BEFORE THE ADMINISTRATOR OF CONSUMER CREDIT
STATE OF OKLAHOMA

FILED
OCT 24 2016
STATE OF OKLAHOMA
DEPARTMENT OF
CONSUMER CREDIT

STATE OF OKLAHOMA, ex rel., DEPARTMENT OF CONSUMER CREDIT,	)	
Petitioner	)	
v.	)	Case No. 16-0009-DIS
CAR COMPLEX,	)	
Respondent	)	

FINAL AGENCY ORDER

This matter was heard on the 9th day of September, 2016, at approximately 9:35 a.m., the above numbered and entitled cause (scheduled for 9:30 a.m.) came on for hearing at the Office of the Oklahoma Department of Consumer Credit, 3613 N.W. 56th Street, Suite 240, Oklahoma City, Oklahoma 73112.

The State of Oklahoma, ex rel. Oklahoma Department of Consumer Credit (the "Department" or "Petitioner"), was represented by the Department's General Counsel, Roy John Martin. The Respondent, Car Complex, a Domestic Trade Name Entity, whose owner, based upon the sworn affidavit of Private Process Server Jack Beall, PS# PSS-2015-41, is named Abol Ghassem Khoddami and which business' physical address is 2912 NW 36th Street, Oklahoma City, Oklahoma 73112 (the "Respondent"), did not appear in person or through an attorney, after such Respondent having been personally served a copy of the Notice and Order of Hearing filed by the Department herein on June 6, 2016 (the "Notice of Hearing"), in Case No. 16-0009-DIS, pursuant to the requirements of Article II of the Administrative Procedures Act (the "APA"), 75 O.S. §§ 308a to 323, by personal service on Abol Ghassem Khoddami through a Private Process

Server, Jack Beall, PS# PSS-2015-41, 3504 Mockingbird, Midwest City, Oklahoma 73130. Mr. Beall signed a sworn Proof of Service Affidavit attesting to personal service delivery of the Notice of Hearing on the Respondent through Abol Ghassem Khoddami whom Private Process Server Jack Beall identified as the owner of the Respondent on June 17, 2016, that was filed herein on June 17, 2016. A document entitled "Continuance" was filed in this matter on July 12, 2016 (the "Continuance"), continued the hearing in this matter until September 9, 2016, at 9:30 a.m., a copy of which was attached to an Affidavit of Service signed by the Department's Legal Research Assistant, Roberta A. Hale, certifying among other things that the Respondent was served a copy of the Continuance via email to carcomplexaplus@gmail.com on July 12, 2016, to which was attached a delivery email notification that delivery was complete but that no delivery notification was sent, copies of which Notice of Hearing, Proof of Service Affidavit, Continuance, and Affidavit of Service, were presented in the hearing each of which has been filed herein.

The Department produced a copy of a document from the website of the Office of the Oklahoma Secretary of State from the Department's file that stated that as of February 24, 2015, the Respondent Car Complex is a Domestic Trade Name Entity in existence in Oklahoma which Entity Summary Information was filed by Abol Ghassem Khoddami with Filing Number 3612492214.

Also in attendance at the hearing and identified as a witness for the Department was Ms. Terrycia Casteel, the individual who had lodged the complaint herein against the Respondent.

The Department's General Counsel Roy John Martin, announced that he had not heard from or spoken to any representative of the Respondent about its appearance at the hearing in person or through an attorney. Mr. Martin indicated that the Respondent had not contacted the

Department at any time prior to the scheduled date and time of the hearing. Continuing, Mr. Martin further indicated that the Department was recommending that the Respondent pay a fine as a civil penalty for unlicensed activity involving consumer credit sales, consumer leases, or consumer loans, in the amount of Five Thousand Dollars ($5,000.00), that the Respondent pay for the costs of the hearing, that the Respondent not make consumer credit sales, consumer leases, or consumer loans, in this state if and until such time as all fees, fines and hearing costs are all fully paid to the Department, that a Cease and Desist Order be issued against the Respondent to cease and desist from making consumer credit sales, consumer leases, or consumer loans, in this state if and until such time as the Respondent files notice as registration with the Administrator to make consumer credit sales, consumer leases, or consumer loans, in this state and until such time as all fees, fines and hearing costs are all fully paid to the Department, and that the Respondent be ordered to refund the sum of One Thousand Six Hundred Nine and 40/100 Dollars ($1,609.40) in excessive finance charges to Ms. Terrycia Casteel, the individual who had lodged the complaint herein against the Respondent. Continuing, Mr. Martin indicated that he wished to secure, in the absence of the Respondent who had an opportunity for a hearing and for whom he had good service, a judgment by default pursuant to 75 O.S. §309(E).

Accordingly, the Independent Hearing Examiner, in light of such default by the Respondent, announced that his recommendation in this matter to the Department's Administrator would be that the Respondent pay a fine as a civil penalty of Five Thousand Dollars ($5,000.00), that the Respondent not make consumer credit sales, consumer leases, or consumer loans, in this state if and until such time as all fees, fines and hearing costs are all fully paid to the Department, that a Cease and Desist Order be issued against the Respondent to cease

and desist from making consumer credit sales, consumer leases, or consumer loans, in this state if and until such time as the Respondent files notice as registration to lawfully make consumer credit sales, consumer leases, or consumer loans, in this state if and until such time as all fees, fines and hearing costs are all fully paid to the Department, and that the Respondent be ordered to refund the sum of One Thousand Six Hundred Nine and 40/100 Dollars ($1,609.40) in excessive finance charges to Ms. Terrycia Casteel, the individual who had lodged the complaint herein against the Respondent, and as the Respondent is not the prevailing party in this matter, that the Respondent pay for the costs of the hearing (being those costs of the Independent Hearing Examiner incurred in this matter as authorized in 14A O.S., §3-505(1)).

After reviewing the administrative record of this individual proceeding, reviewing the arguments, testimony and evidence presented at the September 9, 2016, hearing and reviewing the Proposed Order filed by Independent Hearing Examiner, Bryan Neal, the Administrator of Consumer Credit issues the following findings, conclusions and orders:

JURISDICTION AND AUTHORITY

1. The Administrator of Consumer Credit (the "Administrator") is responsible for the enforcement of the Uniform Consumer Credit Code, 14A O.S. §§ 1-101 et seq., (the "UCCC"). 14A O.S. § 6-501.

2. The term "licensee" or "license," as used in the UCCC, includes any entity or individual that has filed or is required to file notification with the Administrator pursuant to the provisions of 14A O.S. §§ 6-201 through 6-203 of the UCCC. 14A O.S. § 6-203(2).

3. Any person other than a supervised financial organization or a person holding a license to make supervised loans issued under Part 5 of Article 3 of the UCCC, engaged in making in this state consumer credit sales, consumer leases, or consumer loans and any person

having an office or place of business in this state who takes assignments of and undertakes direct collection of payments from or enforcement of rights against debtors arising from these sales, leases or loans is required to file notification with the Administrator within thirty (30) days after commencing business in this state and thereafter on or before January 31, 2016. 14A O.S. §§ 6-201 and 6-202.

4. Any person required to file notification pursuant to the provisions of Section 6-201 of the UCCC, on or before January 31ST of each year, shall pay to the Administrator an annual fee for each location. A late fee shall be charged for any notification filed after January 31. 14A O.S. § 6-202(1).

5. The notification filing fee is $120.00 for each business location. OKLA. ADMIN. CODE § 160:5-1-2(2)(A).

6. With respect to a consumer credit sale, other than a sale pursuant to a revolving charge account, a seller may contract for and receive a credit service charge not exceeding that permitted by 14A O.S. § 2-201(1). The credit service charge, calculated according to the actuarial method, may not exceed the greater of either of the following: (a) the total of (i) thirty percent (30%) per year on that part of the unpaid balances of the amount financed which is Three Hundred Dollars ($300.00) or less; (ii) twenty-one percent (21%) per year on that part of the unpaid balances of the amount financed which is more than Three Hundred Dollars ($300.00) but does not exceed One Thousand Dollars ($1,000.00); and (iii) fifteen percent (15%) per year on that part of the unpaid balances of the amount financed which is more than One Thousand Dollars ($1,000.00); or (b) twenty-one percent (21%) per year on the unpaid balances of the amount financed. 14A O.S. § 2-201(2)(b).

7. The Administrator may, after notice and hearing, censure, probate, suspend,

revoke or refuse to renew any license, or in addition to or in lieu of censure, probation, suspension or revocation, order refunds for unlawful charges if the Administrator finds that:

(a) The licensee has failed to pay the annual license fee imposed by UCCC, or an examination fee, investigation fee or charge imposed by the Administrator under the authority of the UCCC;

(b) The licensee, either knowingly or without the exercise of due care to prevent the same, has violated any provision of the UCCC or any rule or order lawfully made pursuant to and within the authority of the UCCC; or

(c) Any fact or condition exists which, if it had existed or had been known to exist at the time of the original application for such license, clearly would have justified the Administrator in refusing to issue such license. 14A O.S.§3-505.

8. After notice and a hearing, the Administrator or an independent hearing examiner may order a creditor or a person acting in the creditor's behalf to cease and desist from engaging in violations of the UCCC. 14A O.S. §6-108.

9. Any entity or individual offering to engage or engaged in making consumer credit sales, consumer leases, consumer loans or supervised loans in this state without a license or notification filing as required by the UCCC shall be subject to a civil penalty not to exceed Five Thousand Dollars ($5,000.00). 14A O.S. §6-113(3).

10. After demand, the Administrator of Consumer Credit may bring a civil action against a creditor for making or collecting charges in excess of those permitted by the Uniform Consumer Credit Code. 14A O.S. § 6-113(3).

FINDINGS OF FACT

The Administrator of Consumer Credit finds that the following facts were proven by

clear and convincing evidence:

1. The Respondent failed to appear in person or through an attorney at the hearing on September 9, 2016, at the scheduled time of 9:30 a.m. or later that same morning when the Respondent's case was heard at approximately 9:35 a.m. The Respondent received notice of the hearing in this matter set for September 9, 2016, at 9:30 a.m., by personal service on Abol Ghassem Khoddami through a Private Process Server, Jack Beall, PS# PSS-2015-41, 3504 Mockingbird, Midwest City, Oklahoma 73130, who signed a Proof of Service Affidavit attesting to personal service delivery of the Notice of Hearing on the Respondent through Abol Ghassem Khoddami whom Mr. Beall identified as the Respondent's owner on June 17, 2016, that was filed herein on June 17, 2016. The Respondent received the Continuance filed in this matter on July 12, 2016, that continued the hearing in this matter until September 9, 2016, at 9:30 a.m., a copy of which Continuance was attached to an Affidavit of Service signed by the Department's Legal Research Assistant Roberta A. Hale, certifying among other things that, the Respondent was served a copy of the Continuance via email to carcomplexaplus@gmail.com on July 12, 2016, to which was attached a delivery email notification that delivery was complete but that no delivery notification was sent.

2. The Respondent is Car Complex, a Domestic Trade Name Entity in existence in Oklahoma as of February 24, 2015, as verified by a document from the website of the Office of the Oklahoma Secretary of State that stated the Respondent Car Complex is a Domestic Trade Name Entity which Entity Summary Information was filed by Abol Ghassem Khoddami with Filing Number 3612492214, whose owner is Abol Ghassem Khoddami and which business' physical address is 2912 NW 36th Street, Oklahoma City, Oklahoma 73112.

3. A consumer, Terrycia Casteel, (the "Consumer") filed a complaint with the

Petitioner alleging the Respondent charged an excessive amount of interest in connection with a consumer credit sale.

4. The Consumer entered into a consumer credit sales agreement with the Respondent. The terms of the agreement were as follows: Amount Financed, $1,995.00; Finance Charge, $2,000.00; and total payments $3,995.00 with the APR 92.146%. As written, the terms of the agreement were in violation of 14A O.S. § 2-201 (2)(b). The terms of the agreement should have been as follows: Amount Financed, $1,995.00; Finance Charge, $390.00; and total payments $2,385.60 with an APR 20.991%.

CONCLUSIONS OF LAW

The Administrator of Consumer Credit concludes that based on the evidence and testimony in this individual proceeding that:

1. The proceedings in this matter were conducted in accordance with the provisions of Article 3, Part 5, of the Uniform Consumer Credit Code, 59 O.S. §§ 3-501 et seq. and Article II of the Administrative Procedures Act, 75 O.S. §§ 308a to 323.

2. Article II of the Administrative Procedures Act, 75 O.S., §309(E), provides that informal disposition may be made of any individual proceeding by default.

3. The Respondent has violated 14A O.S. § 2-201 (2)(b) by charging an excessive finance charge greater than the allowed amount pursuant to this section.

4. The Respondent has violated OKLA. ADMIN. CODE § 160:45-5-2 by failing to properly disclose the finance charge and interest rate pursuant to this section.

5. The Respondent has violated 14A O.S. § 6- 201 & 6-202 for failure to file notification pursuant to the provisions of this section on or before January 31 of each year.

6. The Respondent has violated OKLA. ADMIN. CODE § 160:5-1-2(2)(A) for

failure to pay the notification filing fee of $120.00 for each business location.

7. The Respondent has violated 14A O.S. §6-113(3), by engaging in or offering to engage in making consumer credit sales, consumer leases, or consumer loans, without filing notification with the Administrator.

8. The Respondent has violated 14A O.S.§6-202 by making consumer leases in the State of Oklahoma without filing notification with the Administrator within thirty (30) days after commencing business in this state and thereafter on or before January 31 of each year.

ORDER

Based upon the findings of fact and conclusions of law in this individual proceeding and based upon the recommendation of the Independent Hearing Examiner, the Administrator of Consumer Credit issues the following orders:

1. The Respondent hereby is found to have violated 14A O.S. §6-113(3), by engaging in or offering to engage in making consumer credit sales, consumer leases, or consumer loans, without filing notification with the Administrator, for which violation the Respondent shall pay a civil penalty in the amount of Five Thousand Dollars ($5,000.00) as authorized in 14A O.S.§ 6-113(3).

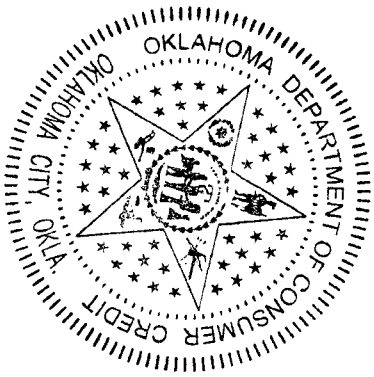
2. The Respondent shall not make or offer to make consumer credit sales, consumer leases, or consumer loans, in the State of Oklahoma without filing notification with the Administrator and if and until such time as all fees, fines and hearing costs are all fully paid to the Department, and that a Cease and Desist Order be issued against the Respondent to cease and desist from making or offering to make any consumer credit sales, consumer leases, or consumer loans, in the State of Oklahoma without filing notification with the Administrator until such time as all fees, fines and hearing costs are all fully paid to the Department and to

permanently continue to so cease and desist until such time, if ever, as the Respondent pays all of the aforesaid fees, fines and hearing costs to the Department.

3. The Respondent shall refund the sum of One Thousand Six Hundred Nine and 40/100 Dollars ($1,609.40) in unlawful finance charges to Ms. Terrycia Casteel, the individual who had lodged the complaint herein against the Respondent.

4. As the Respondent is not the prevailing party in this matter, the Respondent shall pay court costs of $697.00, incurred in this matter as authorized in 14A O.S. §3-505(1).

WITNESS my hand this 24th day of October, 2016.



10/24/16

Scott Lesher
Administrator of Consumer Credit
State of Oklahoma