

OCCC CASE NO. L20-00130

IN THE MATTER OF:	§	BEFORE THE
	§	
MASTER FILE NO.: 1800061093	§	OFFICE OF CONSUMER
REYNALDO MARTINEZ	§	
d/b/a RAY'S AUTOPLEX	§	CREDIT COMMISSIONER
1243 SOUTH 1ST STREET	§	
ABILENE, TEXAS 79602	§	STATE OF TEXAS

ORDER OF REVOCATION

The Office of Consumer Credit Commissioner ("OCCC") issues this Order of Revocation against Reynaldo Martinez d/b/a Ray's Autoplex ("Ray's Autoplex"), 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 A person who does not hold a Chapter 348 license (or another authorization to act as a holder) may not collect payments on motor vehicle retail installment contracts, and may not indirectly collect payments by repossessing motor vehicles or selling repossessed motor vehicles.⁴

Ray's Autoplex is a motor vehicle sales finance dealer licensed by the OCCC to operate as a holder under Chapter 348 of the Texas Finance Code. Ray's Autoplex operates under master file number 1800061093 at one licensed location, under license number 160030. Ray's Autoplex's compliance officer is Reynaldo Martinez, and its designated contact address is 1243 South 1st Street, Abilene, Texas 79602.

¹ Tex. Fin. Code §§ 14.208, 348.508.

² Tex. Fin. Code § 348.501.

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

⁴ See Tex. Fin. Code §§ 348.001(3), (7), (8), 348.501.

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.⁵ A licensee must give the OCCC free access to the licensee's office and place of business.⁶ The OCCC may conduct an examination after advance notice and during normal business hours.⁷ 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.⁸ 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.⁹

On November 7, 2019, after advance notice, the OCCC attempted to examine Ray's Autoplex's licensed location at 1243 South 1st Street, Abilene, Texas 79602. The OCCC was not able to examine the licensed location because no employees of Ray's Autoplex were present at the location, and the building was not open to the public. Other attempts to contact Ray's Autoplex were not returned.

On January 17, 2020, the OCCC issued an Order to Allow Examination and Investigation against Ray's Autoplex. The Order required Ray's Autoplex to cease and desist failing to allow the OCCC to examine its location, records, and transactions. The Order also required Ray's Autoplex, no later than February 28, 2020, to send a letter to the OCCC stating the complete address of any location where Ray's Autoplex may be examined, and the complete address of any location where Ray's Autoplex conducts business, keeps records of transactions, or receives payments from retail buyers. Ray's Autoplex did not respond and did not provide the information required by the Order.

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

⁵ Tex. Fin. Code § 348.514(a).

⁶ Tex. Fin. Code § 348.514(b).

⁷ Tex. Fin. Code § 348.514(f).

⁸ Tex. Fin. Code § 348.515.

⁹ 7 Tex. Admin. Code § 84.607(c).

order to take affirmative action, or both to enforce compliance.¹⁰ The Commissioner may revoke a motor vehicle sales finance license if the Commissioner finds that the license holder knowingly or without the exercise of due care violated Chapter 348 of the Texas Finance Code, Chapter 348's implementing rules, or an order issued under Chapter 348.¹¹ The Commissioner may also revoke a license if a fact or condition exists that, if it had existed or had been known to exist at the time of the original application for the license, clearly would have justified the Commissioner's denial of the application.¹²

By failing to allow the OCCC to examine its licensed location, records, and transactions, Ray's Autoplex violated Chapter 348 of the Texas Finance Code. Ray's Autoplex violated the Order to Allow Examination and Investigation that the OCCC issued in January 2020. Ray's Autoplex committed these violations knowingly or without exercise of due care. These violations would have justified denial of Ray's Autoplex's original license application, if these violations had existed or been known to exist at the time of the license application. For these reasons, the Commissioner issues this Order of Revocation.

Order

IT IS ORDERED that:

1. The motor vehicle sales finance license of Reynaldo Martinez d/b/a Ray's Autoplex, license number 1800061093-160030, is REVOKED.
2. Ray's Autoplex must cease and desist entering new motor vehicle retail installment transactions.
3. Ray's Autoplex must cease and desist collecting any payments on motor vehicle retail installment transactions. Ray's Autoplex must cease and desist repossessing motor vehicles, and must cease and desist selling any motor vehicles that it has repossessed.

¹⁰ Tex. Fin. Code § 14.208(a).

¹¹ Tex. Fin. Code § 348.508(2).

¹² Tex. Fin. Code § 348.508(3).

4. **No later than 30 days after service of this Order**, Ray's Autoplex must perform a self-review and identify each outstanding motor vehicle retail installment transaction, including each sale of a motor vehicle for which Ray's Autoplex is accepting payments, holds a lien, or has repossessed a motor vehicle that it has not sold.
5. **No later than 30 days after service of this Order**, for each outstanding motor vehicle retail installment transaction, Ray's Autoplex must do one of the following:
 - a. assign the transaction to another person who holds a license under Chapter 348 or is otherwise authorized to hold retail installment contracts under Chapter 348; or
 - b. cease collecting any payments and return any unsold repossessed vehicle to the retail buyer.
6. **No later than 40 days after service of this Order**, Ray's Autoplex must create a spreadsheet labeled "L20-00130RaysAutoplex." The spreadsheet must list each transaction that Ray's Autoplex assigned to another person, and each transaction for which Ray's Autoplex ceased collecting payments. The spreadsheet must include a row for each consumer and the following columns:
 - a. account number;
 - b. name of the retail buyer;
 - c. date of retail installment transaction; and
 - d. name of any person that Ray's Autoplex assigned the transaction to, if applicable.
7. **No later than 40 days after service of this Order**, Ray's Autoplex must provide the OCCC with a copy of the spreadsheet. The spreadsheet must be sent by e-mail to Matthew Nance at matthew.nance@occc.texas.gov.

Right to Request Hearing

Ray's Autoplex has the right to request a hearing regarding this Order.¹³ Ray's Autoplex's request must be made in writing and sent to the OCCC not later than 30 days after Ray's Autoplex receives this Order. Ray's Autoplex must send its request to:

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

If Ray's Autoplex requests a hearing, a hearing on this matter will be set and conducted in accordance with Chapter 2001 of the Texas Government Code.¹⁴ If Ray's Autoplex fails to request a hearing by this deadline, this Order is considered final and enforceable.¹⁵

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 1st day of June, 2020.

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

¹³ Tex. Fin. Code §§ 14.208(b), 348.508.

¹⁴ Tex. Fin. Code §§ 14.208(b), 348.508.

¹⁵ Tex. Fin. Code §§ 14.208(c), 348.508.

CERTIFICATE OF SERVICE

I certify that on June 1, 2020, a true and correct copy of this Order of Revocation has been sent to Reynaldo Martinez d/b/a Ray's Autoplex by the following:

Reynaldo Martinez d/b/a Ray's
Autoplex
Attn: Reynaldo Martinez,
Compliance Officer
1243 South 1st Street
Abilene, TX 79602
raysautoplex@yahoo.com

- hand-delivery
- facsimile
- electronic mail
- regular mail
- certified mail, return receipt requested
#9214 8901 9403 8300 0013 5100 45

Reynaldo Martinez d/b/a Ray's
Autoplex
Attn: Reynaldo Martinez,
Registered Agent
2602 S. 20th Street
Abilene, TX 79605
raysautoplex@yahoo.com

- hand-delivery
- facsimile
- electronic mail
- regular mail
- certified mail, return receipt requested
#9214 8901 9403 8300 0013 5100 52

/s/Matthew Nance
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