

Meeting Summary  
**Motor Vehicle Dealer Board**  
Monday, May 12, 2014

Chairman Rick Holcomb called the Dealer Board meeting to order in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. The roll was called and there were 14 Board members present. Present were members Andy Alvarez, Ted Bailey, Roy Boswell, Gardner Britt, David Duncan, Steve Farmer, David Gripshover, Clayton Huber, Art Hudgins, Ron Kody, Chip Lindsay, Chris Maher and Jacques Moore, Jr. (Absent: Brian Hutchens, Matt McQueen, George Pelton and Joe Tate). Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Ann Majors, Wanda Neely and Frank McCormick represented the Dealer Board. Eric Fiske represented the Attorney General's Office.

**PUBLIC COMMENT**

There was no public comment.

The March 10, 2014 meeting summary was approved.

**STATUTORY COMMITTEE REPORTS**

**Dealer Practices Committee:**

Chairman Ron Kody summarized discussions held and actions that were taken during the Committee Meeting.

- **William Myers, American Classics.** In November of 2008 and May of 2011, Mr. Myers requested that, since he is not in the business to sell automobiles for transportation, but rather to sell antique, classic and specialty cars, he should be granted a permanent variance to be opened on an "appointment only" basis. Both of those requests were denied. On February 22, 2014, Mr. Myers again requested a variance request in hours to be only by appointment only. Ron Kody made the following motion: Va. Code Section 46.2-1533 grants authority to the Board to modify the minimum hours requirements as set-out in § 46.2-1533, "for good cause" and; the Board has determined that "good cause" has been established. The Board approves granting a variance to Mr. Myers trading as American Classics (Dealer Number 312) provided that:
  - Mr. Myers submit new business hours to the Board's Executive Director by July 11, 2014.
  - The business hours show that the dealership will be open on Monday, Wednesday and Friday.
  - The business hours are a minimum of two hours on each of these days.
  - The two hours per day be between 9:00 am and 5:00 pm.
  - These business hours be maintained.

This variance shall be in effect through January 31, 2015. If Mr. Myers desires to continue a variance beyond this date he must submit his request to the Board's Executive Director prior to the January 12, 2015 Board Meeting.

Jacques Moore seconded. All in favor: 12 (Alvarez, Boswell, Britt, Duncan, Gripshover, Huber, Hudgins, Kody, Lindsay, Maher, Moore and Holcomb. Opposed: 2 (Farmer and Bailey). The motion carried.

- **Chesapeake Bay Auto Sales, LLC and Robert E. Upton.** Ron Kody made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Chesapeake Bay Auto Sales and Robert E. Upton, III for alleged violations of VA Code Sections 46.2-1529; 46.2-1530; 46.2-1532; 46.2-1550; 46.2-1561; 46.2-1574; and 46.2-1575 (2); 1575 (4), 1575 (6), 1575 (10) and 1575 (14). Based on due consideration, the Board believes a civil penalty should be assessed against Chesapeake Bay Auto Sales and Robert E. Upton, III. The Board hereby assesses a \$15,000 civil penalty against Chesapeake Bay Auto Sales and Robert E. Upton, III; and based on due consideration, the Board believes that Mr. Upton's certificate of qualification should be revoked. The Board hereby revokes Mr. Upton's certificate of qualification.

Steve Farmer seconded. The motion carried unanimously.

- **Credit Line Motors and Hassan Mohammad.** Ron Kody made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Credit Line Motors and Hassan Mohammad for alleged violations of VA Code Sections 46.2-1530; 46.2-1533; 46.2-1542; 46.2-1542 (B); 46.2-1547; 46.2-1550.2; 46.2-1575; and 46.2-1575 (1), 1575 (6), 1575 (9), 1575 (14) and 1575 (18). Based on due consideration, the Board believes civil penalty should be assessed against Credit Line Motors and Hassan Mohammad. The Board hereby assesses a \$5,000 civil penalty against Credit Line Motors and Hassan Mohammad; and based on due consideration, the Board believes that successfully completing the dealer-operator course would benefit Mr. Mohammad in running his dealership. The Board suspends all licenses and certificates issued to Mr. Mohammad until such time that he has successfully complete the dealer-operator course.

Gardner Britt seconded. The motion carried unanimously.

- **Auto Madi, LLC and Mohammad Yousef Ghatri.** Ron Kody made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Auto Madi, LLC and Mohammad Yousef Ghatri for alleged violations of VA Code Sections 46.2-1518; 46.2-1529; 46.2-1529.1; 46.2-1530; 46.2-1533; 46.2-1534; 46.2-1540; 46.2-1542; 46.2-1550; and 46.2-1575 (1), 1575 (2), 1575 (6), 1575 (9), 1575 (10) and 1575 (14). Based on due consideration, the Board believes a civil penalty should be assessed against Auto Madi, LLC and Mohammad Yousef Ghatri. The Board hereby assesses a \$25,000 civil penalty against Auto Madi, LLC and Mohammad Yousef Ghatri; and based on due consideration, the Board believes that all licenses and certificates issued by the Board to Mr. Ghatri should be revoked. The Board hereby revokes all licenses and certificates issued by the Board to Mr. Ghatri.

Chris Maher seconded. The motion carried unanimously.

- **Goldstar South and Thomas K. Maad.** Ron Kody made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Goldstar South and Thomas K. Maad for alleged violations of VA Code Sections 46.2-1508; 46.2-1518; 46.2-1529; 46.2-1533; 46.2-1542; 46.2-1542 (B); 46.2-1547; 46.2-1574; and 46.2-1575 (6), 1575 (14) and 1575 (18). Based on due consideration, the Board believes a civil penalty should be assessed against Goldstar South and Thomas K. Maad. The Board hereby assesses a \$6,500 civil penalty against Goldstar South and Thomas K. Maad; and based on due consideration, the Board believes that successfully completing the dealer-operator course would benefit Mr. Maad in running his

dealership. The Board mandates that Mr. Maad successfully complete the dealer-operator course by August 12, 2014. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Maad by the Board until such time Mr. Maad has successfully completed the course.

David Duncan seconded. The motion carried unanimously.

- **Credit Cars Select and Eric Nilson.** Ron Kody made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Credit Cars Select, LLC and Eric Nilson for alleged violations of VA Code Sections 46.1518; 46.2-1528; 46.2-1529 and 46.2-1533. Based on due consideration, the Board believes a civil penalty should be assessed against Credit Cars Select, LLC and Eric Nilson. The Board hereby assesses a \$500 civil penalty against Credit Cars Select, LLC and Eric Nilson; and based on due consideration, the Board believes that Mr. Nilson's dealership should be re-inspected by August 12, 2014 and that the inspection must be satisfactory. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Nilson's dealership by August 12, 2014 and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. Nilson until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative.

David Duncan seconded. The motion carried unanimously.

- **Alleghany Motor Corp. And Robert C. Garten.** Ron Kody made the following motion: Based on the evidence and a report of an informal fact finding conference as prepared by a hearing officer, the Motor Vehicle Dealer Board assessed a \$2,750 civil penalty against Alleghany Motor Corporation and Robert Garten and require that he successfully complete the 2-day Dealer Operator course; and Mr. Garten appealed the Board's decision and requested a formal hearing that was conducted on January 16, 2014. The Board has reviewed and considered the facts and evidence and the report of a formal hearing as prepared by the hearing officer concerning Alleghany Motor Corporation and Robert Garten for alleged violations of VA Code Sections 46.2-1550, 46.2-1550 (A).4, 46.2-1550.2, 46.2-1574 and 46.2-1575 (2). Based on due consideration, the Board believes a civil penalty should be assessed against Alleghany Motor Corporation and Robert Garten. The Board hereby assesses a \$2,750 civil penalty against Alleghany Motor Corporation and Robert Garten; and based on due consideration, the Board believes that successfully completing the dealer-operator course would benefit Mr. Garten in running his dealership. The Board mandates that Mr. Garten successfully complete the dealer-operator course by August 12, 2014. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Garten by the Board until such time Mr. Garten has successfully completed the course.

Steve Farmer seconded. The motion carried unanimously.

- **H L McGeorge Auto Sales and Howard L. McGeorge.** Ron Kody indicated that, under the request of Mr. McGeorge's attorney, William Lehner, this issue will be tabled until the July 14, 2014 meeting.

## **Licensing Committee**

Vice-Chairman Art Hudgins summarized discussions held and actions that were taken during the Committee Meeting.

- **Zaki Stwodah, The Auto Connection.** Vice-Chairman Art Hudgins made the following motion: Based on the evidence and a report of an informal fact finding conference as prepared by a hearing officer, the Motor Vehicle Dealer Board assessed a \$3,000 civil penalty against Zaki Mohamed Stwodah of The Auto Connection and revoked all licenses and certificates issued by the Board to Mr. Stwodah; and Mr. Stwoda appealed the Board's decision and requested a formal hearing that was conducted on April 2, 2014. The Board has reviewed and considered the facts and evidence and the report of a formal hearing as prepared by the hearing officer concerning Zaki Mohamed Stwodah of The Auto Connection for alleged violations of VA Code Sections 46.2-1575(1) (Having made a material misstatement on a renewal application), 46.2-1575 (6) (Having used deceptive acts or practices) and 46.2-1575 (9) (Having been convicted of any criminal act involving the business of selling vehicles). Based on due consideration, the Board believes a civil penalty should be assessed against Zaki Mohamed Stwodah of The Auto Connection. The Board hereby assesses a \$2,250 civil penalty against Zaki Mohamed Stwodah of The Auto Connection; and based on due consideration, the Board believes that Mr. Stwodah's dealership should be re-inspected by August 12, 2014 and that the inspection must be satisfactory. Tthe Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Stwodah's dealership by August 12, 2014 and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. Stwodah until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative.

Jacques Moore seconded. The motion carried unanimously.

## **Advertising Committee**

Chairman Chip Lindsay summarized discussions that were held during the Committee Meeting.

## **Transaction Recovery Fund Committee:**

Chairman Ted Bailey summarized discussions held and actions that were taken during the Committee Meeting.

## **OLD BUSINESS**

**Update: General Assembly.** Bruce Gould indicated that implementation is continuing and everything should be ready by the July 1, 2014 effective date. It was noted that consumer services has moved to the Attorney General's Office. Legislation effective July 1 removes the representative from the Department of Agriculture and Consumer Service and designates another consumer to take this Board position. Therefore, this is Andy Alvarez's last meeting as a member of the Motor Vehicle Dealer Board. The Governor will appoint another consumer advocate to replace Andy.

**Pete Iaracci, Director of Education, VIADA.** Pete distributed a manual to the Board members that is given to all who take the Dealer Operator course. He invited the members to sit in on the course to get a better idea of how the class is conducted. Since 2006, over 3,000 people have taken this course.

**Internet Task Force.** Bruce Gould indicated that Colorado has put out a 42 page report relating to advertising on the Internet. Rick indicated that the report was very good reading and putting together a task force again to discuss internet and digital advertising would be a good idea. VADA indicated that FTC has some really good guidelines on digital advertising. Consensus of the members was that a task force should be formed. Rick indicated that if any members are interested in joining the task force, to let Bruce know and he will put together a task force and appoint a chairman.

### **OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

### **NEW BUSINESS**

### **NEW BUSINESS FROM THE FLOOR**

**Executive Director's Report.** Bruce indicated that he would like to attend the National Association of Motor Vehicle Boards and Commissions workshop where many of his peers meet. He requested approval from the Board members to attend. This year will be in San Diego and will cost approximately \$2,500 for two MVDB staff to attend. There were no objections.

**Hearing Process.** As there are a number of new Board members and some have asked about the hearing process, Bruce stated that when a hearing is conducted, all have the opportunity to put everything on the table during the informal fact-finding conference/formal hearing. The hearing officer makes a recommendation based on the evidence presented and testimony given. The Board meetings are when the members of the Board make a final decision based on the hearing officer's report, as well as the evidence and testimony given at the hearing. The Board meetings are not the time to present new evidence and testimony. An appeal of an informal fact-finding conference would be when additional evidence can be presented. David Gripshover indicated that the term informal fact-finding conference appears to be a misleading term.

The next meeting will be scheduled for July 14, 2014.

There being no further business to come before the Motor Vehicle Dealer Board, Chairman Rick Holcomb adjourned the meeting.

**Meeting Summary**  
**Dealer Practices Committee**  
**Monday, May 12, 2014**

Chairman Ron Kody called the Dealer Practices Committee meeting to order at 9:00 a.m. in Room 702 of the DMV Headquarters Building at 2300 W. Broad Street in Richmond. Present were Committee members Roy Boswell, Gardner Britt, Steve Farmer, Clayton Huber, Chip Lindsay and Chris Maher. (Absent: Brian Hutchens, Matt McQueen, George Pelton and Joe Tate). Other Board members present: Andy Alvarez, Ted Bailey, David Duncan, David Gripshover, Art Hudgins, Jacques Moore and Rick Holcomb. Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Ann Majors, Frank McCormick and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The March 10, 2014 meeting summary was approved.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

- **Variance Request: American Classics and William Myers.** In November of 2008 and May of 2011, Mr. Myers requested that, since he is not in the business to sell automobiles for transportation, but rather to sell antique, classic and specialty cars, he should be granted a permanent variance to be opened on an "appointment only" basis. Both of those requests were denied. On February 22, 2014, Mr. Myers again requested a variance request in hours to be only by appointment only.

Mr. Myers was present and spoke on his own behalf.

After much deliberation and 2 failed motions, Steve Farmer suggested this issue be tabled to the Full Board for decision. Committee agreed.

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

**NEW BUSINESS**

**Review and Action: Informal Fact-Finding Conferences:**

- **Chesapeake Bay Auto Sales and Robert E. Upton, III.** On December 3, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section(s) 46.2-1529 (Dealer Records), 46.2-1530 (Buyer's orders), 46.2-1532 (Odometer disclosure), 46.2-1550 (Use of dealer tags), 46.2-1561 (Issuing temp tags using misstatements and false information), 46.2-1574 (Acts of officers) and 46.2-1575 (2) (Failure to comply with a written warning or willful failure to comply), 1575 (4) (Defrauding or damaging a retail buyer), 1575 (6) (Having used deceptive acts or practices), 1575 (10) (Possessing titles which have not been completely and legally assigned to him) and 1575 (14) (Failure to submit fees to DMV within 30 days). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$22,750 and revocation of all licenses and certificates.

Mr. Upton and his son were present and Mr. Upton spoke on his own behalf.

Motion was made by Chris Maher to assess a civil penalty of \$15,000 and revocation of all licenses and certificates. Steve Farmer seconded. All in favor: 6 (Kody, Britt, Farmer, Huber, Lindsay, Maher). Opposed: 1 (Boswell). The motion carried.

- **Credit Line Motors and Hassan Mohammad.** On March 14, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section(s) 46.2-1530 (Buyer's order), 46.2-1533 (Business hours), 46.2-1542 (Temporary registration), 46.2-1542 (B) (Title within 30 days), 46.2-1547 (Dealer tags, insurance required), 46.2-1550.2 (Transport tag record of use and issuance), 46.2-1575 (Acts of officers), 46.2-1575 (1) (Material misstatement or omission in application regarding issuing 30 day temp tags), 1575 (6) (Having used deceptive acts or practices), 1575 (9) (Having been convicted of any criminal act involving the business of selling vehicles), 1575 (14) (Failure to submit fees to DMV within 30 days) and 1575 (18) (Failing to maintain automobile liability insurance). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$6,900 for violations of 46.2-1542, 1542(B), 1575 (4) and (6), 60 day suspension of business license and Mr. Mohammad's salesperson license for violations of 46.-1542 and 1574. Written warning for violations of 46.2-1533, 1547, 1575 (1), (9) and (18). No action for violations of 46.2-1530.

Mr. Mohammad and his attorney, Lee R. Arzt were present and Mr. Arzt spoke on behalf of his client.

Motion was made by Chris Maher to assess a civil penalty of \$5,000, 30 day suspension of license and successful completion of the Dealer-Operator course. Ron Kody seconded. The motion carried unanimously.

- **Auto Madi, LLC and Mohammad Yousef Ghatri.** On March 11, 2014 an informal fact-finding conference was conducted to address the alleged violations of VA Code Section(s) 46.2-1518 (Display of salesperson's licenses), 46.2-1529 (Dealer records), 46.2-1529.1 (Sale of used vehicles/buyer's guide), 46.2-1530 (Buyer's orders), 46.2-1533 (Business hours), 46.2-1534 (Signs), 46.2-1540 (Proof of inspection not required of certain buyers), 46.2-1542 (Temporary registration), 46.2-1550 (Use of dealer tags) and 46.2-1575 (1) (Material misstatement), 1575 (2) (Failure to comply with a written warning), 1575 (6) (Deceptive acts or practices), 1575 (9) (Convicted of any criminal act while in the business of selling motor vehicles), 1575 (10) (Possessing titles which have not been completely and legally assigned to him) and 1575 (14) (Failure to submit fees to DMV within 30 days). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$25,000 and revocation of all licenses and qualifications.

Mr. Ghatri was present and spoke on his own behalf.

Motion was made by Chris Maher to accept the hearing officer's recommendation of a \$25,000 civil penalty and revocation of all licenses and qualifications. Gardner Britt seconded. The motion carried unanimously.

- **Goldstar South and Thomas K. Maad.** On February 4, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section(s) 46.2-1508 (Licenses required-salespersons), 46.2-1518 (Display of salespersons list), 46.2-1529 (Dealer records), 46.2-1533 (Business hours), 46.2-1542 (Temporary registration), 46.2-1542 (B) (Title within 30 days), 46.2-1547 (Dealer tags, insurance required), 46.2-1574 (Acts of officers), 46.2-1575 (6) (Having used deceptive acts or practices), 1575 (14) (Failure to submit fees to DMV within 30 days) and 1575 (18) (Failing to maintain automobile liability insurance). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$6,500 for all of the above codes except for 46.2-1533, which a written warning was recommended. Also recommended was to successfully complete the 2 day Dealer-Operator course.

Motion was made by Steve Farmer to assess a civil penalty of \$6,500 and to successfully complete the Dealer-Operator Course within 90 days. Chip Lindsay seconded. The motion carried unanimously.

- **Credit Cars Select, LLC and Eric Nilson.** On April 4, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section(s) 46.1518 (Display of salesperson's license), 46.2-1528 (Examination or audit of licensee; costs), 46.2-1529 (Dealer records) and 46.2-1533 (Business hours). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500 and a satisfactory inspection.

Robert L. Arzt, attorney for Mr. Nilson, was present and spoke on behalf of his client, Mr. Nilson, who was not present.

Motion was made by Steve Farmer to accept the hearing officer's recommendation of assessing a \$500 civil penalty and a satisfactory inspection. Clayton Huber seconded. The motion carried unanimously.

#### **Review and Action: Formal Hearings:**

- **Alleghany Motor Corporation and Robert Garten.** Historical overview leading up to the formal hearing: On September 4, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1550 (Use of dealer tags), 46.2-1550 (A-4) (Use of dealer tags for other businesses), 46.2-1550.2 (Transport tag record of use and issuance), 46.2-1574 (Acts of officers, directors, partners and salespersons) and 46.2-1575 (2) (Failure to comply with a written warning or willful failure to comply). Based on the information provided at the conference, the hearing officer recommended a written warning for violations of 46.2-1550.2 and 46.2-1575.2 and to assess a civil penalty of \$2,750 for violations of 46.2-1550 and 46.2-1574. On November 4, 2014, the Board adopted a Resolution to assess a \$2,750 civil penalty and to successfully complete the 2 day Dealer-Operator course by May 4, 2014. On November 18, 2013, Mr. Garten emailed Mr. Gould and appealed for a formal hearing. On January 16, 2014, a formal hearing was conducted to address the above alleged violations. Based on the information provided at the formal, the hearing officer recommended assessing a civil penalty of \$2,750 and to successfully complete the 2 day Dealer-Operator course.

Motion was made by Steve Farmer to accept the hearing officer's recommendation of assessing a civil penalty of \$2,750 and to successfully complete the Dealer-Operator course. Roy Boswell seconded. The motion carried unanimously.

- **H L McGeorge Auto Sales, Inc. and Howard L. McGeorge, Jr.** Historical overview leading up to the formal hearing: On September 23, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1520 (Dealer records), 46.2-1529.1 (Buyers guide completely filled out, signed and dated by buyer), 46.2-1530 (Buyers order), 46.2-1531 (Consignment vehicles; contract), 46.2-1534 (Signs), 46.2-1544 (Certificate of title issued to dealers or reassignment), 46.2-1548 (Transferable license plates), 46.2-1550 (Use of D-tags), 46.2-1575(2) (Failure to comply with written warning), 46.2-1575 (6) (Having used deceptive acts and practices and 1575(12) (Leasing, renting lending dealer tags used by persons not authorized). Based on the information provided at the conference, the hearing officer recommended a written warning for violation of 46.2-1534, assessing a civil penalty of \$21,500, all licenses and certificates issued to Howard L. McGeorge, Jr. be revoked and suspension of the dealership license until a satisfactory inspection can be performed. On November 4, 2014, the Board adopted a Resolution to assess a civil penalty of \$8,000, suspend all licenses and certificates for 90 days and to successfully complete the 2 day Dealer-Operator course prior to the end of the 90 day suspension. On November 13, 2013, Mr. McGeorge appealed for a formal hearing. On January 23, 2014, a formal hearing was conducted to address the above alleged violations. Based on the information provided at the hearing, the hearing officer recommended assessing a civil penalty if \$22,000, suspension, satisfactory inspection and to successfully complete the 2 day Dealer-Operator course.

A letter was received from Mr. McGeorge's attorney, William Lehner, requesting that the Board table this issue to the July meeting, due to his current health issues.

Motion was made by Steve Farmer to table this issue to the July meeting. Chip Lindsay seconded. The motion carried unanimously.

**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The next meeting was scheduled for July 14, 2014

The meeting adjourned.

Meeting Summary  
**Dealer Licensing Committee**  
Monday, May 12, 2014

Vice-Chairman Art Hudgins called the Dealer Licensing Committee meeting to order in Room 702 in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members Andy Alvarez, Ted Bailey, David Duncan, David Gripshover, Chip Lindsay and Jacques Moore. (Absent: Joe Tate and George Pelton). Other Board members present: Roy Boswell, Gardner Britt, Steve Farmer, Clayton Huber, Ronald Kody, Chris Maher, Rick Holcomb. Executive Director Bruce Gould, Frank McCormick, Peggy Bailey, Prin Cowan, Ann Majors and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The March 10, 2014 meeting summary was approved.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**OLD BUSINESS FROM THE FLOOR:**

There was no old business from the floor.

**NEW BUSINESS**

**Review and Action: Formal Hearing:**

- **Zaki M. Stwodah, The Auto Connection.** Historical overview leading up to the formal hearing: On September 5, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section(s) 46.2-1575(1) (Having made a material misstatement on a renewal application), 46.2-1575 (6) (Having used deceptive acts or practices) and 46.2-1575 (9) (Having been convicted of any criminal act involving the business of selling vehicles). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$4,000 and revocation of all licenses and certificates. The Board adopted a Resolution at the January 13, 2014 meeting to assess a civil penalty of \$3,000 and that all licenses and certificates issued by the Board to you should be revoked. On February 7, 2014, Mr. Stwodah's attorney appealed the Board's decision. On April 2, 2014, a formal hearing was conducted to address the above alleged violations. Based on the information provided at the hearing, the hearing officer recommended assessing a civil penalty of \$2,250 and a satisfactory inspection.

Motion was made by Andy Alvarez to accept the hearing officer's recommendation of assessing a civil penalty of \$2,250 and a satisfactory inspection. David Duncan seconded. The motion carried unanimously.

**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The next meeting was scheduled for July 14, 2014

The meeting adjourned.

Meeting Summary  
**Advertising Committee**  
Monday, May 12, 2014

Chairman Chip Lindsay called the Advertising Committee meeting to order in Room 702, DMV Headquarters, 2300 West Broad Street, Richmond, Virginia. Present were Committee members Andy Alvarez, Roy Boswell, David Duncan, Clayton Huber, Art Hudgins and Ronald Kody. (Absent: Brian Hutchens and Matt McQueen). Other Board members present: Ted Bailey, Gardner Britt, Steve Farmer, David Gripshover, Chip Lindsay, Chris Maher, Jacques Moore and Rick Holcomb. Executive Director Bruce Gould, Peggy Bailey, Frank McCormick, Prin Cowan, Ann Majors and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The March 10, 2014 meeting summary was approved.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**Update: Advertising Regulations.** Bruce Gould indicated that hopefully by the July Board meeting, the regulations will be approved.

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

**NEW BUSINESS**

The next meeting was scheduled for July 14, 2014.

**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The meeting adjourned.

Meeting Summary  
**Transaction Recovery Fund Committee**  
Monday, May 12, 2014

Chairman Ted Bailey called the Transaction Recovery Fund Committee meeting to order in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Andy Alvarez, Steve Farmer, David Gripshover, Ron Kody and Art Hudgins. (Absent: Brian Hutchens and Matt McQueen). Other Board members present: Roy Boswell, Gardner Britt, David Duncan, Clayton Huber, Chip Lindsay, Chris Maher, Jacques Moore and Rick Holcomb. Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Frank McCormick, Ann Majors and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The March 10, 2014 summary was approved.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

**NEW BUSINESS**

**NEW BUSINESS FROM THE FLOOR**

The next meeting was scheduled for July 14, 2014.

The meeting adjourned.