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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
BANKING AND SECURITIES

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

v.

SYSTEMS & SERVICES
TECHNOLOGIES, INC.

Docket No. 130028 (ENF-CO)

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 Systems & Services Technologies, Inc. ("SST"), and its officers, employees and directors. Based on the results of its review, the Bureau concludes that SST 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. SST is primarily located at 4315 Pickett Road, St. Joseph, Missouri 64503.

Unlicensed Period

4. The Department licensed SST as a sales finance company, license no. 1820 through September 30, 2012.

5. The MVSFA requires sales finance companies 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.

6. SST failed to timely submit a license renewal application for license no. 1820 and the Department cancelled license no. 1820 on October 1, 2008. 69 P.S. §§605, 607D.

7. In October 2012, SST discovered that it no longer possessed a sales finance company license.

8. Immediately after this discovery, SST submitted a new application ("New Application") for a sales finance company license to the Department on October 2, 2012.

9. As part of the New Application, SST attached the appropriate paperwork.

10. Based upon the contents of the New Application and subsequent discussions between SST and the Bureau, it was determined that the business operations of SST required a collector-repossessor license rather than a sales finance company license.

11. SST withdrew its application for a sales finance company license and submitted an application ("Application") for a collector-repossessor license on December 28, 2012.

12. Between the October 1, 2008 cancellation of SST's sales finance company license and the submission of its New Application, SST engaged in business activity for which the MVSFA requires a license. 69 P.S. § 604.

13. SST explained to the Bureau that the violation was unintentional and denied any misconduct.

14. SST cooperated with the Bureau to resolve this matter and to ensure that SST obtained the proper license from the Bureau.

Authority of the Department

15. 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.

16. 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).

17. 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

18. SST is in violation of the MVSFA by engaging in business activity for which the MVSFA requires a license without first obtaining the appropriate license. 69 P.S. § 604.

RELIEF

19. Penalty. SST agrees to pay ten thousand dollars (\$10,000) which shall be payable to the Department within thirty (30) days of the Effective Date of this Order, as defined in paragraph 25 below. The 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.

20. Corrective Measures. Upon the Effective Date of the Order, SST shall not engage in any business covered under the MVSFA without a license.

FURTHER PROVISIONS

21. Consent. SST hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the MVSFA and agrees that it understands all of the terms and conditions contained herein. SST, 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.

22. Publication and Release. SST consents to the publication and release of this Order.

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

24. 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 SST.

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

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

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

28. 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 SST in the future regarding all matters not resolved by this Order.

b. SST 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.

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

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

31. 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 Systems & Services Technologies, Inc. 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**

Robert Knaub, Administrator
Bureau of Compliance and Licensing
Department of Banking and Securities

Date: 3/26/13

FOR SYSTEMS & SERVICES TECHNOLOGIES, INC.

(Officer Signature)

Thomas W. Arnst

(Print Officer Name)

Executive Vice President

(Title)

Date: 3/20/13