

Meeting Summary  
**Motor Vehicle Dealer Board**  
Monday, May 13, 2019

Chairman Rick Holcomb called the Dealer Board meeting to order at 12:04 p.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. The roll was called and there were 15 Board members present. Present were Ted Bailey, Dan Banister, Michael Bor, David Duncan, Steve Farmer, Rob Fisher, Randy Harris, Ron Kody, Chris Maher, Geoff Malloy, Matt McQueen, Senior Saghafi, Don Sullivan and Joe Tate. (Absent: Liza Borches, Gardner Britt, Maurice Slaughter). Executive Director William Childress, Peggy Bailey, Lisa Mack-Nelson, Wanda Neely and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's Office. Alice Weedon was the recording secretary.

**PUBLIC COMMENT**

There was no public comment.

**The March 11, 2019 meeting summary was approved.**

**STATUTORY COMMITTEE REPORTS**

**Dealer Practices Committee:**

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

**Insurance/Dealer Plates – Chris Maher.** Chris indicated that this issue is tabled until the September Board meeting for further study.

**Whitten Brothers, Inc. and Robert G. Whitten.** Committee Chairman 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 Whitten Brothers, Inc., and Robert Whitten for alleged violations of Va. Code section §46.2-1537. Based on due consideration, the Board believes that the following actions should be taken against Whitten Brothers, Inc., and Robert Whitten: Assessed a civil penalty of \$1,000.00. The Board mandates that Robert Whitten hereby be assessed a civil penalty of \$1,000.00.

Matt McQueen seconded. All in favor: 9 (Banister, Bor, Duncan, Fisher, Maher, Malloy, McQueen, Saghafi, Sullivan). Opposed: 6 (Bailey, Farmer, Harris, Kody, Tate, Holcomb) The motion carried.

**NOTE:** A substitute motion was made by Randy Harris to assess a civil penalty of \$5,000. Joe Tate seconded. All in favor: 6 (Bailey, Farmer, Harris, Kody, Tate, Holcomb). Opposed: 9 (Banister, Bor, Duncan, Fisher, Maher, Malloy, McQueen, Saghafi, Sullivan). The motion failed.

**Blue Ridge Division and Terry L. Dotson.** Committee Chairman 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 Blue Ridge Division and Terry Dotson for alleged violations of Va. Code sections §46.2-1529 and 46.2-1537. Based on due consideration, the Board believes that the following actions should be taken against Blue Ridge Division and Terry Dotson: Assessed a civil penalty of \$1,750. The Board mandates that Terry Dotson hereby be assessed a civil penalty of \$1,750.00.

Chris Maher seconded. The motion carried unanimously.

**MVP Automotive and Yunpeng Wang.** Committee Chairman 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 MVP Automotive and Yunpeng Wang for alleged violations of Va. Code sections §46.2-1529, 46.2-1533 and 46.2-1537. Based on due consideration, the Board believes that the following actions should be taken against MVP Automotive and Yunpeng Wang: Assessed a civil penalty of \$1,000.00; and MVP Automotive shall be inspected by a Motor Vehicle Dealer Board field representative by August 13, 2019 and that inspection shall be satisfactory. The Board mandates that Yunpeng Wang hereby be assessed a civil penalty of \$1,000.00 and the MVP Automotive dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before August 13, 2019. Failure to comply with the Board's mandates by the required dates will result in the suspension of all licenses and certificates issued by the Board until such time the MVP Automotive dealership and Yunpeng Wang successfully complies with the Board's mandates.

Matt McQueen seconded. The motion carried unanimously.

**Pro Automotive and Kahsay Areki.** Committee Chairman 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 Pro Automotive and Kahsay Areki for alleged violations of Va. Code sections §46.2-1533 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against Pro Automotive and Kahsay Areki: Assessed a civil penalty of \$750.00 civil penalty; and Pro Automotive shall be inspected by a Motor Vehicle Dealer Board field representative by August 13, 2019 and that inspection shall be satisfactory. The Board mandates that Kahsay Areki hereby be assessed a civil penalty of \$750.00 and the Pro Automotive dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before August 13, 2019. Failure to comply with the Board's mandates by the required dates will result in the suspension of all licenses and certificates issued by the Board until such time the Pro Automotive dealership and Kahsay Areki successfully complies with the Board's mandates.

Joe Tate seconded. The motion carried unanimously.

**Prosperity Auto Sales and Faisal Chaudhry.** Committee Chairman 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 Prosperity Auto Sales and Faisal Chaudhry for alleged violations of Va. Code sections §46.2-1528, 46.2-1529, 46.2-1533 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against Prosperity Auto Sales and Faisal Chaudhry: Assessed a civil penalty of \$1,000.00 civil penalty; and Prosperity Auto Sales shall be inspected by a Motor Vehicle Dealer Board field representative by July 13, 2019 and that inspection shall be satisfactory. The Board mandates that Faisal Chaudhry hereby be assessed a civil penalty of \$1,000.00 and the Prosperity Auto Sales dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before July 13, 2019. Failure to comply with the Board's mandates by the required dates will result in the suspension of all licenses and certificates issued by the Board until such time the Prosperity Auto Sales dealership and Faisal Chaudhry successfully complies with the Board's mandates.

Rob Fisher seconded. All in favor: 13 (Holcomb, Bailey, Banister, Bor, Duncan, Farmer, Fisher, Harris, Kody, Malloy, McQueen, Saghafi and Don Sullivan). Opposed: 2 (Maher and Tate). The motion carried.

**Simms Motors, LLC and Jamal D. Simms.** Committee Chairman 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 Simms Motors, LLC and Jamal Simms for alleged violations of Va. Code sections §46.2-1533 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against Simms Motors and Jamal Simms: Assessed a civil penalty of \$750.00; and Simms Motors shall be inspected by a Motor Vehicle Dealer Board field representative by August 13, 2019 and that inspection shall be satisfactory. The Board mandates that Jamal Simms hereby be assessed a civil penalty of \$750.00 and the Simms Motors dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before August 13, 2019. Failure to comply with the Board's mandates by the required dates will result in the suspension of all licenses and certificates issued by the Board until such time the Simms Motors dealership and Jamal Simms successfully complies with the Board's mandates.

Senior Saghafi seconded. All in favor: 14 (Bailey, Banister, Bor, Duncan, Farmer, Fisher, Harris, Kody, Maher, Malloy, McQueen, Saghafi, Sullivan, Tate). Rick Holcomb did not feel comfortable voting so he abstained. The motion carried.

**Premium Motors, Inc. and Khalid Majeed.** Committee Chairman 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 Premium Motors, Inc., and Khalid Majeed for alleged violations of Va. Code sections §46.2-1528, 46.2-1529, 46.2-1533 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against Premium Motors and Khalid Majeed: Assessed a civil penalty of \$3,000 civil penalty; and Premium Motors shall be inspected by a Motor Vehicle Dealer Board field representative by August 13, 2019 and that inspection shall be satisfactory. The Board mandates that Khalid Majeed hereby be assessed a civil penalty of \$3,000 and the Premium Motors dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before August 13, 2019. Failure to comply with the Board's mandates by the required dates will result in the suspension of all licenses and certificates issued by the Board until such time the Premium Motors dealership and Khalid Majeed successfully complies with the Board's mandates.

Joe Tate seconded. The motion carried unanimously.

**Xceleration Auto Sales and Hatim Abed.** Committee Chairman 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 \$2,000.00 civil penalty against Xceleration Auto Sales and Hatim Abed. Hatim Abed appealed the Board's decision and requested a formal hearing that was conducted on February 22, 2019. The Board has reviewed and considered the facts and evidence and the report of a formal hearing as prepared by the hearing officer concerning Xceleration Auto Sales and Hatim Abed for alleged violations of Va. Code section §46.2-1547 and 46.2-1575 (18). Based on due consideration, the Board believes that the following actions should be taken against Xceleration Auto Sales, LLC and Hatim Abed: Assessed a civil penalty of \$2,000.00. The Board mandates that Xceleration Auto Sales and Hatim Abed hereby be assessed a civil penalty of \$2,000.00.

Joe Tate seconded. The motion carried unanimously.

### **Licensing Committee**

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

**Supplemental Sales License – Ron Kody.** Ron summarized what was discussed in the Licensing Committee.

Motion was made by Joe Tate to adopt the recommendations that were presented during Licensing. Rob Fisher seconded. The motion carried unanimously.

**Yonnie H. Christo, Jr. Sales Applicant.** Committee Chairman Joe Tate 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 Yonnie Christo Jr., for alleged violations of Va. Code section §46.2-1575 (6) and (13). Based on due consideration, the Board believes the following actions shall be taken against Yonnie Christo, Jr.: Denied salesperson application. The Board mandates that Yonnie Christo, Jr., is hereby denied a salesperson application.

Rob Fisher seconded. The motion carried unanimously.

### **Advertising Committee**

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

**Advertising via Social Media.** Motion was made by David Duncan to adopt the recommendations that were presented during Advertising. Joe Tate seconded. The motion carried unanimously.

**Five Star Motors, LLC and Lener Paz Garcia.** Committee Chairman David Duncan 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 Five Star Motors, LLC and Lener Garcia for alleged violations of Va. Code sections §46.2-1535, 46.2-1575 (2) and 46.2-1581 (8). Based on due consideration, the Board believes that the following actions should be taken against Five Star Motors and Lener Garcia: Assessed a civil penalty of \$1,000.00 civil penalty. The Board mandates that Lener Garcia hereby be assessed a civil penalty of \$1,000.00.

Rob Fisher seconded. The motion carried unanimously.

### **Transaction Recovery Fund Committee:**

Committee Vice Chairman Malloy summarized discussions held and actions that were taken during the Committee Meeting.

**Revisit: Saquan Branch vs. Lifestyle Motor Group.** Historical Overview: At the January 28, 2019 Board meeting Committee Chairman Maher summarized for the Board the discussion held in the committee meeting regarding Sequan J. Branch vs. Lifestyle Motor Group. Based on that discussion and the recommendations in this case, Committee Chairman Maher made the following motion: Pursuant to Section §46.2-1527.1 et seq. of the Code of Virginia, which is known as the Motor Vehicle Transaction Recovery Fund (“Fund”), the Board has reviewed and considered claims submitted for payment from the Fund, and the recommendation of the Hearing Officer on the claim. Based on due consideration and recommendation of the Hearing Officer, the Board believes the following claim should be payable from the Fund:

**Sequan J. Branch vs. Lifestyle Motor Group \$4,059.00**

Rob Fisher seconded. The motion carried unanimously.

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

**Ashton See & Kevin Banks vs. Budget Auto Sales, Inc.** – Committee Chairman Maher summarized for the Board the discussion held in the committee meeting regarding Ashton See and Kevin Banks vs. Budget Auto Sales, Inc. Based on that discussion and the recommendations in this case, Chairman Maher made the following motion: Pursuant to Section §46.2-1527.1 et seq. of the Code of Virginia, which is known as the Motor Vehicle Transaction Recovery Fund (“Fund”), the Board has reviewed and considered claims submitted for payment from the Fund, and the recommendation of the Hearing Officer on the claim. Based on due consideration and recommendation of the Hearing Officer, the Board believes the following claim should be payable from the Fund.

David Phillips of Budget Auto Sales was present and spoke on his own behalf.

**Ashton See & Kevin Banks \$9,133.92**

Rob Fisher seconded. The motion carried unanimously.

**Randy Pinocci vs. The Car Man of Richmond, LLC** – Committee Chairman Maher summarized for the Board the discussion held in the committee meeting regarding Ashton See and Kevin Banks vs. The Car Man of Richmond, LLC. Based on that discussion and the recommendations in this case, Chairman Maher made the following motion: Pursuant to Section §46.2-1527.1 et seq. of the Code of Virginia, which is known as the Motor Vehicle Transaction Recovery Fund (“Fund”), the Board has reviewed and considered claims submitted for payment from the Fund, and the recommendation of the Hearing Officer on the claim. Based on due consideration and recommendation of the Hearing Officer, the Board believes Mr. Pinocci’s claim should be tabled until the July 2019 Board meeting.

Rob Fisher seconded. The motion carried unanimously.

**OLD BUSINESS**

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

## **NEW BUSINESS**

**At Your Pace Online – Ryan Imel.** Mr. Imel indicated that his company would like to be a vendor for the online Independent Dealer-Operator recertification program. Mr. Imel gave the Board a short presentation about his company. William Childress informed the Board that At Your Pace's Online recertification program did meet Virginia's requirements. Rick Holcomb requested information from the staff regarding the numbers each current vendor is doing monthly/annually with the independent dealer-operators. He also inquired of the Dealer associations to see if salespersons should have some type of recertification program as well. Mr. Imel's request was tabled.

## **EXECUTIVE DIRECTOR'S REPORT:**

William Childress openly asked all to continue to work with the Board staff and to feel free to share their perspectives. He assured all that the Board staff is doing the best possible given the information on hand at the time. William stressed that the Board staff is open to and willing to engage in conversations at all times. Working together is how we will get things accomplished, not against each other.

**NEW BUSINESS FROM THE FLOOR** – There was no new business from the floor.

The next Full Board meeting will be July 8, 2019.

There being no further business to come before the Motor Vehicle Dealer Board, Chairman Holcomb adjourned the meeting at 1:34 p.m.