

OCCC CASE NO. L19-00290

IN THE MATTER OF:	§	BEFORE THE
	§	
	§	OFFICE OF CONSUMER
MASTER FILE NO.: 7499	§	
NORTHSIDE ACCEPTANCE INC.	§	CREDIT COMMISSIONER
2307 WEST MOUNT HOUSTON	§	
HOUSTON, TEXAS 77038	§	STATE OF TEXAS

ORDER TO ALLOW EXAMINATION AND INVESTIGATION

The Office of Consumer Credit Commissioner (“OCCC”) issues this Order to Allow Examination and Investigation against Northside Acceptance Inc. (“Northside Acceptance”), based on the violations of law described below.¹

Statement of Facts and Law

Under Chapter 348 of the Texas Finance Code, a person must hold a motor vehicle sales finance license in order 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

Northside Acceptance is a motor vehicle sales finance company licensed by the OCCC to operate as a holder under Chapter 348 of the Texas Finance Code. Northside Acceptance operates under master file number 7499 at one licensed location, under license number 38971. Northside Acceptance’s compliance officer is Stephen Young, and its designated contact address is 2307 West Mount Houston, Houston, Texas 77038.

Under Chapter 348 of the Texas Finance Code, at times the OCCC considers necessary, the OCCC will examine each place of business of each licensee, and will investigate the licensee’s transactions and records.⁴ A licensee must give the OCCC free access to the licensee’s office and place of business.⁵

¹ Tex. Fin. Code § 14.208.
² Tex. Fin. Code § 348.501.
³ Tex. Fin. Code § 348.001(3), (7), (8).
⁴ Tex. Fin. Code § 348.514(a).
⁵ Tex. Fin. Code § 348.514(b).

The OCCC may conduct an examination after advance notice and during normal business hours.⁶ If the OCCC has reasonable cause to believe that a person is violating Chapter 348, then the OCCC may conduct an investigation to discover a violation or obtain required information.⁷ Under Chapter 348's implementing rules, a licensee is responsible for ensuring that all contact information on file with the OCCC is current and correct.⁸

On April 15, 2019, after advance notice, the OCCC attempted to examine Northside Acceptance's licensed location at 2307 S.H. 249, Houston, Texas 77038. The OCCC was not able to examine the licensed location because no employees of Northside Acceptance were present at the location, and a different business was there in its place. By failing to allow the OCCC to examine its licensed location, records, and transactions, Northside Acceptance violated Chapter 348 of the Texas Finance Code.

Authority

If the Consumer Credit Commissioner ("Commissioner") has reasonable cause to believe that a person is violating Chapter 348 of the Texas Finance Code, the Commissioner may issue an order to cease and desist from the violation, an order to take affirmative action, or both to enforce compliance.⁹

The Commissioner has reasonable cause to believe that Northside Acceptance has violated Chapter 348 of the Texas Finance Code by failing to allow the OCCC to examine its licensed location, records, and transactions.

Order

IT IS ORDERED that:

1. Northside Acceptance must cease and desist failing to allow the OCCC to examine its location, records, and transactions.
2. Northside Acceptance must allow the OCCC to conduct an

⁶ Tex. Fin. Code § 348.514(f).

⁷ Tex. Fin. Code § 348.515.

⁸ 7 Tex. Admin. Code § 84.607(c).

⁹ Tex. Fin. Code § 14.208(a).

investigation of its location, records, and transactions.

3. **No later than August 21, 2019**, Northside Acceptance must send a letter to the OCCC stating the complete address of any location where Northside Acceptance may be examined and investigated. The letter must also state the complete address of any location where Northside Acceptance conducts business, keeps records of transactions, or receives payments from retail buyers. The letter must be sent by e-mail to Matthew Nance at matthew.nance@occc.texas.gov.
4. **No later than August 21, 2019**, Northside Acceptance must ensure that all contact information for Northside Acceptance is current and correct in the OCCC's online licensing system.

Violation of Order

Northside Acceptance may be assessed an administrative penalty of up to \$1,000 for each day of violation of this Order.¹⁰ A violation of this Order may result in the revocation of Northside Acceptance's license.¹¹

Right to Request Hearing

Northside Acceptance has the right to request a hearing regarding this Order.¹² Northside Acceptance's request must be made in writing and sent to the OCCC not later than 30 days after Northside Acceptance receives this Order. Northside Acceptance must send its request to:

Matthew Nance
Office of Consumer Credit Commissioner
2601 N. Lamar Blvd.
Austin, Texas 78705

If Northside Acceptance requests a hearing, a hearing on this matter will

¹⁰ Tex. Fin. Code § 14.208(c).

¹¹ Tex. Fin. Code § 348.508.

¹² Tex. Fin. Code § 14.208(b).

be set and conducted in accordance with Chapter 2001 of the Texas Government Code.¹³ If Northside Acceptance fails to request a hearing by this deadline, this Order is considered final and enforceable.¹⁴

All communications with the OCCC concerning this matter must be through Matthew Nance, Deputy General Counsel, who may be contacted by mail at 2601 N. Lamar Blvd., Austin, Texas 78705, by telephone at (512) 936-7660, or by email to matthew.nance@occc.texas.gov.

Signed this 15th day of July, 2019.

/s/ Leslie Pettijohn
Leslie L. Pettijohn
Consumer Credit Commissioner
State of Texas

¹³ Tex. Fin. Code § 14.208(b).

¹⁴ Tex. Fin. Code § 14.208(c).

CERTIFICATE OF SERVICE

I certify that on July 15, 2019, a true and correct copy of this Order to Allow Examination and Investigation has been sent to Northside Acceptance Inc. by the following:

Northside Acceptance Inc.
Attn: Stephen Young, Compliance Officer
2307 West Mount Houston
Houston, TX 77038

- hand-delivery
- facsimile
- electronic mail
- regular mail
- certified mail, return receipt requested
#91 7199 9991 7037 5193 4111

Northside Acceptance Inc.
Attn: Stephen Young, Registered Agent
2307 State Hwy. 249
Houston, TX 77038

- hand-delivery
- facsimile
- electronic mail
- regular mail
- certified mail, return receipt requested
#91 7199 9991 7037 5193 4128

/s/ Matthew Nance
Matthew J. Nance
Deputy General Counsel
Office of Consumer Credit Commissioner
State Bar No. 24074794
2601 North Lamar Blvd.
Austin, Texas 78705
512-936-7660 (phone)
512-936-7610 (fax)
matthew.nance@occc.texas.gov