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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

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DEPARTMENT OF  
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES, COMPLIANCE OFFICE

vs.

Docket No. 19 0067 (BNK-CAO)

CHESAPEAKE RECOVERY INC.

**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 Chesapeake Recovery Inc. (“Chesapeake Recovery”), and its officers, employees and directors. Based on the results of its review, the Office concludes that Chesapeake Recovery operated in violation 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 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 CCC.

2. Chesapeake Recovery’s Principle Place of Business is located at 8522 Old Harford Road, Parkville, MD 21234.

Unlicensed Business

3 It was brought to the attention of the Department that Chesapeake Recovery is doing unlicensed collector - reposessor business regarding Pennsylvania Installment Sales contracts 12 Pa C S § 6211(a)(3)

Authority of the Department

4 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)

5. 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**

6 Chesapeake Recovery violated the CCC when it did unlicensed collector - reposessor business regarding Pennsylvania Installment Sales contracts

**RELIEF**

7 Fine Chesapeake Recovery agrees to pay a fine of one thousand two hundred and fifty dollars (\$1250) with the payment due within thirty (30) days of the Effective Date of the Order. The fine payment shall be made by ACH or wire transfer, or if ACH or wire transfer is unavailable by certified check, cashier’s check, teller’s check or money order made payable to the “Department of Banking and Securities” and shall be mailed, or delivered in person to the attention of Department of Banking and Securities, Compliance Office, 17 N Second Street, Suite 1300, Harrisburg, PA 17101-2290

8 Corrective Action Upon the Effective Date of this Order, Chesapeake Recovery shall not engage in collection or repossession activity on any Pennsylvania installment sale contracts written under the CCC until and unless Chesapeake Recovery is licensed to do so

#### **FURTHER PROVISIONS**

9 Consent Chesapeake Recovery 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 Chesapeake Recovery, 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

10 No Admission of Violation Chesapeake's consent and entry into this CAO does not signify their agreement that they engaged in any wrongdoing or the alleged violation

11 Consumer's Rights. This Order shall not limit or impair a consumer's rights under 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 Office and Chesapeake Recovery

14 Binding Nature The Department, Chesapeake Recovery, and all officers, owners, directors, employees, heirs and assigns of Chesapeake Recovery 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 Chesapeake Recovery hereby stipulates and agrees that the Order shall become effective on the date that the Department docket 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 Chesapeake Recovery in the future regarding all matters not resolved by this Order

b Chesapeake Recovery 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 Chesapeake Recovery Inc 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 Talalai, Administrator  
Compliance Office  
Department of Banking and Securities

Date 5/13/2019

FOR CHESAPEAKE RECOVERY INC.

Redacted

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

Thomas Bell  
(Print Officer Name)

President  
(Title)

Date 5/8/19

