

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

_____)	ORDER TO SHOW CAUSE
Proceedings by the Commissioner of Banking)	
and Insurance, State of New Jersey, to fine,)	
suspend and/or revoke the consumer lender)	
license and sales finance company license of)	
AC Autopay LLC,)	
Reference Nos. 1502018 and 1200576.)	
_____)	

TO: AC Autopay LLC
1147 Broadway
Denver, Colorado 80203

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“Commissioner”), upon information that AC Autopay LLC (“Respondent”), may have violated various provisions of the New Jersey Consumer Finance Licensing Act, N.J.S.A. 17:11C-1 to -50 (“CFLA”) and Retail Installment Sales Act of 1960, N.J.S.A. 17:16C-1 to -61 (“RISA”); and

WHEREAS, Respondent was licensed as a consumer lender under the CFLA from November 25, 2015 until June 30, 2019, when the license expired; and

WHEREAS, Respondent was licensed as a sales finance company under the RISA from December 5, 2015 until June 30, 2019, when the license expired; and

WHEREAS, Respondent is subject to the provisions of the CFLA and the RISA; and

WHEREAS, pursuant to N.J.S.A. 17:11C-19(c), every licensed consumer lender shall preserve all books, accounts, records and other documents pertaining to its business, and keep

them available for examination by the Commissioner, for at least three years from the date of original entry, or a longer time as prescribed by the Commissioner by regulation; and

WHEREAS, pursuant to N.J.S.A. 17:11C-18(a)(1), the Commissioner may revoke, suspend or refuse to renew a license or impose a penalty pursuant to the CFLA if the Commissioner finds, after notice and an opportunity for a hearing, that any person, applicant for or holder of the license has violated any of the provisions the RISA or any order, rule or regulation made or issued pursuant to the RISA; and

WHEREAS, pursuant to N.J.S.A. 17:11C-18(a)(5), the Commissioner may revoke, suspend or refuse to renew a license or impose a penalty pursuant to the CFLA if the Commissioner finds, after notice and an opportunity for a hearing, that any person, applicant for or holder of the license has demonstrated unworthiness, incompetence, bad faith or dishonesty in the transacting of business as a licensee; and

WHEREAS, pursuant to N.J.S.A. 17:11C-18(i), the Commissioner may impose a civil penalty not exceeding \$25,000.00 on any person for a violation of the CFLA; and

WHEREAS, pursuant to N.J.S.A. 17:16C-15, the Commissioner shall have the power to make such investigations as she shall deem necessary, and may examine the books, accounts, records and files of such licensed sales finance company or any other such person believed to have violated the RISA or any other law relating to retail installment sales or contracts; and

WHEREAS, pursuant to N.J.S.A. 17:16C-18, every sales finance company shall maintain at its place or places of business in this State such books, accounts and records relating to all transactions within the RISA as will enable the Commissioner to enforce full compliance with the provisions of the RISA; and

WHEREAS, pursuant to N.J.S.A. 17:16C-10(a)(1), the Commissioner may revoke, suspend or refuse to renew a license or impose a penalty pursuant to the RISA if the

Commissioner finds, after notice and an opportunity for a hearing, that any person, applicant for or holder of the license has violated any of the provisions the RISA or any order, rule or regulation made or issued pursuant to the RISA; and

WHEREAS, pursuant to N.J.S.A. 17:16C-10(a)(5), the Commissioner may revoke, suspend or refuse to renew a license or impose a penalty pursuant to the RISA if the Commissioner finds, after notice and an opportunity for a hearing, that any person, applicant for or holder of the license has demonstrated unworthiness, incompetence, bad faith or dishonesty in the transacting of business as a licensee; and

WHEREAS, pursuant to N.J.S.A. 17:16C-56, any person conducting business under the RISA and any director, officer, partner, member, employee, agent, or representative thereof who shall knowingly violate any provision of the RISA or shall directly or indirectly counsel, aid or abet such violation shall be liable to a penalty of not more than \$500.00 for each offense; and

COUNT 1

IT APPEARING that on October 19, 2017, the Department requested that Respondent submit to the Department's examination of Respondent's books and records; and

IT FURTHER APPEARING that on October 23, 2017, November 14, 2017, and January 11, 2018, the Department again requested that Respondent submit to the Department's examination of Respondent's books and records; and

IT FURTHER APPEARING that on February 6, 2018, the Department requested that Respondent produce its records on the loans issued in New Jersey from January 1, 2015 to December 31, 2017; and

IT FURTHER APPEARING that Respondent failed to submit to the Department's examination and failed to produce the requested information and records; and

IT FURTHER APPEARING that by failing to submit to the Department's examination and by failing to produce the requested information and records, Respondent violated N.J.S.A. 17:11C-19(c) and N.J.S.A. 17:16C-15; and

NOW, THEREFORE, IT IS on this 11 day of March 2022,

ORDERED that Respondent appear and show cause why its consumer lender license shall not be revoked, pursuant N.J.S.A. 17:11C-18(a)(1) and (a)(5); and

IT IS FURTHER ORDERED that Respondent appear and show cause why its sales finance company license shall not be revoked, pursuant N.J.S.A. 17:16C-10(a)(1) and (a)(5); and

IT IS FURTHER ORDERED that Respondent appear and show cause why the Commissioner should not assess a civil penalty of not more than \$25,000.00 for each violation of the CFLA, pursuant to N.J.S.A. 17:11C-18(i); and

IT IS FURTHER ORDERED that Respondent appear and show cause why the Commissioner should not assess a civil penalty of not more than \$500.00 for each violation of the RISA, pursuant to N.J.S.A. 17:16C-56; and

IT IS FURTHER ORDERED that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at their own expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued, and to present evidence or argument if a hearing is requested; and

IT IS FURTHER ORDERED that unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by Respondent and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by emailing the request to Paulette Sibblies-Flagg at paulette.sibblies-flagg@dobi.nj.gov and mailing a copy to Paulette Sibblies-Flagg, OCF Investigations Unit, Department of Banking and Insurance, P.O. Box 040, Trenton, New Jersey

08625. A copy of the request for a hearing shall also be emailed to Deputy Attorney General Garen Gazaryan at garen.gazaryan@law.njoag.gov and a copy mailed to P.O. Box 117, Trenton, New Jersey 08625.

The request shall contain the following:

- A. Respondent's full name, address, and daytime telephone number;
- B. A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- C. A specific admission or denial of each fact alleged in this Order to Show Cause. Where Respondent has no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- D. A statement requesting a hearing.



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Marlene Caride
Commissioner
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