

1 State of New Hampshire Banking Department

2 In re the Matter of:)
)
 3 New Hampshire Banking Department,) Case No.: No. 09-126
)
 4 Petitioner,)
) Order for Default Judgment
 5 and)
)
 6 Auto Exchange Inc (d/b/a Auto)
)
 7 Exchange), and Donald F. Reis, and)
)
 8 John Murphy,)
)
 9 Respondents)
)

10 Default Judgment

11 The Commissioner of the New Hampshire Banking Department
 12 ("Department") issued an Order to Show Cause and Cease and Desist Order
 13 ("Order") against Respondent Auto Exchange Inc (d/b/a Auto Exchange)
 14 ("Respondent Auto Exchange"), Respondent Donald F. Reis ("Respondent Reis")
 15 and Respondent John Murphy ("Respondent Murphy") (collectively hereinafter
 16 "Respondents") on November 30, 2009 via U.S. Certified Mail Return Receipt
 17 requested. The Respondents received and signed for the Order on December 2,
 18 2009. The Respondents had thirty (30) days from December 2, 2009 to request
 19 a hearing or reach a settlement with the Department. The Respondents failed
 20 to request a hearing or reach a settlement with the Department on or before
 21 January 2, 2009 (which is thirty days including the holiday from December 2,
 22 2009) as required to avoid Default.

23 It is hereby ORDERED, that:

- 24 1. By operation of law, a default judgment was entered against
 25 Respondents on January 3, 2009;

- 1 2. The allegations contained in the November 30, 2009 Order to Show Cause
2 and Cease and Desist Order are hereby deemed true;
- 3 3. Respondent Auto Exchange shall immediately pay to the Department an
4 administrative fine for thirty-two (32) violations of RSA Chapter 397-
5 A in the amount of \$80,000.00;
- 6 4. Respondent Reis shall immediately pay to the Department an
7 administrative fine for thirty-two (32) violations of RSA Chapter 397-
8 A in the amount of \$80,000.00;
- 9 5. Respondent Murphy shall immediately pay to the Department an
10 administrative fine for thirty-two (32) violations of RSA Chapter 397-
11 A in the amount of \$80,000.00;
- 12 6. Respondent Auto Exchange shall immediately pay to the Department
13 \$25,300.00 for the failure to respond to Consumer A's consumer
14 complaint;
- 15 7. Respondent Auto Exchange shall immediately pay to the Department
16 \$14,550.00 for the failure to respond to Consumer B's consumer
17 complaint;
- 18 8. Respondent Auto Exchange shall immediately pay to the Department
19 \$11.88 for UPS charges to mail the Consumer B complaint;
- 20 9. Respondent Auto Exchange shall immediately pay to the Department
21 \$11,000.00 for Consumer A's trade-in vehicle, plus any fees/charges
22 incurred as a result of failing to properly pay off said trade-in;
- 23 10. Respondent Auto Exchange shall immediately pay to the Department
24 \$7,600.00 (as indicated in the November 24, 2009 Staff Petition) for
25 Consumer B's trade-in vehicle, plus any fees/charges incurred as a

1 result of failing to properly pay off said trade-in;

2 11. Respondent Auto Exchange shall immediately provide letters to the
3 credit bureaus and lenders explaining the late payments regarding
4 Consumer A and Consumer B;

5 12. Respondent Auto Exchange shall immediately pay for any and all costs
6 incurred to remove any and all negative reporting from all three
7 credit bureaus regarding Consumer A and Consumer;

8 13. Respondent Auto Exchange shall immediately reimburse Consumer A and
9 Consumer B \$75.00 each as a result of an illegal administration fee
10 charged on the Retail Installment Contract;

11 14. Respondent Auto Exchange shall immediately reimburse those consumers
12 pursuant to RSA 361-A:11,III for whom Respondent Auto Exchange
13 financed vehicle loans without a sales finance license;

14 15. Each of the above named Respondents shall be jointly and severally
15 liable;

16 16. Respondent Auto Exchange's license is hereby revoked;

17 17. Respondent Reis shall is hereby barred from licensure; and

18 18. Respondent Murphy is hereby barred from licensure.

19
20 SIGNED,

21
22 Dated: 01/28/10

23 /s/
PETER C. HILDRETH
BANK COMMISSIONER