

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

FILED

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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU
OF SUPERVISION AND ENFORCEMENT

DOCKET No. ~~03-06235~~ (CO) ~~SPRING~~

v.

KLEBER BROTHERS, INC.

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (the "Department"), Bureau of Supervision and Enforcement ("the Bureau"), has reviewed the business practices of Kleber Brothers, Inc. ("Kleber Brothers"), and its officers, employees and directors. Based on the results of its review, the Bureau believes that Kleber Brothers 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.
3. Kleber Brothers was licensed as an Installment Seller, license no. 11709 (the "License"), under the MVSFA.
4. The License expired on October 1, 2006.

5. Kleber Brothers was re-licensed on May 22, 2007, license No. 17942, under the MVSFA.

6. Between October 1, 2006, and May 22, 2007, Kleber Brothers entered into four (4) motor vehicle sales finance contracts ("Contracts").

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

8. Section 4.1 of the MVSFA 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.D of the MVSFA provides, in relevant part, 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

10. Kleber Brothers is in violation of Section 4.1 of the MVSFA by engaging in the business of an installment seller when it was not licensed. 69 P.S. § 604.1.

RELIEF

11. Fine. Within thirty (30) days of the Effective Date of this Order, Kleber Brothers shall pay to the Department a fine in the amount of \$400.

FURTHER PROVISIONS

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

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

14. Publication and Release. Kleber Brothers consents to the publication and release of this Order.

15. 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 Kleber Brothers.

16. Binding Nature. The Bureau, Kleber Brothers, and all officers, owners, directors, employees, heirs and assigns of Kleber Brothers intend to be and are legally bound by the terms of this Order.

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

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

19. 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 Kleber Brothers in the future regarding all matters not resolved by this Order.

(b) Kleber Brothers 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.

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

21. Counterparts. This Order may be executed in separate counterparts.

22. 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 Kleber Brothers intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING
BUREAU OF SUPERVISION
AND ENFORCEMENT**

In
Bureau of Supervision and
Enforcement
Department of Banking

Date: 12-28-07

FOR KLEBER BROTHERS, INC.

John Kosmack
(Printed Officer Name)

President
(Title)

Date: 12-20-07

