

1 3. On or about July 21, 2014, Respondent was served by Certified and First Class Mail
2 copies of the Accusation No. 77/15-3, Statement to Respondent, Notice of Defense, Request for
3 Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and 11507.7) at
4 Respondent's address of record which, pursuant to Business and Professions Code section 136, is
5 required to be reported and maintained with the Bureau. Respondent's address of record was and
6 is:

7 1137 Montgomery Street, San Bruno, CA 94066.

8 4. Service of the Accusation was effective as a matter of law under the provisions of
9 Government Code section 11505, subdivision (c) and/or Business & Professions Code section
10 124.

11 5. Government Code section 11506 states, in pertinent part:

12 (c) The respondent shall be entitled to a hearing on the merits if the respondent
13 files a notice of defense, and the notice shall be deemed a specific denial of all parts
14 of the accusation not expressly admitted. Failure to file a notice of defense shall
15 constitute a waiver of respondent's right to a hearing, but the agency in its discretion
16 may nevertheless grant a hearing.

17 6. Respondent failed to file a Notice of Defense within 15 days after service upon him
18 of the Accusation, and therefore waived his right to a hearing on the merits of Accusation No.
19 77/15-3.

20 7. California Government Code section 11520 states, in pertinent part:

21 (a) If the respondent either fails to file a notice of defense or to appear at the
22 hearing, the agency may take action based upon the respondent's express admissions
23 or upon other evidence and affidavits may be used as evidence without any notice to
24 respondent.

25 8. Pursuant to its authority under Government Code section 11520, the Director after
26 having reviewed the proof of service dated July 21, 2014, signed by Sandra Adams, finds
27 Respondent is in default. The Director will take action without further hearing and, based on
28 Accusation, No. Case No. 77/15-3, proof of service and on the Affidavit of the Bureau
Representative Warren Sam, finds that the allegations in Accusation are true.

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1 **DETERMINATION OF ISSUES**

2 1. Based on the foregoing findings of fact, Respondent Jose De Jesus Loreda Carrizales,
3 owner of VH Automotive has subjected his Automotive Repair Dealer Registration No. ARD
4 263027 to discipline.

5 2. The agency has jurisdiction to adjudicate this case by default.

6 3. The Bureau is authorized to revoke Respondent's Automotive Repair Dealer
7 Registration based upon the following violations alleged in the Accusation which are supported
8 by the evidence contained in the affidavit of Bureau Representative Roger Lehman in this case.:

9 a. Respondent has subjected his ARD license to discipline pursuant to Business and
10 Professions Code sections 9884.7(acts of fraud); 9884.8, (misleading statements) and 9884.9
11 (providing customer with written estimates prior to performance of a specific job in undercover
12 operations that took place on June 26, 2012, August 29, 2012 and December 13, 2012.

13 Specifically, on June 26, 2012, Respondent engaged in acts of fraud and failed to properly
14 comply with the specifications of the code when he passed a vehicle not capable of passing a
15 properly conducted smog check.

16 Further, on August 29, 2012, Respondent provided repair services to a vehicle and
17 unnecessarily machined front rotors and machined the left front rotor improperly placing it out of
18 the manufacturers specifications.

19 Lastly, on December 13, 2012, the Bureau conducted an undercover operation at
20 Respondent's facility wherein a bureau operative left a vehicle for transmission repair. On or
21 about December 31, 2012, the operator retrieved the vehicle and was told his previous
22 transmission was "fried" and asked to pay an additional \$925.00. Re-inspection of the vehicle by
23 the Bureau after service by Respondent indicated that the transmission and torque converter were
24 replaced unnecessarily. The only repair that had been necessary to correct the problems was to
25 replace the transmission's 2-3 fit valve solenoid. Further, a "new" transmission had not been
26 installed but, instead a used replacement transmission had been installed which did not meet
27 industry standards among other deficits.

Exhibit A

Accusation

1 KAMALA D. HARRIS
Attorney General of California
2 JOSHUA A. ROOM
Supervising Deputy Attorney General
3 MARETTA WARD
Deputy Attorney General
4 State Bar No. 176470
455 Golden Gate Avenue, Suite 11000
5 San Francisco, CA 94102-7004
Telephone: (415) 703-1384
6 Facsimile: (415) 703-5480
Attorneys for Complainant

7
8 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
FOR THE BUREAU OF AUTOMOTIVE REPAIR
9 **STATE OF CALIFORNIA**

10
11 In the Matter of the Accusation Against:
12 **VH AUTOMOTIVE**
13 **1137 Montgomery Street**
San Bruno, CA 94066
14
15 **JOSE DE JESUS LOREDO CARRIZALES,**
16 **Owner**
17
18 **Automotive Repair Dealer Registration No.**
ARD 263027
19
20 Respondent.

Case No. 77/15-3
STATEMENT TO RESPONDENT
[Gov. Code §§ 11504, 11505(b)]

21
22 **TO RESPONDENT:**

23 Enclosed is a copy of the Accusation that has been filed with the Director of Consumer
24 Affairs, Bureau of Automotive Repair (Bureau), and which is hereby served on you.

25 Unless a written request for a hearing signed by you or on your behalf is delivered or
26 mailed to the Bureau, represented by Deputy Attorney General Maretta Ward, within fifteen (15)
27 days after a copy of the Accusation was personally served on you or mailed to you, you will be
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1 deemed to have waived your right to a hearing in this matter and the Bureau may proceed upon
2 the Accusation without a hearing and may take action thereon as provided by law.

3 The request for hearing may be made by delivering or mailing one of the enclosed forms
4 entitled "Notice of Defense," or by delivering or mailing a Notice of Defense as provided in
5 section 11506 of the Government Code, to

6
7 **Maretta Ward**
8 **Deputy Attorney General**
9 **455 Golden Gate Avenue, Suite 11000**
10 **San Francisco, California 94102**

11 You may, but need not, be represented by counsel at any or all stages of these proceedings.

12 The enclosed Notice of Defense, if signed and filed with the Bureau, shall be deemed a
13 specific denial of all parts of the Accusation, but you will not be permitted to raise any objection
14 to the form of the Accusation unless you file a further Notice of Defense as provided in section
15 11506 of the Government Code within fifteen (15) days after service of the Accusation on you.

16 If you file any Notice of Defense within the time permitted, a hearing will be held on the
17 charges made in the Accusation.

18 The hearing may be postponed for good cause. If you have good cause, you are obliged to
19 notify the Office of Administrative Hearings, 1515 Clay Street, Suite 206, Oakland, CA 94612,
20 within ten (10) working days after you discover the good cause. Failure to notify the Office of
21 Administrative Hearings within ten (10) days will deprive you of a postponement.

22 Copies of sections 11507.5, 11507.6, and 11507.7 of the Government Code are enclosed.

23 If you desire the names and addresses of witnesses or an opportunity to inspect and copy
24 the items mentioned in section 11507.6 of the Government Code in the possession, custody or
25 control of the Bureau you may send a Request for Discovery to the above designated Deputy
26 Attorney General.

27 **NOTICE REGARDING STIPULATED SETTLEMENTS**

28 It may be possible to avoid the time, expense and uncertainties involved in an
administrative hearing by disposing of this matter through a stipulated settlement. A stipulated

1 settlement is a binding written agreement between you and the government regarding the matters
2 charged and the discipline to be imposed. Such a stipulation would have to be approved by the
3 Director of Consumer Affairs, Bureau of Automotive Repair but, once approved, it would be
4 incorporated into a final order.

5 Any stipulation must be consistent with the Bureau's established disciplinary guidelines:
6 however, all matters in mitigation or aggravation will be considered. A copy of the Bureau's
7 Disciplinary Guidelines will be provided to you on your written request to the state agency
8 bringing this action.

9 If you are interested in pursuing this alternative to a formal administrative hearing, or if you
10 have any questions, you or your attorney should contact Deputy Attorney General Maretta Ward
11 at the earliest opportunity.

12 Dated: July 21, 2014

KAMALA D. HARRIS
Attorney General of California
JOSHUA A. ROOM
Supervising Deputy Attorney General

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16 
17 MARETTA WARD
18 Deputy Attorney General
19 *Attorneys for Complainant*

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8 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
9 **FOR THE BUREAU OF AUTOMOTIVE REPAIR**
STATE OF CALIFORNIA

10
11 In the Matter of the Accusation Against:

Case No. 77/15-3

12 **VH AUTOMOTIVE**

13 **1137 Montgomery Street**
14 **San Bruno, CA 94066**

ACCUSATION

15 **JOSE DE JESUS CARRIZALES LOREDO,**
16 **Owner**

17 **Automotive Repair Dealer Registration No.**
18 **ARD 263027**

19 Respondent.

20
21 Complainant alleges:

22 **PARTIES**

23 1. Patrick Dorais (Complainant) brings this Accusation solely in his official capacity as
24 the Chief of the Bureau of Automotive Repair, Department of Consumer Affairs.

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1 registration year as provided in Section 9884.3, at which time the registration shall be subject to
2 renewal."

3 6. Section 9884.6 of the Code states:

4 "(a) It is unlawful for any person to be an automotive repair dealer unless that person has
5 registered in accordance with this chapter and unless that registration is currently valid.

6 "(b) A person who, for compensation, adjusts, installs, or tests retrofit systems for purposes
7 of Chapter 6 (commencing with Section 44200) of Part 5 of Division 26 of the Health and Safety
8 Code is an automotive repair dealer for purposes of this chapter."

9 7. Section 9884.7 of the Code states:

10 "(a) The director, where the automotive repair dealer cannot show there was a bona fide
11 error, may deny, suspend, revoke, or place on probation the registration of an automotive repair
12 dealer for any of the following acts or omissions related to the conduct of the business of the
13 automotive repair dealer, which are done by the automotive repair dealer or any automotive
14 technician, employee, partner, officer, or member of the automotive repair dealer.

15 (1) Making or authorizing in any manner or by any means whatever any statement written
16 or oral which is untrue or misleading, and which is known, or which by the exercise of reasonable
17 care should be known, to be untrue or misleading.

18 (2) Causing or allowing a customer to sign any work order that does not state the repairs
19 requested by the customer or the automobile's odometer reading at the time of repair.

20 (3) Failing or refusing to give to a customer a copy of any document requiring his or her
21 signature, as soon as the customer signs the document.

22 (4) Any other conduct that constitutes fraud.

23 (5) Conduct constituting gross negligence.

24 (6) Failure in any material respect to comply with the provisions of this chapter or
25 regulations adopted pursuant to it.

26 (7) Any willful departure from or disregard of accepted trade standards for good and
27 workmanlike repair in any material respect, which is prejudicial to another without consent of the
28 owner or his or her duly authorized representative.

1 (8) Making false promises of a character likely to influence, persuade, or induce a
2 customer to authorize the repair, service, or maintenance of automobiles.

3 (9) Having repair work done by someone other than the dealer or his or her employees
4 without the knowledge or consent of the customer unless the dealer can demonstrate that the
5 customer could not reasonably have been notified.

6 (10) Conviction of a violation of Section 551 of the Penal Code.

7 Upon denying of registration, the director shall notify the applicant thereof, in writing, by
8 personal service or mail addressed to the address of the applicant set forth in the application, and
9 the applicant shall be given a hearing under Section 9884.12 if, within 30 days thereafter, he or
10 she files with the bureau a written request for hearing, otherwise the denial is deemed affirmed.

11 "(b) Except as provided for in subdivision (c), if an automotive repair dealer operates more
12 than one place of business in this state, the director pursuant to subdivision (a) shall only suspend,
13 revoke, or place on probation the registration of the specific place of business which has violated
14 any of the provisions of this chapter. This violation, or action by the director, shall not affect in
15 any manner the right of the automotive repair dealer to operate his or her other places of business.

16 "(c) Notwithstanding subdivision (b), the director may suspend, revoke, or place on
17 probation the registration for all places of business operated in this state by an automotive repair
18 dealer upon a finding that the automotive repair dealer has, or is, engaged in a course of repeated
19 and willful violations of this chapter, or regulations adopted pursuant to it."

20 8. Section 9884.8 of the Code states:

21 "All work done by an automotive repair dealer, including all warranty work, shall be
22 recorded on an invoice and shall describe all service work done and parts supplied. Service work
23 and parts shall be listed separately on the invoice, which shall also state separately the subtotal
24 prices for service work and for parts, not including sales tax, and shall state separately the sales
25 tax, if any, applicable to each. If any used, rebuilt, or reconditioned parts are supplied, the invoice
26 shall clearly state that fact. If a part of a component system is composed of new and used, rebuilt
27 or reconditioned parts, that invoice shall clearly state that fact. The invoice shall include a
28 statement indicating whether any crash parts are original equipment manufacturer crash parts or

1 nonoriginal equipment manufacturer aftermarket crash parts. One copy of the invoice shall be
2 given to the customer and one copy shall be retained by the automotive repair dealer."

3 9. Section 9884.9 of the Code states:

4 "(a) The automotive repair dealer shall give to the customer a written estimated price for
5 labor and parts necessary for a specific job. No work shall be done and no charges shall accrue
6 before authorization to proceed is obtained from the customer. No charge shall be made for work
7 done or parts supplied in excess of the estimated price without the oral or written consent of the
8 customer that shall be obtained at some time after it is determined that the estimated price is
9 insufficient and before the work not estimated is done or the parts not estimated are supplied.
10 Written consent or authorization for an increase in the original estimated price may be provided
11 by electronic mail or facsimile transmission from the customer. The bureau may specify in
12 regulation the procedures to be followed by an automotive repair dealer if an authorization or
13 consent for an increase in the original estimated price is provided by electronic mail or facsimile
14 transmission. If that consent is oral, the dealer shall make a notation on the work order of the date,
15 time, name of person authorizing the additional repairs and telephone number called, if any,
16 together with a specification of the additional parts and labor and the total additional cost, and
17 shall do either of the following:

18 "(1) Make a notation on the invoice of the same facts set forth in the notation on the work
19 order .

20 "(2) Upon completion of the repairs, obtain the customer's signature or initials to an
21 acknowledgment of notice and consent, if there is an oral consent of the customer to additional
22 repairs, in the following language:

23 "I acknowledge notice and oral approval of an increase in the original estimated price.

24 _____
25 (signature or initials)"

26 :Nothing in this section shall be construed as requiring an automotive repair dealer to give a
27 written estimated price if the dealer does not agree to perform the requested repair.

1 (b) The automotive repair dealer shall include with the written estimated price a statement
2 of any automotive repair service that, if required to be done, will be done by someone other than
3 the dealer or his or her employees. No service shall be done by other than the dealer or his or her
4 employees without the consent of the customer, unless the customer cannot reasonably be
5 notified. The dealer shall be responsible, in any case, for any service in the same manner as if the
6 dealer or his or her employees had done the service.

7 (c) In addition to subdivisions (a) and (b), an automotive repair dealer, when doing auto
8 body or collision repairs, shall provide an itemized written estimate for all parts and labor to the
9 customer. The estimate shall describe labor and parts separately and shall identify each part,
10 indicating whether the replacement part is new, used, rebuilt, or reconditioned. Each crash part
11 shall be identified on the written estimate and the written estimate shall indicate whether the crash
12 part is an original equipment manufacturer crash part or a nonoriginal equipment manufacturer
13 aftermarket crash part.

14 (d) A customer may designate another person to authorize work or parts supplied in
15 excess of the estimated price, if the designation is made in writing at the time that the initial
16 authorization to proceed is signed by the customer. The bureau may specify in regulation the
17 form and content of a designation and the procedures to be followed by the automotive repair
18 dealer in recording the designation. For the purposes of this section, a designee shall not be the
19 automotive repair dealer providing repair services or an insurer involved in a claim that includes
20 the motor vehicle being repaired, or an employee or agent or a person acting on behalf of the
21 dealer or insurer."

22 10. Section 9884.13 of the Code provides, in pertinent part, that the expiration of a valid
23 registration shall not deprive the director or chief of jurisdiction to proceed with a disciplinary
24 proceeding against an automotive repair dealer or to tender a decision invalidating a registration
25 temporarily or permanently.

26 11. Section 125.3 of the Code provides, in pertinent part, that a Board may request the
27 administrative law judge to direct a licensee found to have committed a violation or violations of
28

1 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
2 enforcement of the case.

3 12. California Code of Regulations, title 16, section 3353, states:

4 "No work for compensation shall be commenced and no charges shall accrue without
5 specific authorization from the customer in accordance with the following requirements:

6 "(a) Estimate for Parts and Labor. Every dealer shall give to each customer a written
7 estimated price for labor and parts for a specific job.

8 "(b) Estimate for Auto Body or Collision Repairs. Every dealer, when doing auto body or
9 collision repairs, shall give to each customer a written estimated price for parts and labor for a
10 specific job. Parts and labor shall be described separately and each part shall be identified,
11 indicating whether the replacement part is new, used, rebuilt or reconditioned. The estimate shall
12 also describe replacement crash parts as original equipment manufacturer (OEM) crash parts or
13 non-OEM aftermarket crash parts.

14 "(c) Additional Authorization. The dealer shall obtain the customer's authorization before
15 any additional work not estimated is done or parts not estimated are supplied. This authorization
16 shall be in written, oral, or electronic form, and shall describe additional repairs, parts, labor and
17 the total additional cost.

18 "(d) Estimated Price to Tear Down, Inspect, Report and Reassemble. For purposes of this
19 article, to "tear down" shall mean to disassemble, and "teardown" shall mean the act of
20 disassembly. If it is necessary to tear down a vehicle component in order to prepare a written
21 estimated price for required repair, the dealer shall first give the customer a written estimated
22 price for the teardown. This price shall include the cost of reassembly of the component. The
23 estimated price shall also include the cost of parts and necessary labor to replace items such as
24 gaskets, seals and O rings that are normally destroyed by teardown of the component. If the act of
25 teardown might prevent the restoration of the component to its former condition, the dealer shall
26 write that information on the work order containing the teardown estimate before the work order
27 is signed by the customer.

28

1 "The repair dealer shall notify the customer orally and conspicuously in writing on the
2 teardown estimate the maximum time it will take the repair dealer to reassemble the vehicle or the
3 vehicle component in the event the customer elects not to proceed with the repair or maintenance
4 of the vehicle and shall reassemble the vehicle within that time period if the customer elects not to
5 proceed with the repair or maintenance. The maximum time shall be counted from the date of
6 authorization of teardown.

7 "After the teardown has been performed, the dealer shall prepare a written estimated price
8 for labor and parts necessary for the required repair. All parts required for such repair shall be
9 listed on the estimate. The dealer shall then obtain the customer's authorization for either repair or
10 reassembly before any further work is done.

11 "(c) Revising an Itemized Work Order. If the customer has authorized repairs according to
12 a work order on which parts and labor are itemized, the dealer shall not change the method of
13 repair or parts supplied without the written, oral, electronic authorization of the customer. The
14 authorization shall be obtained from the customer as provided in subsection (c) and Section
15 9884.9 of the Business and Professions Code.

16 "(f) Unusual Circumstances; Authorization Required. When the customer is unable to
17 deliver the motor vehicle to the dealer during business hours or if the motor vehicle is towed to
18 the dealer without the customer during business hours, and the customer has requested the dealer
19 to take possession of the motor vehicle for the purpose of repairing or estimating the cost of
20 repairing the motor vehicle, the dealer shall not undertake the diagnosing or repairing of any
21 malfunction of the motor vehicle for compensation unless such dealer has complied with all of the
22 following conditions:

23 "(1) The dealer has prepared a work order stating the written estimated price for labor and
24 parts as specified in subsection (a) or (b), necessary to repair the motor vehicle; and

25 "(2) By telephone, fax or e-mail, the customer has been given all of the information on the
26 work order and the customer has approved the work order; and

27
28

1 "(3) The customer has given oral, written, or electronic authorization to the dealer to make
2 the repairs and the dealer has documented the authorization as provided in subsection (c) and
3 Section 9884.9 of the Business and Professions Code.

4 Any charge for parts or labor in excess of the original written estimated price must be
5 separately authorized by the customer and documented by the dealer, as provided in Section
6 9884.9 of the Business and Professions Code "

7 13. California Code of Regulations, title 16, section 3356, states:

8 "(a) All invoices for service and repair work performed, and parts supplied, as provided for
9 in Section 9884.8 of the Business and Professions Code, shall comply with the following:

10 (1) The invoice shall show the automotive repair dealer's registration number and the
11 corresponding business name and address as shown in the Bureau's records. If the automotive
12 repair dealer's telephone number is shown, it shall comply with the requirements of subsection (b)
13 of Section 3371 of this chapter.

14 (2) The invoice shall separately list, describe and identify all of the following:

15 (A) All service and repair work performed, including all diagnostic and warranty work, and
16 the price for each described service and repair.

17 (B) Each part supplied, in such a manner that the customer can understand what was
18 purchased, and the price for each described part. The description of each part shall state whether
19 the part was new, used, reconditioned, rebuilt, or an OEM crash part, or a non-OEM aftermarket
20 crash part.

21 (C) The subtotal price for all service and repair work performed.

22 (D) The subtotal price for all parts supplied, not including sales tax.

23 (E) The applicable sales tax, if any.

24 "(b) If a customer is to be charged for a part, that part shall be specifically listed as an item
25 in the invoice, as provided in subparagraph (B) of paragraph (2) of subsection (a) above. If that
26 item is not listed in the invoice, it shall not be regarded as a part, and a separate charge may not
27 be made for it.

28

1 " (c) Separate billing in an invoice for items generically noted as shop supplies,
2 miscellaneous parts, or the like, is prohibited.

3 " (d) The automotive repair dealer shall give the customer a legible copy of the invoice and
4 shall retain a legible copy as part of the automotive repair dealer's records pursuant to Section
5 9884.11 of the Business and Professions Code and Section 3358 of this article."

6 14. California Code of Regulations, title 16, section 3361.1, states in pertinent part:

7 "The following minimum requirements specifying accepted trade standards for good and
8 workmanlike rebuilding of automatic transmissions are intended to define terms...to the
9 public..."

10 " (a) Before an automatic transmission is removed for repair or replacement, it shall be
11 inspected. Such inspection shall determine whether or not the replacement or adjustment of any
12 external part or parts will correct the specific malfunction of the automatic transmission..."

13 15. California Code of Regulations, title 16, section 3371, states:

14 "No dealer shall publish, utter, or make or cause to be published, uttered, or made any false
15 or misleading statement or advertisement which is known to be false or misleading, or which by
16 the exercise of reasonable care should be known to be false or misleading. Advertisements and
17 advertising signs shall clearly show the following:

18 (a) Firm Name and Address. The dealer's firm name and address as they appear on the
19 State registration certificate as an automotive repair dealer; and

20 (b) Telephone Number. If a telephone number appears in an advertisement or on an
21 advertising sign, this number shall be the same number as that listed for the dealer's firm name
22 and address in the telephone directory, or in the telephone company record if such number was
23 assigned to the dealer subsequent to the publication of such telephone directory.

24 16. California Code of Regulations, title 16, section 3373, states:

25 "No automotive repair dealer or individual in charge shall, in filling out an estimate,
26 invoice, or work order, or record required to be maintained by section 3340.15(f) of this chapter,
27 withhold therefrom or insert therein any statement or information which will cause any such
28

1 document to be false or misleading, or where the tendency or effect thereby would be to mislead
2 or deceive customers, prospective customers, or the public."

3 17. Section 118, subdivision (b), of the Code provides that the expiration of a license
4 shall not deprive the Director of jurisdiction to proceed with a disciplinary action during the
5 period within which the license may be renewed, restored, reissued or reinstated.

6
7 **UNDERCOVER OPERATION – JUNE 26, 2012**

8 18. On or about June 26, 2012, a Bureau undercover operator drove a Bureau-
9 documented 1994 Toyota to Respondent's facility and requested smog repairs so the vehicle
10 could pass a smog check. The operator informed Respondent's facility worker Hector Sanchez,
11 that the vehicle was missing a catalytic converter. The operator stated that he needed the vehicle
12 to pass a smog test. The operator did not sign a repair estimate or receive one. The operator
13 observed changes being made to the vehicle including the installation and welding of a used
14 catalytic converter in place of the straight pipe and then later observed Respondent facility worker
15 Hector Sanchez leave with the vehicle and return. Upon return to the facility, the operator was
16 presented with a work order for a smog test and a VIR from South San Francisco 76 Smog along
17 with a VII Automotive business card.

18
19 **FIRST CAUSE FOR DISCIPLINE**

20 (Fraud)

21 19. Respondent has subjected his registration to discipline under Code section 9884.7,
22 subdivision (a)(4), in that on or about June 26, 2012, he committed an act which constituted fraud
23 by cutting out the straight pipe and welding on a used catalytic converter and then after a smog
24 inspection test was done removed the catalytic converter and reinstalled the straight pipe.

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28 //

1 SECOND CAUSE FOR DISCIPLINE

2 (Failure to Disclose)

3 20. Respondent has subjected his registration to discipline under Code section 9884.7,
4 subdivision (a)(9), in that on or about June 26, 2012, he failed to disclose that he was subletting
5 the smog test for the vehicle to another automotive shop, i.e. South San Francisco 76 Smog.
6

7 THIRD CAUSE FOR DISCIPLINE

8 (Failure to Provide Written Estimate)

9 21. Respondent has subjected his registration to discipline under Code section 9884.9,
10 subdivision (a) and California Code of Regulations, title 16, section 3353, in that on or about June
11 26, 2012, Respondent failed to provide a written estimate for parts and labor on a specific job at
12 the time of the initial drop off of the vehicle.
13

14 FOURTH CAUSE FOR DISCIPLINE

15 (Failure to Provide Final Invoice)

16 22. Respondent has subjected his registration to discipline under Code section 9884.8, in
17 that on or about June 26, 2012 Respondent failed to provide a final invoice of service for work
18 done at Respondent's facility.
19

20 UNDERCOVER OPERATION – AUGUST 29, 2012

21 23. On or about August 29, 2012, a Bureau undercover operator drove a Bureau-
22 documented, 1994 Toyota to Respondent's facility and requested that the dash warning check
23 engine light and brake light be diagnosed and repaired. The operator informed Respondent's
24 facility worker, Hector Sanchez, that the dash lights were illuminated. Hector Sanchez informed
25 the operator that the Camry needed a #4 cylinder injector, front brake pads, and a transmission
26 service. The operator authorized all repairs except the transmission service. The operator did not
27 receive a copy of a signed repair order. Later, the operator contacted Respondent by phone and
28 authorized the transmission service. At the time the operator picked up the vehicle, he paid for the

1 service and received an invoice. Re-inspection of the vehicle by the Bureau after service revealed
2 the #4 fuel injector and front disc pads were replaced. However, the front rotors were machined
3 unnecessarily. The left front rotor was improperly machined and was found to be out of
4 manufacturer's specification for rotor run out.

5
6 **FIFTH CAUSE FOR DISCIPLINE**

7 (Willful Departure From Accepted Trade Standards)

8 24. Respondent has subjected his registration to discipline under Code section 9884.7,
9 subdivision (a)(7), in that on or about August 29, 2012, Respondent willfully departed from
10 accepted trade standards by machining the left front rotor to exceed the manufacturer's
11 specification run out.

12
13 **SIXTH CAUSE FOR DISCIPLINE**

14 (Failure to Provide Signed Repair Estimate)

15 25. Respondent has subjected his registration to discipline under Code section 9884.7,
16 subdivision (a)(3) in that on or about August 29, 2012, Respondent failed to provide a signed
17 repair estimate at the time it was signed by the consumer.

18
19 **SEVENTH CAUSE FOR DISCIPLINE**

20 (Failure to obtain and/or Record Additional Authorization)

21 26. Respondent has subjected his registration to discipline under Code section 9884.9,
22 subdivision (a), and California Code of Regulations, title 16, section 3533, subdivision (c), in that
23 on or about August 29, 2012, Respondent failed to obtain and/or record additional authorization
24 before performing repairs which would exceed the original estimate.

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26 / /

27 / /

28 / /

1 EIGHTH CAUSE FOR DISCIPLINE

2 (Failure to Separately List Prices)

3 27. Respondent has subjected his registration to discipline under Code section 9884.8,
4 California Code of Regulations, title 16, section 3356, subdivision (a) in that on or about August
5 29, 2012, Respondent failed to state separately the subtotal prices of service work, parts and sales
6 tax.

7
8 NINTH CAUSE FOR DISCIPLINE

9 (Failure to Describe Service Work on Invoice)

10 28. Respondent has subjected his registration to discipline under Code section 9884.8,
11 California Code of Regulations, title 16, section 3356, subdivision (a) in that on or about August
12 29, 2012, Respondent failed to describe on the invoice all service work and parts, in such a
13 manner that the customer can understand what was purchased as Respondent did not or document
14 the fact.

15
16 TENTH CAUSE FOR DISCIPLINE

17 (Failure to Describe Service Work on Invoice)

18 29. Respondent has subjected his registration to discipline under Code section 9884.8,
19 California Code of Regulations, title 16, section 3356, subdivision (a) in that on or about August
20 29, 2012, Respondent failed to describe on the invoice all service work and parts, in such a
21 manner that the customer can understand what was purchased as Respondent did not document or
22 describe which fuel injector was replaced and what the transmission service was.

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FIFTEENTH CAUSE FOR DISCIPLINE

(Failure to Show Dealer Registration on Invoice)

30. Respondent has subjected his registration to discipline under Code section 9884.8, California Code of Regulations, title 16, section 3356, subdivision (a) in that on or about August 29, 2012, Respondent failed to show the dealer registration number on the invoice as Respondent provided an invoice which did not show the correct automotive repair dealer registration number.

UNDERCOVER OPERATION – DECEMBER 13, 2012

31. On or about December 13, 2012, a Bureau undercover operator drove a Bureau-documented 1994 Chevrolet to Respondent's facility and requested that the lack of power and shifting on the vehicle be diagnosed and repaired. The operator left the vehicle at the facility. On or about December 18, 2012, the operator received a phone call from Hector Sanchez wherein Sanchez stated that a new transmission was needed and that he could provide a new or used transmission for the vehicle. On or about December 19, 2012, the operator advised Hector Sanchez to provide a new transmission for the vehicle. Hector Sanchez requested a deposit of \$925.00. On December 20, 2012, the operator provided a cash deposit of \$925.00 to Hector Sanchez who confirmed at that time that he was going to install a new transmission for \$1850.00 with a 3 year/36,000 mile warranty. The operator received a work order from Hector Sanchez which noted a \$925.00 deposit. On or about December 31, 2012, the operator retrieved the vehicle. The operator was told that his previous transmission was "fried" at which time the operator paid an additional \$925.00. The operator received VII Automotive Invoice no.

Re-inspection of the vehicle by the Bureau after service by Respondent indicated that the transmission and torque converter were replaced unnecessarily. The only repair that had been necessary to correct the problem was to replace the transmission's 2-3 shift valve solenoid. Further, a "new" transmission had not been installed but, instead a used replacement transmission had been installed which did not meet industry standards. The following deficits were also determined.

- The torque converter end play exceeds vehicle manufacturer specifications;

- 1 • The shift shaft seal and shaft were not replaced;
- 2 • The 2-4 band apply pin is too short;
- 3 • The 2-4 band was worn;
- 4 • Reverse input friction clutch plates are discolored indicating used parts;
- 5 • Exterior of transmission and torque converter painted to look new;
- 6 • Exhaust header pipe w/catalytic converter was cut and welded instead of unbolted;

7
8 **TWELFTH CAUSE FOR DISCIPLINE**

9 (Failure to Provide Copy of Order)

10 32. Respondent has subjected his registration to discipline under Code section 9884.7,
11 subdivision (a)(3), in that on or about December 13, 2012, Respondent failed to provide the
12 customer with a copy of a signed customer document at the time of signature as Respondent had
13 the operator sign a blank repair order and did not give a copy to the operator.

14
15 **THIRTEENTH CAUSE FOR DISCIPLINE**

16 (Fraud)

17 33. Respondent has subjected his registration to discipline under Code section 9884.7,
18 subdivision (a)(4), in that on or about December 13, 2012, Respondent informed the operator he
19 was paying \$1850.00 for a new transmission with a 3 years/36,000 mile warranty, when in fact,
20 the transmission was used and painted to make it appear new, which was intentional.

21
22 **FOURTEENTH CAUSE FOR DISCIPLINE**

23 (False and/or Misleading Statements/Records)

24 34. Respondent has subjected his registration to discipline under Code section 9884.7,
25 subdivision (a)(1), and California Code of Regulations, title 16, section 3373 in that Respondent
26 created a record that was false and misleading as Respondent provided the operator with an
27 invoice which does not state what type of transmission was replaced, although Respondent
28 represented verbally it was a "new" transmission.

1 FIFTEENTH CAUSE FOR DISCIPLINE

2 (Failure to Separately List Prices)

3 35. Respondent has subjected his registration to discipline under Code section 9884.8, in
4 that on or about December 13, 2012, Respondent failed to state separately the sub-total prices of
5 service work, parts and sales tax as Respondent provided an invoice which did not list the parts
6 replaced and only noted labor charges totaling \$1850.00.

7
8 SIXTEENTH CAUSE FOR DISCIPLINE

9 (False or Misleading Statements)

10 36. Respondent has subjected his registration to discipline under Code section 9884.7,
11 subdivision (a)(1), and California Code of Regulations, title 16, section 3371 in that Respondent
12 told the operator the transmission was "fried" in order to convince the operator that the complete
13 transmission needed to be replaced.

14
15 SEVENTEENTH CAUSE FOR DISCIPLINE

16 (Failure to Note on Invoice Status of Parts)

17 37. Respondent has subjected his registration to discipline under Code section 9884.8,
18 and California Code of Regulations, title 16, section 3356(a) in that Respondent failed to state on
19 the invoice whether the parts were new, used, reconditioned or rebuilt or an OEM crash part, or a
20 non-OEM after market crash part.

21
22 EIGHTEENTH CAUSE FOR DISCIPLINE

23 (Failure to Describe All Service Work and Parts)

24 38. Respondent has subjected his registration to discipline under Code section 9884.8,
25 and California Code of Regulations, title 16, section 3356(a) in that Respondent failed to
26 describe on the invoice all service work and parts in such a manner that the customer can
27 understand what was purchased as Respondent failed to disclose the fact that the exhaust header
28 pipe with catalytic converter was cut and welded.

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NINETEENTH CAUSE FOR DISCIPLINE

(Failure to Show Dealer Registration)

39. Respondent has subjected his registration to discipline under Code section 9884.8, and California Code of Regulations, title 16, section 3356(a) in that Respondent failed to show the dealer registration number on the invoice as Respondent provided an invoice which did not show the correct automotive repair dealer registration number.

TWENTIETH CAUSE FOR DISCIPLINE

(Failure to Describe All Service Work and Parts)

40. Respondent has subjected his registration to discipline under Code section 9884.7, subdivision (a)(1) and California Code of Regulations, title 16, section 3373 in that Respondent created a record that was false and misleading as Respondent advertised that it was an official brake adjusting station, official lamp adjusting station and Smog Check license station with the State of California when in fact they are not.

OTHER MATTERS

41. Pursuant to Bus. & Prof. Code section 9884.7, subdivision (c), the Director may suspend, revoke, or place on probation the registration for all places of business operated in this state by Respondent Jose De Jesus Carrizales Loreda, owner of VII Automotive, upon a finding that Respondent has, or is, engaged in a course of repeated and willful violations of the laws and regulations pertaining to an automotive repair dealer.

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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Director of Consumer Affairs issue a decision:

1. Revoking or suspending Automotive Repair Dealer Registration Number ARD 263027, issued to Jose De Jesus Carrizales Loreda;
2. Ordering Jose De Jesus Carrizales Loreda to pay the Bureau of Automotive Repair the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3;
3. Taking such other and further action as deemed necessary and proper.

DATED: July 10, 2018

Patrick Dorais

PATRICK DORAIS
Chief
Bureau of Automotive Repair
Department of Consumer Affairs
State of California
Complainant

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VII AUTOMOTIVE 3.docx

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1 KAMALA D. HARRIS
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455 Golden Gate Avenue, Suite 11000
5 San Francisco, CA 94102-7004
Telephone: (415) 703-1384
6 Facsimile: (415) 703-5480
Attorneys for Complainant

7
8 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
FOR THE BUREAU OF AUTOMOTIVE REPAIR
9 **STATE OF CALIFORNIA**

10
11 In the Matter of the Accusation Against:

Case No. 77/15-3

12 **VII AUTOMOTIVE**

REQUEST FOR DISCOVERY

13 JOSE DE JESUS LOREDO CARRIZALES.

14 Owner

15 Respondent.

16
17 TO RESPONDENT:

18 Under section 11507.6 of the Government Code of the State of California, parties to an
19 administrative hearing, including the Complainant, are entitled to certain information concerning
20 the opposing party's case. A copy of the provisions of section 11507.6 of the Government Code
21 concerning such rights is included among the papers served.

22 PURSUANT TO SECTION 11507.6 OF THE GOVERNMENT CODE, YOU ARE
23 HEREBY REQUESTED TO:

- 24 1. Provide the names and addresses of witnesses to the extent known to the Respondent,
25 including, but not limited to, those intended to be called to testify at the hearing, and
26 2. Provide an opportunity for the Complainant to inspect and make a copy of any of the
27 following in the possession or custody or under control of the Respondent:
28

1 a. A statement of a person, other than the Respondent, named in the
2 initial administrative pleading, or in any additional pleading, when it is claimed that
3 the act or omission of the Respondent as to this person is the basis for the
4 administrative proceeding;

5 b. A statement pertaining to the subject matter of the proceeding made
6 by any party to another party or persons;

7 c. Statements of witnesses then proposed to be called by the
8 Respondent and of other persons having personal knowledge of the acts, omissions or
9 events which are the basis for the proceeding, not included in (a) or (b) above;

10 d. All writings, including but not limited to reports of mental, physical
11 and blood examinations and things which the Respondent now proposes to offer in
12 evidence;

13 e. Any other writing or thing which is relevant and which would be
14 admissible in evidence, including but not limited to, any patient or hospital records
15 pertaining to the persons named in the pleading;

16 f. Investigative reports made by or on behalf of the Respondent
17 pertaining to the subject matter of the proceeding, to the extent that these reports (1)
18 contain the names and addresses of witnesses or of persons having personal
19 knowledge of the acts, omissions or events which are the basis for the proceeding, or
20 (2) reflect matters perceived by the investigator in the course of his or her
21 investigation, or (3) contain or include by attachment any statement or writing
22 described in (a) to (e), inclusive, or summary thereof.

23
24 For the purpose of this Request for Discovery, "statements" include written statements by
25 the person, signed, or otherwise authenticated by him or her, stenographic, mechanical, electrical
26 or other recordings, or transcripts thereof, of oral statements by the person, and written reports or
27 summaries of these oral statements.

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YOU ARE HEREBY FURTHER NOTIFIED that nothing in this Request for Discovery should be deemed to authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as attorney's work product.

Your response to this Request for Discovery should be directed to the undersigned attorney for the Complainant at the address on the first page of this Request for Discovery within 30 days after service of the Accusation.

Failure without substantial justification to comply with this Request for Discovery may subject the Respondent to sanctions pursuant to sections 11507.7 and 11455.10 to 11455.30 of the Government Code.

Dated: July 21, 2014

KAMALA D. HARRIS
Attorney General of California
JOSHUA A. ROOM
Supervising Deputy Attorney General


MARETTA WARD
Deputy Attorney General
Attorneys for Complainant

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BEFORE THE
DEPARTMENT OF CONSUMER AFFAIRS
FOR THE BUREAU OF AUTOMOTIVE REPAIR
STATE OF CALIFORNIA

In the Matter of the Accusation Against: VH AUTOMOTIVE JOSE DE JESUS LOREDO CARRIZALES, Owner <p style="text-align: right;">Respondent.</p>	Case No. 77/15-3 NOTICE OF DEFENSE [Gov. Code §§ 11505 and 11506]
--	--

I, the undersigned Respondent in the above-entitled proceeding, hereby acknowledge receipt of a copy of the Accusation; Statement to Respondent; Government Code sections 11507.5, 11507.6 and 11507.7, Complainant's Request for Discovery; and two copies of a Notice of Defense.

I hereby request a hearing to permit me to present my defense to the charges contained in the Accusation.

Dated: _____

Respondent's Name: _____

Respondent's Signature: _____

Respondent's Mailing Address: _____

City, State and Zip Code: _____

Respondent's Telephone: _____

Respondent's Fax: _____

Respondent's E-mail: _____

Check appropriate box:

I am represented by counsel, whose name, address and telephone number appear below:

Counsel's Name: _____

Counsel's Mailing Address: _____

City, State and Zip Code: _____

Counsel's Telephone: _____

Counsel's Fax: _____

Counsel's E-mail: _____

I am not now represented by counsel. If and when counsel is retained, immediate notification of the attorney's name, address and telephone number will be filed with the Office of Administrative Hearing and a copy sent to counsel for Complainant so that counsel will be on record to receive legal notices, pleadings and other papers.

The agency taking the action described in the Accusation may have formulated guidelines to assist the administrative law judge in reaching an appropriate penalty. You may obtain a copy of the guidelines by requesting them from the agency in writing.

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BEFORE THE
DEPARTMENT OF CONSUMER AFFAIRS
FOR THE BUREAU OF AUTOMOTIVE REPAIR
STATE OF CALIFORNIA

In the Matter of the Accusation Against: VH AUTOMOTIVE JOSE DE JESUS LOREDO CARRIZALES, Owner <p style="text-align: right;">Respondent.</p>	Case No. 77/15-3 NOTICE OF DEFENSE [Gov. Code §§ 11505 and 11506]
--	--

I, the undersigned Respondent in the above-entitled proceeding, hereby acknowledge receipt of a copy of the Accusation; Statement to Respondent; Government Code sections 11507.5, 11507.6 and 11507.7. Complainant's Request for Discovery; and two copies of a Notice of Defense.

I hereby request a hearing to permit me to present my defense to the charges contained in the Accusation.

Dated: _____

Respondent's Name: _____

Respondent's Signature: _____

Respondent's Mailing Address: _____

City, State and Zip Code: _____

Respondent's Telephone: _____

Respondent's Fax: _____

Respondent's E-mail: _____

Check appropriate box:

I am represented by counsel, whose name, address and telephone number appear below:

Counsel's Name: _____

Counsel's Mailing Address: _____

City, State and Zip Code: _____

Counsel's Telephone: _____

Counsel's Fax: _____

Counsel's E-mail: _____

I am not now represented by counsel. If and when counsel is retained, immediate notification of the attorney's name, address and telephone number will be filed with the Office of Administrative Hearing and a copy sent to counsel for Complainant so that counsel will be on record to receive legal notices, pleadings and other papers.

The agency taking the action described in the Accusation may have formulated guidelines to assist the administrative law judge in reaching an appropriate penalty. You may obtain a copy of the guidelines by requesting them from the agency in writing.

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**COPY OF GOVERNMENT CODE SECTIONS 11507.5, 11507.6 AND 11507.7
PROVIDED PURSUANT TO GOVERNMENT CODE SECTIONS 11504 AND 11505**

SECTION 11507.5: Exclusivity of discovery provisions

The provisions of Section 11507.6 provide the exclusive right to and method of discovery as to any proceeding governed by this chapter.

SECTION 11507.6: Request for discovery

After initiation of a proceeding in which a respondent or other party is entitled to a hearing on the merits, a party, upon written request made to another party, prior to the hearing and within 30 days after service by the agency of the initial pleading or within 15 days after the service of an additional pleading, is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, including, but not limited to, those intended to be called to testify at the hearing, and (2) inspect and make a copy of any of the following in the possession or custody or under the control of the other party:

(a) A statement of a person, other than the respondent, named in the initial administrative pleading, or in any additional pleading, when it is claimed that the act or omission of the respondent as to this person is the basis for the administrative proceeding;

(b) A statement pertaining to the subject matter of the proceeding made by any party to another party or person;

(c) Statements of witnesses then proposed to be called by the party and of other persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, not included in (a) or (b) above;

(d) All writings, including, but not limited to, reports of mental, physical and blood examinations and things which the party then proposes to offer in evidence;

(e) Any other writing or thing which is relevant and which would be admissible in evidence;

(f) Investigative reports made by or on behalf of the agency or other party pertaining to the subject matter of the proceeding, to the extent that these reports (1) contain the names and addresses of witnesses or of persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, or (2) reflect matters perceived by the investigator in the course of his or her investigation, or (3) contain or include by attachment any statement or writing described in (a) to (e), inclusive, or summary thereof.

For the purpose of this section, "statements" include written statements by the person signed or otherwise authenticated by him or her, stenographic, mechanical, electrical or other recordings, or transcripts thereof, of oral statements by the person, and written reports or summaries of these oral statements.

Nothing in this section shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product.

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SECTION 11507.7: Petition to compel discovery; Order; Sanctions

(a) Any party claiming the party's request for discovery pursuant to Section 11507.6 has not been complied with may serve and file with the administrative law judge a motion to compel discovery, naming as respondent the party refusing or failing to comply with Section 11507.6. The motion shall state facts showing the respondent party failed or refused to comply with Section 11507.6, a description of the matters sought to be discovered, the reason or reasons why the matter is discoverable under that section, that a reasonable and good faith attempt to contact the respondent for an informal resolution of the issue has been made, and the ground or grounds of respondent's refusal so far as known to the moving party.

(b) The motion shall be served upon respondent party and filed within 15 days after the respondent party first evidenced failure or refusal to comply with Section 11507.6 or within 30 days after request was made and the party has failed to reply to the request, or within another time provided by stipulation, whichever period is longer.

(c) The hearing on the motion to compel discovery shall be held within 15 days after the motion is made, or a later time that the administrative law judge may on the judge's own motion for good cause determine. The respondent party shall have the right to serve and file a written answer or other response to the motion before or at the time of the hearing.

(d) Where the matter sought to be discovered is under the custody or control of the respondent party and the respondent party asserts that the matter is not a discoverable matter under the provisions of Section 11507.6, or is privileged against disclosure under those provisions, the administrative law judge may order lodged with it matters provided in subdivision (b) of Section 915 of the Evidence Code and examine the matters in accordance with its provisions.

(e) The administrative law judge shall decide the case on the matters examined in camera, the papers filed by the parties, and such oral argument and additional evidence as the administrative law judge may allow.

(f) Unless otherwise stipulated by the parties, the administrative law judge shall no later than 15 days after the hearing make its order denying or granting the motion. The order shall be in writing setting forth the matters the moving party is entitled to discover under Section 11507.6. A copy of the order shall forthwith be served by mail by the administrative law judge upon the parties. Where the order grants the motion in whole or in part, the order shall not become effective until 10 days after the date the order is served. Where the order denies relief to the moving party, the order shall be effective on the date it is served.

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DECLARATION OF SERVICE BY CERTIFIED MAIL AND FIRST CLASS MAIL
(Separate Mailings)

Case Name: In the Matter of the Accusation Against: **VH AUTOMOTIVE,
JOSE DE JESUS LOREDO CARRIZALES (OWNER)**

Case No.: **77/15-3**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On July 21, 2014, I served the attached 1) **STATEMENT TO RESPONDENT; 2) ACCUSATION; 3) REQUEST FOR DISCOVERY; 4) NOTICE OF DEFENSE (2 copies); 5) COPY OF GOVERNMENT CODE SECTIONS 11507.5, 11507.6 AND 11507.7 PROVIDED PURSUANT TO GOVERNMENT CODE SECTIONS 11504 AND 11505; and 6) SECTION 11507.7: PETITION TO COMPEL DISCOVERY; ORDER; SANCTIONS** by placing a true copy thereof enclosed in a sealed envelope as certified mail with return receipt requested, and another true copy of **THE SAME** was enclosed in a second sealed envelope as first class mail in the internal mail collection system at the Office of the Attorney General at 455 Golden Gate Avenue, Suite 11000, San Francisco, CA 94102-7004, addressed as follows:

Jose De Jesus Loredo Carrizales
VH Automotive
1137 Montgomery Street
San Bruno, CA 94066

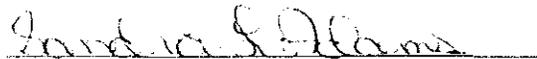
Certified Article Number

9414 7266 9904 2009 2777 09

SENDERS RECORD

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on July 21, 2014, at San Francisco, California.

Sandra L. Adams
Declarant


Signature



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Tracking Number: **9414726699042009277709**

Product & Tracking Information

Postal Product:
First-Class Mail®

Features:
Certified Mail™

Return Receipt

DATE & TIME	STATUS OF ITEM	LOCATION
July 22, 2014 , 2:53 pm	Delivered	SAN BRUNO, CA 94066

Your item was delivered at 2:53 pm on July 22, 2014 at SAN BRUNO, CA 94066.

July 22, 2014 , 1:12 am	Departed USPS Facility	SAN FRANCISCO, CA 94188
July 21, 2014 , 10:10 pm	Arrived at USPS Facility	SAN FRANCISCO, CA 94188

Available Actions

Track Another Package

Tracking (or receipt) number

9414726699042009277709

Track it

Manage Incoming Packages

Track all your packages from a dashboard. No tracking numbers necessary.

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AFFIDAVIT OF WARREN SAM

1 I, Warren Sam, Program Representative II, Bureau of Automotive Repair,
2 South San Francisco Field Office, hereby affirm the following facts regarding VH
3 Automotive, 1137 Montgomery Street, San Bruno, CA, Accusation No. 77/15-3.

4 In the course and scope of my duties as Program Representative II in the
5 South San Francisco Field Office, I investigated Hector Sanchez, doing business
6 as VH Automotive (Respondent).

7 On June 27, 2012, I initiated an investigation into the business practices of
8 VH Automotive due to information received by consumer complaints.

9 The investigation determined Respondent has subjected his registration to
10 discipline under Code section 9884.7, subdivision (a)(4), in that on or about June
11 26, 2012, he committed an act which constituted fraud by cutting out the straight
12 pipe and welding on a used catalytic converter and then after a smog inspection
13 test was done removed the catalytic converter and reinstalled the straight pipe.

14 Respondent has subjected his registration to discipline under Code section
15 9884.7, subdivision (a)(9), in that on or about June 26, 2012, he failed to disclose
16 that he was subletting the smog test for the vehicle to another automotive shop,
17 i.e. South San Francisco 76 Smog.

18 Respondent has subjected his registration to discipline under Code section
19 9884.9, subdivision (a) and California Code of Regulations, title 16, section 3353,

1 in that on or about June 26, 2012, Respondent failed to provide a written estimate
2 for parts and labor on a specific job at the time of the initial drop off of the vehicle.

3 Respondent has subjected his registration to discipline under Code section
4 9884.8, in that on or about June 26, 2012, Respondent failed to provide a final
5 invoice of service for work done at Respondent's facility.

6 Respondent has subjected his registration to discipline under Code section
7 9884.7, subdivision (a)(7), in that on or about August 29, 2012, Respondent
8 willfully departed from accepted trade standards by machining the left front rotor to
9 exceed the manufacturer's specification run out.

10 Respondent has subjected his registration to discipline under Code section
11 9884.7, subdivision (a)(3) in that on or about August 29, 2012, Respondent failed
12 to provide a signed repair estimate at the time it was signed by the consumer.

13 Respondent has subjected his registration to discipline under Code section
14 9884.9, subdivision (a) and California Code of Regulations, title 16, section 3353,
15 subdivision (c), in that on or about August 29, 2012, Respondent failed to obtain
16 and/or record additional authorization before performing repairs which would
17 exceed the original estimate.

18 Respondent has subjected his registration to discipline under Code section
19 9884.8, California Code of Regulations, title 16, section 3353, subdivision (a), in
20 that on or about August 29, 2012, Respondent failed to state separately the
21 subtotal prices of service work, parts and sales tax.

1 Respondent has subjected his registration to discipline under Code section
2 9884.8, California Code of Regulations, title 16, section 3356, subdivision (a), in
3 that on or about August 29, 2012, Respondent failed to describe on the invoice all
4 service work and parts, in such a manner that the customer can understand what
5 was purchased as Respondent did not or document the fact.

6 Respondent has subjected his registration to discipline under Code section
7 9884.8, California Code of Regulations, title 16, section 3356, subdivision (a), in
8 that on or about August 29, 2012, Respondent failed to describe on the invoice all
9 service work and parts, in such a manner that the customer can understand what
10 was purchased as Respondent did not document or describe which fuel injector
11 was replaced and what the transmission service was.

12 Respondent has subjected his registration to discipline under Code section
13 9884.8, California Code of Regulations, title 16, section 3356, subdivision (a), in
14 that on or about August 29, 2012, Respondent failed to show the dealer
15 registration number on the invoice as Respondent provided an invoice which did
16 not show the correct automotive repair dealer registration number.

17 Respondent has subjected his registration to discipline under Code section
18 9884.7, subdivision (a)(3), in that on or about December 13, 2012, Respondent
19 failed to provide the customer with a copy of a signed document at the time of
20 signature as Respondent had the operator sign a blank repair order and did not
21 give a copy to the operator.

1 Respondent has subjected his registration to discipline under Code section
2 9884.7, subdivision (a)(4), in that on or about December 13, 2012, Respondent
3 informed the operator he was paying \$1,850.00 for a new transmission with a 3
4 years/36,000 mile warranty, when in fact, the transmission was used and painted
5 to make it appear new, which was intentional.

6 Respondent has subjected his registration to discipline under Code section
7 9884.7, subdivision (a)(1), and California Code of Regulations, title 16, section
8 3373 in that Respondent created a record that was false and misleading as
9 Respondent provided the operator with an invoice which does not state what type
10 of transmission was replaced, although Respondent represented verbally it was a
11 "new" transmission.

12 Respondent has subjected his registration to discipline under Code section
13 9884.8, in that on or about December 13, 2012, Respondent failed to state
14 separately the sub-total prices of service work, parts and sales tax as Respondent
15 provided an invoice which did not list the parts replaced and only noted labor
16 charges totaling \$1,850.00.

17 Respondent has subjected his registration to discipline under Code section
18 9884.7, subdivision (a)(1), and California Code of Regulations, title 16, section
19 3371 in that Respondent told the operator the transmission was "fried" in order to
20 convince the operator that the complete transmission needed to be replaced.

1 Respondent has subjected his registration to discipline under Code section
2 9884.8, and California Code of Regulations, title 16, section 3356(a) in that
3 Respondent failed to state on the invoice whether the parts were new, used,
4 reconditioned or rebuilt or an OEM crash part, or a non-OEM after market crash
5 part.

6 Respondent has subjected his registration to discipline under Code section
7 9884.8, and California Code of Regulations, title 16, section 3356(a) in that
8 Respondent failed to describe on the invoice all service work and parts in such a
9 manner that the customer can understand what was purchased as Respondent
10 failed to disclose the fact that the exhaust header pipe with catalytic converter was
11 cut and welded.

12 Respondent has subjected his registration to discipline under Code section
13 9884.8, and California Code of Regulations, title 16, section 3356(a) in that
14 Respondent failed to show the dealer registration number on the invoice as
15 Respondent provided an invoice which did not show the correct automotive repair
16 dealer registration number.

17 Respondent has subjected his registration to discipline under Code section
18 9884.7, subdivision (a)(1) and California Code of Regulations, title 16, section
19 3373 in that Respondent created a record that was false and misleading as
20 Respondent advertised that it was an official brake adjusting station, official lamp

