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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

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PA DEPT OF BANKING

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<p>COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF BANKING, BUREAU OF COMPLIANCE, INVESTIGATION AND LICENSING</p> <p style="text-align: center;">v.</p> <p>CAVALIER COACH RV, INC.</p>	<p>:</p>	<p>DOCKET No. 08 <u>0241</u> (ENF-CO)</p>
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**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 Cavalier Coach RV, Inc. ("Cavalier Coach RV"), and its officers, employees and directors. Based on the results of its review, the Bureau believes that Cavalier Coach RV 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. Cavalier Coach RV was licensed as an Installment Seller, License No. 17278 (the "License"), under the MVSFSA.

4. The License expired on October 1, 2007.

5. Cavalier Coach RV was re-licensed as an Installment Seller, License No. 19647, under the MVSFSA on May 19, 2008.

6. Between October 1, 2007, and May 19, 2008, Cavalier Coach RV entered into one hundred thirteen (113) motor vehicle sales finance contracts ("Contracts").

7. By entering into the Contracts, Cavalier Coach RV was engaging in the business of an installment seller without being licensed as an installment seller.

8. Section 4.1 of the MVSFSA provides, in relevant part, that "no person shall engage or continue to engage in this Commonwealth either as principal, employe, agent or broker; [i]n the business of an installment seller of motor vehicles under installment sales contracts, except as authorized in this act, under license issued by the Department. . ." 69 P.S. § 604.1.

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

10. On or around August 7, 2008 Cavalier Coach RV filed Chapter 11 bankruptcy in the United States Bankruptcy Court's Western District of Pennsylvania (Bankruptcy No. 08-25203-TPA).

#### **VIOLATION**

11. Cavalier Coach RV is in violation of Section 4.1 of the MVSFSA by engaging in the business of an installment seller when it was not licensed. 69 P.S. § 604.1.

## RELIEF

12. Corrective Action. Upon the Effective Date of this Order, Cavalier Coach RV shall not engage in the business of an installment seller when it is not licensed to do so.

## FURTHER PROVISIONS

13. Consent. Cavalier Coach RV 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. Cavalier Coach RV, 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.

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

15. 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).

16. 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 Cavalier Coach RV.

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

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

19. Effectiveness. Cavalier Coach RV hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

20. 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 Cavalier Coach RV in the future regarding all matters not resolved by this Order.

(b) Cavalier Coach RV 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.

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

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

23. 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 Bureau and Cavalier Coach RV 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: September 9, 2008

**FOR CAVALIER COACH RV, INC.**

(Official Signature)

(Printed Name)

Sec. / Treas.  
(Title)

Date: 9-9-08