

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

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

v.

SUTLIFF CHEVROLET COMPANY

Docket No. 12 0107 (ENF-CO)

PA DEPT OF BANKING AND SECURITIES

**CONSENT AGREEMENT AND ORDER**

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Compliance and Licensing ("Bureau"), has reviewed the business practices of Sutliff Chevrolet Company ("Sutliff Chevrolet"), and its officers, employees and directors. Based on the results of its review, the Bureau concludes that Sutliff Chevrolet operated in violation of 69 P.S. § 601 et seq., the Motor Vehicle Sales Finance Act. 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 ("Order").

**BACKGROUND**

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the Motor Vehicle Sales Finance Act ("MVSFA").

2. The Bureau is primarily responsible for administering and enforcing the MVSFA for the Department.

3. Sutliff Chevrolet is a Pennsylvania Business Corporation located at 13<sup>th</sup> and Paxton Streets in Harrisburg, Pennsylvania with the mailing address of P.O. Box 1307, Harrisburg, Pennsylvania 17105-1307.

4. The MVSFA requires anyone engaging in the business of an installment seller of motor vehicles under installment sales contracts to be licensed by the Department. 69 P.S. § 604.

5. The Department licensed Sutliff Chevrolet as an installment seller, license no. 701 through September 30, 2009.

6. The MVSFA requires installment sellers to submit a yearly renewal license application to the Department at least fifteen (15) days prior to October 1 of each year. 69 P.S. § 605.

7. Sutliff Chevrolet failed to timely submit a license renewal application for license no. 107 and the Department cancelled license no. 107 on October 1, 2009. 69 P.S. §§605, 607D.

8. Sutliff Chevrolet submitted a new application ("New Application") for an installment seller license to the Department in October of 2009.

9. Upon receiving and reviewing Sutliff Chevrolet's application, the Department granted Sutliff Chevrolet an installment seller license, license no. 28784, on October 26, 2012.

10. Sutliff Chevrolet is still currently licensed by the Department as an installment seller with license no. 28784.

#### Unlicensed Period

11. The Department conducted an examination of Sutliff Chevrolet on July 30, 2012.

12. During the examination, the Department requested Sutliff Chevrolet produce documents reflecting any business it conducted between October 1, 2009 and October 25, 2009 ("Unlicensed Period").

13. Based upon the documents produced by Sutliff Chevrolet, the Bureau determined that Sutliff Chevrolet entered into forty-eight (48) installment sales contracts during the Unlicensed Period.

14. The MVSFA prohibited Sutliff Chevrolet from engaging in the “business of an installment seller of motor vehicles under installment sales contracts” without first obtaining an installment seller license from the Department. 69 P.S. § 604(1).

15. Sutliff Chevrolet was not licensed to enter into installment contracts when it entered into the forty-eight (48) installment contracts during the Unlicensed Period.

#### Authority of the Department

16. 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.

17. Section 610(A)(2) of the MVSFA states that the Department may revoke or suspend any license where “[t]he licensee has violated any provision of this act.” 69 P.S. § 610(A)(2).

18. Section 637(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**

19. Sutliff Chevrolet is in violation of Section 604(1) of the MVSFA by engaging in the business of an installment seller while unlicensed. 69 P.S. § 604(1).

## RELIEF

20. Fine. Sutliff Chevrolet agrees to pay a fine of four thousand eight hundred dollars (\$4,800) which shall be payable to the Department within thirty (30) days of the Effective Date of this Order, as defined in paragraph 28 below. The fine payment shall be remitted by certified check or money order made payable to the "Department of Banking and Securities" and sent to the attention of: Bureau of Compliance and Licensing, 17 N. 2nd Street, Suite 1300, Harrisburg, PA 17101.

21. Corrective Measures. Upon the Effective Date of the Order, Sutliff Chevrolet shall not engage in the business of installment sales if at any time it should become unlicensed.

## FURTHER PROVISIONS

22. Consent. Sutliff Chevrolet 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. Sutliff Chevrolet, 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.

23. Publication and Release. Sutliff Chevrolet consents to the publication and release of this Order.

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

25. 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 Sutliff Chevrolet.

26. Binding Nature. The Department, Sutliff Chevrolet, and all officers, owners, directors, employees, heirs and assigns of Sutliff Chevrolet intend to be and are legally bound by the terms of this Order.

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

28. Effectiveness. Sutliff Chevrolet hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

29. 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 Sutliff Chevrolet in the future regarding all matters not resolved by this Order.

b. Sutliff Chevrolet 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.

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

31. Counterparts. This Order may be executed in separate counterparts, by facsimile, and by PDF.

32. Titles. The titles used to identify the paragraphs of this document are for the 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 Sutliff Chevrolet Company intending to be legally bound do hereby execute this Consent Agreement and Order.

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

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John Talalai, Administrator  
Bureau of Compliance and Licensing  
Department of Banking and Securities

Date: 12-20-2012

**FOR SUTLIFF CHEVROLET COMPANY**

\_\_\_\_\_  
(Officer Signature)

\_\_\_\_\_  
(Print Officer Name)

President

(Title)

Date: 12/17/12