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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, COMPLIANCE OFFICE

v.

SUSQUEHANNA RESOURCE GROUP II  
INCORPORATED

Docket No. 15 CC-50 (BNK-CAO)

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Compliance Office has reviewed the business practices of Susquehanna Resource Group II Incorporated, ("SRG II"), and its officers, employees and directors. Based on the results of its review, the Compliance Office concludes that SRG II operated in violation of the Consumer Credit Code as related to motor vehicle sales finance ("CCC"), 12 Pa.C.S. § 6101 *et seq.* and the former Motor Vehicle Sales Finance Act, 69 P.S. § 601 *et seq.* ("MVSFA"). 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 CCC and the former MVSFA.
2. The CCC replaced the MVSFA effective November 27, 2014.
3. The Compliance Office is primarily responsible for administering and enforcing the CCC and the former MVSFA for the Department.

4. Susquehanna Resource Group I Incorporated ("SRG I") is licensed as a sales finance company, license no. 13096, with a principal place of business located at 15 Maplewood Dr., Ethers, PA 17319-9146.

5. SRG II merged with and into SRG I effective July 16, 2015 (the "Merger").

6. SRG I's principal place of business is located at 15 Maplewood Dr., Ethers, PA 17319-9146.

7. Prior to the Merger, SRG I and SRG II were both managed by Susquehanna Resource Group, LLC ("SRG LLC").

8. As a result of the Merger, SRG I succeeded to SRG II's liabilities hereunder.

#### Unlicensed Activity

9. In a letter dated June 1, 2015, counsel for SRG I reported to the Department that from 2006 through 2014 SRG II had purchased installment sales contracts from a licensed installment seller.

10. As reported by counsel for SRG I, SRG II was unintentionally not, and had never been, licensed by the Department.

11. A license is required for anyone engaging in the business of a sales finance company in Pennsylvania. 12 Pa.C.S. § 6211(a)(2), 69 P.S. § 604.

12. SRG II violated the CCC and the former MVSFA by engaging in the business of a sales finance company in the Commonwealth without first obtaining a license from the Department. 12 Pa.C.S. § 6211(a)(2), 69 P.S. § 604.2.

#### Authority of the Department

13. The Department has the authority to issue orders as may be necessary for the enforcement of the CCC. 12 Pa.C.S. § 6203(a)(5).

14. The Department may revoke or suspend any license where the licensee violated a provision of the CCC. 12 Pa.C.S. § 6218(a)(2).

15. Section 6274 of the CCC provides that “[a] person required to be licensed under this chapter that violates [the CCC,] directs a violation of [the CCC] or engages in an activity for which a license could be suspended or revoked under section 6218 (relating to revocation or suspension of license) shall be subject to a civil penalty levied by the department of not more than \$2,000 for each offense.” 12 Pa.C.S. § 6274.

#### **RELIEF**

16. Fine. As successor by the Merger with SRG II, SRG I agrees to pay a fine of three thousand six hundred dollars (\$3,600). The fine will be due within thirty (30) days of the Effective Date of the Order as defined 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: Department of Banking and Securities, Compliance Office, 17 N. 2nd Street, Suite 1300, Harrisburg, PA 17101-2290.

17. Corrective Action. Upon the effective date of this Order, and in addition to the effect of the Merger, neither SRG I nor SRG II shall not engage in the business of a sales finance company in Pennsylvania without a license.

#### **FURTHER PROVISIONS**

18. Consent. As successor by the Merger with SRG II, SRG I hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Compliance Office’s order authority under the CCC and agrees that it understands all of the terms and conditions contained herein. As successor by the Merger with SRG II, SRG I, 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.

19. Consumer's Rights. This Order shall not limit or impair a consumer's rights under the CCC. 12 Pa.C.S. § 6236.

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

21. 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 Compliance Office and SRG I, successor by the Merger to SRG II.

22. Binding Nature. The Department, SRG I, successor by the Merger to SRG II, and all officers, owners, directors, employees, heirs and assigns of SRG I, successor by the Merger to SRG II, intend to be and are legally bound by the terms of this Order.

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

24. Effectiveness. SRG I, successor by the Merger to SRG II, hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes this Order ("Effective Date").

25. 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 SRG I, successor by the Merger to SRG II, in the future regarding all matters not resolved by this Order.

b. SRG I, successor by the Merger to SRG II, 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.

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

27. Counterparts. This Order may be executed in separate counterparts and by facsimile or electronic mail in portable document format ("PDF").

28. 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 of Banking and Securities, Compliance Office and Susquehanna Resource Group I, Incorporated, successor by the Merger to Susquehanna Resource Group II Incorporated, intending to be legally bound do hereby execute this Consent Agreement and Order.

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF BANKING AND SECURITIES, COMPLIANCE OFFICE

FOR SUSQUEHANNA RESOURCE GROUP I INCORPORATED, SUCCESSOR BY MERGER TO SUSQUEHANNA RESOURCE GROUP II INCORPORATED

Redacted

Redacted

John Talalai, Administrator  
Compliance Office  
Department of Banking and Securities

(Officer Signature)

Date: 9/23/2015

FRANK KONCHAR  
(Print Officer Name)

President  
(Title)

9/21/15  
(Date)