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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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COMMONWEALTH OF PENNSYLVANIA	:	PA DEPT OF BANKING
DEPARTMENT OF BANKING, BUREAU OF COMPLIANCE AND LICENSING	:	DOCKET No. 12 <u>0064</u> (ENF-CO)
v.	:	
BRODHEADSVILLE CHEVROLET, INC.	:	
and WILLIAM ROSADO, individually	:	

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking ("Department"), Bureau of Examinations, has conducted examinations of Brodheadsville Chevrolet, Inc. ("Brodheadsville Chevrolet") and its officers, employees and directors. Based on the results of the examination, the Bureau of Compliance and Licensing ("Bureau") concluded that Brodheadsville Chevrolet operated in violation of the Motor Vehicle Sales Finance Act ("MVSFA"), 69 P.S. § 601 *et seq.* The parties to the above captioned matter, in lieu of litigation, and without admission of wrongdoing, 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 MVSFA.
2. The Bureau is primarily responsible for administering and enforcing the MVSFA for the Department.
3. Brodheadsville Chevrolet is a Pennsylvania business corporation located at Route 209, P.O. Box 68, Brodheadsville, Pennsylvania 18322.

4. Brodheadsville Chevrolet is licensed as an installment seller, license no. 5536.
5. William Rosado is the owner of Brodheadsville Chevrolet and serves as its President.
6. William Rosado's business address is Route 209, P.O. Box 68, Brodheadsville, PA 18322.
7. On March 28, 2011, an examiner from the Department commenced an examination of Brodheadsville Chevrolet at its principal place of business.

VIOLATION

8. The Department's examiner found that six (6) credit applications prepared by consumers were altered by changes in information critical to a determination of credit worthiness prior to submission to the lender.

9. Section 10.A.14 of the MVSFA provides, in relevant part that "[t]he department, . . . may revoke or suspend any license if it finds that the licensee has engaged in unfair, deceptive, fraudulent or illegal practices or conduct in connection with any business regulated under this act...". 69 P.S. § 610.A.14 *et seq.*

10. Altering information upon which credit worthiness is based is a deceptive act, an offense for which the penalty of license suspension or revocation can be imposed pursuant to Section 10.A.14 of the MVSFA. 69 P.S. § 610.A.14.

11. Further, the Department has the authority to issue an order and impose a civil penalty of not more than \$2,000 for each offense against the MVSFA. *See* 69 P.S. §§ 637.D, 637.1.

RELIEF

12. Fine. Within 30 days of the effective date of this Order as defined in paragraph 20 below, Brodheadsville Chevrolet shall pay a fine in the amount of \$3,000. The fine shall be paid within thirty days by certified check or money order directed to the "Department of Banking." The payment shall be mailed or delivered to the attention of John Talalai, Administrator, Bureau of Compliance and Licensing, Pennsylvania Department of Banking, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

13. Corrective Action. Brodheadsville Chevrolet shall do the following as corrective action to prevent recurrence of the deceptive acts:

a. retain all records created during the sale of a motor vehicle for the benefit of review by the Department in compliance with the MVSFA, including any paper prepared in full or in part by any consumer as part of the credit application process;

b. Brodheadsville Chevrolet, acting through its President William Rosado, will instruct all its employees to complete credit applications with truthful information only; and

c. neither Brodheadsville Chevrolet, nor any of its owners, officers or employees shall engage in the business of an installment seller in Pennsylvania in a deceptive manner.

FURTHER PROVISIONS

14. Consent. Brodheadsville Chevrolet, and its owner and President William Rosado, 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 they understand all of the terms and conditions contained herein. Brodheadsville Chevrolet and William Rosado, by

voluntarily entering into this Order, waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

15. Consumer Rights. This Order shall not limit or impair consumers' rights provided by Section 35 of the MVSFA. 69 P.S. § 635.

16. 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).

17. 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 Brodheadsville Chevrolet.

18. Binding Nature. The Department, Brodheadsville Chevrolet, William Rosado and all officers, owners, directors, employees, heirs and assigns of Brodheadsville Chevrolet intend to be and are legally bound by the terms of this Order.

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

20. Effectiveness. Brodheadsville Chevrolet and William Rosado hereby stipulate and agree that the Order shall become effective on the date that the Bureau executes this Order.

21. 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 Brodheadsville Chevrolet in the future regarding all matters not resolved by this Order.

b. Brodheadsville Chevrolet and William Rosado acknowledge and agree 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.

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

23. Counterparts. This Order may be executed in separate counterparts and by facsimile or electronic mail in portable document format known as "PDF."

24. 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 Commonwealth of Pennsylvania, Department of Banking, Bureau of Compliance and Licensing, Brodheadsville Chevrolet, Inc. and William Rosado, intending to be legally bound, do hereby execute this Consent Agreement and Order.

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

~~John Talalai~~ Administrator
Department of Banking
Bureau of Compliance and Licensing

Date: 7-18-2012

FOR BRODHEADSVILLE CHEVROLET, INC.

(Officer Signature)

(Print Officer Name)

Pros

(Title)

Date: 7/10/12

FOR WILLIAM ROSADO

(Signature)

(Print Name)

Date: 7/10/12

