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PA DEPARTMENT OF BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES, COMPLIANCE OFFICE

v.

AUTO WORLD SALES & SERVICE LLC

Docket No.: 13 0104 (BNK-CAO)

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 Auto World Sales & Service LLC ("Auto World") and its officers, employees, and directors. Based on the results of its review, the Office concludes that Auto World operated in violation of the Consumer Credit Code ("CCC") as related to motor vehicle sales finance, 12 Pa. C.S. § 6101 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. Auto World's principal place of business is located at 940 Catasauqua Rd., Whitehall, PA 18052-5502.
3. Auto World was issued installment seller license number 53126 on October 16, 2015.
4. Auto World's installment seller license number 53126 expired on October 1, 2018, due to failing to renew the license.

5. On November 6, 2018, the Compliance Office spoke to Nabil Shihab of Auto World to confirm the intention of failing to renew the installment seller license.

6. Mr. Shihab stated that it did not intentionally fail to renew the installment seller license, and that he would apply for a new license.

7. Mr. Shihab also stated that Auto World did enter into installment seller contracts during the period that the license was expired.

Unlicensed Activity

8. Anyone engaging in the business of an installment seller of motor vehicles under installment sales contracts needs a license issued by the Department. 12 Pa. C.S. § 6211(a)(1).

9. The CCC prohibits Auto World from engaging in the Commonwealth as an installment seller without first obtaining an installment seller license from the Department. 12 Pa. C.S. § 6211(a)(1).

Authority of the Department

10. 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).

11. 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

12. Auto World violated Section 6211(a)(1) of the CCC when it engaged in the business of an installment seller while unlicensed. 12 Pa. C.S. § 6211(a)(1).

RELIEF

13. Fine. Auto World agrees to pay a fine of one thousand five hundred dollars (\$1,500) in four monthly installments of three hundred seventy-five dollars (\$375). The first payment is due within thirty (30) days of the Effective Date of the Order as defined in paragraph 20 below. The remaining three payments shall be due and payable every thirty (30) days thereafter until the fine is paid in full. The fine payments 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.

FURTHER PROVISIONS

14. Consent. Auto World 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. Auto World, 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.

15. 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.)

16. 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).

17. 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 Office and Auto World.

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

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

20. Effectiveness. Auto World hereby stipulates and agrees that the Order shall become effective on the date that the Office executes this Order ("Effective Date").

21. 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 Auto World in the future regarding all matters not resolved by this Order.

b. Auto World 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.

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

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

24. 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.

25. Review. This Order is subject to review by the Department's Legal Office.

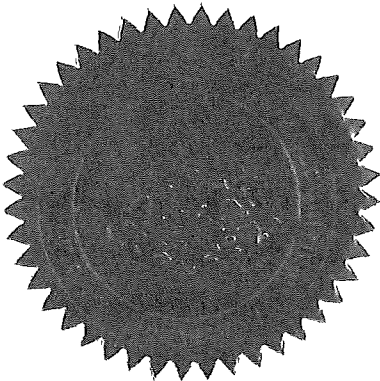
WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Department of Banking and Securities, Compliance Office and Auto World Sales & Service LLC intending to be legally bound do hereby execute this Consent Agreement and Order.

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

Redacted

James Keiser, Chief
Compliance Office
Department of Banking and Securities

Date: November 26, 2018



FOR AUTO WORLD SALES & SERVICE LLC

Redacted

(Officer Signature)

Nabil Sahab
(Print Officer Name)

Mgr
(Title)

Date: 11/26/18