

NOTE: Appearing first is the Full Board summary which is the last meeting of the day. The committees will follow in the order of which time they were conducted. The Dealer Board staff felt it would benefit our readers to have the last meeting of the day appear first on the website.

~ FINAL DRAFT ~

Meeting Summary **Motor Vehicle Dealer Board** Monday, November 13, 2006

Chairman D.B. Smit called the Dealer Board meeting to order at 10:55 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. The roll was called and there were 16 Board members present. Present were members Jonathan Blank, Lynn Hooper, Todd Hyman, David Lacy, Wanda Lewark, Chip Lindsay, Hugh McCreight, Jim Mercer, Pat Patrick, Frank Pohanka, Kevin Reilly, Vince Sheehy, Larry Shelor, Jimmy Whitten and Robert Woodall. (Absent: Thomas Moorehead and Tommy Woodson). Executive Director Bruce Gould, Peggy Bailey and Debbie Allison represented the Dealer Board. Ed Ryder represented DMV. Eric Fiske represented the Attorney General's Office. Alice Weedon acted as Recording Secretary.

The September 11, 2006 meeting summary was approved.

PUBLIC COMMENT

STATUTORY COMMITTEE REPORTS

Dealer Practices Committee

- **Danny M. Ciccone and Bay Area Wholesale, LTD.** Chairman Pat Patrick summarized for the Board the discussion held in the Committee meeting regarding Danny M. Ciccone and Bay Area Wholesale, LTD. Based on that discussion, Mr. Patrick 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 Danny M. Ciccone and Bay Area Wholesale, Ltd for alleged violations of Va. Code §§46.2-1515/1516, (Selling from an unlicensed location); 46.2-1529/1559, (record keeping); 46.2-1533 (failure to maintain business hours); 46.2-1537; (unlicensed salesperson); 46.2-1542(c) (Failure to submit title application and fees to DMV within 30 days of the sale); 46.2-1550/1575(12) (misuse of dealer tags); and 46.2-1575(2) (failure to comply after receiving a written warning/willful disregard). Based on due consideration and the recommendation of the hearing officer, the Board believes a civil penalty should be assessed against Danny M. Ciccone and Bay Area Wholesale, Ltd. The Board hereby assesses a \$ 3,150 civil penalty against Danny M. Ciccone and Bay Area Wholesale, Ltd. Based on due consideration and the recommendation of the hearing officer, the Board believes that all licenses issued by the Board to Mr. Ciccone should be suspended. The Board hereby suspends, until what time the Board field representative conducts a satisfactory inspection, all licenses issued by the Board to Mr. Ciccone. Based on due consideration and the recommendation of the hearing officer, the Board believes that successfully completing the dealer-operator course would benefit Mr. Ciccone in running his dealership. The Board mandates that Mr. Ciccone successfully complete the dealer-operator course by May 10, 2007. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Ciccone by the Board until what time Mr. Ciccone has successfully completed the course.

David Lacy seconded. The motion carried unanimously.

- **Linwood R. Wright and Parkview Auto Sales.** Chairman Pat Patrick summarized for the Board the discussion held in the Committee meeting regarding Linwood R. Wright and Parkview Auto Sales. Based on that discussion, Mr. Patrick 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 Linwood R. Wright and Parkview Auto Sales for alleged violations of Va. Code § §§46.2-1529 (record keeping); 46.2-1542(C) and 46.2-1561 (Failure to timely submit title application and fees to DMV; and; 46.2-1575(2) (Failure to comply subsequent to receipt of a written warning/willful failure to comply.);WHEREAS, based on due consideration and the hearing officer's recommendation, the Board believes a civil penalty should be assessed against Linwood R. Wright and Parkview Auto Sales. The Board hereby assesses a \$100 civil penalty against Linwood R. Wright and Parkview Auto Sales.

David Lacy seconded. The motion carried unanimously.

- **Shah Wali and S&W Auto Sales.** Chairman Pat Patrick summarized for the Board the discussion held in the Committee meeting regarding Shah Wali and S&W Auto Sales. Based on that discussion, Mr. Patrick 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 Shah Wali and S & W Auto Sales for alleged violations of Va. Code §§46.2-1529/1532/1548/1559 (related to record keeping) and 46.2-1575(2) (failure to comply subsequent to receipt of a written warning/willful failure to comply). Based on due consideration and the recommendation of the hearing officer, the Board believes a civil penalty should be assessed against Shah Wali and S & W Auto Sales. The Board hereby assesses a \$1,500 civil penalty against Shah Wali and S & W Auto Sales and based on due consideration and the recommendation of the hearing officer, the Board believes that successfully completing the dealer-operator course would benefit Mr. Wali in running his dealership. The Board mandates that Mr. Wali successfully complete the dealer-operator course by May 10, 2007. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Wali by the Board until what time Mr. Wali has successfully completed the course.

Todd Hyman seconded. The motion carried unanimously.

- **Kenneth R. Collier, Sr. and C.A.R.R. Service Center.** Chairman Pat Patrick summarized for the Board the discussion held in the Committee meeting regarding Kenneth R. Collier, Sr. and C.A.R.R. Service Center. Based on that discussion, Mr. Patrick 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 Kenneth R. Collier, Sr. and C.A.R.R. Service Center for alleged violations of Va. Code §§46.2-1510 (failure to have sales, service and office space devoted exclusively to the dealership of at least 250 square feet in a permanent enclosed building not used as a residence.), 46.2-1529 (failure to maintain all dealer records on the premises in a manner that permits systematic retrieval), 46.2-1529 & 1530 (failure to maintain all dealer records on the premises of the licensed location in a manner that permits systematic retrieval, including purchases, sales, collection of tax, titling, registration and odometer disclosures statements.) and 46.2-1533 (failing to maintain business hours). Based on due consideration and the hearing officer's recommendation, the Board believes no civil penalty should be assessed against Kenneth R. Collier, Sr. and C.A.R.R. Service Center. The Board hereby assesses no civil penalty against Kenneth R. Collier, Sr. and C.A.R.R. Service Center; and based on due consideration and the hearing officer's recommendation, the Board believes that successfully completing the dealer-operator course would benefit Mr. Collier in running his dealership. The Board mandates that Mr. Collier successfully complete the dealer-operator course by May 10, 2007. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Collier by the Board until what time Mr. Collier has successfully completed the course.

David Lacy seconded. The motion carried unanimously.

- **George J. Lengyel and Kernstown Auto Sales.** Chairman Pat Patrick summarized for the Board the discussion held in the Committee meeting regarding George J. Lengyel and Kernstown Auto Sales. Based on that discussion, Mr. Patrick 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 George J. Lengyel and Kernstown Auto Sales for alleged violations of Va. Code §46.2-1533 (failing to maintain business hours). Based on due consideration, the Board believes a civil penalty should be assessed against George J. Lengyel and Kernstown Auto Sales. The Board hereby assesses a \$ 250 civil penalty against George J. Lengyel and Kernstown Auto Sales; and based on due consideration and the hearing officer's recommendation, the Board believes that successfully completing the dealer-operator course would benefit Mr. Lengyel in running his dealership. The Board mandates that Mr. Lengyel successfully complete the dealer-operator course by May 10, 2007. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Lengyel by the Board until what time Mr. Lengyel has successfully completed the course.

David Lacy seconded. The motion carried unanimously.

- **Shahbaz Iqbal and Shawn Auto Sales & Service.** Chairman Pat Patrick summarized for the Board the discussion held in the Committee meeting regarding Shahbaz Iqbal and Shawn Auto Sales & Service. Based on that discussion, Mr. Patrick 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 Shahbaz Iqbal and Shawn Auto Sales & Service for alleged violations of Va. Code §§46.2-1515/1516 (Related to selling vehicles at an unlicensed location); 46.2-1529 (Record Keeping); 46.2-1535 (Failure to clearly identify by name or the by the abbreviations "VA DLR", advertisements placed in newspaper or publications); 46.2-1537 (Compensating an unlicensed salesperson); 46.2-1575(2) (Failure to comply subsequent to receipt of a written warning/willful failure to comply.). Based on due consideration and the hearing officer's recommendation, the Board believes a civil penalty should be assessed against Shahbaz Iqbal and Shawn Auto Sales & Service. The Board hereby assesses a \$ 1,400 civil penalty against Shahbaz Iqbal and Shawn Auto Sales & Service; and based on due consideration and the hearing officer's recommendation, the Board believes that successfully completing the dealer-operator course would benefit Mr. Iqbal in running his dealership. The Board mandates that Mr. Iqbal and Mr. Weatherholtz successfully complete the dealer-operator course by May 10, 2007. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Iqbal and Mr. Weatherholtz by the Board until what time Mr. Iqbal and Mr. Weatherholtz has successfully completed the course.

Kevin Reilly seconded. The motion carried unanimously.

Licensing Committee

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

Advertising Committee

Chairman Frank Pohanka summarized discussions that were held during the Committee Meeting.

Transaction Recovery Fund Committee

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

- **Charlene Gabriel and Military Circle Auto Brokers.** Chairman David Lacy summarized for the Board the discussion held in the Committee meeting regarding Charlene Gabriel and Military Circle Auto Brokers. Based on that discussion and the recommendation in the case, Mr. Lacy made the following motions: Pursuant to §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 based on due consideration and recommendation of the hearing officer, the Board believes the following claims should be payable from the Fund. The Board hereby approves and reaffirms the following claims and payment amounts subject to compliance by the claimant with statutory requirements:

Charlene Gabriel and Military Circle Auto Brokers

\$1,467.00

Lynn Hooper seconded. The motion carried unanimously.

OLD BUSINESS FROM THE FLOOR

There was no old business from the floor.

NEW BUSINESS

The next meeting will be scheduled for January 8, 2007

Ed Ryder gave the Curbstoning and DMV Investigations report.

NEW BUSINESS FROM THE FLOOR

D.B. Smit indicated that a working group has been developed to look at the issue of Dealership transactions not closing within a 30 day period and the group will work with the dealers to resolve any problems.

Executive Director's Report. Bruce Gould indicated that Carlton Courter is now working with Game and Inland Fisheries and Jim Mercer is retiring. He updated the members on the Top 100 Curbstoners letter and there is still no answer on the Transaction Recovery Fund legislation.

There being no further business to come before the Motor Vehicle Dealer Board, Chairman Smit adjourned the meeting at 11:32 a.m.

Meeting Summary
Dealer Practices Committee
Monday, November 13, 2006

Chairman Pat Patrick called the Dealer Practices Committee meeting to order at 8:30 a.m. in Room 702 of the DMV Headquarters Building at 2300 W. Broad Street in Richmond. Present were Committee members Jonathan Blank, Lynn Hooper, David Lacy, Hugh McCreight, Jim Mercer, Kevin Reilly, Jimmy Whitten and Robert Woodall (Absent: Thomas Moorehead and Frank Pohanka) Board members present: Todd Hyman, D.B. Smit, Wanda Lewark, Chip Lindsay, Larry Shelor. Executive Director Bruce Gould, Peggy Bailey and Debbie Allison represented the Dealer Board. Eric Fiske was present from the Attorney General's Office.

The September 11, 2006 meeting summary was approved.

PUBLIC COMMENT

There was no public comment.

OLD BUSINESS

Update: September Actions. Peggy Bailey reported on the actions taken at the Dealer Practices Committee meeting on September 11, 2006.

OLD BUSINESS FROM THE FLOOR

There was no old business from the floor.

NEW BUSINESS

Review and Action: Informal Fact-Finding Conference:

- **Danny M. Ciccone and Bay Area Wholesale, Ltd.** On September 13, 2006, an informal fact-finding conference was conducted to address the alleged violations of VA Code §§46.2-1515 (Location to be specified; display of license; change of location.), 46.2-1516 (Supplemental sales location.), 46.2-1529 (Failure to maintain all dealer records on the premises of the licensed location in a manner that permits systematic retrieval, including records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured motor vehicle, and registration fees; odometer disclosure statements; records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates of ownership.), 46.2-1532 (Failure to maintain odometer disclosure statements for a period of five years in a manner that permits systematic retrieval.), 46.2-1533 (failing to maintain business hours), 46.2-1537 (Prohibits dealers from paying a commission or compensating any person in connection with the sale of a motor vehicle, unless the person is licensed as a salesperson and employed by the dealer.), 46.2-1550 (Failure to properly limit the use of dealer license plates on vehicles in the dealer's inventory to dealers, their spouses, licensed salespersons and employees of the dealership. To be eligible for a salesperson to use dealer license plates, they must work for the dealership at least 25 hours per week on a regular basis and be compensated for their work.), 46.2-1542(C) (Failure to, no later than the expiration of the first temporary certificate, deliver to the Department an application for title, copy of the buyer's order, all required fees and a written statement of facts describing the dealer's efforts to secure the certificate of origin to the vehicle.) 46.2-1559 (Failure to keep a written record of temporary license plates and have them available for inspection. Each record shall be retained for a period of one year.), 46.2-1575(2) (Failure to comply subsequent to receipt of a written warning from the Department or the Board or any willful failure to comply with any provision of this chapter or any regulation promulgated by the

Commissioner or the Board under this chapter.) and 46.2-1575(12) (Leasing, renting, lending or otherwise allowing the use of a dealer's license plate by persons not specifically authorized under this title.) Based on the information provided at the conference, the hearing officer recommended that for §46.2-1515/1516, a \$250 civil penalty be assessed, for 46.2-1529, a \$500 civil penalty be assessed, for 46.2-1533 a \$250 civil penalty be assessed, 46.2-1542(c), a \$150 civil penalty be assessed, for 46.2-1550/1575(12), a \$1,000 civil penalty be assessed, and for 46.2-1559/1575(2), a \$1,000 be assessed. That's a total civil penalty of \$3,150 to be assessed against Danny M. Ciccone and Bay Area Wholesale, Ltd.

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

Motion was made Robert Woodall to accept the Hearing Officer's findings and recommendation. Kevin Reilly seconded. General discussion followed.

A substitute motion was made by Robert Woodall to modify the hearing officer's recommendation to include the recommended civil penalty of \$3,150 and to suspend all licenses issued to Mr. Ciccone until what time he has a satisfactory inspection and Mr. Ciccone must take the Dealer-Operator Course within 6 months. Jonathan Blank seconded. The motion carried unanimously. (If a successful inspection is completed before the 30 day appeal period is completed, there will be no suspension)

- **Linwood R. Wright and Parkview Auto Sales.** On August 9, 2006, an informal fact-finding conference was conducted to address the alleged violations of Virginia Code §§46.2-1529 (Failure to maintain all dealer records on the premises of the licensed location in a manner that permits systematic retrieval, including records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured motor vehicle, and registration fees; odometer disclosure statements; records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates of ownership.) 46.2-1542(C) (Failure to, no later than the expiration of the first temporary certificate, deliver to the Department an application for title, copy of the buyer's order, all required fees and a written statement of facts describing the dealer's efforts to secure the certificate of origin to the vehicle.) 46.2-1561 (to whom temporary plates shall not be issued; dealer to forward application for current titling and registration; misstatements and false information; and 46.2-1575(2) (Failure to comply subsequent to receipt of a written warning from the Department or the Board or any willful failure to comply with any provision of this chapter or any regulation promulgated by the Commissioner or the Board under this chapter.) Based on the information provided at the conference, the hearing officer recommended that Mr. Wright complete the Dealer-Operator Course within 60 days, Mrs. Carol Wright, Office Manager, should be required to review The Virginia Titling and Registration Procedure letter sent to all Dealers as soon as possible, Mr. Charles Sugg, Dealer-Operator, should have the same requirement as Mrs. Wright and that Mr. Wright be assessed a civil penalty of \$1,000.

Mr. and Mrs. Wright were present and spoke on their own behalf.

Motion was made by Jonathan Blank to modify the hearing officer's recommendation and assess a civil penalty of \$100 and keep the rest of the recommendation as is. Kevin Reilly seconded. The motion carried unanimously.

- **Shah Wali and S & W Auto Sales.** On September 22, 2006, an informal fact-finding conference was conducted to address the alleged violations of Virginia Code §§46.2-1529 (Failure to maintain all dealer records on the premises of the licensed location in a manner that permits systematic retrieval, including records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured motor vehicle, and registration fees; odometer disclosure statements; records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates of ownership.), 46.2-1532 (Failure to maintain odometer disclosure statements for a period of five years in a manner that

permits systematic retrieval.), 46.2-1548 (Failure to keep a written record of dealer plates and have them available for inspection, 46.2-1559 (Failure to keep a written record of temporary license plates and have them available for inspection. Each record shall be retained for a period of one year.) and 46.2-1575(2) (Failure to comply subsequent to receipt of a written warning from the Department or the Board or any willful failure to comply with any provision of this chapter or any regulation promulgated by the Commissioner or the Board under this chapter.) Based on the information provided at the conference, the hearing officer recommended that for 46.2-1529/1532/1548/1559, a civil penalty of \$500 be assessed and for 46.2-1575(2), a civil penalty of \$250 be assessed. That's a total civil penalty of \$750 be assessed against Shah Wali and S & W Auto Sales, along with attending the Dealer-Operator course.

Motion was made by Lynn Hooper to modify the hearing officer's recommendation and assess a \$1,500 civil penalty because of the severity of the violations and keep the rest of the recommendation as is. Robert Woodall seconded. The motion carried unanimously

- **Kenneth R. Collier, Sr. and C.A.R.R. Service Center.** On September 20, 2006, an informal fact-finding conference was conducted to address the alleged violations of Virginia Code §§46.2-1510 (failure to have sales, service and office space devoted exclusively to the dealership of at least 250 square feet in a permanent enclosed building not used as a residence.), 46.2-1529 (failure to maintain all dealer records on the premises in a manner that permits systematic retrieval), 46.2-1529 & 1530 (failure to maintain all dealer records on the premises of the licensed location in a manner that permits systematic retrieval, including purchases, sales, collection of tax, titling, registration and odometer disclosures statements.) and 46.2-1533 (failing to maintain business hours). Based on the information provided at the conference, the hearing officer recommended that no civil penalties be imposed and that his request for a records variance be granted provided he meets all requirements and that he be required to attend the Dealer-Operator course.

Motion was made by Lynn Hooper to accept the hearing officer's findings and recommendations. Jonathan Blank seconded. The motion carried unanimously.

- **George J. Lengyel and Kernstown Auto Sales.** On September 20, 2006, an informal fact-finding conference was conducted to address the alleged violation of Virginia Code §46.2-1533 (failing to maintain business hours). Based on the information provided at the conference, the hearing officer recommended that no civil penalties be imposed and that Mr. Lengyel be required to attend the Dealer-Operator course.

Motion was made by Jonathan Blank to accept the hearing officer's findings and recommendations. Robert Woodall seconded.

Amended motion was made by David Lacy to modify the hearing officer's recommendation and assess a \$250 civil penalty, as this dealer has a history of related problems, along with attending the Dealer-Operator course. Hugh McCreight seconded. The motion carried unanimously.

- **Shahbaz Iqbal and Shawn Auto Sales & Service.** On October 11, 2006, an informal fact-finding conference was conducted to address the alleged violations of Virginia Code §§46.2-1515 (Location to be specified; display of license; change of location.), 46.2-1516 (Supplemental sales location.), 46.2-1529 (Failure to maintain all dealer records on the premises of the licensed location in a manner that permits systematic retrieval, including records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured motor vehicle, and registration fees; odometer disclosure statements; records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates of ownership.), 46.2-1535 (unless the dealer is clearly identified by name, whenever any licensee places an advertisement in any newspaper or publication, the abbreviations "VA DLR", denoting a Virginia licensed dealer, shall appear therein) 46.2-1537 (prohibits dealers from paying a commission or compensating any person in connection with the sale of a motor vehicle, unless the person is licensed as a salesperson and employed by the dealer and 46.2-1575(2) (Failure to comply subsequent to receipt of a

written warning from the Department or the Board or any willful failure to comply with any provision of this chapter or any regulation promulgated by the Commissioner or the Board under this chapter.) Based on the information provided at the conference, the hearing officer recommended for §46.2-1515/1516, a civil penalty of \$500 be assessed, for 46.2-1529, a civil penalty of \$250 be assessed, for 46.2-1535, a civil penalty of \$150 be assessed and for 46.2-1575(2), a civil penalty of \$500 be assessed. That's a total civil penalty of \$1,400 be assessed against Shahbaz Iqbal and Shawn Auto Sales & Service and also to attend the Dealer-Operator course.

Motion was made by Robert Woodall to accept the hearing officer's findings and recommendations. Lynn Hooper seconded. The motion carried unanimously.

Report on Variance Requests (Dealer Hours and Storage of Dealer Records). Bruce Gould reported that there were 3 requests to store records at a different location and all three were granted due to good standings with the Dealer Board.

NEW BUSINESS FROM THE FLOOR

There was no new business from the floor.

The next meeting was scheduled for January 8, 2007.

The meeting adjourned at 10:02 a.m.

Meeting Summary
Dealer Licensing Committee
Monday, November 13, 2006

Chairman Todd Hyman called the Dealer Licensing Committee meeting to order at 10:13 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members Wanda Lewark, Chip Lindsay, Kevin Reilly, Vince Sheehy, Larry Shelor, Robert Woodall and Jimmy Whitten. (Absent: Thomas Woodson) Other Board members present: D.B. Smit, Jim Mercer, Hugh McCreight, Jonathan Blank, Pat Patrick, David Lacy and Lynn Hooper. Executive Director Bruce Gould, Peggy Bailey and Debbie Allison represented the Dealer Board. Eric Fiske represented the Attorney General's Office.

The September 11, 2006 meeting summary was approved.

PUBLIC COMMENT

There was no public comment.

OLD BUSINESS FROM THE FLOOR

There was no old business from the floor.

OLD BUSINESS

Update: September Actions. Peggy Bailey reported on the actions taken at the Licensing Committee meeting on September 11, 2006.

NEW BUSINESS

The next meeting was scheduled for January 8, 2007.

NEW BUSINESS FROM THE FLOOR

There was no new business from the floor.

The meeting adjourned at 10:18 a.m.

Meeting Summary
Advertising Committee
Monday, November 13, 2006

Vice-Chairman Lynn Hooper called the Advertising Committee meeting to order at 10:20 a.m. in Room 702, at DMV Headquarters, 2300 West Broad Street, Richmond, Virginia. Present were Committee members Jonathan Blank, Chip Lindsay, Hugh McCreight, James Mercer, Pat Patrick and Larry Shelor. (Absent: Thomas Moorehead and Frank Pohanka). Other Board members present: Kevin Reilly, Robert Woodall, Todd Hyman, David Lacy, Vince Sheehy, Wanda Lewark, Jimmy Whitten. Executive Director Bruce Gould, Peggy Bailey and Debbie Allison represented the Dealer Board. Jim Gurney represented DMV. Eric Fiske represented the Attorney General's Office.

The September 11, 2006 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

- **"Scratch-Off" Mailer.** Bruce Gould indicated that several similar advertisements that feature some sort of scratch-off type method are being used. Complaints from consumers and other agencies, such as Consumer Affairs, were received. One example is a consumer received a scratch off notice in the mail, after scratching off the referenced telephone number, they were told they were the grand prize winner and to come to the super store to claim their prize. Once arriving at the dealership, a salesman indicated that the fine print stated that this was a down payment towards a purchase of a new vehicle only. After researching the fine print, the consumer could not find any such statement. Consumer contacted the Attorney General's office and the consumer was told to bring the advertisement in. In reviewing the document, they also could not find the statement. The complaints are growing with this type of advertising. The reason Mr. Gould is bringing this to the Committee, because he felt it needed to be discussed as it appears to be deceptive acts. General discussion followed.

General consensus of the Committee is to send a warning out to dealers that use this type of advertising to beware, because parts of the advertisement are not in compliance. Also to put an article in Dealer Talk to be careful when contracting with outside vendors that use scratch-off and other types of promotions, to make sure everything is in compliance when using these types of marketing tools.

The next meeting will be January 8, 2007.

NEW BUSINESS FROM THE FLOOR

The meeting adjourned at 10:39 a.m.

Meeting Summary
Transaction Recovery Fund Committee
Monday, November 13, 2006

Chairman David Lacy called the Transaction Recovery Fund Committee meeting to order at 10:40 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Jonathan Blank, Lynn Hooper, David Lacy, Wanda Lewark, Vince Sheehy, Larry Shelor. (Absent: Thomas Woodson) Other Board members present: Kevin Reilly, Robert Woodall, Todd Hyman, Jim Mercer, Pat Patrick, Chip Lindsay, Hugh McCreight, Jimmy Whitten. Executive Director Bruce Gould, Peggy Bailey and Debbie Allison represented the Dealer Board. Jim Gurney represented DMV. Eric Fiske represented the Attorney General's Office.

The September 11, 2006 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: Informal Fact-Finding Conference Results:

- **Charlene Gabriel and Military Circle Auto Brokers.** On June 14, 2005, Ms. Gabriel purchased a 1992 Honda Accord for the purchase price of \$4,995.00, which Ms. Gabriel paid \$700 down and financed remaining \$4,295.00. A salesperson by the name of Marty issued her 30 day temporary tags that were scheduled to expire July 14, 2005. At the end of the 30 days, Ms. Gabriel contacted the dealer and indicated that she had not received her permanent tags. The dealer then issued a second set of temporary tags with the expiration date of August 14, 2005. When those tags expired, she was issued yet a third set of temporary tags with an expiration date of September 15, 2005. When that set expired she contacted the dealer again and when he offered her a fourth set of temporary tags, she refused and returned the vehicle to the dealer and demanded her money back. At this point, Ms. Gabriel had been making her payments, in which she had paid a total amount of \$1,479.93 towards the purchase of the Honda. As of this date, Mr. Gabriel has not received her money back and has had to pursue the dealer civilly through the General District Court of Norfolk.

On February 28, 2006, the General District Court of Norfolk awarded Charlene Gabriel judgment against Military Circle Auto Brokers Inc. in the amount of \$1,429.00 plus \$38.00 in costs. On August 3, 2006, Ms. Gabriel contacted the Dealer Board and inquired on how she could recover her money from the Motor Vehicle Transaction Recovery Fund regarding a judgment she had been awarded in February 2006. Wanda Neely, Recovery Fund Analyst, sent a Ms. Gabriel a letter providing information regarding the guidelines for filing a claim against the Fund.

On August 28, 2006, Mr. Gabriel submitted all the pertinent information regarding her claim against Military Circle Auto Brokers, Inc. After carefully reviewing all documentation, staff recommends that the Recovery Fund Committee and Full Board approve Ms. Gabriel's claim in the amount of \$1,467.00, this amount is based on the judgment amount of \$1,429.00 plus the \$38.00 in costs. On October 17, 2006, an

informal fact-finding conference was conducted and based on the information presented at the conference the hearing officer conducting the conference recommended that the Transaction Recovery Fund Committee and the Full Board members consider approving the amount of \$1,467.00.

Motion was made by Lynn Hooper to accept the hearing officer's findings and recommendation. Larry Shelor seconded. The motion carried unanimously.

NEW BUSINESS FROM THE FLOOR

There was no old business from the floor.

The next meeting was scheduled for January 8, 2007.

The meeting adjourned at 10:46 a.m.