

BEFORE THE ADMINISTRATOR OF CONSUMER CREDIT
STATE OF OKLAHOMA

FILED
FEB 24 2017
STATE OF OKLAHOMA
DEPARTMENT OF
CONSUMER CREDIT

STATE OF OKLAHOMA ex rel.)
DEPARTMENT OF CONSUMER CREDIT,))
)
Petitioner)
)
)
v.)
)
MACHADO ENTERPRISES, LLC,)
D/B/A CHACO'S AUTO SALES,)
)
Respondent)

Case No. 16-0241-DIS

CONSENT ORDER

Petitioner, State of Oklahoma, ex rel. Department of Consumer Credit ("Petitioner") and the Respondent, Machado Enterprises LLC, d/b/a Chaco's Auto Sales, ("Respondent") voluntarily enter into this Consent Order as an informal disposition of this individual proceeding to avoid litigation. Respondent agrees to waive its right to a hearing under the Oklahoma Administrative Procedures Act and both parties agree as follows:

(1) Petitioner restates and incorporates by reference the allegations made by Petitioner in the Notice of Hearing filed in this matter.

- a. Respondent is registered as a domestic limited liability company in the State of Oklahoma, Oklahoma Secretary of State filing number 3512474107, active filing status.
- b. Respondent transacts business at 1310 SW 29th Street, Oklahoma City, OK 73119.
- c. On November 8, 2016, Jimmie Ray, a consumer credit examiner, entered Respondent's business premises and spoke to Mr. Isaac Machado, Respondent's owner.
- d. The examiner inquired of Mr. Machado whether the location offered in-house financing, specifically, whether the location engaged in buy-here, pay-here financing. Mr. Machado stated that he does offer

financing to customers on a short term basis. Mr. Machado further stated that if the consumer is purchasing a car and they do not have enough cash to purchase the auto, he will carry the balance in six (6) payments or less with no interest.

- e. The examiner asked Mr. Machado to see copies of executed retail installment sales contracts so the examiner could review the files. Mr. Machado showed the examiners a few contracts that reflected the consumers paid a majority of the sales price in cash but had a balance of less than \$200 remaining. Mr. Machado stated that he would carry the remaining balance on the contract.
- f. The examiner took photos of the contract and payment history.
- g. Respondent sent an email on November 8, 2016, to the examiner from the email address: chacosautos@yahoo.com. Email reads as follows: "Chaco's Auto Sales offer in house financing. 6-15 month financing with payments of 300 per month according to note on vehicle financed".
- h. As of January 10, 2017, Respondent is licensed in the State of Oklahoma pursuant to the provisions of 14A O.S. §§ 6-201 through 6-203 of the UCCC. 14A O.S. § 6-203(2). The notification filing license application was received on January 6, 2017.
- i. Respondent did not file notification pursuant to the provisions of Section 6-201 of the UCCC, on or before January 31, 2016.

(2) Respondent does not admit to the allegations made by the Petitioner in the Notice of Hearing filed in this matter, and incorporated by reference in this Consent Order.

(3) Respondent agrees to pay a \$500.00 civil penalty, payable to the Oklahoma Department of Consumer Credit, on or before March 3, 2017.

(4) The payment shall be made payable by check or money order to the Oklahoma Department of Consumer Credit, shall indicate the payment is for Case Number 16-0241-DIS and shall be addressed to the attention of J. Steven Coates, General Counsel, Department of Consumer Credit, 3613 N.W. 56th Street, Suite 240, Oklahoma City, Oklahoma 73112.

(5) A file stamped copy of this Consent Order will be returned to Respondent upon signature of the Administrator of the Department of Consumer Credit or the Deputy Administrator of the Department Consumer Credit.

(6) If Respondent fails to comply with the terms of this Consent Order, the Administrator of the Department of Consumer Credit is authorized to file an application to enforce this Consent Order in the District Court of Oklahoma County, Oklahoma in accordance with the provisions of 14 O.S. § 6-113(4).



Scott Lesher

Scott Lesher
Administrator
State of Oklahoma
Department of Consumer Credit

Dated: 2/24/17

Machado Enterprises, LLC
d/b/a Chaco's Auto Sales

Dated: _____

[Signature]
Machado Enterprises, LLC
d/b/a Chaco's Auto Sales

Dated: 2/22/17

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VERIFICATION OF CONSENT ORDER, CASE NUMBER 16-0241-DIS

STATE OF OKLAHOMA)

)

COUNTY OF OKLAHOMA)

Signed and sworn to (or affirmed) before me on 2/22/17,
2017, by ISSAC Machado of Machado Enterprises, LLC,
d/b/a Chaco's Auto Sales.

[Signature]
Machado Enterprises, LLC,
d/b/a Chaco's Auto Sales

(Seal, if any)

[Signature]



Notary Public

My commission expires:

03/09/18