

STATE OF CALIFORNIA
DEPARTMENT OF MOTOR VEHICLES

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6	WORTHINGTON FORD, INC.)	
7	A Corporation, dba)	APPEAL NO. A-84-78
8	WORTHINGTON FORD,)	
9)	
10	Appellant)	STIPULATION, WAIVER
11	vs.)	
12)	AND
13	DEPARTMENT OF MOTOR VEHICLES,)	
14)	ORDER
15	Respondent)	
16)	
17)	

18 The Department of Motor Vehicles, hereinafter "Department"
19 and Worthington Ford, hereinafter "Worthington" stipulate as
20 follows:

21 1. On October 18, 1978 the Director of the Department
22 issued a Decision in this proceeding then entitled "In the
23 Matter of the Accusation Against: WORTHINGTON FORD, INC. A
24 Corporation, dba WORTHINGTON FORD" No. D-1754 to become
25 effective on December 5, 1978.

26 2. On or about December 4, 1978 Worthington filed with
27 the New Motor Vehicle Board a timely Notice of Appeal from said
28 Decision. The appeal is now pending before the New Motor
Vehicle Board.

3. Department and Worthington jointly move the new Motor
Vehicle Board to issue an order remanding this matter to the
Department, thereby giving the Department, jurisdiction

1 and authority to amend the Order in said Decision to read as
2 follows:

3 "WHEREFORE, THE FOLLOWING ORDER is hereby made:

4 The dealer's license and special plates
5 (D-2813) issued to respondent Worthington Ford,
6 Inc. is hereby suspended for a period of seven
7 days; provided, however, that all seven days of
8 said suspension are stayed for a period of one
9 year upon the following terms and conditions:

10 A. Respondent shall obey all laws of the
11 United States, the State of California and its
12 political subdivisions and the respondent shall
13 comply with the rules and regulations of the
14 Department of Motor Vehicles now or hereafter in
15 effect. In the event any of respondent's officers
16 or directors are convicted of a felony or of a
17 crime involving moral turpitude including a con-
18 viction following a plea of nolo contendere such
19 conviction may be considered a violation of this
20 condition.

21 B. Any license issued to respondent to do
22 business as Worthington Ford during the period
23 of this stay shall be issued as a probationary
24 license and then only if it is determined that
25 respondent has complied with all of the terms
26 and conditions of this order and that no cause
27 for refusal to issue or to suspend or revoke
28 such license has intervened or exists.

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C. Should the Director of the Department of Motor Vehicles at any time during the period of the stay determine upon evidence satisfactory to the Director that the respondent has violated any of the above terms or conditions then the Director may after providing respondent with notice and an opportunity to be heard set aside the stay and reimpose the stayed portion of the penalty or take such other action as the Director deems just and reasonable. Should respondent comply with the terms and conditions of the stay then at the end of the one year period the stay shall become permanent and respondent's license fully restored."

4. Department and Worthington further agree and stipulate that, upon remand of this matter to the Department and following amendment of the Order in said Decision as provided

/

1 hereinabove, they waive their rights in the matter to any and
2 all appeals and any and all rights which may be afforded
3 pursuant to the Vehicle Code or any other provisions of the law.

4 DATED 10-29-79 . *Doris V. Alexis*
5 DORIS V. ALEXIS, Director
6 Department of Motor Vehicles

7 DATED 10-26-79 . *Harry Towne*
8 HARRY TOWNE, Staff Counsel
9 Department of Motor Vehicles

10 DATED 10-22-79 . *Calvin Worthington*
11 CALVIN WORTHINGTON
12 President of Appellant

13 DATED Oct. 5, 1979 . *Henry Lewin*
14 HENRY LEWIN
15 Attorney for Appellant

16 ORDER

17 Pursuant to the joint motion of the Department and
18 Worthington, it is hereby ordered that the Decision of the
19 Department in the proceeding entitled "In the Matter of the
20 Accusation Against: WORTHINGTON FORD, INC. A Corporation, dba
21 WORTHINGTON FORD" No. D-1754 issued on October 18, 1978 be
22 remanded to the Department to take such action as is provided
23 in the Stipulation and Waiver herein.

24 DATED _____ . By _____

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1 ORIGINAL

2 STATE OF CALIFORNIA
3 DEPARTMENT OF MOTOR VEHICLES

FILED
DEPT. OF MOTOR VEHICLES
OCT 25 1978
BY *J. Munoz*

4
5 In the Matter of the Accusation of)
6 WORTHINGTON FORD, INC.,)
7 A Corporation, dba)
8 WORTHINGTON FORD,)
9 Respondent.)

CASE NO. D-1754

10 DECISION

11
12 The Proposed Decision of the Administrative Law Judge,
13 a copy of which is herewith served upon you and which has hereto-
14 fore been filed as a public record as provided in the Government
15 Code, Section 11517(b), is hereby adopted by the Director
16 of Motor Vehicles of the State of California as her Decision
17 in the above matter.

18 Pursuant to the provisions of Government Code Section
19 11519 and Vehicle Code Section 3052(d), the suspension herein
20 ordered shall commence on DEC 05 1978.

21 IT IS SO ORDERED 10-18-78.

22
23
24 *Doris V. Alexis*
25 DORIS V. ALEXIS
26 Director
27

ORIGINAL

BEFORE THE DEPARTMENT OF MOTOR VEHICLES
OF THE STATE OF CALIFORNIA

FILED
DEPT. OF MOTOR VEHICLES
OCT 25 1978
BY *J. Munoz*

In the Matter of the Accusation of)	
WORTHINGTON FORD, INC.,)	CASE NO. D-1754
A Corporation, dba)	
WORTHINGTON FORD,)	L-11450
)	
Respondent.)	

PROPOSED DECISION

This matter came on regularly for hearing before John A. Willd, Administrative Law Judge with the Office of Administrative Hearings, at Los Angeles, California, on December 6, 1976, at the hour of 9:00 a.m. This matter was heard on that day and on December 7, 8, 9, and 10, 1976, June 14, 15, 16, and 17, 1977, July 25, 26, 27, 1977, December 6, 7, 8, 9, 12 and 15, 1977. The complainant was represented by Benjamin Bucceri, Counsel. The respondent was represented by its attorneys, Henry Lewin and Louis Gotenstein. Oral and documentary evidence was received as well as oral argument. At the conclusion of the proceedings submission was withheld in order to permit the receipt of written argument. Opening argument on behalf of the Department of Motor Vehicles was received February 17, 1978. Closing argument on behalf of respondent was received on May 5, 1978. A supplement to the closing argument of respondent was received on June 12, 1978 and closing argument on behalf of Department received on June 19, 1978. After due consideration of all of the evidence and all of the argument presented the Administrative Law Judge makes the following findings of fact:

I

J. G. Holmes is the Chief, Division of Compliance with the Department of Motor Vehicles and he made the Accusation and the Amendment to Accusation herein in his official capacity.

II

At all times herein mentioned respondent Worthington Ford, Inc. (hereafter Worthington Ford) has been and now is a California Corporation, doing business as Worthington Ford in the State of California, operating the business under a dealer's license and special plates (D-2813) issued by the Department of Motor Vehicles. Said license and special plates are in full force and effect.

III

Attached to the Accusation herein is Schedule A, which schedule

sets forth certain information with respect to twelve vehicles. Said Schedule A is incorporated herein by this reference and made a part hereof as though set forth in full.

IV

In connection with the sale of those vehicles listed as items 1b, 5b, 8b and 10b in Schedule A respondent through its agents fraudulently represented the vehicles as new vehicles instead of disclosing to the purchasers that the vehicles had been previously sold at retail and operated on the public highways and were used vehicles within the purview of Vehicle Code Section 665. It was not established that respondent misrepresented the used status of the vehicle identified in Schedule A as item 3b. The Accusation was dismissed with respect to the vehicle listed in Schedule A as item 7b.

V

In connection with the sale of those vehicles listed as items 2b, 9b, and 11b in Schedule A respondent fraudulently represented the vehicles to be dealer demonstrators instead of disclosing to the purchasers that the vehicles had been previously sold at retail and operated on the public highways. It was not established that there was any fraudulent representation with respect to the vehicle listed as item 1c in Schedule A. The Accusation was dismissed with respect to the vehicle identified as item 4b in Schedule A.

VI

In connection with the sale of the vehicle listed as item 6b in Schedule A it was not established that respondent fraudulently represented the vehicle to be a new vehicle instead of disclosing to the purchaser that the vehicle had been previously sold at retail.

VII

Respondent held for sale those vehicles listed as items 1b and 1c in Schedule A without displaying either the assigned license plates or the assigned operating copy of the report of sale. The Accusation was dismissed with respect to item 7b in Schedule A.

VIII

Respondent included as an added cost to the selling price of the vehicles identified as items 1b, 1c and 2b in Schedule A licensing or transfer fees which were in excess of the fees due and paid to the state as follows:

<u>ITEMS</u>	<u>FEEES DUE DEPARTMENT</u>	<u>FEEES CHARGED PURCHASER</u>	<u>EXCESS</u>
1b	\$6.00	\$51.00	\$45.00
1c	\$6.00	\$54.00	\$48.00
1c	\$3.00	\$53.00	\$50.00

With respect to the purchase made by Mr. Robinson (item 1b) and the purchase made by Mr. Vargas (item 1c) the respondent did refund the excess charged as soon as this violation was brought to respondent's attention. With respect to the Fisher transaction (item 2b) respondent has failed to refund the excess charge of \$50.00 and this failure is in part based upon respondent's good faith belief that the funds should not be returned and also in part based upon some advice received by respondent from an investigator with the department. With respect to the Fisher transaction, respondent did in fact return the licensing or transfer fee to the original purchaser of that vehicle and by subsequently collecting a similar fee from Mr. Fisher respondent's employees take the position that respondent is able to recoup this loss.

IX

In connection with the sale of the vehicle listed as item 4a in Schedule A respondent did cause the purchaser to suffer some modest lost and damage by reason of fraudulent representations in that respondent did falsely represent to the purchaser the vehicle which she purchased was an eight cylinder vehicle when in truth and in fact the vehicle was a six cylinder vehicle. This transaction involves a Ms. Hosey who wished to purchase and who paid for an eight cylinder vehicle. She came to respondent's place of business, selected a vehicle and stated that she would return when she had obtained the money to purchase the vehicle. She returned a few days later to pick up and pay for the vehicle she had selected. She later learned that the vehicle she had received had only six cylinders. It is frankly difficult to accept the fact that respondent's employees who processed this sale were unaware that the vehicle possessed six cylinders rather than eight, at the very least it is an example of gross negligence. When this mistake was thereafter brought to the attention of one of respondent's employees this employee initially suggested that Ms. Hosey should keep the car because she would be better off with a six cylinder automobile. Ms. Hosey did contact an attorney and all of her money was promptly returned.

X

In connection with the sale of that vehicle described as item 12 in Schedule A respondent falsely represented to the purchaser that the vehicle was a 1973 year model Datsun but in truth and in fact said vehicle was a 1972 year model Datsun. The representation in this instance is found to be grossly negligent rather than intentional.

Apparently there is no observable difference between a 1972 and 1973 Datsun pick up truck and the model year is not identified in any manner in the serial number. This problem, however, places respondent under an even greater duty to be sure that the model year is identified and correctly represented to any customer.

XI

In connection with the sale of the vehicle to Raymond Robinson (item lb) it was not established that respondent obtained Robinson's signature on a conditional sales contract at a time when the contract contained blank spaces which were filled in after Robinson signed the contract.

XII

Schedules B and C are attached to the Amendment to Accusation and are incorporated therein by this reference as though set forth in full and made a part hereof.

XIII

The allegations set forth in paragraph XIII in the Amendment to Accusation were not established by a preponderance of the evidence.

XIV

The allegations set forth in paragraph XIV of the Amendment to Accusation were not established by a preponderance of the evidence. This paragraph suggests that respondent failed to honor certain ten day trial exchange warranties. It is noted that with respect to Mr. Kowalcyn he did experience some difficulty and some delay before he was successful in exchanging a vehicle and before he was successful in exchanging the second vehicle for the original vehicle. The proof, however, was far short of establishing that respondent did not intend to honor the exchange warranty.

XV

In connection with the sale of the vehicle to Mr. Kowalcyn (item 1a, Schedule B), respondent caused the purchaser to suffer loss and damage by reason of fraudulent representations in that respondent: (1) Refused to return a \$100.00 cash down payment and apply this sum to the purchase of the vehicle listed as item 1a in Schedule B after said sum was used as a cash down payment on the sale of that vehicle listed as item 1b in Schedule B. Mr. Kowalcyn originally purchased vehicle 1a in Schedule B. He exercised the ten day trial exchange privilege and purchased vehicle 1b in Schedule B. At this time he was required to put in an additional \$100.00 as down payment. Subsequently Mr. Kowalcyn again exercised the ten day trial exchange and returned this second vehicle for the first vehicle he had selected. In this final transaction he was not given credit for the additional \$100.00 cash down payment. (2) Mr. Kowalcyn was charged the sum of \$175.00 for documentary fees and warranty fees over and above the original agreed upon purchase price of \$2,195.00, at the time that

Mr. Kowalcyn finally purchased the vehicle listed as item 1a in Schedule B.

XVI

Respondent through its president appearing in various television commercials did represent to the public that certain items would be given to individuals who came to respondent's place of business and who ultimately purchased a vehicle. Mr. Kowalcyn did observe a commercial wherein the president of respondent offered 5,000 blue chip stamps to prospective customers who came to respondent's place of business and who ultimately purchased a vehicle. Mr. Kowalcyn failed to receive 5,000 blue chip stamps although he requested these stamps at the time he made his final purchase. It is not true, however, that respondent had no intention of providing any purchaser with 5,000 blue chip stamps at least during the period that this gift was being offered. Actually the 5,000 blue chip stamps are a very modest gift and stamps have been given to numerous individuals who went to respondent's place of business.

XVII

In connection with the transaction involving Mr. Kowalcyn (items 1a and 1b, Schedule B) respondent did cause Mr. Kowalcyn to suffer loss by reason of a deceitful practice in that Mr. Kowalcyn did come to respondent's place of business by virtue of a television advertisement wherein 5,000 blue chip stamps were offered to individuals who came to respondent's place of business and who ultimately purchased a vehicle. Mr. Kowalcyn did purchase a vehicle, he did request 5,000 blue chip stamps but for some reason respondent's employees made an assortment of excuses and failed to provide the requested stamps. It is possible that stamps were not given at this period of time but instead some other gift, if so, no employee offered that explanation to Mr. Kowalcyn. It is also possible that some of the employees were having some sport with Mr. Kowalcyn who was perhaps somewhat gullible as well as troublesome. In any event, Mr. Kowalcyn was eligible for the free 5,000 blue chip stamps, he did request them and his request was not honored, nor was he given any valid explanation as to why he was not given the requested stamps.

XVIII

With respect to the sale of the second vehicle purchased by Mr. Kowalcyn (item 1b, Schedule B) there was one license plate which was missing. It was not established that the operating copy of the report of sale was not displayed or at least available. Actually Mr. Kowalcyn kept this vehicle for only a brief period of time. It was returned and he again took the vehicle that he had originally selected.

XIX

In connection with the sale of the vehicle listed as item 2 in Schedule B respondent fraudulently represented to the purchaser

Mr. Rottschafer that the vehicle had been used by executives of Ford Motor Company. Respondent did not disclose to this purchaser that the vehicle had in fact been previously sold at retail to Budget Rent-A-Car and operated on the public highways.

XX

The facts alleged in paragraph XX of the Amendment to Accusation were not established by a preponderance of the evidence.

XXI

In connection with the sale of the vehicle listed as item 2 in Schedule B respondent did cause to be executed a conditional sales contract or purchase order which did not contain all the agreements of the buyer and the seller in that the conditional sales contract contained a charge for documents which was not agreed to by the purchaser.

XXII

The allegations set forth in paragraphs XXII, XXIII, XXIV, XXV, XXVI, XXVII, XXVIII and XXIX were dismissed on motion of the Department.

XXIII

In connection with the sale of the vehicle listed as item 5 in Schedule B respondent caused to be executed a conditional sales contract which did not contain all of the agreements of the buyer and seller in that the conditional sales contract reflected that: (1) The trade in vehicle of Mrs. Darnell would constitute a payment of \$1,400.00; when in truth and in fact Mrs. Darnell and one of respondent's agents had agreed that the vehicle would be valued at \$1,500.00. (2) It was not established that the price of the vehicle would be at any figure other than \$6,839.00 exclusive of sales tax. (3) A sum of \$175.00 was charged for document fees and warranty when in truth and in fact the purchaser and one of respondent's agents had agreed to the sum of \$150.00 for the document fees and warranty.

XXIV

It was not established that respondent or any of his agents represented to Mrs. Darnell that a \$600.00 discount would be given on the price of any 1975 model new car.

XXV

In connection with the sale of the vehicle listed as item 5 in Schedule B (Darnell) respondent's agent did cause the purchaser to suffer loss and damage by reason of fraud and deceit in that: (1) the customer was charged \$25.00 for a document fee which fee had not previously been agreed to by the purchaser and the seller. (2) Respondent allowed the purchaser \$1400.00 on a trade in as the down payment

on said vehicle when in truth and in fact the purchaser and respondent had agreed that the down payment for trade in purposes was to be valued at \$1,500.00. It was not established that respondent fraudulently represented that a \$600.00 discount would be given Mrs. Darnell on the price of the vehicle which she purchased. It was not established that respondent charged Mrs. Darnell the price of \$6,839.00 for the vehicle exclusive of taxes, fees and charges where the prior agreement of the parties was that the vehicle was to be sold for \$6,239.00.

XXVI

During the month of December 1975 respondent advertised numerous vehicles through various television commercials which commercials were broadcast from television stations covering the Los Angeles and Southern California area. Paragraphs XXXIV, XXXV, XXXVI, XXXVII and XXXVIII of the Amendment to Accusation allege conduct which the Department contends is in violation of certain provisions of Title 13 of the California Administrative Code. These particular provisions, however, now been repealed by the Director of the Department of Motor Vehicles and while the Director obviously intends to enact new regulations in this area, such regulations have not been promulgated. At the present time a temporary restraining order is in effect which enjoins the Director in this regard. In addition, it should be noted the Department's evidence concerning the advertising violations was frankly minimal and it is therefore quite doubtful that a violation would have been established in any event.

XXVII

Respondent Worthington Ford, Inc. has become extremely successful in selling new and used vehicles and this success is very closely related to the personal appeal of Mr. Calvin Worthington the president of respondent corporation. Mr. Worthington and others in the organization have established a very effective sales organization. When interested customers come to the Worthington Ford facility inquiry is made as to whether the customer is interested in the purchase of a new or used vehicle. Depending upon what answer is given the customer is directed to a portion of the facility where the customer is met by a greeter. This greeter is an automobile salesperson who shows the customer the available automobiles and when the customer becomes particularly interested in a certain vehicle then the customer is taken to a second automobile salesperson and this second individual has been variously described as sales manager, closer, turn over man or TO man. This second individual usually supervises four or five greeters and the closer negotiates the terms of the prospective sale including price of the vehicle and the amount permitted on a trade in. The customer is next taken to an individual described as a credit manager who reduces to writing that agreement previously reached between the customer and the closer. Supervising all of these individuals, as well as other employees of the organization, is the general sales manager who oversees the daily operations of the firm but rarely becomes involved in any specific sale. Exercising overall direction is

Mr. Calvin Worthington the president. All of the salespeople are required to attend regularly conducted sales meetings. Prior to the sales meeting the general manager will select certain vehicles which will be advertised on television during a specific period of time. The salespeople will be advised during the sales meetings of just what vehicles will be advertised. The advertised vehicles are to be kept in a certain location and the salespeople are instructed to sell the advertised cars to those customers who desire them. Numerous other topics are regularly covered during these sales meetings including what prizes or gifts are being given away and what the customers must do in order to qualify for a particular item. Lectures regarding effective salesmanship are presented and various problems with the service department or the front office might be covered. At many of these sales meetings the greeters and the closers are urged to be honest with customers at all times. The salespeople are also told to apprise management if any promises are made to a particular customer.

XXVIII

Respondent does have a program which is designed to bring customer complaints to the attention of top management. After a vehicle has been purchased from respondent there is subsequent correspondence from respondent to the customer and a gift of some sort is often enclosed. The customer receives a questionnaire which should uncover any complaints that the customer has. As of the time of the hearing respondent would receive back approximately 400 questionnaires each month. The overwhelming majority of these questionnaires indicated that the customers were happy with the treatment that they had received from respondent's employees. There are, of course, a certain number of complaints and where the complaints appear to be justified respondent does take steps to remedy these problems.

XXIX

Respondent cites several cases which indicate that the burden of proof in an administrative proceeding is "convincing proof to a reasonable certainty". Where the courts have approved this standard there appears to be some form of a fiduciary relationship between the licensee and some member of the public. While salesmen and dealers licensed by the Department of Motor Vehicles are under an obligation to deal fairly with their customers there is no fiduciary relationship established. It may be that the courts one day will impose a greater burden. However, the burden applied in this case is "preponderance of the evidence."

XXX

Respondent objected to the admission of any documents in this proceeding obtained by Department investigators other than copies

of the reports of sale. In this instance the Department investigators requested business records and they were convinced at that time that the Department was legally entitled to examine those records upon demand. The Department had long and consistently held the view that licensees must make these records available upon reasonable demand. Respondent's general manager did at the outset refuse to present these business records. The denial in this case, however, was more of form than of substance. When the investigators insisted that the business records be made available the general manager complied without further objection. Further, it does appear that the Department could have obtained those business records by court order had it sought to do so. From examination of all of the circumstances it does not appear that the Department acted unlawfully in obtaining all of the business records of respondent.

XXXI

Respondent urges that it is not responsible for any possible misconduct on the part of the various salesman. This contention is rejected. The various salesman are employees of respondent and with respect to the sale of automobiles they are certainly acting within the scope of their employment. The various salespeople involved might also be accountable to the Department of Motor Vehicles, but in any event respondent does share a responsibility to the public with its licensed employees. That responsibility is not necessarily equal with the employee and that responsibility may in part be met by prudent and diligent supervision. The possible discipline to be faced by respondent must depend upon the particular facts of each violation.

* * * * *

Pursuant to the foregoing findings of fact, the Administrative Law Judge makes the following determination of issues:

I

Respondent has in one instance violated Section 2982(a) of the Civil Code. Respondent has also violated in one or more instances Section 5202, 11713(a), 11713(d), 11713(g), 11713.1(c), 11713.5(a), 11705(a)(8), 11705(a)(10), 11705(a)(12) and 11705(a)(14) of the Vehicle Code. The Department is authorized to impose disciplinary action pursuant to the authority of Section 11705(a) of the Vehicle Code.

II

The allegations regarding the vehicles identified as 3b and 7b in Schedule A attached to the Accusation are dismissed. The allegations set forth in paragraphs VI, XI, XIII, XVI, XVIII, XXII, XXIII, XXIV, XXV, XXVI, XXVII, XXVIII, XXIX, XXXI, XXXIII, XXXIV, XXXV, XXXVI, XXXVII, XXXVIII and XXXIX of the Accusation and Amendment to Accusation are dismissed.

III

The facts established by respondent have been considered in making the order herein set forth. It is noted that respondent has more recently modified its advertising practices with respect to vehicles which have once been registered for a brief period of time. It is also apparent that respondent does encourage its employees to deal honestly with customers and with the dealership at all times; but respondent's efforts in this area should be improved. There have been instances where salespeople in the employ of respondent have gone beyond the bounds of acceptable behavior when dealing with customers.

* * * * *

WHEREFORE, THE FOLLOWING ORDER is hereby made:

The dealer's license and special plates (D-2813) issued to respondent Worthington Ford, Inc. is hereby suspended for a period of seven days; provided, however, that six days of said suspension are stayed for a period of two years upon the following terms and conditions:

A. Respondent shall serve the one day unstayed portion of the suspension which date shall be set by the Director of the Department of Motor Vehicles and the date selected shall be within fifteen days following the effective date of this decision. During the one day suspension respondent may operate its service department and the management office may remain open. However, no new or used vehicles may be sold or traded by respondent or its employees and no negotiations for the future sale or trade of motor vehicles may be conducted.

B. The respondent shall obey all laws of the United States, the State of California and its political subdivisions and the respondent shall comply with the rules and regulations of the Department of Motor Vehicles now or hereafter in effect. In the event any of respondent's officers or directors are convicted of a felony or of a crime involving moral turpitude including a conviction following a plea of nolo contendere such conviction may be considered a violation of this condition.

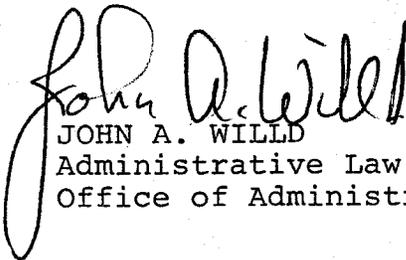
C. Any license issued to respondent to do business as Worthington Ford during the period of this stay shall be issued as a probationary license and then only if it is determined that respondent has complied with all of the terms and conditions of this order and that no cause for refusal to issue or to suspend or revoke such license has intervened or exists.

D. Should the Director of the Department of Motor Vehicles at any time during the period of the stay determine upon evidence satisfactory to the Director that the respondent has violated any

of the above terms or conditions then the Director may after providing respondent with notice and an opportunity to be heard set aside the stay and reimpose the stayed portion of the penalty or take such other action as the Director deems just and reasonable. Should respondent comply with the terms and conditions of the stay then at the end of the two year period the stay shall become permanent and respondent's license fully restored.

I hereby submit the foregoing which constitutes my Proposed Decision in the above-entitled matter, as a result of the hearing had before me on the above dates, at Los Angeles, California, and recommend its adoption as the decision of the Department of Motor Vehicles.

DATED: 9-29-78



JOHN A. WILLD

Administrative Law Judge
Office of Administrative Hearings

JAW:mh