



Herbert H. Slatery III Attorney General & Reporter

FOR IMMEDIATE RELEASE
July 10, 2019
#19-25

CONTACT: Samantha Fisher
(615) 741-5860
samantha.fisher@ag.tn.gov

COVINGTON AUTO DEALER ORDERED TO STOP SELLING, MARKETING VEHICLES

AG Slatery: McDivitt Motors harmed hundreds of consumers with unfair, deceptive business practices

Nashville- The Tennessee Attorney General's Office has obtained a Temporary Restraining Order (TRO) from the Circuit Court of Tipton County against McDivitt Motors, LLC and Martin Keith McDivitt.

In granting the TRO, Chancellor William Cole found that McDivitt Motors has engaged in practices that violate the Tennessee Consumer Protection Act and the Uniform Fraudulent Transfer Act and that immediate harm would result unless the court intervened. The TRO also orders an asset freeze, receivership, and accounting against McDivitt Motors.

The State's Civil Enforcement Complaint against McDivitt Motors, filed at the same time as the motion for a TRO, alleges that the defendants deceived customers by claiming McDivitt Motors was licensed to sell new vehicles, which it was not, and misrepresented used vehicles as new, among other things. Defendants also failed to disclose to customers that vehicles they traded in would not be paid off, as was the understanding between the parties.

The State also alleges the defendants acted unlawfully by writing checks to purchase new vehicles when bank account balances were negative and transferring large sums of money between a business checking account and a personal checking account, both ultimately under Martin McDivitt's control and supervision.

"The actions of Mr. McDivitt and his business have harmed hundreds of Tennesseans as well as financial institutions of this state," said Herbert H. Slatery III. "This Office will consistently act to protect victims wherever unlawful and deceptive practices like this are taking place."

The activities of McDivitt Motors and Mr. McDivitt were brought to the attention of the Attorney General's Office by District Attorney General Mark Davidson.

If you think you may also be a victim of deceptive and unlawful business practices by McDivitt Motors please contact the Consumer Protection Division in the Tennessee Attorney General's Office at 615-741-1671 or consumerdivision@ag.tn.gov.



Herbert H. Slatery III Attorney General & Reporter

Both court documents can be accessed here:

<https://www.tn.gov/content/dam/tn/attorneygeneral/documents/pr/2019/pr19-25-complaint.pdf>

<https://www.tn.gov/content/dam/tn/attorneygeneral/documents/pr/2019/pr19-25-tro.pdf>

