

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

2012 JUL 24 PM 3:10

COMMONWEALTH OF PENNSYLVANIA	:	PA DEPT OF BANKING
DEPARTMENT OF BANKING, BUREAU OF COMPLIANCE AND LICENSING	:	DOCKET No. 12 <u>0065</u> (ENF-CO)
v.	:	
LEHIGHTON CHRYSLER, INC.	:	

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (“Department”), Bureau of Examinations, has conducted examinations of Lehighon Chrysler, Inc. (“Lehighon Chrysler”) and its officers, employees and directors. Based on the results of the examination, the Bureau of Compliance and Licensing (“Bureau”) concluded that Lehighon Chrysler 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. Lehighon Chrysler is a Pennsylvania business corporation located at 21 Blakeslee Boulevard Drive East, Lehighon, Pennsylvania 18235.

4. Lehighton Chrysler was licensed as an installment seller, license no. 6266.
5. Lehighton Chrysler's installment seller license was canceled on October 1, 2010.
6. William Rosado was the owner of Lehighton Chrysler and served as its President.
7. On May 24, 2010, an examiner from the Department commenced an examination of Lehighton Chrysler at its principal place of business.

VIOLATION

8. The Department's examiner found that in seven (7) instances, 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, and 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. Under the MVSFA, the Department has the authority to issue an order and impose a civil penalty of not more than \$2,000 for each offense. *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, Lehighton Chrysler shall pay a fine in the amount of \$3,500. 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.

FURTHER PROVISIONS

13. Consent. Lehighton Chrysler 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 it understands all of the terms and conditions contained herein. Lehighton Chrysler, 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 Rights. This Order shall not limit or impair consumers' rights provided by Section 35 of the MVSFA. 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 Lehighton Chrysler.

17. Binding Nature. The Department, Lehighton Chrysler, and all officers, owners, directors, employees, heirs and assigns of Lehighton Chrysler 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. Lehighton Chrysler hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes this Order.

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 Lehighton Chrysler in the future regarding all matters not resolved by this Order.

b. Lehighton Chrysler 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.

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 or electronic mail in portable document format known as "PDF."

23. 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, Lehighton Chrysler, Inc. and William Rosado, intending to be legally bound, do hereby execute this Consent Agreement and Order.

