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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.

H1 PITTSBURGH MOTORCARS, LLC
D/B/A PORSCHE PITTSBURGH

Docket No.: 190071 (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 H1 Pittsburgh Motorcars, LLC (“H1 Pittsburgh”) and its officers, employees, and directors. Based on the results of its review, the Office concludes that H1 Pittsburgh 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 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. H1 Pittsburgh’s principal place of business is located at 4627 Baum Blvd., Pittsburgh, PA 15213.
3. H1 Pittsburgh does not currently have an Installment Seller license.

4. On June 26, 2019, an attorney representing H1 Pittsburgh contacted the Department to report that H1 Pittsburgh was unaware that a license was required to enter into installment contracts without an installment seller license.

5. H1 Pittsburgh sold motor vehicles under installment sale contracts when H1 Pittsburgh was not licensed to do so.

6. The attorney stated that H1 Pittsburgh would like to resolve the issue of the unlicensed installment contracts and submit an application for licensure.

Unlicensed Activity

7. 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).

8. The CCC prohibits H1 Pittsburgh 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

9. 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).

10. 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

11. H1 Pittsburgh 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

12. Fine. H1 Pittsburgh agrees to pay a fine of one thousand eight hundred seventy-five dollars (\$1,875) due within thirty (30) days of the Effective Date of the Order as defined in paragraph 19 below. 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.

FURTHER PROVISIONS

13. Consent. H1 Pittsburgh 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. H1 Pittsburgh, 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'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)

15. 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).

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 Office and H1 Pittsburgh.

17. Binding Nature. The Department, H1 Pittsburgh, and all officers, owners, directors, employees, heirs and assigns of H1 Pittsburgh 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. H1 Pittsburgh hereby stipulates and agrees that the Order shall become effective on the date that the Office executes this Order ("Effective Date").

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 H1 Pittsburgh in the future regarding all matters not resolved by this Order.

b. H1 Pittsburgh 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

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 "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.

24. 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 H1 Pittsburgh Motorcars, 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: July 9, 2019

FOR H1 PITTSBURGH MOTORCARS, LLC

Redacted

(Officer Signature)

Samuel Odom

(Print Officer Name)

Chief Financial Office

(Title)

Date: 07/03/2019

