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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

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PA DEPT OF BANKING

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

v.

J. MURRAY MOTOR CO., INC.

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: DOCKET No. 120002 (ENF-CO)  
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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking ("Department"), Bureau of Examinations, conducted an examination of J. Murray Motor Co., Inc. ("J. Murray Motor") and its officers, employees and directors. Based on the results of the examination, the Bureau of Compliance and Licensing ("Bureau") concluded that J. Murray Motor 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, 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. J. Murray Motor is a corporation that engages in the business of selling motor vehicles to consumers through installment sale contracts.

4. J. Murray Motor's principal place of business is located at 85 Griffith Road, Muncy, Pennsylvania 17756.

5. J. Murray Motor is licensed by the Department as an installment seller, license no. 4756.

6. On May 3, 2011, an examiner of the Department commenced an examination of J. Murray Motor at its principal place of business.

### **VIOLATION**

#### Unlicensed Activity

7. The examiner found that J. Murray Motor transferred 58 installment sale contracts to another company, Muncy Financial, LLC, between January 1, 2009 and April 13, 2011.

8. Muncy Financial, LLC ("Muncy Financial") is a limited liability sales finance company located at the same location as J. Murray Motor as the two companies share common owners.

9. At the time J. Murray Motor transferred the contracts to Muncy Financial, Muncy Financial was not licensed by the Department.

10. Muncy Financial obtained a sales finance company license from the Department on November 18, 2011, license no. 36276.

11. Section 16A of the MVSFA provides that

*The seller of a motor vehicle under an installment sale contract, executed in the Commonwealth of Pennsylvania, shall not sell, transfer or assign the obligation represented by such contract to any person in Pennsylvania, or elsewhere, who is not licensed as a sales finance company pursuant to the provisions of this act.*

69 P.S. § 616A (emphasis added).

12. By transferring its installment sale contracts to Muncy Financial when it was not licensed by the Department as a sales finance company, J. Murray Motor violated Section 16A of the MVSFA.

13. Because J. Murray Motor violated Section 16A of the MVSFA, the Department has the authority to issue an order and impose a civil penalty of not more than \$2,000 per offense. *See* 69 P.S. §§ 637D, 637.1.

#### **RELIEF**

14. Fine. Within 30 days of the Effective Date of this Order as defined in Paragraph 22, J. Murray Motor shall pay a fine in the amount of \$5,800. The fine shall be paid by certified check or money order made payable to the “Department of Banking” and delivered or mailed to the attention of the Bureau of Compliance, Investigation and Licensing, Pennsylvania Department of Banking, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

15. Corrective Action. Upon the Effective Date of this Order, J. Murray Motor shall not sell, transfer or assign any installment sale contracts to unlicensed sales finance companies.

#### **FURTHER PROVISIONS**

16. Consent. J. Murray Motor 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. J. Murray Motor, 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.

17. Consumers’ Rights. This Order shall not limit or impair consumers’ rights under Section 35 of the MVSFA. 69 P.S. § 635.

18. 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).

19. 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 J. Murray Motor.

20. Binding Nature. The Department, J. Murray Motor, and all officers, owners, directors, employees, heirs and assigns of J. Murray Motor intend to be and are legally bound by the terms of this Order.

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

22. Effectiveness. J. Murray Motor hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes this Order ("Effective Date").

23. 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 J. Murray Motor in the future regarding all matters not resolved by this Order.

b. J. Murray Motor 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.

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

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

26. 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 and J. Murray Motor Co., Inc. 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**

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

Date: 1-6-2012

**FOR J. MURRAY MOTOR CO., INC.**

\_\_\_\_\_  
(Officer Signature)

\_\_\_\_\_  
(Print Officer Name)

Vice President  
(Title)

Date: 12/22/2011