

MINUTES

Minutes

7-14-14

**TENNESSEE MOTOR VEHICLE COMMISSION
 BOARD MEETING
 July 14, 2014 10:00 A.M.
 CONFERENCE ROOM A-1
 DAVY CROCKETT TOWER, 500 JAMES ROBERTSON PKWY.
 NASHVILLE, TENNESSEE 37243**

ROLL CALL:

	<u>PRESENT</u>	<u>ABSENT</u>
EDDIE ROBERTS	X	
REED TRICKETT	X	
GEORGE BASS		X
JOE CLAYTON	X	
KEVIN CULLUM		X
DONNIE HATCHER		X
NATE JACKSON	X	
JOHN MURREY	X	
DON PARR	X	
STAN MCNABB	X	
FARRAR SCHAEFFER VAUGHAN		X
MARK PIRTLE	X	
RONNIE FOX	X	
LYNN WEBB	X	
BILLY KECK		X

The Tennessee Motor Vehicle Commission Meeting was called to order by Chairman Eddie Roberts on July 14, 2014 Roll Call was taken with a total of (10) member's present.

A Motion was made by Commissioner Nate Jackson, and seconded by Commissioner Ronnie Fox, to approve the minutes from the April 21, 2014 meeting.

MOTION PASSED UNANIMOUSLY

A Motion was made by Commissioner Stan McNabb, and seconded by Commissioner Ronnie Fox to adopt the Agenda for this meeting.

MOTION PASSED UNANIMOUSLY

APPEALS

The following appeals were heard by the Commission.

Heith Franklin-Gateway Ford Lincoln Mazda, Greeneville, TN
Staff denied application

Motion was made by Commissioner Ronnie Fox, and seconded by Commissioner Stan McNabb to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Yes
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

Mark A. Toney-Ted Russell Ford, Knoxville, TN
Staff denied application

Motion was made by Commissioner Nate Jackson, and seconded by Commissioner Ronnie Fox to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Abstain
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

Bernard Woodard-Ole Ben Franklin, Knoxville, TN

Staff denied application

Motion was made by Commissioner Nate Jackson, and seconded by Commissioner Stan McNabb to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Abstain
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

Johnny McKibben-Crown Chrysler Dodge Jeep Ram, Goodlettsville, TN

Staff denied application-

Motion was made by Commissioner Don Parr, and seconded by Commissioner Reed Trickett to grant the license.

ROLL CALL VOTE

Eddie Roberts	No
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Yes
Ronnie Fox	Yes
Lynn Webb	No
Don Parr	Yes

Motion passed to grant the license.

Daniel Emerton- Hyundai of Cookeville, TN

Staff denied application

Motion was made by Commissioner Lynn Webb, and seconded by Commissioner John Murrey, to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Yes
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

David M. Clancy-Riverside Motors, Inc., Murfreesboro, TN

Staff denied application

Motion was made by Commissioner Mark Pirtle, and seconded by Commissioner Reed Trickett to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Yes
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

Mark Holmes-Curtis Hester Motor Sales, Springfield, TN

Staff denied application

Motion was made by Commissioner Nate Jackson, and seconded by Commissioner Ronnie Fox to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes

Mark Pirtle	Yes
Joe Clayton	Yes
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

Darrius J. Cane- Auto Masters of Smyrna- Smyrna, TN
Staff denied application

Motion was made by Commissioner Mark Pirtle, and seconded by Commissioner Farrar Schaeffer Vaughan to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Yes
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

Gary H. Willingham-321 Drive, Nashville, TN
Staff denied application

Motion was made by Commissioner Mark Pirtle, and seconded by Commissioner Ronnie Fox to grant the license.

ROLL CALL VOTE

Eddie Roberts	Yes
Nate Jackson	Yes
Reed Trickett	Yes
John Murrey	Yes
Stan McNabb	Yes
Mark Pirtle	Yes
Joe Clayton	Yes
Ronnie Fox	Yes
Lynn Webb	Yes
Don Parr	Yes

Motion passed to grant the license.

DIRECTORS REPORT

Since the last Commission meeting in April 21, 2014 the following actions have been taken:

Dealers Opened, or Relocated66

Active Licensees as of July 1, 2014

Dealers.....3795
Applications in Process.....42
Distributions/Manufacturers143
Auctions.....29
Representatives.....567
Salespeople.....15606
Dismantlers.....317
RV Dealers.....27
RV Manufacturers.....60

Motor Vehicle Show Permits Issued Since April 21, 2014 ...2
Revenue Received \$ 400.00

Motion was made by Commissioner Nate Jackson, and seconded by Commissioner Stan McNabb to approve the Directors report.

Old Business

None

New Business

Approve dates for the 2015 meeting, and Formal Hearings. The following dates were approved for 2015.

January 12- MVC Meeting, January 13- Formal Hearing

March 2- MVC Formal Hearing

April 20-MVC Meeting, April 21- Formal Hearing

July 13- MVC Meeting, July 14- Formal Hearing

September 14- Formal Hearing

October 5- MVC Meeting, October 6- Formal Hearing

Motion was made by Commissioner Ronnie Fox, and seconded by Commissioner Mark Pirtle to approve the schedule.

TO: Tennessee Motor Vehicle Commission

FROM: Legal Division

DATE: July 14, 2014

SUBJECT: MVC Legal Report

#1. Case No.: 2013020801

Complainant alleged that Respondent was operating an unlicensed dismantler and recycler business, and purchased a car that Complainant had a properly recorded lien on and scrapped it without notifying Complainant or obtaining Complainant's permission. Investigator was unable to locate anyone operating under Respondent's alleged name or any evidence of business activity at the provided address. Complainant eventually admitted to "not being sure" of Respondent's actions or location.

Recommendation: Close

Commission Action: Approved

#2. Case No.: 2013019311

Complainant alleged that Respondent was operating an unlicensed dismantling/recycling business out of an auto parts store. While Respondent does sell both new and used auto parts, no dismantling or salvage operations take place at his store.

Recommendation: Close

Commission Action: Approved

#3. Case No. 2013012961

Complainant/Dealer alleged that Respondent/Dealer was engaging in unethical business practices. Insufficient evidence of violation.

Recommendation: Close

Commission Action: Approved

#4. Case Nos. 2013014151 and 2013014152

Respondents were reportedly convicted of felony offenses involving certain transactions that took place at their respective dealerships. Documentation revealed that the respondents entered conditional guilty pleas that will allow them to maintain clear criminal histories if conditions are met; at this time, respondents are in compliance.

Recommendation: Close (subject to review if Respondents violate terms of their plea agreements)

Commission Action: Approved

#5. Case Nos. Multiple – Respondent 1 and Respondent 2

2013018171 & 2013018172: Respondents/Dealers are commonly owned. Respondents were alleged to be intermingling inventory without regard to title or surety bond coverage. Photos were taken of Respondent #2's lot with Respondent #1's name, information, and logo posted on numerous vehicles. Respondents confirmed that they "rotated" inventory between two locations without transferring title.

2013018811 & 201301882: Complainant/Consumer alleged that Respondent #1 altered the terms of the financing after the sale, and refused to provide tags or title for the vehicle. During the investigation it was determined that Respondents were again commingling inventory, leading to confusion over the actual owner of the vehicle sold to Complainant. Complainant also alleged that Respondent #1 mislead her over the condition of the vehicle. Respondents, in response to the Complaint, alleged that Complainant was behind on her payments and asked the Motor Vehicle Commission to "not renew her tags".

2013022921 & 2013022922, 2013025151 (duplicate of 2013022921)

Allegations are similar to the above complaint, but involve an unrelated consumer. Respondent(s) disputed the complaint, and asked that since Complainant was "behind on her payments" that her "tags not be renewed" by the Motor Vehicle Commission. In addition, the financing documents provided by the Respondent contain additional "upfront" payments due allegedly for "sales tax"; however the down payment provided by Complainant clearly included payment of the sales tax, and the amount of "upfront payments" due exceed the amount of sales tax charged by Respondent.

Recommendation: Authorization for Revocation of Respondents' Motor Vehicle Dealer License due to off-site/unlicensed sales and fraudulent or deceptive acts, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#6. Case No. 2013019301

Complainant alleged that Respondent sold vehicle to them without disclosing that the vehicle had a rebuilt title. Investigation revealed that the Respondent did not disclose status of title; and that the Respondent offered a \$1000 refund when confronted about the title status.

Recommendation: Authorization for civil penalty in the amount of Four Thousand Dollars (\$4000) for not disclosing status of rebuilt title, a "fraudulent or deceptive act" per § 55-17-114, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#7. Case No.: 2013022471

Respondent was issued a Notice of Violation for failure to maintain a temporary tag log, and assessed a \$1000 civil penalty. Respondent's check for payment was returned for insufficient funds, and Respondent has not yet made arrangements to pay the fine.

Recommendation: Authorization for civil penalty in the amount of One Thousand Dollars (\$1000) for failure to maintain a temporary tag log, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#8. Case No. 2013023531

Complainant/Consumer alleged that Respondent/Dealer would not provide title to vehicle even though vehicle was paid for in full at time of purchase. Investigation revealed Respondent to be an unlicensed dealer operated by a former owner/salesman. Respondent confirmed that he sold vehicles without a license, but that at the time of the sales he thought his dealer application would be approved soon. He has since closed the business.

Recommendation: Authorization for civil penalty in the amount of Three Thousand Dollars (\$3000) for unlicensed dealer activity in violation of §55-17-109.

Commission Action: Approved

#9. Case Nos. 2013024031 and 2013024032

Complainant/Consumer alleged that Respondent/Dealer altered the odometer of a vehicle purchased by Complainant. Investigation revealed that Respondent #2 was conducting unlicensed sales from another unrelated business. Respondent #1, a licensed Alabama dealer, confirmed that Respondent #2 did sell the vehicle in Tennessee for Respondent #1, and did so with their bill of sale. The odometer fraud issue has already been referred to the Department of Safety.

Recommendation: Authorization for civil penalty for Respondent #1 in the amount of One Thousand Dollars (\$1000) for unlicensed dealer activity in violation of §55-17-109; authorization for civil penalty for Respondent #2 in the amount of Five Hundred Dollars (\$500) for unlicensed sales activity in violation of §55-17-110, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#10. Case No. 2013026091

Complainant/Title Loan company alleges that Respondent/Dealer did not pay off lien within 30 days after purchasing car from owner. Owner of vehicle obtained title loan

from Complainant, then sold vehicle to Respondent without notifying them of lien on title. Vehicle is over ten years old and Respondent did obtain a bill of sale and copy of driver's license. Complainant may pursue civil remedy against owner.

Recommendation: Close

Commission Action: Approved

#11. Case No. 2013026151

Investigator observed vehicles parked in an unlicensed lot with prices displayed. Contact made with the owner/respondent who stated he had not sold any cars "yet" but was in the process of obtaining his dealer license. Respondent holds a valid salesperson license for another dealership. Respondent warned of unlicensed sales and removed the vehicles from the lot, and had applied for a dealer license.

Recommendation: Authorization for civil penalty in the amount of One Thousand Dollars (\$1000) for unlicensed dealer activity in violation of §55-17-109 (\$500) and off-site sales in violation of §55-17-110 (\$500), to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#12. Case No. 2014001441

Complainant alleged that Respondent/Auction was acting as a dealer without a license. Investigation found all of Respondent's licensure and paperwork in compliance, and no evidence of unlicensed activity.

Recommendation: Close

Commission Action: Approved

#13. Case No. 2014001771

Complainant alleged that Respondent/Dealer improperly repossessed vehicle. Complainant admitted to not paying "deferred down payment" on time, however, and finance contract signed by Complainant gives Respondent right of repossession if in default.

Recommendation: Close.

Commission Action: Approved

#14. Case No. 2014001821 & 22

Complainant/Consumer alleged that Respondent/Dealer misrepresented condition of vehicle. Investigation revealed that sale was between private individuals, and no evidence of unlicensed dealer activity was obtained.

Recommendation: Close.

Commission Action: Approved

#15. Case No. 2014002011

Complainant, a former employee of Respondent/Dealer, alleged that she worked as an unlicensed salesperson for Respondent and sold at least eight vehicles in two weeks while unlicensed. Respondent acknowledged that Complainant was employed by them and they were training her to be a salesperson, but that her employment was terminated before that could occur. Witnesses/buyers who allegedly purchased from Complainant were mostly uncooperative, but investigator was able to confirm that Complainant acted as unlicensed salesperson in at least one sale, primarily based on Respondent's own reluctantly provided paperwork.

Recommendation: Authorization for civil penalty in the amount of Five Hundred Dollars (\$500) for unlicensed sales activity in violation of §55-17-110, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#16. Case No.: 2014002121

The Respondent dealer has been operating without a surety bond in place for the protection of the consumer since December 20, 2013.

Recommendation: Authorization for the Revocation of Respondent's Motor vehicle Dealer License, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#17. Case No. 2014002131

Complainant alleged that Respondent/Dealer did not transfer tag to vehicle as promised and paid for and as result they could not properly register vehicle. Respondent alleged that Complainant was asked several times to provide registration papers for tag to be transferred and Complainant did not do so. Vehicle was eventually repossessed for non-payment, and complaint was filed shortly after that. Complainant did not offer rebuttal to response.

Recommendation: Close, insufficient evidence of violation.

Commission Action: Approved

#18. Case No. 2014002191

Anonymous Complainant alleged that Respondent was acting as a dealer without a license. Investigation found that Respondent, in an attempt to raise money for a non-profit, was attempting to sell cars he had purchased and repaired. Respondent is aware of the "five per year per household" restriction and stated he had not and would not violate the law. Investigator did not find proof to the contrary.

Recommendation: Close, insufficient evidence of violation.

Commission Action: Approved

#19. Case No. 2014002561

Respondent/Dealer received an Agreed Citation for possessing an executed certificate of title without the name of the transferee appearing on the certificate. Respondent is contesting the citation.

Recommendation: Authorization of a civil penalty in the amount of Five Hundred Dollars (\$500) for open-title violation to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#20. Case No. 2014002601

Complainant alleged unlicensed dealer activity. Complaint was opened due to misidentification of Respondent, but review shows that Respondent has proper licensure.

Recommendation: Close

Commission Action: Approved

#21. Case No.: 2014002981

Complainant alleged that Respondent was dishonest regarding the advertised price of a vehicle. Complainant terminated negotiations with the Respondent due to disagreement over value of trade-in and final price of vehicle; sale was not concluded; and Respondent disputes events as related by Complainant.

Recommendation: Close, insufficient evidence of violation.

Commission Action: Approved

#22. Case No.: 2014003981

Complainant alleges that Respondent/Dealer would not assist her in obtaining a duplicate title after the original title was stolen. Respondent/Dealer replied that the Complainant

was not the actual purchaser, her husband purchased the vehicle, and so Respondent obtained a duplicate title closed in husband's name and mailed it to purchaser. No response from Complainant.

Recommendation: Close, no evidence of violation.

Commission Action: Approved

#23. Case No. 2014004071

Complainant alleged that Respondent sold her vehicle without disclosing prior unibody damage. Complainant stated that she learned of the damage when she went to trade in the vehicle five years after the purchase from Respondent. Respondent denies the allegations and notes this was an "As-Is" sale, which Complainant does not dispute.

Recommendation: Close, no evidence of violation.

Commission Action: Approved

#24. Case No. 2014004151

Respondent was observed by investigator engaged in unlicensed sale, and was issued an Agreed Citation for that violation. Respondent has not paid the citation nor contested the facts therein.

Recommendation: Authorization of a civil penalty in the amount of Two Thousand Dollars (\$2000); One Thousand Dollars (\$1000) for unlicensed sale and One Thousand Dollars (\$1000) for failing to respond to correspondence from the Commission, to be settled by Consent Order or Formal Hearing.

#25. Case No. 2014004161

Respondent/Dealer received an Agreed Citation for employing an unlicensed salesperson. Respondent has not paid the citation nor contested the facts therein.

Recommendation: Authorization of a civil penalty in the amount of Two Thousand Dollars (\$2000); One Thousand Dollars (\$1000) for employing an unlicensed salesperson and One Thousand Dollars (\$1000) for failing to respond to correspondence from the Commission, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#26. Case No. 2014004171

Respondent/Dealer received a Notice of Violation for engaging in unlicensed sales activity. The Respondent has a dealer license but does not employ any licensed salespeople. Respondent has not contested the facts therein.

Recommendation: Authorization of a civil penalty in the amount of Twenty Two Thousand Dollars (\$22,000) for unlicensed sales (forty-four incidents at \$500 each) to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#27. Case No: 2014004401

Respondent/Dealer received a Notice of Violation for employing unlicensed salespeople and for failing to maintain a temporary tag log. Respondent has not contested the facts therein.

Recommendation: Authorization of a civil penalty in the amount of Fifteen Thousand Dollars (\$15,000) for unlicensed sales (twenty-six incidents at \$500 each) and failing to maintain a temporary tag log (\$2000) to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#28. Case No. 2014004531

Complainant/Consumer alleged that Respondent/Dealer failed to deliver title. Shortly after complaint was filed and complainant hired legal counsel, title was obtained and delivered to Complainant. Respondent did not respond to complaint as required.

Recommendation: Authorization of a civil penalty in the amount of One Thousand Five Hundred Dollars (\$1500); Five Hundred Dollars (\$500) for failing to timely deliver title and One Thousand Dollars (\$1000) for failure to respond to communication from the Tennessee Motor Vehicle Commission, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#29. Case No. 2014004771

Respondent/Dealer received an Agreed Citation for possessing an executed certificate of title without the name of the transferee appearing on the certificate, and for an incomplete temporary tag log. Respondent has not paid the citation nor disputed the facts therein.

Recommendation: Authorization of a civil penalty in the amount of Five Thousand Dollars (\$5000); Two Thousand Dollars for possession of two open titles; Two Thousand Dollars for incomplete temporary tag log; and One Thousand Dollars (\$1000) for failure to respond to communication from the Tennessee Motor Vehicle Commission, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#30. Case No. 2014004851

Complainant/Consumer alleged that Respondent/Dealer damaged her airbag system while working on an unrelated repair on her vehicle. Respondent denies the allegations, and there is insufficient proof of any violation.

Recommendation: Close.

Commission Action: Approved

#31. Case No. 2014004921

Complainant/Consumer alleged that Respondent sold her a salvaged vehicle without disclosing status of title. Upon review it was determined that additional information was needed from the Complainant, but attempts to reach her for follow-up were unsuccessful.

Recommendation: Close

Commission Action: Approved

#32. Case No. 2014004931

Respondent was issued an Agreed Citation due to open title violations. Respondent is disputing the allegations, and the Agreed Citation was inadvertently deleted from the file system, so proof of the allegations is not available.

Recommendation: Close

Commission Action: Approved

#33. Case No.: 2014005011

Complainant/Consumer experienced mechanical problems shortly after purchase of vehicle from Respondent. Mechanic who inspected car indicated possible flood damage, and Complainant alleged that Respondent did not disclose flood damage. Both Carfax and Autocheck are clear, and Respondent stated they have no knowledge of any flood damage. Sale was as-is, which complainant acknowledges.

Recommendation: Close, insufficient proof of violation.

Commission Action: Approved

#34. Case No.: 2014005021

Complainant/consumer alleged that Respondent/dealer forged his signature and issued title to someone else. Respondent asserts that the Complainant had the title and sold the vehicle to purchaser named on the title, and that they haven't had any dealings with

Complainant since sending the title to him after final payment was made on the vehicle, almost a year after it was due. Complainant did not offer a rebuttal to respondent's denial.

Recommendation: Close.

Commission Action: Approved

#35. Case No.: 2014005231

Complainant alleged that Respondent sold her a salvage vehicle without disclosing status of vehicle. While vehicle had been in an accident with prior owner, it does not have and never had a salvage title. Complainant does not seem to understand that the Car Fax a) says her car is worth \$90 less than blue book, NOT that it is only worth \$90 and b) Car Fax says "total loss" but title history is in fact clear.

Recommendation: Close.

Commission Action: Approved

#36. Case No. 2014005281

Respondent/Dealer, for the second time, advertised vehicles without including DOC fees in the sales price. Sixteen vehicles were posted.

Recommendation: Authorization of a civil penalty in the amount of Eight Thousand Dollars (\$8000) (sixteen incidents at \$500 each) for violation of TCA § 55-17-114(b)(1)(E) (sixteen incidents at \$500 each), to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#37. Case No. 2014005751

Complainant/Consumer alleged that Respondent/Dealer has not produced a title. The dealer is not a Tennessee dealer and there is no indication the transaction took place in Tennessee.

Recommendation: Close

Commission Action: Approved

#38. Case No.: 2014005951

Complainant alleges that Respondent/dealer misrepresented the vehicle, and that she experienced several mechanical problems after purchase. Respondent provided documentation of As-Is sale, signed Buyer's Guide, and noted that Complainant put over 10,000 miles on vehicle before lodging complaint.

Recommendation: Close, insufficient proof of violation.

Commission Action: Approved

#39. Case No. 2014005961

Complaint made regarding Respondent selling salespeople licenses. This matter was considered at the April 2014 Commission meeting and approved for discipline.

Recommendation: Close. Duplicate complaint.

Commission Action: Approved

#40. Case No. 2014006281

Complainant alleged that Respondent/Dealer submitted her check for payment knowing there were insufficient funds to cover the full amount after promising to "hold" the check over the weekend. No evidence of a violation.

Recommendation: Close

Commission Action: Approved

#41. Case No. 2014006291

Complainant/Consumer alleged that the Respondent/Dealer sold him a salvage vehicle without disclosing the status of the title. Respondent stated that they did not sell the vehicle to Complainant, but to another purchaser who had knowledge of the salvage title. No response from Complainant.

Recommendation: Close

Commission Action: Approved

#42. Case No. 2014006541

Respondent/Dealer received an Agreed Citation for possessing three executed certificates of title without the name of the transferee appearing on the certificate, and for failure to maintain a temporary tag log. Respondent is contesting the citation.

Recommendation: Authorization of a civil penalty in the amount of Two Thousand Five Hundred Dollars (\$2500) for three open-title violations (\$500 each) and for failure to maintain a temporary tag log (\$1000) to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#43. Case No. 201400728

Respondent/Dealer received an Agreed Citation for possessing an executed certificate of title without the name of the transferee appearing on the certificate, and for failure to produce a temporary tag log. Respondent was able to produce the temporary tag log upon his return to the business on the day following the inspection. Respondent is contesting the citation.

Recommendation: Authorization of a civil penalty in the amount of Five Hundred Dollars (\$500) for open-title violation to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#44. Case No. 2014007431

Respondent/Dealer received an Agreed Citation for possessing an executed certificate of title without the name of the transferee appearing on the certificate. Respondent is contesting the citation.

Recommendation: Authorization of a civil penalty in the amount of Five Hundred Dollars (\$500) for open-title violation to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#45. Case No. 2014007571

Out-of-state Complainant alleged that Respondent/Dealer sold a vehicle in Kentucky at their auction and has not produced a title. Civil matter between parties.

Recommendation: Close

Commission Action: Approved

**#46. Case No. 2014007741
2014010211**

2014007741: Respondent/Dealer received an Agreed Citation for violation of advertising rules. The Agreed Citation included a warning about ceasing the activity or more civil penalties and discipline could be forthcoming. Respondent acknowledged receipt of this Agreed Citation on May 1, 2014. Respondent did not contest or pay the citation.

2014010211: – On May 21, 2014, at the request of the Executive Director, Motor Vehicle Commission staff checked Respondent's website to determine if appropriate corrections had been made to the advertising for which a notice of violation which was previously issued (201400774). Staff found the advertisement was unchanged and not corrected. At that time, staff issued another Agreed Citation for violation of TCA 55-17-114(b)(1)(E).

A cease and desist letter was also issued by the Executive Director. Thirteen incidents of advertising violations were noted. Respondent is contesting the citation.

Recommendation: 2014007741: Authorization of a civil penalty in the amount of Five Thousand Dollars (\$5000) for violation of TCA § 55-17-114(b)(1)(E) to be settled by Consent Order or Formal Hearing.

2014010211: Authorization of a civil penalty in the amount of Sixty Five Thousand Dollars (\$65,000) (13 incidents x \$5,000 each) for violation of TCA § 55-17-114(b)(1)(E) to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#47. Case No. 2014007881

Respondent/Dealer received an Agreed Citation for expired county business license. Respondent is contesting the citation.

Recommendation: Authorization of a civil penalty in the amount of Five Hundred Dollars (\$500) for expired county business license, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#48. Case No. 2014007891

Respondent/Dealer received an Agreed Citation for failure to display dealer license and for failure to maintain a city or county business tax license. Respondent has not paid the citation.

Recommendation: Authorization of a civil penalty in the amount of One Thousand Five Hundred Dollars (\$1500); Five Hundred Dollars (\$500) for failure to display dealer license and failure to maintain business license; and One Thousand Dollars (\$1000) for failure to respond to communication from the Tennessee Motor Vehicle Commission, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#49. Case No. 2014007901

Complainant alleged that Respondent/Dealer misrepresented the condition of the vehicle, and would not return his deposit. Respondent/Dealer stated that negotiations for the vehicle broke down after the deposit was made, and that deposits were non-refundable. While a sign is allegedly posted to that effect, there was no supporting documentation.

Recommendation: Close with letter of warning to advise all customers, in writing, that deposits are non-refundable.

Commission Action: Approved

#50. Case No. 2014007941

Complainant/Consumer alleged that the Respondent/Dealer misrepresented the condition of the vehicle. Respondent stated that they did not sell the vehicle to Complainant, but to another purchaser who then sold it to Complainant. No response from Complainant.

Recommendation: Close

Commission Action: Approved

#51. Case No. 2014008251

Complainant alleged that Respondent/Dealer did not pay off the lien on the trade-in vehicle within a reasonable time. Documents provided show that the lien was paid off five weeks after the transaction. Respondent did not respond to the Complaint.

Recommendation: Authorization of a civil penalty in the amount of One Thousand Five Hundred Dollars (\$1500) for failure to pay off lien timely (\$500) in violation of TCA § 55-17-114(b)(2) and failure to reply to Commission correspondence (\$1000), to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#52. Case No. 2014008261

Complainant alleged that Respondent/Dealer misrepresented car's condition prior to purchase and that the vehicle began to experience mechanical problems. Complainant alleges that Respondent promised to "fix it". Respondent provided proof of As-Is sale, which Complainant signed and does not dispute.

Recommendation: Close.

Commission Action: Approved

#53. Case No. 2014008321

Respondent/Dealer received an Agreed Citation for failure to maintain or display a city or county business tax license. Respondent has not paid the citation

Recommendation: Authorization of a civil penalty in the amount of One Thousand Two Hundred Fifty Dollars; Two Hundred Fifty Dollars (\$250) for failure to display a city/county business license, and One Thousand Dollars (\$1000) for failure to respond to communication from the Tennessee Motor Vehicle Commission, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#54. Case Nos. 2014008351 and 2014009861

2014008351: Respondent/Dealer opened their current location on February 1, 2014. On May 1, 2014 a field investigator met with Respondent and issued a Notice of Violation noting that Respondent did not have a license for their current location, and therefore Respondent was engaged in the selling of motor vehicles and had violated TCA 55-17-109 (Unlicensed Activity), and TCA 55-17-110 (Unlicensed Location). The investigator also found three unlicensed salespeople in the Respondent's employ on that visit. Respondent was issued an Agreed Citation for the unlicensed activity from February 1 through May 1, 2014, and a Cease and Desist letter was sent with the agreed citation instructing the respondent to **stop** all operations until such time the application had been approved. Respondent did not pay or contest the citation.

2014009861: On May 14, 2014 the Motor Vehicle Commission sent a field investigator to the Respondent's place of business where it was determined that the Respondent was still operating without a valid license, after being ordered to cease and desist business operations on May 1, 2014, and issued a notice of violation for violation of TCA 55-17-109 (Unlicensed Activity), 55-17-110 (Unlicensed Location), and 55-17-114(b)(1)(G) (Employing salespeople without a license). Names of the unlicensed salespeople were provided by the field investigator of which there were eight (8). Field investigator also attached 19 bills of sale dated from the time the first Notice of Violation was issued on May 1, 2014, through May 13, 2014. Field Investigator also provided a copy of the Temporary Tag Log showing the sales between May 1, 2014 through May 13, 2014, which was AFTER the Respondent had received the notice of violation and the initial order to cease and desist. Respondent is contesting the citation.

Recommendation: **2014008351: Authorization of a civil penalty in the amount of Forty Six Thousand, Five Hundred Dollars (\$46,500) for ninety days of unlicensed activity in violation of §TCA 55-17-109 and TCA § 55-17-110 (90 days at \$500 each) and §TCA 55-17-114(b)(1)(G) (3 salespeople at \$500 each) to be settled by Consent Order or Formal Hearing.**

2014009861: Authorization of a civil penalty in the amount of Two Hundred Thousand Dollars (\$200,000) for thirteen days of unlicensed activity, after Cease and Desist notice, in violation of §TCA 55-17-109 and TCA § 55-17-110 (13 days at \$5000 each and 19 sales at \$5000 each) and §TCA 55-17-114(b)(1)(G) (8 salespeople at \$5000 each) to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

**#55. Case No. 2014008391
2014008501
2014008601**

The above Respondents have not provided proof of insurance as required under Rule 0960-1-.15.

Recommendation: Authorization of a civil penalty in the amount of One Thousand Dollars (\$1000) for failure to provide proof of garage liability or general liability insurance as required by Rule 0960-1-.15, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#56. Case No. 2014008751

Complainant/Consumer alleged that Respondent/Dealer treated him poorly and performed "hard pulls" on his credit several times. No evidence of any violations, however.

Recommendation: Close.

Commission Action: Approved

#57. Case No. 2014008761

Respondent/Dealer received an Agreed Citation for failure to maintain a temporary tag log and for issuing more than two temporary tags to a consumer. Respondent is contesting the citation.

Recommendation: Authorization of a civil penalty in the amount of Two Thousand Five Hundred Dollars (\$2500) for failure to maintain a temporary tag log (\$2000) and for issuing more than two temporary tags to one consumer (\$500) to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#58. Case No. 2014008941

Respondent/Dealer received an Agreed Citation for three separate sales of an unlicensed line make. Respondent is contesting the citation.

Recommendation: Authorization of a civil penalty in the amount of One Thousand Five Hundred Dollars (\$1500) for sale of unlicensed line-make, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#59. Case No. 2014009101

Respondent/Dealer received an Agreed Citation for employing an unlicensed salesperson, and for employing a salesman with an expired license. Respondent is asking for the civil penalty to be waived.

Respondent/Dealer received an Agreed Citation for failure to maintain or display a city or county business tax license and failure to display a buyer's guide in a vehicle. Respondent has not paid the citation

Recommendation: Authorization of a civil penalty in the amount of One Thousand Five Hundred Dollars (\$1500); Five Hundred Dollars (\$500) for failure to display a city/county business license and failure to display a buyer's guide; and One Thousand Dollars (\$1000) for failure to respond to communication from the Tennessee Motor Vehicle Commission, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#65. Case No. 2014011411

Complainant/Consumer experienced mechanical problems shortly after purchase of vehicle from Respondent. Sale was as-is, which complainant acknowledges.

Recommendation: Close.

Commission Action: Approved

#66. Case No. 2014012421

Respondent/Dealer received an Agreed Citation for failure to maintain city business license. It was determined after issuance that Respondent did not receive notification from the city that the expiration of their license was changed by the city (without explanation) to 3-31-14 from 12-31-14.

Recommendation: Close

Commission Action: Approved

#67. Case No. 2013014901
2013022511

Complainants alleged multiple mechanical issues with their vehicles after purchase. Complaints were referred to the Consumer Protection Division of the Attorney's General office for review under the "Lemon Law" provisions.

Recommendation: Close

Commission Action: Approved

#68. Case No. 2014004861

Complainant/Dealer indicated that he would protest the termination of his dealer agreement. A case was opened, and Complainant was advised of steps to take in order to formally protest before the Commission but has, to date, not done so.

Recommendation: Close

Commission Action: Approved

#69.	Case No.	2014007521
		2014007951
		2014007961
		2014007971
		2014007981
		2014007991
		2014008001
		2014008011
		2014008021
		2014008031
		2014008041
		2014008051
		2014008081
		2014008091
		2014008101
		2014008121
		2014008131
		2014008141
		2014008151
		2014008161
		2014008171
		2014009281
		2014009301

The above Respondents were issued Agreed Citations for acting as a salesperson without a license. Further investigation has found that each of the Respondents timely submitted completed applications to their dealerships and that in each case the dealership failed to submit the paperwork of the Respondents to the Commission office. The dealerships in question were also issued civil penalties for employing unlicensed salespeople. Respondents are asking that their civil penalties be waived.

Recommendation: Close

Commission Action: Approved

#70.	Case No.	2014008071
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Respondent/Dealer received an Agreed Citation for employing unlicensed salespersons. Respondent is contesting the citation, and states that on the day in question they were holding a "staffed sales event"; he did have the completed license applications of the

salespeople prior to the event; and that it was an oversight they were not sent into the Commission.

Recommendation: Authorization of a civil penalty in the amount of Five Thousand Dollars (\$5000) for employing ten (10) unlicensed salespeople, to be settled by Consent Order or Formal Hearing.

Commission Action: Approved

#71. Case No.: 2013023341
2013026181
2014001431
2014001541
2014004051
2014005401

2014005491
2014007911
2014007291
2014008271
2014008311
2014010001
2014004251
2013007661
2013007662

The above complaints were withdrawn by the Complainant or settled between the parties after submission of the complaint to the Commission.

Recommendation: Close

Commission Action: Approved

#72. Case No.: 2014000801
2014001781

2014002531

2014001511

2014003021

2014000821

2014004021

2014004541

2014004011

2014004141

2014004241

2014004521

2014004691

2014004751

2014004831

2014004881

2014005241

2014006871 2014005261
 2014007551
 2014007552
2014008241
 2014008901
 2014007931
 2014010981

The above complaints were received stating that the Respondents/Dealers failed to provide titles/registration for vehicles purchased or the dealers has been issued a citation which has not been paid. The dealer has abandoned the business and is no longer operating. Surety Bond information has been sent to Complainants, when available.

Recommendation: Close and Flag

Commission Action: Approved

Re-Presentation:

#. Case No.: 2013023481

Respondent was issued a civil penalty in the amount of \$13,000 for twenty-six incidents of unlicensed sales activity at the April, 2014 meeting. Respondent asks that the Commission re-consider his penalty in light of the fact that he receives disability benefits of \$600 per month as his only income, and is unable to pay the civil penalty.

Recommendation: Close with Letter of Warning.

Commission Action: Approved

Eddie Roberts, Chairman

Leon Stribling, Executive Director