

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.: 190095 (BNK-CAO)

TURNER CHEVROLET, 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 Turner Chevrolet, Inc. ("Turner Chevrolet") and its officers, employees, and directors. Based on the results of its review, the Office concludes that Turner Chevrolet 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. Turner Chevrolet's principal place of business is located at 1251 Paxton Street, Harrisburg, PA 17104-3703.

Unlicensed Period

3. 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).

4. The Department licensed Turner Chevrolet as an installment seller, license no. 28784, through September 30, 2019.

5. Turner Chevrolet failed to timely submit a license renewal application by the October 1, 2019 deadline.

6. Under the CCC, installment seller companies must submit a yearly renewal license application to the Department at least fifteen days prior to October 1 of each year. 12 Pa. C.S. § 6216.

7. The Department canceled Turner Chevrolet's license effective on October 1, 2019. 12 Pa. C.S. § 6211(b)(2).

8. Turner Chevrolet submitted a new application for a sales finance company license on or around November 19, 2019.

9. Turner Chevrolet entered into installment sale contracts from October 1, 2019 to present.

10. Turner Chevrolet was not licensed to enter into installment sale contracts.

Authority of the Department

11. 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).

12. 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

13. Turner Chevrolet 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

14. Fine. Turner Chevrolet agrees to pay a fine of nineteen thousand dollars (\$19,000) in six (6) monthly installments. The first payment in the amount of \$3,200 is due within thirty (30) days of the Effective Date of the Order. The remaining eleven (5) installments in the amount of \$3,160 will be due within thirty (30) days of each previous payment. 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.

15. Licensure. Within five (5) days of the Effective Date of this order, the Department will issue an Installment Seller license to Turner Chevrolet.

FURTHER PROVISIONS

16. Consent. Turner Chevrolet 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. Turner Chevrolet, 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.

17. Consumer's Rights. This Order shall not limit or impair a consumer's rights under the CCC, 12 Pa. C.S. § 6236.

18. 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).

19. 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 Turner Chevrolet.

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

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

22. Effectiveness. Turner Chevrolet hereby stipulates and agrees that the Order shall become effective on the date that the Office executes this Order ("Effective Date").

23. 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 Turner Chevrolet in the future regarding all matters not resolved by this Order.
- b. Turner Chevrolet 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.

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

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

26. 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 Turner Chevrolet, 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 TURNER CHEVROLET, INC.

Redacted

Redacted

(Officer's Signature)

~~11/17/19~~
~~11/17/19~~
John Zalalaj, Administrator
Compliance Office
Department of Banking and Securities

LEE C. TURNER

(Print Officer Name)

Date: 11/26/2019

PRESIDENT

(Title)

Date: 11-25-19

