

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 08-085
)
 3 State of New Hampshire Banking) Cease and Desist Order
)
 4 Department,)
)
 5 Petitioner,)
)
 6 and)
)
 7 Buy Here Pay Here LLC, and Ryan)
)
 8 Crete,)
)
 9 Respondents

10
11 This Order commences an adjudicative proceeding under the provisions of
12 RSA 361-A:3-a, RSA 541-A, BAN 200 and JUS 800 as applicable.

13 LEGAL AUTHORITY AND JURISDICTION

14 Pursuant to RSA 361-A:3-a, the Banking Department of the State of New
15 Hampshire (hereinafter the "Department") has the authority to issue and cause
16 to be served an order requiring any person about to engage in or has engaged
17 in any act or practice constituting a violation of RSA 361-A or any rule or
18 order thereunder, to cease and desist from violations of RSA 361-A.

19 NOTICE OF RIGHT TO REQUEST A HEARING

20 The above named respondents have the right to request a hearing on this
21 Cease and Desist Order, as well as the right to be represented by counsel. If
22 the person to whom a cease and desist order is issued fails to request a
23 hearing within 30 calendar days of receipt of such order, then such person
24 shall be deemed in default, such default shall constitute Respondents consent
25 to the Commissioner's determination in this matter, and the order shall, on the
thirty-first day, become permanent and shall remain in full force and effect
until and unless later modified or vacated by the commissioner, for good cause

1 shown. Any such request for a hearing shall be in writing, signed by the
2 respondents or by the duly authorized agent of the above named respondents,
3 and shall be delivered either by hand or certified mail, return receipt
4 request, to the Banking Department, State of New Hampshire, 53 Regional
5 Drive, Concord, NH 03301.

6 A hearing shall be held not later than 10 days after the request for such
7 hearing is received by the commissioner. Within 20 days of the date of any such
8 hearing the commissioner shall issue a further order either vacating the cease
9 and desist order or making it permanent as the facts require. All hearings
10 shall comply with 541-A. If the person to whom a cease and desist order is
11 issued fails to appear at the requested hearing after being duly notified of
12 the date and time, such person shall be deemed in default, and the proceeding
13 may be determined against him or her upon consideration of the cease and desist
14 order, the allegations of which may be deemed to be true.

14 **STATEMENT OF ALLEGATIONS, APPLICABLE LAW, AND RELIEF REQUESTED**

15 The Staff Petition dated June 23, 2008 (a copy of which is attached
16 hereto) is incorporated by reference hereto.

17 **ORDER**

18 WHEREAS, finding it necessary and appropriate and in the public
19 interest, and consistent with the intent and purposes of the New Hampshire
20 banking laws, and

21 WHEREAS, finding that the allegations contained in the Staff Petition,
22 if proved true and correct, form the legal basis of the relief requested,

23 It is hereby ORDERED, that:

- 24 1. The Respondents shall immediately cease selling motor vehicles
25 subject to retail installment contracts from unlicensed
locations; and

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- 2. The Respondents shall immediately cease originating direct loans "buy here, pay here" from unlicensed locations; and
- 3. Failure to request a hearing within 30 days of the date of receipt of this Order shall result in a default judgment being rendered and administrative penalties being imposed upon the defaulting Respondent.

SIGNED,

Dated: June 23, 2008

 / S /
PETER C. HILDRETH
BANK COMMISSIONER

**NOTE: VIOLATION OF A CEASE AND DESIST ORDER IS A
CRIMINAL OFFENSE.**

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 08-085
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) June 23, 2008
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 7 Buy Here Pay Here LLC, and Ryan Crete)
)
 8 Respondents)
)

9
10 STATEMENT OF ALLEGATIONS

11 I. The staff of the Banking Department, State of New Hampshire
12 (hereinafter referred to as the "Department") alleges the following
13 facts:

14 1. Ryan Crete (hereinafter "Respondent Crete") is the sole owner of
15 Buy Here Pay Here LLC (hereinafter "Respondent BHPH").

16 2. On or about April 9, 2008 the Department was notified that
17 Respondent BHPH was engaging in "buy here, pay here" sales
18 finance activities.

19 3. On or about April 23, 2008 two bank examiners visited BHPH,
20 Respondent Crete was not available to speak with regarding BHPH
21 business activities. A request was made to Victor,
22 representative of BHPH, to have Respondent Crete call the Banking
23 Department, a phone call was not returned to the Banking
24 Department.

25 4. On or about May 21, 2008 Respondent Crete signed for a possible
licensure letter dated May 19, 2008. The letter (mail piece

1 number 7007 0710 0000 6894 6427) required a response via
2 facsimile or mail within 30 days receipt of the letter.

3 5. Respondent Crete called the Banking Department on May 21, 2008,
4 Respondent Crete was again informed that a written response was
5 required.

6 6. Respondent Crete's response, as principal of Respondent BHPH, was
7 due to the Department on or before June 20, 2008. As of today's
8 date, Respondents have not responded to the Department.

9 7. Respondent BHPH is located at 109 Rockingham Road, PO Box 332,
10 Derry, NH 03038. Respondent Crete's filings with the NH
11 Secretary of State disclosed the business organization date as
12 June 7, 2004 and its business address as 109 Rockingham Road, PO
13 Box 332, Derry, NH 03038. This location is an unlicensed
14 location.

15 8. Respondent Crete's 2005 and 2008 annual report filings with the
16 NH Secretary of State disclosed BHPH's business as the "sale and
17 financing of vehicles".

18 9. Respondent BHPH is not licensed as a Sales Finance Company.

19 10. Respondent BHPH (lien holder #19165) has been listed as holding
20 title to at least 3 liens (April 2003, June 2004, and June 2007)
21 with the NH Department of Motor Vehicles (hereinafter "NH DMV").
22 Respondent BHPH's place of business as disclosed on title is PO
23 Box 332 Derry, NH, 03038.

24 11. Since March 1, 2008 at least one consumer has purchased a motor
25 vehicle from the Respondent BHPH subject to a retail installment

1 contract (rent-to-own agreement) which included the origination
2 of a direct loan.

3 12. As of the date of this Petition there is no pending Sales Finance
4 application for the Respondent BHPH.

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6 **ISSUES OF LAW**

7 II. The staff of the Department, alleges the following issues of law:

- 8 1. The Department realleges the above stated facts in paragraphs 1
9 through 12.
- 10 2. The Department has jurisdiction over the licensing and
11 regulation of persons engaged in retail seller and sales finance
12 activities pursuant to NH RSA 361-A:2.
- 13 3. Retail installment contract includes a rent-to-own agreement
14 pursuant to RSA 361-A:1 X.
- 15 4. RSA 361-A:3-a provides that the Department may issue a Cease and
16 Desist Order against anyone who it has reasonable cause to
17 believe is conducting business of a retail seller or a sales
18 finance company without the required license as provided for in
19 this Chapter.
- 20 5. RSA 361-A:11, VII provides that any person who, either knowingly
21 or negligently, violates any provision of this chapter may, upon
22 notice and opportunity for hearing, and in addition to any such
23 other penalty provided for by law, be subject to suspension,
24 revocation or denial of any registration or license, including
25 forfeiture of any application fee, or an administrative fine not
to exceed \$2,500, or both. Each of the acts specified shall

1 constitute a separate violation, and such administrative action
2 or fine may be imposed in addition to any criminal penalties or
3 civil liabilities imposed by New Hampshire Banking laws.

4 **RELIEF REQUESTED**

5 The staff of the Banking Department requests the Commissioner take the
6 following action:

- 7 1. Find as fact the allegations contained in section I of the
8 Statement of Allegations of this petition.
9 2. Make conclusions of law relative to the allegations contained in
10 section II of the Statement of Allegations of this petition.
11 3. Pursuant to NH RSA 361-A:3-a, Order Respondent to immediately
12 Cease and Desist from violations of the chapter.
13 4. Take such other administrative and legal actions as are necessary
14 for enforcement of the New Hampshire Banking laws, the protection
15 of New Hampshire citizens, and to provide other equitable relief.

16
17 **RIGHT TO AMEND**

18 The Department reserves the right to amend this Petition for Relief and
19 to request that the Banking Department Commissioner take additional
20 administrative action. Nothing herein shall preclude the Department from
21 bringing additional enforcement action under RSA 361-A or the regulations
22 thereunder.

23 Respectfully Submitted:

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25 / S /
James Shepard
Staff Attorney