

Meeting Summary  
**Motor Vehicle Dealer Board**  
Monday, January 28, 2019

Chairman Rick Holcomb called the Dealer Board meeting to order at 11:26 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. The roll was called and there were 13 Board members present. Present were Ted Bailey, Dan Banister, Gardner Britt, Steve Farmer, Rob Fisher, Randy Harris, Ron Kody, Chris Maher, Geoff Malloy, Senior Saghafi, Maurice Slaughter and Joe Tate. (Absent: Michael Bor, Liza Borches, David Duncan and Matt McQueen). Executive Director William Childress, Peggy Bailey, Lisa Mack-Nelson, Wand 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 November 5, 2018 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.

**Dixie Motorsports, Inc. and Wendy L. Murray.** 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 Dixie Motorsports and Wendy Murray 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 Dixie Motorsports and Wendy Murray: Assessed a civil penalty of \$750.00; Dixie Motorsports shall be inspected by a Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory; and issued a written warning for VA Code Section § 46.2-1575 (2). The Board mandates that Wendy Murray hereby be assessed a civil penalty of \$750.00, issued a written warning regarding § 46.2-1575 (2) and the Dixie Motorsports dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before April 28, 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 Wendy Murray successfully complies with the Board's mandates.

Joe Tate seconded. The motion carried unanimously.

**Xceleration Auto Sales, LLC and Hatim Abed.** 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 Xceleration Auto Sales and Hatim Abed for alleged violations of Va. Code sections §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 and Hatim Abed: Assessed a civil penalty of \$2,000.00. The Board mandates that Hatim Abed hereby be assessed a civil penalty of \$2,000.00.

Rob Fisher seconded. The motion carried unanimously.

**Kingdom Kars Auto Sales, LLC and Michael B. Hathaway.** 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 Kingdom Kars Auto Sales and Michael Hathaway for alleged violations of Va. Code sections §46.2-1529, 46.2-1547 and 46.2-1575 (1). Based on due consideration, the Board believes that the following actions should be taken against Kingdom Kars Auto Sales and Michael Hathaway: Assessed a civil penalty of \$4,000.00 and Kingdom Kars Auto Sales shall be inspected by a Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory. The Board mandates that Michael Hathaway hereby be assessed a civil penalty of \$4,000.00 and the Kingdom Kars Auto Sales dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before April 28, 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 Michael Hathaway successfully complies with the Board's mandates.

Joe Tate seconded. The motion carried unanimously.

**17 Auto Sales & Repair, LLC and Derrick W. Washington.** 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 17 Auto Sales & Repair and Derrick Washington for alleged violations of Va. Code sections §46.2-1575 (6) and (9). Based on due consideration, the Board believes that the following actions should be taken against 17 Auto Sales & Repair and Derrick Washington: Assessed a civil penalty of \$500.00. The Board mandates that Michael Hathaway hereby be assessed a civil penalty of \$500.00.

Steve Farmer seconded. The motion carried unanimously.

**Enterprise Automotive Financial, LLC and Jassam M. Sarhan.** 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 Enterprise Automotive Financial and Jassam Sarhan for alleged violations of Va. Code sections §46.2-1533 and 46.2-1575 (1). Based on due consideration, the Board believes that the following actions should be taken against Enterprise Automotive Financial and Jassam Sarhan: Assessed a civil penalty of \$1,500.00, Enterprise Automotive Financial shall be inspected by a Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory and Jassam Sarhan shall successfully complete the dealer-operator course by July 28, 2019. The Board mandates that Jassam Sarhan hereby be assessed a civil penalty of \$1,500.00, and the Enterprise Automotive Financial dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before April 28, 2019, and Jassam Sarhan shall successfully complete the dealer-operator course by July 28, 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 Jassam Sarhan successfully complies with the Board's mandates.

Mr. Sarhan was present and spoke on his own behalf. **NOTE:** Mr. Sarhan was not present during the Dealer Practices Committee meeting.

Rob Fisher seconded. The motion carried unanimously.

**C & C Motor Sales, Inc. and Richard L. Custer.** Committee Chairman Kody informed the Board Chairman that his committee did not come to a recommendation concerning this case. The Board Chairman directed the Executive Director to read the recommendation from the hearing officer.

On October 24, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1515, 1529, 1530, 1533, 1539, 1548, 1550 and 1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$750, satisfactory inspection to be conducted and to successfully complete the 2-day Dealer-Operator Course.

Motion was made by Joe Tate to accept the hearing officer's recommendation to assess a civil penalty of \$750, satisfactory inspection and to successfully complete the 2-day Dealer-Operator course. Rob Fisher seconded.

Committee Chairman Ron Kody made the amended motion to assess a civil penalty of \$1,250, satisfactory inspection and for Tim McAvoy to successfully complete the 2-day Dealer-Operator course. Randy Harris seconded. All in favor: 8 (Kody, Bailey, Banister, Britt, Farmer, Harris, Malloy and Slaughter). Opposed: 5 (Saghafi, Holcomb, Maher, Fisher and Tate). The motion carried.

**Tony's Auto & Truck Sales and Grover Wilson.** 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 Tony's Auto & Truck Sales and Grover Wilson 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 Tony's Auto & Truck Sales and Grover Wilson: Assessed a civil penalty of \$750.00, Tony's Auto & Truck Sales shall be inspected by a Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory and Grover Wilson shall successfully complete the dealer-operator course by July 28, 2019. The Board mandates that Grover Wilson hereby be assessed a civil penalty of \$750.00, and the Tony's Auto and Truck Sales dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before April 28, 2019, and; Grover Wilson shall successfully complete the dealer-operator course by July 28, 2019. If Grover Wilson relinquishes his dealership certificate, salesperson license, and dealer plates to the Motor Vehicle Dealer Board on or before February 28, 2019, that his civil penalty, required inspection, and completion of the dealer-operator course will all be null and voided.

**Mr. Wilson indicated that he visited the Dealer Board Office and officially relinquished his dealer tags and closed his business. He will send his dealer certificate to the Dealer Board upon his return to his business location.**

Steve Farmer seconded. The motion carried unanimously.

**Budget Auto Sales, Inc. and David W. Phillips.** 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 Budget Auto Sales, Inc. and David W. Phillips for alleged violations of Va. Code sections §46.2-722 and 46.2-1575 (1), (6), and (9). Based on due consideration, the Board believes that the following actions should be taken against Budget Auto Sales and David Phillips: Assessed a civil penalty of \$500.00 and David Phillips shall successfully complete the dealer-operator course by July 28, 2019. The Board mandates that David Phillips hereby be assessed a civil penalty of \$500.00 and David Phillips shall successfully complete the dealer-operator course by July 28, 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 David Phillips successfully complies with the Board's mandates.

Senior Saghafi seconded. The motion carried unanimously.

**D Motors, LLC and Dmitriy Chaplinskiy.** 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 D Motors and Dmitriy Chaplinskiy for alleged violations of Va. Code sections §46.2-1547 and 46.2-1575 (1). Based on due consideration, the Board believes that the following actions should be taken against D Motors and Dmitriy Chaplinskiy: Assessed a civil penalty of \$10,000.00 and Dmitriy Chaplinskiy shall successfully complete the dealer-operator course by July 28, 2019. The Board mandates that Dmitriy Chaplinskiy hereby be assessed a civil penalty of \$10,000.00, and Dmitriy Chaplinskiy shall successfully complete the dealer-operator course by July 28, 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 Dmitriy Chaplinskiy successfully complies with the Board's mandates.

Joe Tate seconded. The motion carried unanimously.

**Tri-State Automotive, LLC and Jeremy D. White.** 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 Tri-State Automotive and Jeremy White for alleged violations of Va. Code sections §46.2-1533, and 46.2-1575 (1) and (2). Based on due consideration, the Board believes that the following actions should be taken against Tri-State Automotive and Jeremy White: Assessed a civil penalty of \$750.00 and Tri-State Automotive shall be inspected by a Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory. The Board mandates that Jeremy White hereby be assessed a civil penalty of \$750.00, and the Tri-State Automotive dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before April 28, 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 Jeremy White successfully complies with the Board's mandates.

Chris Maher seconded. The motion carried unanimously.

**Ed and Ted Auto Sales and Ted V. Tapscott.** 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 Ed and Ted Auto Sales and Ted Tapscott for alleged violations of Va. Code sections §46.2-1539 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against Ed and Ted Auto Sales and Ted Tapscott: Assessed a civil penalty of \$1,000.00, Issued a written warning for VA Code Section §46.2-1575 (2) and Ed Tapscott shall successfully complete the dealer-operator course by July 28, 2019. The Board mandates that Ed Tapscott hereby be assessed a civil penalty of \$1,000.00, issued a written warning regarding 46.2-1575 (2) and Ted Tapscott shall successfully complete the dealer-operator course by July 28, 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 Ted Tapscott successfully complies with the Board's mandates.

Rob Fisher seconded. The motion carried unanimously.

**Car Loft and Farooq Zahir.** 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 Car Loft and Farooq Zahir for alleged violations of Va. Code sections §46.2-1547. Based on due consideration, the Board believes that the following actions should be taken against Car Loft and Farooq Zahir: Assessed a civil penalty of \$500.00 and Car Loft shall be inspected by a Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory. The Board mandates that Farooq Zahir hereby be assessed a civil penalty of \$500.00 and the Car Loft dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before April 28, 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 Farooq Zahir successfully complies with the Board's mandates.

Chris Maher seconded. The motion carried unanimously.

**F & K Auto, LLC and Alford Robertson.** 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, on September 10, 2018 the Motor Vehicle Dealer Board assessed a \$2,000.00 civil penalty and a satisfactory inspection by a Motor Vehicle Dealer board Field Representative no later than December 10, 2018 against F & K Auto LLC and Alford Robertson. Mr. Robertson appealed the Board's decision and requested a formal hearing that was conducted on November 13, 2018. The Board has reviewed and considered the facts and evidence and the report of a formal hearing as prepared by the hearing officer concerning F & K Auto and Alford Robertson 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 F & K Auto and Alford Robertson: Assessed a civil penalty of \$1,000.00 and F & K Auto shall be inspected by Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory. The Board mandates that F & K Auto and Alford Robertson hereby be assessed a civil penalty of \$1,000.00 and the F & K Auto dealership shall be inspected by Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory. 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 Alford Robertson successfully complies with the Board's mandates.

Joe Tate seconded. The motion carried unanimously.

**All In One Auto Group, LLC and Zia Tabatabai.** 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, on September 10, 2018 the Motor Vehicle Dealer Board assessed a \$750.00 civil penalty and a satisfactory inspection by a Motor Vehicle Dealer board Field Representative no later than December 10, 2018 against All In One Auto Group and Zia Tabatabai. Mr. Tabatabai appealed the Board's decision and requested a formal hearing that was conducted on November 27, 2018. The Board has reviewed and considered the facts and evidence and the report of a formal hearing as

prepared by the hearing officer concerning All In One Auto Group and Zia Tabatabai for alleged violations of Va. Code sections §46.2-1575 (9). Based on due consideration, the Board believes that the following actions should be taken against All In One Auto Group and Zia Tabatabai: Assessed a civil penalty of \$750.00 and All In One Auto Group shall be inspected by Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory. The Board mandates that All In One Auto Group and Zia Tabatabai hereby be assessed a civil penalty of \$750.00 and the All In One Auto Group dealership shall be inspected by Motor Vehicle Dealer Board field representative by April 28, 2019 and that inspection shall be satisfactory. 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 Zia Tabatabai successfully complies with the Board's mandates.

Senior Saghafi seconded. The motion carried unanimously.

Rick Holcomb indicated that the board members did a very good job looking at the precedents taken in each of these cases. He indicated that these precedents need to be in writing and shared with the hearing officers. He suggested that William get with Christian Parrish of the Attorney General's Office and draft this directive for the hearing officers.

Rick also indicated that when it comes to insurance on dealer plates, what the dealers know needs to be compared to what the insurance companies know. He directed the forming of a subcommittee, to include the trade associations and DMV's Insurance Monitoring (Director, Vehicle Services) to discuss. Chris Maher was appointed to chair the subcommittee, and Maurice Slaughter volunteered to represent the Board. Randy Harris also volunteered.

### **Licensing Committee**

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

**Supplemental Sales – William Childress.** When it comes to tent sales, some standards and expectations need to set regarding the letter of invitation, which required by code to be send to all local dealers in the jurisdiction of the proposed tent sale. Rick Holcomb directed the forming of a subcommittee to work on the elements of the letter of invitation. Dan Banister and Joe Tate volunteered to be on this subcommittee, as well as representatives from the trade associations. Rick directed Ron Kody and William Childress lead this committee.

### **Advertising Committee**

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

**Advertising via Social Media – William Childress.** From the conversations heard during the Advertising Committee meeting, Rick Holcomb directed the forming of a subcommittee to address the advertising issues. Liza Borches was designated to chair this subcommittee. Other members will include members from the trade associations, Board members David Duncan and Chris Maher and the Executive Director.

**Transaction Recovery Fund Committee:**

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

**REVISIT: Savoy Epps vs. Lifestyle Motor Group.** Committee Chairman Maher summarized for the Board the discussion held in the committee meeting regarding Savoy Epps vs. Lifestyle Motor Group. 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

<b>Savoy Epps vs. Lifestyle Motor Group</b>	<b>\$13,506.74</b>
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Rob Fisher seconded. The motion carried unanimously.

**Sequan J. Branch vs. Lifestyle Motor Group.** 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 denied:

<b>Sequan J. Branch vs. Lifestyle Motor Group</b>	<b>\$4,059.00</b>
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Rob Fisher seconded. The motion carried unanimously.

**OLD BUSINESS**

**Legislative Update:** VADA’s Ann Gambardella mentioned a couple of franchise issues; however, they do not impact the Dealer Board. VIADA indicated that a salvage bill is being monitored, but no other bills impact the Dealer Board.

## **OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

## **NEW BUSINESS**

**EXECUTIVE DIRECTOR'S REPORT:** William Childress indicated that the Dealer Board staff is in transition. The Board staff has lost 4 members since September 2018 and may lose 1-2 more before July 1. The position vacated by Prin Cowan will be reclassified to allow the Board staff to hire an individual to work in advertisements (social media) and process salesperson licenses (originals and transfers). Despite the personnel changes, William pointed out some of the great things that the staff has done and is currently working on to include the creating of a Dealer Portal. It is envisioned that this portal will allow dealers to conduct many of their manual business transactions electronically through the portal. Some of these include updating and changing business operating hours, salesperson terminations, and updating email addresses. The dealers currently can renew their licenses electronically, but only 17 dealers are using this feature. There are problems with this process. The Board staff is working closely with DMV IT staff to fix known problems and to possibly incorporate some of the features mentioned earlier. Providing the dealers the ability to maintain and responsibility to update their own information will free the Board staff to address more critical and time sensitive matters. William also spoke to the Board staff being cross-trained to work in multiple areas. The long range goal is to use the man hours saved by implementing the portal to be more pro-active in addressing dealer advertisements.

## **NEW BUSINESS FROM THE FLOOR**

Chairman Holcomb asked the Executive Director consider the agency's budget as a May agenda item. The discussion will focus on the expected pay increases scheduled to be implemented in the June/July time period. This cost is borne by the agency. Unknown at this time is whether or not there will be an increase in health care premiums to the agency.

The next Full Board meeting will be March 11, 2019.

There being no further business to come before the Motor Vehicle Dealer Board, Chairman Holcomb adjourned the meeting at 12:31 a.m.

Meeting Summary  
**Dealer Practices Committee**  
Monday January 28, 2019

Chairman Ron Kody called the Dealer Practices Committee meeting to order at 9:04 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Gardner Britt, Steve Farmer, Rob Fisher, Geoff Malloy, Chris Maher, Senior Saghafi, Joe Tate. (Absent: Michael Bor, Liza Borches, Matt McQueen). Other Board members present: Rick Holcomb, Ted Bailey, Dan Banister, Randy Harris, Maurice Slaughter. Executive Director William Childress, Lisa Mack-Nelson, Wanda Neely and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's office.

**The November 5, 2018 meeting summary was approved.**

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS** – There was no old business.

**OLD BUSINESS FROM THE FLOOR** – There was no old business from the floor.

**NEW BUSINESS**

**Discussion: Supplemental Sales – William Childress** – The Board Chairman, Committee Chair, and Executive Director agreed that this topic should be moved to the Licensing Committee for discussion.

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

Ron Kody reminded the committee members that the first 4 cases being considered today were reviewed during the Board's November meeting. These cases were being reconsidered because the dealers did not have proper notice regarding the start time of the November Board meeting and therefore not properly given an opportunity to appear before the Board.

**Dixie Motorsports, Inc. and Wendy L. Murray** – On August 29, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1533 and 1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$750 and a satisfactory inspection.

Motion was made by Chris Maher to accept the hearing officer's recommendation of assessing a civil penalty of \$750 and a satisfactory inspection within 90 days. Rob Fisher seconded. The motion carried unanimously.

**Xceleration Auto Sales, LLC and Hatim N. Abed** – On August 28, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1547 and 1575 (18). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500 for violations of 46.2-1547.

Motion was made by Steve Farmer to accept the hearing officer's recommendation of assessing a civil penalty of \$500. Rob Fisher seconded.

Amended Motion was made by Joe Tate to assess a civil penalty of \$2,000. Gardner Britt seconded. The motion carried unanimously.

**Kingdom Kars Auto Sales, LLC and Michael B. Hathaway** – On October 1, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529, 1547 and 1575 (1) and (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$4,000 and to complete a satisfactory inspection within 90 days.

Motion was made by Joe Tate to accept the hearing officer's recommendation of assessing a civil penalty of \$4,000 and to complete a satisfactory inspection within 90 days. Rob Fisher seconded. The motion carried unanimously.

**17 Auto Sales & Repair, LLC and Derrick W. Washington** – On October 2, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1575 (6) and (9). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500, to complete a satisfactory inspection and to successfully complete the 2-day Dealer-Operator course.

Motion was made by Joe Tate to accept the hearing officer's recommendation of assessing a civil penalty of \$500, satisfactory inspection and to successfully complete the 2-day Dealer-Operator course. Rob Fisher seconded. The motion carried unanimously.

**Enterprise Automotive Financial, LLC and Jassam M. Sarhan** – On October 24, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1533 and 1575 (1) and (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$750, satisfactory inspection to be conducted and to successfully complete the 2-day Dealer-Operator Course.

Motion was made by Joe Tate to assess a civil penalty of \$1,500, satisfactory inspection within 90 days and successfully complete the dealer operator course. Chris Maher seconded. The motion carried unanimously.

**C & C Motor Sales, Inc. and Richard L. Custer** – On October 24, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1515, 1529, 1530, 1533, 1539, 1548, 1550 and 1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$750, satisfactory inspection to be conducted and to successfully complete the 2-day Dealer-Operator Course.

Tim and Amy McAvoy were present and spoke on behalf of Mr. Custer.

Motion was made by Chris Maher to accept the hearing officer's recommendation of assessing a civil penalty of \$750, satisfactory inspection and for Mr. McAvoy to successfully complete the 2-day Dealer-Operator course. Rob Fisher seconded.

Amended Motion made by Gardner Britt to assess a civil penalty of \$1,250, satisfactory inspection and the 2-day Dealer-Operator course. Joe Tate seconded. All in favor: 4 (Farmer, Kody, Britt, Malloy). Opposed: 4 (Tate, Maher, Fisher, Saghafi). Matter will be reviewed and decided during Full Board.

**Tony's Auto & Truck Sales and Grover A. Wilson** – On October 30, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1533 and 1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$250, satisfactory inspection to be conducted and if Mr. Wilson is retaining his dealership, to successfully complete the 2-day Dealer-Operator Course.

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

Motion was made by Joe Tate to assess a civil penalty of \$750, satisfactory inspection and successfully complete the Dealer-Operator course. Chris Maher seconded. The motion carried unanimously.

**Budget Auto Sales, Inc. and David W. Phillips** – On October 31, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-722 and 1575 (1), (6) and (9). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500 and to successfully complete the 2-day Dealer-Operator Course.

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

Motion was made by Joe Tate to accept the hearing officer's recommendation of assessing a civil penalty of \$500 and successfully complete the 2-day Dealer-Operator course. Rob Fisher seconded. The motion carried unanimously.

**D Motors, LLC and Dmitriy Chaplinskiy** – On November 13, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1547 and 1575 (1). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$5,000 and to successfully complete the 2-day Dealer-Operator Course.

Motion was made by Rob Fisher to assess a civil penalty of \$10,000 and successful completion of the 2-day Dealer-Operator Course. Chris Maher seconded. The motion carried unanimously.

**Tri-State Automotive, LLC and Jeremy D. White** – On September 18, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1533, 1575 (1) and (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$750 and a satisfactory inspection to be conducted.

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

Motion was made by Senior Saghafi to accept the hearing officer's recommendation of assessing a civil penalty of \$750 and a satisfactory inspection within 90 days. Rob Fisher seconded. The motion carried unanimously.

**Ed and Ted Auto Sales and Ted V. Tapscott** – On November 28, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1539 and 1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$1,000 for violations of VA Code Section 46.2-1539, written warning for the violation of VA Code Section 46.2-1575 (2) and the successfully complete the 2-day Dealer-Operator Course.

Motion was made by Chris Maher to accept the hearing officer's recommendation of assessing a civil penalty of \$1,000 and to successfully complete the 2-day Dealer-Operator Course. Rob Fisher seconded. The motion carried unanimously.

**Car Loft and Farooq Zahir** – On December 27, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section 46.2-1547. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$2,000, temporary suspension until all assessed fees are paid and a satisfactory inspection within 90 days.

Mr. Zahir was present and spoke on his own behalf. Muhammad Javed was present and spoke on his own behalf.

Motion was made by Joe Tate to assess a civil penalty of \$500, a satisfactory inspection within 90 days and no suspension. Rob Fisher seconded. All in favor: 7 (Britt, Farmer, Fisher, Maher, Malloy, Saghafi and Tate). Opposed: 1 (Kody). The motion carried.

#### **Review and Action: Formal Hearing:**

**F & K Auto, LLC and Alford T. Robertson** – Historical Overview leading up to the formal hearing: On July 26, 2018, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1533 and 1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$2,000 and a satisfactory inspection. The Board adopted a resolution a resolution agreeing with the hearing officer's recommendation of assessing a civil penalty of \$2,000 and a satisfactory inspection. On October 11, 2018, Mr. Robertson appealed for a formal hearing. On November 13, 2018, 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 \$1,000 and a satisfactory inspection to be conducted within 90 days.

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

Motion was made by Rob Fisher to accept the hearing officer's recommendation of assessing a civil penalty of \$1,000 and a satisfactory inspection within 90 days. Joe Tate seconded. The motion carried unanimously.

**All In One Auto Group, LLC and Zia Tabatabai** – Historical Overview leading up to the formal hearing: On August 29, 2018 an informal fact-finding conference was conducted to address the alleged violations of VA Code Section 46.2-1575 (9). Based on the information provided at the hearing, the hearing officer recommended assessing a civil penalty of \$750 and a satisfactory inspection within 90 days. At the September 10, 2018 Committee and Full Board Meetings, The Board adopted a resolution agreeing with the hearing officer's recommendation of assessing a civil penalty of \$750 and a satisfactory inspection within 90 days. On October 10, 2018, Mr. Tabatabai appealed the Board's decision. On November 27, 2018 a formal hearing was conducted to address the above mentioned VA Code Section. Based on the information provided at the hearing, the hearing officer recommended assessing a civil penalty of \$750 and a satisfactory inspection within 90 days.

Motion was made by Steve Farmer to accept the hearing officer's recommendation of assessing a civil penalty of \$750 and a satisfactory inspection within 90 days. Rob Fisher seconded. The motion carried unanimously.

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

**NEXT MEETING**

The next meeting is scheduled for March 11, 2019

The meeting adjourned at 10:30 a.m.

Meeting Summary  
**Dealer Licensing Committee**  
Monday, January 28, 2019

Chairman Joe Tate called the Dealer Licensing Committee meeting to order at 10:30 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Ted Bailey, Dan Banister, Rob Fisher, Randy Harris, Senior Saghafi and Maurice Slaughter. (Absent: Liza Borches, David Duncan) Other Board members present: Rick Holcomb, Gardner Britt, Steve Farmer, Ron Kody, Chris Maher, Geoff Malloy. Executive Director William Childress, Lisa Mack-Nelson, Wanda Neely and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's office.

**The September and November 2018 meeting summaries were approved.**

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

There was no old business.

**OLD BUSINESS FROM THE FLOOR** – There was no old business from the floor.

**NEW BUSINESS**

**Discussion: Supplemental Sales – William Childress.** William indicated that in August 2018 the VADA brought to his attention this matter regarding a dealer sending out invitational letters to area dealers to participate in a tent sale. The price to participate in the letter of invitation was acceptable to a local dealer. However, when the dealer expressed interest, the participating price doubled. The Board staff would like to see complete disclosure of the costs involved in the letter of invitation. VADA is looking for some form of review and enforcement from the Board to ensure a level playing field for tent sales and participants. VADA agreed that the letter of invitation is a good place to start and providing the dealer community with requirements that the letter of invitation must contain should help.

Rick Holcomb indicated that the Board should work with the trade associations to ensure guidelines are met. This issue is referred to the Full Board for further action.

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

The next meeting was scheduled for March 11, 2019

The meeting adjourned at 10:41 a.m.

Meeting Summary  
**Advertising Committee**  
Monday, January 28, 2019

Vice-Chairman Ted Bailey called the Advertising Committee meeting to order at 10:42 a.m. in Room 702, DMV Headquarters, 2300 West Broad Street, Richmond, Virginia. Present were Committee members: Dan Banister, Ron Kody, Geoff Malloy and Maurice Slaughter. (Absent: Michael Bor, Liza Borches, David Duncan, Matt McQueen). Other Board members present: Rick Holcomb, Gardner Britt, Rob Fisher, Randy Harris, Chris Maher, Senior Saghafi and Joe Tate. 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.

**The November 5, 2018 meeting summary was approved.**

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

There was no old business.

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

**NEW BUSINESS**

**Advertising via Social Media – William Childress.** William informed the committee that dealers advertising on the internet and through various social media platforms are growing larger and more complex every day. He would like to have a small team of dealers, along with the trade associations to take a look at the social media advertising of vehicles by dealers, especially by salespeople on social media platforms. After some discussion, Rick Holcomb indicated that during Full Board a plan of action will be further discussed.

**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The next meeting was scheduled for March 11, 2019.

The meeting adjourned at 10:50 a.m.

Meeting Summary  
**Transaction Recovery Fund Committee**  
Monday, January 28, 2019

Chairman Chris Maher called the Transaction Recovery Fund Committee meeting to order at 10:50 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Dan Banister, Steve Farmer, Rob Fisher, Ron Kody and Maurice Slaughter. (Absent: Michael Bor, Matt McQueen) Other Board members present: Rick Holcomb, Senior Saghafi, Gardner Britt, Ted Bailey, Randy Harris, Geoff Malloy, Joe Tate. 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.

**The September and November 2018 meeting summaries were approved.**

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**REVISIT: Savoy Epps vs. Lifestyle Motor Group.** On September 4, 2018, an informal fact-finding conference was conducted to address the alleged violation of VA Code Section 46.2-1527.3 against Lifestyle Motor Group. Based on the information provided at the conference, the hearing officer indicated that if the Board agrees with the findings and is satisfied the details meet the requirement of code, it is recommended that the Board consider approval for \$13,038 as payment from the Fund. At the September 10, 2018, Ms. Epps was present and spoke on her own behalf. A motion was made by Rob Fisher to table this issue; it appears the judgment was approved based on a contractual agreement and not fraud as required by the Virginia code. Once Ms. Epps is able to get a judgement for fraud, the Board will review the issue again for a more favorable decision. Dan Banister seconded and the motion carried unanimously.

Ms. Epps was present and spoke on her own behalf. She indicated that she was able to get a judgement for fraud against Lifestyle Motor Group.

Motion was made by Rob Fisher to approve Ms. Epps claim for the amount of \$13,506.74. Dan Banister seconded. The motion carried unanimously.

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

## **NEW BUSINESS**

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

**Sequan J. Branch vs. Lifestyle Motor Group** – On November 13, 2018, an informal fact-finding conference was conducted to address the alleged violation of VA Code Section 46.2-1527.3 against Lifestyle Motor Group. Based on the information provided at the conference, the hearing officer recommended that the Board deny Mr. Branch's claim of \$4,059.00.

Motion was made by Rob Fisher to deny Mr. Branches claim for \$4,059.00. Maurice Slaughter seconded. The motion carried unanimously.

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

There was no new business from the floor.

The next meeting was scheduled for March 11, 2019

The meeting adjourned at 11:04 a.m.