

MINUTES

July 23, 2024



**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 23, 2024

PLACE: Room 1-A, Davy Crockett Tower

PRESENT: Commission Members:

Sandra Elam
Jim Galvin
Karl Kramer
Ian Leavy
Stan Norton
Hubert Owens
John Rydell
Eleni Speaker
Farrar Vaughan
John Roberts

ABSENT:

John Barker
Tim Copenhaver
Victor Evans
Debbie Melton
Charles West

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.

PUBLIC COMMENTS: Chairman Roberts advised all present that public comments would be welcomed at the end of the meeting.

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

VOICE VOTE

Ian Leavy	YES
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	YES
Hubert Owens	YES
John Roberts	YES

MOTION CARRIED

QUARTERLY MEETING MINUTES: Chairman Roberts requested the Commission review the minutes from the previous meetings held on February 12, 2024, April 23, 2024, and May 29, 2024. Commissioner Vaughan made a motion to approve the minutes, seconded by Commissioner Norton. Chairman Roberts called for a roll call vote.

VOICE VOTE

Ian Leavy	YES
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	YES
Hubert Owens	YES
John Roberts	YES

MOTION CARRIED

SALESPERSON/DEALER APPLICATIONS APPEALS

DWD Motors, Dilian Trent, Powell, TN

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

ROLL CALL VOTE

Ian Leavy	NO
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	NO
Hubert Owens	YES
John Roberts	YES

MOTION CARRIED – DENIAL UPHELD

Union Cars and Service, Inc. – Khosraw Maihanpoor – Lawrenceburg, TN

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

ROLL CALL VOTE

Ian Leavy	YES
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	YES
Hubert Owens	YES
John Roberts	YES

MOTION CARRIED – DENIAL UPHELD

Mitchell Altergott – Darrell Waltrip Buick GMC – Franklin, TN

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

ROLL CALL VOTE

Ian Leavy	YES
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	YES
Hubert Owens	YES
John Roberts	YES
John Roberts	YES

MOTION CARRIED – LICENSE GRANTED

Joshua McDonald – Grayson BMW of Knoxville – Knoxville, 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

Ian Leavy	YES
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	YES
Hubert Owens	YES
John Roberts	YES

MOTION CARRIED – LICENSE GRANTED

Andrea Rudd – Volunteer Auto Group – Maryville, TN

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

ROLL CALL VOTE

Ian Leavy	YES
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	YES
Hubert Owens	YES
John Roberts	YES

MOTION CARRIED – LICENSE GRANTED



Executive Director’s Report
July 23, 2024

Since the last Commission meeting in April 2024, the following activity has occurred:

	<u>Last Meeting</u>
<u>New Meeting</u>	
<u>Dealers Opened, or Relocated (Last Quarter)</u>	90 93
<u>Applications in Process</u>	27 23

Active Licensees as of July 17, 2024

Dealers	3340	3326
Auctions.....	30	30
Distributors/Manufacturers.....	154	157
Salespeople	17,929	17,944
Representatives.....	440	448
Dismantlers.....	206	197
RV Dealers	45	41
RV Manufacturers.....	86	88
Motor Vehicle Show Permits.....	5	8

Complaint Report- Opened Complaints from January- Present

Number of Complaints Opened.....	158
Number of Complaints Closed.....	22

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

Vehicles Reported Sold in 2023.....	1,206,534
New Vehicles Reported Sold 2023.....	290,241
Used Vehicles Reported Sold 2023.....	916,293
Late Annual Sales Report Collected	798

Total revenue from Late Annual Sales Report collection:

\$79,800

Average Performance Metrics – April 2024 - Present

Average Number of Days to License...	4.1 days to license 2.6 days with clock-stoppers
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MVC Zendesk Customer Satisfaction Rating April 2024 – Present

Total Ticket Count.....2,277
Full Resolution in Business Hours.....1.9 hours
Quarterly Satisfaction Rating..... .97%

Disciplinary Action Report April 2024 through June 2024

Total to be collected.....\$18,750

Online Adoption Across All Professions

- 94% online adoption for New “1010” Applications across all Professions available as of July 17, 2024.

Administrative News

Our team continues to surpass all objective metrics set by the Administration. I couldn’t be prouder 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.

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

VOICE VOTE

Ian Leavy YES
Sandra Elam YES
Eleni Speaker YES
Jim Galvin YES
Stan Norton YES
Farrar Vaughan YES
John Rydell YES
Karl Kramer YES
Hubert Owens YES
John Roberts YES

MOTION CARRIED



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
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DAVY CROCKETT TOWER, 12TH FLOOR
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MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

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

DATE: July 23, 2024

SUBJECT: MVC Legal Report

1. 2024010461 (ES)
Date Complaint Opened: 02/20/2024
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant is anonymous and alleges unlicensed activity. An investigation was conducted. The investigation revealed no evidence to support the allegations. It appears the location at issue is just a storage area for vehicles that don't fit at the owner's licensed dealership in Georgia. The owner told the investigator their attorney informed them they were not allowed to display vehicles for sale or conduct any sales in Tennessee unless they obtain a motor vehicle dealer license. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

2. 2024006081 (ES)

Date Complaint Opened: 02/06/2024

First Licensed: 04/20/2023

Expiration: 04/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent in January and alleges it is “so rusty” that it cannot be driven on the road in North Carolina. Respondent sold the vehicle as-is, without warranty. Respondent states Complainant looked it over and provided a clean history report of the vehicle. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

3. 2024006591 (ES)

Date Complaint Opened: 02/07/2024

First Licensed: 12/31/2011

Expiration: 10/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$250 agreed citation for failure to maintain county business license.

Complainant purchased a used vehicle from Respondent on 10/20/23 and alleges Respondent is refusing to register the vehicle because Complainant is behind on their car payments. Complainant alleges they have received two temporary tags and Respondent will not register the vehicle until Complainant “pays the whole amount.” Respondent provided a detailed response and documentation to show that Complainant has been delinquent since 12/15/23, owes the taxes due in the amount of \$493 which is clearly due as a separate amount from the car payment in the retail installment contract. Respondent has informed the Complainant that they needed to come in to the office to sign for the permanent tag and registration and Complainant has not responded to their phone calls. Complainant has also failed to provide proof of insurance coverage for the vehicle. Respondent is attempting to repossess the vehicle. Counsel recommends issuing a Letter of Instruction stating that a dealer cannot withhold registration of a vehicle because a consumer is past due on their car payment or tax payment, and further state the only resolution is to legally repossess the vehicle.

Recommendation: Letter of Instruction

Commission Decision: Concur.

4. 2024007241 (ES)

Date Complaint Opened: 02/09/2024

First Licensed: 11/04/2019

Expiration: 09/30/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent in 2021 and alleges they had to bring the vehicle back after 4 months because Respondent did not have the title for it. Complainant claims they paid \$14,999 in cash and made repairs to the vehicle but never got reimbursed when they returned the vehicle. Complainant alleges Respondent is continuing to sell the vehicle to unsuspecting consumers knowing they don't have the title for it. Respondent states they never sold the vehicle to Complainant and provided a bill of sale showing it was sold to someone else on 6/5/23. Respondent purchased the vehicle on 12/23/21 and did not sell it until 6/5/23. Respondent states Complainant has been harassing their employees to the point they had to call the police. Respondent provided the incident number for the police report to support their statement. Complainant does not provide their bill of sale or anything to confirm their allegations therefore Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

5. 2024008481 (ES)

Date Complaint Opened: 02/15/2024

First Licensed: 06/02/2010

Expiration: 04/30/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$250 civil penalty for failure to maintain county business license.

Complainant purchased a used vehicle from Respondent on 8/4/23. Complainant alleges the check engine light was on and it was diagnosed as a simple electrical issue prior to completing the purchase. Complainant agreed to purchase the vehicle if there were no other issues. Complainant alleges since then, a mechanic has deemed the vehicle unsafe to drive because the tires are not the same size, the exhaust is rusted, bolts and screws are missing, and loose wires were hanging across the drive shaft. Respondent states Complainant chose not to purchase a vehicle service contract and this vehicle was sold as-is. Respondent has offered to pay for the necessary repairs and set up a second loan for Complainant to make small payments towards the repair cost. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

6. 2024010301 (ES)

Date Complaint Opened: 02/15/2024

First Licensed: 07/29/1993

Expiration: 01/31/2025 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

This complaint involves the purchase of a used car from Respondent. Complainant is the lienholder and alleges Respondent failed to deliver title to the vehicle they financed on 3/13/23. Respondent claimed they would have the issue resolved by 4/1/24 but considering it has been over a year since the purchase, an investigation was conducted. Complainant informed the investigator they had received the title after the complaint was filed, confirmed this matter was resolved and failed to provide a sworn statement as requested. Counsel spoke with Respondent who explained that the business is closed, and he has sold it to another individual who will be getting their own dealer license. The location is now only operating as a mechanic shop. Respondent surrendered their license, and it is no longer active. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

7. 2024011961 (ES)

Date Complaint Opened: 02/26/2024

First Licensed: 04/12/2016

Expiration: 03/31/2026

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 only provides one sentence in their complaint stating they returned a used vehicle on 2/26/24 after purchasing it on 2/22/24. Complainant states they have requested a refund because the vehicle is allegedly “faulty.” Respondent states the brakes were soft and they have fixed them for free. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

8. 2024012351 (ES)

Date Complaint Opened: 02/28/2024

First Licensed: 01/23/2017

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed letter of warning and one complaint closed with \$250 civil penalty for engaging in false, fraudulent, or deceptive practice(s). 2022 – One complaint closed with \$750 agreed citation for advertising violation(s).

Complainant purchased a used vehicle from Respondent in June of 2021 and alleges Respondent was supposed to mail them a title but never did. Respondent states they provide titles to consumers the day they purchase a vehicle, and if they don't have a title, they inform the consumer so they can wait to purchase until the title is received. Respondent notes it has been 3 years since the

purchase and they were never informed about the alleged missing title until now. Respondent believes Complainant received the title and lost it. Respondent states their records only date back for 2 years. The surety bond has been sent to Complainant and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

9. 2024013441 (ES)

Date Complaint Opened: 03/04/2024

First Licensed: 03/03/2004

Expiration: 02/28/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 5/21/22. Complainant alleges mechanical issues 3 days later and claims when they brought the vehicle to Respondent, they could find nothing wrong with it. Additionally, Complainant claims the front bumper was falling off, which led them to believe it had been in a wreck. Complainant took the vehicle to another mechanic who claimed the vehicle had received rear-end damage. Complainant states the Carfax notes the vehicle had been sold twice in May 2022. In October 2022, the vehicle was hit and sustained damage. Complainant wants to return the car, get a refund for the money paid towards the vehicle and for their trade-in vehicle. Respondent notes they arranged for an inspection of the vehicle prior to offering it for sale and believed it to be in good condition. Further, Respondent provided an express limited warranty covering claims that occur within 30 days or the first 1,000 miles. Complainant also purchased an extended warranty but cancelled it 3 months after purchase. Respondent provided the Carfax which showed no history of any accidents at the time of purchase, provided as much information as reasonably available to Complainant and sold the vehicle with an extended service contract that would have likely covered the mechanical issues. Therefore, Respondent believes it dealt fairly with Complainant. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

10. 2024015051 (ES)

Date Complaint Opened: 03/11/2024

First Licensed: 03/27/2014

Expiration: 03/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$3,000 civil penalty for issuing more temporary tags than allowed.

Complainant purchased a used vehicle from Respondent on 7/11/23. Respondent sent the title to Complainant instead of sending it to the lender who financed the purchase. Complainant received a letter from the lender stating they needed the title, or their car payment could possibly go up. Once Respondent received the title back from the Complainant, they completed the lien

paperwork with the state and made the correction regarding the lienholder as of 3/12/24. Counsel recommends issuing a Letter of Warning regarding the delay in sending the title to the lienholder.

Recommendation: Letter of Warning

Commission Decision: Concur.

11. 2024011711 (ES)

2024027771

Date Complaint Opened: 02/26/2024, 05/14/2024

First Licensed: 09/01/1991

Expiration: 04/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2024011711

Complainant purchased a used vehicle from Respondent on 2/22/24 and alleges it stopped in the middle of an intersection 2 days later. Complainant wants to return the car and obtain a refund. Respondent allowed Complainant to return the vehicle and refunded Complainant. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

2024027771

Complainant purchased a used vehicle from Respondent on 5/13/24 and alleges major mechanical issues within 24 hours. Respondent allowed Complainant to return the vehicle and she purchased a different vehicle. Complainant is satisfied with this resolution and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

12. 2024012571 (ES)

Date Complaint Opened: 02/29/2024

First Licensed: 01/04/2022

Expiration: 09/30/2025 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent in October 2023 and alleges Respondent failed to disclose the vehicle was salvaged and needed a rebuilt title. Complainant further alleges they wrote the incorrect amount she paid for the vehicle on the bill of sale. Complainant alleges

Respondent attempted to charge another \$800 after the purchase in order to register the vehicle. Complainant alleges Respondent kept taking the vehicle for the rebuilt inspection and gave her another car but has never returned the vehicle she purchased or obtained the rebuilt title. Complainant wants to cancel the purchase and get a refund, but claims Respondent has not cooperated. Complainant was only able to provide a bill of sale and a signed disclosure form notifying them the vehicle was salvaged. An investigation was conducted. Respondent's dealership is closed and has not had an active license since 2/13/24 since the owner contacted our office and informed us of the closure. The surety bond was sent to Complainant and Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag

Commission Decision: Concur.

13. 2024012771 (ES)

Date Complaint Opened: 03/01/2024

First Licensed: 10/09/2023

Expiration: 08/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges they have not received their permanent tag within 50+ days of the purchase. Respondent states they registered the vehicle on 1/23/24 and immediately reached out to Complainant to let them know it was ready to be picked up. Complainant provided text messages that seem to line up with this response. Complainant did not respond until February to explain their temp tag was going to expire. At that point, Complainant asked Respondent to mail the tag to them but to a different address than had been originally provided. The tag was returned "undeliverable" two separate times after Respondent confirmed the address with Complainant both times before mailing it. Complainant then provided an apartment address, and the tag cannot be sent certified to that particular address, so Complainant just needs to pick it up from Respondent. Respondent provided documentation to support their statements and Complainant has not provided anything to disprove Respondent's statements. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

14. 2024013591 (ES)

Date Complaint Opened: 03/04/2024

First Licensed: 07/15/2022

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 12/2/23 and claims the dealership did not notify them of issues that would require repairs. Complainant had to bring the vehicle in to

Respondent's service department and the parts needed for the repairs are on backorder. The vehicle has been at the dealership for several months waiting for the parts to arrive. Respondent agreed to buy the vehicle back and this has been resolved. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

15. 2024013631 (ES)

Date Complaint Opened: 03/05/2024

First Licensed: 05/06/2021

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 2/22/24 and claims it had a bad transmission. Complainant states they purchased a 3-month warranty for \$300 three days after purchase and took the vehicle to the repair shop to be fixed under warranty. Complainant alleges Respondent forged their signature on warranty paperwork and claims fraud but does not explain what Respondent did wrong. Complainant provided the warranty purchase paperwork. Respondent confirms the Complainant purchased the vehicle and then bought the warranty because they were worried something could go wrong with the vehicle after Respondent took the vehicle for a drivability inspection and both parties agreed it was functioning as it should. There is no evidence of any violation and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

16. 2024013691 (ES)

Date Complaint Opened: 03/05/2024

First Licensed: 05/25/2011

Expiration: 06/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant brought their vehicle to Respondent's dealership's service center because it was running hot. Respondent is a franchise dealer. Complainant alleges Respondent told them the vehicle needed a coolant hose and turbo, so those repairs were completed. Complainant alleges the vehicle still ran hot so they brought it back and was informed it needed a water pump and air duct. Before Complainant paid for that, Respondent allegedly called them back and stated the vehicle needed an engine. Complainant wanted copies of diagnostics and the dealership's owner's contact information but alleges they did not receive either. Complainant only paid for the initial issues at the first visit with their vehicle. Respondent provided a detailed response explaining their diagnostics and the steps they took which did not stop the engine from overheating. Respondent was able to make some repairs through warrantied parts. In the end, Respondent confirms they did recommend an engine replacement due to the age and mileage on the vehicle

and because none of the repairs were keeping the engine from overheating. Complainant provided a rebuttal where they ask Respondent to pay for the value of their vehicle and a reimbursement for the repair costs they paid for. Counsel recommends closure.

Recommendation: Close

Commission Decision: **Concur.**

17. 2024028631 (ES)

Date Complaint Opened: 03/06/2024

First Licensed: 06/23/2017

Expiration: 06/30/2025 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): 2024 – Consent Order for delay in providing title and registration – Respondent surrendered their dealer license in lieu of a \$1,500 civil penalty

Complainant purchased a used vehicle from Respondent a few days before the dealership closed and had not received the title or registration for their vehicle. The surety bond was not sent to the Complainant because it was cancelled prior to the sale of the vehicle. Respondent has assured Counsel that all consumers who have purchased vehicles from them have received their title and registration. Additionally, five similar complaints were presented to the Commission at the May 2024 Special Meeting where the Commission voted to issue a \$1,500 civil penalty or the voluntary surrender of Respondent's dealer license. Respondent signed the Consent Order and surrendered their dealer license. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag

Commission Decision: **Concur.**

18. 2024014911 (ES)

Date Complaint Opened: 03/11/2024

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent, an individual, and alleges Respondent has failed to provide a proper bill of sale. Complainant alleges they cannot get the title and registration for the vehicle. Complainant further alleges Respondent is operating as a dealer without a license but does not provide any evidence to support this allegation. An investigation was conducted. The investigator made multiple attempts to contact the Complainant to obtain a written statement and documents to support their allegations. Complainant never contacted the investigator. The investigator did speak to the Respondent and stated they had purchased two vehicles from Copart. Respondent confirmed Complainant has since received the title. Respondent alleges the reason there was a delay in registration was because Complainant wouldn't pay the sales tax to the clerk because Respondent did not collect the sales tax. Respondent confirmed they have sold two vehicles in the last 12 months. Respondent is

considering obtaining a motor vehicle dealer license. Counsel recommends issuing a Letter of Instruction regarding unlicensed activity. Further, Counsel recommends communicating with Copart and other Tennessee auctions to discuss whether or not they are allowing unlicensed individuals or businesses to purchase vehicles from their auction.

Recommendation: Letter of Instruction for unlicensed activity; communicate with Copart and other auctions regarding unlicensed activity

Commission Decision: Concur.

19. 2024016031 (ES)

Date Complaint Opened: 03/15/2024

First Licensed: 01/30/2023

Expiration: 01/31/2025 - CLOSED

License Type: Motor Vehicle Dealer

History (5 yrs.): None

Complainant purchased a used vehicle from Respondent on 10/2/23 and alleges they have not been able to register the vehicle and their lienholder has not received the title. Complainant put \$4,000 down and financed \$13,500 and claims Respondent took all of that money and ran. Respondent is closed and three complaints against Respondent were presented to the Commission at the May 2024 Special Meeting. The Commission voted to assess a \$3,000 civil penalty or allow voluntary surrender of Respondent's dealer license. Respondent has not contacted Counsel about the Consent Order and the certified mail has not yet been delivered per USPS tracking. The surety bond information was sent to Complainant. Counsel recommends referring this complaint to the Department of Revenue to request their assistance in obtaining a title to the vehicle if the surety bond claim has not been successful. Additionally, Counsel recommends referring this to local law enforcement noting that Respondent is a convicted felon and may be on probation. Counsel also recommends closing and flagging this complaint.

Recommendation: Refer to the Dept. of Revenue and local law enforcement; close/flag

Commission Decision: Concur.

20. 2023056681 (ES)

Date Complaint Opened: 11/06/2023

First Licensed: 09/09/2008

Expiration: 08/31/2024 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – One complaint closed with Letter of Warning reminding Respondent of their duty to timely issue customers their title and registration paperwork. One complaint closed with \$1,000 civil penalty for failure to provide title; 2024 – Commission authorized voluntary surrender and referred to local law enforcement

Complainant purchased a used vehicle from Respondent on 9/15/23 and alleges they paid \$6,000 in cash and \$200 with their credit card. Respondent later called Complainant and claimed they could not "cash out" the \$200 credit card payment and recommended Complainant call their credit

card company to dispute the transaction. Complainant claims the credit card company told them the transaction was successful and there was nothing else they could do. Complainant alleges Respondent told them they needed to come pay \$200 in cash or they would report Complainant for bad credit and “tarnish their name”. Respondent responded to this complaint on 11/6/23 when it was with the AG’s Office and stated they were no longer doing business with that credit card company. Respondent claimed the \$200 was left unpaid. Respondent is closed and a Consent Order has already been sent to them for voluntary surrender of their dealer license from a complaint that was presented to the Commission in April 2024. That complaint was referred to local law enforcement as well. Respondent’s license will be expired on 8/31/24 and Respondent has not signed the Consent Order. We have not received any more complaints alleging Respondent is still conducting business as a motor vehicle dealer. Counsel recommends referring this matter to local law enforcement and closing and flagging it.

Recommendation: Refer to local law enforcement and close/flag

Commission Decision: Concur.

21. 2024014361 (ES)

Date Complaint Opened: 03/07/2024

First Licensed: 12/02/2022

Expiration: 11/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a new vehicle from Respondent (which had different ownership than it does currently) in July of 2021 and alleges their transmission went out in May of 2022. Complainant claims Respondent repaired the vehicle under warranty and put a remanufactured transmission in which allegedly came with a 3 year/unlimited mileage warranty. Complainant states they drove the vehicle until 8/30/23 when the transmission went out again. Complainant alleges they have hired a lawyer because the dealership transferred ownership since they purchased the vehicle and Respondent states they did not purchase the liabilities of the dealership, only the assets. Further, there is a dispute as to whether the manufacturer needs to repair the vehicle. Respondent confirms they performed an asset-only purchase of the dealership in December of 2022 and no liabilities of the dealership were transferred to them. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

22. 2024015391 (ES)

Date Complaint Opened: 03/13/2024

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent but does not provide the name of a dealership, only an address. Complainant alleges Respondent has failed to refund the total payment for the vehicle or return the vehicle after repairs and refund the repair costs. Complainant alleges Respondent has the vehicle and the title. An investigation was conducted. Complainant told the investigator they found the vehicle on Facebook Marketplace advertised for sale by an individual. Complainant alleges the place they purchased the vehicle from looked like a mechanic shop and there were no vehicles for sale. Respondent provided a temporary tag showing the name of another licensed dealer which appears to be a rental car agency as well. The investigator was unable to locate the temporary tag in the EZ tag database and it appears Respondent fraudulently created the temporary tag. The investigator went to the licensed dealer and confirmed they had nothing to do with the temporary tag being issued or the sale of the vehicle. Complainant later informed the investigator that Respondent has refunded most of their money back in multiple installments. Respondent confirmed that they occasionally sell vehicles which they have “fixed up” but has never sold more than 3-4 vehicles a year. Counsel recommends issuing a Letter of Instruction regarding unlicensed sales and referring this matter to the Department of Revenue so they can take action against Respondent for the fraudulent temporary tag activity.

Recommendation: Letter of Warning for unlicensed sales and refer to DOR for fraudulent temporary tag

Commission Decision: Concur.

23. 2024016111 (ES)

2024025031

2024024841

Date Complaint Opened: 03/16/2024 - 04/26/2024

First Licensed: 12/04/2000

Expiration: 11/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$250 civil penalty for failure to respond to a complaint.

2024016111

Complainant purchased a used vehicle from Respondent on 11/15/23 and had not received their registration as of 3/16/24. Respondent stated they got the registration from the Shelby County clerk on 3/27/24 and claimed the delay was the fault of the clerk. An investigation was conducted because two more complaints were filed against Respondent shortly after this complaint, with one alleging delay in registration. Complainant informed the investigator that they did receive their registration and were only provided with one temporary tag. In addition to the “normal” delay time with the Shelby County clerk’s office, there was an error on the title assignment from the previous seller which required affidavit. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

2024025031

Complainant purchased a used vehicle from Respondent on 8/28/23 but did not pay for the tag and registration fee until 11/22/23. Complainant alleged they had not received their registration as of 4/17/24. An investigation was conducted. Respondent stated they had been waiting on a replacement title from the auction where they purchased the vehicle from. Respondent refunded Complainant's tag and registration fee in February, after they communicated the delay and apologized for the inconvenience. Respondent only provided Complainant with one temporary tag. The auction provided a letter explaining the delay, stating they were waiting for the duplicate title from Arkansas Vehicle Title Services and noting the weekly updates they had been providing which also showed the consistent efforts being made to obtain the title for registration. Respondent confirmed they received the duplicate title on 6/10/24 and they have attempted to call Complainant and have left them messages to inform them. However, Complainant has not made a car payment since February and Respondent wants to take steps to repossess the vehicle but has not been able to because Complainant has moved to another city in Arkansas and will not communicate with them. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

2024024841

Complainant purchased a used vehicle from Respondent in October of 2023 and alleges it broke down within four months. An investigation revealed the vehicle was sold as-is and there is no evidence of any violations. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

24. 2024016141 (ES)

Date Complaint Opened: 03/17/2024

First Licensed: 01/04/2018

Expiration: 01/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 12/7/23 and alleges it needed brake rotors within 2 weeks. By early March of 2024, Complainant alleges there was also engine problems and missing parts causing the heat not to work. Respondent states Complainant test-drove the vehicle twice before purchasing it as-is. Respondent checked the brakes and determined they still had 75% life left and were functioning properly. Complainant then brought the vehicle in again alleging coolant issues, but Respondent could not find any problems. Respondent believes Complainant just wanted to trade in the vehicle due to the balance owed and because they were upside down financially, which Complainant mentions in their complaint. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

25. 2024016871 (ES)

Date Complaint Opened: 03/21/2024

First Licensed: 09/01/1991

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant's husband purchased a used vehicle from Respondent. Complainant was never at the dealership and was not present during the purchase. Complainant alleges the vehicle had no oil in it when they took it to get an oil change the day it was purchased. Complainant alleges they have put over \$1,500 into the vehicle without having put 200 miles on it. Complainant claims they were informed the vehicle needed a turbo charger prior to purchase but alleges Respondent should have told them of other mechanical issues. Complainant claims the repairs still needed will cost over \$5,000. Complainant confirms they bought the vehicle as-is. Respondent states the vehicle was sold at a discount rate because of the problem the vehicle had with the turbo charger. Respondent states they didn't check the vehicle out any further once that issue presented itself and informed Complainant of this. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

26. 2024011631 (ES)

Date Complaint Opened: 02/26/2024

First Licensed: 01/26/2001

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$250 agreed citation for advertising violation.

Complainant purchased a used vehicle from Respondent on 2/18/23 and alleges the mileage on the contract did not match the odometer. Additionally, Complainant alleges they did not receive a Buyer's Guide and did not pay the amount they were quoted by Respondent. Complainant alleges they received a high APR and was rushed to sign the paperwork. Respondent admits there was an error on their part regarding the mileage listed on the sale documents but states it was immediately corrected when it was brought to their attention. Complainant's registration is correct as this mistake was corrected prior to registration. Respondent notes they are a franchise dealer who has been in business since 2001 and they understand the importance of Buyer's Guides. They provided the signed document showing Complainant did receive it. Respondent further states the vehicle came with a 8yr/100K mile powertrain warranty. Counsel had to reach out to Respondent to obtain a response, which was received immediately by email. Counsel recommends issuing a Letter of Warning for failure to respond to the initial letter sent by regular mail. It would be inappropriate to assess a civil penalty because Respondent had not yet received the certified mail at the time we called them and obtained the response.

Recommendation: Letter of Warning for failure to respond

Commission Decision: Concur.

27. 2024012931 (ES)

2024019071

Date Complaint Opened: 03/01/2024, 04/01/2024

First Licensed: 10/15/1998

Expiration: 09/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$1,500 civil penalty for issuing more temporary tags than allowed.

2024012931

Complainant was interested in purchasing a used vehicle from Respondent and noticed the check engine light was listed on a service receipt, which was included with all of the pictures advertising the vehicle for sale by Respondent. Complainant went to the dealership and saw there was no light on. Complainant used their own scanner and connected it to the car while on the lot and saw several results. Complainant alleges Respondent erased notifications and reset the cycle after they purchased the vehicle and put it on their lot for sale. Complainant still made an offer on the vehicle but did not purchase it. Respondent confirms Complainant did their own inspection of the vehicle and there were no lights on at the time. Respondent denies hiding anything and there is no evidence to support any violations. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

2024019071

Complainant purchased a used vehicle from Respondent on 11/25/23 and alleges they asked for the Carfax but did not receive it. Complainant further alleges they had not received their registration within 140 days of the purchase. Response states the delay in providing the title to Complainant was not their fault, it was caused by the prior owner of the vehicle. Respondent worked diligently to obtain the title and communicated with Complainant about it. To compensate Complainant for the delay, Respondent agreed to replace all 4 tires and reimburse the costs of recent repair/maintenance. Additionally, Respondent provided a loaner vehicle during the delay. The title was received, only two temp tags were issued, and registration has been completed. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

28. 2024013191 (ES)

Date Complaint Opened: 03/01/2024

First Licensed: 08/09/2021

Expiration: 06/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 7/22/23 and had not received their title and registration as of 3/1/24. Complainant alleges Respondent eventually told them they could not get the title to the vehicle and would refund their money but has not done so. Respondent had not responded to this complaint despite certified mailed which was signed for and emails, so an investigation was conducted. Complainant informed the investigator there had been no resolution to this matter and the vehicle was still in their driveway and it could not be driven, so they stopped making payments. The person who spoke with the investigator on behalf of the dealership does not have a salesperson's license and could not produce a deal file or title for the sale of the vehicle at issue. The individual stated the vehicle came from the inventory for their now-closed dealership in Arkansas and they claimed they didn't know they couldn't sell vehicles from another dealership. The individual claimed it was sold on consignment from that closed dealership. The individual took responsibility for the sale and the owner of Respondent dealership was unaware of the sale. The individual also issued an Arkansas temporary tag to the vehicle after the sale. The owner stated they didn't respond to this complaint because they were having family problems. The owner is the only licensed salesperson at the dealership. Respondent showed the investigator a letter from the Complainant's attorney dated 2/5/24 which requested resolution of this matter immediately. The investigator noted the dealership looked more like a salvage yard and not an organized car lot. The investigator could not tell which vehicles were for sale and which were not. The Buyers Guides were sporadic. When the investigator asked the owner for the titles to the vehicles that had Buyers Guides in them, they could not produce any titles. When the investigator went back, the unlicensed individual produced the requested titles. The investigator noted that the owner had separated themselves from the unlicensed individual in their written statement so the investigator questions why that individual was the one who was able to produce the titles to the vehicles for sale on the lot and not the owner. All of the titles produced were rebuilt titles from Arkansas. The investigation revealed the following violations: failure to respond to the Commission, failure to provide title to a vehicle sold over one year ago, failure to produce business records, failure to supervise employees and sales by an unlicensed salesperson. Counsel recommends revocation of the dealer license.

Recommendation: Authorize revocation of dealer license for multiple violations

Commission Decision: Concur.

29. 2024013991 (ES)

Date Complaint Opened: 03/06/2024

First Licensed: 11/09/2022

Expiration: 10/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges it was sold under false pretenses. Complainant claims they received verbal confirmation "the vehicle was sound and everything was good" but alleges there were pre-existing issues with the vehicle that were not

disclosed. Complainant provides no further detail or any documentation to support their complaint or allegations. Respondent sold the vehicle as-is and the offers for an extended warranty were declined. The complaint was sent to Respondent via regular and certified mail, as well as by email and someone signed for the certified mail on 4/17/24. Counsel had to call Respondent's dealership on 5/2/24 in order to obtain a response which was not provided until 5/7/24. Counsel recommends issuing a \$500 civil penalty for failure to respond to this complaint after receiving the certified mail.

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

Commission Decision: Concur.

30. 2024016161 (ES)

Date Complaint Opened: 03/17/2024

First Licensed: 09/14/2016

Expiration: 10/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and had not received the title as of 3/18/24. Respondent stated the delay was due to the clerk's system being down but the vehicle was registered on 4/4/24. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

31. 2024018581 (ES)

2024018601

Date Complaint Opened: 03/27/2024, 03/27/2024

First Licensed: 11/12/2008

Expiration: 10/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2024 – One complaint closed with letter of warning for delay in delivery of title and registration. 2020 – One complaint closed with \$1,000 civil penalty for issuing more temporary tags than allowed.

2024018581

Complainant purchased a used vehicle from Respondent with their mother as a cosigner and alleges Respondent did not inform them of their rights related to financing, charged more than they were supposed to, broke laws and rules, and when they couldn't get the vehicle they wanted, Respondent provided them with other vehicle options. Further, Complainant alleges they had to pay a \$1,000 down payment which should not have been required. Complainant claims they were not fully informed of how the financing would work and complains about the alleged multiple inquiries made to obtain financing. Complainant received a letter from the lender explaining the \$1,000 down payment was not part of the amount financed and because Complainant was 94 days

past due on their car payment and had not made any effort to make payments or communicate with the lender, the vehicle was assigned for repossession. The documents provided by Complainant clearly showed the amount of the car payment and how many would need to be made to pay off the vehicle. Respondent denies any wrongdoing and confirms the down payment was correctly applied pursuant to the Bill of Sale which was provided as part of the complaint by Complainant. There is no evidence to support the allegations and Counsel recommend closure.

Recommendation: Close

Commission Decision: Concur.

2024018601

This complaint was filed by the mother of the Complainant referred to in the summary above against the Respondent alleging the same thing. Complainant also notes they were given multiple documents with different due dates and signatures. Complainant alleges Respondent committed fraud and falsified their signature and their daughter's signature. Complainant alleges they are being charged a higher interest rate than allowed by law. Respondent states they obtained a conditional approval for financing through a lender and Complainant and their daughter signed the retail installment contract in the office with a digital signature and a "wet" signature on paper. This included an October payment due date. There were additional documents that provided a more favorable payment structure for the consumer, which they also signed. After submitting the contract to the lender, it was returned as being outside the lender's parameters. Respondent then determined they could reduce their sales price to meet the lender's requirements and keep the deal together. This required a new contract and the Complainant refused to sign it for several weeks. Without the fundable contract, Complainant would have needed to obtain financing on their own or pay for the vehicle if they wished to retain the vehicle. Respondent explained this to the Complainant and the Complainant responded with a lot of curse words and threats towards the Respondent, stating they would sign it when they had time. Complainant was given the opportunity to sign the contract in order to keep the vehicle and Complainant chose not to move forward with any of the options presented to them. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

32. 2024019441 (ES)

Date Complaint Opened: 04/03/2024

First Licensed: 01/18/2011

Expiration: 11/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 7/29/20. Complainant is a resident of Nevada and alleges Respondent sold the vehicle without all documentation, which is preventing registration in Nevada. Complainant alleges Respondent refuses to provide a Bill of Sale from the business that sold the vehicle to Respondent prior to it being sold to Complainant. Complainant provides a copy of the title and Bill of Sale showing the sale from Respondent. Respondent states they provided the original title, which was assigned from a seller to

Respondent, and then from Respondent to Complainant. Respondent also provided the Bill of Sale, as is customary in the sale of a vehicle. Respondent states it seems suspect that it would take 4 years to apply for a title in Complainant's name. Respondent further notes that Complainant has informed them that the vehicle has been stolen. Complainant asked Respondent if the check from the insurance company could be sent to the original seller and then they could send it to Complainant. Respondent states the whole situation is very suspicious and unusual. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close

Commission Decision: Concur.

33. 2024019961 (ES)

Date Complaint Opened: 04/07/2024

First Licensed: 08/09/2013

Expiration: 05/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$500 civil penalty for engaging in false, fraudulent, or deceptive practice(s). 2022 – One complaint closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s).

Complainant purchased a used vehicle from Respondent in November 2023 and claims they cancelled the GAP insurance on 1/6/24. Complainant alleges Respondent claimed they had not received the refund check as of 3/1/24 but the check was cleared on 1/26/24. Complainant wants their refund. Respondent states they sent the refund to Complainant's lender per the lender's request. Respondent told the Complainant when the refund was mailed and they feel they have done their part. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

34. 2024015351 (ES)

Date Complaint Opened: 03/12/2024

First Licensed: 11/16/2022

Expiration: 07/31/2024 (Closed)

License Type: Recreational Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used 5th wheel travel trailer from Respondent on 9/18/23. Respondent was a recreational vehicle dealer, but their license is expired and they are closed. Complainant states they wired \$52,000 for the full payment and were informed the title would be sent to them within 30 days. When Complainant reached out at the end of October 2023 to inquire about the status of the title, they were informed the dealership had closed suddenly. Complainant reached out to the corporate office and were told they were working to get the title. Complainant has filed complaints with the Attorney General of Florida, Federal Trade Commission, Internet Crime Compliance Center and the Jacksonville Regulatory Compliance Department (corporate

headquarters for the business is in Florida). Complainant hired an attorney who advised them to file a complaint with the Commission in hopes we could help them obtain their title. All attempts to contact Respondent have been unsuccessful and they no longer have an active license with the Commission. The surety bond was sent to Complainant. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag

Commission Decision: Concur.

35. 2024016341 (ES)

Date Complaint Opened: 03/18/2024

First Licensed: 07/05/2023

Expiration: 06/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 3/4/24 and alleges it had mechanical issues the following morning. Complainant states Respondent has performed some work on the vehicle, but the vehicle needs a new transmission. Complainant wants to return the vehicle and obtain a refund of their down payment. Respondent has since replaced the transmission at no cost to the Complainant and Complainant requested to withdraw this complaint. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

36. 2024017221 (ES)

Date Complaint Opened: 03/22/2024

First Licensed: 10/03/2018

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$250 agreed citation for advertising violation. 2023 – One complaint closed with letter of warning for failure to respond to a complaint.

Complainant purchased a used vehicle from Respondent. Complainant alleges Respondent has failed to release their title after they claimed to have paid it off in full as of December 2023 because Complainant owes late fees. Complainant states they paid off the car in full in December of 2023. Respondent states Complainant was late 46 times throughout their contract which began with the second payment. Respondent stated they were in the process of mailing the title to Complainant as of 4/17/24. An investigation was conducted and confirmed the title was received by the clerk's office in Ohio where the vehicle was being registered. Respondent was able to provide a detailed account of the late fees. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

37. 2024018281 (ES)

Date Complaint Opened: 03/27/2024

First Licensed: 03/31/2021

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – One complaint closed with \$1,500 agreed citation for expired county/city business license(s) and Buyer’s Guide violation.

Complainant purchased a used vehicle from Respondent. Complainant alleges deceptive practices and claims Respondent failed to disclose the vehicle’s salvage history. An investigation was conducted which revealed Respondent did properly disclose the vehicle’s rebuilt title and obtained the Complainant’s signature on the Disclosure form. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

38. 2024019501 (ES)

Date Complaint Opened: 04/03/2024

First Licensed: 02/22/2019

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of Connecticut who purchased a used vehicle from Respondent on 12/28/23 through their online platform. Complainant alleges their county clerk has not received the title for registration as of 4/3/24. Respondent confirms the title was delivered to the clerk on 4/2/24, after the last time Complainant checked with the clerk. Respondent provided proof of the delivery and the tracking information. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

39. 2024020731 (ES)

Date Complaint Opened: 04/10/2024

First Licensed: 07/05/2023

Expiration: 06/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant's fiancé purchased a used vehicle from Respondent. Complainant alleges their fiancé paid \$600 per month for 6 months before they went to jail. Complainant alleges Respondent repossessed the vehicle before they had a chance to pay for the insurance on the vehicle and after missing only a single car payment. Respondent states the fiancé defaulted on 2/23/24 and they were notified the car insurance was cancelled on 3/1/24. Based on this information, Respondent repossessed the vehicle after providing legal notice to the fiancé and waiting the required amount of time. There is no evidence Respondent unlawfully repossessed the vehicle or committed any violations and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

40. 2024023471 (ES)

Date Complaint Opened: 04/19/2024

First Licensed: 07/30/2019

Expiration: 07/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 5/29/24 and alleges there was a shared understanding that the EV battery for the electric vehicle had been replaced by another franchise dealer in 2021. Complainant alleges they discovered the 12V battery was replaced, not the EV battery. Complainant factored in the belief they had a newer EV battery when making the purchase and trading in their vehicle. Respondent states the information about the battery was obtained from the Carfax provided to Complainant. Respondent notes that Complainant called the franchise dealer, and they informed him the EV battery life was 55% and the 12V battery had been replaced in 2021. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

41. 2024030431 (ES)

Date Complaint Opened: 05/27/2024

First Licensed: 09/27/2023

Expiration: 08/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 4/3/24 and alleges they had not received the title as of 5/27/24. Respondent confirmed the title was delivered to Complainant and signed for on 6/20/24. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

42. 2024023751 (ES)

Date Complaint Opened: 04/21/2024

First Licensed: 05/19/2023

Expiration: 04/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 4/6/24 and paid it off in full on 4/8/24. Complainant alleges they had not received the title as of 4/21/24 and claims the vehicle is inoperable. Complainant further confirms they purchased the vehicle as-is, without warranty. Counsel was later informed Complainant did receive their title. Respondent confirmed the vehicle was purchased as-is and provided the signed Buyer's Guide. Respondent offered to assist Complainant with repair costs or offered to trade the vehicle for another one if Complainant would pay for half of the cost to tow the vehicle back to the dealership. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

43. 2024024411 (ES)

Date Complaint Opened: 04/23/2024

First Licensed: 12/17/2020

Expiration: 11/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 6/3/22 and bought an extended warranty for \$2,300. Complainant states their transmission went out and they took it to a certified franchise dealer. Complainant alleges they were informed the warranty would not cover the transmission because of a lift kit and larger tire size which were on the vehicle at the time of purchase. Complainant then discussed trading in the vehicle and was told it was not possible because of possible odometer discrepancies. Complainant provided the Carfax with a note stating "potential odometer rollback indicated." It appears there was a mileage inconsistency noted on 4/2/19 by a mechanic in Texas during an oil change. Respondent states they see this a lot as a dealer when they pull a Carfax but notes the information is only as good as the person entering it into the system. Respondent attached a full Carfax with their response which shows consistency from numerous sources and then the mileage drops to 13,111 by the service mechanic on 4/2/19. The report returned to correct mileage just months later with a visit to a Texas inspection center and then to a franchise dealer service center. Then the mileage is "inconsistent" again with the same mechanic who noted a discrepancy on 4/2/19. Respondent believes this is a clerical error made by someone at the mechanic shop and there is a comment on the Carfax that states "this entry may just be a clerical error." There is no evidence of any violations or odometer fraud by Respondent and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

44. 2024018891 (ES)

Date Complaint Opened: 03/29/2024

First Licensed: 07/05/2022

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges they have not received the title after paying for the vehicle in full. Complainant then requested to withdraw the complaint and confirms they have received the title and registration. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

45. 2024021291 (ES)

Date Complaint Opened: 04/11/2024

First Licensed: 01/03/2023

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of Alabama who purchased a used vehicle from Respondent over the phone. Complainant alleges there have been mechanical issues within a month of purchase. Respondent sold the vehicle as-is without warranty and provided the signed Buyer's Guide. Respondent has communicated with Complainant many times to try to give them advice and assistance with what repairs are necessary and how to handle the mechanical issues and provided proof of those conversations. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

46. 2024021861 (ES)

Date Complaint Opened: 04/15/2024

First Licensed: 09/01/1991

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent in August 2023 and decided to trade it after having mechanical problems. Complainant alleges they were informed the vehicle was a "lemon buy back vehicle" which hurts the resale value. Complainant claims Respondent never

informed them of this information and refuses to assist with the situation. Respondent states they have been working closely with Complainant to get the mechanical issues resolved. Within 2 weeks of the complaint being filed, the vehicle is back in Complainant's possession with all issues resolved to their satisfaction. Respondent also offered to take the vehicle back and provide current market trade-in value if they still wanted to get rid of the vehicle. Respondent further provided the signed document showing Complainant was made aware of the vehicle's status at the time of purchase. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

47. 2024024961 (ES)

Date Complaint Opened: 04/28/2024

First Licensed: 03/23/2004

Expiration: 03/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$1,000 civil penalty for engaging in false, fraudulent, or deceptive practice(s). 2022 – One complaint closed with \$5,000 civil penalty for unlicensed activity.

Complainant may have brought their vehicle to Respondent's dealership for repair and alleges Respondent overcharged them for a bad repair. Complainant provides no further detail or documentation to support the vague complaint. Respondent states they do not know what Complainant is referencing and does not know anything about this complaint. Respondent notes that Complainant can come back to their dealership to discuss this further and Respondent will attempt to figure out what they are talking about. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

48. 2024022671 (ES)

Date Complaint Opened: 04/17/2024

First Licensed: 05/26/2011

Expiration: 05/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant was going to purchase a used vehicle from Respondent and paid a \$1,000 deposit. Complainant filed this complaint because the deposit had not yet been refunded when they did not follow through with the purchase of the vehicle. Complainant then confirmed the refund check arrived on 5/25/24. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

49. 2024023291 (ES)

Date Complaint Opened: 04/18/2024

First Licensed: 10/06/2022

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – One complaint closed with letter of warning for failure to respond to a complaint.

Complainant purchased a used vehicle from Respondent on 8/12/23 and states they have a 24,000-mile warranty for the vehicle. Complainant alleges they have had issues with the vehicle since day one and Respondent was helping with the repairs, but then stopped and will not communicate with them anymore. Respondent states the warranty is provided by another company and clearly lays out what is covered and what is not covered. Complainant signed the Buyer's Guide which states Respondent is not responsible for any issues with the vehicle after the sale. Respondent states they will provide Complainant with whatever documentation they need in order to give the warranty company what they need to make further repairs. The warranty company has already covered numerous repairs including replacing the transmission. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

50. 2024023821 (ES)

Date Complaint Opened: 04/22/2024

First Licensed: 10/16/2015

Expiration: 08/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 2/17/24 and has not received the registration as of 4/22/24. Respondent offered Complainant a delayed backout return of the vehicle for a full refund because of the delay. Complainant declined this offer on 5/9/24 and elected to wait for the registration with the full understanding that Carvana had applied for a duplicate title and as awaiting its delivery. The registration was completed on 5/22/24 and only two temporary tags were issued. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

51. 2024024451 (ES)

2024027421

Date Complaint Opened: 04/24/2024, 05/12/2024

First Licensed: 12/11/2013

Expiration: 12/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

2024024451

Complainant purchased a used vehicle from Respondent on 11/28/22 and alleges they were promised Respondent would inspect and repair the vehicle at no cost because there was a knocking under the front driver's side. Complainant alleges Respondent did not attempt to do so until April of 2024. Complainant alleges the vehicle started shaking and veering to the right and made a loud roaring noise when they picked it up after the repair. Complainant further alleges they had a portable propane heater in the vehicle which they claim was stolen when it was at the dealership for the repair. Respondent notes the vehicle was sold as-is with no dealer warranty, but they did make the repairs to correct the knocking noise. Additionally, as an act of good faith, Respondent repaired the right front axle assembly, left front wheel bearing, right rear wheel hub, oil filter housing gasket, front/rear brakes and rotors, provided a loaner vehicle, and replaced the heater that Complainant claims was stolen. However, Respondent denies having anything to do with the heater going missing. Respondent also notes Complainant had not performed any service whatsoever on the vehicle for 9 months and 25,000 miles which may have caused the mechanical issues that arose after Respondent made the initial repairs for the knocking noise. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

2024027421

Complainant's father (purchaser) purchased a used vehicle from Respondent and alleges the finance manager took advantage of their father. Complainant claims their father gave them permission to file this complaint, but Respondent states the purchaser came back to the dealership and told them that they did not give Complainant permission to file the complaint and doesn't have any issues with Respondent. Complainant claims their father is requesting a refund for the service contract fee, maintenance fee, interior and exterior protection fee, and the express 5 class 1 fee because they didn't want these services. Complainant claims the finance manager was a fast talker and caused the purchaser to sign documents and purchase things they didn't know they were buying. Complainant further claims there was a cash-back incentive with two options, one being \$500 cash and the other an Amazon gift card. Complainant claims the gift card was forced on their father even though he would never use it. Respondent refunded the insurance products, including sales tax, as well all of the options mentioned by Complainant. This refund was sent to the lienholder. The Amazon gift card was a promotion and a gift from the dealership. Respondent notes the purchaser was so pleased with the transaction, they sent the salesperson and the sales manager each a bottle of bourbon a few days after the purchase. Respondent firmly denies any wrongdoing and further argues that after the complaint was filed and after they provided a detailed response, the purchaser came into the dealership for service work on the vehicle. The purchaser was very friendly with everyone, as they have always been since being a recurring customer since 2017. This was the third vehicle the purchaser had bought from Respondent. The manager who responded to the complaint apologized to the purchaser again for anything that upset them and caused the complaint to be filed. The purchaser stated they had no idea the complaint had been filed and reiterated they were happy with Respondent and the purchase of the vehicle. The

purchaser stated they did not give Complainant authority to file the complaint on their behalf and Respondent no longer feels comfortable discussing the matter considering the Complainant has continued to send in more information and make further complaints. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

52. 2024024941 (ES)

2024029351

Date Complaint Opened: 04/28/2024, 05/10/2024

First Licensed: 01/29/2013

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. 2023 – One complaint closed with \$119,250 civil penalty for unlicensed activity.

2024024941

Complainant purchased a used vehicle from Respondent and wants to unwind the deal “based on their purchasing experience and in light of recent events leading to several fines for the dealership.” Complainant purchased the used vehicle in October 2023 and claims it was misrepresented, sold at markup and included a “false trade” of their husband’s vehicle listed in the contract. Complainant alleges they were approved by several lenders and the finance manager chose a “shady” lender which caused Complainant’s car payment to be \$200 more than it should have been. Complainant alleges the finance manager no longer works there. The Retail Installment Contract shows Complainant to be the co-buyer and their husband as the buyer. Respondent states there was full disclosure and documentation for the terms and conditions of the deal at issue. Respondent denies the allegations but, considering Complainant’s level of dissatisfaction, Respondent has allowed Complainant and their husband to return the vehicle and have come to a mutual agreement that works for all parties involved. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

2024029351

Complainant purchased a used vehicle from Respondent and traded in a vehicle. Complainant is upset they traded in a vehicle that was paid off, had new tires and was in good condition for a vehicle that they claim has been in an accident. Complainant then notified Counsel that Respondent had resolved this matter and they no longer wanted to pursue this complaint. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

53. 2024025641 (ES)

Date Complaint Opened: 05/01/2024

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

This complaint was opened after an anonymous source alleged Respondent, an unlicensed business, is displaying vehicles in their parking lot for sale. Respondent's business is a legitimate auto parts store. An investigation was conducted which revealed Respondent had appropriately titled vehicles in their name with the hopes of eventually repairing them. Respondent has only sold three vehicles as an individual and is not selling anything in their business name or advertising any vehicles for sale at their business as alleged. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

54. 2024026451 (ES)

Date Complaint Opened: 05/05/2024

First Licensed: 06/04/2020

Expiration: 06/30/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent with an extended warranty and alleges they were charged more than double the vehicle's actual value. Complainant further alleges the vehicle has been in the shop for repairs for 6 weeks and continues to have issues. Respondent sold the vehicle as-is with a certain express vehicle service contract. Respondent fully investigated this matter to find their personnel helped facilitate all repairs with the service contract company and all issues were fully resolved. Any additional issues were not brought to Respondent's attention but they welcome Complainant to call the General Manager directly or email them, providing direct contact information, to discuss this further. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

55. 2024028841 (ES)

Date Complaint Opened: 05/17/2024

First Licensed: 09/01/1991

Expiration: 10/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2024 – Two complaints closed and flagged and referred to the TN Dept. of Revenue to help complainants obtain title after business closure.

Complainant purchased a used vehicle from Respondent on 11/10/23 and alleges they cannot obtain the title to the vehicle. Multiple complaints were presented to the Commission at the special May Meeting where the Commission voted to authorize a \$7,000 civil penalty for unlicensed activity and appear before the Commission at this Board meeting. An investigator attempted to personally serve Respondent and was unsuccessful. After discussion with the Executive Director, it was decided not to continue to spend resources attempting to find Respondent considering the clerk's offices in the area have all been notified not to register vehicles for Respondent to prevent further unlicensed activity. The complaints presented in May are being represented for referral at the bottom of this legal report. Counsel recommends referring this complaint to the Department of Revenue so they may assist the Complainant in obtaining a title.

Recommendation: Refer to Department of Revenue; close and flag

Commission Decision: Concur.

56. 2024024351 (ES)

Date Complaint Opened: 04/23/2024

First Licensed: 09/16/1993

Expiration: 09/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 2/10/23 and traded in their vehicle for a \$30,000 towards the purchase. Complainant also financed the remaining balance. When Complainant attempted to complete the loan paperwork with the lender, nothing came up related to the VIN on the vehicle. The loan officer eventually manually inputted the VIN and processed the loan. Complainant drove the vehicle for approximately three months until an agent of the Department of Revenue approached them at a store and confiscated the vehicle. Complainant was informed the vehicle had been reported stolen in 2021. Respondent initially told Complainant they were a victim too and could not do anything about this matter. Complainant continued to make payments on the loan. After this complaint was filed, Respondent and their Counsel have been very cooperative regarding this matter. Recently, both parties executed a confidential settlement agreement with the dealership compensating Complainant for this unfortunate situation. Respondent is also moving forward in civil court with a third-party complaint against the person who traded in the vehicle to the dealership prior to the sale to the Complainant. There does not appear to be anything Respondent could have done to prevent this because the VIN had been changed and the title fraudulently manufactured. The fraud was sophisticated, and it seems it could have happened to most dealerships. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

57. 2024021121 (ES)

Date Complaint Opened: 04/11/2024
First Licensed: 10/31/2023
Expiration: 10/31/2025 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 3/6/24 and alleges they had not received the title as of 4/11/24. The surety bond was sent to Complainant. When an inspector went to the dealership, they were informed by a neighboring business owner that no one had been there since late March 2024. Further, they informed the inspector that the floor planner cleared all the vehicles off and the owner of the dealership was arrested for DUI, serious drug violations (manufacturing and resale) and weapons charges. We have closed out the license for the dealership. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag

Commission Decision: Concur.

58. 2024021421 (ES)

Date Complaint Opened: 04/12/2024
First Licensed: 08/30/2004
Expiration: 08/31/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges it had major mechanical issues within 2 weeks and they are now stuck paying for a vehicle that doesn't work. Complainant wants Respondent to take the car back or make the repairs for free. Respondent has been working with the Complainant and they have resolved this issue to Complainant's satisfaction. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

59. 2024021891 (ES)

Date Complaint Opened: 04/15/2024
First Licensed: 09/20/2007
Expiration: 08/31/2025 (Closed)
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). 2023 – One complaint closed with letter of warning for failure to respond to a complaint.

Complainant purchased a new vehicle from Respondent on 8/28/18. Respondent has recently sold their dealership (assets only) and it is now under new ownership and has a new dealer license number. Complainant alleges their original contract was altered and signed fraudulently by

someone at the dealership. Complainant alleges this made the contract null and void so they filed a claim with their lender. Complainant fails to mention all of the details summarized below in their complaint and fails to note they filed an alleged “fraudulent” claim with their lender five years after the purchase. Respondent states the lender never advised them of alleged fraudulent activity, never sought a buy back or other remedy from them, which would be customary in such circumstances. The letter sent to Complainant from the lender only stated the account related to the purchase of the vehicle “may have been wrongfully procured with your personal information. The credit reporting agencies used by [the lender] have been notified to permanently delete this account from your credit history.” Respondent requested more information from the lender after this complaint was filed. The lender informed Respondent that they gave the Complainant two options after the Complainant registered a claim of fraudulent signature on their contract, approximately 5 years after the purchase and making payments on the vehicle. The options were that they could pay the remaining balance owed on the vehicle or they could voluntarily surrender the vehicle. Complainant chose to voluntarily surrender, and the lender chose not to collect on the remainder of the loan. The lender informed Respondent that they chose to deem the contract invalid but did not call it fraudulent. Respondent questions that if the lender saw the contract as undoubtedly fraudulent, why would it still attempt to collect on the balance from the customer, and why would they not seek reimbursement from Respondent? Regarding the demand for relief by Complainant, they confirm that they purchased the car, made payments on the vehicle, and possessed the vehicle for the majority of the life of the loan. Respondent argues that this demonstrates the clear intent to purchase, pay for and possess the vehicle Respondent notes that the Complainant had full use and enjoyment of the vehicle without complaint or issue raised to either the lender or Respondent. This is well over one half of the life of the loan. Respondent takes issue with the fact that for approximately sixty months of a 75-month loan, the Complainant did not contest or raise issue with the transaction, contract or loan for the vehicle which was clearly in use and in possession of the contracting party. In short, unless there is demonstrable evidence of wrongdoing by a former employee of Respondent’s dealership which is now closed and has been sold, Respondent is at a loss as to why this complaint is arising in 2024, 6 years after the purchase. In an audit and review of the entirety of the transaction, it does not appear in any way to have been completed without the Complainant’s consent and signature. Counsel recommends closure based on the lack of evidence to support Complainant’s allegations and considering the time that has passed.

Recommendation: Close

Commission Decision: Concur.

60. 2024025011 (ES)

Date Complaint Opened: 04/29/2024

First Licensed: 01/23/2014

Expiration: 12/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 7/18/23 and alleges they have had nothing but issues with the vehicle. Complainant further alleges the title is in someone else’s name but provides no further detail. Respondent states Complainant also purchased an extended warranty which has covered some repairs. Respondent also paid for some fees and charges that were not covered by warranty and provided a loaner vehicle. Respondent states Complainant

shared personal life issues that they were experiencing which led Respondent to help out as much as possible since the purchase, including paying multiple diagnostic fees, even when the service was at a different dealership. Eventually, Respondent told Complainant that they could not continue paying for the vehicle's repairs and for other charges. Complainant demanded they pay off the vehicle and trade it for something else or they would file this complaint. Respondent has no idea what Complainant is referring to regarding the title allegations considering the vehicle has been registered to them and the lender is listed as the lienholder. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

61. 2024025311 (ES)

Date Complaint Opened: 05/01/2024

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2024026461 (ES)

Date Complaint Opened: 05/06/2024

First Licensed: 09/19/2022

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Respondent 1 is not licensed as a dealer and is a collision center. Respondent's owner also owns a licensed dealership, which is Respondent 2 in the related complaint noted above (2024026461). Counsel will summarize both complaints together and refer to the Respondents as the dealership and the collision center. The Complainants who filed the complaints against the Respondents both allege they purchased vehicles from the unlicensed collision center, not the licensed dealership. Respondent claimed the vehicles were sold from the dealership in their response. Further, Complainant alleges some fraudulent activity related to the transaction paperwork. An investigation was conducted. The individual who runs both the collision center and the dealership ("manager") claims the vehicle was sold to Complainant by an employee who no longer works for them. The employee did not have a salesperson's license and evidence of three vehicles were sold by the unlicensed salesperson. It appears the manager is the only licensed salesperson at the licensed dealership. It appears the dealership's EZ tag dealer information uses the collision center's address. The manager had previously claimed they were going to get a dealer license for the Collision Center but when the investigator asked for an update, the manager said they lacked the financial ability to complete the application but would do so soon. The application has not been filed as of 7/17/24. The investigation revealed the following violations: the sale of three vehicles by an unlicensed salesperson, the annual sales report for 2023 for the dealership showed no sales despite the sales revealed in this investigation (see deal files and Bills of Sales Ex 8), at least four vehicles were sold from the collision center location (unlicensed activity and offsite sales), at least three temp tags were issued by the owner of the dealership and collision center despite not having a salesperson's license (no one had a valid salesperson's license at the time), Respondent never provided an explanation in their affidavit to address the issue within the EZ tag

database (they were issuing temp tags from the collision center location but using the dealership name), failure to produce deal files and business records, and Respondent fraudulently used the dealership name and address on the bills of sales for four transactions even though the vehicles were sold from the collision center. Counsel recommends revocation of the dealer license.

Recommendation: Authorize revocation of the dealer license

Commission Decision: Concur.

62. 2024026621 (ES)

Date Complaint Opened: 05/06/2024

First Licensed: 08/17/2011

Expiration: 01/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 3/6/24 and alleges it would not start the day after purchase. Complainant confirms Respondent has made some repairs on multiple occasions, but the vehicle continues to have issues. Complainant alleges the vehicle is again in for repair and they need an update because they work and need a vehicle. Respondent confirms Complainant dropped their vehicle off for repair but was demanding it be fixed immediately and that was not possible because they didn't have an appointment. Respondent did their best to diagnose the vehicle that same day but claims that was not good enough for Complainant who began threatening the employees at the shop. Respondent confirms they finished the repairs and the Complainant picked up their vehicle. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

63. 2024026861 (ES)

Date Complaint Opened: 05/08/2024

First Licensed: 02/08/2002

Expiration: 01/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 5/2/24 and alleges it began "running hot" the following day. Complainant states they returned the vehicle to Respondent and claims they cannot get a refund. Respondent notes that Complainant purchased an extended service contract and notified them on 5/9/24 about the issue. Respondent advised Complainant to bring in the vehicle for diagnosis, which they did. Respondent diagnosed the vehicle and made repairs under warranty. Complainant picked up the vehicle after repairs on 5/10/24. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

64. 2024024661 (ES)

Date Complaint Opened: 04/26/2024

First Licensed: 10/20/2016

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 2/8/24. Complainant alleges the vehicle had been wrecked and Respondent did not inform them and will not trade the vehicle for a different one. Respondent provided the deal file which shows the Complainant purchased the vehicle as-is, without warranty and after their father thoroughly inspected it. Respondent did not respond to the letter mailed via regular mail or emailed to the address we had on file. Respondent did respond to the complaint once we called them and obtained a new email address. Respondent had not yet received the certified mail requesting a response to the complaint so it would be improper to impose a civil penalty for failure to respond. Counsel recommends issuing a Letter of Warning for failure to respond to the initial letter mailed to the dealership.

Recommendation: Letter of Warning for failure to respond

Commission Decision: Concur.

65. 2024023101 (ES)

Date Complaint Opened: 04/18/2024

First Licensed: 03/24/2020

Expiration: 02/28/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued to Respondent during an inspection on 4/9/24 for unlicensed activity because Respondent's dealer license had expired on 2/28/24. Respondent renewed their license on 4/9/24. Counsel recommends issuing a \$500 civil penalty for unlicensed activity for each month the license was expired, for a total \$1,000 civil penalty.

Recommendation: Authorize a \$1,000 civil penalty for expired dealer license

Commission Decision: Concur.

66. 2024025621 (ES)

Date Complaint Opened: 05/01/2024

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 4/25/24 because the owner had an expired salesperson's license since October of 2021. At that time, there were no other salespersons working at the dealership and there is still no licensed salesperson at the dealership. The investigator provided proof of one sale made by the salesperson. Counsel recommends issuing a \$5,000 civil penalty and requirement to add a licensed salesperson to the dealership within 30 days or the dealer license will be immediately revoked.

Recommendation: Authorize a \$5,000 civil penalty for expired salesperson license and immediate revocation unless a salesperson is licensed with the dealership within 30 days

Commission Decision: Concur.

67. 2024029331 (ES)

Date Complaint Opened: 05/21/2024

First Licensed: 09/16/1993

Expiration: 09/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent and alleges the engine cylinder was cracked. Respondent unwound the deal when they confirmed the issue but Complainant alleges the vehicle was re-listed for sale the next day. However, the screenshot Complainant provided showing the vehicle was for sale was from CarGurus.com, not Respondent's website. Respondent states that when the transaction was reversed in their system, it automatically went back into their inventory and could have been listed for a short time. However, the vehicle is undergoing repairs and is not available to purchase. Counsel recommends issuing a Letter of Warning for this advertising violation.

Recommendation: Letter of Warning for advertising violation

Commission Decision: Concur.

68. 2024028721 (ES)

Date Complaint Opened: 05/17/2024

First Licensed: 04/22/2016

Expiration: 02/28/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant did not buy their new vehicle from Respondent but brought it in because it was having mechanical issues. Complainant alleges Respondent claimed there was a left wheel sensor issue and a wire had been chewed through by a rodent. Complainant states they did not provide proof of this other than a declaration and a statement. Complainant feels the diagnostic fee and the issue should be covered under warranty because it is a new vehicle with 9,000 miles. Complainant claims the vehicle gets parked in a garage in a new construction location with a concrete floor and feels the chances of there being rodent damage are next to zero. Respondent does not dispute any of Complainant's summary of the events and states the manufacturer declined the warranty claim due to natural causes. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

69. 2024028791 (ES)

Date Complaint Opened: 05/17/2024

First Licensed: 08/19/2016

Expiration: 11/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$1,500 civil penalty for unlicensed activity.

Complainant traded in their motorcycle for a different used motorcycle at Respondent's dealership on 11/20/23 and alleges they have not received the title as of 5/8/24. Respondent contacted Complainant and handled the issue to their satisfaction. Respondent states there was a misunderstanding about information they provided in their complaint. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

70. 2024030271 (ES)

Date Complaint Opened: 05/24/2024

First Licensed: 01/23/2006

Expiration: 12/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 5/10/24 and alleges they returned it 30 minutes later because it was not working properly. Complainant states Respondent then promised they had fixed it, but Complainant has brought the vehicle back 4 times for repairs. Complainant alleges Respondent has informed them they cannot fix the issue and they are now stuck with a vehicle they cannot drive. Respondent states Complainant test drove the vehicle and was offered a third-party warranty, which they purchased. Respondent explained to Complainant that they would need to bring the vehicle to a licensed mechanic who is authorized to fix the issue under warranty. Counsel recommends closure.

Recommendation: Close

Commission Decision: Concur.

71. 2024011151 (ES)

Date Complaint Opened: 02/22/2024

First Licensed: 03/24/2011

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – Consent order with \$4,500 civil penalty issued for operating without a surety bond for nine months.

Complainant states they purchased a vehicle from Respondent in September 2023. Complainant explains, however, as of February 2024, they have yet to receive their permanent plate or registration documentation. The complaint was emailed to the correct email address for Respondent on 3/1/24 and again on 4/10/24. Respondent responded on 4/10/24 stating the Complainant had picked up the permanent tag but gave no further detail. Respondent issued two temporary tags to the vehicle prior to registration. Counsel does not recommend issuing a civil penalty because the certified mail was returned due to an “insufficient address” although Counsel confirmed the address is correct and sufficient. It appears to be an error by the postal service. Counsel recommends issuing a Letter of Warning for failure to respond to this complaint considering Counsel has communicated with Respondent in the past by email. The Letter of Warning will also address the length of time it took to get the vehicle registered to put the Respondent on notice that it should not take longer than 120 days to register a vehicle.

Recommendation: Letter of Warning for failure to respond and delay in registration of a vehicle

Commission Decision: Concur.

72. 2024003161 (TH)

2024025121

Date Complaint Opened: 01/18/2024

First Licensed: 10/13/2004

Expiration: 10/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2024003161:

This complaint was filed anonymously. Complainant alleges they purchased a vehicle from Respondent on December 27, 2023. Complainant advises the vehicle began to have numerous issues after purchase, and Respondent refused to offer any aid.

Respondent failed to initially answer the complaint. The initial request for response was delivered and signed for via certified mail. Additionally, Counsel sent a request to Respondent via email seeking a response on March 1, 2024.

Respondent has since followed up on June 17, 2024, advising of an email change and providing a response to the complaint.

Counsel recommends assessing a Five Hundred (\$500.00) Dollar civil penalty for Respondent’s failure to timely answer the complaint.

Recommendation: Authorize assessing a Five Hundred (\$500.00) Dollar civil penalty for Respondent’s failure to answer the complaint.

Commission Decision: Concur.

2024025121:

Complainant alleges they purchased a vehicle from Respondent in March 2023. Complainant advises the vehicle began to have numerous issues after purchase, and Respondent refused to offer any aid as Complainant purchased the vehicle “As-Is.”

Respondent confirms Complainant purchased the vehicle “As-Is.” Respondent advises they attempted to complete a trade-in for Complainant’s vehicle, however, Complainant left the dealership prior to finalizing the trade.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

73. 2024005061 (TH)

Date Complaint Opened: 01/29/2024

First Licensed: 04/18/2023

Expiration: 01/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent has been providing them a temporary tag every thirty (30) days. Complainant states they were then arrested with the vehicle and accused of having an illegal tag and the vehicle was detained by the New York Police Department (hereinafter “NYPD”). Complainant states Respondent refused to help.

Respondent failed to initially answer the complaint. However, Respondent later provided a response on March 14, 2024.

Respondent advises NYPD erroneously took possession of the vehicle. Documentation was obtained showing Respondent issued Complainant two (2) valid temporary tags. Respondent explains after multiple failed attempts to have NYPD release the vehicle; Respondent flew to New York to retrieve the vehicle.

Numerous attempts were made to contact Complainant throughout an investigation. However, Complainant failed to answer or provide any updates. As such, Counsel recommends closing this complaint with a Letter of Warning reminding Respondent of their duty to timely answer the Commission.

Recommendation: Letter of Warning reminding Respondent of their duty to timely answer the Commission.

Commission Decision: Concur.

74. 2024010921 (TH)

Date Complaint Opened: 02/21/2024

First Licensed: 09/26/2011
Expiration: 08/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a vehicle for their son from Respondent in October 2021. Complainant states they have not received their permanent tags or registration.

Respondent failed to answer the complaint.

An investigation confirmed Complainant is not the purchaser of the vehicle in question. Rather, Complainant's son is the true and only purchaser of the vehicle. Further, the purchaser advised the vehicle is titled and registered to the purchaser. There was no evidence of Respondent issuing over the allotted number of temporary tags.

However, since Respondent failed to answer the Commission's request for a response, Counsel recommends assessing a Five Hundred Dollar (\$500.00) civil penalty.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) civil penalty for Respondent's violation of Tenn. Rules & Reg. 0960-01-.23.

Commission Decision: Concur.

75. 2024012561 (TH)
2024026041
Date Complaint Opened: 02/29/2024, 05/03/2024
First Licensed: 09/22/2005
Expiration: 09/30/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

2024012561:

Complainant alleges Respondent failed to properly service their vehicle.

Respondent states regarding the incident with the radiator cap which occurred on August 9, 2023, there is some question as to whether it was a faulty cap in that it would not "lock into place" properly which caused it to come loose. Respondent advises they ordered and installed a new cap while the vehicle was there for the service visit. Respondent states on January 12, Respondent explains the error code is that the main system had lost communication with the transmission module unit. Respondent advises they ran diagnostic tests which reset the codes, and test drove the vehicle for eighty-nine (89) miles with no issues and no further error codes. Respondent states on February 2, 2024, they contacted Complainant to pick-up the vehicle, but Complainant refused to do so initially. Respondent explains, however, Complainant returned their loaner vehicle and picked up their vehicle. Respondent notes they acted in good faith in an attempt to aid Complainant.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2024026041:

Complainant alleges Respondent sold them a faulty vehicle.

Respondent notes Complainant purchased a vehicle which had an excess of 217,000 miles at the time of purchase. Respondent notes Complainant signed "As-Is" paperwork.

Recommendation: Close.

Commission Decision: Concur.

76. 2024014341 (TH)

Date Complaint Opened: 03/07/2024

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

This complaint was administratively opened based on information provided a County Clerk's Office. Specifically, the information received referred to possible unlicensed activity in the state of Tennessee by an Arkansas dealer. It was further alleged Respondent is evading paying sales tax on the vehicles sold.

An investigation was conducted. Respondent has been selling vehicles inside a licensed auction under their Arkansas licensed dealership. The auction provided information indicating Respondent had sold one (1) vehicle at the auction. Respondent advised they are planning to close their Arkansas dealership as it was not profitable.

Respondent is now a licensed Tennessee dealer with an active salesperson license.

Recommendation: Close.

Commission Decision: Concur.

77. 2024006651 (TH)

2024008271

Date Complaint Opened: 02/07/2024 – 02/15/2024

First Licensed: 04/25/2019

Expiration: 04/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2024 – Several complaints closed and flagged due to Respondent failing to deliver titles after closing their business.

2024006651:

Complainant states Respondent never turned in the paperwork for Complainant's trade in, and never paid off the vehicle.

The answer for the complaint came from a different dealership, who expresses they are now operating in Respondent's previous location. The response notes the new dealership was not involved in the sale to Complainant.

An internal search advised Respondent's license had been marked out of business on September 26, 2023, by an investigator. On November 17, 2023, an investigator went to Respondents listed location to verify the business had closed. The investigator noted a new business without any affiliation with Respondent is now being operated at the location.

Complainant failed to respond to any requests made for further information.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2024008271:

Complainant advises they never received their title or registration from Respondent.

The answer for the complaint came from a different dealership, who expresses they are now operating in Respondent's previous location. The response notes the new dealership was not involved in the sale to Complainant.

An internal search advised Respondent's license had been marked out of business on September 26, 2023, by an investigator. On November 17, 2023, an investigator went to Respondents listed location to verify the business had closed. The investigator noted a new business without any affiliation with Respondent is now being operated at the location.

Counsel recommends to close and flag this complaint and to refer the matter to the Department of Revenue for help in obtaining Complainant's registration information.

Recommendation: Close and flag, and refer to the Department of Revenue.

Commission Decision: Concur.

78. 2024010951 (TH)

2024016001

Date Complaint Opened: 02/21/2024, 03/15/2024

First Licensed: 08/04/2017

Expiration: 06/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2024010951:

Complainant states thirty (30) days after purchase Complainant has not received the vehicle's permanent tag. Complainant advises their financial institution sent a notice that the title had not been received from Respondent.

Respondent advises this matter was held up by a pending previous lien holder release. Respondent notes they received the lien release on Friday Feb 23, 2024, and a duplicate title was requested. Respondent states the vehicle has since been registered in Complainant's name. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2024016001:

Complainant states they had difficulties obtaining a refund of their down-payments from Respondent.

Respondent explains on March 6, 2024, they contacted Complainant. Respondent advises they came to an agreement with Complainant to refund the funds paid to Respondent. Respondent states they overnighted a check to Complainant which has since been cashed.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

79. 2024013381 (TH)

Date Complaint Opened: 03/03/2024

First Licensed: 04/19/2022

Expiration: 04/30/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle from Respondent on December 27, 2023. On January 25, 2024, Complainant explains they attempted to register the vehicle. However, at that time Complainant alleges they were informed by the Clerk's Office that there was a discrepancy as to the odometer. According to Complainant, the Clerk's Office advised Complainant they needed to either obtain a signed affidavit from the previous owner noting that the odometer reported was incorrect or have the title branded.

The discrepancy in the mileage was two (2) miles. Respondent advises the issue has been resolved and Complainant was given the choice to either return the vehicle and unwind the deal or exchange the vehicle for another. Complainant explains they were unable to obtain the signed affidavit from the previous owner.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

80. 2024007721 (TH)

Date Complaint Opened: 02/13/2024

First Licensed: 10/10/2006

Expiration: 09/30/2022 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on January 28, 2021, and cannot retrieve the title due to the business being shut down.

Respondent states they have since closed down. However, alleges Complainant has failed to make the required payments and, as such, has not be given the title since the vehicle is not paid off. Respondent advises; however, the vehicle was initially registered to Complainant when they purchased the vehicle in 2017.

Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: Concur.

81. 2024011221 (TH)

Date Complaint Opened: 02/22/2024

First Licensed: 09/01/1991

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent fraudulently sold them a vehicle with issues. Complainant advises they were quoted One Thousand Five Hundred dollars (\$1,500.00) for the necessary repairs.

Respondent explains they thoroughly investigated Complainant's concerns with their pre-owned manager, their service department, and the salesperson who sold Complainant the vehicle. Respondent notes their records indicate the "check engine" light was on at the time of sale, and both times Complainant test drove the vehicle. Respondent explains the vehicle was sold "As-Is," with knowledge of the "check engine" light being on. Respondent asserts that no one on their staff intentionally misled Complainant, misrepresented the vehicle, or committed any fraud within the sale. Respondent notes, however, as a gesture of good-will they offered to reimburse complainant One Thousand Five Hundred dollars (\$1,500.00). Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

82. 2024007881 (TH)

Date Complaint Opened: 02/13/2024

First Licensed: 03/09/2023

Expiration: 01/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – Two complaints recommended for litigation monitoring due to ongoing criminal case.

Complainant states prior to purchasing a vehicle from Respondent they inquired if the vehicle had a clean title. Complainant explains Respondent then sent over a clean CarFax and a photo of the vehicle's VIN number and title. Complainant states the title Respondent provided a copy of a Texas title prior to purchase. Complainant then agreed to purchase the vehicle. Complainant advises, however, after the vehicle arrived the title was in the vehicle and was a title from New York. Complainant states, further, the VIN attached to the title and vehicle was also different than the one Respondent provided in photos prior to purchase. Complainant states they then ran a search on the actual VIN and discovered the title was branded with a salvage history report. Complainant alleges Respondent committed fraud by deception.

The copy of the title provided by Complainant did not reflect a Branded Title. This title also did not show it to ever be assigned to the Respondent and was not signed by the Respondent and/or Complainant as the seller and/or buyer.

A notarized statement was provided to an investigator by the Respondent through counsel. This statement advised Respondent sold a vehicle to Complainant, and a copy of the Bill of Sale was provided. This Bill of Sale was a "As-Is" Bill of Sale which showed from Respondent to quality Complainant. This Bill of Sale is not the same as the one provided by Complainant to the investigator.

Respondent stated in their affidavit that Complainant acknowledged the Disclosure of Rebuilt or Salvage title regarding the vehicle. Respondent provided a Notice of Rebuilt or Salvage Vehicle with the purchaser's name written in.

The investigator requested a VIR for the VINS from the Tennessee Department of Revenue and was advised that there were no records in Tennessee for either VIN numbers mentioned in the complaint. The investigator also requested VIR for these VINS from the State of Texas and New York but was not provided any information back.

Recommendation: Authorizing placing this matter into Litigation Monitoring with the other pending matters against Respondent.

Commission Decision: Concur.

83. 2024010521 (TH)

Date Complaint Opened: 02/21/2024

First Licensed: 08/10/2015

Expiration: 06/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they believe Respondent sold them a faulty vehicle. Complainant notes they were required to pay a Two-Hundred Dollar (\$200.00) for a diagnostic test.

Respondent advises Complainant purchased a vehicle from them on October 27, 2023, with a credit acceptance warranty. Respondent notes, however, Complainant purchased the vehicle without a dealer's warranty and "As-Is," and provided the signed disclosure. Respondent explains they instructed Complainant to take the vehicle to a repair shop approved under Complainant's warranty. Respondent states they attempted to communicate with the warranty company for Complainant in order to get the repairs covered. Respondent advises the company required a "tear down" to discover the malfunction, but Complainant declined to move forward with the "tear down." Complainant states the warranty company advised they would reimburse Complainant after the "tear down."

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

84. 2024010971 (TH)

Date Complaint Opened: 02/22/2024

First Licensed: 07/28/2022

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent allowed Complainant's great grandson (hereinafter "customer") to purchase a vehicle with a stolen check presented in the amount of \$3,000 for the down payment. Complainant states the customer was able to purchase a vehicle and obtain a loan solely in Complainant's name with Complainant never being present or contacted. Complainant alleges the customer forged the signature to an original document and forged the signature on E sign loan documents. Complainant states Respondent allowed the customer to leave with the vehicle in someone else's name, with no evidence of insurance and now the vehicle has been totaled. The complaint notes Complainant has received loan information from the credit company showing Complainant has entered into a loan with them.

Respondent failed to answer the complaint.

The investigator's attempts to reach Respondent were unsuccessful. The investigator was able to confirm Respondent was out of business, and a license cancelation was entered for them on April 26, 2024. However, no information was gathered from the great grandson, accused of taking the money, arranging the financing, and forging documents to purchase the vehicle. Complainant was reached and confirmed the information in the complaint. The money taken from the Complainant's bank, by way of a check via the great grandson and given to the dealership, was refunded by the bank to Complainant. Complainant advised the bank was said to be investigating the case. The finance company was allegedly very insistent about getting payments from Complainant; however, it was said they were redirected to the dealership, the great grandson, and law enforcement. Allegedly multiple entities in both Tennessee and Virginia are involved in investigating the matter.

Counsel recommends closing and flagging this matter.

Recommendation: Close and flag.

Commission Decision: Concur.

85. 2024012181 (TH)

Date Complaint Opened: 02/27/2024

First Licensed: 08/20/2008

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states on February 9, 2024, they brought their vehicle to Respondent to get a transmission flush. However, Complainant advises after picking up the vehicle they could hear something dragging under the vehicle. Complainant notes on February 27, 2024, Respondent had expressed the issue was repaired. Complainant states, nevertheless, they still hear the noise.

Respondent states during Complainant's service visit, a multi-point inspection was completed, and Complainant was provided a document detailing the inspection. Respondent notes pre-existing damage to the front passenger side of the vehicle was notated on this document. Respondent states Complainant returned a few days later alleging something was hanging down from the vehicle.

Respondent explains their technician discovered the vehicle's lower splash shield was hanging down and not properly secured due to damage sustained prior to its arrival at Respondent's dealership. Respondent explains their technician secured the lower splash shield as best they could, but that the vehicle required assistance from a body shop to be properly repaired. Respondent asserts Complainant's concern with the lower splash shield hanging down is directly related to damage sustained on the vehicle prior to the recent service visits at Respondent's dealership. Respondent explains their attempts to secure the damage were completed as a gesture of goodwill, and that Respondent has not contributed to the damage of the vehicle in any capacity.

There does not appear to be evidence provided establishing any violation or wrong-doing on behalf of Respondent. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

86. 2024012511 (TH)

Date Complaint Opened: 02/29/2024

First Licensed: 09/01/1991

Expiration: 11/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges extreme delays in Respondent completing repairs on their vehicle.

Respondent states the repairs were completed as per the guidelines of the recall and the repair was made at no charge to Complainant. Respondent explains Complainant was provided a rental vehicle at no charge under the terms of Complainant's extended warranty program for the duration of the repairs. Respondent advises during their phone call with Complainant, it was expressed that all issues had been resolved.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

87. 2024012681 (TH)

Date Complaint Opened: 02/29/2024

First Licensed: 03/28/2019

Expiration: 03/31/2024 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s). 2023 – Five complaints closed and flagged due to failure to deliver title and registration.

Complainant states Respondent sold them a motorcycle, and failed to provide the title. Complainant advises Respondent has since closed and never provided the title.

Respondent failed to answer the complaint. However, the Department received a copy of an answer Respondent provided to Consumer Affairs. Within the response Respondent advised their attorney was attempting to resolve all outstanding matters.

On April 19, 2024, the investigator drove to Respondents listed location. The investigator found the building to have been renovated into a pet supply/grooming business, without any evidence of Respondent remaining. On April 22, 2024, Complainant informed the investigator the title had been received and the permanent tag would be received shortly. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

88. 2024009591 (TH)

Date Complaint Opened: 02/16/2024

First Licensed: 05/14/2014

Expiration: 04/30/2026

License Type: Motor Vehicle Dealer

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

Complainant advises they had issues with getting their vehicle registered and obtaining their permanent tag from Respondent.

Respondent notes they did have issues in getting a title from the state from the previous owner but were able to get it resolved and Complainant's registration completed. Respondent advises Complainant picked up their tag in February, and provided a copy of the completed registration. There does not appear to be any evidence of Respondent issuing more than the allotted number of temporary tags. Counsel recommends closing this complaint with a Letter of Warning reminding Respondent of their duty to timely issue registration information to customers.

Recommendation: Close this complaint with a Letter of Warning reminding Respondent of their duty to timely issue registration information to customers.

Commission Decision: Concur.

89. 2024014851 (TH)

Date Complaint Opened: 03/10/2024

First Licensed: 09/01/1991

Expiration: 11/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent in December 2023. Complainant advises, however, at the time of their complaint in March 2024, they have not received their title or registration information.

Respondent advises they purchased the vehicle from an auction in August 2023. Respondent explains the auction failed to deliver a clean title upon the sale. Respondent states they were unaware of this issue until after the sale to Complainant. Respondent explains they have since obtained a clean title from the auction, and had the vehicle registered to Complainant as of March 26, 2024. Respondent apologizes for Complainant's inconvenience, and advises they provided new tires for Complainant as a gesture of goodwill for the delay.

Counsel recommends closing this complaint with a Letter of Warning.

Recommendation: Letter of Warning.

Commission Decision: Concur.

90. 2024016061 (TH)

2024016071

2024016081

Date Complaint Opened: 03/15/2024

First Licensed: 04/24/2015

Expiration: 04/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2024016061:

Complainant explains they financed the purchase between the relevant customer (hereinafter “customer”) and Respondent on October 30, 2023. Complainant states Respondent has failed to complete the title and registration.

Respondent states the vehicle has been registered. Respondent notes they will have the loan paid off within the next couple weeks.

Complainant responded advising that Respondent has not sent the payoff like Respondent’s response statement reflected.

Included with the response documents was a Tennessee Registration document that showed the vehicle registration applied for on January 5, 2024, and the purchase date of October 30, 2023 . A Disclosure of Rebuilt or Salvage Vehicle was also included in these documents. This document reflects it was signed and dated October 30, 2023. The VIR documents from the State of Tennessee Department of Revenue show a title issued and the vehicle registered to the customer. The title showed the title brand as Rebuilt. The date of the sale to the customer, though, was left blank on the Arkansas Rebuilt Title. However, the associated Bill of Sale showed Respondent sold the vehicle to the customer on October 30, 2023. This date coincides the date in which Complainant expressed they funded the deal. Respondent denied the complaint allegations in their notarized statement. Respondent advised they submitted this deal, and it was funded with no issues pertaining to the branded title. There was no correspondence received from either Complainant or Respondent regarding the balance being paid in full.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) Civil Penalty for delay in paying off the vehicle.

Commission Decision: Concur.

2024016071:

Complainant explains they financed the purchase between the relevant customer (hereinafter “customer”) and Respondent on November 8, 2023. Complainant states Respondent has failed to complete the title and registration.

Respondent states they recently spoke with Complainant, and came to an agreement on the payoff date. Respondent expresses that it was not a “fake loan” and that the loan will be paid off within the next couple weeks.

Complainant states in rebuttal to Respondent’s answer, that while investigating the title for this account, Complainant believes that dealer and customer were likely never in possession of this unit.

Complainant advised in the complaint they believe the loan to be fake. However, during the investigation, Complainant advised that the loan was paid off by Respondent on May 3, 2024. Respondent provided a sworn statement stating the loan was not fake, and denying the allegations in the complaint. Respondent advised after submitting the application for the deal there was a delay in funding, and that by the time the funding came in Respondent had found the customer a different vehicle. A VIR from the TN Department of Revenue showed the new vehicle provided to the customer was sold to them on November 3, 2023, and a title was issued on February 5, 2024.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) Civil Penalty for delay in paying off the vehicle.

Commission Decision: Concur.

2024016081:

Complainant explains they financed the purchase between the relevant customer (hereinafter “customer”) and Respondent on November 8, 2023. Complainant states Respondent has failed to complete the title and registration.

Respondent states they recently spoke with Complainant, and came to an agreement on the payoff date. Respondent expresses that it was not a “fake loan” and that the loan will be paid off within the next couple weeks.

Complainant states in rebuttal to Respondent’s answer, that while investigating the title for this account, it was identified that their ‘customer’ is the son of Respondent’s owner. Complainant states upon further investigation, it is assumed that neither dealer nor ‘customer’ ever had possession of the unit.

Complainant made allegation the relevant loan was fake, and the customer is the son of the dealership’s owner. Complainant provided documentation to show the vehicle was titled to an individual in Oklahoma on February 20, 2024. However, during the investigation, Complainant advised that the loan was paid off by Respondent on May 13, 2024. Respondent provided a sworn statement stating the loan was not fake, and deny the allegations in the complaint. Respondent advised after submitting the application for the deal there was a delay in funding, and that by the time the funding came in Respondent had found the customer a different vehicle with a different lender. A VIR from the TN Department of Revenue showed the new vehicle provided to the customer was sold on November 2, 2023, and the vehicle was titled and registered to the customer on January 22, 2024.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) Civil Penalty for delay in paying off the vehicle.

Commission Decision: Concur.

91. 2024011561 (TH)

2024023141

Date Complaint Opened: 02/24/2024

First Licensed: 02/04/2022
Expiration: 01/31/2026
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states on August 6, 2023, they purchased a vehicle from Respondent. Complainant explains they feel defrauded by Respondent.

Respondent failed to initially answer the complaint request, which was sent on March 5, 2024, and did not respond to Counsels request for an answer sent on April 17, 2024.

A response was not received from Respondent until May 8, 2024.

Any attempts to contact the Complainant to obtain further information were not answered. Respondent asserts that the deal was done properly, and provided documents for review. There were no issues found in the paperwork provided by Respondent. The documents obtained from Respondent show the vehicle was financed without a down payment, and there was a vehicle traded in which had to be paid off. There was no documentation provided by Complainant to support the allegations in the complaint.

Counsel recommends assessing a Five Hundred (\$500.00) civil penalty for Respondent's failure to timely answer the complaint.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) civil penalty for Respondent's failure to timely answer the complaint.

Commission Decision: Concur.

92. 2024013721 (TH)
Date Complaint Opened: 03/05/2024
First Licensed: 09/01/2021
Expiration: 07/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): 2022 – One complaint closed with \$1,000 agreed citation for unlicensed activity.

Complainant alleges Respondent is fraudulently representing a vehicle with a trim level that never existed.

Respondent failed to initially answer the complaint request, which was sent on March 18, 2024, and did not respond to Counsels request for an answer sent on April 17, 2024.

A response was not received from Respondent until May 20, 2024. Respondent advises the dealerships administrative assistant was instructed to file a response earlier but failed to do so.

Evidence was obtained establishing the level of the vehicle sold to Complainant is a valid trim level.

Counsel recommends assessing a Five Hundred (\$500.00) civil penalty for Respondent's failure to timely answer the complaint.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) civil penalty for Respondent's failure to timely answer the complaint.

Commission Decision: Concur.

93. 2024013781 (TH)

Date Complaint Opened: 03/05/2024

First Licensed: 12/18/2019

Expiration: 11/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent and paid in cash for the vehicle with tax, title, and tag, included in the price. Complainant states Respondent provided a temporary tag and explained the permanent tag would come in the mail in a few days. Complainant states, however, after the purchase Respondent requested for Complainant to come back to the dealership to sign more paperwork. Complainant states, at that time, they were informed the vehicle had a rebuilt title. Complainant states they were informed by a special agent Cook that the vehicle should have not been sold as it had not been repaired and inspected.

Respondent failed to answer the complaint.

An investigation was conducted. Respondent was cooperative and admitted to the investigator that they sold a salvaged vehicle prior to obtaining the required rebuilt title. Respondent explained they were unaware of the requirement but advises they will not make the mistake again. Documentation obtained showed the vehicle was sold on February 1, 2024, the rebuilt title was issued on March 4, 2024, and registered to Complainant on March 13, 2024. Two (2) thirty (30) day temporary tags were issued by Respondent to Complainant. The first was issued on February 1, 2024, and the second one on February 26, 2024. The Complainant verified receipt of the vehicles tag, title, and registration.

As for the issue pertaining to Respondent's failure to answer the complaint, Respondent advises they had not checked their emails and missed the response request. Respondent notes they will assign someone to be keeping up-to-date with emails.

Counsel recommends assessing a Five Thousand Dollar (\$5,000.00) civil penalty for Respondent's violation of Tennessee Code Annotated § 55-17-114(b)(1)(K) (False, Fraudulent, or Deceptive Acts pertaining to Sales of Salvaged Vehicles Before Rebuilt Title Issued). This penalty is based on Respondent selling a salvaged vehicle prior to obtaining the rebuilt title, and issuing two (2) temporary tags.

Recommendation: Authorizing assessing a Five Thousand Dollar (\$5,000.00) civil penalty for Respondent's violation of Tennessee Code Annotated § 55-17-114(b)(1)(K).

Commission Decision: Concur.

94. 2024014801 (TH)

Date Complaint Opened: 03/08/2024

First Licensed: 01/31/2006

Expiration: 11/30/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states within six (6) months of purchase they began having issues with the vehicle they bought from Respondent. Complainant advises Respondent has refused to purchase the vehicle back from Complainant. Complainant states they do not feel Respondent is doing all that is possible to repair Complainant's concerns.

Respondent states Complainant purchased their vehicle on January 7, 2023. Respondent advises Complainant began to experience issues on July 11, 2023. Respondent explains they discovered the problem was due to a failed battery, and replaced the battery at no charge to Complainant. Respondent states Complainant then returned on July 21, 2023, expressing that the vehicle was once again having issues. Respondent's technician noted a fuel pump issue, and proceeded to install a new fuel pump. Respondent states the vehicle was then returned to Complainant with no further concerns at that time.

Complainant then returned on September 7, 2023, Respondent states with issues with the vehicles key and jerking when shifting gears. Respondent advises they were unable to duplicate Complainant's issues. Respondent explains they then contacted a field engineer to personally evaluate the vehicle, but notes Complainant was unavailable for the inspection and did not return until February 2, 2024. At that time, Respondent notes an inspection noted a faulty battery sensor/multi-plex unit. Respondent advises the part was ordered to repair the vehicle; however, Complainant did not return with the vehicle to have the repairs completed.

Respondent expresses their apology for any inconvenience to Complainant, and state they strive to offer excellent service. Counsel recommends closure, as there does not appear to be any violation on behalf of Respondent.

Recommendation: Close.

Commission Decision: Concur.

95. 2024015141 (TH)

Date Complaint Opened: 03/12/2024

First Licensed: 04/05/2013

Expiration: 02/28/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent failed to get Complainant's vehicle repairs covered under warranty. Complainant advises further that Respondent took an extended period of time to get the repairs completed, and failed to stay in contact with Complainant.

Respondent notes in no way did they ignore, punish, or put off Complainant's repair. Respondent advises, they did everything possible to get the repairs covered under warranty, but were unable

to get the repair approved. Respondent advises when the warranty repairs were denied, Respondent offered in goodwill to cover half the costs of repairs. Respondent explains the repairs did take longer than normal to complete, due to the technician being injured.

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

Recommendation: Close.

Commission Decision: Concur.

96. 2024016601 (TH)
Date Complaint Opened: 03/20/2024
First Licensed: 05/27/2011
Expiration: 05/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent overcharged them for the vehicle they purchased from Respondent.

Respondent denies the allegations. Respondent advises Complainant negotiated with Respondent on the price, and they came to an agreement prior to Complainant purchasing the vehicle.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

97. 2024019381 (TH)
Date Complaint Opened: 04/03/2024
First Licensed: 06/28/2006
Expiration: 09/30/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent never registered their vehicle in their name nor paid the required taxes on the vehicle. Complainant states the vehicle began to have severe transmission issues within a few weeks of having the vehicle. Complainant states Respondent alleged Complainant still owed Nine Hundred Dollars (\$900.00 for the down-payment, and then repossessed and resold the vehicle without Complainant's permission.

Respondent states Complainant purchased a vehicle from them on October 13, 2023. Respondent explains the total down payment for the vehicle was Two Thousand Dollars (\$2,000.00) and Complainant only paid One Thousand One Hundred (\$1,100.00) at the time of purchase. Respondent advises Complainant signed a promissory agreement for the remaining Nine Hundred (\$900.00) by the end of October. Respondent states, however, Complainant failed to pay the remaining amount.

Respondent advises Complainant called with complaints of transmission issues. Respondent notes, however, the vehicle had been driving 1,589 miles over the three (3) week period Complainant had the vehicle. Respondent states Complainant agreed to purchase the vehicle “As-Is.”

Respondent states they informed Complainant on November 3, 2023, they would be repossessing the vehicle if payment was not received. Respondent advises accordingly Complainant provided a pick-up address for Respondent to get the vehicle from. Respondent states once the vehicle was back at the dealership, their service department inspected the vehicle and did not observe any transmission issues. Respondent states Complainant’s partial downpayment was applied to the voluntary repossession fee and for the time Complainant had possession of the vehicle.

Respondent provided documentation to support their response, as such Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

98. 2024015261 (TH)

Date Complaint Opened: 03/12/2024

First Licensed: 08/15/2023

Expiration: 05/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states on August 13, 2023, they purchased a vehicle from Respondent. Complainant explains, however, as of March 12, 2024, they have yet to receive their registration information. Complainant states they have tried to contact Respondent multiple times and cannot get a hold of them.

Respondent failed to answer the complaint. Respondent also failed to answer Counsel’s request for a response.

Complainant advises the situation has been resolved and they wish to withdraw their complaint. Complainant explains they returned the vehicle, and was refunded completely by Respondent.

Respondent explained to the investigator there was a bit of work involved in getting the issue resolved with the lender, which caused Respondent to overlook the response request from the Department.

Counsel recommends assessing a Five Hundred (\$500.00) civil penalty for Respondent’s failure to timely answer the complaint.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) civil penalty for Respondent’s failure to timely answer the complaint.

Commission Decision: Concur.

99. 2024017481 (TH)

Date Complaint Opened: 03/25/2024

First Licensed: 10/03/2018

Expiration: 09/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges they were unaware Respondent sold them a rebuilt vehicle without Complainant's knowledge. Complainant alleges Respondent did not provide the paperwork to Complainant.

Respondent explains on January 22, 2024, Complainant placed a down payment on a vehicle. Respondent advises during the finance portion of the deal; Complainant was provided all required paperwork. Respondent provided a copy of the Complainant signed the required Notice Disclosure of Salvage/Rebuilt Vehicle. Further, Respondent provided a copy of the Complainant signed "As-Is" paperwork. Respondent advises Complainant's permanent plate is at the dealership waiting for Complainant to pick up. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

100. 2024017701 (TH)

Date Complaint Opened: 03/25/2024

First Licensed: 12/28/2001

Expiration: 03/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): 2024 – One complaint closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s).

Complainant alleges that an employee of Respondent (hereinafter "alleged employee") purchased a vehicle from an auction, and traded a vehicle with a consumer (hereinafter "the consumer"). The complaint advises the alleged employee began to blackmail the consumer and never provided the title for the vehicle.

Respondent advises the alleged employee does not work for Respondent. Respondent explains, rather, the alleged employee fraudulently obtained a salespersons license under Respondent's name. Respondent contends an Alabama auction provided the alleged employee Respondent's dealerships information without permission. Respondent advises they were unaware of the alleged employee until an auto action contacted Respondent to verify the salespersons license. Respondent states they are currently in the process of putting together a case against the alleged employee.

Counsel recommends closing the complaint against Respondent, and opening a secondary complaint against the alleged employee.

Recommendation: Closing the complaint against Respondent, and opening a secondary complaint against the alleged employee.

Commission Decision: Concur.

101. 2024013701 (TH)
Date Complaint Opened: 03/05/2024
First Licensed: 06/29/2010
Expiration: 06/30/2025
License Type: Public Automobile Auction
History (5 yrs.): None.

Complainant states on March 1, 2024, they purchased a vehicle with Respondent online. Respondent explains once they picked the vehicle up from Respondent, and began driving it the vehicle's engine began to make a noise. Complainant alleges Respondent then examined the vehicle and agreed there was an issue with it but refused to unwind the deal.

Respondent explains once Complainant was told it was too late to unwind the deal, Complainant stopped payment on the vehicle. Respondent advises, as such, they had the vehicle picked up from Complainant. Respondent states the vehicle was sold with the option to purchase a seven (7) day plan which would allow the vehicle to be returned with seven (7) days for any reason. Respondent notes, however, Complainant declined to purchase this option.

Recommendation: Discuss.

Commission Decision: Close.

102. 2024016861 (TH)
Date Complaint Opened: 03/21/2024
First Licensed: 11/01/2017
Expiration: 09/30/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent reset the codes on the car and did not disclose that the car had an oil leak.

Respondent failed to answer the complaint. Respondent additionally failed to answer Counsels request for a response sent on May 2, 2024.

An investigation was conducted. No evidence was found that the Respondent knew about the issues or failed to disclose anything. Work was performed on the vehicle and offers were made to settle the issues with the vehicle, but an agreement was not reached between Complainant and Respondent. Similarly, no issues were found in the sales documents. Further, Respondent advised they received the complaint and may have sent in a statement to the Tennessee Division of Consumer Affairs by mistake. However, Respondent did fail to respond to Counsel's request for a response sent on May 2, 2024. As such, Counsel recommends assessing a Five Hundred (\$500.00) civil penalty for Respondent's failure to timely answer the complaint.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) civil penalty for Respondent's failure to timely answer the complaint.

Commission Decision: Concur.

103. 2024017681 (TH)

Date Complaint Opened: 03/25/2024

First Licensed: 07/28/2010

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – One complaint closed with \$2,000 civil penalty for issuing more temporary tags than allowed.

Complainant alleges Respondent misrepresented the vehicle sold to Complainant. Complainant states Respondent advised at the time of the sale that the vehicle had been inspected prior to sale. Complainant notes, however, the vehicle began having issues shortly after purchase.

Respondent advises Complainant has not maintained payments on the vehicle. Respondent explains they released the vehicle to Complainant on the condition of being approved for financing. Respondent notes, however, Complainant was denied for financing due to pending open auto loans. Respondent states they have attempted to set up a different financing plan for Complainant but have failed at getting a response from Complainant.

Respondent states about forty (40) days after Complainant took the vehicle, Complainant called Respondent complaining of issues with the vehicle. Respondent advises they requested Complainant to bring the vehicle in for inspection, but that Complainant declined and decided to make repairs on the vehicle themselves. Respondent believes Complainant damaged the vehicle during that time, and advised Complainant expressed to Respondent how much they enjoyed driving the vehicle at "quicker speeds." Respondent states Complainant agreed to purchase the vehicle "As-Is."

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

104. 2024017851 (TH)

Date Complaint Opened: 03/26/2024

First Licensed: 09/01/1991

Expiration: 01/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent fraudulently sold them a faulty vehicle.

Respondent failed to answer the complaint. Respondent additionally failed to answer Counsel's email requesting a response on May 7, 2024.

Complainant failed to answer to numerous requests for follow-up responses.

Counsel recommends the Commission authorize assessing a Five Hundred (\$500.00) Dollar civil penalty for failure to respond.

Recommendation: Authorizing assessing a Five Hundred (\$500.00) Dollar civil penalty for failure to respond.

Commission Decision: Concur.

105. 2024017781 (TH)
Date Complaint Opened: 03/26/2024
First Licensed: 10/27/2022
Expiration: 10/31/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent in July 2023, and have not received their title or registration information. Complainant explains Respondent has given them multiple temporary tags. Complainant states around October 2023, Respondent stopped communicating with them.

Respondent failed to answer the complaint. Respondent additionally failed to answer Counsel's request for a response to the complaint sent on May 2, 2024.

According to Complainant, they filed a claim against Respondent's surety bond and was reimbursed for the cost of the vehicle.

Respondent explained to an investigator that they were unable to provide Complainant's title as Respondent was in default with their floor planner. Respondent advised they were working on their financial obligations, and will avoid similar situations in the future. Respondent expressed that they never received the request for response, and the email the Department has on file is no longer valid.

Counsel recommends assessing a Five Hundred Dollar (\$500.00) civil penalty due to Respondent's failure to answer the complaint.

Recommendation: Authorize assessing a Five Hundred Dollar (\$500.00) civil penalty due to Respondent's failure to answer the complaint.

Commission Decision: Concur.

106. 2024022951 (TH)
Date Complaint Opened: 04/18/2024
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Allegations of unlicensed dealership operating from Respondent's residence.

On June 10, 2024, the investigator visited the predicated address. Upon arrival, the investigator found the location to be a residence situated in a subdivision. The investigator noticed three (3) vehicles parked in the driveway and one (1) vehicle parked on the side of the street in front of the property in question. Out of the four (4) vehicles, the investigator could positively see some form of registration being displayed on at least three (3) of them.

The investigator notes they failed to see any advertisement or signage being displayed on any of the vehicles advertising them as being for sale. The investigator advises they set up across the street to monitor the location, and failed to witness any other vehicles coming and going from the home. The investigator failed to uncover or locate any notable sales activities taking place at the address in question. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

107. 2024019311 (TH)
Date Complaint Opened: 04/02/2024
First Licensed: 06/13/2014
Expiration: 01/31/2026
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent via Facebook Marketplace. Complainant advises the vehicle was advertised as having 71,243 miles. However, Complainant alleges they later learned from their mechanic that the vehicle truly had about 180,000 miles on it. Complainant states Respondent advised they had no idea why the mileage would be off. Complainant states Respondent did offer to provide a refund of the vehicle's purchase price. Complainant advises; however, they believe they are entitled to the vehicles price, recovery of sales tax paid, and the cost of decals added, and repairs made to the vehicle. Complainant expresses that Respondent was easy to stay in contact with throughout the situation.

Respondent explains they purchased the vehicle from a Texas auction with 71,423 miles. Respondent advises they had the vehicle transported from the auction to their dealership, and sold the vehicle with 71,423 miles. Respondent provided documentation of the vehicle's mileage history with two (2) previous dealerships supporting Respondent's statements. Respondent advises if someone changed the odometer it was a previous owner that they were unaware of. Respondent has filed a complaint with the auction concerning this issue.

There does not appear to be evidence of any wrong-doing on behalf of Respondent. As such, Counsel recommends closure. Counsel also recommends referring the matter to CID.

Recommendation: Close and refer to CID.

Commission Decision: Concur.

108. 2024023401 (TH)

Date Complaint Opened: 04/19/2024
First Licensed: 03/17/2017
Expiration: 03/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a vehicle from Respondent in February 2024. Complainant explains as of March 13, 2024, they still do not have the title to the vehicle. Complainant advises Respondent offered Complainant to return the vehicle for a refund if Complainant did not want to wait for the title.

Respondent explains the title to the vehicle took longer than expected. approx. Respondent advises; however, it was received in approximately forty-four (44) days. Respondent states their policy is that if a title is not received in thirty (30) days a customer can return the vehicle in question. Respondent advises Complainant was informed of this policy. However, Respondent explains Complainant accused Respondent of wanting to resell the vehicle for more money. Respondent advises Complainant has since obtained the title, and there are no further issues. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

109. 2024025111 (TH)
Date Complaint Opened: 04/29/2024
First Licensed: 03/29/2010
Expiration: 07/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they found a vehicle for sale by Respondent on Facebook Marketplace. Complainant advises the vehicle was advertised as a 2018 Chevy Colorado. However, Complainant explains they later learned the vehicle was a 2017 Chevy Colorado.

Respondent advises this was an error on the Marketplace posting. Respondent explains it was their first time using the platform, and there was a mistake when entering the vehicles information into Facebook. Respondent explains when they learned of the error, they offered Complainant to return the vehicle and unwind the deal. However, Respondent advises Complainant decided to keep the vehicle. Respondent notes all paperwork signed by Complainant listed the vehicle as a 2017.

Counsel recommends assessing a Two Hundred and Fifty (\$250.00) Dollar civil penalty pertaining to advertisement regulations under Tenn. Comp. R. & Regs. 0960-1-.12, as well as Tennessee Code Annotated 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive acts).

Recommendation: Authorize assessing a Two Hundred and Fifty (\$250.00) Dollar civil penalty pertaining to advertisement regulations under Tenn. Comp. R. & Regs. 0960-1-.12, as well as Tennessee Code Annotated 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive acts).

Commission Decision: Concur.

110. 2024019051 (TH)

2024022701

Date Complaint Opened: 04/01/2024

First Licensed: 01/13/2023

Expiration: 01/31/2025 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – One complaint closed with payment plan setup for \$7,500 civil penalty for engaging in false, fraudulent, or deceptive practice(s).

2024019051:

Complainant alleges Respondent failed to provide their registration documentation and permanent tag.

Respondent was confirmed to be out of business. An investigator advised that Respondent's licensed had been closed out and a new non-affiliated dealership has opened in the location. As such, Counsel recommends closing and flagging this complaint. Counsel further recommends referring this matter to the Department of Revenue to aid Complainant in registering their vehicle.

Recommendation: Close and flag. Counsel further recommends referring this matter to the Department of Revenue to aid Complainant in registering their vehicle.

Commission Decision: Concur.

2024022701:

This complaint was filed by a Clerk's Office. The complaint alleges Respondent forged two lien releases.

Respondent was confirmed to be out of business. An investigator advised that Respondent's licensed had been closed out and a new non-affiliated dealership has opened in the location.

Recommendation: Close and flag.

Commission Decision: Concur.

111. 2024021531 (TH)

Date Complaint Opened: 04/12/2024

First Licensed: 06/22/2012

Expiration: 07/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$5,000 civil penalty for false, fraudulent, or deceptive practices. 2021 – One complaint closed with \$250 civil penalty for engaging in false, fraudulent, or deceptive practice(s). 2023 – One complaint closed with \$1,250 civil penalty for false, fraudulent, and deceptive advertising and prices.

Complainant alleges Respondent deceptively sold them a flooded vehicle. Complainant alleges the vehicle has extreme water/mold issues, which was not disclosed. Complainant states the vehicle's "spore count" is so high, it is causing cross contamination and destroying Complainant's personal items.

Respondent explains they purchased the vehicle from an auction in Pennsylvania in late 2023. Respondent advises all indications and legal representations of the vehicle at the time purchased demonstrated the vehicle was in good working condition. Respondent notes there were no issues reported concerning any history of total loss, structural damage, flood damage, or anything similar. Respondent expresses at the point of purchase, the vehicle had a clean CarFax. Respondent notes that post sale to Complainant, the vehicle was registered as having a minor accident which Respondent assumes was Complainant's doing.

Respondent states Complainant test drove the vehicle prior to purchase, and bought the vehicle "As-Is." Respondent provided copies of the signed "As-Is" paperwork. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

112. 2024026261 (TH)
Date Complaint Opened: 05/03/2024
First Licensed: 06/07/2017
Expiration: 03/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a vehicle from Respondent. The complaint alleges Respondent failed to inform Complainant the vehicle had a rebuilt title.

Respondent provided the signed a Notice Disclosure of a Rebuilt or Salvage Vehicle, and a copy of the title which was branded Rebuilt Vehicle. Respondent advises they always complete the required thorough process when selling a vehicle with a rebuilt title. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

113. 2024022381 (TH)
Date Complaint Opened: 04/16/2024
First Licensed: 12/19/2013
Expiration: 12/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on September 2, 2023. Complainant states they have made multiple attempts to obtain their title and registration.

Respondent advises all issues with Complainant have been resolved. Respondent explains they confirmed with Complainant that all of their concerns have been resolved. Respondent provided a copy of registration showing the vehicle had been titled in Complainant's name. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

114. 2024026681 (TH)
Date Complaint Opened: 05/07/2024
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant purchased a vehicle from Respondent on January 27, 2023. Complainant explains they were deployed on February 6, 2023, and when they returned on March 7, 2024, they have been unable to get in contact with Respondent to get the vehicle properly registered. Complainant states there was an error with the chain of ownership. Complainant states they have not had any luck contacting Respondent and cannot find any other means of contact for Respondent.

Respondent advises the vehicle was sold by word of mouth and that it was not advertise on Facebook Marketplace. Respondent states the vehicle was sold "As-Is," and with a salvaged title. Respondent states Complainant was aware the vehicle was salvaged, and the steps needed to obtain a rebuilt title. Respondent advises they have "a "Dealer Certificate." Respondent states that they have a business license, a license to sell, and they are in the process of getting a dealer's license under their LLC business name.

Counsel recommends assessing a Three Thousand (\$3,000.00) Dollar civil penalty. This penalty is based on Two Thousand Five Hundred (\$2,500) Dollars for selling a salvaged vehicle without the proper disclosure paperwork, and Five Hundred (\$500.00) Dollars for unlicensed activity.

Recommendation: Authorize assessing a Three Thousand (\$3,000.00) Dollar civil penalty.

Commission Decision: Concur.

115. 2024027091 (TH)
Date Complaint Opened: 05/09/2024
First Licensed: 12/18/2019
Expiration: 09/30/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): 2023 – Several complaints opened due to failure to deliver title/registration.

Complainant states they financed a deal between Respondent and their customer. Complainant alleges Respondent failed to disclose the vehicle was salvaged prior to the sale.

Respondent is no longer open and operating. As such, Counsel recommends closing and flagging this matter.

Recommendation: Close and flag.

Commission Decision: Concur.

116. 2024022271 (TH)
Date Complaint Opened: 04/16/2024
First Licensed: 09/28/2018
Expiration: 09/30/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent in December 2023. Complainant advises as of April 16, 2024, they had not received their registration from Respondent.

Respondent explains they have had Complainant's tag and registration ready for pick-up since March 7, 2024. Respondent advises Complainant had a family member pick up the items on April 17, 2024. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

117. 2024024481 (TH)
Date Complaint Opened: 04/24/2024
First Licensed: 01/10/2019
Expiration: 10/31/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): 2019 – One complaint closed with \$250 civil penalty for failure to maintain county/city business license(s). 2022 – One complaint closed with payment plan setup for \$8,500 civil penalty for issuing more temporary tags than allowed.

A complaint was filed alleging Respondent was no longer open, despite having an active license. Complainant alleges Respondent has not been open over the last six (6) months.

Respondent notes a medical issue with one of the workers caused them to shift business hours. Respondent states this an unfortunate thing that has caused them to have to restructure their business. Respondent notes they are in the processing of trying to relocate but hope to keep their license.

Counsel was informed that an inspector has attempted to visit Respondent's location to perform their annual inspection, but has been unable to find Respondent open. The inspector had been by the location several times during their posted days and hours; however, Respondent was closed during each inspection attempt. Accordingly, a request to cancel Respondent's license was submitted.

Recommendation: Close and flag.

Commission Decision: Concur.

118. 2024025691 (TH)

2024026961

Date Complaint Opened: 05/02/2024, 05/08/2024

First Licensed: 01/27/2020

Expiration: 01/31/2026

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. 2023 – One complaint closed with letter of instruction for selling a demo as a new vehicle.

2024025691:

Complainant states they did not purchase a vehicle from Respondent; however, they noticed Respondent has “addendums and markups” on their vehicles. Complainant states they were told about these “markups” being a violation by a different dealer.

Respondent states the complaint includes allegations from competing dealerships. Respondent notes their advertisement disclosure is modeled after the Commission’s advertising rule change which was emailed to all dealers on April 20, 2022. Respondent advises their advertisement is based on the example sent to dealers by the Commission. Respondent notes the advertisement informs the consumer of any additional fees that are not included in the advertised price. Respondent notes they want full transparency in their advertisements, and have learned from their previous errors.

Recommendation: Close.

Commission Decision: Concur.

2024026961:

This complaint appears to be in duplicative nature as the one above (2024025691), as such Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

119. 2024026301 (TH)

Date Complaint Opened: 05/03/2024

First Licensed: 01/19/2022

Expiration: 01/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant explains they purchased a vehicle from Respondent, and later learned the vehicle had a bent frame. Complainant advises Respondent had the vehicle for almost two (2) months

while making the repairs. Complainant states the vehicle has since been totaled. Complainant alleges it took over a year to get the vehicle tagged in Kentucky.

Respondent's counsel (hereinafter "RC") answered the complaint. RC states Complainant purchased a vehicle from Respondent, and it was later discovered the vehicle had a bent frame. RC explains Respondent, as such, kept the vehicle for about two (2) months to repair the frame. RC advises as soon as Respondent was made aware of the damage, they immediately agreed to make the necessary repairs. RC explains, when Complainant expressed their concern to Respondent about not having a vehicle during the repairs that Respondent provided a loaner vehicle to Complainant. RC advises further that during the time of the repairs Respondent did not require Complainant to make payments on the vehicle, and reduced those months off of the total purchase price. RC alleges when the loaner vehicle was returned it was damaged, but that Respondent made those necessary repairs also without any charge to Complainant. RC advises upon purchasing the vehicle, Respondent contacted the Kentucky DMV for Complainant to get the vehicle registered.

RC alleges Respondent stopped making car payments on the vehicle, and totaled the vehicle. RC explains Respondent is in the process of filing a lawsuit against Complainant. There does not appear to be any violations on behalf of Respondent and, as such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

120. 2024027341 (TH)

Date Complaint Opened: 05/10/2024

First Licensed: 05/31/2018

Expiration: 05/31/2026

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$500 civil penalty for issuing more temporary tags than allowed. One complaint closed with \$250 agreed citation for advertising violation.

Complainant explains they purchased their vehicle over a year ago, but has not received the title and registration.

Respondent advises Complainant did not purchase a vehicle from Respondent's dealership. Respondent explains they have no affiliation with the dealership who sold the vehicle to Complainant. Respondent believes Complainant filed the complaint against the wrong entity by mistake. Respondent advises they spoke with the dealership who sold Complainant the vehicle and learned the issue had been resolved. Respondent explains the selling dealership had to apply for a duplicate title, and the process took longer than typical. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

121. 2024027511 (TH)

Date Complaint Opened: 05/13/2024

First Licensed: 07/19/2019
Expiration: 06/30/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they discussed purchasing the 2023 Polaris Ranger from Respondent. Complainant explains they observed the unit listed in an advertisement on Respondent's website. Complainant advises Respondent informed Complainant that the unit would not come as shown in the advertisement as it did not have a windshield or top as pictured. Complainant alleges bait and switch tactics.

Respondent apologizes for the misunderstanding. Respondent advise the advertisement listed all the features that the unit comes with from the factory, and the picture was taken of the onsite unit we had added the roof and windshield to. Respondent notes, however, nowhere on the advertisement does it say the unit comes with either accessory. Respondent explains the missing freight charge was a mistake which has been resolved. Respondent states they have also added a disclaimer which reads "the prices represent the unit at MSRP and with no added on accessories!"

Counsel recommends assessing a Two Hundred and Fifty Dollar (\$250) civil penalty for Respondent's advertisement violation under Tenn. Comp. R. & Regs. 0960-1-.12.

Recommendation: Authorize assessing a Two Hundred and Fifty Dollar (\$250) civil penalty for Respondent's advertisement violation under Tenn. Comp. R. & Regs. 0960-1-.12.

Commission Decision: Concur.

122. 2024025331 (TH)
Date Complaint Opened: 05/01/2024
First Licensed: 10/20/2016
Expiration: 08/31/2024 (Closed)
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on November 24, 2023. Complainant advises; however, they never received their title and registration from Respondent.

Respondent advises, unfortunately, they have been dealing with some serious heart problems. Respondent explains due to their health issues and unforeseen financial problems, they made the decision to close the dealership. Respondent states they have been trying to get the issues resolved as quickly as possible, but have been delayed due to their health issues. Respondent's dealership was closed on May 17, 2024. Counsel had Respondent's surety bond information sent to Complainant.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

123. 2024027261 (TH)
2024027551
Date Complaint Opened: 05/10/2024, 05/13/2024
First Licensed: 01/03/2007
Expiration: 12/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

2024027261:

Complainant states there was a delay in obtaining their title and registration information from Respondent.

Respondent notes as of May 13, 2024, Complainant's issue have been resolved. Respondent advises the delays were due to problems with the bank. Counsel recommends closing this complaint with a Letter of Warning reminding Respondent of their duty to timely issue customers registration documentation.

Recommendation: Authorizing issuing a Letter of Warning reminding Respondent of their duty to timely issue customers registration documentation.

Commission Decision: Concur.

2024027551:

Complainant states there was a delay in obtaining their title and registration information from Respondent.

Respondent notes as of May 21, 2024, Complainant's issue have been resolved. Respondent advises the delays were due to problems with the bank. Counsel recommends closing this complaint with a Letter of Warning reminding Respondent of their duty to timely issue customers registration documentation.

Recommendation: Authorizing issuing a Letter of Warning reminding Respondent of their duty to timely issue customers registration documentation.

Commission Decision: Concur.

124. 2024026241 (TH)
Date Complaint Opened: 05/03/2024
First Licensed: 01/11/2018
Expiration: 12/31/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on September 3, 2023. Complainant advises, however, as of April 24, 2024, they had not received their title from Respondent.

Respondent advises they have had Complainant's title ready and available for several months. Respondent explains after Complainant's purchase, Complainant moved, and Respondent did not have a good address for Complainant. Respondent, however, advises Complainant has since come into pick-up the title. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

125. 2024026371 (TH)

Date Complaint Opened: 05/04/2024

First Licensed: 03/07/2019

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): 2023 – One complaint closed with \$500 civil penalty for issuing more temporary tags than allowed.

Complainant states shortly after purchasing a vehicle from Respondent, the vehicle had issue with the driver's side rear brake. Complainant believes Respondent failed to properly inspect the vehicle prior to selling it to Complainant.

Respondent advises the vehicle in question was purchased by a special needs trust on April 22, 2023. The vehicle when sold had 109,133 miles, and came with a ninety (90) day/four thousand (4,000) mile limited warranty and a thirty (30) day return policy. Respondent notes Complainant declined the optional extended service plan. Respondent advises Complainant was reimbursed by Respondent for the repairs associated with the April 28, 2024, incident. Respondent notes they were not aware of any issues with the vehicle prior to sale. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

126. 2024028001 (TH)

Date Complaint Opened: 05/15/2024

First Licensed: 03/10/2003

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a vehicle from Respondent on May 3, 2024. Complainant advises Respondent assured Complainant the vehicle had no known issues. Complainant explains; however, they later learned the vehicle had issues with the wheel bearing along with the struts. Complainant states Respondent expressed since the vehicle was high-mileage at the time of sale that Respondent was doing them a favor by completing the repairs.

Respondent explains Complainant purchased the vehicle in question with 182,200 miles on the odometer on May 3, 2024. Respondent advises Complainant purchased the vehicle "As-Is" without warranty. Respondent states despite Complainant not having a warranty, Respondent

nevertheless completed repairs on the vehicle after purchase as a one-time goodwill gesture. Counsel recommends closure.

Recommendation: Close.

Commission Decision: **Concur.**

RE-PRESENTATION

127. 2023056721 (TH)
Date Complaint Opened: 11/06/2023
First Licensed: 10/30/2020
Expiration: 06/30/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

On November 2, 2023, an inspection was conducted at Respondent's dealership. During the inspection, the inspector observed a Bill of Sale indicating one of Respondent's salesperson sold a vehicle with an expired salespersons license. As such, Counsel recommends the Commission authorize assessing a \$500 civil penalty for Respondent's first violation of Tennessee Code Annotated § 55-17-110.

Recommendation: Authorize assessing a \$500 civil penalty for Respondent's first violation of Tennessee Code Annotated § 55-17-110.

Commission Decision: Concur.

New Information: This complaint is being added to secondary serious complaint, which has been opened internally. In order to consolidate the matters, Counsel recommends closing this complaint.

New Recommendation: Close this complaint, and consolidate the matter into the new complaint.

New Commission Decision: **Concur.**

128. 2023061751 (TH)
2024001431
2024002041
2024005151
2024012211
Date Complaint Opened: 12/04/2023, 01/08/2024, 01/10/2024, 01/30/2024, 02/28/2024.
First Licensed: 02/14/2022
Expiration: 12/31/2024 (CLOSED)
License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$5,000 civil penalty for unlicensed activity. 2023 – One complaint closed with letter of warning for failure to supervise salespersons.

2023061751: Complainant purchased a used vehicle from Respondent on October 5, 2023, and has not received their tag or registration documentation as of the time of their complaint, December 4, 2023. Complainant states the DMV informed them the vehicle was registered and there was no record of the vehicle. Complainant explains they went to Respondent's dealership but found it to be closed.

Counsel notes that this dealership is owned by the same individual that owns the dealerships referenced in Numbers 4 and 5 below. Respondent and its owner are involved in an ongoing criminal investigation by law enforcement.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

2024001431: Complainant states on July 11, 2023, they financed/purchased a used vehicle from Respondent. Complainant explains in November 2023 they received their last temp tag from Respondent which expired on January 6, 2024. Complainant explains at that time, they discovered Respondent had permanently closed. Complainant states they visited the DMV and was informed there was no record of Respondent registering the vehicle.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

2024002041: Complainant states they purchased a used vehicle from Respondent on September 6, 2023. Complainant explains after their temporary tag expired, they attempted to contact Respondent and learned Respondent had closed. Complainant states they never received their permanent tag or registration information.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

2024005151: Complainant states they purchased a used vehicle from Respondent on September 9, 2023. Complainant notes Respondent never filed for the title or permanent tag. Complainant explains Respondent has since closed.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

2024012211: Complainant states they purchased a used vehicle from Respondent on September 29, 2023. Complainant notes Respondent never filed for the title or permanent tag. Complainant explains Respondent has since closed.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering

Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

New Information: Counsel has learned Respondent has moved to a new state. Counsel has not been able to contact Respondent as the location is closed and no longer connected to Respondent. There is no evidence of Respondent still residing or operating this dealership in Tennessee. As such, Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

129. 2023065331 (TH)

2024000821

2024002421

Date Complaint Opened: 12/26/2023 – 01/13/2024

First Licensed: 08/18/2022

Expiration: 08/31/2024 (CLOSED)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2023065331: Complainant states on October 26, 2023, they purchased a used vehicle from Respondent. Complainant explains Respondent went out of business without submitting the title paperwork necessary to transfer ownership.

Counsel notes that this dealership is owned by the same individual that owns the dealerships referenced in Number 3 above and Number 5 below. Respondent and its owner are involved in an ongoing criminal investigation by law enforcement.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

2024000821: Complainant states on September 7, 2023, they purchased a used vehicle from Respondent. Complainant explains they never received their permanent tag or title. Complainant explains they are 76-years old and in need of their permanent tags.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

2024002421: Complainant states they purchased a used vehicle from Respondent in May of 2023. Complainant explains they never received their permanent tag or title.

Counsel recommends assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Recommendation: Assessing a \$250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$500.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

New Information: Counsel has learned Respondent has moved to a new state. Counsel has not been able to contact Respondent as the location is closed and no longer connected to Respondent. There is no evidence of Respondent still residing or operating this dealership in Tennessee. As such, Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: Concur.

130. 2023061711 (TH)

2024002211
2023064361
2023065341
2023065751

Date Complaint Opened: 12/04/2023, 01/11/2024, 12/19/2023, 12/26/2023

First Licensed: 11/30/2016

Expiration: 11/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.):

Each of the complaints against Respondent refer to titling issues. Each Complainant alleges extreme delays in obtaining their titles and/or registration documentation. An investigator went to Respondent's location and noted the lot and dealership looked empty. Further, the licensing division received a 60-day termination notice on 1/3/24 from the manufacturer that has a franchise agreement with Respondent. The termination was because Respondent has been without a sufficient floorplan since 5/18/23. This is in violation of the Respondent's dealer agreement with the manufacturer. The notice mentioned that Respondent informed the manufacturer of ongoing efforts by Respondent to sell the dealership but Respondent never followed up with details of a sale and never cured the floorplan issues. Counsel notes the owner of this dealership is the same owner of the dealership in Complaint 2023065701 in Number 2 below.

Respondent explains their attorney is in constant communication with the Bank. Respondent states they will satisfy the bank at closing and have the remaining titles in the next couple of weeks. Respondent explains they have kept the Complainant's informed and have tried to obtain the titles numerous times. Respondent notes all will be resolved shortly and apologizes for delays stating they have never had these types of issues before. Respondent states they have provided loaner vehicles to some of the Complainants during the delay.

Counsel recommends assessing a \$1,250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) (False, Fraudulent or Deceptive Acts). This civil penalty is based on \$250.00 per five (5) violations. Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty because the dealership's license is still technically active until 11/30/2024 when it will expire.

Recommendation: Assessing a \$1,250.00 civil penalty due to Respondent's violation of T.C.A § 55-17-114(b)(1)(K) False, Fraudulent or Deceptive Acts. Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Assessing a \$2,500.00 civil penalty based on \$500.00 per Respondent's five (5) violations of T.C.A § 55-17-114(b)(1)(K) False, Fraudulent or Deceptive Acts. Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty. Additionally, to refer to the matter to the TN Dept. of Revenue.

New Information: **Counsel has not been able to contact Respondent as the location is closed and no longer connected to Respondent. There is no evidence of Respondent still operating this dealership in Tennessee. As such, Counsel recommends closing and flagging this complaint.**

New Recommendation: Close and flag.

New Commission Decision: Concur.

131. 2023065701 (ES)

Date Complaint Opened: 12/28/2023

First Licensed: 09/01/1991

Expiration: 05/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Respondent dealership is owned by the same individual who owns the closed dealership mentioned in the Complaints above (Number 1). Complainant alleges Respondent failed to pay off their trade-in vehicle which they traded in back in September of 2023 when they purchased a used vehicle from Respondent. Complainant alleges that Respondent told them that they don't have the money to pay off the trade-in, and further claims Respondent received the payoff from the lender on 10/3/23. Respondent states Complainant was informed they were paying off the trade-in vehicle on 12/15/23. Respondent has provided the receipt showing the vehicle has since been paid off in full. Respondent states they are "under unusual circumstances at this time with the buy/sell agreement they currently have at the dealership. There were several weeks they were operating without a checking account . . . but the deal should be finishing up soon and operations will likely return to normal." Counsel notes the closed dealership referenced in Number 1 above is most likely involved in the same ongoing efforts of Respondent to sell their dealerships. Counsel further notes Respondent's license expires on 5/31/24 and they have not made any efforts to renew their license as of 5/22/24. Additionally, Respondent's surety bond insurance carrier has notified the Commission that their surety bond will expire on 5/31/24 and Respondent has not provided further proof of coverage.

An investigation was conducted. The investigation revealed Respondent had a different explanation for the delay in paying off the trade-in, which Respondent claimed was due to a clerical error made by their former title clerk. Respondent states the former title clerk failed to process the documents properly by filing them in the "payoffs to be made" folder. Respondent also admitted to failing to pay off another trade-in vehicle within 30 days as required by statute. Respondent states they made the Complainant whole by reimbursing them the amount paid towards the trade-in vehicle loan and according to the bank, they did not report anything to the credit bureau, so no damage has been done to Complainant's credit. Respondent admitted that they allowed financial decisions to be made by a "rogue CFO" who began mismanaging funds and who is no longer employed by Respondent. Counsel recommends issuing a \$500 civil penalty per violation of Tenn. Code Ann. §55-17-114(b)(3) for failing to pay off a trade-in vehicle within 30 days of funding for the new vehicle purchase, for a total \$1,000 civil penalty. Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty considering the issues they have had with their dealership referenced in Number 1 above and their plans to sell the dealerships.

Recommendation: Authorize a \$1,000 civil penalty for two violations of Tenn. Code Ann. §55-17-114(b)(3) – failing to pay off a trade-in vehicle within 30 days of funding for the new vehicle purchase. Counsel also recommends offering Respondent the alternative to voluntarily surrender their license in substitution to paying the civil penalty.

Commission Decision: Concur.

New Information: Counsel has not been able to contact Respondent as the location is closed and no longer connected to Respondent. Respondent's dealers license is expired. There is no evidence of Respondent still operating this dealership in Tennessee. As such, Counsel recommends closing and flagging this complaint.

New Recommendation: Close and flag.

New Commission Decision: **Concur.**

132. 2023025471 (ES)

Date Complaint Opened: 05/25/2023

First Licensed: 03/24/2011

Expiration: 03/31/2025

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of North Carolina who purchased a vehicle from Respondent on 8/20/22. Complainant alleges the title has never been cleared or provided. Complainant alleges they have received temporary tags consistently since the purchase and Respondent has ignored all communications. Respondent failed to respond, and an investigation was conducted. The investigation revealed two temporary tags were issued to the vehicle. The Complainant stated they were informed by Respondent that they could not get the title from the previous owner and began the refund process. Respondent has refunded Complainant \$19,500 but still owes them \$31,500. The investigation also revealed Respondent had been operating without a surety bond for nearly nine months between 5/30/22 and 3/31/23. Respondent denied knowing the surety bond had been cancelled but the investigation revealed Respondent had failed to pay the premiums. Respondent states they will refund the remainder of the money owed to Complainant but states they don't have it at this time. Counsel recommends issuing a \$500 civil penalty per month that Respondent was operating with an expired surety bond, for a total \$4,500 civil penalty.

Recommendation: Authorize a \$4,500 civil penalty for operating with an expired surety bond for nine months

Commission Decision: Concur.

New Information: Counsel has been notified that Respondent's surety bond was never expired and the misinformation provided to Counsel was due to an internal error. However, Counsel recommends issuing a civil penalty because the Respondent initially failed to respond to the complaint prior to the investigation. Respondent eventually cooperated with the investigation and provided all requested information and documentation once they were contacted by the investigator. Respondent continues to make payments to the Complainant to make them whole. Respondent has paid an additional \$9,000 to Complainant since this matter was last presented to the Commission. Complainant still has the vehicle and is still owed \$22,500.

Respondent has also provided more information to Counsel about what transpired and led to the complaint being filed. The vehicle that was sold to Complainant had been a trade-in vehicle to Respondent and had a lien on it through a third-party. Respondent states that they never pay off any third-party loans by a singular method, but instead they use different methods of payment just in case something doesn't go as planned. Therefore, Respondent paid the loan off for the trade-in vehicle to Navy Federal Credit Union (NFCU) with two different payment methods. Respondent states they wired \$20,000 to the loan account and paid \$19,500 with a cashier's check. After months of waiting for the title, Respondent reached out to NFCU and was informed that NFCU saw evidence of the \$20,000 wire, but it was never applied towards the loan. Respondent states the \$20,000 had been withdrawn from their account. Further, Respondent was informed that NFCU had no record of the cashier's check ever being satisfied with them. Respondent asked their bank, Bank of America (BOA) to investigate this matter. BOA found out the cashier's check was satisfied to a different account that was not affiliated to NFCU. After months of back and forth with BOA, they were able to reverse the \$19,500 amount. Respondent states the initial \$20,000 wire is "gone" and this is what led to the situation Respondent and Complainant are in now. Respondent states the previous owners of the vehicle are also still making payments on the vehicle. Respondent claims NFCU will not give them any information to allow Respondent to contact the previous owners of the vehicle at issue. Respondent feels they have done everything they can to obtain the title, but nothing has worked.

Counsel recommends issuing a \$500 civil penalty for failing to respond to this complaint after it was mailed to Respondent via certified mail and delivered on 6/29/23.

New Recommendation: Authorize a \$500 civil penalty for failure to respond.

New Commission Decision: Void previous consent order that was issued to Respondent and require Respondent to appear before the Commission at the next regularly scheduled Board meeting.

New Information: Respondent is appearing before the Commission at this meeting to discuss this matter and answer any questions the Commission may have in order for the Commission to come to a final decision on whether to issue a civil penalty outside of the \$500 for failing to respond to the Commission.

New Recommendation: Discuss and Authorize a \$500 civil penalty for failure to respond.

New Commission Decision: Concur.

133. 2024013611 (ES)

2024013761

Date Complaint Opened: 02/23/2024

First Licensed: Unlicensed

Expiration: Unlicensed

History (5 yrs.): None.

2024013611

This complaint was opened administratively on 3/5/24 after receiving information from the local county clerk alleging the son of the owner of the above-referenced dealership was still attempting

to register vehicles after their father had passed away. Additionally, Respondent admitted to engaging in unlicensed activity by signing an Agreed Citation and paying a \$500 civil penalty on 2/22/24. This Agreed Citation was the result of a Notice of Violation issued to Respondent on 1/23/24. The dealership closed after the death of the owner, yet it appears the son is continuing to engage in unlicensed activity by using the dealership's license. An investigation was conducted which confirmed the dealership closed in April of 2023 following the death of the owner. The investigator went to the dealership's location and confirmed it was no longer in operation, however, there is a travel trailer next to the building with a sign with the dealership's name. There are also other dealership signs around the travel trailer. There were no vehicles marked for sale but there were quite a few vehicles around the property. The investigator was not able to make contact with the owner's son who is allegedly continuing to sell vehicles through the dealership. The investigator obtained information from the county clerk which established evidence that the Respondent has been actively dealing in vehicles after the dealership was closed.

2024013761

Complainant purchased a used vehicle from Respondent in October of 2023 and was not told of numerous issues the vehicle allegedly has. This purchase was made from Respondent after the dealership had closed and after their father had passed away. Complainant claims the dealership has worked with them but has fallen short considering the thousands of dollars in problems the vehicle had. Complainant also claims to have paid taxes on the vehicle and was not provide with all the sales paperwork. Complainant alleges the vehicle has had many issues and is in constant need of repair. Complainant was able to provide a copy of the title to the vehicle. Respondent has failed to respond to this complaint and mail was returned undeliverable. An investigation was conducted which confirmed the dealership closed in April of 2023 following the death of the owner. The investigator went to the dealership's location and confirmed it was no longer in operation, however, there is a travel trailer next to the building with a sign with the dealership's name. There are also other dealership signs around the travel trailer. There were no vehicles marked for sale but there were quite a few vehicles around the property. The investigator was not able to make contact with Respondent.

This evidence shows Respondent has bought and/or sold at least seven vehicles in the name of the closed dealership since their father passed away and they have not applied for a new dealer license. Further, Respondent has continued to go to the local clerk's office attempting to register vehicles that they have sold. Counsel recommends issuing a \$500 civil penalty per vehicle, for a total \$3,500 civil penalty for unlicensed activity.

Recommendation: Authorize a \$3,500 civil penalty for unlicensed activity.

Commission Decision: Authorize a \$7,000 civil penalty for unlicensed activity and appear before the Commission at the next scheduled Board meeting. Respondent will have 7 days to agree to the Consent Order before a formal hearing will be set.

New Information: An investigator has made multiple attempts to contact Respondent in person and has been unsuccessful. However, the Executive Director has notified all relevant county clerk's offices not to process any more registrations from Respondent, and the clerks have followed through with that request. After much discussion with the Executive Director, Counsel recommends closing this complaint.

New Recommendation: Close

New Commission Decision: Concur.

134. 2023054201 (ES)

2024002731

Date Complaint Opened: 10/23/2023

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2023054201

Complainant alleges they purchased a vehicle from Respondent on 7/8/22 and have not received a title. Respondent does not have a dealer license and the address provided looks like a mostly empty lot next to an abandoned building. Respondent has a Facebook page where they hold themselves out to be a dealer and advertises vehicles for sale. An investigation was conducted. The investigation revealed that the address where Complainant allegedly purchased the vehicle could be a towing business. When the investigator went to the location, there was no one there and there were no vehicles displayed for sale. Further, Respondent applied for and received a COVID PPP Loan of over \$20,000 by identifying themselves as a Motor Vehicle Merchant Wholesaler. The investigation also confirmed that Respondent is advertising vehicles for sale on Facebook Marketplace. Complainant alleges they were given two temporary tags, which are still in the vehicle, and they were able to register it after the complaint was filed. The investigator was able to speak with Respondent by phone and they confirmed they sold the vehicle to Complainant and alleges they did not know there was a law that prohibited someone from selling more than five vehicles in twelve months without a license. Respondent confirmed multiple times that they would submit a sworn statement to the investigator but never did. Based on Respondent's Facebook page, it appears they are advertising many vehicles for sale, and they boast about how many vehicles they are selling. Counsel recommends issuing a \$5,000 civil penalty for unlicensed activity and referring this matter to the Department of Revenue.

Recommendation: Authorize a \$5,000 civil penalty for unlicensed activity; refer to the Department of Revenue and the US Small Business Administration regarding the PPP Loan.

Commission Decision: Authorize a \$5,000 civil penalty for unlicensed activity; refer to the Department of Revenue, local law enforcement, and the US Small Business Administration regarding the PPP Loan.

2024002731

Complainant alleges Respondent misrepresented the vehicle which they purchased and is committing fraud in various ways. This is the same Respondent referenced in the complaint 2023054201 above. An investigation was conducted. The Complainant did not provide any documentation or a statement to the investigator despite multiple requests. Respondent did speak with the investigator and confirmed they sold the vehicle to Complainant but stated that was over a year ago, and claims they are no longer selling vehicles. However, Respondent still has a Facebook page online where they are advertising vehicles for sale. Counsel recommends issuing

a \$5,000 civil penalty for unlicensed activity and referring this matter to the Department of Revenue.

Recommendation: Authorize a \$5,000 civil penalty for unlicensed activity; refer to the Department of Revenue and the US Small Business Administration regarding the PPP Loan

Commission Decision: Authorize a \$5,000 civil penalty for unlicensed activity; refer to the Department of Revenue, local law enforcement, and the US Small Business Administration regarding the PPP Loan.

New Information: Counsel has discussed this with Respondent who is unable to pay a \$10,000 civil penalty. Further, Respondent appeared to have stopped attempting to sell vehicles over a year ago. Counsel is unable to find any more advertising of vehicle for sale by Respondent. However, Respondent has agreed to sign a Consent Order and pay a \$1,000 civil penalty. Respondent believed they were able to purchase vehicles from the auction for consumers because they had an active Auction Access ID, which Counsel has confirmed. Respondent states they had sold a couple of vehicles for the licensed dealership they worked for in Mississippi. Counsel has reviewed the evidence provided by the investigation and the investigator was unable to obtain any proof of sales made by Respondent at any county clerk's office. There is no documented proof of the temporary tags issued by Respondent. Counsel recommends amending the civil penalty to \$500 for unlicensed activity for each of the two complaints, for a total \$1,000 civil penalty instead of moving forward with a formal hearing.

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

New Commission Decision: Concur.

**135. 2023063091 (ES)
Date Complaint Opened: 12/12/2023
First Licensed: 06/22/2011
Expiration: 06/30/2025
License Type: Motor Vehicle Dealer
History (5 yrs.): None.**

Complainant is a resident of Mississippi who purchased a used vehicle from Respondent on 7/1/23. Complainant alleges Respondent knowingly sold an unsafe vehicle and performed work to hide severe frame damage which is so bad, the vehicle should not be driven because it cannot display a license plate. The bumper fell off of the vehicle a month after purchase and according to a written statement from a collision repair business, the bumper cannot be re-attached because the frame damage is so severe and the crumple zone has been destroyed. An investigation was conducted. Respondent stated that their attorney advised them not to discuss the allegations of frame damage because the Complainant filed a lawsuit in civil court. However, Complainant provided a recording of a discussion with Respondent where Respondent admits the damage and agrees the Complainant only got a "good transmission and engine." The civil suit has been dismissed because of an arbitration clause. The vehicle's history report showed the vehicle had a clean Tennessee title at the time of sale, which had most recently been issued on 9/27/23. When Complainant took Respondent to small claims court, Complainant alleges Respondent's attorney presented them with documents and claims the attorney "slipped in" paperwork they were not given at the time of sale, including the Buyer's Guide, a signed document acknowledging frame

damage, as well as an arbitration agreement. The Buyer's Guide also has Complainant's signature and date on it which shows Complainant purchased the vehicle as-is, without warranty. Complainant alleges they did not receive these documents until they were in court and did not sign them. Respondent argues that Complainant had a friend test-drive the vehicle before purchase. Respondent states they were transparent about the condition of the vehicle and did not hide any information from Complainant.

The investigation also revealed the temporary tag issued to the vehicle after purchase by Complainant from Respondent was issued by another dealer which is located down the road from Respondent's dealership.

Counsel has recently been provided with further updates from Complainant. The Mississippi Department of Revenue has revoked the title they issued based on the documents provided to them by Respondent. Counsel has not been able to speak to anyone at that agency despite multiple efforts to try to obtain more information about why the title is being revoked in Mississippi. Complainant alleges the revocation of the Mississippi title is due to a fraudulent power of attorney document submitted by Respondent. Complainant restates they are unable to drive the vehicle because no repair facility will put the bumper back on, which had been held on with zip ties and one bolt, because of how severe the frame damage is. Tenn. Code Ann. §55-9-215 requires a vehicle to have a bumper to make it roadworthy. Complainant argues Respondent had a duty to apply for a salvage title or nonrepairable vehicle certificate after purchasing the vehicle from auction due to its condition, but instead, Respondent covered up the issues. Tenn. Code Ann. §55-9-201 defines salvage condition to include a vehicle whose repairs would cost more than 75% of the retail value of the vehicle, and Complainant provided estimates for repairs that show the repair costs would meet this standard. Tenn. Code Ann. §55-3-209(8)(E) states:

Any person acquiring ownership of a damaged passenger motor vehicle that meets the definition of a salvage or nonrepairable vehicle for which a salvage title or nonrepairable vehicle certificate has not been issued must apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable. This application must be made before the vehicle is further transferred, but in any event, within thirty (30) days after ownership is acquired.

Counsel recommends discussion of whether it was Respondent's duty to inspect the vehicle, determine the severity of its frame damage, and apply for a salvage title for the vehicle. Additionally, Counsel recommends issuing a \$500 civil penalty for Respondent's misuse of EZ tag system by issuing a temporary tag to a vehicle from another dealer. Counsel also recommends opening a complaint against the dealer who issued the temporary tag to the vehicle sold by Respondent.

Recommendation: Discuss and authorize a \$500 civil penalty for false, fraudulent and deceptive acts related to issuing a temporary tag; open a complaint against the dealer who issued the temporary tag

Commission Decision: Authorize a \$5,000 civil penalty for false, fraudulent, and deceptive acts related to issuing a temporary tag, request inspection of both dealerships mentioned in the complaint, and open a complaint against the dealer who issued the temporary tag.

New Information: Counsel has discussed this at length with Respondent and their attorney. Respondent is appearing before the Commission at this meeting to discuss this matter further and request a reduction in the civil penalty. Counsel notes that Respondent has not

cooperated with arbitration despite forcing the Complainant out of civil court, claiming they had signed an Arbitration Agreement. Respondent was required to pay a fee to the arbitrator and Complainant provided a letter to Counsel from the arbitrator showing Respondent has not responded to their requests or cooperated in any fashion. Therefore, Complainant is not able to arbitrate this matter and is forced to go back to civil court and continue paying legal costs due to Respondent's failure to follow through with their legal obligations. Counsel does not recommend reducing the civil penalty from \$5,000.

New Recommendation: No change to previously authorized \$5,000 civil penalty

New Commission Decision: **Concur.**

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

ROLL CALL VOTE

Ian Leavy	YES
Sandra Elam	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
John Rydell	YES
Karl Kramer	YES
Hubert Owens	YES
John Roberts	YES

MOTION CARRIED

NEW BUSINESS

Nothing to Report

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 Norton. Chairman Roberts called for a voice vote.

MOTION PASSED

MEETING ADJOURNED