## District Attorney Marc Bennett 18<sup>th</sup> Judicial District of Kansas



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**WICHITA, KAN.** – A car dealership, its owner and a former salesperson have each entered into separate Consent Judgments with the Office of the District Attorney resolving multiple allegations of violations of the Kansas Consumer Protection Act. The District Attorney's Consumer Protection Division investigated eight separate complaints from consumers who purchased vehicles between April and September of 2020 from 37 Auto Sales, LLC, 1939 N. Broadway in Wichita.

Several consumers filed complaints after failing to receive title following their purchase, while others filed complaints when the dealership failed to honor the warranty included by a salesperson. During its investigation, the Consumer Protection Division found the dealership failed to disclose a safety recall on one transaction, and the dealership issued multiple 60-day temporary registration permits in violation of Kansas law on nine transactions. Records from the dealership also indicated the titles and sales tax receipts provided to some consumers were improperly documented.

Wally Sharp, a former employee of 37 Auto Sales, entered into a Consent Judgment in June of 2022 without admitting the allegations. The District Attorney's office alleged Sharp failed to disclose that a vehicle had a rebuilt salvage title and that another vehicle had a transmission issue prior to the sales. Sharp agreed to a \$10,000 fine and was placed on a 12-month probationary period as part of the agreement.

37 Auto Sales, LLC and its owner, Jacobs Lucky, while not admitting the allegations agreed to enter into a Consent Judgment on February 23, 2023 to settle the matter prior to trial. The agreement between 37 Auto Sales, LLC and the District Attorney's Office called for the dealership to pay \$65,000 in civil penalties, \$2,000 in investigative expenses and over \$21,000 in restitution to compensate seven consumers. The dealership will be on a three-year probationary period with the Consumer Protection Division and agreed to address safety recalls, disclose all known defects in writing prior to sale, and cooperate in any future complaints among other promises. Lucky agreed to a \$20,000 fine and was also placed on a three-year probationary period.

37 Auto Sales previously entered into a Consent Judgment in May of 2019 involving other allegations of violations of the Kansas Consumer Protection Act.

The District Attorney reminds residents that customers should receive certificates of title within 60 days of vehicle purchase so the buyer can register the vehicle. Failure to provide title within 60 days makes the transaction "fraudulent and void" entitling customers to a refund. K.S.A. 8-135(c)(7). Also, dealerships may only issue a buyer one 60-day temporary registration permit following the sale of a vehicle. K.S.A. 8-2409.

Remember, driving without proper registration is against the law. Safety recalls affect millions of cars, and residents should inquire before buying a vehicle if the vehicle is subject to a recall. Residents can check their cars, trucks, and motorcycles for recalls at <a href="https://www.safercar.gov/vin">https://www.safercar.gov/vin</a>. Recalls are free and repairs are covered by the manufacturer. Buyers guides are required to be placed on used vehicles being sold by vehicle dealers which give consumers important purchasing and warranty information.

The consent judgment with Sharp was filed June 30, 2022 and approved by Judge Faith Maughan. The consent judgments for Lucky and 37 Auto were filed on February 23, 2023 and approved by Judge Stephen Ternes.

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