# TEXAS DEPARTMENT OF MOTOR VEHICLES CASE NO. 15-0021 CAF

GILDA NORRIS,	§	<b>BEFORE THE OFFICE</b>
Complainant	<b>§</b>	
	§	
<b>V</b> •	§	OF
	§	
FORD MOTOR COMPANY,	§	
Respondent	§	ADMINISTRATIVE HEARINGS

#### **DECISION AND ORDER**

Gilda Norris (Complainant) seeks repurchase relief pursuant to Texas Occupations Code §§ 2301.601-.613 (Lemon Law) for an alleged defect her 2014 Ford Focus. Complainant asserts that the vehicle intermittently hesitates, or "shudders" when accelerating from stop, or at low speeds. Ford Motor Company (Respondent), the manufacturer of the vehicle, argues that Complainant has not met the Lemon Law's requirements for repurchase relief. The hearings examiner concludes that a warrantable defect exists in Complainant's vehicle. Accordingly, Complainant is entitled to repurchase relief.

### I. PROCEDURAL HISTORY, NOTICE AND JURISDICTION

Matters of jurisdiction were not contested and are discussed only in the Findings of Fact and Conclusions of Law.

The evidentiary hearing convened on January 7, 2014 in Houston, Texas, with Hearings Examiner Anne K. Perez presiding. Complainant appeared and represented herself. Respondent appeared telephonically through Consumer Affairs Legal Analyst Melinda Steiner. Following Complainant's submission of additional evidence, the record closed on January 12, 2015.

#### II. DISCUSSION

### A. Applicable Law

The manufacturer of a motor vehicle must repurchase or replace the vehicle with a comparable vehicle if five conditions are met. First, the manufacturer has not conformed the vehicle to an applicable

<sup>&</sup>lt;sup>1</sup> On January 8, 2015, Complainant submitted two service invoices (dated January 18, 2014 and January 31, 2014, respectively) for the vehicle from Lone Star Ford of Houston, Texas. The invoices were admitted (in date order) as Complainant Exs. 10 and 11.

express warranty because the manufacturer cannot repair or correct a defect or condition in the vehicle. Second, the defect or condition in the vehicle creates a serious safety hazard or substantially impairs the use or market value of the vehicle. Third, the manufacturer has been given a reasonable number of attempts to repair or correct the defect or condition.<sup>2</sup> Fourth, the owner must have mailed written notice of the alleged defect or nonconformity to the manufacturer.<sup>3</sup> Lastly, the manufacturer must have been given an opportunity to cure the defect or nonconformity.<sup>4</sup>

In addition to the five conditions, a rebuttable presumption exists that a reasonable number of attempts have been undertaken to conform a motor vehicle to an applicable express warranty if the same nonconformity continues to exist after being subject to repair four or more times and: (1) two of the repair attempts were made in the 12 months or 12,000 miles, whichever comes first, following the date of original delivery to the owner; and (2) the other two repair attempts were made in the 12 months or 12,000 miles, whichever comes first, immediately following the date of the second repair attempt.<sup>5</sup>

# B. Complainant's Evidence

Complainant purchased a new 2014 Ford Focus (the vehicle, or car) from Lone Star Ford of Houston, Texas, on October 15, 2013, with mileage of 29 at the time of delivery. On the same date, Respondent issued an express limited warranty for the vehicle covering defects in factory-supplied materials and workmanship for 36 months or 36,000 miles, whichever comes first. Respondent also issued a limited powertrain warranty covering defects in the vehicle's engine, transmission, and drive train for 60 months or 100,000 miles, whichever comes first. On the date of hearing the vehicle's mileage was 32,891, and both types of warranty coverage were in place.

Complainant testified that she is a mobile notary public. Her clients are mortgage lenders and banks, and on a typical day of processing loan documents she drives several hundred miles. Reliable transportation is an absolutely necessity in her line of work. She purchased a new 2014 Ford Focus in order to have a dependable car. She was aware that a new vehicle would require routine maintenance (e.g., regular oil changes), but she had no expectation of major car problems for several years.

<sup>&</sup>lt;sup>2</sup> Tex. Occ. Code § 2301.604(a)(1) and (2).

<sup>&</sup>lt;sup>3</sup> Tex. Occ. Code § 2301.606(c)(1).

<sup>&</sup>lt;sup>4</sup> Tex. Occ. Code § 2301.606(c)(2).

<sup>&</sup>lt;sup>5</sup> Tex. Occ. Code § 2301.605(a)(1). Texas Occupations Code § 2301.605(a)(2) and (a)(3) provide alternative methods for a complainant to establish a rebuttable presumption that a reasonable number of attempts have been undertaken to conform a vehicle to an applicable express warranty. However, § 2301.605(a)(2) applies only to a nonconformity that creates a serious safety hazard, and § 2301.605(a)(3) requires that the vehicle be out of service for repair for a total of 30 or more days in the 24 months or 24,000 miles, whichever occurs first, following the date of original delivery to the owner.

<sup>&</sup>lt;sup>6</sup> Complainant Ex. 2.

<sup>&</sup>lt;sup>7</sup> The parties stipulated to the terms of Respondent's warranty coverage applicable to the vehicle.

Complainant testified that within a few months of purchase, she noticed the vehicle "shuddering" on take-off, as if "it was not getting sufficient gas." She contacted Lone Star Ford about the issue. Around the same time, her vehicle had a flat tire so she went to the dealership in person on January 18, 2014, at 6,834 miles. On that date, she spoke with the service advisor ("Greg") and requested service for both the flat tire (right-front) and the "shuddering" symptom. The dealer provided her with a rental vehicle, and Greg stated that technicians would look into both issues. However, when she picked up her car the repair order did not mention the shudder concern, and Greg told her, "You're almost due for an oil change, we'll look at your transmission then."

Complainant stated that on February 11, 2014, at mileage of 7,631, she brought the vehicle back to the dealer for an oil change. Once again, she told Greg that the car needed service for the transmission shudder, in addition to the necessary maintenance. This time Greg informed her that "the transmission guy was out," and she would have to call and schedule a service appointment. Greg told her to wait 10 days before calling because "they [the dealer] had a backlog of vehicles needing transmission service." "Milo," another Lone Star Ford employee, told Complainant that her need for a rental vehicle was one more reason for the dealer's delay in providing the requested transmission service. As with her first visit, the repair order for this service visit omitted any mention of Complainant's transmission shudder concern.<sup>9</sup>

Following this episode, Complainant said anytime she was in the vicinity of Lone Star Ford, she stopped by and tried to set up an appointment. Between February 11 and April 27, 2014, she visited the dealer four or five times but "they gave me the run-around." On more than one occasion, her request to schedule a service appointment was denied on the basis that Complainant's "service advisor was out;" no one else at Lone Star Ford could schedule the appointment because she "had to stick with the same service advisor." She repeatedly expressed concern that her car's mileage was rapidly increasing, and told service personnel that she was tired of coming in and not being given an appointment. One day she arrived at the dealership and refused to leave without an appointment. She was finally given an appointment in April 2014.

In addition to the January 2014 repair orders mentioned previously, Lone Star Ford's service records for the vehicle reflect the following information:<sup>10</sup>

<sup>&</sup>lt;sup>8</sup> Complainant Ex. 10. The January 18, 2014 repair order reflects a "ready date" of February 11, 2014. This is probably an error.

<sup>&</sup>lt;sup>9</sup> Complainant Ex. 11. Regarding this repair order, three possibilities exist: (1) Complainant is confused about the date and type of routine maintenance performed during the service visit; (2) the repair order is erroneous; or (3) both circumstances in (1) and (2) are present. The repair order referenced by Complainant was opened on January 31, 2014, not February 11, 2014, and it reflects the repair of a flat tire (right rear) but not an oil change. Also, while the invoice shows a "ready date" of February 11, 2014, that date is probably incorrect given the nature of the service performed.

<sup>&</sup>lt;sup>10</sup> The repair orders were admitted as Complainants Exs. 3-8. Invoiced information has been summarized for clarity and ease of reference.

Date	Mileage	Reported Concern	Diagnostic Action And Dealer's Findings
In 4-28-14 Out 4-29-14	In 13,552 Out 13,565	From stops vehicle will not take off, it jerks and hesitates; at stops, vehicle has a rough idle, as if	Cause: Update; TSB Reprogram; Followed TSB 14-0047& updated PCM/TCM; Performed adaptive strategy; road-tested; normal idlequality at this time
In 6-16-14 Out 6-19-14	In 17,457 Out 17,466	needs a tune-up There is a shudder feel when accelerating from stop	Road-tested & recorded the RPMs at time of shuddering (copies are attached); Followed TSB 14-0047; Removed transmission & installed the clutch assembly; reassembled & road-tested 9 miles; the difference was 577 RPMs
In 7-9-14 Out 7-17-14	In 18,793 Out 18,793	On acceleration, hesitates and shudders, especially in reverse	Performed transmission adaptive strategy
In 8-19-14 Out 9-9-14 <sup>11</sup>	In 23,096 Out 23,116	Vehicle hesitates before shifting 1 <sup>st</sup> to 2 <sup>nd</sup> from stops	Diagnostic testing, no code; reprogrammed the PCM/TCM and performed adaptive strategy per TSB 14-0131A; Road-tested 20 miles
In 9-15-14 Out 9-16-14	In 24,836 Out 24,838	Transmission jerking on take-off, hesitating to shift	Cause: Clutch; Performed on-board diagnostic testing to monitor PIDs and record shuddering events, followed by Pinpoint Test A; the difference between the low and high RPMs was more than 250 RPMs (it was 727 RPMs); No leaks found; Installed clutch assembly per Pinpoint Test A5; Performed adaptive strategy road test
In 10-13-14 Out 10-15-14	In 26,857 Out 26,857	Vehicle is skipping & hesitating & makes a grinding noise	FSE road-tested vehicle & transmission is operating correctly with no abnormal concerns

Complainant testified that following each of the service visits that occurred between April and September 2014, she noticed improvement in the car's transmission performance for a while. But invariably, once she drove the vehicle a couple of hundred miles and the engine was "heated up," the symptoms would start to reoccur. That is, when accelerating from stop, the car's transmission began to hesitate, or "shudder" before taking off. She said the symptoms occur intermittently, *i.e.*, not every time the vehicle accelerates from stop, but it happens every day.

<sup>&</sup>lt;sup>11</sup> Complainant testified that the September 9, 2014 "ready" date on the repair order is incorrect. In actuality, she picked up the vehicle on or around August 26, 2014. Within a couple of days the car resumed shuddering when accelerating from stop. She brought the vehicle back to Lone Star Ford on August 28, 2014, and a service technician ("Ray") rode with her and witnessed the shudder. On August 29, 2014, she left the vehicle with the dealer for service and picked it up on September 7, 2014.

Because Complainant commutes hundreds of miles daily, the car's improved symptomology following each of the April-September 2014 service visits was always short-lived. Each time the vehicle's symptoms worsened following a service visit she called Lone Star Ford, but she was always told to schedule a service appointment. She routinely waited several weeks for the next available appointment, and sometimes even longer so the dealer could accommodate her request for a rental vehicle.

Complainant indicated that she is fed up dealing with the defective condition of her car's transmission. The nature of her job requires a dependable vehicle, and she paid for a brand-new car. She only wants what she paid for. The ongoing transmission problems require almost continual service, and the vehicle still does not accelerate properly. The issue compromises her use of the vehicle, as well as the car's market value.

# C. Respondent's Evidence

Respondent presented the testimony of Field Service Engineer Stephen Kyle.

Mr. Kyle testified that on October 14, 2014, he inspected Complainant's vehicle at Lone Star Ford in response to the Lemon Law complaint. His examination focused on the complained-of "shudder," or hesitation on take-off, and a grinding noise when shifting gears. He said he test-drove the vehicle for approximately 16 miles on residential streets and freeways but noticed nothing amiss. According to Mr. Kyle, the vehicle's shifting function (including accelerating from stop) was normal and consistent with an "automatic-shifting manual transmission." He recommended no repairs to the vehicle.

Mr. Kyle explained that the automatic-shifting manual transmission in Complainant's vehicle has the internal components of a manual transmission, including a dual-clutch assembly, but it lacks a clutch pedal. Instead, the 2014 Ford Focus has "shift" motors that control the vehicle's clutch assemblies. One result of the car's automatic-shifting manual transmission is that some shifts may be perceived as "harsh," particularly when the vehicle is traveling at low speed. But the field service engineer said the phenomena does not mean anything is wrong with the transmission.

Mr. Kyle went on to state that the dealer performed several types of repairs to Complainant's vehicle: (1) the dual-clutch assembly was replaced twice; (2) the Power Control Module (PCM) and the Transmission Control Module (TCM) were reprogrammed to the latest calibration; and (3) Integrated Diagnostic System (IDS) software updates were applied to improve the shudder condition. With respect to recalibration, Mr. Kyle explained that the transmission "learns" how the driver typically operates the vehicle, and it adapts the shifting pattern to maximize fuel economy. Recalibration clears out these "adaptive tables" and resets all shifting parameters to default settings. Regarding the application of software updates, he said several Technical Service Bulletins (TSBs) issued by Respondent address known problems with the vehicle's dual-clutch assembly and shift issues. The clutch assembly was replaced twice to address mechanical failures.

Mr. Kyle acknowledged it was "unusual" that Complainant's vehicle has undergone two clutch replacements within the first 25,000 miles, especially since there was no indication of damage from fluid leakage. He agreed that both clutch replacements in Complainant's vehicle were necessary, *i.e.*, in each instance, the dealer documented that the amount of clutch slippage exceeded the minimum threshold (250 RPMs) established by Respondent for warranty coverage of the repairs.

Mr. Kyle characterized the car's transmission shudder as a "drive-ability" concern, but he maintained that it does not compromise transmission function. He concluded that Complainant's vehicle is functioning as designed and needs no repairs.

### D. Test Drive at Hearing

During a test-drive of the vehicle on the date of the hearing, Mr. Kyle monitored the vehicle's "Parameter IDs" using a scan tool. He stated that the amount of clutch slippage was within normal limits. For her part, Complainant reiterated that the transmission shudder is intermittent, and that it is far more noticeable after the vehicle has been driven for a stretch of a hundred miles or more, conditions which were not replicated on the hearing date.

### E. Analysis

Complainant seeks repurchase relief under the state's Lemon Law provisions. As such, she bears the burden of proof to establish by a preponderance of evidence that: (1) a defect exists in the vehicle; (2) the nonconformity creates a serious safety hazard, or substantially impairs the use or market value of the vehicle; (3) Respondent has not conformed the vehicle to an applicable express warranty by correcting the defect; (4) Respondent has been given a reasonable number of attempts to repair the defect; and (5) Complainant provided written notice of the nonconformity to Respondent, and allowed Respondent a final opportunity to cure the defect. Complainant has carried her burden to establish each of these statutory elements. She is therefore eligible for repurchase relief.

Complainant credibly testified that despite two clutch replacements, multiple software updates and recalibrations, and the performance of various adaptive strategies, the vehicle's transmission still hesitates, or "shudders" when accelerating from stop. The fact that the symptoms were not observable on the date of hearing is not dispositive because the defective condition is intermittent. Complainant properly served notice of the transmission's defect on Respondent, and Respondent's powertrain warranty applicable to the vehicle remains in effect. All told, the evidence establishes that there is an existing, warrantable defect in the vehicle's transmission.

The evidence further demonstrates that multiple repair attempts have failed to cure the condition. Complainant purchased the vehicle on October 15, 2013. She presented the car to Lone Star Ford, an

authorized dealer of Respondent, due to her concerns with the transmission on the following dates: January 18, 2014; January 31, 2014; April 28, 2014; June 16, 2014; July 9, 2014; August 19, 2014; and September 15, 2014. On January 18 and 31, 2014, the vehicle's mileage was 6,834 and 7,631, respectively; on both of these occasions, Lone Star Ford ignored Complainant's request for transmission service and failed to note the relevant concern on a repair order. The dealer's failure to attempt repairs when presented with transmission concerns twice before the vehicle reached 12,000 miles, should not be held against Complainant. That transmission repairs performed during the next two service visits (at 13,552 and 17,457 miles, respectively) were unsuccessful is also apparent, since vehicle's second clutch replacement occurred at 24,836 miles. Based on the vehicle's repair history, the evidence establishes that a reasonable number of attempts to repair the transmission's defective condition were undertaken.

A vehicle that hesitates upon acceleration presents a potential safety hazard, especially if the problem occurs while the driver is trying to correctly time acceleration to enter the flow of high-speed traffic, or while trying to complete a turn in the face of oncoming vehicles. The intermittent failure to shift properly also impairs the driver's ability to use the vehicle for its ordinary, intended purposes. A car with intermittent transmission slippage is undesirable to drive, and this negative aspect of drive-ability reduces its market value in relation to other, comparable vehicles.

Based on the evidence, the hearings examiner concludes that repurchase of the vehicle is the appropriate remedy in this case. Complainant's request for repurchase relief is hereby granted.

#### II. FINDINGS OF FACT

- 1. Gilda Norris (Complainant) purchased a new 2014 Ford Focus (the vehicle, or car) from Lone Star Ford of Houston, Texas, on October 15, 2013, with mileage of 29 at the time of delivery.
- 2. Ford Motor Company (Respondent) manufactured the vehicle.
- 3. Respondent issued an express limited warranty for the vehicle covering defects in factory-supplied materials and workmanship for 36 months or 36,000 miles, whichever comes first, and a limited powertrain warranty covering defects in the vehicle's engine, transmission, and drive train for 60 months or 100,000 miles, whichever comes first.
- 4. Lone Star Ford is an authorized dealer of Respondent.
- 5. At the time of hearing, the vehicle's mileage was 32,891.
- 6. At the time of hearing, the vehicle's transmission was covered by Respondent's basic limited warranty and its powertrain warranty.

- 7. Within a few months of purchase, Complainant noticed the vehicle hesitates, or "shudders" when accelerating from stop.
- 8. Based on the symptoms described in Finding of Fact No. 7, Complainant requested that Lone Star Ford service the vehicle's transmission on the following dates:
  - a. January 18, 2014, at 6,834 miles; and
  - b. January 31, 2014, at 7,631 miles.
- 9. Lone Star Ford serviced the vehicle for the described transmission symptoms on the following dates:
  - a. April 28, 2014, at 13,552 miles;
  - b. June 16, 2014, at 17,457 miles;
  - c. July 9, 2014, at 18,793 miles;
  - d. August 19, 2014, at 23,096 miles; and
  - e. September 15, 2014, at 24,836 miles.
- 10. The repairs performed by Lone Star Ford did not successfully alleviate the vehicle's intermittent transmission hesitation that occurs when accelerating from stop.
- 11. On October 13, 2014, Respondent was given an opportunity to cure the defective condition of the vehicle's transmission, but no repairs were performed and the defect continues to exist.
- 12. The vehicle's intermittent hesitation when accelerating from stop presents a potential safety hazard, especially if the problem occurs while Complainant is trying to correctly time acceleration to enter the flow of high-speed traffic, or while trying to complete a turn in the face of oncoming vehicles.
- 13. The vehicle's intermittent failure to shift properly impairs Complainant's ability to use the vehicle for its ordinary, intended purposes.
- 14. The vehicle's intermittent transmission slippage makes it undesirable to drive, and this negative aspect of drive-ability reduces the car's market value in relation to other, comparable vehicles.
- 15. On September 11, 2014, Complainant provided written notice to Respondent of an alleged defect in the vehicle's transmission.

## 16. The appropriate calculations for repurchase are:

Purchase price, including tax, title, license and registration	\$21,250.48		
Delivery mileage	29		
Mileage at first report of defective condition	6,834		
Mileage on hearing date	32,891		
Useful life determination	120,000		

Purchase price, including tax, title, license and registration		\$21,250.48			
Mileage at first report of defective condition	6,834				
Less mileage at delivery	<u>-29</u>				
Unimpaired miles	6,805				
Mileage on hearing date	32,891				
Less mileage at first report of defective condition	<u>-6,834</u>				
Impaired miles	26,057	-			
Reasonable Allowance for Use Calculations:					
Unimpaired miles					
<u>6,805</u>					
120,000	77	<b>***</b>			\$1,205.0
120,000	X	\$21,250.48		=	8
Impaired miles					
<u>26,057</u>					<u>\$2,307.1</u>
120,000	Х	\$21,250.48	X .5	=	8
,		<b>~,</b>			\$3,512.2
Total reasonable allowance for use deduction:					6
Purchase price, including tax, title, license and registration		\$21,250.48			
Less reasonable allowance for use deduction		-\$3,512.26			
Plus filing fee refund		<u>\$35.00</u>			
TOTAL REPURCHASE AMOUNT		\$17,773.22			

- 17. On September 23, 2014, Complainant filed a Lemon Law complaint with the Texas Department of Motor Vehicles (Department).
- 18. On October 28, 2014, the Department's Office of Administrative Hearings issued a notice of hearing directed to Complainant and Respondent, giving all parties not less than 10 days' notice of hearing and their rights under the applicable rules and statutes. The notice stated the time, place and nature of the hearing; the legal authority and jurisdiction under which the hearing was to be held; particular sections of the statutes and rules involved; and the matters asserted.
- 19. The hearing on the merits convened on January 7, 2014 in Houston, Texas, with Hearings Examiner Anne K. Perez presiding. Complainant appeared and represented herself.

Respondent appeared telephonically through Consumer Affairs Legal Analyst Melinda Steiner. Following Complainant's submission of additional evidence, the record closed on January 12, 2015.

#### III. CONCLUSIONS OF LAW

- 1. The Department has jurisdiction over this matter. Tex. Occ. Code §§ 2301.601-.613.
- 2. A hearings examiner of the Department's Office of Administrative Hearings has jurisdiction over all matters related to conducting a hearing in this proceeding, including the preparation of a decision with findings of fact and conclusions of law, and the issuance of a final order. Tex. Occ. Code § 2301.704.
- 3. Complainant timely filed a complaint with the Department. Tex. Occ. Code § 2301.204; 43 Tex. Admin. Code § 215.202.
- 4. The parties received proper notice of the hearing. Tex. Gov't Code §§ 2001.051 and 2001.052; 43 Tex. Admin. Code § 215.206(2).
- 5. Complainant bears the burden of proof in this matter.
- 6. Complainant's vehicle has an existing defect or condition that creates a serious safety hazard. Tex. Occ. Code § 2301.604(a).
- 7. Complainant's vehicle has an existing nonconformity that substantially impairs the use and market value of the vehicle. Tex. Occ. Code § 2301.604(a).
- 8. After a reasonable number of attempts, Respondent has been unable to repair the nonconformity in Complainant's vehicle so that it conforms to the applicable express warranty. Tex. Occ. Code §§ 2301.604(a) and 2301.605.
- 9. Based on the above Findings of Fact and Conclusions of Law, Complainant is entitled to relief under Texas Occupations Code § 2301.604(a).
- 10. Based on the above Findings of Fact and Conclusions of Law, Respondent is required to repurchase Complainant's 2014 Ford Focus at the price of \$17,773.22. Tex. Occ. Code § 2301.604(a)(2); 43 Tex. Admin. Code § 215.208(b)(1) and (2).

#### IT IS THEREFORE ORDERED that:

- 1. Respondent shall accept the return of the vehicle from Complainant. Respondent shall have the right to have its representatives inspect the vehicle upon the return by Complainant. If from the date of the hearing to the date of repurchase the vehicle is substantially damaged or there is an adverse change in its condition beyond ordinary wear and tear, and the parties are unable to agree on an amount of an allowance for such damage or condition, either party may request reconsideration by the Office of Administrative Hearings of the repurchase price contained in the final order;
- 2. Respondent shall repurchase the subject vehicle in the amount of \$17,773.22. Complainant is not entitled to reimbursement of incidental expenses. The refund shall be paid to Complainant and the vehicle lien holder as their interests require. If clear title to the vehicle is delivered to Respondent, then the full refund shall be paid to Complainant. At the time of the return, Respondent or its agent is entitled to receive clear title to the vehicle. If the above noted repurchase amount does not pay all liens in full, Complainant is responsible for providing Respondent with clear title to the vehicle;
- 3. Within 20 calendar days from the receipt of this order, the parties shall complete the return and repurchase of the subject vehicle. If the repurchase of the subject vehicle is not accomplished as stated above, barring a delay based on a party's exercise of rights in accordance with Texas Government Code § 2001.144, starting on the 31<sup>st</sup> calendar day from receipt of this order, Respondent is subject to a contempt charge and the assessment of civil penalties. However, if the Office of Administrative Hearings determines the failure to complete the repurchase as prescribed is due to Complainants' refusal or inability to deliver the vehicle with clear title, the Office of Administrative Hearings may deem the granted relief rejected by Complainant and the complaint closed pursuant to 43 Texas Administrative Code § 215.210(2);
- 4. Respondent, pursuant to 43 Texas Administrative Code § 215.210(4), shall obtain a Texas title for the vehicle prior to resale and issue a disclosure statement provided by or approved by the Department's Enforcement Division Lemon Law Section;
- 5. Respondent, pursuant to 43 Texas Administrative Code § 215.210(4), shall affix the disclosure label to the reacquired vehicle in a conspicuous place, and upon the first retail sale of the vehicle, the disclosure statement shall be completed and returned to the Department's Enforcement Division Lemon Law Section; and

6. Respondent, pursuant to 43 Texas Administrative Code § 215.210(4), shall provide the Department's Enforcement Division – Lemon Law Section, in writing, the name, address and telephone number of the transferee (wholesale purchaser or equivalent) of the vehicle within 60 calendar days of the transfer.

SIGNED February 18, 2015.

ANNE K. PEREZ

**HEARINGS EXAMINER** 

OFFICE OF ADMINISTRATIVE HEARINGS

TEXAS DEPARTMENT OF MOTOR VEHICLES