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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU OF
COMPLIANCE, INVESTIGATION AND
LICENSING

DOCKET No. 09 0143 (ENF-CO)

PA DEPT OF BANKING

v.

A-FORDABLE AUTO SALES LLC

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking, (the "Department"); Bureau of Compliance, Investigation and Licensing (the "Bureau"), has reviewed the business practices of A-Fordable Auto Sales LLC ("A-Fordable Auto"), and its officers, employees and directors. Based on the results of its review, the Bureau believes that A-Fordable Auto operated in violation of the Motor Vehicle Sales Finance Act (the "MVSFA"), 69 P.S. § 601 et seq. The parties to the above captioned matter, in lieu of litigation, hereby stipulate that the following statements are true and correct in the settlement of the above-captioned matter and, intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order (the "Order").

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the MVSFA.
2. The Bureau is primarily responsible for administering and enforcing the MVSFA for the Department.

3. A-Fordable Auto is licensed as an Installment Seller, License No. 18630 (the "License"), under the MVSFA.

4. A-Fordable Auto has a location of 676 S. Main St, Red Lion, PA 17356-2603.

5. On April 20, 2009 the Department initiated an examination of A-Fordable Auto to determine if the entity was assigning Pennsylvania motor vehicle installment sale contracts (the "Contracts") to an unlicensed entity.

6. The examination revealed that A-Fordable Auto was accepting the financing for, and assigning the Contracts to a licensed Installment seller, A to Z Finance, LLC.

7. A to Z Finance, LLC was providing the financing for the contracts, through third party investors, to the installment seller.

8. Section 16.A. of the MVSFA states "The seller of a motor vehicle under an installment sale contract, executed in the Commonwealth of Pennsylvania, shall not sell, transfer or assign the obligation represented by such contract to any person in Pennsylvania, or elsewhere, who is not licensed as a sales finance company pursuant to the provisions of this act." 69 P.S. § 6016.A.

9. Section 3 of the MVSFA defines a sales finance company as "a person engaged as principal, agent or broker in the business of financing or soliciting the financing of installment sale contracts made between other parties, including but not thereby limiting the generality of the foregoing, the business of acquiring, investing in or lending money or credit on the security of such contracts or any interest therein whether by discount, purchase or assignment thereof, or otherwise...." 69 P.S. § 603.6.

10. Section 37.1 of the MVSFA grants the Department the authority to issue orders as may be necessary for the enforcement of the MVSFA. 69 P.S. § 637.1.

11. Section 37.D of the MVSFA provides that “[a]ny person required to be licensed under this act that violates this act or directs a violation or who engages in any activity for which a license could be suspended or revoked under section 10 shall be subject to a civil penalty levied by the department of not more than two thousand dollars (\$2,000) for each offense.” 69 P.S. § 637.D.

VIOLATION

12. A-Fordable Auto is in violation of Section 16.A. the MVSFA by assigning the Contracts to A to Z Finance, LLC, an entity not licensed as a Sales Finance Company.

RELIEF

13. Fine. A-Fordable Auto agrees to pay to the Department a fine in the amount of \$10,000. The fine payment shall be remitted in the following schedule; \$4,000 within thirty (30) days of the effective date of the Order, \$3,000 within sixty (60) days of the effective date of the order and \$3,000 within ninety (90) days of the effective date of the Order. Payments shall be remitted by certified checks or money orders made payable to the “Department of Banking” and shall be sent to the attention of the Bureau of Compliance, Investigation and Licensing located at Market Square Plaza, 17th North Second Street, Suite 1300, Harrisburg, PA 17101.

14. A-Fordable shall cease and desist from assigning Contracts to entities that are not properly licensed under the MVSFA.

FURTHER PROVISIONS

15. Consent. A-Fordable Auto hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau’s order authority under the

15. Consent. A-Fordable Auto hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the MVSFSA, and agrees that it understands all of the terms and conditions contained herein. A-Fordable Auto, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

16. Consumer's Rights. This Order shall not limit or impair a consumer's rights under Section 35 of the MVSFSA. 69 P.S. § 635.

17. Publication. The Department will publish this Order pursuant to its authority in Section 302.A.(5) of the Department of Banking Code. 71 P.S. § 733-302.A.(5).

18. Entire Agreement. This Order contains the whole agreement between the parties. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Bureau and A-Fordable Auto.

19. Binding Nature. The Department, A-Fordable Auto, and all officers, owners, directors, employees, heirs and assigns of A-Fordable Auto intend to be and are legally bound by the terms of this Order.

20. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

21. Effectiveness. A-Fordable Auto hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

22. Other Enforcement Action.

(a) The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against A-Fordable Auto in the future regarding all matters not resolved by this Order.

(b) A-Fordable Auto acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

23. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

24. Counterparts. This Order may be executed in separate counterparts and by facsimile.

25. Titles. The titles used to identify the paragraphs of this document are for convenience of reference only and do not control the interpretation of this document.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Department and A-Fordable Auto intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING
BUREAU OF COMPLIANCE, INVESTIGATION
AND LICENSING**

Ryan M. Walsh, Administrator
Bureau of Compliance, Investigation
And Licensing
Department of Banking

Date: July 22, 2009

FOR A-FORDABLE AUTO SALES LLC

(Officer Signature)

(Printed Officer Name)

(Title)

Date: 7-13-09