

MINUTES

January 23, 2023



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

**TENNESSEE
MOTOR VEHICLE COMMISSION MINUTES**

DATE: January 23, 2023

PLACE: Room 1-A, Davy Crockett Tower

PRESENT: Commission Members:

Nelson Andrews
John Barker
Sandra Elam
Jim Galvin
Nate Jackson
Karl Kramer
Ian Leavy
Debbie Melton
Stan Norton
Eleni Speaker
Farrar Vaughan
Clay Watson
Charles West
John Roberts

ABSENT: Christopher Lee
Victor Evans

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

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

MEETING NOTICE: Notice advising the Commission of the time, date and location of the meeting being posted on the Tennessee Motor Vehicle Commission website and that it has been included as part of the year's meeting calendar was read into the record by Executive director, Denise Lawrence.

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

VOICE VOTE

Ian Leavy	YES
Charles West	YES
Debbie Melton	YES
Sandra Elam	YES
Nelson Andrews	YES
Clay Watson	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
John Barker	YES
John Roberts	YES

MOTION CARRIED

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

VOICE VOTE

Ian Leavy	YES
Charles West	YES
Debbie Melton	YES
Sandra Elam	YES
Nelson Andrews	YES
Clay Watson	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES

John Barker **YES**
John Roberts **YES**

MOTION CARRIED

SALESPERSON/DEALER APPLICATIONS APPEALS

John Michael Sullivan, Toyota of Cool Springs

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

ROLL CALL VOTE

Ian Leavy **YES**
Charles West **YES**
Debbie Melton **YES**
Sandra Elam **YES**
Nelson Andrews **YES**
Clay Watson **YES**
Eleni Speaker **YES**
Jim Galvin **NO**
Stan Norton **YES**
Farrar Vaughan **YES**
Nate Jackson **YES**
Karl Kramer **YES**
John Barker **YES**
John Roberts **YES**

MOTION CARRIED – LICENSE GRANTED



Executive Director’s Report
January 23, 2023

Since the last Commission meeting in October 2022, the following activity has occurred:

	<u>Last Meeting</u>
<u>Dealers Opened, or Relocated (Last Quarter)</u>	83
	62
<u>Applications in Process</u>	30
	18

Active Licensees as of January 10, 2023

Dealers.....	3402	3436
Auctions	30	29
Distributors/Manufacturers	145	145
Salespeople.....	16,220	16,038
Representatives	563	552
Dismantlers.....	222	221
RV Dealers.....	47	47
RV Manufacturers.....	86	83
Motor Vehicle Show Permits.....	4	2

Complaint Report- Opened Complaints from October - Present

Number of Complaints Opened.....	69
Number of Complaints Closed.....	95

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

Vehicles Reported Sold in 2022.....	
Recreational Vehicles Reported Sold in 2022.....	
Total Online Annual Sales Report Collected.....	117
Late Annual Sales Report Collected	

Total revenue from Late Annual Sales Report collection: \$

Average Performance Metrics

Average Number of Days to License... **0.9 days to license with clock-stoppers**

MVC Customer Satisfaction Rating October 2022 - Present

Quarterly Satisfaction Rating..... **100%**

Disciplinary Action Report October 2022 – November 2022 December Not Posted

Total to be collected.....**\$8,500 Online**

Adoption Across All Professions

- **93%** online adoption for New “1010” Applications across all Professions available as of January 10, 2023.

Administrative News

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

Outreach

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

I will resume my personal visits to each county clerk when our booklets have arrived so that I may share those with them.

We are working on several annual messages to our consumers and dealers which become relevant during specific times of the year, i.e., tax tips for purchasing vehicles with tax refunds; awareness of vehicles damaged by flood, etc.

We have issued several email blasts to our dealers on EZ Tag changes implemented by the legislature and new title costs. Additionally, we released an email notice to both dealers and consumers to beware of online sales. We are also working on a notice to dealers with a warning about “selling” temp tags. Obviously, this isn't an issue with the lions share of our dealers, but we have heard rumors of such activity and want to quash it from the outset.

Finally, below please find language for a proposed bulletin to be added to our webpage. Several weeks ago, I shared a newsclip from WSMV on temporary tags and their misuse. Though we only have anecdotal evidence, we believe the allegations arising from that story are serious enough that we should remind our dealers their license is subject to revocation for fraudulent practices. This is certainly true in those cases highlighted by the story. Please review the language below so that in adopting the report the Commission will be voting to add this language to the website.

(k). The Commission may revoke a license for an act or practice involving the sale/ purchase of a motor vehicle that is either false, fraudulent, or deceptive. T.C.A. § 55-17-114 (b) (1)

The Commission may take such action against dealerships who have been found in violation of current laws and requirements related to the issuance of temporary tags. Current law provides

for the issuance of one (1) temporary plate covering a sixty-day (60 day) period. [T.C.A. § 55-4-226 (c)(4)]

However, the Department of Revenue has allowed dealers a one-time extension for an additional sixty-day (60) day tag. Dealers issuing more than two (2) temporary tags may be found in violation of T.C.A. § 55-17-114 (b) (1) (k) and, as such, risk revocation of their license. Further, any unauthorized use of the temporary tag (EZ Tag), e. g., placing an unexpired temporary tag on a vehicle for which it is not registered; selling temp tags for monetary gain, etc. may also result in license revocation.

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

VOICE VOTE

Ian Leavy	YES
Charles West	YES
Debbie Melton	YES
Sandra Elam	YES
Nelson Andrews	YES
Clay Watson	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
John Barker	YES
John Roberts	YES

MOTION CARRIED



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

MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

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

DATE: January 23, 2023

SUBJECT: MVC Legal Report

1. 2022020401 (TH)
Date Complaint Opened: 05/17/2022
First Licensed: 02/02/2021
Expiration: 01/31/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent gave them a title with an incorrect VIN. Complainant alleges the state of TN denied their registration and flagged the title due to the incorrect VIN and other issues with the title.

Respondent states they did not provide a title with the incorrect VIN. Respondent states they took the title back and sent it to the auction to get any further issues resolved. Respondent states Complainant asked numerous times for an exact date of the title being fixed, but Respondent was unable to provide an exact date due to delay from the auction. Respondent alleges they offered to give Complainant a full refund, but Complainant denied that offer.

Complainant rebutted Respondent's answer and states they strongly disagree with what Respondent alleged. As such, an investigation was conducted. During the investigation, there was

no evidence found of any wrongdoing on behalf of Respondent. However, there was evidence of possible violations on behalf of another dealer and Auto Auction which led to Complainant's issues. As such, Counsel recommends closing the complaint against Respondent and opening subsequent complaints against the aforementioned parties.

Recommendation: Authorizing closing the complaint against Respondent and opening subsequent complaints against the aforementioned parties.

Commission Decision: Concur.

2. 2022026471 (TH)

Date Complaint Opened: 06/29/2022

First Licensed: 05/08/2017

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2022 – One complaint closed with \$250 agreed citation for no county business license.

Complainant states they purchased two vehicles from Respondent. Complainant alleges Respondent refuses to register those vehicles. Complainant states Respondent has failed to submit the title and registration for the purchased vehicles.

An investigation was conducted. The investigator went to Respondent's dealership location and found the location to be closed down with nothing but a note on the door with a representative's phone number. The investigator contacted the representative, who informed them Respondent was closed down and no longer operating, as the owner was currently in federal prison. Additionally, the representative informed the investigator the Complainant and the owner of Respondent dealership are brother and sister, and that the issue was a family dispute.

Since Respondent is no longer open and operating, Counsel recommends closing and flagging this complaint. The surety bond information was sent to the Complainant.

Recommendation: Close and Flag.

Commission Decision: Concur.

3. 2022036791 (TH)

Date Complaint Opened: 09/02/2022

First Licensed: 03/13/2001

Expiration: 02/28/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states the vehicle they purchased from Respondent in 2018 needed to go to a repair shop on September 1, 2022, as the vehicle had stopped working. Complainant states their mechanic informed them the catalytic converters were damaged. Complainant states at the time they learned the vehicle had a recall on those parts in 2019. Complainant states they

contacted Respondent, who they purchased the vehicle from, and requested they make the repairs for free.

Respondent states the warranty repairs Complainant is referring to were made at a different location owned by Respondent on May 3, 2019. Respondent states there were no other open warranties at the time, and as such, they informed Complainant they could not make the repairs free of charge. Respondent states they offered to work on a deal with Complainant out of good faith since Complainant was upset, however, they state Complainant informed them they already authorized another company to complete the repairs. Based on Respondent's answer, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

4. 2022037341 (TH)

Date Complaint Opened: 09/08/2022

First Licensed: 01/31/2017

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$250 civil penalty for advertising violation.

Complainant states they purchased a 2007 vehicle from Respondent on January 29, 2022. Complainant alleges the advertisement stated the vehicle had undergone a 125-point inspection. Complainant states, however, they noticed rust under the vehicle a few days later and went to speak with Respondent about this. Complainant states Respondent informed them the vehicle was sold "As-Is" so there was nothing they could do to help. Complainant states when they questioned Respondent about why the inspection mentioned in the advertisement did not find this issue before the sale, Respondent told them the inspection is only performed on newer vehicles with fewer miles. Complainant states a few months later, they hit a pothole and because of the rust, the rear suspension was "completely damaged." Complainant states they did purchase the vehicle "As-Is" but were under the impression, based on Respondent's advertisement, the vehicle had undergone an in-depth inspection and drove well.

Respondent states Complainant was aware the vehicle was being sold "As-Is" and not certified or with a warranty due to the age of the vehicle. Respondent provided all required documents signed for an "As-Is" no warranty sale

Complainant did not provide a copy of the advertisement in question. However, Respondent's website notes all their pre-owned vehicles go under a 125-point inspection. As such, Counsel recommends the Commission authorize assessing a \$250 civil penalty under T.C.A. 55-17-114(b)(1)(K) for this deceptive wording on their website. Counsel additionally recommends requiring Respondent to either remove this wording from their website or to provide a more detailed statement on which vehicles receive the 125-point inspection and to provide Counsel proof of this within thirty (30) days of the execution of the Consent Order.

Recommendation: Authorizing assessing a \$250 civil penalty under T.C.A. 55-17-114(b)(1)(K). Counsel additionally recommends requiring Respondent to update the wording on their website and provide proof within thirty (30) days of the execution of the Consent Order.

Commission Decision: **Concur.**

5. 2022037371 (TH)

Date Complaint Opened: 09/08/2022

First Licensed: 05/30/2017

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent and paid in full for the vehicle at the time of purchase. Complainant states, however, they have not received the title or permanent tag at the time of complaint in September, which was two months after purchase.

Respondent states Complainant's registration and the permanent plate came on September 8, 2022, and they informed Complainant that day. Respondent states Complainant came in and picked up his materials on September 9, 2022. Respondent states the delay was due to an error in the original title which they had to send back for correction. Respondent states they were regularly updating Complainant on the status of their registration and explained the reason for the delay to them previously as well. As such, Counsel recommends closure.

Recommendation: **Close.**

Commission Decision: **Concur.**

6. 2022040051 (TH)

Date Complaint Opened: 09/22/2022

First Licensed: 02/14/2022

Expiration: 12/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they were hired on April 15, 2022, as a 10-99 employee for Respondent. Complainant alleges no one working at Respondent's dealership is operating with a salesperson license. Complainant also alleges Respondent's owner has filed false warranty claims and has admitted to filing their taxes fraudulently with the state. Complainant states they attempted to continue to work at Respondent's and perform clean business for as long as possible. Complainant alleges they are owed money by Respondent. Complainant additionally states they are currently in pursuit of a defamation suit against Respondent.

An investigation was conducted. The serious allegations, accusing the Respondent of potentially conducting fraudulent business transactions against consumers, could not be substantiated during the investigation and no evidence was found supporting those claims. However, during the investigation, the investigator did find Respondent appears to have been allowing unlicensed sales

activities. Records found during the investigation indicate the dealership allowed an employee to act in a salesperson capacity without first possessing a valid salesmen license. As such, Counsel recommends the Commission authorize assessing a \$5,000 civil penalty for the unlicensed activity of Respondent. Counsel recommends a higher penalty due to the number of vehicles sold by the unlicensed employee. Records also indicated Respondent does have 3 licensed salesmen on file with us.

Recommendation: Authorizing assessing a \$5,000 civil penalty for unlicensed activity.

Commission Decision: Concur.

7. 2022037621 (TH)

Date Complaint Opened: 09/12/2022

First Licensed: 09/01/1991

Expiration: 03/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a Kia from Respondent. Complainant states they had issues with the vehicle after purchase and attempted to receive help from Respondent. Complainant states Respondent suggested they take it to a Kia dealership to see if the manufacturer's warranty would cover the issues with the vehicle. Complainant states they believe Respondent sold an ineffective vehicle.

Respondent states Complainant purchased the vehicle "As-Is." Respondent states Complainant did bring the vehicle back to them reporting a problem, and they diagnosed the vehicle and paid for a rental car for Complainant while they had the vehicle. Respondent states they suggested Complainant bring the vehicle to Kia to see if their manufacturer's warranty will cover the issues free of cost. Respondent provided all required documents signed for an "As-Is" no warranty sale. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

8. 2022032941 (TH)

Date Complaint Opened: 08/08/2022

First Licensed: 05/01/2017

Expiration: 02/28/2021 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent but never received the title for it. Complainant states they called the corporate office and were told Respondent had closed down.

An investigation was conducted. The investigator states they confirmed Respondent was closed and no longer operating. The investigator spoke with Complainant who informed the investigator they have since received their title and are satisfied with the outcome. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

9. 2022034001 (TH)

Date Complaint Opened: 08/16/2022

First Licensed: 07/15/2016

Expiration: 08/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on February 2, 2022. Complainant states they additionally purchased an extended warranty for \$2,000. Complainant states they paid for both the vehicle and warranty in cash. Complainant states they were told by Respondent the vehicle had gone through a checkpoint warranty and were ensured there were no hidden issues with the vehicle. Complainant states, however, after a small accident a few months later they learned the bumper had formerly been damaged by a previous owner. Complainant alleges the damage was covered up "sloppy." Complainant states they reached out to Respondent numerous times, and were offered 500.00 after the repair was complete. Complainant states the cheapest repair estimate they were able to find far exceeded \$1200.00.

An investigation was conducted. During the investigation, the investigator noted nothing was found to show Respondent was aware of any of the prior damage to the vehicle prior to the sale, yet they were willing to pay for a new bumper. The bumper is where the prior damage was found after Complainant had an accident. The investigator notes there was no evidence provided to show any damage existed prior to the accident. Complainant requested the entire repair be paid for by Respondent, however, Respondent states while they are happy to pay for the bumper replacement, the additional paint and labor costs are on the Complainant due to their accident. During the investigation, no violations were found with the way Respondent conducts business. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

10. 2022035511 (TH)

Date Complaint Opened: 08/25/2022

First Licensed: 04/06/2017

Expiration: 04/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased their vehicle from Respondent about three months prior to their complaint on August 25, 2022. Complainant states, however, they have not received their title and permanent tag.

Respondent states they have been in contact with Complainant and are working diligently towards a resolution as the office Complainant purchased from closed down. Respondent states they have processed the registration work, and it is ready to be picked up by Complainant. Respondent states they have attempted to reach out to Complainant to see if they have picked up the tag for their vehicle, but they did not receive an answer from Complainant. Complainant did not provide counsel with any follow-up.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

11. 2022037311 (TH)

Date Complaint Opened: 09/07/2022

First Licensed: 09/01/1991

Expiration: 12/31/2018 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent. Complainant states they have tried to contact Respondent for the last two years to release their title but have not had any luck. Complainant states none of the contact information they had for Respondent was valid.

An investigation was conducted. The investigator went to Respondent's location and observed the dealership to be empty and no longer in business. The investigator also confirmed their license has been closed since 2018. Additionally, the investigator attempted to contact Complainant but was never able to reach them. The investigator attempted to call the number listed on the complaint and found the number was for a person other than the Complainant, who stated they had no knowledge of the complaint or who the Complainant was. The investigator additionally attempted to email Complainant numerous times at the email they provided with their complaint but never received a response. Likewise, the investigator tried to look up the VIN stated in the complaint but was unable to verify it. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

12. 2022032581 (TH)

Date Complaint Opened: 08/05/2022

First Licensed: 08/21/2006

Expiration: 08/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states on June 4, 2022, they purchased a vehicle from Respondent. Complainant states on June 5th they brought the vehicle back to Respondent because the check engine light came on and it appeared that the battery was dead. Complainant alleges the car began shaking

and vibrating when they used the brakes. Complainant alleges the sales manager for Respondent took their vehicle to the service department and changed the rotors because they were bad. Complainant states the manager then hooked the vehicle up to diagnostics and stated nothing was wrong with the vehicle, and he turned off the check engine light, stating the light just comes on sometimes.

Complainant alleges, however, on June 29th the light came back on, and the car was still hard to start. Complainant states the same Manager then requested them to bring the vehicle back, and so they did. Complainant states they were told again that there was nothing wrong. Complainant states the vehicle began to have issues again, and the manager expressed to them to go through their warranty company. Complainant states Respondent informed them to just make an appointment and bring the vehicle in. Complainant states they were informed their warranty would not cover the vehicle.

An investigation was conducted. The investigator states nothing was found during the investigation showing the dealership acted fraudulently, gave false information, or misled the Complainant. Additionally, during the investigation both Complainant and Respondent stated Respondent has already performed some repairs on the vehicle, and they were working on an agreement to get the repairs completed for Complainant. At the close of the investigation, the vehicle was still being worked on by Respondent. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur._

13. 2022033941 (TH)

Date Complaint Opened: 08/16/2022

First Licensed: 10/03/2018

Expiration: 09/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): 2021 – One complaint closed with \$250 agreed citation for advertising violation.

Complainant alleges Respondent is illegally selling vehicles with unlicensed salespersons. Complainant additionally alleges Respondent is pocketing money on the side by overcharging customers on down payments.

An inspection was conducted based on this complaint. The inspector noted they did not find any violations during the inspection. The inspector states they verified the active salesperson with Respondent had an active license and did not observe any unlicensed activity. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur._

14. 2022034521 (TH)

Date Complaint Opened: 08/18/2022

First Licensed: 03/13/2020
Expiration: 02/29/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states on April 3, 2020, they purchased a vehicle from Respondent. Complainant states at the time of purchase they were “very” specific about requesting certain warranties with the finance team. Complainant states they specifically requested windshield replacement and a recalibration warranty. Complainant states they, and Respondent, then discussed a few other specific warranties. Complainant states when they later went to Respondent and requested documentation for what warranties they bought, they were told they couldn’t tell them what they purchased, but there were no warranties on file. Complainant states in July 2022, they received a crack in their windshield and called Respondent to have their windshield repaired under their windshield warranty. Complainant states, however, they were informed they had no such warranty on file.

Complainant states they then elevated the issue and requested more information on what they purchased with the vehicle. Complainant states they were informed they purchased windshield replacement coverage to repair “fill-in” dings not to repair or recalibrate. Complainant states they were also informed of a few other warranties they purchased which were different than what they believed they purchased. Complainant states they do not believe Respondent negotiated in good faith, and they were not given the warranties they believe they purchased. Complainant states they “simply want a refund for the warranties they purchased,” as they did not pay for the warranties they believed they were getting.

Respondent states they apologize for any inconvenience caused through bad communication. Respondent states upon further research into the issue, they believe there was some confusion over the contracted warranties purchased. Respondent states, however, they understand Complainant is dissatisfied and, as such, they are canceling out the warranties and issuing a refund.

Counsel recommends closing this complaint with a Letter of Warning.

Recommendation: Authorizing issuing a Letter of Warning to Respondent.

Commission Decision: **Concur.**

15. 2022033951 (TH)
Date Complaint Opened: 08/16/2022
First Licensed: 06/24/2020
Expiration: 06/30/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent has failed to release their refund to them for the canceling of their warranty purchases. Complainant alleges Respondent was negligent in refunding them and was too delayed in the release.

Respondent states they have refunded Complainant. Respondent provided a copy of the check sent to Complainant for the canceled products on August 17, 2022. Respondent states they apologize for any delay Complainant felt.

Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

16. 2022035191 (TH)

Date Complaint Opened: 08/24/2022

First Licensed: 07/17/2003

Expiration: 07/31/2023

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs.): None.

A Notice of Violation was issued on August 23, 2022, after an inspection was conducted at Respondent's location. The inspector observed the facility was not up to the required standards. Specifically, the location of Respondent did not have any offices or restrooms located at the business address. The vehicle was from an unoccupied building with no operable bathroom. This is a violation of Tenn. Comp. R. & Regs. 0960-02-.09 [Business Premises]. Additionally, there was no business signed or posted hours observed at the location.

Based on the findings of the inspection Counsel recommends the Commission authorize Counsel seeking Voluntary Surrender of Respondent's license based on them not meeting the requirements to validly hold a Motor Vehicle Dismantler/Recycler license.

Recommendation: Authorizing Counsel seeking Voluntary Surrender of Respondent's license based on them not meeting the requirements to validly hold a Motor Vehicle Dismantler/Recycler license.

Commission Decision: Concur.

17. 2022033121 (TH)

Date Complaint Opened: 09/09/2022

First Licensed: 05/25/2011

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2018 – One complaint closed with \$2,000 civil penalty for issuing more temporary tags than allowed. 2019 – One complaint closed with letter of warning for advertising violation. One complaint closed with letter of warning for failure to properly supervise employees.

Complainant states they purchased a vehicle from Respondent at the end of February 2022. Complainant states, however, they are still waiting on their permanent tags after five months. Complainant states Respondent consistently states they sent the payment to DMV. Complainant alleges Respondent has sent multiple applications and money to the wrong addresses.

An investigation was conducted. The investigator spoke with the out-of-state complainant, who informed the investigator their vehicle has since been titled and registered with their state. During the investigation, Complainant states they only received one temporary tag and the investigator confirmed this in the EZ-TAG system. Respondent informed the investigator they had issues titling the vehicle in Complainant's home state of Virginia in a timely fashion. Respondent explained, the Virginia DMV misplaced Respondent's initial application and deal file mailed overnight to the DMV on March 9, 2022. Respondent states they did not learn of this issue until a few weeks later. At this point, Respondent states they re-applied for a duplicate MSO through the Corporate Motor Company, and then had to resend all the application materials to the Virginia DMV. Respondent provided emails between them and the Virginia DMV attempting to speed up the process and reach a resolution for Complainant. Respondent states they are aware of the delay but express it was not because of any intentional actions on their behalf.

Based on Respondent's explanation, and the investigation, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

18. 2022033191 (TH)

Date Complaint Opened: 08/10/2022

First Licensed: 07/30/2020

Expiration: 05/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent in November 2021. Complainant states they are an out-of-state purchaser, and were aware there may be some delay in them receiving their title but states as of August 2022, they have yet to receive their title and registration.

Respondent states they have submitted all required paperwork for registration in Georgia, and state Complainant should be receiving their title soon.

Counsel reached out to both Respondent and Complainant for an update on the status of the title.

Complainant states they did receive their title, however, they state it took ten months for them to receive their title. Complainant states, additionally, they were required to pay an additional \$40 to complete the registration in Georgia. There was no evidence of Complainant receiving more than the legally allotted number of temporary tags from Respondent. However, based on the amount of time it took Complainant to receive their title, Counsel recommends Commission authorize assessing a \$500 civil penalty under T.C.A. 55-17-114(b)(1)(K) False, Fraudulent or Deceptive acts.

Recommendation: Authorizing assessing a \$500 civil penalty under T.C.A. 55-17-114(b)(1)(K) False, Fraudulent or Deceptive acts.

Commission Decision: Concur.

19. 2022032741 (TH)

Date Complaint Opened: 08/05/2022

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs.): None.

Complainant alleges they believe Respondent is operating illegally without a license from the state.

An inspection was conducted. An employee of Respondent's informed the investigator they only use their parts for the repair of vehicles they rebuild for their associated licensed Motor Vehicle Dealer next door. Respondent stated they are not a D&R and do not sell any parts off of any of their vehicles to individuals. The inspector did not observe any violations and did not issue any Notice of Violations. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

20. 2022026821 (ES)

Date Complaint Opened: 07/01/2022

First Licensed: 06/22/2012

Expiration: 07/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2017 – One complaint closed with \$500 civil penalty for failure to use conditional delivery form. 2018 – One complaint closed with \$1,500 civil penalty for unlicensed salesmen. One complaint closed with letter of instruction for deal files. 2019 – One complaint closed with \$5,000 civil penalty for false, fraudulent, or deceptive practices.

Complainant alleges Respondent engaged in unprofessional conduct and misrepresentation by advertising "zero down financing fresh start credit". Complainant stated they were told Respondent could get them into a car even though Complainant had bad credit but was unable to do so after they submitted an application. An investigation was conducted. The investigation revealed that Respondent's website advertises a Fresh Start Program that makes it appear like a consumer going through bankruptcy and/or with bad credit will be approved for a loan with zero money down. There is no disclaimer or disclosure that notifies consumers that not all applicants will be approved. Respondent was not able to get Complainant approved as advertised and ended up paying for Complainant to get a hotel room for the night and provided money for food since Complainant lived three hours away. Counsel recommends a \$250 civil penalty for misleading/false advertising plus a \$500 civil penalty for false, fraudulent and deceptive practices, for a total \$750 civil penalty. Counsel will include terms in the Consent Order that they must show proof of the change to their advertising within 30 days and put them on notice that any further deceptive practices can lead to a formal hearing with suspension or revocation of their license.

Recommendation: Authorize a \$750 civil penalty for false, fraudulent and deceptive advertising and practices.

Commission Decision: Authorize a \$1,250 civil penalty for false, fraudulent and deceptive advertising and practices and require respondent to appear before the Commission at the next meeting.

21. 2022034881 (TH)

Date Complaint Opened: 08/22/2022

First Licensed: 03/30/2021

Expiration: 02/28/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent on June 29, 2022. Complainant states after a month they contacted Respondent about when the title would arrive. Complainant alleges they were informed the paperwork about the vehicle in question had failed to be done since the salesman who had completed the sale had quit working there. Complainant states they were told they would have something the following week. Complainant states as the time of the filing of their complaint, August 22, 2022, they had not yet received their title.

Respondent failed to answer the complaint. As such, an investigation was conducted. On October 31, 2022, the investigator spoke with Complainant who informed them the title had been received and all issues were resolved. The investigator then spoke with Respondent. Respondent provided a copy of the registration made out to the Complainant, dated September 06, 2022. When asked for an explanation for not answering the complaints, and for the time that it took for Complainant to get a title, Respondent states it was due to a lack of employees. Respondent states they have had issues finding anyone to hire, and it has resulted in delays in their business. Based on Respondent's answer Counsel recommends the Commission authorize closing this complaint with a Letter of Warning, reminding Respondent of their duty to respond to the Commission's requests, and to timely issue customers their registration documents.

Recommendation: Authorizing closing with a Letter of Warning, reminding Respondent of their duty to respond to the Commissions requests, and to timely issue customers their registration documents.

Commission Decision: Concur.

22. 2022037781 (TH)

2022043641

Date Complaint Opened: 09/13/2022

First Licensed: 08/11/1994

Expiration: 08/31/2022 check before meeting

License Type: Motor Vehicle Dealer

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

2022037781:

Complainant states Respondent sold them a car in October 2021. Complainant states, however, they were required to later re-sign their contract and pay an additional \$500. Complainant alleges Respondent also refused to release the tags to the vehicle. Complainant states they called Respondent in April 2022 to demand the title to the vehicle, but Respondent refused to answer them. Complainant alleges Respondent met them in May 2022 and charged them an additional \$800. Complainant states they paid in full but never received their title.

An investigation was conducted. Respondent admits there was a lengthy delay in the consumer receiving proper registration for the vehicle purchased. However, as evidenced in the supporting records collected during the investigation, Complainant did eventually receive, on November 17, 2022, registration showing proper transfer of ownership. Respondent states the delay was due to numerous reasons. Respondent states, first, Complainant did not come in to complete the paperwork which they did not have the time to complete at the time of purchase until late May 2022. Additionally, Respondent states they mailed the title via regular mail without a tracker and the title was lost. Respondent states after that they had issues obtaining a replacement title and registering the vehicle, however, they worked with the Clerk's office to get the vehicle registered on November 17, 2022. During the investigation, it appears only two temporary tags were issued to Complainant from Respondent throughout the process. Additionally, during the investigation the only fee Respondent appeared to charge Complainant was an \$800 fee for missed/late payments on the vehicle. Complainant acknowledges this fee and states they unintentionally missed a few payments. Counsel recommends a Letter of Warning to be issued to Respondent outlining their requirements to timely provide customers with their title and registration.

As for Respondent's dealership license, Respondent is currently still in expired-grace status from their license expiring on October 31, 2022. Counsel recently sent out an investigator to see if Respondent is still operating and obtain information on why they have not renewed their license. Counsel is still waiting for the investigation report and will proceed with the opening of any additional complaints if required.

Recommendation: Authorizing issuing a Letter of Warning to Respondent outlining their requirements to timely provide customers with their title and registration.

Commission Decision:

2022043641:

This is a duplicate complaint administratively opened involving the same Complainant. Complainant thought she had filed a complaint but never received a response so the executive director filed on their behalf. As such, Counsel recommends closing this duplicate complaint.

Recommendation: Close.

Commission Decision: Concur.

23. 2022039021 (TH)

Date Complaint Opened: 09/16/2022

First Licensed: 05/01/2012

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent and had issues with getting their registration done correctly.

However, since the filing of the complaint, all issues have been resolved. Complainant had to go in and complete some paperwork and has since stated to be satisfied with the outcome and no longer wished to pursue their complaint. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

24. 2022039301 (TH)

Date Complaint Opened: 09/16/2022

First Licensed: 09/26/2013

Expiration: 12/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant initially filed their complaint stating they believe they were scammed by Respondent because the vehicle they bought began to have problems shortly after purchase. However, Complainant later met with Respondent who they said treated them kindly and fairly. Complainant states Respondent has since switched out their vehicle for them. Complainant states their initial complaint was a misunderstanding on their side and they no longer wish to pursue their complaint. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

25. 2022039361 (TH)

Date Complaint Opened: 09/17/2022

First Licensed: 08/19/2005

Expiration: 07/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is alleging Respondent fraudulently repossessed the vehicle they purchased from Respondent. Respondent states they repossessed the vehicle from Complainant after Complainant failed to timely make payments. Respondent states they properly followed the repossession process. Complainant informed the Department the matter is currently in litigation. As such, Counsel recommends placing the matter in litigation monitoring until Counsel receives an update from the parties on the matter.

Recommendation: Authorizing placing the matter in Litigation Monitoring.

Commission Decision: Concur.

26. 2022039371 (TH)

Date Complaint Opened: 09/17/2022

First Licensed: 09/01/1991

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a new vehicle from Respondent. Complainant states, however, after the purchase of their new vehicle, they noticed multiple issues with the body and interior of the vehicle. As such, Complainant filed their complaint.

Respondent states since receiving the complaint they contacted Complainant, and they reached an agreement for the vehicle to be returned for a refund. Respondent states they have informed Complainant they will repurchase the vehicle from them. Complainant did not provide any follow-up information contradicting Respondent's statements of resolution. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

27. 2022040881 (TH)

Date Complaint Opened: 09/28/2022

First Licensed: 12/04/2008

Expiration: 10/31/2018 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states Respondent's owner passed away and caused the dealership to close down. Complainant has been unable to receive the title, and the parents of Respondent's owner do not know how to help get the title.

An investigator confirmed the owner of Respondent passed away in 2018, and the dealership subsequently closed the same year. Complainant was given Respondent's bond information. Additionally, the investigator forwarded the information for Complainant to the Department of Revenue for them to aid Complainant in their titling issues. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

28. 2022031381 (ES)

Date Complaint Opened: 07/28/2022

First Licensed: 06/25/2021
Expiration: 06/30/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent misrepresented purchased vehicle and claims the vehicle is unsafe to drive. Respondent has failed to respond to this complaint so an investigation was conducted. The Complainant does not wish to pursue the complaint any longer and stopped paying for the vehicle some time ago. Respondent had responded to the Division of Consumer Affairs and did not realize that they needed to reply separately to our Department considering the complaint was forwarded to us from Consumer Affairs. Counsel recommends a Letter of Warning for failure to respond to the Commission.

Recommendation: Authorize a Letter of Warning for failure to respond

Commission Decision: **Concur.**

29. 2022034091 (ES)
Date Complaint Opened: 08/17/2022
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant alleges Respondent is “selling cars with no paperwork”. Complainant further alleges Respondent has no business permit to operate a business. Complainant provides no further detail or information to support the vague allegations. An investigation was conducted. The investigator tried contacting Complainant numerous times by phone and email, and it appears Complainant did not provide the correct contact information. The investigator even went to Complainant’s address and the person living there stated they did not know Complainant. Respondent did cooperate with the investigator to the best of their ability, considering their current poor health. Respondent has an active business tax license and dismantler/recycler license. Respondent only sells cars as parts and usually people who purchase from them end up rebuilding vehicles. Due to the lack of cooperation from Complainant and lack of evidence of any violations or unlicensed activity, Counsel recommends closure.

Recommendation: Close.

Commission Decision: **Concur.**

30. 2022035491 (ES)
Date Complaint Opened: 08/25/2022
First Licensed: 10/09/2019
Expiration: 08/31/2023
License Type: Motor Vehicle Dealer
History (5 yrs.): 2021 – One complaint closed with \$500 civil penalty for unlicensed activity.

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

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

Commission Decision: Concur.

31. 2022042941 (ES)

Date Complaint Opened: 10/13/2022

First Licensed: 10/09/2019

Expiration: 08/31/2023

License Type: Motor Vehicle Dealer

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

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

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

Commission Decision: Concur.

32. 2022035501 (ES)

Date Complaint Opened: 08/25/2022

First Licensed: 09/20/2007

Expiration: 08/31/2023

License Type: Motor Vehicle Dealer

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

Complainant is a resident of California who purchased a used vehicle from Respondent in December of 2019. Complainant alleges they never received any title documents after the vehicle was shipped to them but was able to register it in California under the “Golden Rod exception.” This allows out of state cars to be registered in California with the registration card from another state in situations where the vehicle is financed, and the consumer does not have access to a title. Complainant has since paid off the vehicle and received a release of lien from the bank but the California DMV will not issue a new title unless they have a Tennessee title. Complainant has been in contact with Respondent but they have not received further information and they want to sell the car. Respondent states they have been working with Complainant and the state to get this resolved. Respondent requested a duplicate title but the state came back and said they surrendered the title to California in 2020. Respondent is trying to find out why California did not process the title change. Complainant eventually received the duplicate title in October and this matter has been resolved. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

33. 2022037401 (ES)

Date Complaint Opened: 09/08/2022

First Licensed: 03/06/2020

Expiration: 02/29/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 2/28/22. Complainant took the vehicle for an oil change recently and allegedly was told the frame was so rusted, the vehicle “flexed” when it was raised for the oil change. Complainant states they took it to another mechanic for a second opinion and allegedly was told the vehicle was unsafe to drive and a potential hazard due to the frame condition. Complainant alleges Respondent sprayed the undercarriage with black paint and taped over the rust so it wouldn’t be seen. The vehicle has since been repossessed. Respondent sold the vehicle as is without warranty and Complainant purchased it after inspecting it and test driving it. Respondent cannot do anything about this issue considering the complaint was filed over 6 months after the purchase. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

34. 2022038521 (ES)

2022046191

2022050091

Date Complaint Opened: 09/15/2022, 11/03/2022, 12/05/2022

First Licensed: 10/16/2015

Expiration: 08/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2022038521

Complainant purchased a used vehicle from Respondent on 7/13/22 and alleges they have not received the permanent tag and registration after their temporary tag expired. Respondent explains the delay was caused by issues with the paperwork filled out by Complainant, but during the delay, Respondent properly applied for a temporary operating permit from the local clerk and was granted such. Respondent confirmed the permanent tag and registration was delivered to Complainant on 10/13/22. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2022046191

Complainant purchased a used vehicle from Respondent on 8/21/21 and has not received the registration for the vehicle. Complainant states they deployed out of the country in November 2021 and while away, contacted Respondent about this issue. Respondent explained they would have to rewrite the contract to Washington because Complainant had used their parents' address in that state while deployed. Complainant admits they were not willing to sign the new contract because the sales tax was higher in Washington. When Complainant came back to the US in May 2022, they contacted Respondent and was informed the contract would have to be rebuilt considering Complainant's residence was now in Tennessee.

Respondent's detailed statement and summary of the events are as follows: Complainant took delivery of the vehicle on 8/28/21. Respondent notified Complainant on 8/31/21 that in order to successfully register the vehicle to the Colorado address used on the original contract, they would need a Colorado VIN Verification form. Complainant then told Respondent they were no longer in Colorado and would be unable to provide the required documents needed for registration. Respondent provided many further details of the issues related to different residences and addresses that prevented them from being able to process the registration. These issues were not caused by Respondent and they have continuously remained in communication and both made efforts to get this issue sorted out. Complainant finally uploaded all the required documents and chose a residential address to use for the purposes of registration on 11/17/22. However, Colorado will not let the vehicle be registered there because Complainant does not live there. Therefore, Respondent has given the Complainant two options at this point: Respondent will refund the registration and title fees collected and Complainant can personally go to their local Tennessee

clerk to register the vehicle, or Respondent will buy back the vehicle. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2022050091

Complainant purchased a used vehicle from Respondent on 9/12/22 and has not received their permanent tag and registration as of 12/5/22. Respondent states the delay was caused by a discrepancy between the vehicle mileage listed on the vehicle's title and the contract which was discovered on 9/20/22. On 10/11/22, Respondent successfully corrected the contract and sent it to Complainant, who signed it on the same day. Respondent has since provided the permanent tag and registration to Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

35. 2022039711 (ES)

Date Complaint Opened: 09/20/2022

First Licensed: 11/27/2019

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued to Respondent during an inspection on 9/19/22 for failing to produce an active county and city business license. Respondent has since provided proof these business licenses were active at the time of inspection and has posted them at the dealership. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

36. 2022040571 (ES)

Date Complaint Opened: 09/26/2022

First Licensed: 05/07/2019

Expiration: 05/31/2021 (Terminated)

License Type: Motor Vehicle Salesman

History (5 yrs.): None.

This matter is related to the complaint below, 2022039941. Complainant alleges unlicensed activity, as well as deceptive and fraudulent business practices by the Respondent. An investigation was conducted. The investigation revealed Complainant purchased a used vehicle from Respondent but the title has never been transferred into their name after more than a year. It has since been discovered that Respondent originally financed the vehicle from a dealership along with making a \$15,000 deposit, and then sold it to Complainant who paid Respondent in

full with cash. Respondent never paid the original dealership for the vehicle so they repossessed it from Complainant. Respondent had led Complainant to believe they were going to purchase the vehicle sought after by Complainant from an auction after Complainant provided her with the money. Respondent held a salesperson's license and owned a dealership until it was sold in May 2020. It appears Respondent fraudulently created at least one temporary tag and provided that to Complainant to use after purchase. Complainant also filed a police report about this matter and the investigator spoke with the detective handling the matter. Respondent met with the investigator and admitted to the sale of the vehicle and the creation of the fake temporary tag, as well as selling a vehicle while holding themselves out to be a licensed dealer. Counsel recommends issuing a \$5,000 civil penalty for unlicensed activity.

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

Commission Decision: Concur.

37. 2022039941 (ES)

Date Complaint Opened: 09/21/2022

First Licensed: 10/30/2020

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges unlicensed activity, as well as deceptive and fraudulent business practices by the Respondent. An investigation was conducted. The investigation revealed Respondent had nothing to do with this fraudulent transaction. The Respondent noted in the complaint summary above used to own the dealership now owned by Respondent, and fraudulently created paperwork and a bill of sale to make it look like the sale was being done by a legitimate licensed dealership such as Respondent. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

38. 2022039981 (ES)

Date Complaint Opened: 09/21/2022

First Licensed: 12/18/2007

Expiration: 12/31/2019 (Expired License) – new license issued 11/14/22

License Type: Motor Vehicle Dismantler/Recycler

History (5 yrs.): 2018 – One complaint closed with \$1,500 civil penalty for practicing on an expired license and failure to maintain county business license. 2020 – One complaint closed with \$2,500 civil penalty for unlicensed activity.

A Notice of Violation was issued to Respondent during an inspection on 9/26/22 for operating with an expired dismantler/recycler license. Respondent has been operating a dismantler/recycler business with an expired license since 2020 and has signed two Consent Orders for this same violation since 2018. Respondent has since been granted a new license after submitting a new application because their original renewal application expired. Counsel

recommends authorizing a formal hearing for revocation of the Respondent's new license.

Recommendation: Authorize a formal hearing for license revocation

Commission Decision: Concur.

39. 2022036651 (ES)

Date Complaint Opened: 08/31/2022

First Licensed: 09/01/2017

Expiration: 09/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s).

Complainant purchased a used vehicle from Respondent on 9/24/21 and alleges they did not receive the title despite having paid in full. Respondent states they had paid off the vehicle sold to Complainant on 8/23/21. Unfortunately, Respondent was having some issues getting a California title released/issued for the prior owner of the vehicle due to issues related to the prior lienholder, a well-known Credit Union. Although Respondent timely paid the lender, there was an issue or some confusion with the California DMV and the lender as to whether the California title issued for this vehicle was an electronic paperless title, or if it was a traditional paper title. The lender initially sent a paper lien release, but the Tennessee DMV rejected it because the California DMV showed the title as an electronic title only. Therefore, the lender had a duplicate California title issued by the DMV and sent the released title to Respondent. Upon receipt of the title, Respondent provided the title to Complainant. During the delay, Respondent only provided the Complainant with one temporary tag, which was extended once. After the temporary tag expired and knowing they could not obtain another temporary tag but also realizing we did not have the title yet for the Complainant, Respondent loaned a dealer plate to Complainant to use until this matter could be resolved. Counsel recommends issuing a Letter of Warning to put Respondent on notice that Tenn. Code Ann. §55-4-226 only allows a dealer to use a dealer tag on a consumer's vehicle for 72 hours.

Recommendation: Authorize a Letter of Warning regarding dealer tags

Commission Decision: Concur.

40. 2022036271 (TH)

Date Complaint Opened: 08/30/2022

First Licensed: 10/01/2010

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent in March 2021. Complainant alleges Respondent sold them their vehicle without the proper mileage on the odometer.

Respondent states they made Complainant aware of the issues with the vehicle's broken odometer prior to the sale. Respondent provided the signed odometer disclosure noting the vehicle's odometer did not portray the correct mileage, signed by Complainant at the time of purchase. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

41. 2022037441 (TH)

Date Complaint Opened: 09/09/2022

First Licensed: 10/03/2001

Expiration: 09/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a motorcycle from Respondent on July 18, 2022. Complainant states they asked for the motorcycle to be registered in Tennessee. Complainant states, however, the motorcycle was registered in New York where Complainant holds their license. Complainant states they requested Respondent to re-do the titling and registration to be in Tennessee, however, Complainant states Respondent told them it was too late to do that. However, Complainant states they later learned on August 19, 2022, the vehicle was never actually titled in New York as the application was never processed. Complainant states they totaled the motorcycle 43 days prior to their complaint on September 9, 2022, and needed to have the title by 90 days to file for an insurance claim. However, Respondent and Complainant have both confirmed the title was issued and received prior to that 90-day time frame in their response on October 22, 2022.

Respondent additionally states they were originally under the belief the motorcycle was to be titled in New York, and not Tennessee. Respondent states at the point they learned the motorcycle was to be titled in Tennessee, they contacted the New York office, and requested the paperwork back but had a difficult time tracking down the paperwork. Respondent states this caused delay, and they also lost their titling clerk during the time which caused more delay. However, state all titling issues have since been resolved. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

42. 2022041031 (TH)

Date Complaint Opened: 09/28/2022

First Licensed: 05/26/2011

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they filed their complaint due to issues they were having receiving their title from Respondent. However, Complainant shortly followed up stating the matter was since

resolved and they no longer want to pursue their complaint. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

43. 2022045161 (TH)

Date Complaint Opened: 10/27/2022

First Licensed: 05/26/2011

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they went to test drive a vehicle they saw being advertised with a lifetime warranty by Respondent. Complainant states while looking at the vehicle, they noticed a cable hanging out from the vehicle. Complainant states they were informed by a mechanic at Respondent's the wire hanging from the vehicle would void the lifetime warranty. Complainant states, as such, they decided not to purchase the vehicle. Complainant states they believe Respondent did not act truthfully with their ad for the vehicle in question.

Respondent states they were not aware of the hanging wire on the vehicle until Complainant was inspecting the vehicle. Respondent states the vehicle did go under a standard used car inspection when they received the vehicle, but they did not observe the wire during it. Respondent states once they learned of the wire from Complainant, they inspected further and realized the wire was from a previous modification made which would void the lifetime warranty. Respondent states, as such, they removed all advertisements of the vehicle and are no longer advertising the vehicle for sale. As such, counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

44. 2022041391 (ES)

Date Complaint Opened: 10/01/2022

First Licensed: 11/27/2019

Expiration: 10/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used truck from Respondent on 5/27/22 and alleges they noticed a tire was out of balance once they began to drive the vehicle. Complainant states they inspected the tires and noticed they were all brand new, so they inquired as to why, considering the vehicle only had 27,000 miles on it. Complainant alleges the tires put on the truck by Respondent do not meet the load carrying capacity which is required by the manufacturer. Respondent apologized for the negative experience and admits their inspection center inadvertently used tires with the incorrect

carrying capacity. Respondent has reimbursed Complainant for the full cost of replacing the tires with the correct ones. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

45. 2022041891 (ES)

Date Complaint Opened: 10/05/2022

First Licensed: 09/01/1991

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – Two complaint closed with letter of warning for false, fraudulent, or deceptive practice(s).

Complainant's wife took their vehicle to Respondent for a recall issue and expected the service to be completed at no charge. Complainant states they were charged an estimated \$118 for a diagnostic fee and gas, claiming the dealership used a quarter tank of gas while they drove it around during the diagnostic phase of inspection. Complainant alleges Respondent never notified them in advance that there would be a charge, and therefore feels this is a deceptive business practice. Respondent states Complainant's wife brought the vehicle in on 10/1/22 for service because "when accelerating, the car hesitates and jerking when it's in drive." The repair order was written as such and she signed at the bottom, next to red letters stating "Diagnostic Fee per concern \$98." Then, on 10/3/22, separate services were performed at no charge related to the recall issue. Respondent states they strive for transparency with their customers and when they receive a vehicle for repairs and/or for diagnostics, they have customers sign a check-in sheet with the concerns and price clearly stated next to the signature. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

46. 2022039211 (TH)

Date Complaint Opened: 09/16/2022

First Licensed: 03/11/2021

Expiration: 03/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they initiated a purchase for a vehicle from Respondent at their Nashville location at the end of June. Respondent states, however, shortly after that location shut down, and Complainant finished their sale with another location of Respondent on July 12, 2022. Respondent states they have not received their title at the time of their complaint in September. Complainant states they received two temporary tags.

Respondent states the delay in Complainant getting their title was due to their Nashville location closing. Respondent states, however, as of September 23, 2022, Complainant has received their title and license plate. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

47. 2022039901 (TH)

Date Complaint Opened: 09/21/2022

First Licensed: 03/07/2019

Expiration: 03/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states shortly after purchasing their vehicle from Respondent, the vehicle's Air Conditioner stopped working. Complainant states they contacted Respondent as soon as they arrived home, and there was an appointment made for the vehicle to be brought to the service center. Complainant states, however, when they arrive at Respondent's location, they were informed no appointment was ever set for them. Complainant states, nevertheless, they finally spoke with someone at Respondent's and were told Respondent would cover the cost if Complainant took the vehicle to their personal mechanic for repair. Complainant states Respondent informed them they would repurchase the vehicle and help them or work with them to repair the issues that appeared after purchase and the vehicle is still within the 30-day Dealership Warranty. Complainant states, however, they are not happy with the offer of Respondent and feel as though their credit was unfairly harmed in the process. Complainant requests a refund on all fees and payments, for Respondent to get them out of their loan contract, an agreement for Respondent to cover any future attorney/legal fees if the matter ever went to court, and a request for punitive damages for their experience and states as a part of this compensation "some can be issued in stocks in the company, and an additional sum can be issued as store credit for commercial use only for my transportation and logistics company."

Respondent states as for Complainant's grievance related to mechanical/repair issues, they have attempted to work with Complainant multiple times, and have offered numerous solutions. Respondent states they were unaware of the issues of the vehicle at the time of sale and, as such, have tried to work with Complainant.

Respondent states they have offered Complainant the following in their buyback offer:

- 1) Respondent will take the return of the Vehicle;
- 2) Respondent will pay off any remaining balance with the lienholder;
- 3) Respondent will reimburse Complainant's down payment in the amount of \$1,000.00;
- 4) Respondent will reimburse Complainant for all payments they have made to date on the Vehicle; and
- 5) Respondent will reimburse Complainant for the transfer fee associated with the Vehicle in the amount of \$199.00.

Respondent states, originally Complainant had agreed to this offer but has since informed them they have more requests and will be filing a suit against Respondent. Respondent states they offer to buy back the vehicle or work with to repair the vehicle.

Based on Respondent's answer, and Respondent's offer to Complainant, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

48. 2022041931 (TH)

Date Complaint Opened: 10/05/2022

First Licensed: 11/12/2020

Expiration: 11/30/2022

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states on October 4, 2022, they called Respondent and agreed on a vehicle to purchase. Complainant states they filled out the credit application and agreed on a time for pickup. Complainant states they were told someone was coming to look at the vehicle at 1:00 PM that day, but that Respondent stated it would not be an issue if they closed the deal. Complainant states, however, Respondent sold the vehicle to someone else. Complainant states their credit was dinged and they did not get their vehicle. Complainant states they believe this is poor business on behalf of Respondent.

Respondent states there was a miscommunication regarding the reservation of the referenced vehicle, and the vehicle was no longer available when Complainant came in. Respondent states, they have nevertheless extended a monetary offer to Complainant for their inconvenience. Respondent states additionally, they offered to work with them to do whatever is necessary for Complainant to find another vehicle that fits their finance structure.

Counsel recommends issuing a Letter of Warning regarding possible bait and switch tactics used by Respondent under Tenn. Comp. R. & Regs. 0960-01-.12(1)(b).

Recommendation: Authorizing issuing a Letter of Warning to Respondent.

Commission Decision: Concur.

49. 2022043341 (TH)

Date Complaint Opened: 10/14/2022

First Licensed: 08/10/2018

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a vehicle from Respondent, and were told as a part of their agreement, they would be given a second key and remote for the vehicle. Complainant states at the time of their complaint they had yet to receive it. However, Respondent followed up stating they spoke with Complainant, set up a time for the second key and remote to be made, and covered the cost. Complainant followed up and states all issues have been resolved and there are satisfied. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

50. 2022038161 (ES)

Date Complaint Opened: 09/14/2022

First Licensed: 10/02/2017

Expiration: 09/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is alleging that the Respondent potentially sold them a car that they did not own. The Complainant is also alleging deceptive business practices from the Respondent. Complainant has been unable to obtain the title to the vehicle. Respondent has failed to respond to this complaint so an investigation was conducted. The investigation revealed that Complainant purchased a vehicle from an individual, not from Respondent. Complainant had seen the vehicle advertised for sale on Facebook Marketplace. When Complainant met with the individual selling the car, he was told the individual owned Respondent dealership, which was completely false. Complainant admits that they never had any contact with anyone at Respondent dealership. Further, Respondent dealership has since closed after the owner passed away in October of 2022. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

51. 2022038861 (ES)

Date Complaint Opened: 09/16/2022

First Licensed: 07/03/2014

Expiration: 08/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – One complaint closed with \$250 civil penalty failure to maintain county business license.

Complainant purchased a used vehicle from Respondent on 5/16/22. Complainant alleges Respondent has failed to provide permanent title and registration for vehicle as of 9/16/22. The vehicle was salvaged from California and Respondent states they have applied for a rebuilt title, but it was unclear as to whether the rebuilt title was actually approved and issued by the DOR so an investigation was conducted. The investigation revealed that Respondent did provide the proper disclosure showing the vehicle had a salvage history but had not yet received the rebuilt title at the time of sale. The Department of Revenue did not receive the application for a rebuilt title from Respondent until 5/23/22 and the title was not issued until 10/18/22. Respondent issued two temporary tags to the vehicle prior to obtaining the rebuilt title. Counsel recommends issuing a \$5,000 civil penalty for selling a salvage vehicle prior to obtaining the rebuilt title and for issuing two temporary tags to the salvage vehicle.

Recommendation: Authorize a \$5,000 civil penalty for selling a salvage vehicle prior to obtaining the rebuilt title and issuing two temp tags

Commission Decision: Concur.

52. 2022040291 (ES)

Date Complaint Opened: 09/23/2022

First Licensed: 05/23/2017

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

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

Complainant alleges Respondent sold a defective vehicle. Respondent alleges they cannot find any history of selling a vehicle to the consumer and asked for more information from us. We provided the information requested to Respondent and asked for a follow-up response to the complaint, but have not received a follow-up response. An investigation was conducted. The investigation revealed that Complainant returned the vehicle to Respondent and no further cooperation was given by the Complainant. Respondent cooperated with the investigation which revealed no evidence of any violations. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

53. 2022040641 (ES)

Date Complaint Opened: 09/27/2022

First Licensed: 06/16/2021

Expiration: 06/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent on 7/26/22 and alleges there are multiple issues with the vehicle. Specifically, Complainant alleges one of the rims was

cracked and the alert lights on the dash were staying on. Complainant states they bought another vehicle from Respondent on 8/25/22 and alleges it overheated, and other issues rendering the vehicle undrivable. Respondent states they encouraged Complainant and all customers to check out the vehicles in any way necessary by test-driving, taking it to a mechanic, etc., because they purchase all vehicles from an auction and sell them as-is, without warranty. Respondent further notes that Complainant was in an accident with one of the vehicles on 10/3/22 and is trying to deflect the situation onto Respondent because Complainant was deemed to be at fault and had no insurance. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

54. 2022043621 (ES)

Date Complaint Opened: 10/18/2022

First Licensed: 07/15/2022

Expiration: 06/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges they tried to purchase a vehicle from Respondent and gave them a \$500 deposit. The deal fell through, and Complainant alleges they have not received their deposit back. Respondent and Complainant have since confirmed the deposit has been returned. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

55. 2022039511 (ES)

Date Complaint Opened: 09/19/2022

First Licensed: 05/03/2013

Expiration: 03/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant purchased a 2019 vehicle from Respondent on or around 8/27/22 and alleges they were told by the salesperson it had 17 months of warranty remaining. Complainant states they took the vehicle to a local authorized dealer for some warranty work and was told the warranty expired in February of 2022. Respondent states that due to the vehicle's low mileage, the Carfax report stated the factory warranty was still remaining, but the Carfax was incorrect. When Complainant brought the matter to Respondent's attention, they purchased a full warranty for 12 months for Complainant and that resolved the issue. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

56. 2022039811 (ES)

Date Complaint Opened: 09/20/2022

First Licensed: 01/27/2003

Expiration: 01/31/2021 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they were told the owner of Respondent dealership, who was also the lienholder of Complainant's vehicle, had passed away. Complainant acknowledges the dealership has been closed since 2020 and they are not sure who to make payments to. Respondent dealership's license expired on 1/31/21 and all mail sent to Respondent has been returned. The surety bond information has been sent to Complainant and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

57. 2022039871 (ES)

Date Complaint Opened: 09/21/2022

First Licensed: 06/13/2018

Expiration: 05/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states that their late husband purchased a vehicle from Respondent on 10/28/20 and alleges the vehicle was incorrectly titled to a "defunct dealership" instead of to their husband. Complainant alleges Respondent will not provide a corrected replacement title so the vehicle can be transferred to Complainant. Respondent states they titled the vehicle to Complainant's husband's dealership because that is what he wanted when he purchased the vehicle. Complainant had a valid dealer's license at that time and purchased the vehicle under their dealer's license. Two years later, Complainant's husband's son came to Respondent dealership and asked for three titles for vehicles that the husband had purchased over the years. Respondent explained to the son that their father had purchased the vehicles as a dealer and they offered copies of the titles on file at the time. Respondent told the son that he would need to speak to the tag office regarding the titles and taxes that needed to be paid for the vehicles, and getting the titles transferred to Complainant's name. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

58. 2022040201 (ES)

Date Complaint Opened: 09/23/2022

First Licensed: 02/06/2003

Expiration: 01/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges they purchased a vehicle from Respondent which was supposed to be in excellent mechanical condition and come with an "extra warranty." Complainant states the brakes failed and were replaced by Respondent. Complainant alleges since the vehicle was returned after that repair, the transmission is slipping and the cv axle needs repair. Complainant alleges a trusted mechanic told them the vehicle is in "horrible condition mechanically" and no one will accept the "bogus warranty." Respondent denies tampering with the vehicle or causing any issues with the vehicle and apologizes that Complainant is having mechanical problems with the car. Respondent denies any kind of warranty came with the vehicle that was purchased as-is. Respondent has done everything they can do to rectify this situation and has had multiple individuals in upper management personally reach out to the Complainant. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

59. 2022042881 (ES)

Date Complaint Opened: 10/12/2022

First Licensed: 03/21/2013

Expiration: 08/31/2023

License Type: Motor Vehicle Salesman

History (5 yrs.): None.

Complainant purchased a used vehicle from Respondent's dealership on 8/26/22 and alleges the vehicle caught fire. Complainant therefore did not want to make the first payment because they did not think the vehicle was fixable. Complainant alleges Respondent called them and stated they would get Complainant into another vehicle without a down payment if they called a specific lender. Complainant alleges Respondent stated they would make the vehicle's payment. Complainant alleges Respondent lied and did not get them another vehicle. Respondent states Complainant caught their vehicle on fire because they didn't like it and their insurance had lapsed. Respondent notes this is why there is no police report of the car fire. Respondent told Complainant they needed to still make payments on the vehicle or it would be repossessed. Further, Respondent states it would be very hard for Complainant to purchase another vehicle with a recent repossession on their record. Respondent denies the allegations and Complainant did not produce any evidence to support the allegations. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

60. 2022041701 (TH)

Date Complaint Opened: 10/03/2022

First Licensed: 09/01/1991

Expiration: 10/31/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states they purchased a 2013 Toyota RAV4 from Respondent on September 22, 2022. Complainant states while driving the car off of the lot, their father noticed there was an issue with one of the axles. Complainant states their father emailed the sales rep for Respondent, asking for assistance. Complainant states Respondent expressed they would not be helping. Complainant states their father was seeking information on why this safety issue was not disclosed before the sale.

Respondent states they conducted an extensive search and could not locate a sales agreement or support documents to match the allegations in the complaint. Respondent states they have three separate dealerships, and they expanded their search to include each one. Respondent states the only interaction they found with Complainant is multiple text messages between Complainant and a sales associate between the dates of April 4, 2022, to May 13, 2022, discussing a different vehicle than one named in the complaint. Respondent states they are requesting more information on the vehicle allegedly sold to Complainant. Complainant did not respond to Respondent's request.

An investigation was conducted. Complainant did not comply with the investigator's requests for documentation and statements. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

61. 2022043141 (TH)
Date Complaint Opened: 10/13/2022
First Licensed: 09/01/1991
Expiration: 03/31/2024
License Type: Motor Vehicle Dealer
History (5 yrs.): None.

Complainant states their vehicle was left in Respondent's possession in December 2021. Complainant states General Motors suggested they take their vehicle to a dealership to get the vehicle diagnosed. Complainant states on October 5, 2022, they were informed by General Motors the vehicle in question had been sold by Respondent.

Respondent is represented by an attorney. Respondent's attorney answered the complaint. In their response, Respondent states on or about January 13, 2022, they inspected the vehicle and determined there was heavy damage to the engine and transmission due to lack of maintenance. Respondent states they notified Complainant of the repairs needed and that there was no warranty coverage. Respondent states they made multiple attempts to get Complainant's authorization to complete the repairs, but never received authorization. Respondent states Complainant eventually informed them they would be having their lien holder/credit corporation ("CAC") pick up the vehicle from Respondent. Respondent states, however, the vehicle then sat in their back lot until it was identified as an abandoned vehicle.

Respondent states they then had the vehicle towed by a towing company to be stored at their "Holding Lot" on July 29, 2022, while they processed the required paperwork. Respondent states Chevrolet's lot on July 29, 2022, and retained it in their 'Holding Lot' while paperwork was being processed. Respondent states a title search was conducted to confirm the owner of record and any lienholder. Respondent states notice was sent by certified mail to both Respondent and Credit Acceptance Corporation ("CAC") on August 15, 2022. Respondent states they received a return receipt from CAC, noting it was received on August 15, 2022. Respondent states additionally, a public notice advertisement of sale was placed in the local newspaper on September 8, 2022, indicating the vehicle in question would be sold 15 days following the date of the add to the highest bidder if it was not picked up by the date. However, Respondent never responded, and the vehicle was sold at auction. Respondent provided all relevant paperwork. Based on Respondent's answer and provided documents, Counsel recommends closure.

<https://tnclerks.zendesk.com/hc/en-us/articles/360000324126-Abandoned-Vehicles>

Recommendation: Close.

Commission Decision: Concur.

62. 2022043511 (TH)

2022051111

Date Complaint Opened: 10/17/2022, 12/14/2022

First Licensed: 11/04/2020

Expiration: 11/30/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

2022043511:

Complainant states they purchased their vehicle from Respondent on June 1, 2022. Complainant states, however, as of the time of their complaint, October 17, 2022, they had not yet received their title. Respondent answered stating as of October 25, 2022, Complainant has picked up their plates and registration. Respondent states they apologize for the short delay on their end, and offered Complainant \$3,500 as a good faith gesture to reimburse them for their four months of payments without their permanent tag. Additionally, during the delay Respondent states they offered to unwind the deal and purchase the vehicle back from Complainant as they were unhappy with the delay. Based on Respondent's answer, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

2022051111:

On March 15, Complainant states they purchased a vehicle from Respondent. Complainant states, however, they had problems getting their permanent tag. Complainant states at the time of their complaint, December 14, 2022, they had received a temporary tag every month. Respondent states Complainant has since been titled and registration has been completed. Based on the

aforementioned information, Counsel recommends authorizing assessing a \$3,000 civil penalty for Respondent issuing 6 more temporary tags than legally allowed.

Recommendation: Authorizing assessing a \$3,000 civil penalty for Respondent issuing 6 more temporary tags then legally allowed.

Commission Decision: Concur.

63. 2022043591 (TH)

Date Complaint Opened: 10/18/2022

First Licensed: 08/22/2002

Expiration: 08/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

This is an anonymous complaint. Complainant alleges unethical business practices by the respondent due to falsely charging consumers, producing fraudulent paystubs for consumers to be approved for loans, and bank fraud.

Respondent did not answer the complaint.

An investigation was conducted. Respondent states they did not receive the complaint, and as such, they were unable to respond to the complaint. The investigation did not uncover any unethical business practices by Respondent. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

64. 2022045151 (TH)

Date Complaint Opened: 10/27/2022

First Licensed: 07/07/2005

Expiration: 06/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): 2020 – one complaint closed with letter of warning for engaging in false, fraudulent, or deceptive practice(s). 2021 – Two complaints closed with letter of warning for late delivery of title.

Complainant alleges finance charge violations by Respondent. Respondent did not answer the complaint. The request is the result of correspondence that Tennessee's Motor Vehicle Commission received from the State of Louisiana's Motor Vehicle Commission. An investigation was conducted. However, during the investigation, the investigator was unable to contact Complainant despite many or obtain any information or support for their complaint. As such, Counsel recommends authorizing closing the complaint with a Letter of Warning for Respondent's failure to respond to the complaint.

Recommendation: Authorizing closing the complaint with a Letter of Warning for Respondent's failure to respond to the complaint.

Commission Decision: Concur.

65. 2022040111 (TH)

Date Complaint Opened: 09/22/2022

First Licensed: 12/23/2020

Expiration: 10/31/2022

License Type: Motor Vehicle Dealer

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

While completing an annual inspection of Respondent, the inspector observed their City Business Tax License had expired on 05-18-2022. The business could not produce its County Business Tax License.

Respondent did not answer the complaint. As such, an investigation was conducted. Respondent provided a notarized statement in which they stated they received the letter stating to show proof of paperwork, however, they forgot to send it. The investigator observed Respondent's up-to-date City Business Tax License displayed a Respondent's dealership. However, Respondent did note in their statement they had a short period without an active City Business Tax License as they lost track of updating it, and state it will never happen again. Respondent provided emails between Respondent and the County Clerk's office showing they had an up-to-date County Tax License and were waiting for a physical copy to be delivered to them.

Based on the investigation Counsel recommends authorizing assessing a \$250 civil penalty for Respondent's statement of having a period with an expired City Business tax license.

As for Respondent's dealership license, Respondent is currently still in expired-grace status from their license expiring on October 31, 2022. Counsel recently sent out an investigator to see if Respondent is still operating and obtain information on why they have not renewed their license. Counsel is still waiting for the investigation report and will proceed with the opening of any additional complaints if required.

Recommendation: Authorizing assessing a \$250 civil penalty for Respondent's statement of having a period with an expired City Business tax license.

Commission Decision: Send a Letter of Warning.

66. 2022040611 (TH)

Date Complaint Opened: 05/04/2022

First Licensed: 08/27/2018

Expiration: 08/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): 2019 – One complaint closed with \$1,000 civil penalty for issuing more temporary tags than allowed.

Complainant states they purchased a vehicle from Respondent on April 18, 2022. Complainant states they have still not received their permanent tag as of the date of the complaint, September 26, 2022, and Respondent would not give them a second temporary tag.

An investigation was conducted. The investigator confirmed Respondent provided Complainant with their permanent tag and registration. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

67. 2022044071 (TH)

Date Complaint Opened: 10/19/2022

First Licensed: 09/01/1991

Expiration: 07/31/2019 (Closed)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states Respondent closed down in 2019, and their building is no longer there. Complainant states, however, they still need to get the title for the vehicle they were leasing from Respondent. Complainant states they have since paid off the vehicle, but they never received the title due to Respondent closing down. Complainant was provided Respondent's bond information. Counsel recommends closing and flagging this complaint, as well as referring it to the Department of Revenue to see if they can aid Complainant in obtaining their title.

Recommendation: Authorizing closing and flagging this complaint, as well as referring it to the Department of Revenue to see if they can aid Complainant in obtaining their title.

Commission Decision: Concur.

68. 2022044081 (TH)

Date Complaint Opened: 10/19/2022

First Licensed: 08/12/2021

Expiration: 04/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states they purchased a 2001 Ford Ranger in March of 2022 in cash from Respondent. Complainant states as of the time of their complaint, October 19, 2022, they still have not received their tags or title. Complainant states every time they ask Respondent for more information, they continue to give the run-around and state it will be here soon.

Respondent states the vehicle was purchased from a towing company. Respondent states they told Respondent they would have the title to Respondent in 30 days, but they had a problem getting the title. Respondent states that is the reason for their delay in getting Complainant the title.

An investigation was conducted. On December 13, 2022, the investigator received an email from the Respondent containing a brief statement, stating the title had been received and Complainant had signed off on it. There was no evidence of Respondent issuing over the allotted number of temporary tags. As such, Counsel recommends authorizing closing the complaint with a Letter of Warning reminding Respondent of their duty to timely provide customers with their title and registration.

Recommendation: Authorizing closing the complaint with a Letter of Warning reminding Respondent of their duty to timely provide customers with their title and registration.

Commission Decision: Concur.

69. 2022044111 (ES)

Date Complaint Opened: 10/20/2022

First Licensed: 01/09/2012

Expiration: 12/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is an employee of an auction insurance company in Alabama who alleges Respondent failed to provide a valid title to a vehicle which turned out to be stolen. Complainant does not provide any information about the alleged consumer or any further information about the actual complaint. Complainant simply asks for the surety bond information for Respondent. Respondent states Complainant represents a third party and denies ever selling the vehicle at issue to the Complainant and therefore denies they have any cause of action. Respondent had purchased the vehicle from Chrysler via Manheim auction in Georgia in December 2020 with a valid Georgia title. Vroom then purchased the vehicle from Respondent via an auction with a valid Georgia title. The vehicle was subsequently rematched without the consent or notification of Respondent. The vehicle was flagged as stolen because the original owner of the vehicle reported it as stolen a week after it was repossessed by Chrysler in Georgia as indicated by the Georgia Department of Revenue (via a Motor Vehicle Commission Affidavit of Repossession and Metro Nashville Police Department report). Due to a clerical error, the vehicle was not removed from the database and a follow-up conversation with the anti-theft unit of the police department indicated that this could have been easily remedied as it is not an uncommon occurrence. Respondent denies the allegation that they failed to provide a valid title as they provided the valid title to Vroom, the purchaser. Complainant is not the buyer and they don't represent the buyer. Respondent states that Complainant is an insurance representative indirectly or directly representing a broker/auction house that also did not purchase the vehicle from Respondent. The vehicle was turned into the police by an unrelated third party after the valid sale. Complainant's employer could have picked up the vehicle at any time but instead, they abandoned it at an impound lot and the car was sold off at an auction months later. Complainant's employer failed its duty of care and responsibility for the vehicle and did not notify affected parties of the situation in a timely manner. The clerical error did not invalidate the good title to the vehicle and because Respondent sold the vehicle to Vroom, Respondent did not have the duty to investigate the vehicle's location and make sure it was secure from storage liens or abandonment. Respondent provides documentation to support their response and show the chain of title. Complainant provides no documentation or any details to support their allegations, and did not take the opportunity to rebut the response. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

70. 2022045851 (ES)

Date Complaint Opened: 11/01/2022

First Licensed: 04/17/2014

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

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

Complainant purchased a used vehicle from Respondent and alleges multiple issues that render the vehicle unsafe, including a hood cable that was “torn apart or maybe cut,” incorrect headlights, and a bumper repaired with “zip ties.” Respondent states provides the deal file which shows the vehicle was purchased as-is, without warranty but the Bill of Sale notes the vehicle had a rebuilt title. After further research and communication with the Respondent, it was revealed that the note showing the vehicle had a rebuilt title was in error and the vehicle actually had a clean title. Respondent provided a revised Bill of Sale to Complainant and Counsel. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

71. 2022045891 (ES)

Date Complaint Opened: 11/01/2022

First Licensed: 02/16/2017

Expiration: 01/31/2023

License Type: Recreational Vehicle Dealer

History (5 yrs.): None.

Complainant filed this complaint requesting assistance with a claim they made with a travel trailer company. Complainant had purchased a travel trailer from Respondent and alleges it is a “lemon.” Complainant states it developed a leak and has been at the dealership to be fixed ever since, allegedly for two months. Complainant is concerned with Respondent’s “inability to satisfactorily fix the problem in a timely manner” and fears there are numerous hidden problems as a result of the “catastrophic failure of the integrity of the travel trailer.” Respondent has since been able to get the manufacturer to take the camper back to the factory and completed the necessary repairs there. There is no evidence of any violations and Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

72. 2022040501 (ES)

Date Complaint Opened: 09/26/2022

First Licensed: 08/31/2021

Expiration: 07/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued to Respondent during an inspection on 9/22/22 for failing to provide proof an active city and county business license. Counsel recommends issuing a \$250 civil penalty for each expired license, for a total \$500 civil penalty.

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

Commission Decision: Concur.

73. 2022043251 (ES)

Date Complaint Opened: 10/14/2022

First Licensed: 04/12/2004

Expiration: 03/31/2024

License Type: Motor Vehicle Dealer

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

Complainant purchased a used vehicle from Respondent and alleges they refuse to give them the title to the vehicle. Additionally, Complainant alleges they have had to spend \$1,300 on repairs. Complainant wants a full refund for the price paid for the vehicle - \$6,681.90 and compensation for the time and effort required of them as a result of Respondent's delays. Complainant has since filed a lawsuit against Respondent. Respondent notes Complainant purchased the vehicle as-is but Respondent promised to take care of an A/C repair and an oil change, as well as providing them with a 90 day warranty at no cost. Respondent paid for necessary repairs which took longer than expected but Complainant could have driven the car at any time if needed. Further, because this vehicle was purchased from an auction, it took some time to get the title from the auction. After providing one temporary tag, the Respondent gave the title to Complainant in person, at the dealership, which is on video, but Complainant denies ever receiving it. Respondent wanted to assist Complainant even though it was obvious Complainant had lost the title, so they applied for a duplicate replacement title. Once that was available for pick up, Complainant didn't want it and demanded a refund for the vehicle. Because Complainant refused to pick up the duplicate title after three days, Respondent mailed it to Complainant via Fedex. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

74. 2022046481 (ES)

Date Complaint Opened: 11/04/2022

First Licensed: 08/20/2008

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of South Carolina who ordered a new vehicle from Respondent which arrived to the dealership on 8/25/22, and was shipped to them on 9/8/22. Complainant alleges

they have yet to receive the title and registration as of 11/4/22. Further, Complainant alleges their bank overpaid Respondent \$1,000 and they have yet to receive the refund. Respondent has since refunded the \$1,000 to the Complainant, which was the deposit they originally made and which the bank did not account for when they paid for the vehicle. Additionally, the registration was completed on 11/9/22 and title provided to the lienholder. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

75. 2022042721 (ES)

Date Complaint Opened: 10/11/2022

First Licensed: 05/20/2015

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued to Respondent during an inspection on 10/7/22 for failing to provide proof an active city and county business license. Counsel recommends issuing a \$250 civil penalty for each expired license, for a total \$500 civil penalty.

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

Commission Decision: Concur.

76. 2022043921 (ES)

Date Complaint Opened: 10/19/2022

First Licensed: 09/01/1991

Expiration: 05/31/2023

License Type: Motor Vehicle Dealer

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

Complainant alleges their 2008 truck will not start in weather below 50 degrees without cycling the ignition up to 30 times or using a hairdryer to heat the ECM. Complainant states they brought their truck to Respondent in December 2020 and a new battery was recommended, but it did not fix the problem. Complainant states they brought the truck back for further diagnostics in October 2022 and alleges Respondent wanted to make repairs unrelated to the actual problems which would have cost over \$9,000. Complainant alleges Respondent did not properly diagnose the problem, failed to even look at the ECM and charged \$110 for a service that was not rendered. Respondent reached out to Complainant on the day they filed the complaint and provided a full refund for the diagnostic fee and offered to help further diagnose the problem. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

77. 2022047641 (TH)

Date Complaint Opened: 11/15/2022

First Licensed: 05/19/2009

Expiration: 04/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant states on October 24, 2022, they purchased a vehicle from Respondent. Complainant states, however, as of the time of their complaint, November 15, 2022, they have yet to receive their title and registration from Respondent. However, as of December 21, 2022, both Respondent and Complainant have confirmed with Counsel title has been received by Complainant. As confirmed by Complainant and Respondent, Complainant was not issued more than the allotted number of temporary tags by Respondent. As such, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

78. 2022043971 (ES)

Date Complaint Opened: 10/19/2022

First Licensed: 09/23/2014

Expiration: 08/31/2022 (Expired)

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

A Notice of Violation was issued to Respondent during an inspection on 10/18/22 for operating with an expired dealer license. Respondent's license expired on 8/31/22 and has still not been renewed. Counsel recommends issuing a \$500 civil penalty per month for operating with an expired dealer license, for a total \$2,500 civil penalty, and a follow up inspection immediately.

Recommendation: Authorize a \$2,500 civil penalty for expired dealer license

Commission Decision: Concur.

79. 2022049561 (ES)

Date Complaint Opened: 12/02/2022

First Licensed: 01/27/2020

Expiration: 01/31/2024

License Type: Motor Vehicle Dealer

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

Complainant alleges Respondent lied about the process they needed to complete to purchase a new vehicle, about what the monthly payment would be, and then overcharged them for the

vehicle purchased. Complainant alleges when they tried to return the vehicle less than 24 hours after purchase, Respondent stated there was nothing they could do. Complainant provided no further detail or evidence to support the allegations. Respondent states any reference to being “overcharged” is in relation to the APR Complainant qualified for. Because of their credit history, Complainant only qualified for an interest rate higher than 23%. Complainant never completed their end of the agreement, refused to do the initial customer interview with the only bank that would offer them a loan, and thus, Respondent has taken possession of the vehicle. Counsel finds no evidence of any violations and recommends closure.

Recommendation: Close.

Commission Decision: Concur.

80. 2022050541 (ES)

Date Complaint Opened: 12/09/2022

First Licensed: 05/05/2021

Expiration: 04/30/2023

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant is a resident of West Virginia who purchased an antique 1952 truck from Respondent. Complainant filed this complaint because they are having trouble registering the vehicle with the copy of the title provided by Complainant at the time of sale because their local clerk won't accept it. The West Virginia clerk states that the dealership needs to contact the company listed on the title because they need the original title. Respondent states they have since contacted the fire department that sold the truck to them through an auction, and they had to reach out to another fire department, who then found the original title. Respondent states they will immediately send it via overnight mail to Complainant. Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

81. 2022049801 (ES)

Date Complaint Opened: 12/02/2022

First Licensed: 07/14/2000

Expiration: 07/31/2024

License Type: Motor Vehicle Dealer

History (5 yrs.): None.

Complainant alleges Respondent damaged the dashboard of their 2013 vehicle while replacing the passenger airbag on or around 8/31/22. Complainant chose to take the vehicle to Respondent for the repair after receiving a communication in the mail from the manufacturer safety division alerting them their vehicle was included in the Takata airbag recall. Respondent denies having damaged the dashboard and notes that the manufacturer has had quality issues where dashboards crack on older model vehicles like Complainant's. There was a class action lawsuit against the

manufacturer for this issue a few years ago. Respondent states Complainant admitted they were aware of some cracks in the dash when this issue was discussed after the recall repair was complete and the allegations were made in person. Respondent notes the existing cracks were present on the driver's side and the work they completed was on the opposite side of the dash on the passenger side. Because there is no evidence that Respondent caused any damage, Counsel recommends closure.

Recommendation: Close.

Commission Decision: Concur.

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

ROLL CALL VOTE

Ian Leavy	YES
Charles West	YES
Debbie Melton	YES
Sandra Elam	YES
Nelson Andrews	YES
Clay Watson	YES
Eleni Speaker	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
John Barker	YES
John Roberts	YES

MOTION CARRIED

LEGISLATIVE UPDATE – General Counsel, Erica Smith

Nothing to Report

RULES COMMITTEE

Nothing to Report

AUDIT COMMITTEE

Nothing to Report

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 Jackson. Chairman Roberts called for a voice vote.

MOTION PASSED

MEETING ADJOURNED

John Roberts, Chairman_____