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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, COMPLIANCE OFFICE

vs.

NEW CITY FUNDING CORP.

Docket No. 19 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 New City Funding Corp., (“New City”). Based on the results of its review, the Office concludes that New City 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. New City holds Sales Finance Company license # 49976 under the CCC.
3. New City’s Principle Place of Business is located at 146 South Liberty Dr., Ste. 11B, Stony Point, NY 10980.
4. On July 25, 2019, an examiner from the Department commenced a routine off-site examination of New City.

Recordkeeping

5. Section 6204(a) of the CCC requires the licensee to maintain records of the business as to enable the Department to review and determine the business is operating in accordance with the provisions of this chapter. 12 Pa. C.S. § 6204(a).

6. During the examination New City could not produce certain records related to repossessions which were requested by the Department.

Authority of the Department

7. 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).

8. 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

9. New City violated Section 6204(a) when it could not produce certain requested documents during the examination.

RELIEF

10. Fine. New City agrees to pay a fine of two thousand dollars (\$2,000) in full satisfaction of the violation set forth above. The payment is 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.

11. Corrective Action. Upon the Effective Date of this Order, New City shall comply with all requirements of the CCC, including maintaining records for review by the Department.

FURTHER PROVISIONS

12. Consent. New City 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. New City, 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.

13. Legal Review. This order is subject to review by the Department's Legal Office.

14. 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.)

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 New City

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

b. New City 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.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Department of Banking and Securities, Compliance Office and New City Funding Corp. 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: 12-13-2019

FOR NEW CITY FUNDING CORP.

Redacted

(Officer Signature)

Ira Steinberg
(Print Officer Name)

VP
(Title)

Date: 12/13/19

