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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.

PAUL BURNS AUTO CENTER, INC.

Docket No.: 20 code (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 Paul Burns Auto Center, Inc. ("PBAC") and its officers, employees, and directors. Based on the results of its review, the Office concludes that PBAC 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. PBAC's principal place of business is located at 218 Lincoln Highway, Fairless Hills, PA 19030.
3. PBAC was issued installment seller license number 5047 on September 11, 1996.
4. PBAC's installment seller license number 5047 expired on October 1, 2019, due to failing to renew the license.

Unlicensed Activity

5. 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)

6. The CCC prohibits PBAC 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).

7. PBAC was issued installment seller license number 73733 on February 14, 2020.

8. PBAC acted as an installment seller by entering into installment contracts between October 1, 2019, and February 14, 2020, when it was not licensed to do so

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. PBAC 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. PBAC agrees to pay a fine of one thousand five hundred dollars (\$1,500). The fine payment is due within thirty (30) days of the Effective Date of the Order as defined in paragraph 18 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. PBAC 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. PBAC, 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

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 PBAC.

17. Binding Nature. The Department, PBAC, and all officers, owners, directors, employees, heirs and assigns of PBAC 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. PBAC 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 PBAC in the future regarding all matters not resolved by this Order
- b. PBAC 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 Paul Burns Auto Center, 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

FOR PAUL BURNS AUTO CENTER, INC.

Redacted

Redacted

James Keiser, Chief Compliance Office Department of Banking and Securities

Date March 4, 2020

(Officer Signature)

PAUL BURNS

(Print Officer Name)

PRESIDENT

(Title)

Date 3/4/2020

