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COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES  
DEPARTMENT OF BANKING AND SECURITIES

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

v.

WHITEHORSE AUTO GROUP, LLC

Docket No. 13 0015 (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 Whitehorse Auto Group, LLC ("Whitehorse Auto Group"), and its officers, employees and directors. Based on the results of its review, the Bureau concludes that Whitehorse Auto Group 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. Whitehorse Auto Group is a Pennsylvania Business Corporation located at 950 Bristol Pike, Bristol, Pennsylvania 19007-3240.

#### Unlicensed Period

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 Whitehorse Auto Group as an installment seller, license no. 20284 through September 30, 2010.

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. Whitehorse Auto Group failed to timely submit a license renewal application for license no. 20284 and the Department cancelled license no. 20284 on October 1, 2010. 69 P.S. §§605, 607D.

8. In May 2012, Whitehorse Auto Group discovered that it no longer possessed an installment seller license.

9. Immediately subsequent to this discovery, Whitehorse Auto Group submitted a new application ("New Application") for an installment seller license to the Department on May 30, 2012.

10. Whitehorse Auto Group spoke with the Bureau and it was discovered that Whitehorse Auto Group had engaged in numerous installment sales between the cancellation of the prior license and the submission of its New Application on May 30, 2012.

11. Whitehorse Auto Group decided to cease operations effective as of November 30, 2012 and withdrew its New Application.

12. The MVSFA prohibited Whitehorse Auto Group 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).

13. Whitehorse Auto Group was not licensed to enter into installment contracts while unlicensed between October 1, 2010 and November 30, 2012.

#### Authority of the Department

14. 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.

15. 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).

16. 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**

17. Whitehorse Auto Group 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

18. Fine. Whitehorse Auto Group agrees to pay a fine of four thousand dollars (\$4,000) which shall be payable to the Department in twenty (20) monthly payments of two hundred dollars (\$200). The first payment shall be due on January 1, 2013. The remaining nineteen payments shall be made on the first of each month thereafter until the final payment is made on August 1, 2014. 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.

19. Corrective Measures. Upon the Effective Date of the Order, Whitehorse Auto Group shall not engage in the business of installment sales if at any time it should become unlicensed.

## FURTHER PROVISIONS

20. Consent. Whitehorse Auto Group 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. Whitehorse Auto Group, 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.

21. Publication and Release. Whitehorse Auto Group consents to the publication and release of this Order.

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

23. 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 Whitehorse Auto Group.

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

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

26. Effectiveness. Whitehorse Auto Group hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

27. 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 Whitehorse Auto Group in the future regarding all matters not resolved by this Order.

b. Whitehorse Auto Group 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.

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

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

30. 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 Whitehorse Auto Group, LLC intending to be legally bound do hereby execute this Consent Agreement and Order.

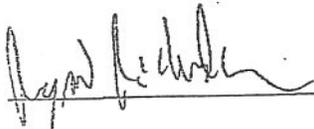
FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES  
BUREAU OF COMPLIANCE AND LICENSING

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

Date: 2/5/13

FOR WHITEHORSE AUTO GROUP, LLC

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

  
\_\_\_\_\_

(Print Officer Name)

Pres.  
\_\_\_\_\_  
(Title)

Date: JAN 10 13