

MINUTES

July 11, 2023



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

**TENNESSEE
MOTOR VEHICLE COMMISSION MINUTES**

DATE: July 11, 2023

PLACE: Room 1-A, Davy Crockett Tower

PRESENT: Commission Members:

John Barker
Jim Galvin
Nate Jackson
Karl Kramer
Ian Leavy
Debbie Melton
Stan Norton
Hubert Owens
Farrar Vaughan
Charles West
John Roberts

ABSENT: Nelson Andrews
Tim Copenhaver
Sandra Elam
Victor Evans
Eleni Speaker
Clay Watson

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 was read into the record by Executive director, Denise Lawrence.

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

VOICE VOTE

John Barker	YES
Jim Galvin	YES
Nate Jackson	YES
Karl Kramer	YES
Ian Leavy	YES
Debbie Melton	YES
Stan Norton	YES
Hubert Owens	YES
Farrar Vaughan	YES
Charles West	YES
John Roberts	YES

MOTION CARRIED

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

VOICE VOTE

John Barker	YES
Jim Galvin	YES
Nate Jackson	YES
Karl Kramer	YES
Ian Leavy	YES
Debbie Melton	YES
Stan Norton	YES
Hubert Owens	YES
Farrar Vaughan	YES
Charles West	YES
John Roberts	YES

MOTION CARRIED

SALESPERSON/DEALER APPLICATIONS APPEALS

Brandon Toth, Sunrise Buick GMC at Wolfchase, Bartlett, TN

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

ROLL CALL VOTE

John Barker	YES
Jim Galvin	YES
Nate Jackson	YES
Karl Kramer	YES
Ian Leavy	YES
Debbie Melton	YES

Stan Norton	YES
Hubert Owens	YES
Farrar Vaughan	YES
Charles West	YES
John Roberts	YES

MOTION CARRIED – LICENSE GRANTED

Ryan Williams, Volunteer Auto Group, Lenoir City, 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 Galvin.

ROLL CALL VOTE

John Barker	YES
Jim Galvin	YES
Nate Jackson	YES
Karl Kramer	YES
Ian Leavy	YES
Debbie Melton	YES
Stan Norton	YES
Hubert Owens	YES
Farrar Vaughan	YES
Charles West	YES
John Roberts	YES

MOTION CARRIED – LICENSE GRANTED



Executive Director’s Report
July 11, 2023

Since the last Commission meeting in April 2023, the following activity has occurred:

	<u>Last Meeting</u>
<u>New Meeting</u>	
<u>Dealers Opened, or Relocated (Last Quarter)</u>	83
<u>Applications in Process</u>	30
	46
	19

Active Licensees as of June 29, 2023

Dealers	3402	3355
Auctions.....	30	30
Distributors/Manufacturers.....	145	148
Salespeople	16220	17353
Representatives.....	563	659
Dismantlers.....	222	219
RV Dealers	47	48
RV Manufacturers.....	86	92
Motor Vehicle Show Permits.....	4	1

Complaint Report- Opened Complaints from April - Present

Number of Complaints Opened.....	186
Number of Complaints Closed.....	270

Annual Sales Reports-(Due Feb 15): CURRENTLY ONGOING

Vehicles Reported Sold in 2022.....	Recreational
Vehicles Reported Sold in 2022.....	

Total Online Annual Sales Report Collected.....2721
Late Annual Sales Report Collected1341

Total revenue from Late Annual Sales Report collection:

\$134,100

Average Performance Metrics – April 2023 - Present

Average Number of Days to License... **1.3 days to license with clock-stoppers**

MVC Zendesk Customer Satisfaction Rating April 2023 – Present

Total Ticket Count.....**3,535**
Full Resolution in Business Hours.....**4.6**
Quarterly Satisfaction Rating..... **96%**

Disciplinary Action Report April 2023 – May 2023 (June N/A at Time of Reporting)

Total to be
collected.....**\$27,500**

Online Adoption Across All

Professions

- **92%** online adoption for New “1010” Applications across all Professions available as of June 29, 2023

Administrative News

Our team continues to surpass all objective metrics set by the Administration. I couldn't be more proud to work with this team

Outreach

We continue to look for ways to reach our customers specifically in those counties deemed distressed by the Administration.

We have been consumed with the rollout of the new outward facing CORE platform for our licensees. We began the official rollout on Monday, June 26th and have experienced

relatively few hiccups. Overall the public platform appears to be user friendly and our licensees have embraced it.

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

VOICE VOTE

John Barker	YES
Jim Galvin	YES
Nate Jackson	YES
Karl Kramer	YES
Ian Leavy	YES
Debbie Melton	YES
Stan Norton	YES
Hubert Owens	YES
Farrar Vaughan	YES
Charles West	YES
John Roberts	YES

MOTION CARRIED



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

MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

FROM: Erica Smith, Associate General Counsel
Taylor M. Hilton, Associate General Counsel

DATE: July 11, 2023

SUBJECT: MVC Legal Report

1. **2023006741 (ES)**
2023013531
Date Complaint Opened: 02/14/2023, 03/21/2023
First Licensed: 09/20/2007
Expiration: 08/31/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): 2019 – One complaint closed with \$5,000 civil penalty for engaging in false, fraudulent, or deceptive practice(s).

2023006741

Complainant alleges Respondent ran their credit without authorization. Complainant states they received letters from four lenders denying a loan to purchase a vehicle. Respondent did not respond to the complaint, so an investigation was conducted. Respondent states Complainant came into their dealership on 11/28/22 with a pre-approval letter from a bank. However, Respondent still must get an official approval for a loan to purchase a vehicle and the bank then denied the request for a loan. Complainant then left the dealership to go to the bank to see what was going on. Complainant returned a couple of hours later and was at the dealership for a few hours. Normally, when a customer gets denied, Respondent asks them if

they want Respondent to see if they can help them obtain a loan by trying to get approval from other lenders. Complainant wanted the assistance and gave Respondent all their information, so Respondent proceeded to get them approved with a different lender. Respondent acknowledges receiving the request to respond to this complaint and apologizes that they did not do so. There is no evidence of any violations as it relates to the interaction with Complainant, but Counsel recommends issuing a Letter of Warning for failure to respond.

Recommendation: Letter of Warning for failure to respond

Commission Decision: Concur.

2023013531

Complainant is a lienholder and alleges Respondent has filed a lien on their vehicle. Complainant provides no other detail, documentation, or information to support their allegations. Respondent explains that the vehicle's owner brought the vehicle into their service department on 9/23/22 because the check engine light was on and for an open recall. Respondent diagnosed the problem and called the owner, explaining the issues and cost of repairs. The owner hung up on Respondent several times, never picked up the vehicle, and after many unsuccessful attempts to contact them, Respondent sent a certified letter to the vehicle's owner and Complainant to try to get a response. This complaint is the first communication from the lienholder, which comes 7 months after the certified mail. Respondent rightfully filed a garage keeper's lien and feels they have done their due diligence by properly and lawfully making sure all parties were notified. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2. 2023011091 (ES)

Date Complaint Opened: 03/09/2023

First Licensed: 12/09/2021

Expiration: 12/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of Pennsylvania and purchased a used truck from Respondent. Complainant notes that the Facebook ad for the truck stated, "truck is very clean for its age, truck needs nothing and is ready to go, solid all around with no visible rust, rocker panels have been replaced, no check engine light or other maintenance lights." Respondent states they spoke to Complainant on the phone before the sale because they wanted it shipped to Pennsylvania. Respondent states they disclosed to Complainant everything they knew about the 2005 truck, including the fact that only the outer rocker panels had been replaced, not the inner panels. Respondent states they explained the truck was solid on the outside but needed some attention to the inner rocker panels and underside, to which Complainant allegedly stated they weren't worried about it because it was better than the trucks available in

Pennsylvania. Respondent sent 20+ photos and videos of the truck. Respondent states the ad was clear that the airbag light was on, and they thought the coolant light was on from the truck sitting at an angle during transportation. Respondent confirms the truck did not pass inspection in Pennsylvania and had the following issues: needed idler arm, pitman arm, inner and outer tie rods, obd codes for 4 glow plugs, cv axle boot needed replaced, airbag needed to be addressed, and the wheel offset was too much and stuck out past the fender. Respondent states that no other issues were mentioned after inspection and after going back and forth with Complainant, they showed Complainant where to purchase all of the parts needed and refunded them parts money to fix the issues. Three days later, Respondent got a text from Complainant stating there was a rust issue with the driver floor panel and cab mounts needed repair, along with the inner rocker panels (which were already disclosed as needing repair prior to purchase). Respondent stated they had not had the truck torn apart on the inside and did not know about these issues. Respondent offered to help fix the rust issues, but Complainant declined and wanted Respondent to purchase the truck back. Respondent states Complainant then made several Facebook posts bashing the business and had 12-15 people leave false negative Google reviews. Complainant then filed a false and fraudulent dispute with their credit card company for the \$1,000 deposit made. Respondent, at that point, decided it was not in their best interest to continue trying to move forward or communicate with Complainant. Respondent states the vehicle was sold as-is without warranty or any guarantee. Complainant signed the necessary paperwork acknowledging this and declined to personally inspect the truck before purchase. Respondent offered assistance as a gesture of goodwill and understands the Complainant's frustration, but notes this is a vehicle that is more than 20 years old with over 200,000 miles on it. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

3. 2023011651 (ES)

Date Complaint Opened: 03/10/2023

First Licensed: 08/27/2018

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 2/13/23 and alleges they have not received the title as of 3/10/23. Respondent notes that Complainant demanded the title within a few days of the purchase and they asked Complainant to allow for processing time since the title was a North Carolina title. The local clerk then notified Respondent there was a duplicate title issued and that title needed to be obtained. Respondent has since provided title and registration, all of which was done in a timely manner. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

4. 2023011681 (ES)

Date Complaint Opened: 03/11/2023

First Licensed: 06/27/2014

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

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

Complainant purchased a used vehicle from Respondent on 9/24/22 and alleges Respondent misrepresented the vehicle. Complainant alleges they told Respondent they needed a vehicle with AWD and was told they were purchasing a vehicle with AWD. Complainant states they had no issues until the “wet season”, when they began getting stuck in mud and sliding on wet roads. Complainant asked Respondent how to operate the AWD function and was informed the vehicle is FWD. Respondent has since met with Complainant and fully resolved the issue to Complainant’s satisfaction. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

5. 2023009691 (ES)

Date Complaint Opened: 03/02/2023

First Licensed: 04/30/2020

Expiration: 04/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges they purchased a used vehicle from Respondent on 1/15/23 by making a \$2,000 down payment and planned on returning two weeks later to pay the balance of \$350 and obtain the title. Complainant alleges Respondent has refused to take the remaining balance payment and will not communicate with them. An investigation was conducted. Complainant spoke with the investigator but did not follow up or provide any promised documentation or evidence to support the allegations. Respondent did cooperate and provided a statement of facts and a timeline of their efforts to communicate with Complainant. Respondent denies the allegations and was willing to accept the remaining balance and provide title to the vehicle. However, Complainant refused to sign the purchase agreement because the title was not a Tennessee title. Respondent alleges Complainant is attempting to obtain compensation for a vehicle that they have not paid for and refuses to continue to communicate with them. Respondent has even offered to waive the \$350 balance just to resolve this complaint but Complainant refuses to sign the Resolution Agreement to purchase the vehicle. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

6. 2023010421 (ES)

Date Complaint Opened: 03/05/2023

First Licensed: 03/26/2019
Expiration: 03/31/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges they have failed to make agreed-upon repairs and “have an incorrect contract” as it relates to the amount owed and monthly payments. Respondent has since met with the Complainant and these issues have been resolved. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

7. 2023010551 (ES)

Date Complaint Opened: 03/06/2023
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent is running an unlicensed and illegal car rebuilding dealership from their home. Complainant alleges Respondent is fixing vehicles, selling vehicles, not paying taxes and has 19 vehicles for sale. An investigation was conducted. The investigation did not reveal any evidence of Respondent selling more than 5 vehicles in the last 12 months or over a period of 12 months since Respondent moved to Tennessee from Ohio. However, it does appear that Respondent has a long-term affiliation with the automotive business in Ohio prior to moving here. Respondent met with the investigator and denied breaking any laws or engaging in unlicensed activity. Respondent states they do work on vehicles that are registered in their name (which was confirmed in the investigation) and explained their neighbor had been filing complaints against them with various state agencies. The neighbor is trying to build on land that is in a boundary dispute with Respondent. Counsel recommends issuing a Letter of Instruction explaining the law in Tennessee as it relates to selling vehicles and what requires a motor vehicle dealer license.

Recommendation: Letter of Instruction

Commission Decision: Concur.

8. 2023012121 (ES)

Date Complaint Opened: 03/14/2023
First Licensed: 05/29/2015
Expiration: 04/30/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 4/25/20 and makes the following allegations without documentation or evidence to support them: Respondent did not provide the tag and title until 4 months after purchase, Respondent did not pay the correct sales tax to the state compared to what was collected, Respondent registered the vehicle to the wrong name and address, Respondent incorrectly listed the mileage on the title, and Respondent attempted to repossess the vehicle. Respondent has since sued Complainant to obtain possession of the vehicle and for damages. Respondent's attorney states Complainant appeared in court after the lawsuit was filed and admitted they were behind on the car payments and would not be able to catch back up. Complainant had stopped making payments in September 2020 and agreed that Respondent could take possession of the vehicle and the Judge would make a decision on damages at a later date. Based on the documentation presented by Respondent and lack of any evidence from Complainant, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

9. 2023012351 (ES)

Date Complaint Opened: 03/15/2023

First Licensed: 03/03/2004

Expiration: 02/29/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they cosigned for the purchase of a used vehicle for their son back in August of 2021. Complainant claims Respondent has committed fraud because the lender allegedly had not received the title and they claimed they were unable to register it. An investigation was conducted which revealed the title had been received by the lender. The investigation also revealed registration for the vehicle had been applied for on 10/7/21. Because the vehicle had been titled to a Living Trust prior to Respondent purchasing it and selling it to Complainant, the clerk needed the trustee signature to reassign the title. The clerk did issue a license plate for the vehicle and Respondent was not notified of any issue until Complainant contacted them in late January of this year. Because Respondent was not listed as the lienholder, they were not aware of the problems with the State needing to issue a new title in the customer's name and with the lienholder noted on the title. Respondent immediately contacted the State once they became aware there was a problem, but the State would not communicate with Respondent because they were not a lienholder or the owner of the vehicle. Respondent then asked the lienholder to contact the State and was informed they did not have all of the documents that Respondent had originally delivered when registration was applied for. Respondent then sent the documentation to the State again and the title was issued correctly. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

10. 2023012991 (ES)

Date Complaint Opened: 03/20/2023

First Licensed: 06/09/2010

Expiration: 05/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of New Jersey and states they purchased a vehicle from Respondent to be delivered. Complainant alleges Respondent put 35 miles on the vehicle after it was no longer owned by Respondent but prior to being delivered to Complainant. Complainant further alleges damage could have been done to the vehicle during this time. An investigation was conducted and revealed Respondent had only put 6 miles on the vehicle which they attribute to it being driven to and washed by the service department. Additionally, another customer test-drove the vehicle prior to Complainant deciding to purchase it but after the Complainant asked about the vehicle and its mileage. The documentation shows the vehicle had 16,183 miles at the time of purchase by Respondent from another dealer through an auction, and 16,189 miles when it was sold to Complainant. Respondent provided 18 pictures to Complainant of the exterior, interior, wheels and tires, back spoiler and rear bumper. Complainant also sent their cousin to inspect the vehicle in person, although Complainant did not allow the cousin to test-drive the car. Complainant was provided with the inspection report from the auction and had a separate inspection which were clean inspections. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

11. 2023014711 (ES)

Date Complaint Opened: 03/24/2023

First Licensed: 03/28/2018

Expiration: 03/31/2024 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with a letter of warning for late delivery of title.

Complainant is a credit union who alleges Respondent has failed to deliver title and registration for two separate vehicles for which they are the lienholder. It appears the owner of Respondent dealership purchased the two vehicles at issue and took out the loans in his name. An investigation was conducted. The investigator went to the dealership and states the doors were locked, there was no inventory and the business appeared to be shut down. Respondent owner spoke with the investigator by phone and told him they closed after experiencing serious financial problems. The floor planner has repossessed Respondent's vehicle inventory and suspended their credit account which made it impossible to stay in business. The dealership license has since been cancelled and closed in our system. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

12. 2023012901 (ES)

Date Complaint Opened: 03/19/2023

First Licensed: 03/28/2018

Expiration: 03/31/2024 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with a letter of warning for late delivery of title.

This is the same Respondent referred to in Complaint 2023014711 above. Complainant is a resident of Missouri who alleges Respondent has failed to provide registration and permanent title for a vehicle purchased on 12/14/22. Respondent states they are working on obtaining a duplicate title and the surety bond information was sent to Complainant. The dealership license has since been cancelled and closed in our system. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

13. 2023007031 (TH)

Date Complaint Opened: 02/16/2023

First Licensed: 02/08/2012

Expiration: 10/31/2023 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – One complaint closed with \$1,500 civil penalty for issuing temporary tags to salvage vehicles.

Complainant states they purchased a vehicle from Respondent in August 2019. Complainant states they are in the process of getting a duplicate title for the vehicle, however, they found there was a lien still showing from Respondent. Complainant states Respondent is no longer in business, so they cannot contact any one about the lien not being removed. Complainant was given Respondent's Surety Bond information.

Respondent failed to answer the complaint.

An investigation was conducted. On April 11, 2023, the investigator went to Respondent's last listed address. The investigator found Respondent was no longer operating at that location, and there was another non-related business open there. The investigator additionally, went to another location they believed to be previously associated with Respondent. At that secondary location, the investigator spoke with the office personnel who stated they were not associated with Respondent, and that Respondent had been closed for a few years. The investigator researched both businesses and found there was no connections. Additionally, Complainant informed the investigator their issues had been resolved. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

14. 2023012981 (TH)

Date Complaint Opened: 03/20/2023

First Licensed: 12/18/2019

Expiration: 11/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on January 17, 2023, for their child. Complainant states at the time of purchase, they were informed by Respondent that they should receive the title within two weeks. Complainant states, however, after two weeks the title was still not in. Complainant states they have tried to contact Respondent numerous times for an update but have not received a response.

Respondent states at the time of the sale, the title was supposed to be on its way from the auction. Respondent states they were unable to get in contact with the auction for an update on the title. Respondent states, as such, they offered Complainant and their child, a full refund on March 20, 2023. Respondent states, however, Complainant declined the refund. Respondent states, nevertheless, they have since received the title to the vehicle and have informed Complainant that it is ready for pickup. Respondent states Complainant informed them they are now satisfied. There is no evidence Respondent issued more than the legally allotted number of temporary tags. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

15. 2023014371 (TH)

Date Complaint Opened: 03/23/2023

First Licensed: 03/31/2017

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$500 civil penalty for unlicensed activity.

An annual inspection was conducted at Respondent's location on March 3, 2023. At that time a Notice of Violation was issued after Respondent was unable to produce their current Tennessee Dealers License. The inspector checked Respondent's license on VerifyTN and saw the license expired on February 28, 2023. The inspector also observed Respondent's Memphis/Shelby County Business Tax License expired on May 15, 2022.

An investigation was conducted. On March 28, 2023, the investigator confirmed Respondent's license was March 28, 2023, that Respondent's license was still in expired grace status. On March

29, 2023, the investigator went to Respondent's location, and observed them to be operating despite their expired license. Respondent informed the investigator they are mainly a mechanic shop, but they do also sell some vehicles. Respondent acknowledged their license was expired, and denied selling any vehicles since the inspection was conducted. Respondent explained since the inspection they have only been operating as a mechanic shop until they can get their dealer's license current/active. Respondent explained to the investigator their CPA was supposed to have handled the matter of renewing their license, and had told them they were up-to-date and were just waiting for the physical copies of the updated license to come in. Respondent stated to the investigator, as such, they had believed they were up-to-date until the inspection.

Respondent has since updated their Tennessee Dealers License as of April 4, 2023, with an expiration date of February 28, 2025. Additionally, Respondent showed the investigator a copy of their renewed their County Business License. Based on Respondent's history, Counsel recommends assessing a \$1,000.00 Civil Penalty for a second incident of unlicensed activity.

Recommendation: Assessing a \$1,000.00 Civil Penalty for Respondent's second incident of unlicensed activity.

Commission Decision: Concur.

16. 2023011801 (ES)

Date Complaint Opened: 03/13/2023

First Licensed: 01/27/2020

Expiration: 01/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – complaint closed with \$750 civil penalty for advertising violation; 2021 – complaint closed with \$10,000 civil penalty for advertising violations and requiring Respondent to appear before Commission

Complainant purchased a vehicle from Respondent and alleges Respondent did not abide by the agreement reached during their negotiations. Complainant wishes to return the vehicle. Complainant alleges the price of the vehicle was \$41,500 but the statement from the credit union showed financing for \$59,136.76. Complainant further alleges Respondent never provided them with any paperwork other than the temporary registration. Complainant also listed terms and features that were allegedly discussed but not provided. An investigation was conducted. The deal file shows the purchase included a vehicle price of \$45,999 plus tax, and over \$10,000 in services, allowable fees and add-ons, which the Complainant agreed to purchase when he signed the contract. Respondent states the price of \$41,500 was the amount left after considering the down payment made by Complainant. Respondent states they did nothing wrong during this transaction and disclosed everything during the sale. Respondent defends their dealership, employees, and their standing with the credit union used to finance the deal. Respondent states that certain services can be removed which will lower the price, and they would be happy to review the documents with Complainant again. One of the items allegedly promised to Complainant is a hitch, which Respondent has offered to install for the internal dealer price. Complainant is unwilling to settle this matter or discuss any other options with Respondent to lower the price other than to return the vehicle. Respondent admits they signed the documents presented by Respondent but allege they were tricked into signing them, and they did not understand the additional products and services they were buying. Complainant alleges they never received a hard copy of the sale documents, although they were provided in digital form with the owner's manual. The only violation revealed throughout the investigation was that the Respondent failed to check the "demo" box on the Bill of Sale despite the fact the vehicle had 3,457 miles on it when sold. The investigator notes that the General Manager told them that the vehicle had been driven by a manager and referred to it as a demo vehicle. The investigator further states that Complainant was unable to support their many allegations with documentation. Counsel recommends issuing a \$500 civil penalty for selling a vehicle operated for demonstration purposes as a new vehicle in violation of TCA § 55-17-114(b)(1)(B).

Recommendation: Authorize a \$500 civil penalty for selling a demo vehicle as new

Commission Decision: Issue a Letter of Instruction.

17. 2023005091 (TH)

Date Complaint Opened: 02/07/2023

First Licensed: 11/13/2015

Expiration: 10/31/2015

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$500 agreed citation for unlicensed activity. 2022 – One complaint issued a \$500 civil penalty for engaging in false, fraudulent, or deceptive practice(s) and a letter of warning issued for failure to respond to the Commission's request for a response to a complaint.

Complainant is the lienholder for the vehicle in question. Complainant states they have not been able to get the title for their customer's vehicle that was purchased from Respondent in December 2021. Complainant states when they call the number for Respondent it goes straight to voicemail, and that Respondent has not gotten back to them or the purchaser of the car. Complainant states

they need to get their customers TN title, so they can apply for an IL title for the consumer. Complainant states this has been ongoing since December 15, 2021, and the dealer has been unresponsive and not forthcoming.

Respondent failed to answer the complaint.

An investigation was conducted. Initially, the investigator conducted research in CORE and saw Respondent was placed in an administratively closed status. Complainant informed the investigator they filed a claim with Respondent's Surety Bond company for failing to receive the title, and was reimbursed for the loan amount on March 21, 2023. Complainant informed the investigator since receiving the payoff their concerns have been successfully resolved.

On April 21, 2023, the investigator visited Respondent's formerly licensed location to check the status of their operations. Upon arrival to the address, the investigator found the location to be in apparent abandoned state. The investigator noted there was no notable activity present in and/or around the office area or their display lot. As such, Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

18. 2023012231 (TH)

Date Complaint Opened: 03/15/2023

First Licensed: 10/08/2014

Expiration: 11/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

An inspection was conducted at Respondent's location on March 13, 2023. Respondent was issued a Notice of Violation for issues four (4) Temporary Tags on same vehicle in violation of T.C.A. 55-17-114(b)(1)(N).

Counsel recommends Commission authorizing assessing a \$1,000.00 civil penalty for Respondent's first instance of issuing more temporary tags than legally allotted.

Recommendation: Authorize assessing a \$1,000.00 civil penalty for Respondent's first instance of issuing more temporary tags than legally allotted.

Commission Decision: Concur.

19. 2023010001 (TH)

Date Complaint Opened: 03/02/2023

First Licensed: 11/04/2003

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges despite Respondent being a licensed Tennessee Auto Dealer, they are selling vehicles offsite at their own private property. An inspection was conducted. The inspector spoke with Respondent who explained they closed down their car lot, and were no longer selling vehicles there. Respondent stated they had three vehicles they were attempting to sell off, and that is why they were listed for sale at their house. The inspector explained to Respondent that since their Dealership License was still active until October 31, 2023, that it is considered off site sales to sell or advertise for sale any unregistered vehicle that were purchased through their lot. Accordingly, Respondent agreed to surrender their Dealer's License. Respondent's license has since been closed. As such, Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

20. 2023007901 (TH)

Date Complaint Opened: 02/22/2023

First Licensed: 11/16/2018

Expiration: 10/31/2022 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle on March 30, 2020, from Respondent. Complainant states they have been making payments and have requested documentation regarding their balance owed multiple times. Complainant states they have made all of the required payments based off of the last piece of correspondence they received from Respondent. Complainant states they have no way to obtain their title. Complainant states they have called, emailed, texted, and visited Respondent's office in person without any response, and believe the business is now closed.

Respondent did not answer the complaint.

An investigation was conducted. The investigator confirmed Respondent was closed and no longer operating. The investigator did not observe any vehicles in the parking lot for sale or any signs of the business being open. Additionally, Complainant informed the investigator they were able to get their title from the state since Respondent's owner had passed away and that is why they were closed. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

21. 2023007951 (TH)

Date Complaint Opened: 02/22/2023

First Licensed: 03/30/2016

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states Respondent grossly misrepresented the vehicle sold to Complainant. Complainant states they understand the Commission does not resolve monetary disputes but that they believe Respondent is in violation of Commission regulations. Respondent failed to answer the complaint. An investigation was conducted. Respondent apologized for their failure to respond to the complaint. Respondent states in their sworn statement, that this was a “regular” sale and nothing out of the ordinary happened. Respondent states Complainant was offered the opportunity to have the vehicle inspected beforehand, and was offered an extended warranty for the vehicle. Respondent states, however, Complainant purchased the vehicle “As-Is.” Respondent provided the documentation signed by Complainant for the “As-Is” purchase. Respondent denies the allegations in the complaint, and there was no evidence of violation on behalf of Respondent found in the investigation. However, due to Respondent’s failure to answer the complaint, Counsel recommends the Commission authorizing issuing a Letter of Warning.

Recommendation: Authorize a Letter of Warning for Respondent’s failure to answer the complaint.

Commission Decision: Concur.

22. 2023008121 (TH)

Date Complaint Opened: 03/23/2023

First Licensed: 06/05/2014

Expiration: 04/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they worked for Respondent from December 2022 to January 2023. Complainant alleges Respondent is taking advantage of thousands of uniformed consumers every year. Complainant states they witnessed Respondent’s Sales and Finance staff on nearly every financed purchase packing monthly payments with additional products such as Service Contracts, GAP Insurance, etc. without the consumer purchasing the vehicle being aware.

Respondent failed to answer the complaint. An investigation was conducted. Throughout the investigation, there was nothing found to suggest Respondent was using deceptive practices to try and manipulate customers into a higher payment or enrich themselves from adding products and services as mentioned in the complaint. Additionally, there was nothing found during the investigation showing Respondent failed to disclose any information from a sale. Complainant failed to comply with the investigator’s requirements, and did not provide the requested documentation or information. The investigator noted the lack of detailed information or documentation from Complainant made it difficult to verify their allegations, but that no confirmation of the allegations was found during the multiple checks of different deal files, products, services, online reviews, and online advertisements. The investigator notes, in fact the information they found provided a large amount of transparency, available to customers online and at the dealership. However, due to Respondent’s failure to answer the complaint, Counsel recommends the Commission authorizing issuing a Letter of Warning.

Recommendation: Authorize a Letter of Warning for Respondent’s failure to answer the complaint.

Commission Decision: Concur.

23. 2023008341 (TH)

Date Complaint Opened: 02/24/2023

First Licensed: 09/01/1991

Expiration: 05/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on September 26, 2022. Complainant alleges the vehicle had numerous issues after purchase, and that Respondent was failing to address these issues.

Respondent states on September 26, 2022, they sold Complainant the vehicle in question. Respondent states the vehicle was in good working condition at the time of sale. Respondent states once Complainant reached out after their purchase with complaints, Respondent scheduled a time for them to bring in the vehicle. Respondent states once they looked at the vehicle, and diagnosed the issues, they had to order the parts for the repair. Respondent states this delayed the repair as the parts were on back order, and assert it was out of their hands. Respondent states they apologize for Complainant's delay, and do their best to take care of their customers.

There does not appear to be any violations on behalf of Respondent and, as such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

24. 2023012001 (TH)

Date Complaint Opened: 03/14/2023

First Licensed: 02/03/2023

Expiration: 01/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent, and have since experienced multiple mechanical issues with the vehicle. Complainant alleges despite their repeated attempts to have the issues resolved Respondent has not taken any effective action to address the issues. Complainant states they are filing their complaint due to Respondent's failure to provide a solution to their issues.

Respondent states all repair issues have since been resolved, and Complainant is satisfied. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

25. 2023005721 (TH)

Date Complaint Opened: 02/09/2023

First Licensed: 11/04/2020

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$3,000 civil penalty for issuing more temporary tags than allowed.

Complainant states they contacted Respondent about a vehicle they were interested in purchasing. Complainant states they spoke with a salesman in the used car department, who emailed them on January 20, 2023, showing a vehicle with a clean CarFax report. Complainant states they made a deal with Respondent, to purchase the vehicle and drove down from where they were live in Georgia. Complainant states Respondent later confirmed the truck had been in an accident. Complainant states the dealer did not voluntarily disclose the damage and showed no accidents on the Carfax report. Complainant states once they learned this information they turned around and headed home, and feel that they were deceived by Respondent.

Respondent failed to answer the complaint.

An investigation was conducted. During the investigation Respondent stated they were surprised to hear of the complaint as they did not receive the notices sent. When shown where the complaint was initially sent Respondent explained it was addressed to a former general manager who was no longer with the dealership. Respondent advised most of their inventory have a CarFax report available as a courtesy to the consumer, but expressed they were unaware of why the one Complainant received would not be showing the cars accurate history. Additionally, Respondent explained when investigating this complaint, they did not find Complainant's name in their system, or any record of Complainant. Respondent explained if Complainant had not actually placed a deposit down on the vehicle to hold it, they would not have any paperwork on them. Respondent denies any intentional dishonest dealings on their behalf pertaining to this matter. Supporting documents to potentially substantiate the consumer's claims primarily consists of personal accounts and statement detailing the events which transpired in this matter, as they did not have any records of their conversations with Respondent. Counsel recommends the Commission authorize issuing a Letter of Warning reminding Respondent of their duties under 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive acts), as well as for their failure to answer the complaint.

Recommendation: Authorize issuing a Letter of Warning reminding Respondent of their duties under 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive acts), as well as for their failure to answer the complaint.

Commission Decision: Concur.

26. 2023008261 (TH)

Date Complaint Opened: 02/24/2023

First Licensed: 12/18/2019
Expiration: 09/30/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent sold them a damaged vehicle. After owning the vehicle for a period of time Complainant reports taking the vehicle to another dealership in hopes of trading it in and to purchase a more reliable vehicle. Complainant states it was at this point they were told the vehicle potentially had a branded title. The consumer denies having been told anything about potential branding when they purchased the vehicle in February 2019. Complainant explained they outsourced their finance to a company, and contacted them about the title being potentially branded. However, Complainant alleges a representative of the finance company had told them the vehicle had a clean title.

Respondent states they were owned by a different company at the point of the sale to Complainant and do not have any paperwork pertaining to the sale.

An investigation was conducted. Respondent reiterated to the investigator they bought the dealership approximately 10 months after Complainant's transaction. Accordingly, Respondent states they do not have any sales records for transaction that transpired under the former ownership. Our Records indicate the ownership of Respondent's dealership changed hands approximately ten (10) months after the transaction occurred with Complainant. Additionally, the investigator notes Complainant failed to forward the supporting documents evidencing their purchase, and also failed to commit to a time to meet with the investigator to provide a statement. The investigator notes they spoke with Complainant on two separate occasions and emphasized the importance of obtaining their statement and the sales contract, but Complainant still failed to provide the requested information. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

27. 2023008241 (TH)
Date Complaint Opened: 02/24/2023
First Licensed: 07/06/2022
Expiration: 06/30/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased two vehicles from Respondent. Complainant states after the purchases, both vehicles began to have problems. Complainant states they contacted Respondent in attempt to get them to fix the issues. Complainant states Respondent sent them a \$500.00 check as a good will gesture and for the inconvenience of one of the vehicles needing new tires after purchase. Complainant states, while they did purchase the vehicles "As-Is," they believe Respondent sending the check "implied" there was a warranty, and that Respondent was "accepting responsibility of the As-Is sale."

Respondent states vehicle inspections were completed on both vehicles before they were sold to Complainant. Respondent states, additionally Complainant test-drove both vehicles before making their purchase, and had the opportunity to get each vehicle looked at by at outside service

facility if they chose. Respondent provided signed “As-Is” signed paperwork. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

28. 2023007841 (TH)

Date Complaint Opened: 02/22/2023

First Licensed: 04/12/2016

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – Two complaints closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s). One complaint closed with \$1,000 civil penalty for issuing more temporary tags than allowed.

Complainant alleges Respondent is refusing to release a copy of the title they signed back over to Respondent. Complainant states the vehicle in question was returned to Respondent on April 4, 2022, due to mechanical failure. Respondent states they sent all required documents to Complainant. Complainant states, however, Respondent is referring to another customer in their response and documentation and not them. Complainant states they have not been able to get their title from Respondent.

An investigation was conducted. Complainant explained they paid around \$500.00 for taxes and title to the State of Virginia, but the vehicle failed the inspection, and they were unable to get tags for the vehicle. Complainant was requested to provide a copy of the Virginia title with their name on it that they returned to Respondent in order to get a refund for of the \$500.00. The investigator notes Respondent was confused about which title copy Complainant was seeking. Respondent was able to obtain a copy of the desired title, and it was provided to the Complainant. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

29. 2023007071 (TH)

Date Complaint Opened: 02/16/2023

First Licensed: 07/23/2021

Expiration: 07/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is alleging Respondent failed to apply and receive a rebuilt title of the vehicle in question prior to selling it to them. Complainant states they are unable to have their insurance company pay off the vehicle after getting into an accident which totaled the vehicle until the title is applied for.

Respondent states they had applied for a title and all required steps had been taken prior to the sale. Respondent states they were just needing a video showing there was no air bag or repair lights on in the vehicle, which they were waiting on from Complainant.

An investigation was conducted. Complainant failed to participate in the investigation. However, based on the information provided to the investigator by Respondent, the vehicle was sold before a rebuilt title was issued. Respondent provided correspondence from the Department of Revenue stating they were unable to complete the application, which was dated December 19, 2022, which was after the sale of the vehicle to Complainant. Respondent also provided a temporary tag for the vehicle which had a salvage title at the time of the sale. As such, Counsel recommends the Commission authorize assessing a \$2,500.00 civil penalty.

Recommendation: Authorize assessing a \$2,500.00 civil penalty for Respondent's sale of Salvaged Vehicles before the Rebuilt Title was issued.

Commission Decision: Concur.

30. 2023006561 (TH)

Date Complaint Opened: 02/14/2023

First Licensed: 12/05/2003

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent acted fraudulently in their dealings with them, and failed to refund them despite promising a refund. Complainant additionally alleges Respondent fraudulently ran their credit.

Respondent denies Complainant's allegations. Respondent states they did not act fraudulently in their dealings with Complainant.

An investigation was initiated. However, Complainant informed the investigator they no longer wished to pursue their complaint any further. Complainant explained all their issues with Respondent had been resolved. Additionally, there was no evidence of any violations on behalf of Respondent. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

31. 2023008991 (TH)

Date Complaint Opened: 02/28/2023

First Licensed: 08/19/2013

Expiration: 06/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states when they received their title for the vehicle they purchased from Respondent, they learned the vehicle had been rebuilt. Complainant states at the time of purchase they were never informed of the vehicle having a rebuilt title, and were never given a Disclosure of Rebuild or Salvage Vehicle form to sign. Complainant states, they were actually informed the vehicle had a clean title at the time of sale. Complainant states had they known the vehicle had a rebuilt title they would not have purchased the vehicle.

Respondent states they did not inform Complainant of the vehicle having a rebuilt title, because they do not believe that has to be disclosed. Respondent states they have never heard of or seen the Disclosure form for a rebuilt title, and that they called their local county clerk's office to inquire about the form. Respondent alleges the clerk's office expressed they did not know about a form that is supposed to be presented with a rebuilt title. Respondent states they have been in business many years, and pride themselves on operating in the right way. Respondent states Complainant is happy with how the vehicle runs, but are only upset because of the re-sale price they were offered by Carmax. Respondent additionally states they had Complainant sign the required "As-Is" paperwork.

Counsel recommends the Commission authorize assessing a \$500.00 Civil Penalty for Respondent's failure to disclose the vehicles rebuilt title.

Recommendation: Authorize assessing a \$500.00 Civil Penalty for Respondent's Failure to Disclose the Vehicles Rebuilt Title.

Commission Decision: Authorize assessing a \$500.00 Civil Penalty for Respondent's Failure to Disclose the Vehicles Rebuilt Title and refer to County Clerk's Office.

32. 2023006121 (TH)

Date Complaint Opened: 02/10/2023

First Licensed: 03/05/2007

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$1,000 civil penalty for advertising violation.

Complainant alleges Respondent pressured them into purchasing a vehicle. Complainant states they had told Respondent numerous times they were not wanting to purchase a vehicle, but that Respondent had the keys to their vehicle they were hoping to trade in, and so they were unable to leave. Complainant alleges they felt they had no choice but to purchase an SUV from Respondent. Complainant alleges they do not like the SUV, and that it had multiple scratches. Complainant states they told Respondent at the time they were unable to afford the car payment, but Respondent pressured them into the purchase.

Respondent states Complainant was fully informed of what their monthly payments would be before purchase. Respondent denies anyone bullying Complainant into purchasing a vehicle. Respondent states they believe Complainant now just has buyer's remorse, and are regretting their decision. Respondent asserts they do their best to make every customer happy, and do not use "bullying" tactics.

There does not appear to be evidence of any violation on behalf of Respondent, as such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

33. 2023005311 (TH)

Date Complaint Opened: 02/08/2023

First Licensed: 09/11/2012

Expiration: 08/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – One complaint closed with letter of warning for odometer tampering.

Complainant states after purchasing a car from Respondent they pulled a report on the vehicle, and observed the mileage to be different than what they were told at purchase. Respondent states they at the time of purchase in March 2022 the vehicle showed to have 200,000 miles on the odometer. Complainant states, however, when they pulled a report on the vehicle it showed the vehicle had 206,000 miles on it as of March 2022. Complainant alleges, as such, that Respondent must have set back the odometer on the vehicle. Complainant also alleges Respondent did not disclose the vehicle had a rebuilt title.

Respondent denies all allegations. Respondent provided copies of the Odometer Discrepancy Disclosure, the Disclosure of Rebuilt or Salvage vehicle, and the “As-Is” disclosure, all signed by Complainant. Accordingly, there does not appear to be any violations on behalf of Respondent under the Commission’s regulations, and Counsel recommends closure of this complaint. Additionally, Counsel recommends referring the matter to CID who are responsible for investigating odometer tampering.

Recommendation: Close, and refer to CID.

Commission Decision: Close.

34. 2023004721 (TH)

Date Complaint Opened: 02/03/2023

First Licensed: 10/10/2000

Expiration: 06/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states their vehicle was towed to Respondent on December 16, 2022, due to a failed transmission and alternator. Complainant states as of, February 3, 2023, they still have not received their vehicle from Respondent. Complainant alleges all repairs are covered under warranty. Complainant alleges Respondent is failing to properly communicate with them, and failing to execute basic customer service practices which is causing unreasonable delays.

Respondent denies Complainant's allegations. Respondent states, additionally, that the vehicle has since been picked up by Complainant. Respondent explains Complainant was very happy with the repairs when they picked up the vehicle. Complainant confirmed they have since picked up their vehicle, and are grateful the repairs are completed.

There do not appear to be any violations on behalf of Respondent, as such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

35. 2023004301 (TH)

Date Complaint Opened: 02/01/2023

First Licensed: 05/25/2021

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent lied to them about the vehicle being previously damaged in an accident. Complainant states Respondent later admitted to them the vehicle should have never made it past inspection and onto the lot for sale. Complainant alleges Respondent now refuses to make repairs to the vehicle.

Respondent states Complainant purchased the vehicle as "as-is", which is why they won't make any repairs.

An investigation was conducted. Complainant believes they were deceived about pre-known issues with the vehicle which were not disclosed. However, the Investigator found no evidence to support this claim. Respondent states they did not know about any damage. The Investigator states there is nothing found in the Deal File, or with the previous title to show the vehicle was ever salvaged or rebuilt. No conflicts were found during the investigation with the sales documents provided by Respondent or those provided by Complainant. Based on the investigation Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

36. 2023017101 (TH)

Date Complaint Opened: 04/05/2023

First Licensed: 06/23/2004

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges their relationship with Respondent has been a case of “bait and switch,” Complainant states Respondent has received their money, but they have not received any service and/ or purchase from Respondent.

Respondent failed to answer the complaint.

An investigation was conducted. When the investigator asked Respondent about the maintenance plan sold to Complainant, they stated when Complainant came in for service, Respondent did not have the needed parts and suggested Complainant go to any certified repair center. Complainant informed the investigator that they telephoned their maintenance plan company and had their maintenance plan cancelled. Complainant states they received approximately \$1,200.00 back. Respondent provided a copy of the Bill of Sale showing \$1,426.75 for the Service Contract.

While there do not appear to be any violations on behalf of Respondent within the complaint, Respondent did fail to respond to the Commission. As such, Counsel recommends closing this complaint with a Letter of Warning for their failure to respond.

Recommendation: Authorizing issuing a Letter of Warning for Respondent’s Failure to Respond.

Commission Decision: Concur.

37. 2023008771 (TH)

2023009871

2023011291

2023011521

2023018381

2023020661

Date Complaint Opened: February 2023 – Present

First Licensed: 01/18/2022

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

These complaints against Respondent allege failure to provide title and registration information, as well as failure to pay-off a trade-in loan. However, an investigation was conducted, and it was found Respondent is no longer open and operating. The investigator observed a title company to now be open in Respondent’s previous location. As such, Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

38. 2023009571 (ES)

Date Complaint Opened: 03/01/2023

First Licensed: 02/06/2008

Expiration: 12/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 - One complaint closed with a letter of warning for late delivery of title.

Complainant alleges Respondent failed to sell vehicle at advertised price. An investigation was conducted because Respondent did not respond to this complaint. Respondent told the investigator they did respond but we have no record of that. Complainant and Respondent advised the investigator that this issue was resolved and there was no reason to pursue this further. Counsel recommends issuing a Letter of Warning for failure to respond.

Recommendation: Letter of Warning for failure to respond

Commission Decision: Concur.

39. 2022050151 (TH)

Date Complaint Opened: 12/06/2022

First Licensed: 09/01/1991

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent did not seek approval from them prior to making a repair on their vehicle. Complainant states, rather, Respondent only notified Complainant of the cost of repair after the repair was finished. Complainant states when they left their vehicle at Respondent's dealership, they were expecting to receive a \$100.00 repair bill, but instead received a \$342.77 bill at the time of pickup.

Respondent states Complainant was informed during the drop off process that if the Extended Warranty did not end up covering the repairs needed, then Complainant would be charged the standard diagnosis fee as well as the cost of repair. Respondent states this disclosure is standard practice, due to the very issues alleged in the complaint. Respondent states the Extended Warranty did not cover the repairs and, as such, Complainant was billed. Respondent denies any deliberate or intentional misconduct on their behalf in relation to this matter.

Counsel recommends closure .

Recommendation: Close.

Commission Decision: Concur.

40. 2023003551 (TH)

Date Complaint Opened: 01/25/2023

First Licensed: 10/13/2015

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is alleging Respondent acted fraudulently when trading in their vehicle and selling them a new vehicle.

Respondent denies the allegations.

An investigation was conducted. However, throughout the investigation the investigator was unable to get in contact with Complainant. Respondent attempted to contact Complainant via multiple different avenues, however, Complainant refused to answer or participate in the investigation. Additionally, when speaking with Respondent, the investigator did not observe any violations on behalf of Respondent. Respondent additionally provided the investigator with documentation advising the original copy of the title had been sent via FedEx with a tracking number. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

41. 2023005191 (ES)

Date Complaint Opened: 02/07/2023

First Licensed: 08/06/2001

Expiration: 07/31/2023

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. 2020 – One complaint closed with letter of warning for selling vehicles with known safety issues. 2021 – three complaints closed with letter of warning for late delivery of titles.

Complainant alleges Respondent failed to deliver title and registration after they purchased a vehicle in August of 2022. Respondent did not respond to this complaint so an investigation was conducted. The Complainant told the investigator that this matter has been resolved after Respondent took the vehicle back, and they put Complainant in a different vehicle with title and registration. Complainant told the investigator they did not want to pursue this matter. Counsel recommends issuing a Letter of Warning for failure to respond.

Recommendation: Letter of Warning for failure to respond

Commission Decision: Concur.

42. 2023014631 (ES)

Date Complaint Opened: 03/24/2023

First Licensed: 08/06/2001

Expiration: 07/31/2023

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. 2020 – One complaint closed with letter of warning for selling vehicles with known safety issues. 2021 – three complaints closed with letter of warning for late delivery of titles.

Complainant is a resident of Mississippi who purchased a used vehicle from Respondent on 10/29/22 and alleges the check engine light came on two days after the purchase. Complainant alleges there was a sensor misfiring and an oil leak, and the vehicle completely broke down on

2/1/23. Complainant alleges they were informed the vehicle needed a new motor after having it for two and a half months. Complainant states the motor was replaced under a warranty but they allege there are still issues with the vehicle. Complainant states they have been in constant contact with Respondent since the vehicle was purchased about the mechanical issues with this vehicle. Respondent states they have only had two interactions with this vehicle – a sublet repair for a windshield replacement and a complaint about the steering being hard to turn, cruise control being inoperative and the check engine light being on. Respondent states there was no work performed on the vehicle after those complaints because the Complainant could not drop it off. Respondent notes that Complainant did purchase an extended warranty that would have covered engine repair with a \$200 deductible. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

43. 2023004411 (ES)

Date Complaint Opened: 02/01/2023

First Licensed: 08/16/2022

Expiration: 08/31/2024 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges fraudulent and unethical business practices by the Respondent. Respondent did not claim the mail correspondence from the Commission and did not respond, therefore an investigation was conducted. Complainant told the investigator they had moved out of Tennessee and never followed up with requested evidence or documentation to support the allegations. Respondent business has closed and their license has been cancelled. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

44. 2023004681 (ES)

Date Complaint Opened: 02/03/2023

First Licensed: 04/17/2014

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with letter of warning for late delivery of title.

Complainant has filed this complaint for a second time with additional information after the first complaint was closed with a Letter of Warning for mistakenly listing the vehicle as rebuilt on the Bill of Sale when the vehicle was not branded or rebuilt. Complainant provided so much documentation and made so many allegations that it was necessary to conduct an investigation to aid in narrowing down the issues for both Counsel and for Respondent. In summary, Complainant purchased a used 2008 vehicle with 90,646 miles from Respondent on 8/15/22 for \$8,777. Complainant purchased the vehicle as-is without warranty. Complainant listed 18 separate allegations related to mechanical and vehicle parts issues,

submitting a false title to the lender, lying on the buyer's contract, and an allegation Respondent contacted the lender without Complainant's permission. Respondent fully cooperated with this matter again and provided a very detailed response to each of the 18 allegations. Respondent states they did contact the lender in order to get a copy of the title once it was brought to their attention that they mistakenly listed the vehicle as rebuilt on the Bill of Sale. Respondent wanted to ensure they corrected the Bill of Sale and revised it to remove the note that the vehicle was rebuilt after confirming it was not by obtaining the copy of the title from the lender. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

45. 2023017631 (TH)

Date Complaint Opened: 04/09/2023

First Licensed: 03/06/2020

Expiration: 02/29/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they bought a vehicle from Respondent, and have not received their permanent tags. Complainant states their temporary tags are expired.

Respondent explains Complainant has since picked up their registration and the permanent plate has been received by Complainant. There does not appear to be any evidence of Respondent providing more than the legally allotted number of temporary tags to Complainant. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

46. 2023018351 (TH)

Date Complaint Opened: 04/12/2023

First Licensed: 05/01/2019

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$250 Agreed Citation for advertising violations.

Complainant alleges Respondent sold them a faulty vehicle and didn't disclose the vehicle had been in a wreck before and needed framework. Complainant alleges any paperwork disclosing the damage was put into the vehicles paperwork after the deal was already made. Complainant states two (2) months after purchase a tag had still not been applied for by Respondent. Complainant states after their temporary tags expired, they were told by Respondent to come and

sign the title and go to DMV. Complainant states Respondent is threatening to repossess their vehicle.

Respondent states this complaint was filed by the purchaser's mother, and not the actual vehicle owner. Respondent states the required Rebuilt Disclosure paperwork was signed by the purchaser at the time of the sale, and provided a copy. Additionally, Respondent states the Bill of Sale also stated the following "[t]his vehicle has been wrecked before and has frame damage and/or branded title." Respondent states they told the purchaser they would apply for the vehicle's hard plates but that the purchaser needed to come in and sign the title. Respondent states, however, the purchaser failed to come in and sign the title, so they were unable to apply for the permanent plate.

Additionally, an investigator spoke with the actual purchaser of the vehicle who explained their mother was upset about them purchasing a vehicle with a branded title, and that is why the mother filed a complaint. When asked about any concerns over the vehicle having a rebuilt title, the purchaser advised they had signed all the paperwork affiliated with the deal on the day of their purchase and was not concerned with it. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

47. 2023018971 (TH)

Date Complaint Opened: 04/17/2023

First Licensed: 05/10/2019

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is alleging Respondent acted fraudulently when selling them a vehicle. Complainant also alleges Respondent fraudulently put another vehicle's tag on a secondary vehicle.

Respondent denies allegations of fraud.

An investigation was conducted. However, throughout the investigation the investigator was unable to get in contact with Complainant. Respondent attempted to contact Complainant via multiple different avenues, as well as going to their listed address, however, Complainant refused to answer or participate in the investigation. Additionally, when speaking with Respondent, the investigator did not observe any violations on behalf of Respondent. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

48. 2023012281 (ES)

Date Complaint Opened: 03/15/2023

First Licensed: 11/05/2010
Expiration: 11/30/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent has failed to provide a permanent title and registration for vehicle purchased on 04/09/2022. An investigation was conducted which revealed a detailed timeline beginning with Respondent's efforts to get the vehicle registered through their third-party vendor on 4/27/22. The vehicle was to be registered in Kansas and they rejected the application because they were missing a form which Respondent immediately sent to them on 9/13/22. Kansas rejected the application again on 11/1/22 because of an expired inspection and Respondent immediately attempted to reach Complainant to obtain a new inspection on the vehicle. Respondent states they provided Complainant with another temporary tag on 12/10/22 because the vehicle was out of state with the Complainant's husband and could not get an inspection until it returned to Kansas on 2/27/23. Respondent mailed the title to Complainant with the inspection letter needed to complete the required inspection and the title packet was re-submitted to Kansas on 3/7/23. Title was perfected on 3/14/23 and registration completed. The investigation revealed that Respondent issued 7 temporary tags to the vehicle. Counsel recommends issuing a \$2,500 civil penalty for issuing five more temporary tags than allowed by law.

Recommendation: Authorize a \$2,500 civil penalty for issuing five more temporary tags than allowed by law

Commission Decision: Concur.

49. 2023015751 (ES)
Date Complaint Opened: 03/29/2023
First Licensed: 05/27/2011
Expiration: 05/31/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 1/23/23 and alleges they did not receive the title 60 days after purchase. Respondent states the delay was entirely out of their control. Respondent paid the prior lienholder with a check dated 12/19/22 and that was cashed on 1/8/23. The lienholder failed to send the vehicle's title to Respondent after cashing that check. Respondent reached out to them multiple times and was told repeatedly that the lienholder was changing vendors that it used to store titles. Respondent received the title on 4/12/23 and immediately processed the registration for Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

50. 2023017151 (ES)
Date Complaint Opened: 04/05/2023

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

Complainant alleges Respondent is engaging in unlicensed activity but provided no documentation to substantiate the allegations. An investigation was conducted. The investigation revealed no evidence of any unlicensed activity and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

51. 2023017801 (ES)

Date Complaint Opened: 04/10/2023

First Licensed: 02/14/2022

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – One complaint closed with \$5,000 civil penalty for unlicensed activity.

Complainant purchased a used vehicle from Respondent and states they returned it in less than 24 hours after purchase. Complainant alleges Respondent initially refused to provide them with paperwork, refused to provide a refund of the full down payment of \$2,500, and ended up keeping the entire down payment once they vehicle was returned. Respondent states Complainant test drove the vehicle, purchased it and had all signed paperwork, then returned the following day with their mother and stated they didn't need a vehicle. Respondent notes there is no "cooling down period" in Tennessee and Complainant was returning the vehicle because they changed their mind, not because of mechanical issues. Respondent offered them a refund of \$1,000 because it needed to be detailed, restocked and remarketed. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

52. 2023012031 (ES)

Date Complaint Opened: 03/14/2023

First Licensed: 09/23/2020

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant listed their vehicle for sale on Facebook Marketplace and alleges Respondent's salesperson reached out to them to see if they wanted to bring it in to the dealership for a possible trade. Complainant states they made it clear they did not want a loan and would only do an even trade. Complainant alleges they brought it in, and they were informed the vehicle was unsuitable

to drive and there were no vehicles on the lot available to trade. Complainant then spoke with Respondent about their income and didn't believe they would be eligible for a loan; however, Respondent informed them they could qualify with a \$2,000 down payment. Complainant states they were there for hours, and they informed the salesperson they needed a snack because of a medical condition. Complainant alleges Respondent said that wasn't possible because they were almost done with the paperwork. Complainant alleges by the time they were done, they were very weak and did not understand what they were signing, and claim they were rushed through the paperwork. Complainant alleges their income was falsified and claims Respondent's salesperson admitted to "really dropping the ball on this one." Respondent's General Manager provided the response to this complaint and states they are aware of this matter, further explaining the salesperson who handled this transaction is no longer working there. Respondent denies the allegations of rushing Complainant through this sale, stating there is no way to do so considering there are 30-50 pages of documents to review before the purchase is complete. Respondent apologized for failing to respond to this matter within 14 days as requested. Counsel recommends issuing a Letter of Warning for failure to respond.

Recommendation: Letter of Warning for failure to respond

Commission Decision: Concur.

53. 2023012601 (ES)

Date Complaint Opened: 03/13/2023

First Licensed: 12/21/2020

Expiration: 10/31/2022 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – One complaint closed with \$500 civil penalty for unlicensed activity. 2021 – One complaint closed letter of warning for failure to timely deliver title and misleading advertisement, and one closed with \$3,000 civil penalty for unlicensed activity, failure to supervise employees/agents, failure to use salvage disclosure form, failure to close out title when selling a vehicle, and failure to produce business records. 2022 – Three complaints presented with recommendation of voluntary surrender of Respondent's license.

Complainant purchased a used vehicle from Respondent in 2021 and alleges they never received the title. The dealership has been closed for over a year and the surety bond information was sent to Complainant. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

54. 2023017401 (ES)

Date Complaint Opened: 04/05/2023

First Licensed: 11/01/2017

Expiration: 09/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of Michigan who purchased a used 2012 vehicle from Respondent on 3/10/23. Complainant alleges the vehicle was delivered to them without mats, spare tire or car jack, and further claims that Respondent is not returning communications. Respondent states Complainant arranged for another person to come to their lot and inspect the vehicle at issue and they never mentioned any problems with the alleged missing items. Respondent explains they sell used cars and it is not out of the ordinary for used cars to be missing items like the ones mentioned in the complaint. Complainant then reached out and stated the issues were resolved. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

55. 2023013511 (ES)

Date Complaint Opened: 03/21/2023

First Licensed: 08/31/2022

Expiration: 08/31/2024 – CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent did not inform consumers before closing and failed to deliver title and registration after purchase. Respondent's license has been cancelled and it has been confirmed the dealership is closed. The surety bond was sent to Complainant and Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

56. 2023014571 (ES)

2023021321

Date Complaint Opened: 03/23/2023, 05/02/2023

First Licensed: 04/12/2004

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$500 civil penalty for employing a salesperson with an expired license.

2023014571

Complainant states they purchased a used vehicle from Respondent with financing around May of 2022 and alleges they were told Respondent had not yet received the title. Complainant alleges the "DMV" told them that Respondent had received the title in July of last year. Respondent states there was an issue with the title which required some additional time to get the vehicle registered. Respondent has since provided Complainant with title and registration, explained the delay to Complainant numerous times, and forgave the balance owed (over \$1,800) for the inconvenience.

Throughout the delay, Respondent issued five more temporary tags than allowed by law. Counsel recommends issuing a \$2,500 civil penalty for this violation.

Recommendation: Authorize a \$2,500 civil penalty for issuing five more temporary tags than allowed by law

Commission Decision: Concur.

2023021321

Complainant purchased a used vehicle from Respondent on 10/24/22 and alleges they were unable to register it. Complainant alleges the local clerk told them there were “missing links” with the vehicle’s title. Complainant states they took documentation to Respondent and were told it would be resolved. Complainant alleges they have received three temporary tags and it has been 6 months since purchase, and Respondent has yet to resolve the issue. Respondent states the clerk rejected the title because they were not familiar with North Carolina titles. Respondent contacted the original dealer as well as the auction where they purchased the vehicle before selling it to Complainant, therefore they were not in control of how long it would take to get this resolved. Both parties reviewed the title and agreed the title was complete and nothing additional was needed. Respondent personally called Complainant and explained the situation and recommended they take it to a different clerk’s office and provided them with a contact at the auction in case they needed to speak with them. Respondent states the title has been available for pickup and Complainant has been aware of this, but they have not picked it up. Complainant states they want to return the vehicle and get a full refund. Counsel recommends a \$500 civil penalty for issuing one more temporary tag than allowed by law.

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

Commission Decision: Concur.

57. 2023018941 (TH)

Date Complaint Opened: 04/17/2023

First Licensed: 10/24/2019

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$4,500 civil penalty for issuing more temporary tags than allowed.

Complainant alleges Respondent has been giving them the run around about their title. Complainant states when they make their payments online it does not show as processed. Complainant alleges Respondent was “closed down by the feds” and that they threw away all titles and keys.

Respondent states Complainant’s account was sold to another company on September 5, 2022. Respondent states any payment history requests would have to be made to them. Respondent states they saw in the complaint, Complainant was inquiring about their title. Respondent states their vehicle was registered on September 22, 2022. Respondent denies Complainant would not be the one to receive the title since it would have been mailed to the lien holder unless they had

since paid the vehicle off. Respondent states, however, they are unaware of Complainant's payments made since the account was sold.

An investigation was conducted. The investigator went to Respondent's location and observed it to be closed and found a church to now be residing at that location. The investigator confirmed in CORE that Respondent's license was closed on October 20, 2022. The investigator was unable to get Complainant to comply with the investigation, and they failed to provide any of the requested documentation. The investigator did speak with the company who purchased Complainant's account, and they stated the vehicle had been registered and the reason Complainant does not have the title is because Complainant still owes a balance on the vehicle. The secondary company explained that they have been attempting to get a hold of Complainant to obtain their payments but have been unable to. The investigator notes this case is more of a financial company problem and not a complaint within the Commission's jurisdiction.

Based on the aforementioned information, Counsel recommends to closure.

Recommendation: Close.

Commission Decision: Concur.

58. 2023019151 (TH)

Date Complaint Opened: 04/19/2023

First Licensed: 09/22/2005

Expiration: 09/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they took their vehicle in for repair at Respondent's location for warranty repairs. Complainant alleges, though, Respondent is overly delayed in completing the repairs. However, both Respondent and Complainant states the repairs have since been completed. Respondent denies any unnecessary delay in completing the repairs. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

59. 2023019641 (TH)

Date Complaint Opened: 04/21/2023

First Licensed: 03/04/2011

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed without action. 2018 – One complaint closed with \$500 civil penalty for failure to deliver title. 2016 – One complaint closed with \$500 civil penalty for deceptive business practices and four complaints closed without action. 2021 – One complaint closed with letter of warning for deceptive business practices. One complaint closed with \$1,500 civil penalty for issuing more temporary tags than allowed.

Complainant alleges systemic and deliberate misleading actions on the behalf of Respondent against seniors. Complainant states in January 2023, their mom went to get service on her already paid for 2016 Kia Sorento, and left with a new Sonata. Complainant states their mother is a senior and is forgetful. Complainant states the vehicle does not fit their mother's health or financial needs, and that Respondent mislead them into purchasing the vehicle.

Respondent denies the allegations in the complaint. Respondent states Complainant's mother signed all of the paperwork, and decided to purchase the vehicle. Respondent states Complainant's mother came back a few weeks later wanting her old vehicle, but it had already been sold.

An investigation was conducted. The investigator spoke with Respondent, who denied the complaints allegations. Respondent explained at no time during the purchase in question did Complainant's mother appear to not understand what was occurring or that their mental capacity was diminished. Respondent went on further to explain the purchaser test-drove the vehicle and made the informed decision to purchase the vehicle. The investigator attempted to get information from Complainant, but was informed their mother no longer wanted to pursue their complaint. The investigator explained they were unable to determine if Complainant's mother was taken advantage of based on the victim not wanting to pursue the complaint. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

60. 2023014941 (TH)

Date Complaint Opened: 03/27/2023

First Licensed: 10/24/2017

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent. Complainant states when they went to renew their registration, they learned Respondent gave them the incorrect title, and their car was initially registered with that incorrect title. Complainant states Respondent will not provide them with the legitimate title, and they are unable to properly register their vehicle. Complainant was provided the Surety Bond information.

Respondent failed to answer the complaint.

An investigation was conducted. Complainant failed to participate in the investigation or answer the investigator. Accordingly, the investigator was unable to obtain any evidence supporting Complainant's allegations. However, the investigator did confirm with Respondent that Complainant is in receipt of the title to their vehicle. As such, Counsel recommends closing this complaint with a Letter of Warning for Respondent's failure to answer the Commission.

Recommendation: Authorizing issuing a Letter of Warning for Respondent's Failure to Answer the Commission.

Commission Decision: Concur.

61. 2023016091 (TH)

Date Complaint Opened: 03/30/2023

First Licensed: 08/12/2021

Expiration: 04/30/2023 (Expired-Grace)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with letter of warning for failure to release title in a timely manner.

Complainant alleges Respondent is fraudulently withholding their title, and acting unprofessionally.

An investigation was conducted. However, Complainant provided a phone number which is out of service and did not respond to any of the investigator's emails. The investigator did not receive any input beyond the complaint by Complainant. No evidence was found that the sale involved false claims, misleading or deceptive practices. Additionally, documents obtained from Respondent during the investigation showed Complainant was on the vehicle's title. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

62. 2023019001 (TH)

Date Complaint Opened: 04/18/2023

First Licensed: 03/30/2021

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with a letter of warning for engaging in false, fraudulent, or deceptive practice(s).

Complainant states Respondent refused to give them their permanent tag and registration information. Complainant states Respondent expressed they believed Complainant still owed money for the vehicle.

Respondent denies Complainants allegations. Respondent states Complainant is continually delaying the date for paying off for the vehicle. An investigation was initiated. However, Complainant informed the investigator they no longer wished to pursue their complaint. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

63. 2023021041 (TH)

Date Complaint Opened: 04/29/2023

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent is purchasing and selling more than the allotted five (5) vehicles a year, despite being unlicensed in Tennessee. Complainant states Respondent is licensed in Mississippi.

An inspection was conducted. The inspector went to the location alleged in the complaint, and found it to be a house in a residential area. The inspector noted there was only one (1) vehicle parked at the residence inside the fence. The inspector did not observe any vehicles for sale, and did not see any markings or for sale signs at the location. The inspector did not witness any activity at the location. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

64. 2023021161 (TH)

2023026941

2023028621

Date Complaint Opened: 05/01/2023, 06/01/2023, 06/09/2023

First Licensed: 01/11/2022

Expiration: 01/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

The associated complaints are alleging Respondent has either failed to register their vehicle/ provide the vehicles title and/or permanent plates, or honor the customers warranties. However, Respondent's locations have since closed. Respondent's accounts were taken over by a Portfolio Management company who was informed Counsel they are working with each customer to resolve their issues.

Counsel recommends closing and flagging these complaints.

Recommendation: Close and Flag.

Commission Decision: Concur.

65. 2023022941 (TH)

2023023561

2023024891

Date Complaint Opened: 05/10/2023, 05/15/2023, 05/23/2023

First Licensed: 01/11/2022

Expiration: 01/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

The associated complaints are alleging Respondent has either failed to register their vehicle/ provide the vehicles title and/or permanent plates, or honor the customers warranties. However, Respondent's locations have since closed. Respondent's accounts were taken over by a Portfolio Management company who was informed Counsel they are working with each customer to resolve their issues.

Counsel recommends closing and flagging these complaints.

Recommendation: Close and Flag.

Commission Decision: Concur.

66. 2023023491 (TH)

Date Complaint Opened: 05/15/2023

First Licensed: 07/08/2021

Expiration: 07/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

The associated complaints are alleging Respondent has failed to register their vehicle/ provide the vehicles title and/or permanent plates. However, Respondent's locations have since closed. Respondent's accounts were taken over by a Portfolio Management company who was informed Counsel they are working with each customer to resolve their issues.

Counsel recommends closing and flagging these complaints.

Recommendation: Close and Flag.

Commission Decision: Concur.

67. 2023025251 (TH)

2023026861

Date Complaint Opened: 05/24/2023, 06/01/2023

First Licensed: 01/13/2021

Expiration: 01/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

The associated complaints are alleging Respondent has failed to register their vehicle/ provide the vehicles title and/or permanent plates. However, Respondent's locations have since closed.

Respondent's accounts were taken over by a Portfolio Management company who was informed Counsel they are working with each customer to resolve their issues.

Counsel recommends closing and flagging these complaints.

Recommendation: Close and Flag.

Commission Decision: Concur.

68. 2023014771 (ES)

Date Complaint Opened: 03/26/2023

First Licensed: 10/03/2018

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent has charged more for the vehicle they purchased than agreed contract amount. Respondent did not respond to this complaint so an investigation was conducted. Complainant cancelled both interviews with the investigator and never followed up with him. There is no evidence that supports Complainant's allegations based on a review of the deal file. Respondent acknowledged receiving the complaint but states they have had staff changes and it did not come to them in a timely manner. Respondent apologized for the lack of response but did fully cooperate with the investigation. Counsel recommends issuing a Letter of Warning for failing to respond to the complaint.

Recommendation: Letter of Warning for failure to respond

Commission Decision: Concur.

69. 2023020711 (ES)

Date Complaint Opened: 04/27/2023

First Licensed: 10/03/2018

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges they have been hit by another driver in the past with no insurance and their sister has had their identity stolen. Complainant states they took their sister to Respondent's dealership to look for a vehicle and claims they witnessed fraudulent activity. Complainant claims a salesperson sold a vehicle to a customer who supplied someone else's identification and social security number and claims they do not require customers to provide driver's licenses and insurance. Complainant did not purchase a vehicle from Respondent and did not provide any further information or evidence to support their allegations. Respondent states that all information exchanged between the dealership and customers is legal. Respondent notes that a driver's license is not required to purchase a vehicle. Respondent states they do work with a lender that offers programs for buyers without driver's licenses. Respondent states that all customers who finance a vehicle must provide proof of full insurance coverage at the time of purchase. Respondent states

they pride themselves on good, clean business practices and follow the law of Tennessee. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

70. 2023015111 (ES)

Date Complaint Opened: 03/28/2023

First Licensed: 09/19/2008

Expiration: 08/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued to Respondent during an inspection on 3/27/23 for failure to provide proof of an active county business tax license. Respondent has since provided Counsel with proof of the active license, which was also active during inspection. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

71. 2023018981 (ES)

Date Complaint Opened: 04/17/2023

First Licensed: 12/17/2020

Expiration: 10/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they gave their daughter money to buy a vehicle and alleges their daughter gave Respondent \$2,200 in cash. Complainant alleges Respondent would keep the title and get the vehicle registered and provide the license plate to their daughter. Complainant alleges they have not heard from Respondent since 8/15/22 and were told by the "DMV" the vehicle has not been registered in Tennessee. Respondent states that they were contacted by the daughter's stepmother on 5/1/23 who stated the daughter was in prison for charges related to drugs. Complainant's daughter did make a down payment on a vehicle but did not return to pay the balance due. The stepmother told Respondent that Complainant's daughter had deceived him to obtain money. Respondent was informed that Complainant had been diagnosed with a brain tumor, so they forgave the balance owed and gave the title to the vehicle to Complainant, resolving this issue. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

72. 2023020211 (ES)

Date Complaint Opened: 04/25/2023

First Licensed: 03/03/2017

Expiration: 01/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – Two complaints closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s).

Complainant purchased a used vehicle from Respondent on 3/15/23 and alleges they are disappointed with the condition of it, specifically claiming “the front end is a disaster” and the tires being worn which is affecting the steering. Complainant admits they test drove the vehicle before purchased and voiced concerns about the steering being shaky. Complainant states she returned the vehicle the day after purchase and the vehicle was towed back to their residence by Respondent. Complainant states the vehicle is sitting in the driveway with the engine light on and the turbo for the diesel engine has stopped working. Respondent notes that this vehicle was sold as-is without warranty and the sale was final. Respondent provided the paperwork signed by Complainant. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

73. 2023021081 (ES)

Date Complaint Opened: 04/30/2023

First Licensed: 05/28/1996

Expiration: 01/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent sold them a “lemon vehicle” for \$30,000 in April of 2022 and is refusing to offer fixtures, refund or replacement of the vehicle. Respondent states Complainant purchased a used 2015 vehicle with over 67,000 miles on it over a year ago and declined to purchase an extended warranty/service contract, therefore the purchase was as-is. After purchase, Respondent covered the cost of a needed repair and at that time, the vehicle was cleared of any issues. In December of last year, Respondent added freon to the AC system at no cost for Complainant. Complainant has put over 10,000 miles on the vehicle and is responsible for any necessary repairs at this time. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

74. 2023021391 (ES)

Date Complaint Opened: 05/02/2023

First Licensed: 03/31/2017

Expiration: 04/30/2024

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

Complainant states they have taken their 2011 truck to Respondent's service center and one other franchise service center many times since 2019. Complainant alleges Respondent has "regularly cheated on these services by not performing them" and assuming Complainant would not notice the work wasn't done. Complainant alleges that when he calls Respondent out for the neglected services, he has to bring the truck back another time to get the services completed. Complainant alleges Respondent has failed to rotate tires, failed to check drivetrain fluid levels and failed to check brakes. Respondent states they looked back at the last time the truck was brought in for service in April and the tire rotation was not completed due to swollen lug nuts. Respondent recommended all 24 lug nuts be replaced and Complainant declined. Respondent states the final invoice was not correct and they owe Complainant a refund of \$10, and apologizes for this mistake. Respondent states they have clearly not exceeded expectations at the last visit and has offered Complainant a complimentary service package for the inconvenience. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

75. 2023019701 (TH)

Date Complaint Opened: 04/21/2023

First Licensed: 08/20/2008

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on October 5, 2022, with both a factory and an extended warranty. Complainant alleges Respondent is essentially defrauding Complainant by not honoring the manufactures nor the extended warranty purchased. Complainant states on multiple occasions, over multiple months, they have attempted to bring their vehicle in under their warranties to have the vehicles problems diagnosed but allege Respondent refuses to actually look at the vehicle. Complainant alleges that based on reading other reviews of Respondent's dealership that this appears to be a systematic, reoccurring, practice of fraud and failure to owner warranties.

Respondent states Complainant brought their vehicle in on March 13, 2023. Respondent states it was agreed upon the vehicle would be left at Respondent's location for the week for the repairs as Complainant would be out of town. Respondent states at that time their shop was dealing with a significant workload and were running behind in completing repairs. Respondent states they informed Complainant the vehicle's repair would be completed by March 21, 2023. Respondent states, however, on the 21st when Complainant came to pick up the vehicle, their technician were still in the process of diagnosing the concern with the rear cross check and blind spot safety system, and the vehicle was not ready yet.

Respondent states they realize they did not provide Complainant with the "stellar" service deserved, and fell short of their goal to have the vehicle ready on the 21st. Respondent states they apologize for this mistake. Respondent states, however, they never refused to honor any of Complainant's warranties. Respondent states they were in the process of the diagnosis part of the

vehicle, and Complainant requested the vehicle be released to them immediately. Respondent states they would love the opportunity to complete the needed repairs, and but are unable to get in contact with Complainant.

There does not appear to a violation on behalf of Respondent, as such Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

76. 2023021761 (TH)

Date Complaint Opened: 05/03/2023

First Licensed: 12/20/2010

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on October 30, 2021. Complainant states they paid for the vehicle in cash, as well as the cars registration and permanent plate fees at the time of purchase. Complainant states, however, they never received their title or permanent plates. Complainant states they have called Respondent multiples times, and were told the information had been mailed out already. Complainant states, as such, they thought maybe the information had gotten lost in the mail, so they went to their local clerk's office to get more information. Complainant states they were informed the vehicle had never been registered to Complainant. However, Complainant has since received their title and registration information. Respondent explains the delay was due to them waiting for address verification documentation form Complainant. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

77. 2023022461 (TH)

Date Complaint Opened: 05/09/2023

First Licensed: 05/10/2019

Expiration: 03/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on March 4, 2023. Complainant states when they contacted their lien holder, they were informed Respondent never sent over the title. Complainant states additionally they were informed the Clerk's office never received the vehicles registration information. Complainant states they are filing their complaint in order to get a new title issued.

Respondent states the Indiana DMV verified on the phone that they have had the title package at their facility since March and Complainant has yet to come to the office for the package to be

processed. Respondent states the hold-up is solely related to Complainant not going to their Clerk's office to complete registration. Respondent states they believe they did everything they were responsible for, and that the issue lies with Complainant's failure to complete their registration at his local DMV. Respondent asserts the title is not lost.

Respondent followed up with Counsel and confirmed Complainant has since gone to their DMV, and completed the registration. Respondent states their sales tax check they issued on March 19, 2023, has cleared. As such, there does not appear to be any violations on behalf of Respondent and, as such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

78. 2023022491 (TH)

Date Complaint Opened: 05/09/2023

First Licensed: 05/30/2018

Expiration: 04/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent in April 2023. Complainant states at the time of purchase they were informed the vehicle had a previous oil leak issue, but told it had been fixed. Complainant states, however, after purchasing the vehicle they noticed there was still an oil leak problem. Complainant states while they did purchase the vehicle "As-Is" and without warranty, they believe since the oil fix problem was prior to the sale they believe Respondent is liable, and should reimburse Complainant for the issue.

Respondent provided the required "As-Is" documentation signed by Complainant. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

79. 2023023641 (TH)

Date Complaint Opened: 05/16/2023

First Licensed: 05/12/2021

Expiration: 05/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states Respondent fraudulently sold them an unusable vehicle. Complainant is additionally alleging Respondent failed to release their title.

Respondent denies Complainant's allegations. Respondent states they did not know of any issues with the vehicle at the time of sale, and that Complainant test drove the vehicle prior to purchase.

Respondent provided Complainant's required signed "As-Is" documentation. Respondent states despite Complainant purchasing the vehicle "As-Is," they offered to cover half of the cost to repair the vehicle's issue as a good will gesture. Regarding Complainant's title, Respondent states they sent it via FedEx to the address Complainant provided to them at the time of purchase. Respondent states, however, FedEx returned the title as non-deliverable, and Respondent provided the returned FedEx documentation. Respondent states they contacted Complainant for an updated address, and re-sent her the title via FedEx. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

80. 2023022141 (ES)

Date Complaint Opened: 05/05/2023

First Licensed: 05/29/2015

Expiration: 05/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 2/1/23 and made a down payment of \$2,500. Complainant alleges the vehicle has been having excessive problems since purchase and claims Respondent will not work with them or provide a refund. Complainant states they want to sue for pain and suffering and lost wages, and because the vehicle is endangering their children. Respondent states that this vehicle was a salvage vehicle and sold to Complainant with a rebuilt title; Complainant signed the Notice of Disclosure acknowledging they were aware of such. Additionally, this vehicle was sold as-is without warranty, and Complainant signed the documentation acknowledging that as well. Respondent went above and beyond their duty by paying for almost \$1,200 in repairs in good faith to attempt to retain the customer for future business. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

81. 2023022151 (ES)

Date Complaint Opened: 05/05/2023

First Licensed: 06/29/2006

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 3/15/23 and alleges it has stopped working because the timing belt, coil packs and fuel injector all need work. Complainant alleges they have not been able to make payments because Respondent will not answer the phone and will not provide them with a resolution to the issue of the inoperable vehicle. Complainant further alleges Respondent is withholding their license plate. Respondent denies these allegations and states that Complainant has not come back to the dealership to make payments or to pick up their tag which is available. Respondent states they have reached out to Complainant in an attempt to

reach a resolution, but they refused the assistance offered regarding vehicle repairs. Respondent sold the vehicle as-is without warranty. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

82. 2023022311 (ES)

Date Complaint Opened: 05/08/2023

First Licensed: 06/10/2004

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2018 – One complaint closed with letter of caution for misrepresentation of purchased vehicle.

Complainant is a resident of Florida who owns a trash company and purchased a 1992 dump truck from Respondent after seeing it advertised online. Complainant alleges the truck was not “in working shape with levers broke off,” and claims Respondent knew of the truck’s problems but did not disclose them or provide pictures of the driver’s side of the truck. Complainant further alleges they have not received the title. Respondent states Complainant purchased this used truck on 4/7/23 for \$10,000. Respondent states anyone buying such an old truck for such a low price can assume it may have issues, especially a garbage truck that had been used for 30 years. Respondent states Complainant received the title within 30 days of the purchase. Complainant purchased this truck as-is without warranty and Respondent was very upfront about this. Complainant could have sent an offsite mechanic to inspect the truck or inspected it herself but chose not to do either. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

83. 2023021841 (ES)

Date Complaint Opened: 05/04/2023

First Licensed: 06/06/2014

Expiration: 05/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – Two complaints closed with letter of warning for failure to provide a response to a complaint to the Commission in a timely manner.

Complainant purchased a used vehicle from Respondent on 2/25/23 and alleges Respondent did not provide them with recall information. Complainant alleges they encountered major transmission and engine issues four days after purchase. Complainant states Respondent took the car in to be repaired and after 45 days, told them they could pick it up and it was fixed. Respondent states that their General Manager checked both Car Check and NHTSA websites for recalls, and there were no active recalls as alleged. Complainant was still not happy with that information, so Respondent offered to buy the vehicle back. Complainant declined and stated she wanted it fixed.

Complainant missed their first two scheduled repair appointments and after finally bringing the vehicle in, Respondent replaced the transmission. Complainant eventually picked up the vehicle and then said it was “running hot.” Respondent agreed to inspect the vehicle again, but Complainant has not brought it back. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: **Concur.**

84. 2023022411 (ES)

Date Complaint Opened: 05/08/2023

First Licensed: 12/03/2019

Expiration: 11/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – One complaint closed with \$2,000 civil penalty for failure to deliver title. 2021 – One complaint closed with \$500 civil penalty for failure to deliver title. 2022 – One complaint closed with \$1,000 civil penalty for issuing more temporary tags than allowed.

Complainant purchased a used vehicle from Respondent and traded in their vehicle. Complainant states they were already past due on their payments for the vehicle they traded in but didn’t think it would matter since it was being traded. Complainant states Respondent told them not to worry about the payments because they were going to pay it off. Complainant alleges Respondent did not inform them about the \$1,000 Gap Insurance or the \$2,500 extended warranty included in the transaction. Complainant states they asked Respondent to cancel the Gap Insurance but claims this did not happen. Complainant alleges they incurred a 36-point negative hit on their credit report because Respondent did not pay off the vehicle “when they said they would,” which came from Complainant being 30 days late on their car payment on the car traded in. Complainant states Respondent had not paid off the trade in 28 days after purchase. Respondent denies the allegations and states they have done nothing unlawful or incorrect from a customer service perspective. Respondent states all finance and insurance products purchased by Complainant were fully and transparently disclosed, including the value and benefits thereof. Complainant made a voluntary and informed decision to purchase the additional products at the time of the closing. Respondent paid off the trade-in vehicle in a timely and ordinary manner and states they are not responsible for the credit score consequences caused by Complainant’s extensive delinquencies on the loan prior to payoff. Respondent paid off the trade-in vehicle 30 days after the purchase, which is acceptable according to our statutes. Counsel recommends closure.

Recommendation: Close

Commission Decision: **Concur.**

85. 2023024241 (ES)

Date Complaint Opened: 05/18/2023

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dismantler/Recycler
History (5 yrs.): None.

This is the second complaint filed by Complainant against Respondent; the prior complaint was investigated and presented to the Commission at the last meeting. A Letter of Instruction was sent to Respondent detailing the business activities that require a dealer license and a D & R license. The investigation revealed no evidence of any violations. Complainant is related to Respondent and has filed numerous complaints against Respondent with various agencies and local authorities to try get Respondent in trouble so he will no longer have to lease the property to Respondent. Respondent has complied with all agencies' recommendations and spoken to Counsel extensively to make sure they are compliant and not violating any of our statutes or rules. Complainant now alleges Respondent is storing and keeping wrecked or ruined automobiles on the property. Complainant cites TCA § 54-20-104, which states: "[n]o person shall establish, operate, or maintain a junkyard, any portion of which is within one thousand feet (1,000') of the nearest edge of the right-of-way of any interstate or primary highway..." and also includes listed exceptions. Complainant alleges the vehicles are too close to the highway and obstruct the view of the property. Complainant further alleges Respondent is violating the Junkyard Act of 1967. Although these alleged violations are not violations of the Commission's statutes and should be directed elsewhere, an inspection was conducted which revealed no violations and found Respondent to be very cooperative. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

86. 2023024211 (ES)

Date Complaint Opened: 05/18/2023

First Licensed: 10/09/2019

Expiration: 08/31/2023 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint recommended for \$500 civil penalty for expired county/city business license.

Complainant alleges they purchased a vehicle on 8/3/22 from a salesperson at Respondent's dealership. Complainant claims Respondent states the salesperson does not work for them and is a "crook". Now, Complainant cannot get the title to the vehicle. Respondent claims that Complainant never bought a vehicle from their dealership and bought it from a dealer in Olive Branch, MS. Respondent claims to have nothing to do with the sale. An investigation was conducted which revealed Respondent's dealership has closed, and their license has been cancelled. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

87. 2023024451 (ES)

Date Complaint Opened: 05/21/2023

First Licensed: 03/25/2003
Expiration: 03/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges Respondent is misleading, fraudulent, and avoids communication. Complainant alleges Respondent lied about the condition of the vehicle and does not properly report to Carfax. Complainant claims they were pulled over within one day of the purchase because of a burnt-out taillight and wiring issues. Respondent denies the allegations and notes this vehicle was sold as-is without warranty. Respondent replaced the taillight bulb and the fuse for Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

88. 2023024741 (ES)
Date Complaint Opened: 05/23/2023
First Licensed: 05/25/2021
Expiration: 05/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and also had a trade-in. Complainant alleges they never sat down with a finance person during the transaction. Complainant alleges they paid \$5,000 up front but the price only went down \$1,800. Complainant alleges they were charged an extra \$3,200 after the deal was complete. Complainant further alleges the vehicle broke down after six weeks and claims Respondent held on to the vehicle until the third payment was due so they could get a kick back from the finance company. Complainant alleges Respondent never fixed the vehicle because they said the part needed was not available. Complainant claims they traded it to another dealer who had it fixed in three days and sold in eight days. Complainant alleges Respondent is dishonest and does not following lending requirements. Respondent states Complainant properly signed all the financial documents during the transaction. Respondent confirms Complainant made a \$5,000 down payment which was received and correctly applied to the purchase. Complainant chose to purchase a Vehicle Services Contract during the transaction with the Finance Manager for the amount of \$3,400. Complainant cancelled the service contract a couple months after the purchase and received a prorated refund of \$3,146.44. Respondent notes Complainant brought in the vehicle for routine maintenance, a battery replacement and for engine mechanical concerns, and the part for the repair to the engine was on backorder which caused the delay in repair of the vehicle. Respondent financed the vehicle through a local credit union which does not provide any sort of kickback as alleged. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

89. 2023008901 (ES)

Date Complaint Opened: 02/28/2023

First Licensed: 02/05/2016

Expiration: 12/31/2021 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$1,250 civil penalty for expired business license, expired salesperson license, and expired dealer license. 2021 – One complaint closed with letter of warning for late delivery of title

A Notice of Violation was issued to Respondent on 2/24/23 for unlicensed activity, unlicensed salesperson, expired county business license and expired surety bond. An investigation was conducted to find out how many vehicles have been sold since their licensed expired and to document whether Respondent is still engaged in unlicensed activity. The investigation revealed the dealership has been closed since the Notice of Violation was issued and there was no way for the investigator to audit files. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

90. 2023025341 (TH)

Date Complaint Opened: 05/25/2023

First Licensed: 02/07/2011

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states Respondent sold the vehicle to them at an extreme interest rate. Complainant additionally alleges Respondent sold them a vehicle that required thousands of dollars in repairs. Complainant states Respondent then repossessed their vehicle for an overdue \$16.

Respondent states Complainant was fully aware of their interest rate at the time of purchase, and that the rate was “clearly spelled out” in the deal documents signed by Complainant. Respondent states all repairs Complainant’s vehicle required in the year and half after purchase were completed at no cost to Complainant. Respondent states Complainant’s vehicle was only repossessed after there were three (3) consecutive missed payments, and broke a late payment agreement.

There does not appear to be evidence of any violations on behalf of Respondent, as such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

91. 2023026691 (ES)

Date Complaint Opened: 06/01/2023

First Licensed: 03/04/2002

Expiration: 02/29/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent in July of 2021. Complainant alleges there was a motor issue within two weeks of purchase, claims Respondent lied about the vehicle's make year, and further alleges Respondent repossessed the vehicle after payments were late. Complainant alleges Respondent told them verbally they could make payments monthly which was in conflict with the written contract. Complainant alleges Respondent will not provide the "proof of sale." Respondent states Complainant signed a contract agreeing to make weekly payments and despite Respondent's efforts to work with Complainant regarding the payments, they were more than 30 days late more than once. Complainant also let their insurance lapse multiple times. Respondent states this was the most difficult customers they have ever worked with in the 20 years they have operated this dealership. Respondent rightfully repossessed the vehicle and there is no evidence of any violations. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

92. 2023027011 (ES)
Date Complaint Opened: 06/02/2023
First Licensed: 10/16/2015
Expiration: 08/31/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a vehicle through financing on 5/21/20. Complainant alleges there was an issue with "nondisclosure of rights" and claims fraud, identity theft, theft of property and services, and forgery. Complainant alleges the Conditional Delivery Agreement was not appropriate. Complainant provides no further information or documentation to support their vague allegations. Respondent states they have acted in accordance with its contractual obligations and commitments as outlined in Complainant's Retail Purchase Agreement contract. Respondent states Complainant's last contact with them was in July of 2020, when they confirmed registration had been completed. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

93. 2023029421 (ES)
Date Complaint Opened: 06/15/2023
First Licensed: 05/26/2011
Expiration: 05/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and claims it was advertised as a “single owner accident-free car.” Complainant alleges they inspected it at home and claims it had been extensively damaged at some point. Respondent took the vehicle back and refunded their money, but Complainant alleges they have it back on the lot for sale and are not disclosing the damage nor have they repaired it. Respondent states they were unaware of any damage when they sold it to Complainant and states the vehicle is being repaired at a manufacturer’s service center. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

94. 2023004741 (TH)

2023012261

Date Complaint Opened: 02/03/2023, 03/15/2023

First Licensed: 05/23/2017

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$250 civil penalty for failure to maintain county business license.

2023004741:

Complainant states they purchased a 2012 vehicle from Respondent on November 13, 2021. Complainant states they were unaware the vehicle had a salvage title until after they had purchased the vehicle. Complainant states they were not informed by Respondent the vehicle had not been inspected and had not been applied for a rebuilt title. Complainant states they have been calling Respondent but state they always get the “runaround.” Complainant states the owner of Respondent told them they had to send a picture of the car and a receipt showing the vehicle repaired.

Respondent failed to answer the complaint.

An investigation was conducted. On November 13, 2021, the vehicle in question was sold with a salvage title. Complainant was issued an initial temporary tag for the vehicle. After Complainant’s first temporary tag expired, Complainant was issued a secondary temporary tag and charged a fee of \$30.00 for “not making an appointment with the dealership.” An application was initially received on December 20, 2021, but the application was denied on December 22, 2021, due to the paperwork submitted being “unreadable.” According to the information received during the investigation from Respondent, the rebuilt title for the vehicle was issued on April 14, 2023. As such, Counsel recommends the Commission authorize assessing a \$3,000.00 civil penalty for Respondent’s sale of a salvaged vehicle, as well as the two temporary tags issued to the vehicle.

Recommendation: Authorize assessing a \$3,000.00 civil penalty for Respondent’s sale of a salvaged vehicle, as well as the two temporary tags issued to the vehicle.

Commission Decision: Concur.

2023012261:

Complainant alleges Respondent sold them a faulty vehicle. Complainant states Respondent expressed the vehicle had been inspected and there were no issues. Complainant states they brought the vehicle to a mechanic down the road from Respondent. Complainant states the only issues the mechanic found were with the tires, but that the mechanic only performed a visual inspection. Complainant states, however, the vehicle later needed a new motor. Complainant states, as such, they requested Respondent take the vehicle back and refund them. Complainant states, however, Respondent denied this request and refused to cover the repair costs.

Respondent states they are apologetic about Complainant having vehicle issues. Respondent, states, however the vehicle went through a pre-purchase inspection through a third-party company of Complainant's choice. Respondent states before completing the sale and after the third-party inspection they put new tires on the vehicle. Respondent states Complainant was offered a warranty, but declined any warranty and decided to purchase the vehicle "As-Is." Respondent provided the "As-Is" signed documentation. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

95. 2023007761 (TH)

Date Complaint Opened: 02/22/2023

First Licensed: 08/10/2018

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states when they were looking for a vehicle, they saw an advertisement for a vehicle at Respondent's dealership for \$84,089. Complainant alleges, however, the vehicle additionally was advertised to have an \$84,089 dealer discount with a \$14,000 value package. Complainant states they went to purchase this vehicle but were denied the advertised agreement. Complainant states they believe they should have they should have the right to purchase the vehicle under the deal on the advertisement.

Respondent explains the advertisement in the complaint was due to a computer glitch. Respondent states the vehicle has an MSRP of \$84,089, and that the website showed an MSRP of \$84,089 as well as a discount of \$84,089. Respondent states this was a computer issue as it "obviously [was] not a free car with the discount equaling the sales price." Respondent states they immediately contacted our website provider after being made aware of the issue and had the fields corrected to not show the discount equal to the MSRP. Respondent states this was the only vehicle in their inventory they found to have this issue and that their website provider believes it was due to it being an error found in the in-transit vehicle information feed. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

96. 2023007771 (TH)

Date Complaint Opened: 02/22/2023

First Licensed: 03/29/2022

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

On January 14, 2023, Complainant states they purchased a vehicle from Respondent. Respondent states after purchase the vehicle, it began to have issues. Complainant states they feel Respondent is ignoring them and refusing to repair the vehicle.

Respondent states Complainant test drove the vehicle prior to purchase, and there were no issues. Additionally, Respondent states Complainant purchased the vehicle "As-Is," and provided the required signed documentation. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

97. 2023030141 (ES)

Date Complaint Opened: 06/16/2023

First Licensed: 09/01/1991

Expiration: 04/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – One complaint closed with letter of warning for expired county/city business license.

A Notice of Violation was mistakenly issued to Respondent during an inspection on 6/15/23 alleging Respondent was in violation of Rule 0960-1-.21 which prohibits a separate business from operating at the same facility as a dealership without being separate and apart from the dealer business. There is no separate business operating out of the dealership. Respondent is selling lawnmowers, trailers and a few side-by-sides. TCA § 55-17-128 allows a dealer to operate an additional business as long as the income derived from the additional business is less than 33% of the gross income of the dealership. Counsel recommends issuing a Letter of Instruction citing this statute to ensure Respondent remains compliant and understands the limitations regarding income derived from selling anything in addition to motor vehicles.

Recommendation: Letter of Instruction

Commission Decision: Concur.

98. 2023017861 (ES)

Date Complaint Opened: 04/11/2023

First Licensed: 06/22/1994

Expiration: 05/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle in January 2023 and alleges Respondent failed to release their title. Further, Complainant alleges Respondent has been ignoring them and has not given them any information, and they can no longer drive their car because the temp tag expired. An investigation was conducted. Complainant informed the investigator that they had received the title and would not provide a statement. Respondent only issued one temporary tag during the delay and apologized because the delay was due to a mistake on their end. Respondent stated they have had health issues and it has “complicated things.” The investigator requested more detail regarding the delay and Respondent failed to provide any further information and failed to provide a copy of the deal file. Counsel recommends issuing a Letter of Warning for failing to provide requested business records and for failing to properly communicate with the Complainant when there was a delay in titling and registration caused by a mistake of the dealership.

Recommendation: Letter of Warning

Commission Decision: Concur.

99. 2023010481 (TH)

Date Complaint Opened: 03/06/2023

First Licensed: 05/13/2005

Expiration: 04/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a Tennessee resident. Respondent is a Motor Vehicle Dealer. Complainant alleges that on January 6, 2023, they went to Respondent’s dealership due to a zero down tax promotion. Complainant alleges they returned the following day and purchased a 2017 Hyundai Sonata. Complainant alleged that he was told the vehicle had not been in a wreck and was free of any recalls but had a faulty trunk mechanism. Complainant further alleged that after the purchase he found out that the vehicle was previously salvaged and had been in a major wreck. Complainant alleges that the vehicle was repossessed by Respondent even after initial payments were made.

Counsel subsequently requested an investigation into Respondent’s dealership. The investigator spoke with Complainant who restated their original allegations. However, when the Investigator asked for proof of the salvage and rebuild of the vehicle, Complainant had none. Further, the Investigator checked the VIN which did not show up in Salvage Records. Complainant next told the Investigator that their initial payments were reversed, however, they did not show up in their account. The Investigator also spoke with counsel for Respondent who provided a copy of the deal file, account statement, notarized affidavit addressing these allegations, and a response to Complainant. The Investigator claims that Respondent said that the vehicle was repossessed due to non-payments and that the first few payments were reversed.

Respondent answered by stating that Complainant came in to inquire about the zero down promotion and was told that they had to file their taxes with TaxMax to qualify. Respondent notes that Complainant returned and filed their taxes to qualify and purchased the vehicle. Respondent states that about a week later, Complainant's tax filing was rejected because they

had already filed their taxes with another preparer. Further, Respondent claims that Complainant's initial payments were returned due to invalid account information. Respondent notes that Complainant signed a zero-recall form during closing, evidencing there were no outstanding recalls on the vehicle.

Based on the information provided, Counsel finds no violation of the rules or statutes by Respondent and recommends closure.

Recommendation: Closure.

Commission Decision: Concur.

100.2023011331 (TH)

Date Complaint Opened: 03/09/2023

First Licensed: 03/05/2007

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$1,000 civil penalty for advertising violations.

Complainant is a Tennessee resident. Respondent is a Motor Vehicle Dealer. Complainant alleges that their daughter entered a contract to trade their vehicle and purchase another vehicle from Respondent. Complainant alleges that Respondent encouraged their daughter to tell their bank they made a \$1,300.00 down payment when they only made a \$300.00 down payment.

Respondent denied the allegations, and explained an agreement on the vehicle in question has since been made by all parties and that there are no longer any issues. Based on the information provided, Counsel finds no violation of the rules or statutes by Respondent and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

101.2023011101 (TH)

Date Complaint Opened: 03/09/2023

First Licensed: 11/10/2015

Expiration: 11/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a Tennessee resident. Respondent is a Motor Vehicle Dealer. Complainant alleges that they ordered a new vehicle from Respondent however when the vehicle was delivered, Respondent raised the purchase price \$995.00 more than the original contract price. Complainant claims they would not have bought the vehicle had they known about this additional charge.

Respondent answered by stating that they have since been in contact with Complainant several times and that the issue was based on Complainant's apparent confusion. Respondent claims that Complainant forgot that they had added extra equipment to the original order. Respondent further notes that Complainant was scheduled to meet with them on Wednesday, March 23rd, and that they have offered Complainant a full refund if they do decide not to proceed with the purchase. Based on the information provided, Counsel finds no violation of the rules or statutes by Respondent and recommend closure.

Recommendation: Close.

Commission Decision: Concur.

102.2023010671 (TH)

Date Complaint Opened: 03/06/2023

First Licensed: 04/13/2016

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$4,000 civil penalty for issuing more temporary tags than allowed.

Complainant is the State. Respondent is a Motor Vehicle Dealer. Complainant alleges that while conducting an annual inspection at Respondent's business they found multiple violations. Complainant alleges they discovered an expired business license. Complainant further alleges that business records for some vehicles were not properly kept including titles and bills of sale. Complainant also alleges that Respondent committed a fraudulent and deceptive sales of salvaged vehicles before the rebuilt title was issued. Complainant alleges that Respondent issued more than 2 temporary tags per vehicle on multiple vehicles. The violations per vehicle are as follows:

2015 KIA: Respondent unable to produce bill of sale or title;

2012 KIA: Respondent unable to produce bill of sale, Respondent issued five (5) temporary tags for this vehicle, Respondent sold salvaged vehicle before receiving a rebuilt title;

2015 Buick: Respondent unable to produce a title for this vehicle, Respondent sold salvaged vehicle without receiving a rebuilt title, Respondent issued eight (8) temporary tags for this vehicle;

2011 KIA: Respondent unable to produce bill of sale or title.

After a notice of violation (NOV) for these offenses was filed, Counsel sent an investigator to obtain a sworn statement from Respondent and file a report based on these allegations.

Respondent answered by stating that they sold the car (2015 Buick) after repairs were made and they sent the salvage certificate to the state. Respondent claims that while waiting on the rebuilt title from the state they issued more than two (2) temporary tags. Respondent further

notes that they ultimately gave a full refund for the vehicle and got it back. Next, Respondent provided a renewed county business license.

In the investigative report, the Respondent claims they have cured all violations they were cited for. On an April 21, 2023, visit, the investigator found Respondent's current business records to be properly filed.

Based on the information provided, Counsel finds violations of Tenn. Code. Ann. § 55-17-114 (b) (1) (N) for issuing more than two (2) temporary tags per vehicle, Tenn. Code Ann. §55-17-114(b) (1) (K), for a false, fraudulent, or deceptive sale of a salvaged vehicle before a rebuilt title was issued, and Tenn. Comp. R. & Regs. 0960-1-.11 for failure to maintain business records. Because this is Respondent's second complaint for a temporary tag violation, counsel will follow a raised fee schedule of one thousand dollars (\$1,000) per temporary tag violation (9 in total). Counsel recommends assessing an \$14,250.00 civil penalty be assessed for the violations (\$9,000 in temporary tag violations, \$5,000.00 for the sale of two salvaged vehicles without rebuilt title, \$250 for failure to maintain business records).

Recommendation: Authorize assessing a \$14,250.00 civil penalty.

Commission Decision: Concur.

103. 2023021221 (ES)
Date Complaint Opened: 05/02/2023
First Licensed: 05/15/2015
Expiration: 04/30/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent has not provided title and registration for vehicle purchased on 1/2/23. Respondent states they are in communication with Complainant and the title is held up in probate. An investigation was conducted. When Respondent sold the vehicle, they were under the impression that the prior owner had the title. The prior owner had inherited the vehicle from their father and once Respondent realized there was still a lien on the vehicle, they consistently made efforts to get this issue resolved and stayed in touch with Complainant regularly. Respondent has since paid off the lien, provided the title and the vehicle has been registered. Respondent issued three temporary tags during the delay. Counsel recommends issuing a \$500 civil penalty for issuing one more temporary tag than allowed by law.

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

Commission Decision: Concur.

104. 2023015781 (ES)
Date Complaint Opened: 03/29/2023
First Licensed: 07/28/2010
Expiration: 07/31/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a rebuilt vehicle from Respondent on 7/31/22 and alleges the Respondent has failed to release their title. Respondent has not responded to this complaint, so an investigation was conducted. Respondent stated when they sold the vehicle, the previous owner had the title but when Respondent asked for it, it could not be located. A duplicate title was applied for but was delayed because the wrong form was used in the application. Respondent had to get the previous owner to fill out the correct form and then the application had to be redone again to add the Complainant's spouse to the documents. Respondent has since provided the title to the Complainant. Respondent failed to provide the deal file as requested by the investigator, so Counsel was unable to determine if the proper disclosure was used considering this was a rebuilt vehicle. Respondent issued five temporary tags to the vehicle during the delay in obtaining title. Counsel recommends issuing a \$500 civil penalty for failing to respond and to provide requested business records and a \$500 civil penalty for each of the three temporary tags issued outside of the amount allowed by law, for a total \$2,000 civil penalty.

Recommendation: Authorize a \$2,000 civil penalty for failure to provide business records and issuing three more temporary tags than allowed by law

Commission Decision: Concur.

105. 2023018131 (ES)

Date Complaint Opened: 04/12/2023

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges Respondent is engaging in unlicensed activity and fraudulently representing himself as an auto dealer. An investigation was conducted and revealed Respondent owns a mobile home installation business. The Respondent cooperated fully with the investigation and stated they have not sold more than 5 vehicles in the last calendar year. Respondent denies holding himself out as a motor vehicle dealer. Respondent states they have sold a few vehicles to their employees and their employees' wives and lists himself as a lienholder in case the individuals do not pay off the vehicles. Respondent has charged \$50 a week when they have sold a vehicle. The local clerk states there have been instances where customers have come in to register a vehicle and stated they bought it from Respondent. The customers also claim Respondent makes statements that could give the impression they are an auto dealer. The investigation did not reveal evidence that Respondent has sold more than 5 vehicles in the last calendar year because Respondent does not appear as the "seller" on the transaction paperwork presented by the local clerk. Respondent does appear as a lienholder, however. Counsel recommends issuing a Letter of Warning to Respondent to make sure they are clear on the law, what is prohibited and what requires a motor vehicle dealer license.

Recommendation: Letter of Warning for unlicensed activity

Commission Decision: Concur.

RE-PRESENTATIONS

106. 2022048641 (TH)

Date Complaint Opened: 11/26/2022

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they agreed to purchase a vehicle from Respondent. Complainant states the truck was advertised as a 2016 Prostar with a Rebuilt Engine having approximately 50 miles, and that they confirmed this on the phone with a salesperson. Complainant alleges, however, they were misled by Respondent about the vehicle.

An investigation was conducted. During the investigation, Complainant told the investigator they came to an agreement with Respondent and no longer wish to pursue their complaint. Complainant stated they would not participate in the investigation nor make any statements about the incident as they were satisfied with the outcome. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Send out for investigation for information on exactly how many vehicles were sold by Respondent and re-present at the next meeting.

New Information: The investigator was only able to determine that Respondent sold four (4) vehicles. As such, Counsel recommends closure.

New Recommendation: Close.

New Commission Decision: Concur.

107. 2022024971 (TH)

Date Complaint Opened: 06/20/2022

First Licensed: 11/13/2015

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$500 agreed citation for unlicensed activity.

Complainant states in March 2020 they purchased a vehicle from Respondent and placed an extended warranty on the vehicle. Complainant states they drove their vehicle only five times before the engine shut down with an error code of Transmission hot, Idle engine. Complainant states they have been without their vehicle since June 2021, and Respondent has had it since August 2021. Complainant states at the time the repairs were to begin the note was current and it was agreed to the payments would resume once the repairs were complete and anything missed would be added to the end of the contract.

Respondent failed to answer the complaint.

An investigation was conducted. Respondent expressed their belief they were justified in repossessing the vehicle stating Complainant failed to honor their contractual obligations by making installment payments in a timely fashion. When Respondent was asked to show proof of the repossession notification, they claimed they sent it to Complainant because they couldn't produce a copy for the Investigator evidencing the same. Finally, as evidenced in the title obtained during the investigation from the dealership, Complainant's name was never recorded on the title evidencing their March/2021 purchase, which indicates potential dishonest dealings being exhibited by a licensee. As such, Counsel recommends authorizing assessing a \$500 civil penalty for Fraudulent and Deceptive acts violating T.C.A. 55-17-114(b)(1)(K). Counsel also recommends issuing a Letter of Warning for Respondent's failure to respond to the Commission.

Recommendation: Authorize assessing a \$500 civil penalty for Fraudulent and Deceptive acts violating T.C.A. 55-17-114(b)(1)(K). Counsel also recommends issuing a Letter of Warning for Respondent's failure to respond to the Commission.

Commission Decision: CONCUR.

New Information: Counsel has been informed Respondent has since closed. As such, Counsel recommends closing and flagging the complaint.

New Recommendation: Close and Flag.

New Commission Decision: **Concur.**

108. 2022022401 (ES)

Date Complaint Opened: 06/02/2022

First Licensed: 10/30/2019

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued to Respondent during an inspection on 5/31/22 for failing to provide proof of an active county business license. Counsel recommends issuing a \$250 civil penalty for this violation.

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

Commission Decision: CONCUR.

New Information: Respondent contacted Counsel and provided proof that the county business license was active at the time of inspection in May of 2022. Counsel recommends closure.

New Recommendation: Close.

New Commission Decision: **Concur.**

109. 2023007491 (ES)

Date Complaint Opened: 02/21/2023

First Licensed: 01/04/2017

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with letter of warning for advertising new vehicles at a used car dealership. 2022 – One complaint closed with \$250 civil penalty for refusing to honor an advertised price and adding a market adjustment of \$8,800

This complaint was filed by a Commissioner noting that Respondent has been featuring and marketing new vehicles despite not being recognized as a new vehicle franchise. Respondent is a used car dealership without a franchise agreement to sell new vehicles. Respondent's parent company owns a new franchise dealership about 45 minutes away from Respondent's location (this dealership is the Respondent in Complaint 2023011461 below). Respondent is only recognized and licensed as a used car dealership and has no service or parts operation to perform any warranty repairs, nor does it have a dealer agreement with the manufacturer. The Commission has previously sent an inspector to Respondent's location and issued a Letter of Warning about this violation, which led to Respondent's management removing the new inventory from the lot. However, Complainant received a direct mail solicitation in early February of this year clearly representing that Respondent is a franchise dealership selling new vehicles, with the dealership name being changed to add the manufacturer reference. Therefore, it appears Respondent has ignored the Commission's previous warning in the Letter of Warning sent on November 19, 2021, which clearly stated Respondent was not licensed and not allowed to sell new vehicles unless they obtained a different license. Respondent is once again trying to market new vehicles outside of their defined market area.

An investigation was conducted. The investigation revealed Respondent's website was advertising 47 new vehicles and listed Respondent's location. The investigator went to Respondent's location along with the inspector who previously cited Respondent for the violation back in 2021, and they met with the General Manager. This was the same manager who was there in 2021 when the new vehicles were on the lot prior to them being moved after the Letter of Warning was issued. There were 8 new vehicles present on the lot in the front row. The General Manager confirmed that he remembered the inspector issuing a Notice of Violation in 2021 and had no excuse for their current display of new vehicles. The vehicles were marked with 2023 stickers on the windshield and Buyers Guides in the window instead of Monroney Labels, although one of the vehicles had a laminated Monroney sticker on the dash.

Since the investigation, the new vehicles have been moved to the franchise dealership location for sales and display marketing to take place there from now on. Respondent's attorney provided a response which admitted new vehicles were placed on Respondent's lot for exposure and marketing. Further, Respondent admits to misrepresenting them as used vehicles. This is supported by the numerous cases of new vehicles marked with Buyers Guides and not Monroney Labels. Respondent's counsel's explanation for marking the new vehicles with Buyers Guides is as follows: The new vehicles were placed on the used car lots for exposure and marketing, not for sale. "Respondent never wanted to represent they were anything other than a used vehicle. They used . . . Buyers Guides so they would appear like any other used vehicle to any potential customer. . . any [new] vehicle on any independent lot was identified as a used vehicle." Counsel cannot make sense of this explanation and finds it to be intentional fraudulent behavior. Respondent denies ever attempting to sell new vehicles from Respondent's dealership, and claims they were simply "referrals". However, documents recovered in the investigation seem to show

otherwise. The investigation revealed that Respondent had issued temporary tags to 6 new vehicles between 10/29/21 to 12/19/22. Respondent mentions they also had new vehicles being displayed at two other sister dealerships only authorized to sell used cars. It appears Respondent moved new vehicles to the used dealerships, including Respondent's, for exposure, but then camouflaged their origins when they marketed them as used vehicles. Respondent admitted that approximately 132 sales/referrals were done by way of the three used dealerships between October 2022 and March 2023.

Respondent states that since the investigation, all new vehicles have been removed from the used car dealerships, including Respondent's, and returned to the franchise dealership location. Respondent states that all marketing material has been updated to show that new vehicles are only available at the franchise dealership location. Counsel reviewed Respondent's website and it appears all new vehicles are listed to be located at the franchise dealership as of 4/11/23. However, you can still "shop" for new vehicles from Respondent's website. You can view new and used inventory from Respondent's home page, and the heading of the page which lists the 38 new vehicles for sale shows Respondent's dealership name. Additionally, the "About Us" page on Respondent's website states, "We offer a fine selection of new vehicles and a vast inventory of pre-owned vehicles for you to choose from" and "Looking for a great deal on a new vehicle? Look no further than [Respondent's name]." Additionally, there are pop-ups on Respondent's website that advertise vehicle lease programs and allows you to look a new vehicle inventory.

Counsel recommends the following civil penalties for the following violations:

1. Respondent advertised 47 new vehicles for sale on their website, clearly offering them to be sold from the used car lot. Respondent calls their dealership a dealer that sells new vehicles multiple times throughout their website, uses the manufacturer's name and adds it to their dealership name making it appear to be a franchise store. Further, Respondent sent out mailers and had radio ads stating new vehicles could be bought at Respondent's location. Counsel notes that some of these issues have still not been fixed. This is a violation of Rule 0960-01-.12 (false, misleading or deceptive advertising); and TCA § 55-17-114(b)(1)(K) (false, fraudulent and deceptive acts involving the sale of a motor vehicle) - \$1,000 per vehicle for a total \$47,000 civil penalty
2. Respondent had 8 new vehicles on the lot with Buyers Guides instead of Monroney labels, admittedly to make them appear to customers as used vehicles. This is a violation of TCA § 55-17-114(b)(1)(K) (false, fraudulent and deceptive acts involving the sale of a motor vehicle); TCA § 55-17-114(a)(1)(F) (practiced fraud in the conduct of business); and Rule 0960-01-.19 (compliance with all applicable Tennessee and federal laws and regulations) - \$5,000 per vehicle for a total \$40,000 civil penalty
3. Respondent sold *at least* 6 new vehicles, which Respondent and their counsel have blatantly lied about. This is evidenced by the Bills of Sales showing Respondent's dealership and address, and because Respondent issued temporary tags to these vehicles through their dealership and access to EZ tags. Further, the paperwork contradicts itself in places with both dealership names appearing on different documents, which is deceptive. This is a violation of TCA 55-17-109 and 55-17-110 (requires a business to obtain a license for each activity in which the business is engaged for each location); TCA 55-17-111(4) and (5) (requires dealers to state on their application whether they propose to sell new or used vehicles or both, and to state what trade name or line-makes of new motor vehicles that the dealer has been franchised to sell); TCA 55-17-113(b) (requires a dealer to promptly notify the

Commission of a change in franchise or any other matters required by rule and states a new license must be applied for); TCA 55-17-114(b)(1)(K) (false, fraudulent and deceptive acts involving the sale of a motor vehicle); and TCA 55-17-114(b)(1)(C) (prohibits a dealer from selling a new vehicle for which they cannot secure a new car warranty) - \$5,000 per vehicle for a total \$30,000 civil penalty

4. Respondent was unable to produce a deal file for one of the sales of a new vehicle where the Respondent issued a temporary tag to the new vehicle after the sale. However, Respondent's counsel later provided a single document in the form of a "Bill of Sale" that showed the franchise dealer as the seller, which Counsel believes is deceptive and fraudulent. This is a violation of TCA 55-17-114(a)(1)(H) (requires dealer to make available to the Commission all records of transactions and sales of motor vehicles); and TCA 55-17-114(b)(1)(K) (false, fraudulent and deceptive acts involving the sale of a motor vehicle) - \$1,000 for missing deal file plus \$1,000 for deceptive Bill of Sale for vehicle that used dealer issued a temporary tag for, for a total \$2,000 civil penalty

As summarized above, Counsel recommends a total \$119,000 civil penalty plus discussion of possible suspension or revocation of Respondent's license. Counsel considers these violations to be egregious considering the clear warning the Commission provided to the Respondent in November 2021, the admission by Respondent that they were aware of that warning and had no excuse for these actions, and the number of violations that involve intentional and willful misconduct. Rule 0960-01-13 allows the Commission to assess lawful disciplinary action, including suspension or revocation, and/or civil penalties in the amount of \$100 up to \$5,000 for each day of violation or for each act of violation. In determining the amount of civil penalty, the Commission should consider the following factors:

- (a) Whether the amount imposed will be a substantial economic deterrent to the violator;
- (b) The circumstances leading to the violation;
- (c) The severity of the violation and the risk of harm to the public;
- (d) The economic benefits gained by the violator as a result of non-compliance; and
- (e) The interest of the public.

Recommendation: Authorize a \$119,000 civil penalty plus discuss possible suspension or revocation of Respondent's license

Commission Decision: Authorize a \$119,000 civil penalty and issue a five-day suspension of the dealer's license at franchise dealership location and the three used dealership locations related to this complaint.

New Information: Respondent's attorney contacted Counsel to discuss the Consent Order. Respondent states they now fully understand the legal and regulatory issues presented by their actions along with the Commission's basis for their findings. Respondent does not attempt to make any arguments or excuses and agrees to accept the General Stipulations, Findings of Fact and Conclusions of Law set out in the Consent Orders. Respondent further accepts the civil penalties, which total \$194,500. However, Respondent asks that the Commission reconsider the suspension of their licenses for five days as they feel the civil penalties more than adequately address their actions. Respondent feels the additional punishment of suspension does not serve the interest of the public or provide any meaningful purpose. Respondent notes that shutting the doors of their dealerships for five consecutive days means they will not be able to assist the public with any needed service,

assistance, or general advice. Respondent further notes that they are the only Mitsubishi dealer in their area, so the customers would be completely without the ability to receive warranty and other service work. Respondents feels the civil penalties will fully serve as a deterrent to any similar future actions. Respondent has asked their attorney's firm to put together a presentation for ownership and management of the dealerships on compliance with the Rules and statutes of the Motor Vehicle Commission. In conclusion, Respondent states Mitsubishi, and all manufacturers to their knowledge, requires the maintenance of continued business operations in its Sales and Services Agreement franchise contract with the dealership. Although it is not the Commission's responsibility to prevent Respondent from violating its contract with the manufacturer, it is Counsel's responsibility to present this counteroffer.

New Recommendation: Authorize a \$119,000 civil penalty false, fraudulent and deceptive acts; false, misleading or deceptive advertising; fraud in the conduct of business; violations of federal laws and regulations; selling new vehicles from used car lot; and failing to produce business records

New Commission Decision: Authorize a \$119,000 civil penalty false, fraudulent and deceptive acts; false, misleading or deceptive advertising; fraud in the conduct of business; violations of federal laws and regulations; selling new vehicles from used car lot; and failing to produce business records and issue a Letter of Instruction.

110. 2023011431 (ES)

Date Complaint Opened: 03/10/2023

First Licensed: 01/04/2017

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with letter of warning for unlicensed activity. 2022 – One complaint closed with \$250 civil penalty for advertising violation.

A Notice of Violation was issued to Respondent during the inspection related to Complaint 2023007491 above for failing to produce an active city business license. Counsel recommends issuing a \$250 civil penalty for this violation.

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

Commission Decision: Concur.

New Information: See summary for Complaint No. 2023007491 above.

New Recommendation: Authorize a \$250 civil penalty

New Commission Decision: Concur.

111. 2023011461 (ES)

Date Complaint Opened: 03/10/2023

First Licensed: 06/11/2013

Expiration: 12/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2018 – One complaint closed with \$2,000 civil penalty for engaging in false, fraudulent, or deceptive business practices.

Respondent is the new dealer franchise location involved in the investigation related to complaint 2023007491 above. A Notice of Violation was issued to Respondent on 2/24/23 for offsite sales/curbstoning by selling new vehicles at their sister location only authorized to sell used vehicles, failure to produce an active county business license and failure to maintain business records. The investigator met with Respondent's owner/Comptroller and asked to review records related to sales of new vehicles in the last three years at all three used dealerships in the state. Because of the tremendous amount of paper records, it would be impossible for the investigator to locate the records he needed. The Comptroller told the investigator to email him the following Monday and request what was needed, and he would find it and send it to the investigator. The Comptroller never provided the requested records, and the investigator was only able to find one sales file showing that a new vehicle was sold at the used dealership from the complaint 2023007491 above. However, as summarized above, we do have proof 6 new vehicles were sold from the used dealership referenced above because they issued temporary tags to 6 new vehicles. The investigator then started searching the three used dealerships' websites, social media, and salesman's social media pages for any new vehicle sales at the used dealership locations. The investigator found that approximately 43 new vehicles were sold and advertised at the used dealership referenced in the complaint 2023007491 above. For another used dealership location, the investigator found that approximately 24 new vehicles were sold and several advertised. For the last and newest used dealership location, the investigator found that 2 new vehicles were sold, and 1 new vehicle was advertised. Respondent's counsel admits that approximately 900 customers were "referred" to their dealership from the independent lots in the last 3 years.

Counsel recommends the following civil penalties for the following violations:

1. Respondent advertised and/or sold at least 75 new vehicles at 3 different independent locations. Respondent is still advertising some of their new vehicles online at the used dealerships, although they have corrected some advertising issues online. This is a violation of Rule 0960-01-.12 (false, misleading, or deceptive advertising); and TCA § 55-17-114(b)(1)(K) (false, fraudulent and deceptive acts involving the sale of a motor vehicle) - \$1,000 per vehicle for a total \$75,000 civil penalty
2. Respondent failed to provide an active county business license. This is a violation of Rule 0960-1-.25 (requires active county business tax license) - \$250 civil penalty

As summarized above, Counsel recommends a total \$75,250 civil penalty plus discussion of possible suspension or revocation of Respondent's license. Counsel considers these violations to be egregious considering the clear warning the Commission provided to Respondent's sister location who was advertising Respondent's new vehicles for sale in November 2021, the fact the vehicles were moved immediately back to Respondent's location after the 2021 investigation, and the number of violations that involve intentional and willful misconduct. Rule 0960-01-.13 allows the Commission to assess lawful disciplinary action, including suspension or revocation, and/or civil penalties in the amount of \$100 up to \$5,000 for each day of violation or for each act of violation. In determining the amount of civil penalty, the Commission should consider the following factors:

- (a) Whether the amount imposed will be a substantial economic deterrent to the violator;

- (b) The circumstances leading to the violation;
- (c) The severity of the violation and the risk of harm to the public;
- (d) The economic benefits gained by the violator as a result of non-compliance; and
- (e) The interest of the public.

Recommendation: Authorize a \$75,250 civil penalty plus discuss possible suspension or revocation of Respondent's license

Commission Decision: Authorize a \$75,250 civil penalty and issue a five-day suspension of the dealer's license at franchise dealership location and the three used dealership locations related to this complaint.

New Information: See summary for Complaint No. 2023007491 above.

New Recommendation: Authorize a \$75,250 civil penalty for false, fraudulent and deceptive acts; false, misleading or deceptive advertising; and expired county business tax license

New Commission Decision: **Concur.**

112. 2022035491 (ES)

Date Complaint Opened: 08/25/2022

First Licensed: 10/09/2019

Expiration: 08/31/2023 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$500 civil penalty for unlicensed activity.

Complainant is a lender who provided financing to two buyers who each purchased a vehicle from Respondent. Complainant paid Respondent for the first vehicle at issue on 9/14/21 and for the second vehicle at issue on 12/31/21. Complainant filed the complaint on 8/15/22. Complainant alleges Respondent has failed to perfect the title or provide state issued proof of lien showing the two consumers as the owners with Complainant as the lienholder. Respondent failed to respond to this complaint so an investigation was conducted. The investigator met with Respondent's CEO who stated they were currently working with Complainant and already made arrangements to pay Complainant for the vehicles at issue. Respondent states their finance manager was stealing from them and they learned he was buying and selling vehicles after hours from their lot. The two vehicles at issue were purchased and sold by this prior employee. Respondent fired the employee when they found out he was stealing from the dealership. This ex-employee is dating one of the consumers who purchased one of the vehicles at issue. Complainant filed a civil lawsuit against Respondent related to this matter and Respondent provided the written agreement as part of the lawsuit showing Respondent is compensating Complainant in full. Respondent has also provided the police report for the embezzlement charges against the prior employee responsible for these two sales. The investigation also revealed that two of the salespersons working at the dealership have expired licenses. Counsel recommends issuing a \$1,000 civil penalty for two expired salesperson licenses, a \$1,000 civil penalty for failing to provide the titles to the lienholder for two vehicles in a timely fashion (false, fraudulent and deceptive business practices), a \$1,000 civil penalty for failing to reasonably supervise the salesperson who committed the fraudulent activity in the two scenarios at issue, and a warning about failing to respond to the Commission, for a total \$3,000 civil penalty.

Recommendation: Authorize a \$3,000 civil penalty for unlicensed salespersons, false, fraudulent and deceptive practices, and failure to supervise salesperson/employee

Commission Decision: Concur.

New Information: Respondent's dealership has closed, and their license has been cancelled. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

113. 2022042941 (ES)

Date Complaint Opened: 10/13/2022

First Licensed: 10/09/2019

Expiration: 08/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$500 civil penalty for unlicensed activity.

Respondent was issued a Notice of Violation during inspection on 10/11/22 for the following violations: failing to provide an active county business license, failing to have a permanent "business sign" posted, and for having three vehicles displayed for sale without Buyer's Guides. Counsel recommends issuing a \$250 civil penalty for the business tax license violation, a \$500 civil penalty for the buyer's guide violation, and a \$500 civil penalty for the sign violation, for a total \$1,250 civil penalty. Further, Counsel will include terms in the Consent Order that require Respondent to show proof of the permanent sign compliance within 30 days or Respondent will face suspension of their license.

Recommendation: Authorize a \$1,250 civil penalty for failure to provide an active county business tax license, failure to have buyer's guides in all vehicles displayed for sale and failure to have a permanent installed sign at the business location. Respondent must comply within 30 days or face suspension.

Commission Decision: Concur.

New Information: Respondent's dealership has closed, and their license has been cancelled. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

114. 2022040501 (ES)

Date Complaint Opened: 09/26/2022

First Licensed: 08/31/2021

Expiration: 07/31/2023 - CLOSED

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

A Notice of Violation was issued to Respondent during an inspection on 9/22/22 for failing to provide proof an active city and county business license. Counsel recommends issuing 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: Concur.

New Information: Respondent's dealership has closed, and their license has expired. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

115. 2022046021 (ES)

Date Complaint Opened: 11/02/2022

First Licensed: 01/18/2022

Expiration: 10/31/2023 – CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they traded in a vehicle for another at Respondent's dealership on 8/22/22. Complainant alleges Respondent has failed to pay off trade-in and has not provided title and registration to the new vehicle as of 11/2/22. Respondent failed to respond to this complaint, so an investigation was conducted. The investigator made multiple attempts to contact Complainant by phone without success, and when they went to their address, the person living there stated they did not know who Complainant was. Respondent's attorney met with the investigator to go over this matter and explained what had transpired. Respondent's business was in a trust for the owner's son and the son was working at the dealership at the time the transaction at issue took place. The son allegedly entered into a verbal agreement with a licensed salesperson to sell vehicles for the dealership, and this agreement lasted until 2021. During this time, approximately 250 vehicles out of the trust and \$900,000 - \$1.2 million dollars went through a bank account. No taxes were paid on these sales. When the investigator asked Respondent's attorney if they were going to notify the Department of Revenue, they did not give a definitive answer. The investigator spoke with an agent of a financial advisory firm who is in the process of dissolving the trust due to the amount of money being lost and the cost to Respondent owner. The investigator was told there were vehicles that had been sold under Respondent's license that respondent did not know about. When the investigator asked about the vehicle at issue, they were told Respondent did not have any information on the vehicles but did find a title on the vehicle purchased by Complainant; there was a sticky note on it that stated the title was "no good." The investigator ran a vehicle history report on the vehicle that Complainant traded in which showed it was still registered to Complainant but has since been paid off. The vehicle purchased by Complainant was shown to have been bought by Respondent, sold to Complainant and it had a lien on it. Considering Respondent appears to be winding down the business, Counsel recommends revocation of Respondent's license. Additionally, Counsel will forward this matter and relevant documentation

from this investigation to the Department of Revenue. Counsel has already provided the relevant documentation for this matter to the detective investigating this for possible criminal activity.

Recommendation: Authorize revocation of dealer license for false, fraudulent, and deceptive activity

Commission Decision: Authorize revocation of dealer license for false, fraudulent, and deceptive activity and refer to TN Dept. of Revenue

New Information: Respondent's dealership has closed, and their license has been cancelled. This complaint was referred to the Department of Revenue. Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

116. 2022047051 (ES)
Date Complaint Opened: 11/10/2022
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant, a county clerk, alleges Respondent is selling vehicles without proper licensure. Respondent is a licensed wholesaler in Wisconsin but is allegedly selling vehicles through Facebook to Tennessee residents. An investigation was conducted. The investigator was unable to find evidence of Respondent selling vehicles online. The clerk presented the investigator with evidence that 15 vehicles were registered through their office with Respondent as the seller. It appears Respondent has purchased those vehicles from auctions in Tennessee. The investigation revealed Respondent has 8 authorized buyers working for them at auctions and has purchased 236 vehicles from three auctions in 2022. The investigator spoke with the owner of Respondent business who confirmed they lived in Tennessee. The owner scheduled multiple meetings with the investigator but never showed up and stopped communicating with them. The investigator spoke with an Investigator at Wisconsin's Department of Transportation – Dealer License Section and we provided them with information related to this complaint. They are now taking action to revoke Respondent's wholesaler license in Wisconsin because retail sales are strictly prohibited. The investigation also revealed that the vast majority of buyers for Respondent were also authorized buyers for another past Respondent who had a wholesale license in Montana. After further research, Counsel discovered we have sent a Letter of Warning to the Respondent owner in the past case on October 28, 2021. Respondent has only had the Wisconsin wholesale license for one year, so it seems they applied for that and changed the name of their business after receiving that letter of warning and being investigated in the past case. Therefore, Counsel recommends issuing a \$1,000 civil penalty for the sale of each vehicle, for a total \$15,000 civil penalty.

Recommendation: Authorize a \$15,000 civil penalty for unlicensed activity

Commission Decision: Authorize a \$15,000 civil penalty for unlicensed activity and send notice to Tennessee Auto Auctions.

New Information: Respondent’s attorney contacted Counsel to discuss the Consent Order. Respondent admits to the violations and has ceased operating their business and will no longer engage in any unlicensed activity. Respondent is a refugee from Egypt and speaks very limited English and did not fully understand that they could not sell vehicles with a wholesaler’s license. Respondent is unable to come up with \$15,000 and is currently taking care of their terminally ill wife. Respondent’s attorney provided me with proof of Respondent’s wife’s illness and the fact they had a valid wholesaler’s license from Wisconsin at the time the vehicles were sold, as well as a valid bond. Respondent’s counteroffer is to pay \$200 per vehicle sold, for a total \$3,000 civil penalty.

New Recommendation: Authorize a \$3,000 civil penalty for unlicensed activity

New Commission Decision: **Concur.**

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

ROLL CALL VOTE

John Barker	YES
Jim Galvin	YES
Nate Jackson	YES
Karl Kramer	YES
Ian Leavy	YES
Debbie Melton	YES
Stan Norton	YES
Hubert Owens	YES
Farrar Vaughan	YES
Charles West	YES
John Roberts	YES

MOTION CARRIED

LEGISLATIVE UPDATE – General Counsel, Neil Stauffer

PC 300 (public comment)

RULES COMMITTEE

Nothing to Report

AUDIT COMMITTEE

Nothing to Report

NEW BUSINESS

Sunshine Law Presentation, General Counsel, Neil Stauffer

OLD BUSINESS

Nothing to Report

Adjourn

Chairman Roberts called for a motion to adjourn the meeting. Commissioner Vaughan made a motion to adjourn, seconded by Commissioner Melton. Chairman Roberts called for a voice vote.

MOTION PASSED

MEETING ADJOURNED

Directly following the quarterly Commission meeting, the following formal proceeding was held. For information related to this hearing, please contact Commerce and Insurance Legal Services Division.

Notice of Formal Hearings

Board: Tennessee Motor Vehicle Commission

Petitioner: HYUNDAI SUBARU OF NASHVILLE, INC. DBA DOWNTOWN
HYUNDAI

Respondent: HYUNDAI MOTOR AMERICA, INC.,

Docket: APD Case No. 12.17-230549A

Date & Time: 1:00 P.M. Central Time on July 11, 2023, and at 9 A.M. Central Time on
July 12-13, 2023

Location: Davy Crockett Tower, Room 1-A

John Roberts, Chairman_____