

February 2020  
Volume 23, Issue 132

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**CONTACT US**

2201 W. BROAD ST.  
SUITE 104  
RICHMOND, VA  
23220

[dboard@mvdb.virginia.gov](mailto:dboard@mvdb.virginia.gov)

[www.mvdb.virginia.gov](http://www.mvdb.virginia.gov)

**William Childress,**  
Executive Director  
**Peggy Bailey,**  
Program Manager  
**Lisa Mack-Nelson,**  
Field Rep. Supervisor  
804-367-1100

**MOTOR VEHICLE DEALER BOARD**



***MVDB 58***

The MVDB 58 is a self inspection checklist that is enclosed in each dealership's renewal package. The purpose of this checklist is to help with the dealer's overall business operations. Keeping in compliance with these items listed within the MVDB 58 will better prepare you for a satisfactory rating on your next MVDB Inspection. Many of the violations and assessed civil penalties dealers encounter could be avoided if **the dealer takes the time to review the MVDB 58**. The MVDB 58 covers areas such as liability insurance, business hours, processing fees, salesperson licenses, advertising and record keeping requirements. The Owner or Dealer-Operator should review each item, initial, and sign that the items have actually been validated. Be sure to return the MVDB 58 checklist with your renewal application; and as with most MVDB correspondence, the Board recommends you make a copy for your records. Remember, this form is a certification. As the dealer operator, you are certifying that you have **personally reviewed each of the items** and your signature of certification may be used as proof that you are aware of your dealership's obligations to the Board's business requirements.

***Maintain Business Hours***

As a licensed Virginia dealer you are expected to maintain your posted business hours. Over the past few months we have encountered an increase in the number of dealers not meeting this requirement.

In March of 2018 the Board, out of concern for consumers, the industry's reputation, and the dealership success, directed the MVDB staff to implement the following actions regarding Virginia Code §46.2-1533 violations:

- 1 st 1533 violation: Dealer receives an educational warning (email or letter notification).
- 2 nd violation, a \$750 civil penalty (if appealed, granted an informal hearing).
- 3 rd violation, the dealer will be advised of an informal hearing on §46.2-1533 violation, Failure to maintain Business Hours.

Anytime your dealership is closed, you must notify the MVDB by email ([dboard@mvdb.virginia.gov](mailto:dboard@mvdb.virginia.gov)) or fax (804 -367-1053). Submit the closing date and time as well as the return date and time by completing a MVDB 40, Dealership Notice of Temporary Closing (03/01/2018) or an alternative notice with the required



*Cont'd from pg. 1*

## *Upcoming EVENTS*

### **BOARD MEETINGS**

All Meetings are held at DMV Headquarters  
2300 W. Broad Street, Room 702  
Richmond, VA

**Monday, March 9, 2020**

#### **Dealer Practices Committee Meeting**

**Time: 9:00 a.m.**

#### **Licensing Committee Meeting**

Time: Immediately following Dealer Practices Committee

#### **Advertising Committee Meeting**

Time: Immediately following Licensing Committee

#### **Transaction Recovery Fund Committee Meeting**

Time: Immediately following Advertising Committee

#### **Full Board Meeting**

**Time: 10:00 a.m.** or 5-15 minutes immediately following Transaction Recovery Fund Committee meeting.

## ***MVDB will be closed***

◆ **Monday February 17, 2020**



## ***Maintain Business Hours***

information. The MVDB 40 or alternative notice is to be posted in close proximity to the dealership's front entrance so that it is visible to the public. Dealers closing within 24 hours or less are encouraged to text or call their local field representative in addition to submitting the required information to the MVDB.

As always, when communicating with the Board, be sure the Board has the most current and valid contact information for the dealership and dealer-operator. If we need to contact you, please be sure the Board has an email that is frequently monitored, and a phone number that is answered or has a working voice mail so that the Board may leave a message.

## ***Did You Know?***

When the dealer submits an MVDB 9 Dealer Plate Application to the Board to renew, replace or increase the number of dealer tags assigned to their dealership, **the dealer must submit a copy of their Certificate of Liability Insurance** with their MVDB 9 application. Board staff will review the Certificate of Liability Insurance to determine if the policy coverage includes the dealer plates that are already issued, and the plates to be issued. If it is determined that the insurance coverage is adequate to cover all plates, then the plates will be issued. All copies of Certificates of Liability Insurance or other documents pertaining to insurance will be updated in the dealer's profile, and placed in the dealer's file. A copy of your certificate of Liability Insurance is required to be kept at your dealership and is a part of your dealer records.

## ***Important Notice!***

Please be sure to check your spam folder frequently to ensure you have not missed important communication from the Board. Our new 3rd party email distributor is called SendPulse. Be sure to place SendPulse.com into your "trusted" sites in your email provider settings.

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## *Top FTC Frauds of 2019*

Each year, the FTC takes a hard look at the number of reports people make to our Consumer Sentinel Network. In fact, during 2019, we got more than 3.2 million reports to the FTC from you. We've read what you've said, and crunched the numbers. Here's what you told us in 2019.

**Imposter scams was the number one fraud reported to Sentinel in 2019.** It was reported that more than \$667 million was lost to imposters, who often pretended to be calling from the government or a well-known business, a romantic interest, or a family member with an emergency. When money was lost, the most frequently reported scam was paying scammers with a gift card.

**Social Security imposters were the top government imposter scam reported.** There were 166,190 reports about the Social Security scam, and the median individual loss was \$1,500.

**Phone calls were the number one way people reported being contacted by scammers.** While most people said they hung up on those calls, those who lost money reported a median loss of \$1,000 in 2019.

You might wonder what, besides these numbers, comes out of reporting scams and other consumer issues to the FTC. Well, because of your reports, the FTC and its law enforcement partners are able to investigate the people and companies that trick people into paying money. Your reports help build and bring those cases, which also helps us enforce laws that stop scams and other dishonest business practices that take people's money.

In fact, during 2019, FTC law enforcement actions led to more than \$232 million in refunds to people who lost money. More than 1.9 million people cashed checks mailed by the FTC. And, in the last four years, people have cashed more than one billion dollars in FTC refund checks. That's real money back into people's pockets.

So if you've spotted a scam, keep telling us about it at [ftc.gov/complaint](https://ftc.gov/complaint). If you need more information about these top frauds, visit [ftc.gov/imposters](https://ftc.gov/imposters), and [ftc.gov/giftcards](https://ftc.gov/giftcards).

## *FTC Small Business Scams*

Opening a business requires planning, elbow grease, and probably some paperwork to register your new company with your state or local government. And that's where some not-so-honest outfits may try to confuse you into thinking they're from the government and that you need to pay money to complete your registration. Their mailings look like an official bill for documents to complete your registration – and may even include what looks like a government seal. To convince you it's legit, the mailer may include your business identification number. To get you to pay, the mailer claims that you need to hurry up and pay or you could be in legal hot water.

But here's the thing: the people behind the mailers are not from the government and you probably don't need the paperwork they're talking about, at least not to complete your registration. At best, you'll get overcharged. At worst, they could be scammers who steal your money or account information. What can you do to steer clear of these schemes?

**Spread the word.** The best defense is to be sure everyone at your workplace knows about this scam and how it works. Scammers often target several people in an organization to create confusion. Are you part of a business networking group or service organization? Help your fellow businesspeople and fill them in on these schemes.

**Check all invoices closely.** Be sure that you have clear procedures to approve expenditures, and that major spending can't be triggered by an unexpected call, email, or invoice. If you get one of these mailers, you may need to check in with the people on your staff who are responsible for filing legal documents with the state.

**Pay attention to how you pay.** If someone tells you to pay with a wire transfer, reloadable card, gift card, or bitcoin, you can bet it's a scam.

If you spot practices like this, we want to hear about it. Tell us at [ftc.gov/complaint](https://ftc.gov/complaint).

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## *DMV News*

### **Auto Auctions Processing Dealer Work**

As of January 1, 2020, all dealers will no longer be permitted to process dealer work in DMV's Customer Service Centers and DMV Dealer Centers. This includes all Virginia dealers, out of state dealers and dealer work being presented by a title agent to be processed on behalf of a dealer. In addition, if you are an independent dealer and have sold over 100 or more vehicles annually, you are required to become an online dealer.

Dealer work can either be dropped off or mailed to one of the locations listed below. The work will be processed within 5 business days of the date it is received. Since mailing time frames will vary, the DMV recommends that dealers send all mail utilizing a tracking number. Be sure to provide a pre-paid self-addressed envelope if you want the dealer work mailed back to your dealership, or you may pick up the work. Dealers that were not mandated to process work online are permitted to have their work processed by a DMV select office.

#### **LOCATIONS:**

- Manheim Fredericksburg, 120 Auction Drive, Fredericksburg, VA 22406
- Manheim Harrisonburg, 3560 Early Road, Harrisonburg, VA 22801
- DMV Military Circle Dealer Center, 5745 Poplar Hall Drive, Norfolk, VA 23502-3813 (temporary)

Want to be an online dealer? Visit DMV's website to get more information on how to be an online dealer <https://www.dmv.virginia.gov/commercial/#odealer/index.asp>.

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## *Electronic Social Security Number Verification*

The Social Security Administration announced the first potential group of selected participants for its new electronic Consent Based Social Security Number (SSN) Verification (eCBSV) service. The agency will roll out the service to a few users in June 2020, and plans on expanding the number of users within approximately six months of the initial rollout. A few of these selected financial institution participants are Capital One, Discover, Experian, Navy Federal, and Synchrony Financial.

"Our new electronic SSN verification service will help to reduce synthetic identity fraud by comparing data provided electronically by approved participants with the agency's records," said Andrew Saul, Commissioner of Social Security. "This will provide fast, secure, and more efficient SSN verifications for the financial services industry and customers using their services."

## **Reminders...**

**ALL IDO's of independent dealerships must recertify their IDO qualification every three years by either taking an online course, classroom course, or by passing an administered DMV test. Click [HERE](#) for more information and [HERE](#) to determine your recertification deadline. Please note that dealers with [Franchise](#) endorsements are exempt from recertification. If you are unclear on your recertification deadline, or any other recertification questions, please contact Ann Majors at the MVDB. She may be reached at 804-367-1100 x 3016#, or email at [ann.majors@mvdb.virginia.gov](mailto:ann.majors@mvdb.virginia.gov)**



# Board Actions

## Dealer Practices

### Informal fact-finding conferences:

**Virgin Ventures and Daniel Edjiman** – On October 21, 2019, an informal fact-finding conference was conducted to address the alleged violations of having used deceptive acts and practices. Based on the information provided at the conference, the Board assessed a \$250 civil penalty. Mr. Edjiman may appeal to a Formal Hearing.

**Wholesale Auto Export and Samei A. Bakheit** – On October 23, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain posted business hours, and failure to comply with previous written warnings. Based on the information provided at the conference, the board assessed a civil penalty of \$750. Mr. Bakheit may appeal to a Formal Hearing.

**Gaby A. Touma, GN Auto, LLC** – On October 17, 2019, an informal fact-finding conference was conducted to address the alleged violations of acts of officers, and defrauding a retail buyer. Based on the information provided at the conference, the Board assessed a civil penalty of \$5,000, and revocation of all licenses and qualifications issued by the Board. Mr. Touma may appeal to a Formal Hearing.

**Contigo Auto Sales, LLC and Rosemarie LeBron** – On November 12, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to have liability insurance on each D-tag. Based on the information provided at the conference, the Board assessed a \$500 civil penalty, successful completion of the 2-day dealer-operator course, and a satisfactory inspection. Ms. LeBron may appeal to a Formal Hearing.

**Universal Motorsports, LLC and Timothy Pulliam** – On October 28, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain dealer records, and comply with previous written warnings. Based on the information provided at the conference, the Board assessed a civil penalty of \$1,000, a satisfactory inspection, and successful completion of the 2-day dealer-operator course. Mr. Pulliam may appeal to a Formal Hearing.

**Automax of Virginia, Inc. and Barry J. Adenauer** – On November 21, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain posted business hours, and comply with previous written warnings. Based on the information provided at the conference, the Board assessed a \$1,500 civil penalty and a satisfactory inspection. Mr. Adenauer may appeal to a Formal Hearing.

**USAuto Center and Igor Coada** – On November 20, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain dealer records, proof of safety inspection prior to retail sale, and failure to comply with previous written warnings. Based on the information provided at the conference, the Board assessed a \$750 civil penalty. Mr. Coada may appeal to a Formal Hearing.

**Silver Motors, LLC and Amare Awoke** – On December 12, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain posted business hours, and comply with previous written warnings. Based on the information provided at the conference, the Board assessed a civil penalty of \$1,750, a satisfactory inspection, and successful completion of the 2-day dealer-operator course. Mr. Awoke may appeal to a Formal Hearing.

**TJ Auto Sales, LLC and Taimur Khan** – On December 17, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain posted business hours, and comply with previous written warnings. Based on the information provided at the conference, the Board assessed a \$750 civil penalty. Mr. Khan may appeal to a Formal Hearing.

**Select Imports, LLC and William J. Gurdin** – On December 16, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain posted business hours, and comply with previous

*Cont'd on pg. 6*

# Board Actions

warnings. Based on the information provided at the conference, the Board requires a satisfactory inspection on or before April 13, 2020. Mr. Gurdin may appeal to a Formal Hearing.

**Kingdom Automotive, LLC and Edward C. Kamande** – On November 26, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain posted business hours and comply with previous written warnings. Based on the information provided at the conference, the Board assessed a \$1,000 civil penalty and a satisfactory inspection. Mr. Kamande may appeal to a Formal Hearing.

**Mike and Rand, LLC and Majed Kasem** – On December 3, 2019, an informal fact-finding conference was conducted to address the alleged violations of failure to maintain liability insurance on each D-tag. Based on the information provided at the conference, the Board issued a written warning. Mr. Kasem may appeal to a Formal Hearing.

## Administrative Actions:

**Carisma Motors, LLC and Husam Abdelaziz.** Paid a \$250 civil penalty for failing to maintain posted business hours.

**Copa Mundo Auto, Inc. and Oscar Salazar.** Paid a \$250 civil penalty for failure to maintain dealer records and proof of safety inspection prior to retail sale.

**Sky Motors, LLC and Mazhar Khan.** Paid a \$250 civil penalty for failure to maintain dealer records and proof of safety inspection prior to retail sale.

**First Choice Cars, LLC and Marvin Bowles, Jr.** Paid a \$2,500 civil penalty for failure to maintain dealer records, proof of safety inspection prior to retail sale, and liability insurance on each D-tag.

**KMJ Used Auto Sales and Keith M. Jones.** Sent to debt set-off due to failure to pay a \$750 civil penalty for failure to maintain posted business hours.

**The Boulevard Car Lot and Brenda G. Lewis.** Paid a \$5,500 civil penalty for failure to maintain dealer records, salespersons acting as independent contractors, and liability insurance on each D-tag.

**A-1 Auto Sales & 24 Hour Towing, LLC and Terry King.** Paid a \$750 civil penalty for failure to maintain dealer records, copies of titles for completed sales, proof of safety inspection prior to retail sale, odometer records, and misuse of D-tags.

**Trader Ricks, LLC and Par & Deborah Barnikow.** Paid a \$750 civil penalty for failure to maintain dealer records, and proof of safety inspection prior to retail sale.

**Wright Auto Sales and Jacob Wright.** Paid a \$250 civil penalty for failure to maintain dealer records, and proof of safety inspection prior to retail sale.

**Dennis' Auto Sales and Dennis Kappatos.** Paid a \$4,000 civil penalty for failure to maintain dealer records, and salespersons acting as independent contractors.

**Stokes Automotive and Irby Stokes, Jr.** Paid a \$250 civil penalty for failure to maintain dealer records, and proof of safety inspection prior to retail sale.

**Gcarz, LLC and Kevin Gillespie.** Sent to debt set-off for failure to pay a \$250 civil penalty for failure to maintain dealer records.

**Ace Auto Sales, LLC and Stephanie M. Knight.** Paid a \$2,400 civil penalty for failure to maintain liability insurance on each D-tag.

**Full Circle Automotive Group, LLC and Jerrell Rashawn Bailey.** Paid a \$14,400 civil penalty for failure to

# Board Actions

maintain dealer records, and misuse of D-tags, and proof of safety inspection prior to retail sale.

**Auto Discounters and Paul John Rubis.** Paid a \$250 civil penalty for failure to maintain dealer records, and proof of safety inspection prior to retail sale.

**Car-Fi, Inc. and Amjad Adnan Barqawi & Abdallah Amjad Barqawi.** Paid a \$250 civil penalty for failure to maintain dealer records, and salespersons acting as independent contractors.

**RV Outlet USA, Inc. and Larry J. Merricks.** Paid a \$500 civil penalty for selling from an unlicensed location.

**Elite Auto and Finance, LLC and Andrew L. Cooper.** Paid a \$250 civil penalty for failure to maintain dealer records, and salespersons acting as independent contractors.

**Joecad Automotive, LLC and Rita & Kofi Domfeh.** Paid a \$250 civil penalty for failure to maintain dealer records.

## Licensing

### Informal fact-finding conferences

**Jacob M. Brown, Sales Applicant** - On November 13, 2019, an informal fact-finding conference was conducted to address the alleged violations of having used deceptive acts and practices. Based on the information provided at the conference, the Board denied the salesperson application. Mr. Brown may appeal to a Formal Hearing.

For prior issues of Dealer Talk click [HERE](#)

## 2019 Vehicle Sales

2019 - Light Vehicle and Total Vehicle Sales				
	Autos -- seasonally adjusted at annual rates (Millions)	Light Trucks -- seasonally adjusted at annual rates (Millions)	Light Total -- seasonally adjusted at annual rates (Millions)	Total -- seasonally adjusted at annual rates (Millions)
January	5.254	11.456	16.7	17.2
February	4.766	11.753	16.5	17.0
March	4.938	12.321	17.3	17.8
April	4.787	11.697	16.5	17.0
May	4.814	12.572	17.4	17.9
June	4.890	12.288	17.2	17.7
July	4.655	12.221	16.9	17.4
August	4.557	12.416	17.0	17.5
September	4.614	12.534	17.1	17.7
October	4.336	12.184	16.5	17.0
November	4.478	12.608	17.1	17.5
December	4.540	12.160	16.7	17.2

# IMPORTANT NOTICE TO PROSPECTIVE DEALERS

The path to a Dealer-Operator license begins with a required two-day course of study each month at various community colleges in Virginia with the curriculum and instruction provided by VIADA. The course takes the attendee from establishing the dealership under local zoning and Dealer Board requirements, through the sales process with its multitude of forms, laws and regulations, into a sampling of opening and operating expenses, and ending with a discussion on ethics. The course is also open to all existing dealers and their employees.

## THE FOLLOWING COURSES ARE REGISTERED THROUGH VIADA,

CALL 1-800-394-1960 to register or visit [viada.org](http://viada.org)

### 2020

<b>February 11 &amp; 12</b>	<b>Thomas Nelson Community College, Hampton</b>
	600 Butler Farm Rd., Hampton, VA 23666
<b>February 25 &amp; 26</b>	<b>Comfort Inn – Monticello, Charlottesville</b>
	2097 Inn Dr., Charlottesville, VA 22911
<b>March 10-11</b>	<b>New River Community College - Christiansburg - NRV Mall site</b>
	Suite 400 Room 142
	782 New River Road, NW, Christiansburg, VA 24073
<b>March 24-25</b>	<b>Community College Workforce Alliance at Reynolds Community College</b>
	1651 East Parham Rd, Henrico, VA 23228
<b>April 7-8</b>	<b>Comfort Suites - Manassas</b>
	7350 Williamson Blvd, Manassas, VA 20109
<b>May 5-6</b>	<b>Danville Community College, Danville</b>
	121 Slayton Ave, Danville, VA 24541
<b>May 19-20</b>	<b>Comfort Inn – Monticello, Charlottesville</b>
	2097 Inn Dr., Charlottesville, VA 22911



Please click [HERE](#) or on the graphic on the left to view our Dealership Education videos!

More videos will be uploaded on an ongoing basis, so stay informed and receive notifications when new videos are released. The MVDB Education video library will eventually cover a wide range of topics that Dealerships can use to remain compliant with Virginia Code.

You may also access these videos from a link on our website Home page.

BE SURE TO SUBSCRIBE TO OUR [MVDB CHANNEL!](#)



# MOTOR VEHICLE DEALER BOARD

MVDB

2201 W. Broad Street Suite 104

Richmond, VA 23220

Phone: 804-367-1100

Fax: 804-367-1053

E-mail: [dboard@mvdb.virginia.gov](mailto:dboard@mvdb.virginia.gov)

Editor: Ann Majors

Visit us on the Web!

[www.mvdb.virginia.gov](http://www.mvdb.virginia.gov)

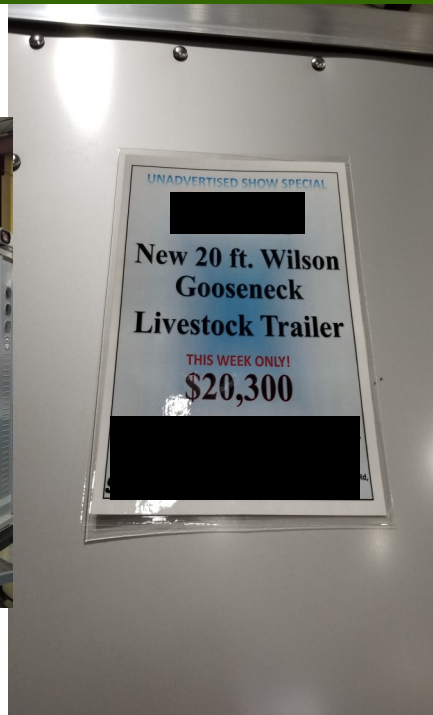
**DISCLAIMER:** We make every effort to ensure information in Dealer Talk is accurate, but it is not a substitute for legal advice.



## MVDB Mission Statement

The Motor Vehicle Dealer Board will administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations as charged; promote the best interest of both the automotive consumer and dealer community; while providing a high level of customer service.

## What's Wrong With This Picture?



The picture on the left is an example of a "Motor vehicle show" as defined in §46.2-1500. A "show" is a location to display motor vehicles to the general public at a location other than the licensed location. Dealers may NOT offer vehicles for sale at a "show", but only display the vehicles.

The picture on the right clearly shows that this vehicle is being offered for sale; therefore this dealer is in violation of §46.2-1516. If you plan to sell motor vehicles at an off-site sale, you must first apply for a Supplemental Sales License issued by the Board. To read the entire law, click [HERE](#)