

OCCC CASE NO. L20-00094

IN THE MATTER OF:	§	BEFORE THE
	§	
MASTER FILE NO.: 1900064703	§	OFFICE OF CONSUMER
TEXAS CREDIT AUTO SALES INC.	§	
d/b/a TEXAS CREDIT AUTO SALES	§	CREDIT COMMISSIONER
5724 BINGLE ROAD, SUITE F	§	
HOUSTON, TX 77092	§	STATE OF TEXAS

**ORDER TO CEASE AND DESIST, TO TAKE AFFIRMATIVE ACTION,
AND TO MAKE RESTITUTION**

The Office of Consumer Credit Commissioner (“OCCC”) issues this Order to Cease and Desist, to Take Affirmative Action, and to Make Restitution, against Texas Credit Auto Sales Inc. d/b/a Texas Credit Auto Sales (“Texas Credit Auto Sales”), based on the violations described below.¹

Statement of Facts and Law

A motor vehicle sales finance license is required 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

Texas Credit Auto Sales is a motor vehicle dealer that does not currently hold a license with the OCCC. Texas Credit Auto Sales is located at 5724 Bingle Road, Suite F, Houston, Texas 77092.

Due to a referral from the Texas Department of Motor Vehicles (TxDMV), the OCCC conducted an investigation of Texas Credit Auto Sales for unlicensed activity. Information provided by TxDMV showed that Texas Credit Auto Sales had listed itself as the lienholder in multiple transactions. In a witness statement to the OCCC, Jim Parvizi, owner of Texas Credit Auto Sales, admitted to financing at least one transaction. Texas Credit Auto Sales accepted or offered to accept the cash price of motor vehicles in one or more deferred installments

¹ Tex. Fin. Code § 14.208.

² Tex. Fin. Code § 348.501.

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

without a motor vehicle sales finance license.

The website located at “www.texascreditautosales.360vinspin.net” contains information about Texas Credit Auto Sales. The website includes a tab labeled “Financing,” which is a hyperlink to a message portal to the business. The website also contains a tab labeled “Inventory,” which is a hyperlink to a list of vehicles for sale. For each listed vehicle, there is a tab labeled “Estimate Payments,” which allows the user to input down payments, rates, and terms to estimate the monthly payment on the vehicle. Each listed vehicle also contains a tab labeled “Contact for Financing options.” This leads to a page titled “Credit Application,” which allows a person to enter contact information, employment information, and financial information in order to submit a credit application.

Texas Credit Auto Sales applied for a motor vehicle sales finance license on September 10, 2019 under master file number 1900064703 and application ID number 56406. The OCCC denied the application because Texas Credit Auto Sales did not provide information regarding previous retail installment transactions.⁴ On October 30, 2019, the OCCC notified Texas Credit Auto Sales that it had denied the license application. Texas Credit Auto Sales has not obtained a license with the OCCC.

By acting as a holder in motor vehicle retail installment transactions without a motor vehicle sales finance license, Texas Credit Auto Sales has violated Chapter 348 of the Texas Finance Code.

Authority

If the 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.⁵ Additionally, the Commissioner may order a person who violates Chapter 348 or a rule adopted under Chapter 348 to make restitution to an identifiable person injured by the violation.⁶

The Commissioner has reasonable cause to believe that Texas Credit Auto Sales has violated Chapter 348 of the Texas Finance Code by acting as a holder in

⁴ 7 Tex. Admin. Code § 84.602(1)(F).

⁵ Tex. Fin. Code § 14.208(a).

⁶ Tex. Fin. Code § 14.251(b).

motor vehicle retail installment transactions without a motor vehicle sales finance license.

Order

IT IS ORDERED that:

1. Texas Credit Auto Sales must comply with, and cease and desist from violating, the motor vehicle sales finance license requirement found in Section 348.501 of the Texas Finance Code.
2. Texas Credit Auto Sales must cease and desist from advertising or entering into new transactions in which it agrees to accept the cash price of a motor vehicle in one or more deferred installments.
3. Texas Credit Auto Sales must cease and desist from collecting payments on existing transactions that require a motor vehicle sales finance license.
4. **No later than February 28, 2020**, Texas Credit Auto Sales must perform a self-review and identify each motor vehicle retail installment transaction that Texas Credit Auto Sales has entered, including each sale of a motor vehicle in which:
 - a. Texas Credit Auto Sales entered a retail installment contract;
 - b. Texas Credit Auto Sales accepted payments in one or more deferred installments; or
 - c. Texas Credit Auto Sales held a lien.
5. **No later than February 28, 2020**, Texas Credit Auto Sales must refund any finance charges that it has charged or received from any retail buyers.
6. **No later than February 28, 2020**, Texas Credit Auto Sales must release any liens that are currently filed on any motor vehicles in Texas Credit Auto Sales' name. Texas Credit Auto Sales may not charge a fee to any buyer for releasing these liens.
7. **No later than February 28, 2020**, Texas Credit Auto Sales must identify each retail installment transaction that it has assigned to another

creditor.

8. With respect to maintaining proof of refunds and release of liens:
 - a. Texas Credit Auto Sales must maintain complete and accurate records of all refunds, including copies of refund checks for closed accounts and ledgers showing account credits for open accounts, until the later of the following:
 - i. the fourth anniversary of the date of the retail installment transaction, or
 - ii. the second anniversary of the date on which the final entry is made in the buyer's record.⁷
 - b. Texas Credit Auto Sales must maintain documentation of the release of any liens until the later of the following:
 - i. the fourth anniversary of the date of the retail installment transaction, or
 - ii. the second anniversary of the date on which the final entry is made in the buyer's record.
 - c. **No later than February 28, 2020**, Texas Credit Auto Sales must create a spreadsheet labeled "L20-00094TexasCreditAutoSales." The spreadsheet must clearly list the total amount of refunds provided to buyers. In addition, the spreadsheet must list each retail installment transaction for which Texas Credit Auto Sales provided restitution or released a lien as described above, and each retail installment transaction that Texas Credit Auto Sales assigned to another creditor. The spreadsheet must include a row for each buyer and the following columns:
 - i. account number;
 - ii. name of the retail buyer;
 - iii. date of retail installment contract;
 - iv. amount of finance charge;
 - v. amount of finance charge refunded to the buyer;
 - vi. date of the refund;
 - vii. form of the refund (i.e. check for closed account, and credit on open account);
 - viii. date on which Texas Credit Auto Sales released the lien, if applicable; and
 - ix. name of any creditor that Texas Credit Auto Sales

⁷ See 7 Tex. Admin. Code § 84.704(b), (g).

assigned the transaction to, if applicable.

- d. **No later than February 28, 2020**, Texas Credit Auto Sales must provide the OCCC with a copy of the spreadsheet. The spreadsheet must be sent by e-mail to Audrey Spalding at audrey.spalding@occc.texas.gov.

Administrative Penalty

You may be assessed an administrative penalty of up to \$1,000 for each day of violation of this Order.⁸

Right to Request Hearing

You have the right to request a hearing regarding this Order.⁹ Your request must be made in writing and sent to the OCCC not later than 30 days after you receive this Order. You must send your request to:

Audrey Spalding
Assistant General Counsel
Office of Consumer Credit Commissioner
2601 N. Lamar Blvd.
Austin, Texas 78705

If you request a hearing, a hearing on this matter will be set and conducted in accordance with Chapter 2001 of the Texas Government Code.¹⁰ If you fail to request a hearing by this deadline, this Order is considered final and enforceable.¹¹

All communications with the OCCC concerning this matter must be through Audrey Spalding, Assistant General Counsel. You may contact her by mail at 2601 N. Lamar Blvd., Austin, Texas 78705, by telephone at (512) 936-7659, or by email to audrey.spalding@occc.texas.gov.

⁸ Tex. Fin. Code § 14.208(c).

⁹ Tex. Fin. Code § 14.208(b).

¹⁰ Tex. Fin. Code § 14.208(b).

¹¹ Tex. Fin. Code § 14.208(c).

Signed this 17 day of January, 2020.

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

CERTIFICATE OF SERVICE

I certify that on January 17, 2020, a true and correct copy of this Order to Cease and Desist, to Take Affirmative Action, and to Make Restitution has been sent to Texas Credit Auto Sales Inc. d/b/a Texas Credit Auto Sales by the following:

Texas Credit Auto Sales Inc. hand-delivery
d/b/a Texas Credit Auto Sales facsimile
Attn: Jamshid Parvizi, Compliance Officer electronic mail
5724 Bingle Road, Suite F regular mail
Houston, TX 77092 certified mail, return receipt
shayanparvizi@gmail.com requested # 91 7199 9991 7037 4753
2963

Texas Credit Auto Sales Inc. hand-delivery
d/b/a Texas Credit Auto Sales facsimile
Attn: Jamshid Parvizi, Registered Agent electronic mail
10150 Ripple Lake Drive regular mail
Houston, TX 77065 certified mail, return receipt
jamshidparvizi@gmail.com requested # 91 7199 9991 7037 4753
2956

/s/Audrey Spalding
Audrey Spalding
Assistant General Counsel
Office of Consumer Credit Commissioner
State Bar No. 24111055
2601 North Lamar Blvd.
Austin, Texas 78705
(512) 936-7659
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audrey.spalding@occc.texas.gov