

**Meeting Summary**  
**Motor Vehicle Dealer Board**  
**Monday, November 4, 2013**

Chairman Rick Holcomb called the Dealer Board meeting to order at 11:49 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. The roll was called and there were 12 Board members present. Present were members Mike Menefee (for Andy Alvarez), Roy Boswell, Lynn Hooper, Art Hudgins, Brian Hutchens, Ronald Kody, Wanda Lewark, Chip Lindsay, Kevin Reilly, Joe Tate, Jimmy Whitten. (Absent: Andy Alvarez, Ted Bailey, Matt McQueen, Thomas Moorehead, George Pelton, Tommy Woodson and Sally Woodson). Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Ann Majors, Wanda Neely and Frank McCormick represented the Dealer Board. Eric Fiske represented the Attorney General's Office. Alice Weedon was the recording secretary.

**PUBLIC COMMENT**

There was no public comment.

The September 9, 2013 meeting summary was approved.

**STATUTORY COMMITTEE REPORTS**

**Dealer Practices Committee:**

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

- **Tabled Issue: Little Man's Auto, Inc. and Charles R. Mullins.** Kevin Reilly 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 Little Man's Auto, Inc. and Charles R. Mullins for alleged violations of VA Code Sections 46.2-1530, 46.2-1530.A (8), 46.2-1530.A (9), 46.2-1539, 46.2-1542 and 46.2-1575 (2). Based on due consideration, the Board believes a civil penalty should be assessed against Little Man's Auto, Inc. and Charles R. Mullins. The Board hereby assesses a \$4,250 civil penalty against Little Man's Auto, Inc. and Charles R. Mullins; and based on due consideration, the Board believes that Mr. Mullins' dealership should be re-inspected and evidence be provided to MVDB staff that restitution has been made to all customers due restitution and that he provide to Board staff a satisfactory spread-sheet concerning all 52 consumers as noted in the informal fact finding conference. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Mullins dealership and if the inspection is not satisfactory and he has not provided restitution to customers and has not provided a satisfactory spreadsheet, the Board suspends all licenses and certificates issued by the Board to Mr. Mullins until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative and has provided restitution to customers and has provided a satisfactory spreadsheet to the Motor Vehicle Dealer Board staff concerning the 52 customers as noted in the informal fact finding conference

Joe Tate seconded. The motion carried unanimously.

- **Alleghany Motor Corporation and Robert C. Garten.** Kevin Reilly 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 Alleghany Motor Corporation and Robert C. Garten for alleged violations of VA Code Sections 46.2-1550, 46.2-1550.A (4); 46.2-1550.2, 46.2-1574, and 46.2-1575 (2). Based on due consideration, the Board believes a civil penalty should be assessed against Alleghany Motor Corporation and Robert C. Garten. The Board hereby assesses a \$2,750 civil penalty against Alleghany Motor Corporation and Robert C. Garten; and based on due consideration, the Board believes that successfully completing the dealer-operator course would benefit Mr. Garten in running his dealership. The Board mandates that Mr. Garten successfully complete the dealer-operator course by May 4, 2014. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Garten by the Board until what time Mr. Garten has successfully completed the course

Ron Kody seconded. The motion carried unanimously.

- **P&N Auto Sales, LLC and Predrag Jovic.** Kevin Reilly 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 P&N Auto Sales, LLC and Predrag Jovic for alleged violations of VA Code Sections 46.2-1515, 46.2-1518, 46.2-1529, 46.2-1574, 46.2-1575 (1), 46.2-1575 (2), and 46.2-1575 (18). Based on due consideration, the Board believes a civil penalty should be assessed against P&N Auto Sales, LLC and Predrag Jovic. The Board hereby assesses a \$1,000 civil penalty against P&N Auto Sales, LLC and Predrag Jovic; and based on due consideration, the Board believes that all licenses and certificates issued by the Board to Mr. Jovic should be revoked. The Board hereby revokes all licenses and certificates issued by the Board to Mr. Jovic.

Lynn Hooper seconded. The motion carried unanimously.

- **The Auto Connection and M. Zaki Stwodah.** Kevin Reilly 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 The Auto Connection and M. Zaki Stwodah for alleged violations of VA Code Sections 46.2-1518, 46.2-1529, 46.2-1532, 46.2-1547, 46.2-1550, 46.2-1574, 46.2-1575 (2), 46.2-1575 (7), 46.2-1575 (10), and 46.2-1575 (18). Based on due consideration, the Board believes a civil penalty should be assessed against The Auto Connection and M. Zaki Stwodah. The Board hereby assesses a \$5,750 civil penalty against The Auto Connection and M. Zaki Stwodah; and based on due consideration, the Board believes that Mr. Stwodah's dealership should be re-inspected within 30 days after appointing a new dealer-operator and that the inspection must be satisfactory and if the inspection is not satisfactory, all licenses and certificates issued by the Board to Mr. Stwodah should be suspended until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Stwodah's dealership within 30 days after the appointment of a new dealer-operator and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. Stwodah until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative.

Mr. Whitlock, attorney for Mr. Stwodah, spoke on behalf of his client and requested that the civil penalty be reduced.

Jimmy Whitten seconded. The motion carried unanimously.

- **H L McGeorge Auto Sales, Inc and Howard L. McGeorge, Jr.** Kevin Reilly 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 H L McGeorge Auto Sales, Inc. and Howard L. McGeorge, Jr for alleged violations of VA Code Sections 46.2-1520, 46.2-1529.1, 46.2-1530, 46.2-1531, 46.2-1534, 46.2-1544, 46.2-1548, 46.2-1550, 46.2-1575 (2), 46.2-1575 (6), and 1575 (12). Based on due consideration, the Board believes a civil penalty should be taken/assessed against H L McGeorge Auto Sales, Inc. and Howard L. McGeorge, Jr. The Board hereby assesses an \$8,000 civil penalty against H L McGeorge Auto Sales, Inc. and Howard L. McGeorge, Jr; and based on due consideration, the Board believes that all licenses and certificates issued by the Board to Mr. McGeorge should be suspended. The Board suspends for ninety days all licenses and certificates issued by the Board to Mr. McGeorge; and based on due consideration, the Board believes that successfully completing the dealer-operator course would benefit Mr. McGeorge in running his dealership. The Board mandates that Mr. McGeorge successfully complete the dealer-operator course prior to the end of his ninety-day suspension. Failure to successfully complete the course within this time frame will result in the continued suspension of all licenses and certificates issued to Mr. McGeorge by the Board and until such time Mr. McGeorge has successfully completed the course.

Joe Tate seconded. All in favor: 11 (Menefee, Boswell, Hooper, Hudgins, Hutchens, Kody, Lewark, Lindsay, Reilly, Tate, Whitten). Opposed: 1 (Holcomb: Due to the severity of the violations). The motion carried.

- **Mayrock Motors and Hong Chen.** Kevin Reilly 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 Mayrock Motors and Hong Chen for alleged violations of VA Code Sections 46.2-1508, 46.2-1508.2, 46.2-1515, 46.2-1529, 46.2-1532, 46.2-1537, 46.2-1548, 46.2-1550, 46.2-1575 (3), 46.2-1575 (6), and 46.2-1575 (7). Based on due consideration, the Board believes a civil penalty should be assessed against Mayrock Motors and Hong Chen. The Board hereby assesses a \$2,250 civil penalty against Mayrock Motors and Hong Chen; and based on due consideration, the Board believes that Mr. Chen's dealership should be re-inspected by January 4, 2014 and that the inspection must be satisfactory and if the inspection is not satisfactory, that all licenses and certificates issued by the Board to Mr. Chen should be suspended until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Chen's dealership by January 4, 2014 and if the inspection is not satisfactory the Board suspends for all licenses and certificates issued by the Board to Mr. Chen until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative

Jimmy Whitten seconded. The motion carried unanimously.

- **Five Star Used Auto, Inc. and Nidal Motii.** Kevin Reilly made the following motion: Based on the evidence and a report of an informal fact finding conference as prepared by a hearing officer, the Motor Vehicle Dealer Board assessed a \$3,500 civil penalty against Five Star Used Auto, Inc and Nidal Motii and revoked all licenses and certificates issued by the Board to Mr. Motii. Mr. Motii appealed the Board's decision and requested a formal hearing that was conducted on July 16, 2013; and the Board has reviewed and considered the facts and evidence and the report of formal hearing as prepared by the hearing officer concerning Five Star Used Auto, Inc and Nidal Motii for alleged violations of VA Code Sections 46.2-1539, 46.2-1575 (1) and 46.2-1575 (9). Based on due consideration, the Board believes a civil penalty should be assessed against Five Star Used Auto, Inc and Nidal Motii. The Board hereby assesses a \$2,500 civil penalty against Five Star Used Auto, Inc and Nidal Motii; and based on due consideration, the Board believes that Mr. Motii's dealer-operator certificate of qualification should be revoked. The Board hereby revokes Mr. Motii's dealer-operator certificate of qualification

Lynn Hooper seconded. All in Favor: 11 (Menefee, Boswell, Holcomb, Hudgins, Hutchens, Kody, Lewark, Lindsay, Reilly, Tate, Whitten). Opposed: 1 (Hooper: Due to the severity of the violations). The motion carried.

- **Z Best Auto Sales, LLC and Ahmed Alqadi.** Kevin Reilly made the following motion: Based on the evidence and a report of an informal fact finding conference as prepared by a hearing officer, the Motor Vehicle Dealer Board assessed a \$5,000 civil penalty against Z Best Auto Sales, LLC and Ahmed Alqadi and suspended all licenses and certificates issued by the Board to Mr. Alqadi pending a satisfactory inspection and required that he successfully complete the 2-day Dealer Operator course; and Mr. Alqadi appealed the Board's decision and requested a formal hearing that was conducted on August 8, 2013; and the Board has reviewed and considered the facts and evidence and the report of a formal hearing as prepared by the hearing officer concerning Z Best Auto Sales, LLC and Ahmed Alqadi for alleged violations of VA Code Sections 46.2-1529, 46.2-1532, 46.2-1534, 46.2-1537, 46.2-1542, 46.2-1548, 46.2-1550, 46.2-1550.2, 46.2-1559 and 46.2-1575 (2). Based on due consideration, the Board believes a civil penalty should be assessed against Z Best Auto Sales, LLC and Ahmed Alqadi. The Board hereby assesses a \$5,000 civil penalty against Z Best Auto Sales, LLC and Ahmed Alqadi; and based on due consideration, the Board believes that Mr. Alqadi's dealership should be re-inspected that the inspection must be satisfactory and that all licenses and certificates issued by the Board to Mr. Alqadi should be suspended until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Alqadi's dealership by and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. Alqadi until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative; and based on due consideration, the Board believes that successfully completing the dealer-operator course would benefit Mr. Alqadi in running his dealership. The Board mandates that Mr. Alqadi successfully complete the dealer-operator course by May 4, 2014. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Alqadi by the Board until what time Mr. Alqadi has successfully completed the course.

Brian Hutchens seconded. The motion carried unanimously.

- **Select Cars of Thornburg and Wilmer A. Nunez Villatoro.** Kevin Reilly made the following motion: Based on the evidence and a report of an informal fact finding conference as prepared by a hearing officer, the Motor Vehicle Dealer Board assessed a \$1,000 civil penalty against Select Cars of Thornburg and Wilmer A. Nunez Villatoro and revoked all licenses and certificates issued by the Board to Mr. Villatoro; and Mr. Villatoro appealed the Board's decision and requested a formal hearing that was conducted on June 11, 2013; and the Board has reviewed and considered the facts and evidence and the report of a formal hearing as prepared by the hearing officer concerning Select Cars of Thornburg and Wilmer A. Nunez Villatoro for alleged violations of Va. Code Section 46.2-1575 (9). Based on due consideration, the Board believes a civil penalty should be assessed against Select Cars of Thornburg and Wilmer A. Nunez Villatoro. The Board hereby assesses a \$1,000 civil penalty against Select Cars of Thornburg and Wilmer A. Nunez Villatoro; and based on due consideration, the Board believes that Mr. Villatoro's dealership should be re-inspected and that the inspection must be satisfactory and that all licenses and certificates issued by the Board to Mr. should be suspended until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Villatoro's dealership by and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative; and based on due consideration, the Board believes that successfully completing the dealer-operator course would benefit Mr. Villatoro in running his dealership. The Board mandates that Mr. Villatoro successfully complete the dealer-operator course by May 4, 2014. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. by the Board until what time Mr. has successfully completed the course.

Roy Boswell seconded. All in favor: 8 (Menefee, Boswell, Hooper, Hutchens, Lewark, Lindsay, Reilly). Opposed: 4 (Kody, Hudgins, Tate, Whitten). The motion carried.

## **Licensing Committee**

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

- **Anthony Vargas, Jr. Salesperson.** Jimmy Whitten 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 Anthony Vargas, Jr. for alleged violations of Va. Code Sections 46.2-1575 (6) and 46.2-1575 (7). Based on due consideration, the Board believes that all licenses and certificates issued by the Board to Mr. Vargas should be revoked. The Board hereby revokes all licenses and certificates issued by the Board to Mr. Vargas; and based on due consideration, the Board believes a civil penalty should be assessed against Anthony Vargas. The Board hereby assesses a \$2,000 civil penalty against Vargas.

Art Hudgins seconded. The motion carried unanimously.

## **Advertising Committee**

Chairman Kevin Reilly summarized discussions that were held during the Committee Meeting.

## **Transaction Recovery Fund Committee**

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

- **Senovia G. Bryant and Auto Depot, Inc.** Chairman Lynn Hooper summarized for the Board the discussion held in the committee meeting regarding Senovia G. Bryant and Auto Depot, Inc. Based on that discussion and the recommendations in this case, Mr. Hooper made the following motion: Pursuant to VA Code 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 the claims submitted for payment from the Fund and based on due consideration and recommendation of the hearing officer, the Board believes the following claim should be payable from the Fund:

**Senovia G. Bryant and Auto Depot, Inc.**

**\$12,264.00**

Mike Menefee seconded. The motion carried unanimously.

## **OLD BUSINESS**

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

Rick Holcomb indicated that any dealers still issuing the red 30-day temporary tags and the plastic bags for the POD tags, their customers may receive a ticket from law enforcement. Temporary tags must be printed on the special material supplied to all POD dealers. Dealer Talk will also have an article on this issue.

## **NEW BUSINESS**

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

There was no new business from the floor.

**Executive Director's Report.** Bruce Gould introduced new staff to the Dealer Board, Shenae Betts, main office and Larry Sparks, field representative. Bruce discussed the on-going problems with the dealers in Strasburg. He indicated that the Governor's Transportation Conference is scheduled for the first week in December. There will be about 100 vendors participating.

An Ad hoc group met to discuss the Strasburg and similar situations where many dealers were located in a building and not really doing business out of the licensed location. Previously, the Board voted to have the executive director prepare a legislative proposal to require that a licensed salesperson be at the dealership during posted business. As the ad hoc group and staff developed other means to address this problem using current laws, Lynn Hooper made a motion that was seconded by Joe Tate to withdraw the legislative proposal.

The next meeting will be scheduled for January 13, 2014

There being no further business to come before the Motor Vehicle Dealer Board, Chairman Holcomb adjourned the meeting at 12:48 p.m.

Meeting Summary  
**Dealer Practices Committee**  
Monday, November 4, 2013

Full Board Vice-Chairman Kevin Reilly called the Dealer Practices Committee meeting to order at 9:00 a.m. in Room 702 of the DMV Headquarters Building at 2300 W. Broad Street in Richmond. Present were Committee members Ron Kody, Chip Lindsay, Joe Tate and Jimmy Whitten. (Absent: Ted Bailey, Matt McQueen, Thomas Moorehead, Tommy Woodson and Sally Woodson). Other Board members present: Art Hudgins, Brian Hutchens, Roy Boswell, Rick Holcomb, Lynn Hooper, Wanda Lewark and Mike Menefee (for Andy Alvarez). Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Ann Majors, Frank McCormick and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

As a quorum was not present, the committee could not approve the July 8, 2013 and September 9, 2013 meeting summaries. Therefore, these summaries will go before the January board meeting for approval. Also, since a quorum was not present, no votes were taken on agenda items.

**PUBLIC COMMENT**

Rick Holcomb indicated that Chip Lindsay was voted the WANADA Time Dealer of the Year for 2014. He will be recognized at the 2014 NADA Convention in New Orleans in January 2014.

**OLD BUSINESS**

**Tabled Issue: Little Man's Auto, Inc. and Charles R. Mullins.** On June 20, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1530 (Buyers Order), 1530 (8) (The amount of any sales and use tax, title fee, uninsured motor vehicle fee...or any other fee required by law for which the buyer is responsible that the dealer has collected, 1530 (9) (The net balance due at settlement), 46.2-1539 (Inspection of vehicles required), 46.2-1542 (Temporary registration) and 46.2-1575 (2) (Willful failure to comply with a written warning). Based on the information provided at the conference, the hearing officer recommended revocation of all licenses and qualifications issued to Mr. Mullins and Little Man's Auto, Inc. and assess a civil penalty of \$13,000. At the September 9, 2013 Full Board meeting, a motion was made to table this issue until the November 4, 2013 meeting, so that Mr. Mullins the opportunity to correct some issues that were made prior to him taking over the business from his Father.

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

Consensus: to accept the hearing officer's recommendation.

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

**NEW BUSINESS**

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

- **Alleghany Motor Corporation and Robert C. Garten.** On September 4, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1550 (Use of dealer tags), 46.2-1550 (A-4) (Use of dealer tags for other businesses), 46.2-1550.2 (Transport tag record of use and issuance), 46.2-1574 (Acts of officers, directors, partners and salespersons) and 46.2-1575 (2) (Failure to comply with a written warning or willful failure to comply). Based on the information

provided at the conference, the hearing officer recommended a written warning for violations of 46.2-1550.2 and 46.2-1575.2 and to assess a civil penalty of \$2,750 for violations of 46.2-1550 and 46.2-1574.

Consensus: to accept the hearing officer's recommendation.

- **P&N Auto Sales, LLC and Predrag Jovic.** On August 22, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1515 (Display of license; change of location), 46.2-1518 (Display of salesperson's license; notice of termination), 46.2-1529 (Dealer records), 46.2-1574 (Acts of officers, directors, officers and salespersons), 46.2-1575 (1) Material misstatement or omissions in applications), 46.2-1575(2) (Any willful failure to comply with a written warning) and 46.2-1575 (18) (Failure to maintain dealer tag liability insurance). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$1,000 and for the dealer to have a satisfactory inspection within 30 days.

Consensus: \$1,000 civil penalty and revocation of certificate of qualification.

- **The Auto Connection and M. Zaki Stwodah.** On August 29, 2013, an informal fact-finding conference was conducted to address the alleged violations VA Code Sections 46.2-1518 (Display of salesperson's license; notice of termination), 46.2-1529 (Dealer records), 46.2-1532 (Odometer disclosure), 46.2-1547 (Dealer tag insurance required), 46.2-1550 (Use of dealer's license plates), 46.2-1574 (Acts of officers, directors, partners, and salespersons), 46.2-1575(2) (Failure to comply with a written warning), 46.2-1575 (7) (Deceptive acts and practices specifically when seeking licenses and registrations), 46.2-1575 (10) (Possessing titles which have not been completely and legally assigned to the dealer) and 46.2-1575 (18) (Failure to maintain dealer tag liability insurance. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$5,750, the dealership be re-inspected within 60 days and that Mr. Stwodah should be required to successfully complete the Dealer-Operatory Course.

James Whitlock, attorney for Mr. Stwodah and Mr. Stwodah were present and both spoke.

Consensus: Assess a civil penalty, satisfactory inspection and Mr. Stwodah has until November 15 to have a dealer-operator in place.

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

Bill Lehner, attorney for Mr. McGeorge, spoke on behalf of his client. Diane M. Poates, sister of Mr. McGeorge spoke as well. She is in favor of the hearing officer's recommendation.

Consensus: Assess a civil penalty of \$8,000, suspension of all licenses for 90 days and successfully complete the Dealer-Operator Course.



- **Mayrock Motors and Hong Chen.** On July 31, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1508 (Licenses required), 46.2-1508.2 (Display, parking, selling, advertising sales (curbstone), 46.2-1515 (Display of license; change of location), 46.2-1529 (Dealer Records), 46.2-1532 (Odometer disclosure), 46.2-1537 (Prohibited solicitation and compensation), 46.2-1548 (Transferable license plates), 46.2-1550 (Use of D-tags), 46.2-1575(3) (Failure to have an established place of business), 46.2-1575 (6) (Having used deceptive acts and practices and 46.2-1575(7) (Knowingly advertising by any means an assertion, representation, or statement of fact which is untrue, misleading or deceptive in any particular relating to the conduct of the business licensed or registered or for which a license or registration is sought). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$2,250 and a satisfactory inspection within 60 days.

Jennifer Chen, Dealer-Operator for Mayrock was present and spoke on behalf of Hong Chen.

Consensus: \$3,500 civil penalty due to the facts and circumstances and re-inspection within 60 days.

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

- **Five Star Used Auto, Inc and Nidal Motii.** Historical overview leading up to the formal hearing: On April 8, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1539 (Inspections), 46.2-1575 (1) (Material misstatement or omission in application for license) and 46.2-1575 (9) (Having committed a criminal act involved with the business of selling vehicles). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$3,500 and revocation of all licenses and certificates issued by the Board to Five Star and Nidal Motii. On May 29, 2013, Mr. Motii appealed the decision and requested a formal hearing. On July 16, 2013, a formal hearing was conducted. Based on the information provided at the conference the hearing officer recommended assessing a civil penalty of \$3,000 and revocation of all of Nidal Motii's licenses and qualifications to sell vehicles in the Commonwealth of Virginia.

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

Consensus: \$2,500 civil penalty, revoke dealer-operator certificate.

- **Z Best Auto Sales, LLC and Ahmed Alqadi.** Historical overview leading up to the formal hearing: On April 4, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529 (Dealer records), 46.2-1532 (Odometer disclosure; penalty), 46.2-1534 (Signs), 46.2-1537 (Prohibited solicitation and compensation), 46.2-1542 (Temporary registration), 46.2-1548 (Transferable plates), 46.2-1550 (Use of dealer plates), 46.2-1550.2 (Transport tag record of use and issuance), 46.2-1559 (Records to be kept by dealers; inspection) and 46.2-1575 (2) (Failure to comply with written warning). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$5,000. On August 8, 2013, Mr. Alqadi appealed the decision and requested a formal hearing. On September 19, 2013, a formal hearing was conducted. Based on the information provided at the conference the hearing officer recommended assessing a civil penalty of \$1,000 for violations of 46.2-1529, 1534 and 1559 and a written warning for violations of 46.2-1532, 151537, 1548, 1550, 1550.2 and 1575 (2).

Consensus: \$5,000 civil penalty, satisfactory inspection and Dealer-Operator Course.

- **Select Cars of Thornburg and Wilmer A. Nunez Villatoro.** Historical overview leading up to the formal hearing: On April 8, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section 46.2-1575 (9) (Having been convicted of any criminal act involving the business of selling vehicles). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500 and a satisfactory inspection to be conducted. The Board revised the hearing officer's recommendation and a resolution was written that assessed a civil penalty of \$1,000 and revocation of all licenses and certificates issued by the Board to Select Cars of Thornburg and Wilmer A. Nunez Villatoro. On June 11, 2013, Mr. Villatoro's attorney, Marc R. Thomas, appealed the decision and requested a formal hearing. On July 23, 2013, a formal hearing was conducted. Based on the information provided at the conference the hearing officer recommended assessing a civil penalty of \$1,000 and revocation of all licenses and certificates issued by the Board to Select Cars of Thornburg and Wilmer A. Nunez Villatoro.

Mr. Villatoro and his attorneys, Robert Barlow and Bill Lehner, were present and they all spoke.

Eric Fiske spoke on behalf of the Board.

Consensus: to accept the hearing officer's recommendation.

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

There was no new business from the floor.

The next meeting was scheduled for January 13, 2014

The meeting adjourned at 11:38 a.m.

Meeting Summary  
**Dealer Licensing Committee**  
Monday, November 4, 2013

Chairman Jimmy Whitten called the Dealer Licensing Committee meeting to order at 11:38 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members Mike Menefee (for Andy Alvarez), Roy Boswell, Art Hudgins, Brian Hutchens and Wanda Lewark. (Absent: Andy Alvarez, George Pelton, Sally Woodson) Other Board members present: Ron Kody, Rick Holcomb, Lynn Hooper, Chip Lindsay, Kevin Reilly, Joe Tate. Executive Director Bruce Gould, Frank McCormick, Peggy Bailey, Prin Cowan, Ann Majors and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The September 9, 2013 meeting summary was approved.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**OLD BUSINESS FROM THE FLOOR:**

There was no old business from the floor.

**NEW BUSINESS**

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

- **Anthony Vargas, Jr. Salesperson.** On October 1, 2013, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1537 (Licensed salesperson/birddog), 46.2-1538 (Salesman selling for other than his employer), 46.2-1575 (2) (Any willful failure to comply with a written warning) and 46.2-1575 (6) (Having used deceptive acts and practices). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$2,000 and revocation of all licenses.

Motion was made by Joe Tate to accept the hearing officer's recommendation of assessing a civil penalty of \$2,000 and revocation of all licenses. Roy Boswell seconded. The motion carried unanimously.

**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The next meeting was scheduled for January 13, 2014.

The meeting adjourned at 11:42 a.m.

**Meeting Summary**  
**Advertising Committee**  
Monday, September 9, 2013

Chairman Kevin Reilly called the Advertising Committee meeting to order at 11:42 a.m. in Room 702 of the DMV Headquarters, 2300 West Broad Street, Richmond, Virginia. Present were Committee members Mike Menefee (for Andy Alvarez), Ron Kody, Chip Lindsay. (Absent: Andy Alvarez, Matt McQueen, George Pelton, Sally Woodson and Tommy Woodson ). Other Board members present: Art Hudgins, Brian Hutchens, Roy Boswell, Rick Holcomb, Lynn Hooper, Joe Tate, Wanda Lewark and Jimmy Whitten. Executive Director Bruce Gould, Peggy Bailey, Frank McCormick, Prin Cowan, Ann Majors and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

As a quorum was not present, the Committee could not approve the July 8, 2013 and September 9, 2013 meeting summaries. Therefore, these summaries will go before the January board meeting for approval.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

**NEW BUSINESS**

The next meeting was scheduled for January 13, 2014.

**NEW BUSINESS FROM THE FLOOR**

The meeting adjourned at 11:42 a.m.

Meeting Summary  
**Transaction Recovery Fund Committee**  
Monday, November 4, 2013

Chairman Lynn Hooper called the Transaction Recovery Fund Committee meeting to order at 11:42 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Mike Menefee (for Andy Alvarez), Roy Boswell, Art Hudgins, Brian Hutchens and Kevin Reilly. (Absent: Andy Alvarez, Ted Bailey, Matt McQueen, Thomas Moorehead). Other Board members present: Ron Kody, Rick Holcomb, Joe Tate, Wanda Lewark, Chip Lindsay and Jimmy Whitten. Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Frank McCormick, Ann Majors and Wanda Neely represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The September 9, 2013 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:**

- **Viona Campbell-Pryor and Acars. Inc.** On July 9, 2012, Viona Campbell-Pryor entered into a written contract with Acars, Inc. for the purchase of a 2007 Chrysler Pacifica in which she had seen advertised online. The selling price of the vehicle was \$16,999.00. Acars completed a Buyer's Order and included a \$200.00 fee for dealer prep & handling, \$120.00 RTD and \$946.50 state tax making the total amount to finance in the amount of \$18,265.00. At the time of the transaction, Acars did not have possession of the vehicle or title, yet assured Ms. Pryor that they would purchase the vehicle from the seller and re-sell and assign the title over to her. On July 10, 2012, Ms. Pryor obtained financing through Navy Federal Credit Union (NFCU) and provided a cashier's check in the amount of \$18,265.00 to Acars for the purchase of the Chrysler Pacifica. Ms. Pryor had subsequent concerns with the unknown condition of the vehicle that was to be delivered and requested termination of the purchase agreement. Acars issued a refund to Ms. Pryor in the amount of \$6,065.00 and subsequently had discussions of obtaining a different vehicle: a 2003 Hyundai Santa Fe, with a purchase price of \$13,893.00. The bank would not fund the newer vehicle. Acars then provided Ms. Pryor with a refund check payable to Navy Federal Credit Union in the amount of \$12,200.00, in which she remitted the refund check to Navy Federal Credit Union. However, on September 20, 2012, the Navy Federal Credit Union notified Ms. Pryor that the check for (\$12,200.00) had been returned unpaid, due to a "Stop Payment".

Ms. Pryor then sought legal counsel (Louka Tariq, Esq.) to pursue Acars, Inc. civilly in court for her monetary loss in connection with the purchase. On October 5, 2012, Louka Tariq, on behalf of Viona Campbell-Pryor filed civil suit in the Virginia Beach General District Court against Acars, Inc. for fraud in the amount of \$20,000.00. On October 12, 2012, Moore Legal Services hand delivered to the Dealer Board, the Warrant in Debt that had been filed in the Virginia Beach General District Court against (1) Acars, Inc. and (2) Motor Vehicle Dealer Board. Upon receipt the Dealer Board staff contacted counsel for additional documentation and to verify that the Motor Vehicle Dealer Board was not being named as part of the civil suit, in which counsel indicated that pursuit to §46.2-1527.4, this was for notification only. On October 15, 2012, Louka Tariq submitted a copy of the Buyer's Order and a copy of the cashier's check from Navy Federal Credit Union in the amount of \$18,265.00 for the purchase of the 2007 Chrysler Pacifica.

On October 17, 2012, the Dealer Board staff acknowledged receipt of Viona Campbell-Pryor's possible claim against the Motor Vehicle Transaction Recovery Fund (Fund). In addition, staff requested a detailed affidavit of facts as well as a copy of the cancelled check in amount of \$12,200.00 from Acars, Inc. to NFCU. On November 1, 2012, Tariq Louka submitted to the Dealer Board submitted additional documentation regarding his client's claim against the Fund.

On March 25, 2013, the Virginia Beach General District Court awarded Viona Campbell-Pryor a default judgment against Acars, Inc. in the amount of \$12,200.00 plus costs of \$64.00. On June 26, 2013, Tariq Louka submitted to the Dealer Board documentation for consideration of payment from the Fund.

After carefully reviewing all the documentation, staff believes that Ms. Bryant's claim meets the criteria for payment from the Fund in the amount of \$12,264.00, which is based on the full judgment amount of \$12,200.00, costs in the amount of \$64.00.

On October 8, 2013, an informal fact-finding conference was conducted and based on the information provided at the conference, the hearing officer recommended payment from the fund in the amount of \$12,264.00.

Motion was made by Brian Hutchens to accept the hearing officer's recommendation of payment from the fund to Ms. Bryant in the amount of \$12,264. Art Hudgins seconded. The motion carried unanimously.

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

The next meeting was scheduled for January 13, 2014.

The meeting adjourned at 11:48 a.m.