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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

PA DEPT OF BANKING

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

v.

COKE'S AUTO

Docket No. 120075 (ENF-CO)

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking ("Department"), Bureau of Compliance and Licensing ("Bureau"), has reviewed the business practices of Coke's Auto, and its officers, employees and directors. Based on the results of its review, the Bureau concludes that Coke's Auto 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 ("MVSA").

2. The Bureau is primarily responsible for administering and enforcing the MVSA for the Department.

3. Coke's Auto is a Pennsylvania Business Corporation located at 3535 N. 6th Street, Harrisburg, Pennsylvania 17110-1425.

Unlicensed Period

4. The MVSFSA 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. Prior to 2012, the Department had never licensed Coke's Auto as an installment seller.

6. Coke's Auto submitted an application for an installment seller license to the Department on April 4, 2012.

7. Upon receiving and reviewing Coke's Auto's application, the Department granted Coke's Auto an installment seller license, license no. 37944, on June 12, 2012.

8. As part of the application, Coke's Auto attached paperwork showing that Coke's Auto originated twelve (12) installment sale contracts while unlicensed.

9. The MVSFSA prohibited Coke's Auto 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).

10. Coke's Auto was not licensed to enter into installment contracts when it entered into the twelve (12) installment contracts prior to June 12, 2012.

Authority of the Department

11. 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.

12. Section 610(A)(2) of the MVSFPA 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).

13. Section 637(D) of the MVSFPA 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

14. Coke's Auto is in violation of Section 604(1) of the MVSFPA by engaging in the business of an installment seller while unlicensed. 69 P.S. § 604(1).

RELIEF

15. Fine. Coke's Auto agrees to pay a fine of one thousand two hundred dollars (\$1,200) which shall be payable to the Department in six (6) monthly payments of two hundred dollars (\$200) each. The first payment shall be due on or before September 1, 2012. The remaining five (5) payments shall be made on or before the first of each month thereafter until the final payment is made on February 1, 2013. The fine payment shall be remitted by certified check or money order made payable to the "Department of Banking" and sent to the attention of Bureau of Compliance and Licensing, 17 N. 2nd Street, Suite 1300, Harrisburg, PA 17101.

16. Corrective Measures. Upon the Effective Date of the Order, as defined in paragraph 23 below, Coke's Auto shall not engage in the business of installment sales if at any time it should become unlicensed.

FURTHER PROVISIONS

17. Consent. Coke's Auto 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. Coke's Auto, 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.

18. Publication and Release. Coke's Auto consents to the publication and release of this Order.

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

20. 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 Coke's Auto.

21. Binding Nature. The Department, Coke's Auto, and all officers, owners, directors, employees, heirs and assigns of Coke's Auto intend to be and are legally bound by the terms of this Order.

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

23. Effectiveness. Coke's Auto hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

24. 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 Coke's Auto in the future regarding all matters not resolved by this Order.

b. Coke's Auto 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.

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

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

27. 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 Coke's Auto 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**

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

Date: 9/5/12

FOR COKE'S AUTO

(Officer Signature)

(Print Officer Name)

Owens

(Title)

Date: Aug 22, 2012