



Matrix of “Stipulation” Levels and Factors for Disciplinary Considerations

Pursuant to Board Regulation 44-20-104(4), The Executive Secretary (ES) will have discretion as to the proposed stipulation level and disciplinary negotiations with the Respondent, subject to the final approval of the Board. Before any stipulation negotiations are begun, the Motor Vehicle Dealer Board must have found “probable cause” that violations have occurred by submission of affidavit by the Division

Level	General Description of Alleged Violations <i>(Related to Severity)</i>	Violation Types <i>(General Non-Inclusive List)</i>	Aggravation Factors	Mitigation Factors	Additional Considerations for Stipulated Agreement	General Fining Amount(s)
1	Technical violations with no consumer harm	Unlicensed sales, advertising, off premise permit	N/A	Single violation No prior identified violations Self-Report considerations	No admissions to alleged violations required Letter of Reprimand <i>(in lieu of fine)</i> could be considered, if appropriate	Straight fine \$500 to \$1000
2	Violations with identified consumer harm and/or Violations that do not warrant level 1 considerations	Unlicensed sales, advertising, failure to disclose, title delivery, failure to honor written agreement	Prior warnings from the Division for same or similar violations Multiple violations (similar or varied) identified in affidavit	Self-Report considerations Any harm to consumer or damaged third-party mitigated by licensee	No admissions to alleged violations required May be a need for required additional education component(s) Fine could be suspended if consumer harm mitigation factors warrant	Straight fine \$1000 to \$5000

Level	General Description of Alleged Violations <i>(Related to Severity)</i>	Violation Types <i>(General Non-Inclusive List)</i>	Aggravation Factors	Mitigation Factors	Additional Considerations for Stipulated Agreement	General Fining Amount(s)
3	Violations with significant consumer harm and/or Need for further oversight to ensure compliance	Unlicensed sales, advertising, failure to disclose, title delivery, temporary permit, failure to honor written agreement, odometer violations, principal place of business, forgery	Identified consumer harm that is significant requiring considerable dealer financial remuneration to consumer(s) Further compliance oversight required by the Board *Also includes aggravation factors from level 2 above	Self-Report considerations Any harm to consumer or damaged third-party mitigated by licensee	Admission to one or more of the allegations required. Probationary period required Consumer remuneration may be required as part of the stipulated agreement Other sanctions may be negotiated...i.e. training, audits	\$1000 to \$10,000 <i>(Per count)</i> Payable portion required with remaining amount held in abeyance for probationary period
4	Violations with significant consumer harm and/or Need for a finding of fraud	Any of the above that result in <u>significant</u> fraudulent activity and/or Out of trust issues and/or Severe unfitness of financial character factors are present	Significant, consumer or damaged third-party, harm that licensee is unable to mitigate *Also includes aggravation factors from levels 2 and 3 above	Voluntary surrender of license	May require Board to summarily suspend licensee after presentation of Affidavit Admission to one or more of the allegations required with a finding of fraud within the stipulated agreement	\$1000 to \$10,000 <i>(Per count)</i> Payable portion <u>may be</u> required with remaining amount held in abeyance upon re-licensure