident of Mississippi alleging that the Respondent is falsely advertising their vehicles. Specifically, Complainant bought a vehicle they state was advertised on Respondent's website as having 38,538 miles but claims when it was delivered to their home, it showed 40,802 miles. Complainant asked Respondent to reduce the price by \$250-\$500 but they refused. The Advertising rules do not specifically discuss mileage discrepancies except when it concerns odometer tampering. It is a general principal that dealers should not conduct any false, misleading, or deceptive advertising practices. However, even though a small discrepancy in mileage may not elevate to a level of prohibited business practices, the increased mileage could have slightly decreased the value of the vehicle.

Recommendation: Letter of Warning.

Commission Decision: Concur.

129. 2020056011 (ES)
Date Complaint Opened: 07/24/2020
First Licensed: 03/29/2019
Expiration: 03/31/2021
License Type: Motor Vehicle Dealer

History (5 yrs): 2020 – One complaint open with \$500 civil penalty proposed for expired city and county business licenses.

Complainant alleges Respondent has failed to deliver title after requesting a dupe title from the Respondent on 5/07/2020. Complainant alleges Respondent is being nonresponsive. Research shows that Complainant received a dupe title on 8/21/2020; the delay was due to COVID-19.

Recommendation: Close.

Commission Decision: Concur.

130. 2020045341 (ES)

Date Complaint Opened: 06/12/2020

First Licensed: 08/11/2016

Expiration: 07/31/2022

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – One complaint closed with \$500 civil penalty for failure to deliver title. 2019 – One complaint closed with \$1,000 civil penalty for failure to disclose salvage vehicle.

Complainant is a resident of North Carolina who purchased a vehicle from Respondent on 4/4/2020. Complainant alleges Respondent has not provided the title as of 6/12/20 and is nonresponsive. The process was delayed due to COVID-19. The Complainant was properly registered and titled on 6/29/2020.

Recommendation: Close.

Commission Decision: Concur.

REPRESENTATIONS

131. 2018061911 (ES)

Date Complaint Opened: 08/30/2018

First Licensed: 06/19/2012

Expiration: 07/31/2021

License Type: Motor Vehicle Salesman

History (5 yrs): None.

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

Recommendation: Place in Monitoring

Commission Decision: CONCUR

New Information: Respondent is a licensed salesperson at a licensed dealership owned by their son. An investigation revealed that Respondent operates a “broker program” that enrolls members for certain fees and is responsible for processing member’s State of Tennessee salesman licenses. The investigation also revealed that a member of the broker program had never been licensed as a salesperson. Respondent had charged Respondent for a license, a fee on each vehicle sold, and told them they could sell from anywhere and test drive without a tag. Respondent states their program is an educational one designed to teach enrollees about the auto business and to discourage curbstoning and unlicensed sales. The program’s enrollment requires an entry fee, ongoing monthly fee and a doc fee for the sale of each vehicle. Respondent also runs a website and claims the site is a content provider that does not engage in the actual sale of cars, but that it consults individuals wanting to get started in the auto business.

Respondent was investigated for similar conduct in 2014 when they owned their own licensed dealership. That investigation led to Respondent losing their salesperson license and dealership license. It had been recommended that Respondent come before the Commission before obtaining another license in the future, but the Department did not have the capability to flag a person or their license at that time. Respondent was able to obtain their salesperson license again in 2017 and it seems they immediately went back to engaging in the problematic business practices that led to revocation.

Although charging for and claiming proper licensure for a member of Respondent’s program, Respondent misrepresented the member’s licensure and allowed them to unlawfully engage as a motor vehicle salesperson without first obtaining a license. Counsel recommends Respondent’s salesperson license be revoked pursuant to T.C.A. § 55-17-114(a)(1)(F) (practicing fraud in the conduct of business), (b)(1)(G)(employing person(s) who are not licensed as a salesperson) and (b)(1)(K) (engaging in false, fraudulent or deceptive business practices).

New Recommendation: Authorize revocation of salesperson’s license for violations of TCA §§ 55-17-114

New Commission Decision: **Concur.**

132. 2019059381 (SH)
Date Complaint Opened: 07/05/2019
First Licensed: N/A
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs): N/A

An inspection determined that Respondent is unlicensed and sold ten vehicles between October 1, 2018 and June 18, 2019; five over the individual limit. The inspector found a garage with signage behind a residence where the vehicles were being sold. Respondent stated he is currently applying for a dealer license however as of this date Respondent has not made an application.

Recommendation: Authorize a civil penalty in the amount of \$2,500 for unlicensed activity.

Commission Decision: Approved

New Information: Respondent is a mechanic for a local dealer. The dealer would have inquiries on some of the vehicles at Respondent's business and send them over to look at the vehicle. This complaint was resolved under a previous complaint for unlicensed activity and should have been closed. After discussion with Respondent regarding his business and desire to become a dealer, Respondent obtained a dealer license in March 2020.

New Recommendation: Close.

New Commission Decision: **Concur.**

133. 2019070721 (SH)
Date Complaint Opened: 08/21/2019
First Licensed: 01/31/2012
Expiration: 01/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

Complainant alleges they purchased a vehicle from Respondent on 7/1/2018 and also purchased a \$2800 extended warranty. The Complainant states the vehicle is having trouble. When the warranty company was contacted they discovered the warranty certificated had been completed but never filed or paid by Respondent. Respondent has since closed as of May 2019. The surety bond information has been given to Complainant.

Recommendation: Authorize the voluntary revocation of Respondent's license.

Commission Decision: Approved

New Information: Respondent has closed in 2019 and the license was canceled. Respondent's license is past its grace period as of May 1, 2020.

New Recommendation: Close and flag.

New Commission Decision: **Concur.**

134. 2019088801 (SH)
Date Complaint Opened: 10/25/2019
First Licensed: 05/03/2017
Expiration: 04/30/2021
License Type: Motor Vehicle Dealer
History (5 yrs): 2019 – One complaint closed with a letter of warning for expired county and city business licenses.

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

Recommendation: Authorize the voluntary surrender of license.

Commission Decision: CONCUR

New Information: Respondent has shut down business in January 2020 and cancelled the dealer license.

New Recommendation: Close and flag.

New Commission Decision: Concur.

135. 2019088311 (SH)

2019091631

Date Complaint Opened: 2019088311: 10/25/2019, 2019091631: 11/12/2019

First Licensed: 09/07/2018

Expiration: 07/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

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

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

Commission Decision: CONCUR

New Information: Respondent was charged with theft over \$2,500 for stealing two hydraulic lifts from the building he leased. Respondent's business has been shut down. Respondent's license expired July 31, 2020 and will be out of grace period at the end of this month.

New Recommendation: Close and flag.

New Commission Decision: Concur.

136. 2019089151 (SH)

Date Complaint Opened: 10/29/2019

First Licensed: 12/05/2017

Expiration: 12/31/2019 (Expired-Grace)

License Type: Motor Vehicle Dealer

History (5 yrs): None.

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

A Notice of Violation was issued on 11/5/2019 due to the dealership's failure to notify the Commission of a name change within 30 days from the date of change. The inspector found a

framed picture with customer's photographs and the new dealership name displayed as well as Bill of Sale documents with the new name.

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

Commission Decision: CONCUR

New Information: Respondent's business has shut down and the license expired on 12/31/2019. Respondent has cancelled the license after winding down the business.

New Recommendation: Close and flag.

New Commission Decision: Concur.

137. 2020011751 (SH)

Date Complaint Opened: 02/11/2020

First Licensed: 12/05/2017

Expiration: 12/31/2019 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs): 2019 – One complaint authorized for a \$250 civil penalty for deceptive business practices.

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

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

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

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

Commission Decision: APPROVED

New Information: Respondent's business has shut down and the license expired on 12/31/2019. Respondent has cancelled the license after winding down the business.

New Recommendation: Close and flag.

New Commission Decision: Concur.

138. 2020003441 (ES)

Date Complaint Opened: 01/16/2020

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

New Information: After further review of the facts and deal file, it was found that an Odometer Disclosure form was not required for this transaction. The vehicle in question was more than 10 years old and falls under the exemption set out by the Department of Revenue. Complainant was made aware and acknowledged the true mileage was unknown before purchased. Complainant signed and initialed paperwork acknowledging the faulty gauge cluster had been repaired in order to provide full disclosure. Respondent did not engage in any false, fraudulent or deceptive business practices and there is no evidence of any violations. Counsel recommends closure.

New Recommendation: Close.

New Commission Decision: Concur.

139. 2018047641 (ES)

Date Complaint Opened: 07/18/2018

First Licensed: 03/19/2014

Expiration: 10/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): 2016 – \$1,000 civil penalty for incomplete temporary tag.

Complainant alleged Respondent accepted a wire transfer for the purchase of a car, but never delivered the vehicle or refunded the money. Respondent told Complainant the vehicle was stolen, but Respondent did not produce a police report or refund Complainant. An investigation was conducted. Respondent recanted the stolen vehicle story, and informed the investigator that his brother had taken it without permission and damaged it. Respondent stated he was trying to sell inventory to repay Complainant. Complainant reported the matter to the police. The detective investigating the matter acquired a sealed indictment against Respondent's owner for theft of property over \$10,000.

Recommendation: Place this matter in litigation monitoring in order to follow the criminal case. Likewise, a complaint shall be opened against the owner's individual license, and that matter shall also be placed in litigation monitoring.

Commission Decision: CONCUR

New Information: A criminal investigation revealed that Respondent dealership had nothing to do with the sale in question. The sale was completed online through the owner of the dealership's son. Counsel recommends closure.

New Recommendation: Close.

New Commission Decision: Concur.

140. 2019057631 (ES)
Date Complaint Opened: 06/27/2019
First Licensed: 04/09/2018
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

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

Commission Decision: CONCUR

New Information: Respondent dealership has closed and their license expired in March 2020. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

141. 2019044841 (ES)

Date Complaint Opened: 05/15/2019
First Licensed: 06/04/2018
Expiration: 05/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs): None.

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

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

Commission Decision: CONCUR

New Information: Respondent dealership has closed and their license expired in May 2020. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

142. 2018050241 (SBB)

Date Complaint Opened: 07/27/2018
First Licensed: 04/17/2018
Expiration: 03/31/2020
License Type: Motor Vehicle Dealer
History (5 yrs.): 2014 – Consent Order; 2015 – Consent Order; 2017 – Consent Order

Complainant states the Respondent is involved in unlicensed sales and provided photographs. The Respondent has previously been involved in the unlicensed sale of motor vehicles and appears to be selling motor vehicles again without a motor vehicle dealer license.

Recommendation: Authorize a formal hearing and settlement by consent order with a civil penalty in the amount of \$1,000.00 for unlicensed activity.

Commission Decision: CONCUR

New Information: The Respondent is currently licensed and became licensed in April 2018. The Respondent is not engaged in unlicensed activity.

New Recommendation: Close.

New Commission Decision: Concur.

143. 2018003401 (ES)

Date Complaint Opened: 01/16/2018
First Licensed: 9/29/2015
Expiration: 8/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): 2017 Consent Order

An annual inspection revealed that dealership had moved to a new location and had not advised the Motor Vehicle Commission office of the new location. There were eight (8) open titles at the new location.

Recommendation: Authorize a formal hearing with authority to settle by consent order with an assessed civil penalty in the amount of \$4,000 for possession of eight open titles (\$500/each open title).

Commission Decision: Authorize a formal hearing with authority to settle by consent order with an assessed civil penalty in the amount of \$4,000 for possession of eight open titles (\$500/each open title) and \$1,000 for failure to add the new location to the license for a total civil penalty of \$5,000.

New Information: A drive-by investigation was conducted in August 2020 determining that the Respondent has closed and there is no activity of vehicle sales.

New Recommendation: Close and flag.

New Commission Decision: Concur.

144. 2019032671 (ES)

Date Complaint Opened: 04/15/2019
First Licensed: 09/29/2015
Expiration: 08/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2016 – One complaint closed with consent order for false fraudulent and deceptive acts, failure to maintain temp tag log, possession of open titles, and failure to produce business records.

A Notice of Violation was issued to Respondent on 4/10/19 for having three open titles and for failure to produce business records. Specifically, during the annual inspection, the sign on the front of the building reads differently than the business license name and Respondent could not produce records of applying for an alleged name change. Respondent has failed to produce paperwork for the three sales transactions related to the open titles as promised.

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

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

Commission Decision: CONCUR

New Information: A drive-by investigation was conducted in August 2020 determining that the Respondent has closed and there is no activity of vehicle sales.

New Recommendation: Close and flag.

New Commission Decision: **Concur.**

145. 2019080771 (SH)

Date Complaint Opened: 09/27/2019

First Licensed: 09/29/2015

Expiration: 08/31/2021

License Type: Motor Vehicle Dealer

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

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

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

Commission Decision: CONCUR

New Information: A drive-by investigation was conducted in August 2020 determining that the Respondent has closed and there is no activity of vehicle sales.

New Recommendation: Close and flag.

New Commission Decision: **Concur.**

146. 2020011711 (ES)

Date Complaint Opened: 02/11/2020

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

New Information: Respondent's attorney responded to the proposed Consent Order and included a letter from Respondent to the Department dated 2/17/20. Somehow, the letter never made it to the legal division before this matter was presented to the Commission. In the letter, Respondent acknowledges receiving the Notice of Violation which had been issued to the dealership seven days prior. Respondent emphasizes that they are not appealing the NOV but are instead pleading for a reduction and/or waiver of the \$500 civil penalty. Respondent explains the employee who handles renewal of the business licenses was seriously ill (and has since passed away) and unable to work regularly for the past several months leading up to the inspection. Respondent notes they cured the violation on the same date of inspection as soon as the inspector made them aware. Respondent is a small business that is doing their best to provide goods and services in what they feel is a distressed country and notes \$500 is more than many working people can make in a week. Respondent asks for consideration to reduce the civil penalty to no more than \$100 or asks for waiver and would be very appreciative. Counsel recommends a Letter of Warning considering the fact Respondent has been licensed since 1991 (29 years) without issue.

New Recommendation: Letter of Warning for expired county and business licenses

New Commission Decision: **Concur.**

147. 2020012581 (ES)

Date Complaint Opened: 02/12/2020

First Licensed: 09/01/1991

Expiration: 11/30/2020

License Type: Motor Vehicle Dealer/Manufacturer

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

New Information: Counsel spoke with Respondent's attorney after they received the proposed Consent Order and it was determined that Respondent does not need to maintain an active county business license because they are "primarily" a manufacturer. The Notice of Violation was issued in error. A 2010 audit revealed Respondent to be a manufacturer and they obtained a manufacturer's license and maintained their dealer license to allow for some business as a dealer. Tenn. Code Ann. § 67-4-712(b) provides an exemption for entities whose business is primarily manufacturing. Counsel recommends closure.

New Recommendation: Close.

New Commission Decision: **Concur.**

148. 2019094651 (SH)

2019101461

2020002531

First Licensed: 05/27/2010

Expiration: 05/31/2020

License Type: Motor Vehicle Dealer

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

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

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

Commission Decision: APPROVED

New Information: Respondent's license has expired so there is no need to surrender.

New Recommendation: Close and flag.

New Commission Decision: Concur.

149. 2019021211 (SH)

Date Complaint Opened: 03/18/2019

First Licensed: 11/14/2016

Expiration: 10/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None.

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

An investigation was requested.

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

Commission Decision: CONCUR

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

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

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

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

New Commission Decision: APPROVED

New Information: A drive-by investigation was requested and it was determined that no dealership activity is being conducted on at the car wash lot. The office is not complete, no signs, no vehicles for sale, etc.

New Recommendation: Close and flag.

New Commission Decision: Concur.

150. 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.

New Information: Respondent's attorney contacted Counsel after Respondent received the proposed Consent Order for voluntary revocation of their dealer license. The attorney explained that Respondent desperately wanted to keep their license and would do anything necessary if it was possible. Counsel and Respondent's attorney worked out a proposal as an alternative to Respondent losing their dealer license which the Director of the program has approved. Additionally, Respondent has since cut all ties with Respondent 1. Respondent has also terminated the salesperson license of the manager who was responsible for the dealership's daily business. The proposal is as follows:

1) Respondent has already produced all records pertaining to the sales transaction occurring the period of October 1, 2019 through July 30, 2020 in order to make sure that the same are in good order and satisfactory condition to the Commission;

2) This matter would be held in abeyance for one (1) calendar year, and Respondent would be subject to a probationary period of one (1) calendar year, beginning on the date in which the Consent Order is signed, and Respondent will be permitted to conduct business in the usual course as a licensed dealer, subject to the following conditions:

a) Respondent would be subject to no less than quarterly inspection of their records by the Motor Vehicle Commission, and the Commission would be empowered to randomly timed records requests of activities for Respondent to insure record-keeping compliance, including inventory lists and records of sales transactions, with Respondent to produce these requested records to the Commission within three business days of the written request being received by Respondent;

b) Respondent immediately dismissed and banned the manager/salesperson who is responsible for violations and Respondent 1 from the premises and will take all steps to actively prevent these persons from coming onto the property for any purposes, without exception or limitation. These individuals are the persons that caused all of the issues for Respondent without their knowledge, direction or consent;

c) Respondent agrees to market and sell all motor vehicles through only licensed salespersons and only from their principal place of business and through marketing platforms associated with Respondent as a licensed motor vehicle dealer;

3) Assuming there are no further problems with Respondent during their probationary period, the Complaint filed against Respondent would be dismissed fully, without the imposition of any fine or other monetary penalty against them;

4) If there are further problems during the probationary period, Respondent agrees that this shall be proceed forward to a final adjudication hearing on the merits set forth in the Complaint presently pending.

New Recommendation: Authorize revised Consent Order to include terms proposed above

New Commission Decision: Authorize revised Consent Order to include terms proposed above. Also, flag salesman license.

151. 2019045861 (SH)

First Licensed: 07/01/1991

Expiration: 06/30/2021

License Type: Motor Vehicle Manufacturer/ Distributor

History (5 yrs): None.

Complainant is a franchise dealer and has alleged many violations concerning an incentive program instituted by Respondent, Complainant's distributor. There are six components that the dealer must comply in order to receive bonuses and surplus payments. Complainant alleges that Respondent has imposed requirements to this bonus program that are unreasonable, unfair, arbitrary, unattainable and inequitable due to the market of the regions where Complainant is located. Complainant alleges that the bonuses are not offered on the same terms as made available to other dealers participating in this program. Complainant alleges that Respondent is forcing it to accept inventory that was not ordered by Complainant and Respondent is selling its vehicles to unlicensed dealers therefore competing against its own franchise. Complainant further alleges that Respondent is attempting to impose a requirement that Complainant spend millions of dollars in order to comply and receive program discounts and surplus payments. This requirement will change the capital structure of Complainant and threatens the future existence of Complainant.

Respondent denies the allegations in its response and filed a motion to dismiss based on the Commission not having jurisdiction to hear and adjudicate Complainant's complaint. Respondent justifies this by stating the Licensure Act does not authorize the Commission to hear this type of complaint and only allows the Commission to revoke or suspend licenses. Respondent states that Complainant is seeking unspecified relief and has not requested any revocation or suspension of licenses. Further, Respondent states the statutes do not authorize Complainant to be a "plaintiff" in a contested case proceeding seeking remedies for any violations. The statutes do authorize dealers to file complaints to file complaints with the Commission, and authorize the Commission to conduct contested case hearings and grant relief, only with respect to specific provisions; 1) a dealer can challenge a manufacturer's plan to add an additional same-brand dealer in the relevant market area, and 2) a dealer can file a complaint alleging a notice of termination violates certain statutes. As such, the Respondent believes the Commission does not have authority to convene a contested case hearing instituted by a dealer as "plaintiff".

Recommendation: Due to the allegations raised and the voluminous information provided by both parties, it is recommended to place this matter in monitoring status to be further investigated and presented at a later date.

Commission Decision: Approved

New Information: Please see the overview of the allegations and responses above. Complainant, franchise dealer, has raised six allegations against Respondent, distributor/manufacturer.

The first allegation is a violation of TCA 55-17-114(c)(14). Complainant alleges Respondent does not provide the same incentives to Complainant that are under the Program to all Tennessee dealers of the same line-make. Complainant further alleges it is unable to achieve the highest levels of discounts based on Respondent's improper sales objectives, arbitrary market expectations, and unreasonable notion that Complainant is able to penetrate the local market as other same line-make dealers across the nation. Due to the unfair components, Complainant was placed in the lowest Tier and can never be placed in the highest Tier.

Respondent denies the allegations and states that the Complainant is responsible for marketing and selling in its area of responsibility ("AOR"), the market potential component is based on competitive group registrations in the AOR as a weighted percentage of national competitive group registrations and refers to a Manual for the formula for calculating the incentive level Tier. The sales objective is based on the individual market, which is calculated by taking into account the dealer's prior sales as a percentage of national sales and market potential. Further, Respondent believes the statute does not apply to its incentive program based on the language, "offered any refunds or other types of inducements to any person for the purchase of a new motor vehicle". According to Respondent, the program does not offer refunds or incentives to dealers "for the purchase" of a new motor vehicle. The program offers incentives to dealers for the retail sale of new vehicles. Moreover, Complainant has not offered any proof that Respondent does not apply the same criteria to all of its Tennessee dealers based on the Manual or that the requirements are more arbitrary to Complainant.

The second allegation and third allegation are violations of TCA 55-17-114(c)(17) and (19). Complainant alleges that Respondent is selling motor vehicles to unlicensed dealers in the relevant market area ("RMA") of Complainant therefore is competing against its franchised dealer. Complainant alleges vehicles are being sold to unlicensed rental car agencies affect Complainant's sales objectives. Respondent believes these allegations are meritless because just like all manufacturers and distributors that provide large quantities of vehicles to national rental car companies, Respondent enters into master contracts with rental car companies pursuant to which the rental car companies order large volumes of specific models and request delivery of those models to their various locations throughout the country. To comply with state licensing and franchise laws, the vehicles are ultimately sold through licensed, authorized dealers. Respondent contracted with a licensed California dealer and sold to the rental car agency corporation located in Missouri based on a master agreement; the only connection to Tennessee were the 6 vehicles out of 400+ delivered to Tennessee. Respondent states that the sales in this matter are not considered in establishing its national sales objectives therefore cannot affect Complainant. Research revealed that

the entities involved in these allegations were properly licensed as motor vehicle dealers however do not participate in selling the vehicles to the public. The vehicles are used for rental purposes only.

The fourth allegation is a violation of TCA 55-17-114(c)(5). Complainant alleges that Respondent is attempting to change the capital structure of Complainant by forcing it to spend millions of dollars to renovate its facility in order to receive Program Discounts and Surplus Payments. The expenditures required by Respondent will threaten the financial existence of Complainant. Complainant further alleges that Respondent does not require all franchisees to incur the same costs in order to participate in the programs and incentives. Respondent explains that the statute referring to the term “capital structure” means the distribution of debt and equity that makes up the finances of the company. The requirement in the agreements, signed by the Complainant, do not require it to adopt any particular distribution of debt or equity, or the implied costs of complying with its contractual obligations as implied by Complainant. Respondent continues to explain that the Complainant was not forced to agree to this requirement if it did not believe it could afford the costs. The requirement is only necessary of the Complainant, or any other franchisee, if it wanted to receive more incentives.

The fifth allegation sixth allegations are violations of TCA 55-17-114(c)(1) and (22). Complainant alleges Respondent coerced or attempted to coerce it to accept delivery of vehicles that were not voluntarily ordered by Complainant. Complainant also alleges Respondent threatened to not deliver certain vehicles that Complainant ordered. Complainant provided a statement saying Respondent called Complainant in July 2018 after it turned down all certain vehicle models due to excessive inventory and would not allow Complainant to purchase any of the popular models if it refused to accept less desirable vehicle models. Respondent denies any threats and submitted a statement that shows Complainant accepting 53% of the vehicles that it claims having denied all in that same conversation in July 2018. Respondent further claims that Complainant never stated that they felt coerced, never accepted any certain vehicle models that it did not voluntarily ordered, and that Respondent refused Complainant to purchase other certain vehicle models.

New Recommendation: Discuss.

New Commission Decision: **Defer to January 2021 meeting.**

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

ROLL CALL VOTE

Ian Leavy	YES
Charles West	YES
Kahren White	YES

Debbie Melton	YES
Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	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

2021 MEETING DATES

A motion was made by Commissioner Jackson to approve the Commission meeting dates for 2021, seconded by Commissioner Fox. Chairman Roberts called for a Roll Call Vote.

ROLL CALL VOTE

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

MOTION CARRIED.

CITATION SCHEDULE

Commissioner Lee made a motion to approve the new citation schedule, seconded by Commissioner Melton. Chairman Roberts called for a Roll Call Vote.

ROLL CALL VOTE

Charles West	YES
Kahren White	YES
Debbie Melton	YES
Christopher Lee	YES
John Barker	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
John Roberts	YES

MOTION CARRIED.

OLD BUSINESS

ADJOURN

Chairman Roberts called for a motion to adjourn.

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

ROLL CALL VOTE

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
