

OCCC CASE NO. L16-129

IN THE MATTER OF:

CAJ AUTO FINANCE
15803 TOMBALL PARKWAY
HOUSTON, TEXAS 77086

§ BEFORE THE
§
§ OFFICE OF CONSUMER
§
§ CREDIT COMMISSIONER
§
§ STATE OF TEXAS

FINAL ORDER

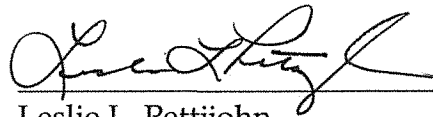
On February 23, 2016, the Office of Consumer Credit Commissioner ("OCCC") issued an order to cease and desist against CAJ Auto Finance ("CAJ Auto") for violation of Section 348.501 of the Texas Finance Code.

On February 23, 2016, the OCCC sent CAJ Auto a copy of the order to cease and desist by regular mail and certified mail, return receipt requested, to CAJ Auto's last known mailing address, 15803 Tomball Parkway, Houston, Texas 77086.

In accordance with Section 14.208 of the Texas Finance Code, 30 days have passed since CAJ Auto was notified of the order to cease and desist, and CAJ Auto has not tendered a written request for a hearing.

WHEREFORE, IT IS ORDERED that the order to cease and desist issued by the OCCC against CAJ Auto has become final.

Signed this 8th day of April, 2016.



Leslie L. Pettijohn
Consumer Credit Commissioner
State of Texas

CERTIFICATE OF SERVICE

I certify that on April 11, 2016, a true and correct copy of this Final Order has been sent to CAJ Auto Finance by regular mail and certified mail, return receipt requested, at:

CAJ Auto Finance
Attn: John Mufarrige
15803 Tomball Parkway
Houston, TX 77086

91 7199 9991 7031 6438 4534



Eamon Briggs
Assistant General Counsel
Office of Consumer Credit Commissioner
State Bar No. 24075718
2601 North Lamar Blvd.
Austin, Texas 78705
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ORDER TO CEASE AND DESIST

The Office of Consumer Credit Commissioner ("OCCC") issues this order to cease and desist against CAJ Auto Finance ("CAJ Auto").¹

Statement of Facts and Law

A motor vehicle sales finance license is required to act as a holder of a motor vehicle retail installment contract.² A holder is a person who operates as a retail seller or holds and collects on a contract in which the person agrees to accept the cash price of a motor vehicle in one or more deferred installments.³

In January 2015, the OCCC completed an investigation of CAJ Auto. The investigation revealed that CAJ Auto was financing the sale of its vehicles without a license. CAJ Auto previously applied for a motor vehicle sales finance license but was denied for failing to provide required information.

In correspondence dated July 17, 2015, and December 22, 2015, the OCCC instructed CAJ Auto to review all of its transactions and refund customers where excess documentary fees were found. Additionally, because the application for motor vehicle sales finance license was denied, the OCCC required photographic evidence showing CAJ Auto's "Buy Here, Pay Here" sign was removed from the property.

CAJ Auto indicated in phone conversations with OCCC staff on December 29, 2015, and January 21, 2016, that it was no longer in business. While it appears that CAJ Auto is not entering into new motor vehicle finance transactions, the

¹ Tex. Fin. Code § 14.208.

² Tex. Fin. Code § 348.501.

³ Tex. Fin. Code § 348.001(3), (7), (8).

OCCC has reason to believe it is still collecting on existing accounts. Additionally, CAJ Auto did not provide the requested proof that it had taken down the signs that indicated the availability of financing.

CAJ Auto failed to obtain a Chapter 348 license and continues to operate as a retail seller by holding and collecting on contracts in which CAJ Auto agrees to accept the cash price of motor vehicles in one or more installments.

Section 14.208 of the Texas Finance Code authorizes the Consumer Credit Commissioner ("Commissioner") to issue an order to cease and desist from violating Chapter 348.⁴ The Commissioner has reasonable cause to believe that CAJ Auto will continue to violate Chapter 348 of the Texas Finance Code unless CAJ Auto is ordered to cease and desist from engaging activity requiring a motor vehicle sales finance license.

Order

IT IS HEREBY ORDERED that CAJ Auto cease and desist from acting as a holder or retail seller of motor vehicles under the Texas Finance Code. This order prohibits CAJ Auto from advertising or engaging in a transaction in which CAJ Auto collects the cash price of any motor vehicle in one or more deferred installments or holding and collecting on retail installment contracts for the sale of motor vehicles.

Right to Request Hearing

Within 30 days of service of this Order, you may request a hearing regarding this Order.⁵ If you request a hearing, a hearing on this matter will be set and conducted in accordance with Chapter 2001 of the Texas Government Code.⁶ If you fail to request a hearing before this deadline, this Order will be considered final and enforceable.⁷

⁴ Tex. Fin. Code § 14.208.

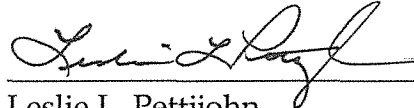
⁵ Tex. Fin. Code § 14.208(b).

⁶ Tex. Fin. Code § 14.208(b).

⁷ Tex. Fin. Code § 14.208(c).

All communications with the OCCC concerning this matter must be through Eamon Briggs, Assistant General Counsel. You may contact him by mail at 2601 N. Lamar Blvd., Austin, Texas 78705, by telephone at (512) 936-7659, or by email to eamon.briggs@occc.texas.gov.

Signed this 23rd day of February, 2016.



Leslie L. Pettijohn
Consumer Credit Commissioner
State of Texas

CERTIFICATE OF SERVICE

I certify that on the 23 day of February, 2016, a true and correct copy of this Order to Cease and Desist has been sent to CAJ Auto Finance by regular mail and certified mail, return receipt requested, at:

CAJ Auto Finance 91 7199 9991 7031 6407 4671
Attn: John Mufarrige
15803 Tomball Parkway
Houston, TX 77086



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