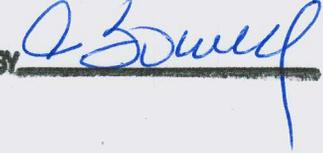


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FILED  
DEPT. OF MOTOR VEHICLES

SEP 14 2011

BY 

DEPARTMENT OF MOTOR VEHICLES

STATE OF CALIFORNIA

10 In the Matter of the Accusation Against:

11 CHRYSLER GROUP LLC,  
12 A Vehicle Manufacturer,

13 Respondent.

CASE NO. MA-11-0277

OAH NO.

ICAR NO. 11-02-00392

ACCUSATION

14 In the Matter of the Accusation Against:

15 CHRYSLER LLC,  
16 A Vehicle Manufacturer,

17 Respondent.

CASE NO. MA-11-0278

OAH NO.

ICAR NO. 11-02-00392

ACCUSATION

18 In the Matter of the Accusation Against:

19 LA BREA AVENUE MOTORS, INC., dba  
20 MOTOR VILLAGE LA,  
21 A Vehicle Dealer,

22 Respondent.

CASE NO. D-11-0279

OAH NO.

ICAR NO. 11-02-00392

ACCUSATION

23 In the Matter of the Accusation Against:

24 ALHAMBRA CHRYSLER JEEP DODGE, INC.,  
25 dba ALHAMBRA CHRYSLER JEEP DODGE,  
26 A Vehicle Dealer,

27 Respondent.

CASE NO. D-11-0280

OAH NO.

ICAR NO. 11-02-00392

ACCUSATION

1 **PARTIES**

2 1. Complainant. Mary Garcia (hereinafter "Complainant") brings this Accusation solely  
3 in her official capacity as Chief of the Occupational Licensing Branch, Licensing Operations  
4 Division, of the Department of Motor Vehicles (hereinafter, also, "Department" or "DMV").

5 2. Chrysler LLC. Prior to July 27, 2009, Chrysler operated as a vehicle manufacturer in  
6 the State of California, under license number 00004A, which was voluntarily surrendered on or  
7 about December 31, 2008, and license number 00004B, which was voluntarily surrendered on or  
8 about December 31, 2009. Over the years Chrysler has done business under various corporate  
9 names including: Chrysler Corporation, Chrysler Corp., Chrysler Motors Corporation, Daimler  
10 Chrysler Corporation and recently Chrysler LLC, a Delaware Limited Liability Corporation,  
11 (hereinafter, also, "Old Chrysler").

12 3. Chrysler Group LLC. From on or about July 27, 2009, and continuing to the present,  
13 Chrysler Group LLC, a Delaware Limited Liability Corporation, (hereinafter, also, "New  
14 Chrysler") has been doing business in the State of California, under vehicle manufacturer's  
15 license number 45259. Said license is in full force and effect and is scheduled to expire by  
16 operation of law on July 31, 2013. The address of record on file with the Department for  
17 Chrysler Group LLC is 1000 Chrysler Drive, CIMS 485 03 071, Auburn Hills, Michigan, 48326.

18 4. La Brea Avenue Motors, Inc. From on or about March 31, 1992, and continuing to  
19 the present, La Brea Avenue Motors, Inc., a Delaware Corporation, (hereinafter, also, "La Brea  
20 Avenue Motors") has been doing business in the State of California under vehicle dealer's  
21 license and special plates number 16564. Said license is scheduled to expire by operation of law  
22 on March 31, 2012, unless renewed. Until on or about November 18, 2010, La Brea Avenue  
23 Motors was doing business as La Brea Chrysler Jeep located at 399, 401, and 444 South La Brea  
24 Avenue, Los Angeles, California, 90036. On or about November 18, 2010, La Brea Avenue  
25 Motors' fictitious business name was modified to Motor Village Los Angeles. On or about  
26 January 27, 2011, La Brea Avenue Motors' fictitious business name was again changed to Motor  
27 Village LA. On or about January 31, 2011, La Brea Avenue Motors, Inc., dba Motor Village LA  
28 (hereinafter, also, "Motor Village LA") relocated to 2025 and 2105 South Figueroa Street,

1 Los Angeles, California, 90007, and opened at that new location on or about February 1, 2011.

2 5. Alhambra Chrysler Jeep Dodge, Inc. From on or about January 19, 2006, and  
3 continuing until February 8, 2011, Alhambra Chrysler Jeep Dodge, Inc., a Delaware Corporation,  
4 was doing business as Alhambra Chrysler Jeep Dodge (hereinafter, also, "Alhambra Chrysler")  
5 in the State of California under vehicle dealer's license and special plates number 65945. Said  
6 license was voluntarily surrendered after Alhambra Chrysler was sold to California Superstores  
7 on or about February 8, 2011. Alhambra Chrysler was located at 1100 West Main Street,  
8 Alhambra, California, 91801.

9 **JURISDICTION**

10 6. California New Motor Vehicle Board Order. On May 26, 2011, the California New  
11 Motor Vehicle Board (hereinafter, also, "NMVB") issued an order pursuant to the provisions of  
12 Vehicle Code sections 3050, subdivision (c)(1), directing the Department to investigate matters  
13 alleged herein, and ordered the Department, pursuant to Vehicle Code sections 3050, subdivision  
14 (c)(3), to take any license discipline that may be warranted against Department licensees.

15 7. Accusation. After investigation determined the existence of violations of law, these  
16 consolidated Accusations were prepared and may be brought before the Office of Administrative  
17 Hearings pursuant to the provisions of Vehicle Code section 11705, subdivision (c).

18 8. Continuing Jurisdiction. The Department has continuing jurisdiction to file  
19 accusations in this matter against the licenses of Chrysler LLC and Alhambra Chrysler Jeep  
20 Dodge, Inc., pursuant to Vehicle Code section 11721, subdivision (c), even though the licenses  
21 were previously voluntarily surrendered.

22 **ALLEGATIONS**

23 9. The Bankruptcy. On or about April 30, 2009, Chrysler LLC (Old Chrysler) and  
24 twenty-four of its affiliated subsidiaries filed a consolidated petition for bankruptcy with the  
25 federal bankruptcy court in New York. On June 10, 2009, the bankruptcy court approved the  
26 sale of many Old Chrysler assets to Chrysler Group LLC (New Chrysler). New Chrysler thereby  
27 acquired La Brea Avenue Motors on June 10, 2009. New Chrysler also thereby acquired  
28 Alhambra Chrysler on or about and between June 10, 2009, and August 26, 2009. There was a

1 lapse in licensure between New Chrysler's emergence from bankruptcy on June 10, 2009, until  
2 the Department issued New Chrysler a new occupational license number D-45259 on or about  
3 July 27, 2009.

4 10. Limits on a Manufacturer Owning and Competing Through a Retail Dealership.

5 Under Vehicle Code section 11713.3, subdivision (o)(1), it is unlawful and a violation for any  
6 manufacturer to compete with a dealer in the same line-make operating under an agreement or  
7 franchise from a manufacturer in the ten mile relevant market area radius, as defined in Vehicle  
8 Code section 507, for more than one year, unless: (a) the manufacturer applies for and receives  
9 an extension of the one year limitation from the NMVB; or (b) the dealership is owned as part of  
10 a bona fide dealer development program that makes franchises available to persons lacking  
11 capital, training, or business experience. A dealer development operator must have made a  
12 significant investment subject to loss in the dealership. The program must require the operator to  
13 manage the day-to-day operations and business affairs of the dealer, and to acquire, within a  
14 reasonable time and on reasonable terms and conditions, beneficial ownership and control of a  
15 majority interest in the dealer and disassociation of any direct or indirect ownership or control by  
16 the manufacturer.

17 11. Chrysler Subsidiaries. After New Chrysler acquired a 100% ownership interest in La  
18 Brea Avenue Motors and Alhambra Chrysler, it held 100% of voting shares in the dealerships,  
19 and the boards of directors of the entities were comprised of predominantly, if not entirely, New  
20 Chrysler executives. New Chrysler exercised management, direction and control of these entities  
21 directly, through its employees or agents, and indirectly through onsite dealer operators who  
22 could be removed or bought-out any time at the sole discretion of New Chrysler.

23 12. Chrysler Illegally Competed in the Relevant Market Area Measured From the  
24 La Brea Avenue Point. From September 25, 2008, to January 30, 2011, Old Chrysler followed  
25 by New Chrysler, held a 100% ownership interest in La Brea Avenue Motors, Inc., located at  
26 399, 401, and 444 South La Brea Avenue, Los Angeles, California, 90036. Old Chrysler owned  
27 La Brea Avenue Motors from September 25, 2008 until June 10, 2009. New Chrysler has owned  
28 La Brea Avenue Motors, Inc. from June 10, 2009, and continuing to the present. This ownership

1 interest was held beyond a period of one year without an extension from the NMVB. During  
2 those time periods, no bona fide dealer development operator had made a significant investment  
3 subject to loss in the dealership. No dealer development operator was managing the day-to-day  
4 operations and business affairs of the dealer. No plan was in place for a dealer development  
5 operator to acquire, within a reasonable time and on reasonable terms and conditions, beneficial  
6 ownership and control of a majority interest in the dealer, with disassociation of any direct or  
7 indirect ownership or control by Old Chrysler or New Chrysler. During those time periods Old  
8 Chrysler, New Chrysler, and La Brea Avenue Motors, Inc., competed with three independently-  
9 owned Chrysler retail franchisees selling the same line-make of vehicles in the ten mile relevant  
10 market area radius, to wit: Buerge Chrysler Jeep, Carmax Chrysler Jeep Dodge, and Glendale  
11 Chrysler Jeep Dodge. Old Chrysler, New Chrysler, and La Brea Avenue Motors, Inc., thereby  
12 violated Vehicle Code section 11713.3, subdivision (o), which constitutes causes for license  
13 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

14       13. Chrysler Continued to Compete Illegally in the Relevant Market Area Measured  
15 From the Figueroa Street Point. New Chrysler moved La Brea Avenue Motors to Figueroa  
16 Street in downtown Los Angeles on or about January 31, 2011, opened at the new location on  
17 February 1, 2011, and continued to compete illegally from the new location under the fictitious  
18 business name Motor Village LA. From on or about February 1, 2011, and continuing to the  
19 present, New Chrysler has held a 100% ownership interest in Motor Village LA, located at 2025  
20 and 2105 South Figueroa Street, Los Angeles, California, 90007. This ownership interest has  
21 continued to be held beyond a period of one year without an extension from the NMVB. No  
22 bona fide dealer development operator has made a significant investment subject to loss in the  
23 dealership. No dealer development operator has been managing the day-to-day operations and  
24 business affairs of the dealer. No plan has been in place for a dealer development operator to  
25 acquire, within a reasonable time and on reasonable terms and conditions, beneficial ownership  
26 and control of a majority interest in the dealer, with disassociation of any direct or indirect  
27 ownership or control by New Chrysler. During this time period and continuing to the present  
28 New Chrysler and Motor Village LA, have competed with three independently-owned Chrysler

1 retail franchisees selling the same line-make of vehicles in the ten mile relevant market area  
2 radius, to wit: Carmax Chrysler Jeep Dodge, Glendale Chrysler Jeep Dodge, and California  
3 Superstores Chrysler Jeep Dodge. New Chrysler and Motor Village LA continue to the present  
4 to compete illegally with Glendale Chrysler Jeep Dodge and California Superstores Chrysler  
5 Jeep Dodge. New Chrysler and Motor Village LA, thereby violated, and continue violating,  
6 Vehicle Code section 11713.3, subdivision (o), which constitutes causes for license discipline  
7 pursuant to Vehicle Code section 11705, subdivision (a)(10).

8           14. Chrysler Illegally Competed in the Relevant Market Area Measured From the  
9 Alhambra West Main Street Point. At all times herein, Alhambra Chrysler has been located at  
10 1100 West Main Street, Alhambra, California, 91801. On or about March 23, 2009, Old  
11 Chrysler bought out the ownership interest of a bona fide dealer development operator and  
12 acquired a 100% ownership interest in Alhambra Chrysler. New Chrysler acquired Alhambra  
13 Chrysler from Old Chrysler after the bankruptcy on or about and between June 10, 2009, and  
14 August 26, 2009, and continued owning a 100% interest in Alhambra Chrysler until  
15 February 8, 2011. This ownership interest was held beyond a period of one year without an  
16 extension from the NMVB. During that time period, no bona fide dealer development operator  
17 had made a significant investment subject to loss in the dealership. No dealer development  
18 operator was managing the day-to-day operations and business affairs of the dealer. No plan was  
19 in place for a dealer development operator to acquire, within a reasonable time and on reasonable  
20 terms and conditions, beneficial ownership and control of a majority interest in the dealer, with  
21 disassociation of any direct or indirect ownership or control by Old Chrysler or New Chrysler.  
22 During these time periods Old Chrysler and New Chrysler through Alhambra Chrysler competed  
23 with an independently-owned Chrysler retail franchisee selling the same line-make of vehicles in  
24 the ten mile relevant market area radius, to wit: Glendale Chrysler Jeep Dodge. New Chrysler  
25 and Alhambra Chrysler, thereby violated Vehicle Code section 11713.3, subdivision (o), which  
26 constitutes causes for license discipline pursuant to Vehicle Code section 11705, subdivision  
27 (a)(10).

28 ///

1 15. Old Chrysler Notice Violations. Old Chrysler filed notices with the NMVB:

2 A. Late Notice of Acquisition of Ownership Interest. Old Chrysler acquired a  
3 100% ownership interest in La Brea Avenue Motors on or about September 25, 2008, but  
4 did not file notice of the acquisition of that ownership interest with the NMVB until  
5 November 10, 2008. The notice was not provided within a ten day period of when Old  
6 Chrysler acquired the ownership interest. Old Chrysler thereby violated Vehicle Code  
7 section 11713.3, subdivision (o)(3)(A), which constitutes cause for license discipline  
8 pursuant to Vehicle Code section 11705, subdivision (a)(10).

9 B. False Notice of Interest in Bona Fide Dealer Development Program  
10 Dealership. Old Chrysler provided notice to the NMVB on November 10, 2008, that it  
11 held an ownership interest in La Brea Avenue Motors, Inc., as a bona fide dealer  
12 development program dealership pursuant to Vehicle Code section 11713.3, subdivision  
13 (o)(3)(B). The notice was false because it characterized La Brea Avenue Motors, Inc., as  
14 a bona fide dealer development dealership. However, at that time no bona fide dealer  
15 development operator had made a significant investment subject to loss in the dealership.  
16 No dealer development operator was managing the day-to-day operations and business  
17 affairs of the dealer. No plan was in place for a dealer development operator to acquire,  
18 within a reasonable time and on reasonable terms and conditions, beneficial ownership  
19 and control of a majority interest in the dealer, with disassociation of any direct or  
20 indirect ownership or control by Old Chrysler. The dealership could not, therefore, be  
21 accurately characterized as a dealer development program dealership. This information  
22 was known to Old Chrysler when the notice was filed. Old Chrysler thereby violated  
23 Vehicle Code section 11713.3, subdivision (o)(3)(B), which constitutes cause for license  
24 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

25 16. New Chrysler Notice Violations Pertaining to La Brea Avenue Motors, Inc. New  
26 Chrysler failed to file notices, and filed false notices, pertaining to La Brea Avenue Motors as  
27 follows:

28 ///

1           A. Failure to File Notice of Acquisition of Ownership Interest. After acquiring  
2 through the bankruptcy La Brea Avenue Motors on June 10, 2009, New Chrysler failed to  
3 file notice as required within ten days or failed to file any notice with the NMVB that it  
4 acquired an ownership interest in the retail dealership. New Chrysler thereby violated  
5 Vehicle Code section 11713.3, subdivision (o)(3)(A), which constitutes cause for license  
6 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

7           B. Failure to File Notice of Commencement of Operations. After acquiring  
8 through the bankruptcy La Brea Avenue Motors on June 10, 2009, New Chrysler failed to  
9 file notice as required within ten days or failed to file any notice with the NMVB that it  
10 commenced operation of La Brea Avenue Motors. New Chrysler thereby violated  
11 Vehicle Code section 11713.3, subdivision (o)(3)(A), which constitutes cause for license  
12 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

13           C. False Notice of Interest in Bona Fide Dealer Development Program  
14 Dealership. New Chrysler provided notice to the NMVB on November 30, 2009, that it  
15 held an ownership interest in La Brea Avenue Motors, Inc., as a bona fide dealer  
16 development program dealership pursuant to Vehicle Code section 11713.3, subdivision  
17 (o)(3)(B). The notice was false because it characterized La Brea Avenue Motors, Inc., as  
18 a bona fide dealer development dealership. However, at that time no bona fide dealer  
19 development operator had made a significant investment subject to loss in the dealership.  
20 No dealer development operator was managing the day-to-day operations and business  
21 affairs of the dealer. No plan was in place for a dealer development operator to acquire,  
22 within a reasonable time and on reasonable terms and conditions, beneficial ownership  
23 and control of a majority interest in the dealer, with disassociation of any direct or  
24 indirect ownership or control by New Chrysler. The dealership could not, therefore, be  
25 accurately characterized as a dealer development program dealership. This information  
26 was known to New Chrysler when the notice was filed. New Chrysler thereby violated  
27 Vehicle Code section 11713.3, subdivision (o)(3)(B), which constitutes cause for license  
28 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

1                   D. False Notice of Interest in Bona Fide Dealer Development Program

2                   Dealership. New Chrysler provided notice to the NMVB on January 20, 2011, that it  
3 held an ownership interest in La Brea Avenue Motors, Inc., as a bona fide dealer  
4 development program dealership pursuant to Vehicle Code section 11713.3, subdivision  
5 (o)(3)(B). The notice was false because it characterized La Brea Avenue Motors, Inc., as  
6 a bona fide dealer development dealership. However, at that time no bona fide dealer  
7 development operator had made a significant investment subject to loss in the dealership.  
8 No dealer development operator was managing the day-to-day operations and business  
9 affairs of the dealer. No plan was in place for a dealer development operator to acquire,  
10 within a reasonable time and on reasonable terms and conditions, beneficial ownership  
11 and control of a majority interest in the dealer, with disassociation of any direct or  
12 indirect ownership or control by New Chrysler. The dealership could not, therefore, be  
13 accurately characterized as a dealer development program dealership. This information  
14 was known to New Chrysler when the notice was filed. New Chrysler thereby violated  
15 Vehicle Code section 11713.3, subdivision (o)(3)(B), which constitutes cause for license  
16 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

17                   E. Failure to File Notice of Commencement of Operations. After relocating  
18 La Brea Avenue Motors and commencing operations on February 1, 2011, as Motor  
19 Village LA on Figueroa Street in Los Angeles, New Chrysler failed to file notice as  
20 required within ten days or failed to file any notice with the NMVB that it commenced  
21 operation of Motor Village LA on Figueroa Street. New Chrysler thereby violated  
22 Vehicle Code section 11713.3, subdivision (o)(3)(A), which constitutes cause for license  
23 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

24                   F. Failure to File Notice of Termination of Operations. After relocating La Brea  
25 Avenue Motors, Inc., dba Motor Village LA and terminating operations of the dealership  
26 on La Brea Avenue in Los Angeles on January 31, 2011, New Chrysler failed to file  
27 notice as required within ten days or failed to file any notice with the NMVB that it  
28 terminated operation of Motor Village LA on La Brea Avenue. New Chrysler thereby

1 violated Vehicle Code section 11713.3, subdivision (o)(3)(A), which constitutes cause for  
2 license discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

3 17. New Chrysler Notice Violations Pertaining to Alhambra Chrysler Jeep Dodge. New  
4 Chrysler failed to file notices, and filed false notices, pertaining to Alhambra Chrysler Jeep  
5 Dodge, Inc., as follows:

6 A. Failure to File Notice of Acquisition of Ownership Interest. After acquiring  
7 through the bankruptcy Alhambra Chrysler, on or about and between June 10, 2009, and  
8 August 26, 2009, New Chrysler failed to file notice as required within ten days or failed  
9 to file any notice with the NMVB that it acquired an ownership interest in the retail  
10 dealership. New Chrysler thereby violated Vehicle Code section 11713.3, subdivision  
11 (o)(3)(A), which constitutes cause for license discipline pursuant to Vehicle Code section  
12 11705, subdivision (a)(10).

13 B. Failure to File Notice of Commencement of Operations. After acquiring  
14 through the bankruptcy Alhambra Chrysler on or about and between June 10, 2009, and  
15 August 26, 2009, New Chrysler failed to file notice as required within ten days or failed  
16 to file any notice with the NMVB that it commenced operation of Alhambra Chrysler.  
17 New Chrysler thereby violated Vehicle Code section 11713.3, subdivision (o)(3)(A),  
18 which constitutes cause for license discipline pursuant to Vehicle Code section 11705,  
19 subdivision (a)(10).

20 C. False Notice of Interest in Bona Fide Dealer Development Program  
21 Dealership. New Chrysler provided notice to the NMVB on November 30, 2009, that it  
22 held an ownership interest in Alhambra Chrysler Jeep Dodge, Inc., as a bona fide dealer  
23 development program dealership pursuant to Vehicle Code section 11713.3, subdivision  
24 (o)(3)(B). The notice was false because it characterized Alhambra Chrysler as a bona  
25 fide dealer development dealership. However, at that time no bona fide dealer  
26 development operator had made a significant investment subject to loss in the dealership.  
27 No dealer development operator was managing the day-to-day operations and business  
28 affairs of the dealer. No plan was in place for a dealer development operator to acquire,

1 within a reasonable time and on reasonable terms and conditions, beneficial ownership  
2 and control of a majority interest in the dealer, with disassociation of any direct or  
3 indirect ownership or control by New Chrysler. The dealership could not, therefore, be  
4 accurately characterized as a dealer development program dealership. This information  
5 was known to New Chrysler when the notice was filed. New Chrysler thereby violated  
6 Vehicle Code section 11713.3(o)(3)(B), which constitutes cause for license discipline  
7 pursuant to Vehicle Code section 11705, subdivision (a)(10).

8 D. False Notice of Interest in Bona Fide Dealer Development Program  
9 Dealership. New Chrysler provided notice to the NMVB on or about January 20, 2011,  
10 that it held an ownership interest in Alhambra Chrysler Jeep Dodge, Inc., as a bona fide  
11 dealer development program dealership pursuant to Vehicle Code section 11713.3,  
12 subdivision (o)(3)(B). The notice was false because it characterized Alhambra Chrysler  
13 as a bona fide dealer development dealership. However, at that time no bona fide dealer  
14 development operator had made a significant investment subject to loss in the dealership.  
15 No dealer development operator was managing the day-to-day operations and business  
16 affairs of the dealer. No plan was in place for a dealer development operator to acquire,  
17 within a reasonable time and on reasonable terms and conditions, beneficial ownership  
18 and control of a majority interest in the dealer, with disassociation of any direct or  
19 indirect ownership or control by New Chrysler. The dealership could not, therefore, be  
20 accurately characterized as a dealer development program dealership. This information  
21 was known to New Chrysler when the notice was filed. New Chrysler thereby violated  
22 Vehicle Code section 11713.3(o)(3)(B), which constitutes cause for license discipline  
23 pursuant to Vehicle Code section 11705, subdivision (a)(10).

24 E. Failure to File Notice of Divestiture of Ownership Interest. After selling  
25 Alhambra Chrysler to California Superstores on or about February 8, 2011, New Chrysler  
26 failed to file notice as required within ten days or failed to file any notice with the NMVB  
27 that it divested itself of an ownership interest in a retail dealership. New Chrysler thereby  
28 violated Vehicle Code section 11713.3, subdivision (o)(3)(A), which constitutes cause for

1 license discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

2 F. Failure to File Notice of Termination of Operations. After selling Alhambra  
3 Chrysler to California Superstores on or about February 8, 2011, New Chrysler failed to  
4 file notice as required within ten days or failed to file any notice with the NMVB that it  
5 terminated operation of Alhambra Chrysler. New Chrysler thereby violated Vehicle  
6 Code section 11713.3, subdivision (o)(3)(A), which constitutes cause for license  
7 discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

8 18. La Brea Avenue Motors, Inc. Failure to File Notice of Change of Ownership. After  
9 being acquired by New Chrysler after the bankruptcy on June 10, 2009, La Brea Avenue Motors  
10 failed to file notice as required within ten days or failed to file any notice with the Department  
11 about its change in ownership or corporate structure. La Brea Avenue Motors thereby violated  
12 Vehicle Code section 11704, subdivision (c), which constitutes cause for license discipline  
13 pursuant to Vehicle Code section 11705, subdivision (a)(10).

14 19. Alhambra Chrysler Jeep Dodge, Inc. Notice Violations. Alhambra Chrysler failed to  
15 file notice, and filed a false notice, with the Department, as follows:

16 A. Failure to File Notice of Change of Ownership. After being acquired by New  
17 Chrysler after the bankruptcy on or about and between June 10, 2009, and  
18 August 26, 2009, Alhambra Chrysler failed to file notice as required within ten days with  
19 the Department about this change in ownership or corporate structure. Alhambra  
20 Chrysler thereby violated Vehicle Code section 11704, subdivision (c), which constitutes  
21 cause for license discipline pursuant to Vehicle Code section 11705, subdivision (a)(10).

22 B. False Notice of Ownership. On or about August 26, 2009, Alhambra Chrysler  
23 filed a Corporate Officer and/or Director Change form that falsely listed Tawfiq Khan as  
24 the "Owner" when, in fact, Tawfiq Khan was the Secretary-Treasurer of Alhambra  
25 Chrysler, and New Chrysler was actually the owner. This fact was known to the  
26 Alhambra Chrysler corporate officers and directors when the notice was filed. Alhambra  
27 Chrysler's filing of a false change in ownership notice violated Vehicle Code section  
28 11704, subdivision (c), which constitutes causes for license discipline pursuant to Vehicle

1 Code section 11705, subdivision (a)(10).

2 20. Chrysler Made False Statements to the DMV. As set forth in paragraphs 15B, 16C,  
3 16D, 17C, 17D, and 19B, Old Chrysler, New Chrysler, and Alhambra Chrysler, knowingly made  
4 one or more false statements or knowingly concealed one or more material facts in documents  
5 filed with the Department of Motor Vehicles, and thereby violated Vehicle Code section 20.  
6 These entities, and one or more business representatives thereof, have committed an act or acts,  
7 or engaged in conduct, involving moral turpitude which is substantially related to the  
8 qualifications, functions or duties of the licensed activity. These entities, and one or more  
9 business representatives thereof, engaged in fraudulent conduct relied upon by the State of  
10 California, causing damages, by providing false information in notices and documents filed with  
11 the NMVB and DMV. These facts constitute causes for suspension or revocation of the  
12 manufacturer or dealer licenses of Old Chrysler, New Chrysler, and Alhambra Chrysler pursuant  
13 to Vehicle Code section 11703, subdivision (d), as that section interacts with Vehicle Code  
14 section 11705, subdivision (b); and Vehicle Code section 11705, subdivision (a)(14).

15  
16 **PRAYER**

17 21. By reason of the facts alleged in these Accusations, Chrysler Group LLC, Chrysler  
18 LLC, La Brea Avenue Motors, Inc., dba Motor Village LA, and Alhambra Chrysler Jeep Dodge,  
19 Inc., have been guilty of acts or omissions, or both, which are causes to suspend or revoke  
20 vehicle manufacturer licenses and vehicle dealer licenses and special plates, under Vehicle Code  
21 section 11705.

22 WHEREFORE, the undersigned prays that the Department take such action against each  
23 Respondent, as follows:

24 A. To order suspension or revocation of the license and special plates of Chrysler Group  
25 LLC, Chrysler LLC, La Brea Avenue Motors, Inc., dba Motor Village LA, and Alhambra  
26 Chrysler Jeep Dodge, Inc., as it may deem just and proper under the facts of this case;

27 B. Pursuant to Government Code section 11519, subdivisions (b) and/or (d), to order  
28 Chrysler Group LLC, Chrysler LLC, La Brea Avenue Motors, Inc., dba Motor Village LA, and

1 Alhambra Chrysler Jeep Dodge, Inc., to pay restitution to any person or party found to have  
2 suffered loss or damage, according to proof; and,

3 C. To order any other action as may be just and proper under the facts of this case.

4 DATED: Sept 13, 2011



MARY GARCIA, Chief  
Occupational Licensing Branch  
Licensing Operations Division

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