

Meeting Summary  
**Motor Vehicle Dealer Board**  
Monday, September 8, 2014

Chairman Rick Holcomb called the Dealer Board meeting to order at 11:11 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. The roll was called and there were 15 Board members present. Present were members Ted Bailey, Roy Boswell, Gardner Britt, David Duncan, Steve Farmer, David Gripshover, Art Hudgins, Ron Kody, Chip Lindsay, Chris Maher, Matt McQueen, Jacques Moore, George Pelton and Joe Tate. (Absent: Clay Huber and Brian Hutchens). Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Ann Majors 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 July 14, 2014 meeting summary was approved.

**STATUTORY COMMITTEE REPORTS**

**Dealer Practices Committee:**

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

- **Variance Request in Hours: Jerry's Auto Service and Sales and Jerry Farmer.** Chairman Kody made the following motion: Be it resolved that in accordance with the authority given to the Board to modify the minimum hours requirements as set-out in Va. Code Section § 46.2-1533, that Jerry Farmer, Inc. T/A Jerry's Automotive Sales and Service (dealer #833) be granted a variance from the requirement of being opened for business at least 10 hours per week between the hours of 9:00 am and 5:00 pm, Monday through Friday provided that the dealership be open a minimum of 5 hours per week between the hours of 9:00 am and 5:00 pm, Monday through Friday and a total of 20 hours each week. This variance shall be in effect through September 30, 2015

Art Hudgins seconded. The motion carried unanimously.

- **Mule Motor Machines and William W. Little.** 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 Mule Motor Machines and William W. Little for alleged violations of Va. Code Sections 46.2-1510, 46.2-1533 and 46.2-1575 (2). Based on due consideration, the Board believes a civil penalty should be assessed against Mule Motor Machines and William W. Little. The Board hereby assesses a \$450 civil penalty against Mule Motor Machines and William W. Little; and based on due consideration, the Board believes that Mr. Little's dealership should be re-inspected by December 8, 2015 and if that inspection is not satisfactory all licenses and certificates issued by the Board to Mr. Little should be suspended. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Little's dealership by December 8, 2015 and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. Little until such time as he has had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative.

Matt McQueen seconded. The motion carried unanimously.

- **Ultra Vision Motors, LLC and Anthony R. McDaniel.** 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 Ultra Vision Motors, LLC and Anthony R. McDaniel for alleged violations of Va. Code Sections 46.2-1529; 46.2-1529.1; 46.2-1530; 46.2-1533; 46.2-1542; 46.2-1547; 46.2-1548; 46.2-1574; and 46.2-1575 (1); (6) and (14). Based on due consideration, the Board believes a civil penalty should be assessed against Ultra Vision Motors, LLC and Anthony R. McDaniel. The Board hereby assesses a \$17,000 civil penalty against Ultra Vision Motors, LLC and Anthony R. McDaniel; and based on due consideration, the Board believes that all licenses and certificates issued by the Board to Mr. McDaniel should be revoked. The Board hereby revokes all licenses and certificates issued by the Board to Mr. McDaniel.

Art Hudgins seconded. The motion carried unanimously.

- **Star City Motors, LLC and Kenneth W. Garnett.** 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 Star City Motors, Inc. and Kenneth W. Garnett for alleged violations of Va. Code Section 46.2-1533. Based on due consideration, the Board believes a civil penalty should be assessed against Star City Motors, Inc. and Kenneth W. Garnett. The Board hereby assesses a \$500 civil penalty against Star City Motors, Inc. and Kenneth W. Garnett. Based on due consideration, the Board believes that Mr. Garnett's dealership should be re-inspected by December 8, 2014 and that the inspection must be satisfactory and that all licenses and certificates issued by the Board to Mr. Garnett should be suspended if the inspection is not satisfactory. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Garnett's dealership by December 8, 2014 and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. Garnett 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. Garnett in running his dealership. The Board mandates that Mr. Garnett successfully complete the dealer-operator course by March 8, 2015. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Garnett by the Board until such time Mr. Garnett has successfully completed the course

Steve Farmer seconded. The motion carried unanimously.

- **Autoloox and Khashayar Zargham.** 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 Autoloox and Khashayar Zargham for alleged violations of Va. Code Sections 46.2-1529, 46.2-1542, 46.2-1559, and 46.2-1575 (1), (2) (9) and (14). Based on due consideration, the Board believes a civil penalty should be assessed against Autoloox and Khashayar Zargham. The Board hereby assesses a \$14,000 civil penalty against Autoloox and Khashayar Zargham; and based on due consideration, the Board believes that all licenses and certificates issued by the Board to Mr. Zargham should be revoked. The Board hereby revokes all licenses and certificates issued by the Board to Mr. Zargham.

Joe Tate seconded. The motion carried unanimously.

- **Thomas Auto Works and Clarence Thomas.** 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 Thomas Auto Works and Clarence Thomas for alleged violations of Va. Code Sections 46.2-1529, 46.2-1531, 46.2-1537, 46.2-1550.2, 46.2-1574, 46.2-1575 (2). Based on due consideration, the Board believes a civil penalty should be assessed against Thomas Auto Works and Clarence Thomas. The Board hereby assesses a \$3,000 civil penalty against Thomas Auto Works and Clarence Thomas; and based on due consideration, the Board believes that Mr. Thomas's dealership should be re-inspected by December 8, 2015 and that the inspection must be satisfactory and that all licenses and certificates issued by the Board to Mr. Thomas should be suspended if the inspection

is not satisfactory. The Board hereby mandates that a Motor Vehicle Dealer Board field representative re-inspect Mr. Thomas's dealership by December 8, 2015 and if the inspection is not satisfactory the Board suspends all licenses and certificates issued by the Board to Mr. Thomas 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. Thomas in running his dealership. The Board mandates that Mr. Thomas successfully complete the dealer-operator course by March 8, 2014. Failure to successfully complete the course by this date will result in a suspension of all licenses and certificates issued to Mr. Thomas by the Board until such time Mr. Thomas has successfully completed the course.

Joe Tate seconded. The motion carried unanimously.

### **Licensing Committee**

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

- **Vincent C. Holley, Jr. (Sales Applicant).** Chairman Tate made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Vincent C. Holly, Jr. for alleged violations of Va. Code Sections 46.2-1575 (2) 46-2-1575 (6) and 46.2-1575 (13). Based on due consideration, the Board believes Mr. Holley's license application should be approved and that he and his employer and all future employers must complete and affidavit before a license will be issued or transferred. The Board hereby approves Vincent C. Holley, Jr application for a salesperson license and mandates that he and all future employers complete and affidavit before a license will be issued or transferred.

David Duncan seconded. The motion carried unanimously.

- **Hamid Abdolahzadeh and Auto Land Sales, Inc.** Chairman Tate made the motion to table this issue to the November meeting.

George Pelton seconded. The motion carried unanimously.

### **Advertising Committee**

Chairman Chip Lindsay summarized discussions that were held during the Committee Meeting.

- **Rodriguez Motors, LLC and Marcos O. Rodriguez.** Chairman Lindsay 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 Rodriguez Motors, LLC and Marcos O. Rodriguez for alleged violations of Va. Code Sections 46.2-1535, 46.2-1575 (7) and 46.2-1581 (8). Based on due consideration, the Board believes a warning letter should be sent to Marcos O. Rodriguez and Rodriguez Motors, LLC. The Board hereby directs the Board's executive director to send a warning letter to Marcos O. Rodriguez and Rodriguez Motors, LLC.

Jacques Moore seconded. All in favor: 11 (Bailey, Boswell, Britt, Duncan, Gripshover, Lindsay, Maher, McQueen, Moore, Pelton, Tate). Opposed: 4 (Holcomb, Farmer, Hudgins, Kody). The motion carried.

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

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

- **Cody D. Cameron and Coast 2 Coast Auto Sales (Previous t/a Autos and Cycles Biz).** Chairman Bailey summarized for the Board the discussion held in the committee meeting regarding Cody D. Cameron and Coast 2 Coast Auto Sales (Previous t/a Autos and Cycles Biz). Based on that discussion and the recommendations in these cases, Mr. Bailey 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 claims should be payable from the Fund:

<b>Cody D. Cameron and Coast 2 Coast Auto Sales (Previous t/a Autos and Cycles Biz).</b>	<b>\$25,000</b>
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Joe Tate seconded. The motion carried unanimously.

### **OLD BUSINESS**

- **Internet Task Force.** Bruce Gould indicated that discussions are continuing on the status of internet advertising and another meeting will be conducted. Bruce will continue to update the Board on the progress of these meetings.

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

There was no old business from the floor.

### **NEW BUSINESS**

- **Update: 2015 General Assembly.** Bruce Gould reported that a legislative proposal has been prepared for the 2015 General Assembly and we are now waiting for direction from the Administration.

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

The next meeting will be scheduled for November 10, 2014.

There being no further business to come before the Motor Vehicle Dealer Board, Chairman Rick Holcomb adjourned the meeting at 11:47 a.m.

Meeting Summary  
**Dealer Practices Committee**  
Monday, September 8, 2014

Chairman Ron Kody called the Dealer Practices Committee meeting to order at 9:01 a.m. in Room 702 of the DMV Headquarters Building at 2300 W. Broad Street in Richmond. Present were Committee members Roy Boswell, Gardner Britt, Steve Farmer, Chip Lindsay, Chris Maher, Matt McQueen, George Pelton and Joe Tate. (Absent: Clay Huber and Brian Hutchens). Other Board members present: Rick Holcomb, David Duncan, Ted Bailey, David Gripshover, Art Hudgins and Jacques Moore. Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Ann Majors and Frank McCormick represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The July 14, 2014 meeting summary was approved.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**OLD BUSINESS FROM THE FLOOR**

Bruce Gould indicated that he wanted to make the Committee aware that Eldon L. Smith of Today's Auto appealed the July 14, 2014, decision to revoke his dealer's license and certificates, but allow him to maintain his sales license. For the record, at the July Board meeting, Mr. Smith volunteered to give up his dealer's license, but requested that the Board allow him to maintain his sales license.

**NEW BUSINESS**

- **Request for Variance in Hours: Jerry's Auto Service and Sales and Jerry Farmer.** Bruce Gould reported that for the past 16 years, Jerry Farmer has requested a variance in hours for his dealership, Jerry's Automotive Sales and Service, because of his teaching schedule.

Motion was made by Steve Farmer to approve Mr. Farmer's request for a variance in hours. Joe Tate seconded. The motion carried unanimously.

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

- **Mule Motor Machines and William W. Little.** On June 16, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1510 (Place of business-sales activity of the business is routinely conducted at licensed location), 46.2-1533 (Failure to maintain business hours) 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 assessing a civil penalty of \$450 and a satisfactory inspection within one year.

Motion was made by Chris Maher accept the hearing officer's decision of a \$450 civil penalty, and a satisfactory inspection to be completed within 90 days. Joe Tate seconded. The motion carried unanimously.

- **Ultra Vision Motors, LLC and Anthony R. McDaniel.** On July 24, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529 (Dealer records); 46.2-1529.1 (Buyer's Guide completely filled out, signed and dated by buyer); 46.2-1530 (Buyer's Order); 46.2-1533 (Business hours); 46.2-1542 (Temporary registration); 46.2-1547 (D-tag insurance required); 46.2-1548 (Transferable license plates); 46.2-1574 (Acts of officers, directors, partners, and salespersons); and 46.2-1575 (1) (Material misstatement or omission in applications), (6) (Having used deceptive acts and practices) and (14) (Failure to submit fees to DMV within 30 days). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$17,000 and revocation of all licenses and certificates for Ultra Vision and salespersons.

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

Motion was made by Steve Farmer to accept the hearing officer's recommendation of assessing a civil penalty of \$17,000 and revocation of all licenses and certificates. George Pelton seconded. The motion carried unanimously.

- **Star City Motors, Inc. and Kenneth W. Garnett.** On May 14, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section 46.2-1533 (Business hours). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500 and to successfully complete the Dealer-Operator course.

Motion was made by Joe Tate to accept the hearing officer's recommendation of assessing a civil penalty of \$500; however, instead of the Dealer-Operator course, the dealer must have a satisfactory inspection within 90 days, if he fails suspension of all licenses until he passes. George Pelton seconded. All in favor: 4 (Farmer, McQueen, Pelton, Tate), Opposed: 5 (Lindsay, Kody, Maher, Boswell and Britt). The motion failed.

Motion was made by Chris Maher to assess a civil penalty of \$500, a satisfactory inspection within 90 days and to successfully complete the Dealer-Operator Course. Chip Lindsay seconded. All in favor: (Boswell, Britt, Farmer, Lindsay, Maher, McQueen, Pelton). Opposed: 1 (Tate). The motion carried.

- **Autoloox and Khashayar Zargham.** On July 29, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529 (Dealer records); 46.2-1542 ((Temporary registration rights of Purchaser to return vehicle); 46.2-1559 (POD Temporary tag records); and 46.2-1575 (1) (Material misstatement or omission in application), 1575 (2) (Failure to comply with written warning, or willful failure to comply), (9) (Having been convicted of any criminal act involving the act of selling vehicles) and (14) (Failure to submit fees to DMV within 30 days). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$14,000 and revocation of all licenses, certificates and salespersons license associated with Autoloox.

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

Motion was made by Steve Farmer to accept the hearing officer's recommendation of assessing a civil penalty of \$14,000 and revocation of all licenses. George Pelton seconded. The motion carried unanimously.

- **Thomas Auto Works and Clarence Thomas.** On June 3, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529 (Dealer records); 46.2-1531 (Consignment vehicles, contract); 46.2-1537 (Prohibited solicitation and compensation); 46.2-1550.2 (Dealer plates); 46.2-1574 (Acts of officers, directors, partners, and salespersons); and 46.2-1575 (2) (Failure to comply). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$3,000, satisfactory inspection and to successfully complete the Dealer-Operator course.

Mr. Thomas was present and spoke on his own behalf. When Mr. Thomas spoke, he mentioned that his son Jay will also take the course.

Motion was made by Joe Tate to accept the hearing officer's recommendation of assessing a civil penalty of \$3,000, a satisfactory inspection within 90 days and to successfully complete the Dealer-Operator course. Matt McQueen seconded. The motion carried unanimously.

**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The next meeting was scheduled for November 10, 2014

The meeting adjourned at 10:31 a.m.

Meeting Summary  
**Dealer Licensing Committee**  
Monday, September 8, 2014

Chairman Joe Tate called the Dealer Licensing Committee meeting to order at 10:31 a.m. in Room 702 in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members Ted Bailey, David Duncan, David Gripshover, Chip Lindsay, Jacques Moore and George Pelton. Other Board members present: Gardner Britt, Steve Farmer, Roy Boswell, Ron Kody, Rick Holcomb, Matt McQueen and Chris Maher. Executive Director Bruce Gould, Frank McCormick, Peggy Bailey, Prin Cowan and Ann Majors represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The July 14, 2014 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:**

- **Vincent C. Holley, Jr. (Salesperson applicant).** On August 11, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1575 (2) (Failure to comply with a written warning or willful failure to comply), (6) (Having used deceptive acts and practices and (13) (Having been convicted of a felony). Based on the information provided at the conference, the hearing officer recommended denying Mr. Holley's application for a sales license as he is still on probation and for failing to keep his promise to the Board. He also indicated that Mr. Holley is a convicted felon with a history of probation violations which is indicative of an unwillingness to comply with restrictions and code.

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

Motion was made by Art Hudgins to deny the license until information from the probation officer can be received by the time the Full Board is in session. George Pelton seconded. The motion carried unanimously.

- **Hamid Abdolazadeh and Auto Land Sales, Inc.** On May 28, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1575 (9) (Having been convicted of any criminal act involving the business of selling vehicles and (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 assessing a civil penalty of \$2,000 and to successfully complete the Dealer-Operator course.

Motion was made by David Gripshover to table this issue to the November meeting, as requested by Mr. Abdolazadeh, due to the fact that he is out of the country. Prior to the alleged violations, Mr. Abdolazadeh had never had any problems before. Jacques Moore seconded. The motion carried unanimously.



**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The next meeting was scheduled for November 10, 2014

The meeting adjourned at 10:47 a.m.

**Meeting Summary**  
**Advertising Committee**  
Monday, September 8, 2014

Chairman Chip Lindsay called the Advertising Committee meeting to order at 10:47 a.m. in Room 702, DMV Headquarters, 2300 West Broad Street, Richmond, Virginia. Present were Committee members Roy Boswell, David Duncan, Art Hudgins, Ron Kody and Matt McQueen. (Absent: Clay Huber, Brian Hutchens). Other Board members present: Jacques Moore, Gardner Britt, Steve Farmer, Ron Kody, Rick Holcomb, Joe Tate, Ted Bailey, George Pelton, David Gripshover and Chris Maher. Executive Director Bruce Gould, Peggy Bailey, Frank McCormick, Prin Cowan and Ann Majors represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The July 14, 2014 meeting summary was approved.

**PUBLIC COMMENT**

There was no public comment.

**OLD BUSINESS**

**Update: Advertising Regulations.** Bruce Gould indicated that they are waiting on the publication of the regulations in the Virginia Register. Another meeting is scheduled some time during the week.

**OLD BUSINESS FROM THE FLOOR**

There was no old business from the floor.

**NEW BUSINESS**

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

- **Rodriguez Motors, LLC and Marcos O. Rodriguez.** On June 30, 2014, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1535 (Advertisements); 46.2-1575 (7) (Knowingly advertising, misleading or deceptive); and 46.2-1581 (8) (Regulated advertising practices). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$250.

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

Motion was made by Art Hudgins to accept the hearing officer's recommendation of assessing a civil penalty of \$250. David Duncan seconded.

Substitute motion was made by David Gripshover to issue a warning letter. Roy Boswell seconded. All in favor: 4 (Lindsay, Boswell, Duncan and Matt McQueen) Opposed: 2 (Hudgins and Kody). The motion carried.

The next meeting was scheduled for November 10, 2014.

**NEW BUSINESS FROM THE FLOOR**

There was no new business from the floor.

The meeting adjourned at 11:02 a.m.

Meeting Summary  
**Transaction Recovery Fund Committee**  
Monday, September 8, 2014

Chairman Ted Bailey called the Transaction Recovery Fund Committee meeting to order at 11:02 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Steve Farmer, David Gripshover, Art Hudgins, Ron Kody and Matt McQueen. (Absent: Brian Hutchens). Other Board members present: David Duncan, Jacques Moore, Gardner Britt, Roy Boswell, Chip Lindsay, Rick Holcomb, Joe Tate, George Pelton and Chris Maher. Executive Director Bruce Gould, Peggy Bailey, Prin Cowan, Frank McCormick, and Ann Majors represented the Dealer Board. Eric Fiske represented the Attorney General's office.

The July 14, 2014 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:**

- **Cody D. Cameron and Coast 2 Coast Auto Sales (previous t/a Autos and Cycles Biz).** On January 29, 2011, Mr. Cameron purchased a 2004 Nissan from Motor Sports, Inc., et al for a total purchase price of \$17,822.61, including an extended warranty. During the negotiations, Mr. Cameron specifically asked the salesperson for the dealership whether the vehicle had ever been involved in an accident and asked why the vehicle displayed a "rejected inspection sticker". The salesperson advised Mr. Cameron that this was a battery issue and if he returned the next day they would get the battery issue resolved and they would have a valid inspection showing the vehicle had passed the inspection. Initially, the finance manager indicated that Mr. Cameron's loan had been approved and later indicated he needed to sign a new contract. After multiple complications and repairs, Mr. Cameron tried to trade the vehicle in to a North Carolina dealer. At this time, Mr. Cameron learned the vehicle had been involved in an accident, other unrepaired damage and the unlawful switching of the inspection sticker. Due to the misrepresentations of the dealer, Mr. Cameron obtained legal counsel and pursued the dealership civilly in court for his monetary loss. On June 9, 2014, the Circuit Court for the City of Virginia Beach found that the dealer committed actual fraud and willfully violated the Va. Consumer Protection Act and awarded Mr. Cameron a default judgment in the amount of \$28,341.85 actual damages + \$11,244.00 in legal fees. The total amount of judgment was entered on behalf of Mr. Cameron in the amount of \$100,000.00 plus costs and interest.

Pursuant to VA Code §46.2-1527.5, excluded from the amount of any unpaid final judgment on which a claim against the Fund is based shall be any sums representing (i) interest, (ii) punitive damages, and (iii) exemplary damages. Further, under VA Code §46.2-1527.5 the maximum claim of one judgment debtor against the Fund involving a single transaction shall be limited to \$25,000, regardless of the amount of the unpaid judgment. Therefore, due to the statutes governing the Fund the Dealer Board staff is requesting that the Recovery Fund Committee and full Board approve Mr. Cameron's claim in the amount of \$25,000, which is the maximum claim amount recoverable from the Fund. On August 18, 2014, an informal fact-finding conference was conducted. Based on the evidence provided at the conference, the hearing officer recommended a payment of \$25,000 should be considered.

Motion was made by Ron Kody to accept the hearing officer's recommendation and a payment of \$25,000 should be allowed to Cody D. Cameron. Art Hudgins seconded. The motion carried unanimously.

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

The next meeting was scheduled for November 10, 2014.

The meeting adjourned at 11:11 a.m.