



THE OHIO AUTOMOBILE DEALERS ASSOCIATION

DATE: 1/9/12
TO: OADA MEMBERS
FROM: TIM DORAN, PRESIDENT
RE: OHIO BMV CORRESPONDENCE REGARDING FINDERS' FEES

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The issue of paying a finder's fee or broker fee is certainly not new, but has received a great deal of attention due to publicity surrounding TrueCar, Inc. and actions of regulators across the country. In response to inquiries by our members, OADA asked the Ohio Bureau of Motor Vehicles to provide guidance to our members regarding whether a dealer can pay a fee to someone, other than a licensed salesperson, based on the sale of a vehicle. We have attached their correspondence for your review.

As noted in the attached correspondence from the Ohio Bureau of Motor Vehicles, Ohio law states that no licensed dealer shall "directly or indirectly, solicit the sale of a motor vehicle through a pecuniarily interested person other than a salesperson licensed in the employ of a licensed dealer" or pay "any commission or compensation in any form to any person in connection with the sale of a motor vehicle unless the person is licensed as a salesperson in the employ of the dealer."

The attached correspondence confirms that if the BMV received a report that a dealer was purportedly violating the law, the BMV Investigations Section would investigate the dealer and report any alleged violations to the Registrar of Motor Vehicles and the Ohio Motor Vehicle Dealers Board for possible disciplinary action.

Please consider this information as guidance when evaluating any promotional program which involves a fee based on sales of motor vehicles.

Additionally, we will be reviewing other aspects of the TrueCar, Inc. promotional program with regulators to determine whether the program, as we understand it, presents additional issues related to the advertisement and sale of motor vehicles. We will keep our members apprised of developments as they occur.