

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATION
INTER-OFFICE MEMO**

August 15, 2014

TO: Rosemary Booth Gallogly

DEPT: Department of Revenue

FROM: Walter Craddock, Esq. Chairman

DEPT: Division of Motor Vehicles

SUBJECT: HEARING BOARD RESULTS

Please be advised of the following matters which were heard before the Board on Wednesday, August 6, 2014. Board members: Walter Craddock, Esq., James Botvin, Marc Levasseur and William Jeffery. Also present, Marcy Coleman, Esq., Division of Legal Services.

Lt. David Doucet of the Rhode Island State Police has recused himself from the decision process of the dealer hearing board while on special assignment the Department of Motor Vehicles Enforcement Division until further notice.

MEETING OF AUGUST 6, 2014 AT 12:30 PM AT THE

**DIVISION OF MOTOR VEHICLES –3RD. FLOOR, CONFERENCE
ROOM, 600 NEW LONDON AVENUE, CRANSTON, RI 02920**

**1. REVIEW AND ACCEPTANCE OF THE MINUTES OF: JULY 16, 2014
BOARD HEARING**

The minutes have been reviewed and approved

2. CITY MOTORS LLC d/b/a CITY MOTORS AUTO SALES & REPAIR (
Stephen M. Greene, Pres. / Joe Brennan, Esq.)

FIRST APPLICATION – CASE # KR-140-229

TO DEAL IN USED MOTOR VEHICLES ONLY

AT: 450 POTTERS AVENUE, PROVIDENCE, RI 02907

**Decision: The Board has approved this first application subject to a
site inspection conducted by the RI Dealers' License and Regulations
Office and being finalized within 30 days and has been granted three
(3) dealer plates.**

Page 1 of 4

HEARINGS BOARD RESULTS 08-06-14

Page 2 of 4

3. CYNTHIA BUDLONG AND DEALERS' LICENSE & REGULATIONS OFFICE VS JOHN'S MOTOR CO. INC (Chu Hong Kim, Pres./ Edward Grouke, Esq.)

CASE # KR-140-116

COMPLAINT / SHOW CAUSE HEARING

Decision: complaint has been settled

Based on 3 violations that were addressed, John's Motor Company will be fine \$600.00

Fine: \$200.00 Violation of RI Rules and Regulations VII Subsection (E) – bill of sale did not have the required language printed on it relating to the RI vehicle inspection law

Fine: \$200.00 Violation of RI Rules and Regulations VII Subsection (E) – no license # printed on the bill of sale.

Fine: \$200.00 – Violation of RI Rules and Regulations Section VI, Subsection (R) – Inspection of vehicles

The Board made a point that the last 2 violations are \$200.00 because the owner of dealership has been in the Office at least 6 times and was told about this issue.

4. JEFFREY FLANAGAN AND DEALERS' LICENSE & REGULATIONS OFFICE VS JOHN'S MOTOR CO. INC (Chu Hong Kim, Pres./ Edward Grouke, Esq.)

CASE # KR-140-094

COMPLAINT / SHOW CAUSE HEARING

Decision: The Board has imposed a fine for \$200.00 –

Fine: \$100.00: Violation of RI Rules and Regulations VII Subsection (E) – bill of sale did not have the required language printed on it relating to the RI vehicle inspection law

Fine: \$100.00: Violation of RI Rules and Regulations VII Subsection (E) – no license # printed on the bill of sale.

Both parties, Mr. Flanagan and Mr. Kim the owner of John's Motor Company agreed to settled on the amount of \$3,300.00 and a certified check will be provided to the RI Dealers' License and Regulations Office in 14 days, August 20, 2014.

HEARING BOARD RESULTS 08-06-14

**5. DANIEL AZADIN AND DEALERS' LICENSE & REGULATIONS
OFFICE VS. FONSECA AUTO SALES (Mario Jimenez, Owner)
CASE # AM-140-197
COMPLAINT SHOW CAUSE HEARING**

Decision: After reviewing the evidence and testimony presented.

The Board has determined that Fonseca Auto Sales is in violation of the following RI Rules and Regulations and is required to pay the amounts listed below which totals \$1,550.00 to the RI Dealers' License and Regulations Office within 10 days of receiving the formal decision.

Fine: \$200.00: Violation of RI Rules and Regulations VI, Subsection (R) –vehicle sold with no RI Inspection sticker

Fine: \$200.00: Violation of RI Rules and Regulations VII, Subsection (E) – used of multiple bill of sales with different dates.

Fine: \$200.00: Violations of RI Rules and Regulations VI, Subsection (L) – Allowed non- employee (Julio Bermudez) to conduct sales and write receipts for the dealership

Fine: \$200.00: Violations of RI Rules and Regulations VI, Subsection (E) – for using incorrect sales figures on bill of sales

Fine: \$750.00: (15 violations times \$50.00 each) Violation of RI Rules and Regulations VI, Subsection (L) – 15 Non employees allowed to represent the dealership and transact business at the Auctions

The Board also is ordering the buy back for \$2,500.00 total purchase price and a certified check to be delivered to The RI Dealers' License and Regulations Office within 10 days of receiving the formal decision.

The Board also has revoked Fonseca Auto Sales license based frankly on the incredibly testimony of Elmo Jimenez the owners' son who admitted that most of the sales he did not make, he let people go to the auctions and buy cars and then put them thru his business and he was paid \$200.00 per sale.

Also based on unconscionable business practice.

HEARING BOARD RESULTS 08-06-14

Page 4 of 4

**6. SHANA MAHER AND DEALERS' LICENSE & REGULATIONS
OFFICE VS C & L AUTO SALES (Vincent Ferla, VP)
CASE # AM- 140-178
COMPLAINT / SHOW CAUSE HEARING**

POSTPONED BY DEALER

Walter Craddock, Esq.

Cc: Marcy Coleman, Esq.