



**Before The
State Of Wisconsin
DIVISION OF HEARINGS AND APPEALS**

In the Matter of Dealer Bond Claim against OAS
Auto Group, LLC

Case No: DOT-24-0007

Claimant: [REDACTED]

FINAL DECISION

To:

OAS Auto Group, LLC
N5876 US Highway 12 #245
Elkhorn, WI 53121

[REDACTED]
[REDACTED]
[REDACTED]

Western Surety Company
101 Reid St. #300
Sioux Falls, SD 57103

[REDACTED]
[REDACTED]
[REDACTED]

In accordance with Wis. Stat. § 227.47 and 227.53(1)(c) the above-named are certified as PARTIES to this proceeding.

PRELIMINARY RECITALS

On January 18, 2024, [REDACTED] (claimant) filed a claim with the Wisconsin Department of Transportation (DOT) against the motor vehicle dealer bond of OAS Auto Group LLC (dealer). Public notice occurred pursuant to the procedures set forth at Wis. Admin. Code § Trans 140.26.

On August 2, 2024, the Division of Hearings and Appeals (DHA) issued a Preliminary Determination in this matter, which partially granted the bond claim. On August 26, 2024, the claimant timely objected. Pursuant to due notice, on September 12, 2024, Administrative Law Judge Rachel Pings conducted a telephone prehearing conference. [REDACTED] was the only party who appeared.

Also pursuant to due notice, on October 1, 2024, Judge Pings conducted a contested case hearing. Again, the only party who appeared was [REDACTED] at whose request the hearing was conducted by telephone. The record includes the hearing audio recording, exhibits 1A, 1B, 2, 4, 5, and 7-14, and testimony from [REDACTED] [REDACTED] and [REDACTED]

By their non-appearance, the other parties forfeited their right to participate. Wis. Admin. Code HA § 1.07.

The issue for hearing is whether the claimant incurred a compensable loss caused by an act of the dealer that violates the applicable law.

FINDINGS OF FACT

1. At all times relevant herein, OAS Auto Group LLC (dealer) was owned by Olanrewaju Sanusi and licensed by the DOT as a motor vehicle dealer in Wisconsin. (Ex. 1A)
2. The dealer has had a surety bond in force in the amount of \$25,000 since November 23, 2020, satisfying the requirements of Wis. Stat. § 218.0114(5) (Bond # 65302628 from Western Surety Company). (Ex. 1A)
3. On June 14, 2023, the dealer purchased at auction a 2011 Honda Pilot (VIN [REDACTED]) with 209,643 miles on it from Bahrah Trading Company LLC. (Ex. 5)
4. [REDACTED] (claimant) and [REDACTED] live in the state of Michigan. In the summer of 2023, they decided to purchase a vehicle. On July 27, 2023, [REDACTED] withdrew \$6,500 cash from their bank account for this purpose. ([REDACTED] testimony; Ex. 12)
5. On August 11, 2023, [REDACTED] and one of his employees,¹ [REDACTED] [REDACTED] drove from Michigan to Illinois to look at possible vehicles for [REDACTED] to purchase. [REDACTED] took about \$7,000 cash with him in an envelope to purchase a vehicle. ([REDACTED] and [REDACTED] testimony)
6. While [REDACTED] and [REDACTED] were in Illinois, [REDACTED] was searching online for vehicles for sale that they could test drive. She found the above-listed Pilot listed for sale on Facebook by a salesman named "[REDACTED] [REDACTED] and [REDACTED] met [REDACTED] at an agreed upon location in the Chicago area, where [REDACTED] test drove the vehicle and decided to purchase it. A primary reason he decided to purchase it was because it had low mileage. [REDACTED] offered [REDACTED] \$6,000 for the Pilot; [REDACTED] countered at \$6,500; and [REDACTED] handed over \$6,500 in cash. ([REDACTED] [REDACTED] and [REDACTED] testimony)
7. [REDACTED] on behalf of the dealer, accepted the cash and provided the following documents to [REDACTED]
 - a. A bill of sale, which stated that the purchase price was \$3,000 and the Pilot was being sold "as is" with a 90-day warranty. (Ex. 1B)
 - b. A certificate of title that had the first two digits of the odometer reading blacked-out, such that it stated there were 6,401 miles. (Ex. 2 p. 7)

¹ [REDACTED] runs his own landscaping business and asked [REDACTED] to ride with him so there would be another driver to bring the newly purchased vehicle home.

- c. An assignment of certificate of title, which stated that the mileage was 109,595 when the dealer purchased it on June 14, 2023. (Ex. 2 p. 8)

The bill of sale, title, and dealer records confirm that [REDACTED] was acting on behalf of the dealer in the transaction, as the dealer owned the Pilot at the time, and the dealer is listed as the seller. (Ex. 1A, 1B, 2, 4, 5, 7)

8. After [REDACTED] purchased the Pilot, [REDACTED] and [REDACTED] returned to Michigan. [REDACTED] drove the newly purchased Pilot, and [REDACTED] drove his original vehicle. [REDACTED] immediately observed problems with the Pilot such as difficulty reaching and maintaining highway speeds. Further, they had to stop to put oil in the Pilot. ([REDACTED] testimony)
9. Upon arriving home, [REDACTED] and [REDACTED] discussed their concerns about the vehicle, and [REDACTED] attempted to reach out to [REDACTED] online, but the Facebook post was already deleted, causing them to worry they had been “scammed.” [REDACTED] paid \$40 for a mobile mechanic to look at the vehicle, and the mechanic informed her that it appeared to need thousands of dollars in repairs. They stopped driving the Pilot based on safety concerns. It has been in storage since, and they ultimately purchased a different vehicle to drive. ([REDACTED] testimony; Ex. 8)
10. On or about September 1, 2023, [REDACTED] contacted the DOT, who opened an investigation and discovered that the Pilot’s odometer reading appeared to have been altered in related documents. At that time, [REDACTED] reported that the odometer itself read 136,034. (Ex. 2)
11. On various dates in September 2023, DOT’s investigator attempted to contact the dealer by its owner, Olanrewaju Sanusi. During one phone call, Olanrewaju Sanusi stated that a person named “[REDACTED] purchased the Pilot using his license. Olanrewaju Sanusi provided no information regarding “[REDACTED] Olanrewaju Sanusi eventually stopped cooperating with the DOT. (Ex. 2)
12. On or about January 18, 2024, [REDACTED] filed with DOT a bond claim (dated November 6, 2023) against the dealer for violations including setting back the odometer, falsifying the title, and being untruthful about the condition of the vehicle. The bond claim requested damages totaling \$10,982, comprised of the following: \$6,500 purchase price; \$4,357 expected repair costs; and \$125 gasoline. (Ex. 1 p. 10)
13. On or about February 1, 2024, the DOT referred the matter to DHA and recommended that the bond claim be paid in part. The DOT determined that the dealer violated the law by altering the mileage disclosure on the certificate of title and/or the odometer of the vehicle. The DOT further determined that the alteration resulted in a mileage discrepancy of about 120,000 miles, which should be compensated through a bond claim award totaling \$1,800 (40% of the \$3,000 purchase price according to the bill of sale). (Ex. 1A)
14. The bond claim was published publicly and, on or about April 24, 2024, the DOT notified the Division of Hearings and Appeals that no additional claims were filed.

15. On August 2, 2024, Administrative Law Judge Reisha Mitchell issued a Preliminary Determination granting the bond claim in the amount of \$1,800 as recommended by the DOT. The claimant timely objected.
16. In preparation for the hearing, on August 15, 2024, the claimant paid \$336.84 to have the vehicle inspected by a mechanic, who estimated more than \$3,000 in repairs to safely operate the vehicle including “major engine repair” or replacement; timing belt replacement; and the check engine light not working. (Ex. 13)

DISCUSSION

To allow a claim against the dealer’s surety bond, a finding must be made that the dealer violated one of the sections of Wis. Stat. § 218.0116(1) identified in Wis. Admin. Code § Trans 140.21(1)(c)1, and that the violation caused the loss claimed. The burden of proof is on the claimant to prove by a preponderance of the evidence that a violation occurred. *See* Wis. Admin. Code § HA 1.12(3)(b); *see also State v. Hanson*, 98 Wis. 2d 80, 295 N.W.2d 209 (Wis. App. 1980).

Wisconsin Administrative Code Trans § 140.21(1) provides that a claim is allowable if the following conditions are met: (1) it is for monetary damages in the amount of an actual loss suffered by the claimant; (2) it arose during the period covered by the bond; (3) it was made within three years of the last day of the period covered by the bond; and (4) the loss was caused by an act of the licensee that is grounds for suspension or revocation of a motor vehicle dealer license as specified in Wis. Stat. § 218.0116(1).²

Here, the claimant alleges that her loss was caused by the dealer altering the odometer reading and failing to accurately disclose the vehicle’s condition. If proven, either or both actions would be grounds for suspension or revocation of the dealer’s license.

The record established by a preponderance of the evidence that the dealer, itself and/or by and through its representative “██████” acting as a salesperson, altered the odometer information on the title documentation and odometer, which violates several laws that would negatively impact licensure, including the following:

- A person required to be licensed may not sell, offer for sale, or have possession of a motor vehicle if the mileage disclosure statement has been altered. Wis. Stat. § 218.0146(3)(b).
- No transferor may knowingly make a false statement, including providing an odometer reading that is different from the actual reading

² Wisconsin Statutes § 218.0116(1) provides that a dealer license may be suspended or revoked for such things as proof of unfitness; willfully defrauding a retail buyer; having made a fraudulent sale; fraudulent misrepresentation, circumvention or concealment through whatsoever subterfuge or device of any of the material particulars or the nature thereof required hereunder to be stated or furnished to the retail buyer; having engaged in any unconscionable practice relating to the licensed business activity; and/or having violated any law relating to the sale of motor vehicles.

on the odometer, in disclosing the vehicle's mileage to a transferee.
Wis. Stat. § 342.155(2).

- No person, may alter, erase or obliterate any information, including the mileage disclosure, contained on any mileage disclosure statement.
Wis. Stat. § 342.155(3).
- No person may, either personally or through an agent, remove, replace, disconnect, reset, tamper with, alter, or fail to connect the odometer of any motor vehicle with the intent to change or affect the number of miles indicated thereon. Wis. Stat. § 347.415(1m).

The record contains title documents definitively showing that the mileage readings and odometer were altered between the time the dealer acquired the Pilot and sold it to the claimant.³ [REDACTED] and [REDACTED] provided credible, uncontested, sworn testimony that the dealer listed the vehicle for sale online by advertising far less mileage, and this is what induced [REDACTED] and [REDACTED] interest in the vehicle, as the price asked would only have been a value with the low mileage advertised.

When [REDACTED] met with the dealer's representative to test drive the vehicle, the odometer must have been set to around 135,000. This is corroborated by [REDACTED] report to DOT shortly after the purchase that the odometer read 136,034. It is further corroborated by title documentation signed by the dealer where the first digit of the mileage was clearly changed to make the "2" a "1," so it would appear that the dealer purchased the vehicle with 109,505 miles on it – which is 100,000 less miles than actual. (Ex. 3 and 4, p. 2) Furthermore, the "actual" odometer reading on the certificate of title itself was obviously blacked-out to remove the first two digits altogether, leaving the mileage at an absurd and obviously incorrect reading of 6,401. (Ex. 3)

Having determined that the claimant's loss was caused by an act of the dealer that violated the law, I turn to the issue of the amount of the claimant's monetary loss. The bill of sale signed by the dealer and [REDACTED] on the date of sale lists the price as \$3,000. However, [REDACTED] maintains that he paid \$6,500 in cash. He could not explain why he would have signed a bill of sale that indicated less than one-half of that amount, other than that he didn't look closely enough and obviously the dealer's representative was providing false information elsewhere in the documentation so it must have in the bill of sale too.

The weight of the credible evidence convinced me that [REDACTED] in fact paid the dealer \$6,500 cash for the Pilot, consistent with the claim, for the following reasons. First, [REDACTED] testified that their budget for a vehicle was about \$6,500, and the record contains corroborating documentation from her banking account showing that, on July 27, 2023 (about two weeks before the vehicle purchase), she withdrew exactly \$6,500 in cash. Second, [REDACTED] testified that he took about \$7,000 in cash with him to Illinois on August 11, 2023 because he was intending

³ According to the certificate of title, as of April 28, 2023, the actual odometer reading was 206,401. (Ex. 6, p. 1) This is consistent with the corresponding assignment of certificate of title document, which shows that, on May 4, 2023, the vehicle was sold to MKE Trading Co. LLC with 209,594 miles; on May 11, 2023, it was sold to Bahrah Trading Company LLC with 209,595 miles; and on June 14, 2023, it was sold to OAS Auto Group LLC with 209,643 miles. (Ex. 6, p. 2 and Ex. 5)

to purchase a vehicle for them. This correlates roughly with the amount [REDACTED] had withdrawn. He further testified that when he met with the dealer's representative, [REDACTED] negotiated a \$6,500 price for the Pilot, and then counted out the cash in his own truck in front of his employee before giving it to the dealer to purchase the Pilot. This was corroborated by his employee [REDACTED] testimony; [REDACTED] personally observed [REDACTED] counting out that much cash when he was buying the vehicle.

The claimant also expended a total of \$336.84 to mechanics to determine if the vehicle was safe to drive (it was not) and to show the extent of the vehicle's disrepair. Those fees were likewise incurred to claimant's detriment and were caused by the dealer's misconduct. Had the mileage not been misrepresented, the vehicle would have been in a different, presumably better, condition that would not have required the claimant to investigate its condition for safety reasons. Ultimately, the claimant had to purchase a replacement vehicle and has stored the unsafe Pilot pending the outcome of this bond claim proceeding.

The claimant requests a full refund of the \$6,500 purchase price plus costs she expended to investigate the safety of the vehicle's condition. She further requests to relinquish possession and ownership of the vehicle to avoid further costs and/or liability associated with it. The claim is uncontested, as no other party participated in the hearing. Furthermore, it was supported by reliable evidence in the record including sworn testimony and corroborating bank and mechanic records.

The claimant's request is fair and justified under the law. It would be insufficient to award merely 40% of the purchase price of the vehicle, as the vehicle in its condition and actual mileage is of no value or use to the claimant and in fact, the reverse is true. Accordingly, Western Surety Company and/or the dealer, with the guidance and involvement of the DOT as appropriate and necessary, should work with the claimant to accomplish the claimant's relinquishment of possession and title for the vehicle.

CONCLUSIONS OF LAW

1. The claim of [REDACTED] arose on August 11, 2023, the day that OAS Auto Group by its representative sold the 2011 Honda Pilot to her and her husband [REDACTED]. The continuous surety bond issued to the dealer by Western Surety Company Corporation covers the period commencing on November 23, 2020. Therefore, the claim arose during the period covered by the surety bond.
2. [REDACTED] filed a claim against the motor vehicle dealer bond of the Dealer on January 18, 2024, which is within three years of the last day of the period covered by the surety bond. Pursuant to Wis. Admin. Code § Trans 140.21(1)(d), the claim is timely.
3. [REDACTED] losses of \$6,500 and \$336.84 were caused by acts of the dealer that would be grounds for suspension or revocation of its motor vehicle dealer license, including purchasing a vehicle the dealer led to believe had approximately 100,000 less miles than actual as a result of the dealer tampering with the odometer and/or title

documentation, and/or misrepresenting the actual mileage. This caused an actual loss under Wis. Admin. Code § Trans 140.21(1)(c).

4. The Division of Hearings and Appeals has authority to issue the following order. Wis. Stat. §§ 227.43(1)(br) and 227.41(1) and Wis. Admin. Code § Trans 140.26(1).

ORDER

The claim filed by [REDACTED] against the motor vehicle dealer bond of OAS Auto Group, LLC, is APPROVED in the amount of \$6,836.84. Western Surety Company shall pay [REDACTED] this amount for its loss attributable to the actions of OAS Auto Group, LLC.

APPEAL RIGHTS FOLLOW

Dated at Madison, Wisconsin on October 10, 2024.

STATE OF WISCONSIN
DIVISION OF HEARINGS AND APPEALS
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By: /s/
Rachel Pings | Administrative Law Judge

NOTICE

Set out below is a list of alternative methods available to persons who may wish to obtain review of the attached decision of the Administrative Law Judge. This notice is provided to ensure compliance with Wis. Stat. § 227.48 and sets out the rights of any party to this proceeding to petition for rehearing and administrative or judicial review of an adverse decision.

1. Any person aggrieved by the attached order may within twenty (20) days after service of such order or decision file with the Department of Transportation a written petition for rehearing pursuant to Wis. Stat. § 227.49. A copy of any such petition for rehearing should also be provided to the Administrative Law Judge who issued the order. Rehearing may only be granted for those reasons set out in Wis. Stat. § 227.49(3). A petition under this section is not a prerequisite for judicial review under Wis. Stat. §§ 227.52 and 227.53.
2. Any person aggrieved by the attached decision which adversely affects the substantial interests of such person by action or inaction, affirmative or negative in form is entitled to

judicial review by filing a petition therefore in accordance with the provisions of Wis. Stat. §§ 227.52 and 227.53. Said petition must be served and filed within thirty (30) days after service of the agency decision sought to be reviewed. If a rehearing is requested as noted in paragraph (1) above, any party seeking judicial review shall serve and file a petition for review within thirty (30) days after service of the order disposing of the rehearing application or within thirty (30) days after final disposition by operation of law. Pursuant to Wis. Admin. Code § TRANS 140.26(7), the attached final decision of the Administrative Law Judge is a final decision of the Department of Transportation, so any petition for judicial review shall name the Department of Transportation as the respondent. The Department of Transportation shall be served with a copy of the petition either personally or by certified mail. The address for service is:

Office of General Counsel
Wisconsin Department of Transportation
4822 Madison Yards Way, 9th Floor South
Madison, Wisconsin 53705

Persons desiring to file for judicial review are advised to closely examine all provisions of Wis. Stat. § 227.52 and 227.53 to ensure strict compliance with all its requirements.