

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

CASE NO. H#05-003

CRAIN AUTOMOTIVE

FINDINGS OF FACTS, CONCLUSIONS OF LAW AND ORDER

On March 16th, 2005, the Arkansas Motor Vehicle Commission (hereinafter “Commission”) held a meeting to determine whether Crain Automotive, the Respondent, violated the Arkansas Motor Vehicle Law and Rules promulgated therein.

Mr. Chris Crain, General Manager and Mr. Don Langston, Service Manger of Crain Pontiac Buick GMC appeared on behalf of the Respondent. Assistant Attorney General Don Barnes appeared on behalf of the Commissions staff.

FINDINGS OF FACT

1. That in mid August 2002, Crain Pontiac Buick GMC sold a 2002 Pontiac Grand AM to Ms. Lorianne T. Hicks.
2. That at the time of the sale the consumer was not notified that the vehicle had been wrecked and repaired and that the damage done to the vehicle exceeded the 6% disclosure law.
3. Although Respondent claimed that the Respondent was unaware of the vehicle’s previous damage that does not circumvent that the law was indeed broken. In this respect the Respondent has subsequently made reasonable offers to the consumer to rectify the situation.
4. The Commission was made aware of the oversight of the Respondent. The Respondent requested that the Commission be lenient on the amount of the civil penalty.

CONCLUSIONS OF LAW

23-112-706. Damage after delivery to the dealer – Disclosure to the consumer-Certification.

(a) Whenever a motor vehicle is damaged after delivery to the dealer by the manufacturer or distributor but before sale by the dealer to the consumer, and the occurrence and extent of such damage is in excess of six percent (6%) of the sticker price of the vehicle, it must be disclosed by the dealer to the consumer prior to such sale, and upon repair of the damage sustained, or replacement of parts or accessories damaged, the dealer must certify to the consumer that this motor vehicle has been repaired or remanufactured according to the manufacturer's standards.

(b) Upon such certification, liability for any concealed damages then remaining with the motor vehicle shall lie with the dealer.

ORDER

The Respondent has failed notify a consumer of damage previously done to the vehicle. The vehicle was repaired for an amount exceeding 6% of the sticker price.

The Commission determines that the appropriate disposition in this case is the imposition of a civil penalty of \$500.00

**ARKANSAS MOTOR VEHICLE
COMMISSION**

By: _____
Bobby Ferguson, Chairman

Date: _____