

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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

v.

PRIME MOTORS, INC.

PA DEPT OF BANKING
DOCKET No. 12 0077 (ENF-CO)

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (“Department”), Bureau of Examinations, has conducted an examination of Prime Motors, Inc. (“Prime Motors”), and its officers, employees and directors. Based on the results of the examination, the Bureau of Compliance and Licensing (“Bureau”) concluded that Prime Motors 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. Prime Motors is a Pennsylvania Business Corporation located at 1200 Chester Pike, Sharon Hill, PA 19079.

4. On October 1, 2010, Prime Motors' installment seller license, license number 33487, with the Department expired because it did not renew its license.

5. Prime Motors did not apply for and receive another installment seller license from the Department until January 6, 2011, license number 33487.

6. On December 12, 2011, an examiner from the Department commenced an examination of Prime Motors at its principal place of business.

VIOLATION

7. During the examination, the examiner found that Prime Motors entered into fourteen (14) installment sale contracts between October 1, 2010 and January 6, 2011, a period in which Prime Motors did not maintain an installment seller license with the Department.

8. Section 4.1 of the MVSFA provides, in relevant part, states: "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 sale contracts, except as authorized in this act, under license issued by the department. . . ." 69 P.S. § 604.1.

9. By continuing to engage in the business of an installment seller of motor vehicles under installment sale contracts while not licensed by the Department, Prime Motors violated Section 4.1 of the MVSFA.

10. Due to Prime Motors' violations, 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

11. Fine. Prime Motors agrees to pay a fine of one thousand four hundred dollars (\$1,400).
12. Examination Invoice. Prime Motors agrees to pay an examination invoice of seven hundred seventy two dollars and two cents (\$772.02).
13. Payment Schedule. Within thirty days (30) of the Execution Date of this Order, Prime Motors agrees to pay the Department a total amount of two thousand one hundred seventy two dollars and two cents (\$2,172.02). The Examination Invoice shall be paid first, in one (1) payment of seven hundred seventy two dollars and two cents (\$772.02). Upon completion of the payment of the Examination Invoice, the Fine amount shall be paid in two (2) consecutive monthly payments in the amounts of seven hundred dollars each (\$700). The payments shall be remitted by certified check or money order made payable to the Pennsylvania Department of Banking and sent to the attention of: Pennsylvania Department of Banking, Non-Depository Institutions, Bureau of Compliance and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101. If Prime Motors is late on any payment, the Department has the right to immediately suspend or option not to renew its license.
14. Corrective Action. Prime Motors shall not engage in the business of an installment seller in Pennsylvania unless it is licensed by the Department as an installment seller.

FURTHER PROVISIONS

15. Consent. Prime Motors 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. Prime Motors, 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.

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

17. Publication. The Department will publish this Order pursuant to its authority in Section 302.A.(5) of the Department of Banking Code. *See* 71 P.S. § 733-302.A.(5).

18. 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 Prime Motors.

19. Binding Nature. The Department, Prime Motors, and all officers, owners, directors, employees, heirs and assigns of Prime Motors intend to be and are legally bound by the terms of this Order.

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

21. Effectiveness. Prime Motors hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes this Order.

22. 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 Prime Motors in the future regarding all matters not resolved by this Order.

b. Prime Motors 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.

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

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

25. 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 Prime Motors, 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**

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

Date: 9-11-2012

FOR PRIME MOTORS, INC.

(Officer Signature)

(Print Officer Name)

President

(Title)

Date: 09/07/12