

State of New Hampshire

In re the Matter of:

Docket # 07-063

State of New Hampshire
Banking Department

v.

Consent Order

Soupy's Used Cars, and
Bruce Campbell,

Respondents

CONSENT ORDER

1. Pursuant to authority granted under RSA Chapter 361-A (including RSA 361-A:3, I, and RSA 361-A:5, IV) and RSA Chapter 541-A, the State of New Hampshire Banking Department ("Department") finds and orders as follows:

Respondents

2. Soupy's Used Cars ("Respondent Soupy's") is a trade name duly registered in the State of New Hampshire on September 29, 2003 with a principal office location of 84 Brighton Lane, Croydon, New Hampshire 03773. Respondent Soupy's is a "Person." RSA 361-A:1, VIII.
3. Bruce Campbell ("Respondent Campbell") is an individual and the 100% owner of Respondent Soupy's with a contact address of PO Box 374, Newport, New Hampshire 03773. Respondent Campbell is a Person (RSA 361-A:1, VIII) and a Control person (RSA 361-A:1, III-b).
4. Neither Respondent Soupy's nor Respondent Campbell (hereinafter collectively "Respondents") was licensed as a sales finance company by the Department when conducting the activities that are the subject of this Consent Order.

Facts

5. On March 14, 2007, the Department received a complaint from a New Hampshire consumer (“Consumer A”) against Respondent Soupy’s concerning a motor vehicle loan issued by Respondent Soupy’s to Consumer A.
6. Once Respondents were put on notice by the Department, Respondents resolved Consumer A’s complaint to the satisfaction of the Consumer A.
7. Beginning in March of 2007, the Department conducted an investigation of Respondents’ issuance of motor vehicle loans and discovered that Respondents were not licensed to conduct such activity. The Department’s investigator discovered that many of the loans made by Respondents were made to family members, neighbors and members of the community who could not afford to purchase vehicles elsewhere.
8. The Department’s investigator discovered twenty (20) loans then outstanding, and calculated that Respondents made \$6,949.00 in profits on ten (10) of those sales. The remaining ten (10) loans were made on transactions in which Respondents realized no profit. RSA 361-A:11, III.
9. Between March of 2007 and March of 2009, Respondents conducted no further unlicensed activity.
10. During 2009 and 2010, Respondents continued to act as an unlicensed sales finance company by making ten (10) loans.
11. The Department investigated these 10 loans and calculated an additional \$4,944.90 in profits from five (5) of these ten (10) loans, for a total of \$11,893.90 in profits. RSA 361-A:11, III.
12. Only one loan to one consumer (“Consumer B”) remains outstanding; Respondents made \$500.00 in profit regarding this transaction.
13. Mitigating facts in this matter include but are not limited to:

- a. Respondents have cooperated with the Department's requests during its investigation;
- b. Of the thirty (30) transactions investigated by the Department, fifteen (15) were sold at or below wholesale or otherwise generated no profit;
- c. The Department's investigator found that Respondents' regular course of conduct (selling at reduced prices, offering payment options to in-need customers, forgiving debt, and choosing not to initiate collections for nonpayment) indicated a business operating for the benefit of local customers, frequently in lieu of profitability;
- d. The Department's investigator found that many of the financing transactions resulted in defaults that significantly offset the profits that Respondents occasionally made in these sales;
- e. Respondents have released all outstanding liens registered with the New Hampshire Department of Motor Vehicles;
- f. To date, no further complaints have been filed with the Department against Respondents, and the original complaint was immediately resolved by Respondents; and
- g. No evidence of unresolved consumer harm has been presented to the Department since the resolution of Consumer A's complaint.

Violations of Law and Penalties

14. Respondents could be assessed an administrative fine not to exceed \$2,500.00 for each of the thirty (30) unlicensed motor vehicle loans by an unlicensed sales finance company, as detailed above in Paragraphs 8 and 10, for a total possible maximum administrative fine of \$75,000.00. RSA 361-A:11, VII and RSA 361-A:11, VIII.

15. Since Respondents engaged in the business of a sales finance company without a license, Respondents shall be barred from recovering any amount in excess of the wholesale market value of the vehicle. RSA 361-A:11, III.

Respondent's Consent

16. Respondents do not deny the facts, statements or violations contained herein.

17. Respondents hereby acknowledge, understand, and agree that they have the right to notice, hearing, and/or a civil action and hereby waive said rights.

Order

18. **WHEREAS**, pursuant to RSA 361-A:5, VI this Consent Order is necessary, appropriate, in the public's best interest and consistent with the intent and purpose of the New Hampshire banking laws, and Orders as follows:

- a. Respondents shall immediately Cease and Desist from engaging in motor vehicle sales financing activity in New Hampshire without a sales finance company license issued by the Department. RSA 361-A:2, I;
 - b. Respondents shall refund to Consumer B the amount of \$500.00, by providing a check made out to Consumer B which shall be sent to the Department contemporaneously with the signing of this Order. This check shall be a certified check or guaranteed funds and made payable to Consumer B. RSA 361-A:11, III;
 - c. Respondents shall pay to the Department \$1,000.00 in investigative costs, which shall be paid contemporaneously with Respondents' signing of this Order. This check shall be a certified check or guaranteed funds and made payable to "State of New Hampshire."
19. This Consent Order may be revoked and the Department may pursue any and all remedies available under law, if the Department later finds that Respondents knowingly or willfully withheld information used and relied upon in this Consent Order.

20. This Consent Order is binding on all heirs, assigns, and/or successors in interest.

21. This Consent Order shall become effective upon the date the Commissioner signs this Consent Order.

22. Once this Consent Order is effective, the Department agrees not to seek further reimbursement, refunds, penalties, fines, costs, or fees regarding the facts, allegations, or findings of violations contained herein.

WHEREFORE, based on the foregoing, we have set our hands to this Consent Order, with it taking effect upon the signature of Robert A. Fleury, Deputy Bank Commissioner.

Recommended this 5th day of April, 2011 by

/s/

Raef J. Granger, Hearings Examiner, Banking Department

Executed this 15th day of April, 2011 by

/s/

Bruce Campbell, on behalf of himself and Soupy's Used Cars

SO ORDERED,

Entered this 21st day of April, 2011.

/s/

Robert A. Fleury,
Deputy Bank Commissioner
New Hampshire Banking Department