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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.: 19 0098 (BNK-CAO)

KING MOTORSPORTS 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 King Motorsports LLC ("King Motorsports") and its officers, employees, and directors. Based on the results of its review, the Office concludes that King Motorsports 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. King Motorsports' principal place of business is located at 3041 Vanc Avenue Philadelphia, PA 19145.
3. King Motorsports has applied to be licensed as an Installment Seller.

Unlicensed Period

4. 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).
5. The Department licensed King Motorsports as an installment seller, license no. 60184, through September 30, 2019.
6. King Motorsports failed to timely submit a license renewal application by the October 1, 2019 deadline.
7. Under the CCC, installment seller companies must submit a yearly renewal license application to the Department prior to October 1, of each year. 12 Pa. C.S. § 6216.
8. The Department canceled King Motorsports' license effective on October 1, 2019. 12 Pa. C.S. § 6211(b)(2).
9. King Motorsports submitted a new application for an Installment Seller license on or around November 21, 2019.
10. King Motorsports entered into installment sale contracts from October 1, 2019 to present.
11. King Motorsports was not licensed to purchase installment sale contracts.

Authority of the Department

12. 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).
13. 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.

VOLATIONS

14. King Motorsports 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

15. Fine. King Motorsports agrees to pay a fine of three hundred seventy-five dollars (\$375). Payment is due within thirty (30) days of the Effective Date of the Order as defined in paragraph 23 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.

16. License. The Department issued an Installment Seller license to King Motorsports on November 22, 2019.

FURTHER PROVISIONS

17. Consent. King Motorsports 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. King Motorsports, 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.

18. 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.)

19. 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).

20. 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 King Motorsports.

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

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

23. Effectiveness. King Motorsports hereby stipulates and agrees that the Order shall become effective on the date that the Office executes this Order ("Effective Date").

24. 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 King Motorsports in the future regarding all matters not resolved by this Order.
- b. King Motorsports 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.

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

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

27. 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 King Motorsports 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: December 3, 2019

FOR KING MOTORSPORTS LLC

Redacted

(Officer Signature)

SAMAH SAMARA
(Print Officer Name)

owner
(Title)

Date: 11-27-2019

