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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, COMPLIANCE OFFICE

PA DEPARTMENT OF
BANKING AND SECURITIES

v.

Docket No. : 18 CO46 (BNK-CAO)

PERITUS PORTFOLIO SERVICES II LLC

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities (“Department”), Compliance Office (“Office”), has reviewed the business practices of Peritus Portfolio Services II LLC (“Peritus Portfolio”), and its officers, employees and directors. Based on the results of its review, the Office concludes that Peritus Portfolio operated in violation of Chapter 62 of the Consumer Credit Code (“CCC”) as related to motor vehicle sales finance, 12 Pa. C.S. § 6201 *et seq.* The parties to the above-captioned matter, in lieu of litigation, hereby stipulate 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 CCC.
2. Peritus Portfolio’s principal place of business is located at 433 East Las Colinas Blvd #475 Irving, TX 75039.

Unlicensed Period

3. Anyone engaging in the business of a Sales Finance company of motor vehicles under installment sales contracts needs a license issued by the Department. 12 Pa. C.S. § 6211(a)(2).

4. The Department discovered that Peritus Portfolio purchased installment sale contracts while not licensed as a sales finance company from 2008 to present.

Authority of the Department

5. The CCC grants the Department the authority to issue orders as may be necessary for the enforcement of the CCC. 12 Pa. C.S. § 6203(a)(5).

6. Section 6274 of the CCC provides that “[a] person required to be licensed under this chapter that violates this chapter, directs a violation of this chapter or engages in an activity for which a license could be suspended or revoked under section 6218 (relating to revocation or suspension of license) shall be subject to a civil penalty levied by the department of not more than \$2,000 for each offense.” 12 Pa. C.S. § 6274.

VIOLATIONS

7. Peritus Portfolio violated Section 6211(a)(2) of the CCC when it engaged in the business of a sales finance company while unlicensed. 12 Pa. C.S. § 6211(a)(2).

RELIEF

8. Fine. Peritus Portfolio agrees to pay a fine of twenty-five thousand dollars (\$25,000) in ten monthly payments of \$2,500 with the first payment being due thirty (30) days after the Effective Date of the Order as defined in paragraph 16 below. The fine payment shall be remitted by certified check or money order made payable to the “Department of Banking and Securities” and sent to the attention of: Department of Banking and Securities, Compliance Office, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101-2290.

9. Licensure. Peritus Portfolio shall not purchase motor vehicle sales finance contracts in Pennsylvania unless and until Peritus Portfolio is licensed as a sales finance company under the CCC. Peritus Portfolio has indicated to the Department that they are in the process of applying for a collector reposessor license as well as a sales finance company license.

FURTHER PROVISIONS

10. Consent. Peritus Portfolio hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Department's order authority under the CCC and agrees that it understands all of the terms and conditions contained herein. Peritus Portfolio, 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.

11. Consumer's Rights. This Order shall not limit or impair a consumer's rights under the CCC. 12 Pa. C.S. § 6236. (69 P.S. § 635.)

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

13. 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 Department and Peritus Portfolio.

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

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

16. Effectiveness. Peritus Portfolio hereby stipulates and agrees that the Order shall become effective on the date that the Office executes this Order (“Effective Date”).

17. 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 Peritus Portfolio in the future regarding all matters not resolved by this Order.

b. Peritus Portfolio 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.

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

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

20. 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.

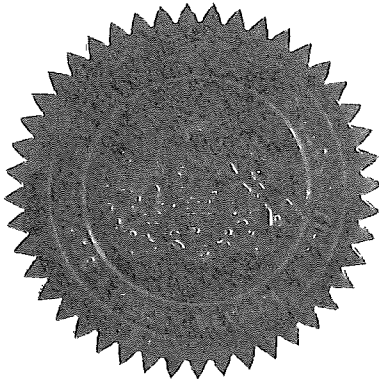
WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Department of Banking and Securities, Compliance Office, and Peritus Portfolio Services II LLC intending to be legally bound do hereby execute this Consent Agreement and Order.

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF BANKING AND SECURITIES, COMPLIANCE OFFICE

Redacted

John Palalai, Administrator
Compliance Office
Department of Banking and Securities

Date: 6/14/2018



FOR PERITUS PORTFOLIO SERVICES II LLC

Redacted

(Officer Signature)

GARY PERDUE
(Print Officer Name)

PRESIDENT/MANAGER
(Title)

Date: 6/13/18