

1 **ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

2 In the Matter of the Unlicensed Activity of:

No. 14F-BD038-SBD

3 **ROLLING CARS AUTO CENTER INC. AND**
4 **SALVADOR A. GAMEZ , DIRECTOR AND**
5 **OWNER**

CONSENT ORDER

6 6353 W. Glendale Avenue
7 Glendale, AZ 85301

8 Respondents.

9 On November 7, 2013, the Arizona Department of Financial Institutions (“Department”)
10 issued an Order to Cease and Desist; Notice of Opportunity For Hearing; Consent to Entry of Order,
11 alleging that Respondent had violated Arizona law. Wishing to resolve this matter in lieu of an
12 administrative hearing, and without admitting liability, Respondents consent to the following
13 Findings of Fact and Conclusions of Law, and consents to the entry of the following Order.

14 **FINDINGS OF FACT**

15 1. Respondent Rolling Cars Auto Center Inc, (“RCAC”) an Arizona corporation, is not and
16 was not at any time material herein authorized to transact business in Arizona as a motor vehicle
17 dealer within the meaning of A.R.S. § 44-281, *et seq.* The nature of RCAC’s business is that of a
18 motor vehicle dealer within the meaning of A.R.S. § 44-281(3).

19 2. Respondent Salvador A. Gamez (“Mr. Gamez”) is the Director and Owner of RCAC, and
20 is not and was not, at any time material herein, authorized to transact business in Arizona as a motor
21 vehicle dealer within the meaning of A.R.S. § 44-281, *et seq.*

22 3. Respondents are not exempt from licensure as a motor vehicle dealer within the meaning
23 of A.R.S. § 44-282(J).

24 4. On August 23, 2012, Respondents submitted to the Department a certified Motor Vehicle
25 Dealer Application and a certified Sales Finance Company Application (the “Applications”). The
26 Applications were each signed and certified by Mr. Gamez on June 19, 2012.

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1 5. On page 4 of each Application, Section IV(A), Respondents listed four (4) finance
2 companies to whom they sell retail installment contracts.

3 6. On September 10, 2012, the Department sent two (2) letters to Respondents regarding
4 their respective Applications, requesting additional information and documentation in order to
5 process the Applications. The letters included a request that Respondents provide a written statement
6 to the Department regarding when Respondents started selling cars, and requested a response be
7 provided within ten (10) days of the letter.

8 7. On September 19, 2012, the Department received a letter from Respondents, stating, “We
9 have started selling used vehicles November of 2007 as a Sole Proprietor (Rolling Cars Auto
10 Center). In 2009, we have received the title of “Incorporated” (Rolling Cars Auto Center Inc.)” The
11 letter also stated they were filing a license application because they were interested in selling
12 vehicles as “Buy-Here-Pay-Here.”

13 8. On September 24, 2012, the Department sent email correspondence to Respondents at
14 rollingcarsautocenter@yahoo.com requesting further information be provided to the Department to
15 complete the pending Applications. Respondents were asked to provide (1) a fingerprint card
16 completed by a law enforcement agency, and \$22 fee; and (2) a list of all cars sold by Respondents
17 since 2007, while unlicensed by the Department, showing the customer’s name, date of sale, amount
18 of sale financed, and name of finance company. Respondents were also asked to provide a list of any
19 vehicles sold that RCAC financed.

20 9. On October 31, 2012, the Department sent follow-up email correspondence to
21 Respondents at rollingcarsautocenter@yahoo.com, stating, “Final Request. Application will be
22 rejected on November 10 if it is not complete.”

23 10. On November 30, 2012, the Department sent email correspondence to Mr. Gamez at
24 rollingcarsautocenter@yahoo.com informing him that as of that date the Department had not
25 received the requested requirements from Respondents, and consequently, the “applications are
26 incomplete.” The letter informed Mr. Gamez that the applications had been rejected, and that to

1 reapply would require resubmitting new applications and paying the required application fees. The
2 letter further stated, "Please remember you cannot transact business as a **Motor Vehicle Dealer &**
3 **Sales Finance** in Arizona without a license. Unlicensed activity is a violation of Arizona Revised
4 Statutes and is subject to civil money penalties of up to \$5,000 per day per violation."

5 11. On June 21, 2013, the Department's Examiner placed a phone call to Respondents at their
6 business number, 602-841-1299. The call was answered by an individual who stated that RCAC
7 would be open until 6:30 that night, indicating that Respondents were engaging in the business of a
8 motor vehicle dealer while unlicensed as such by the Department.

9 12. On July 8, 2013, the Department sent a letter to Respondents stating that the Department
10 had reason to believe that Respondents were engaged in the operation of a Motor Vehicle Dealer in
11 Arizona without the required motor vehicle dealer license. The Department gave Respondents an
12 opportunity to respond by July 24, 2013, to present relevant information and provide plans to
13 comply with licensing requirements.

14 13. On July 23, 2013, the Department received a notification from Respondents, addressed
15 "To Whom It May Concern" from "Rolling Cars Auto Center Inc Management" stating:

16 This letter is to inform you that Rolling Cars Auto Center Inc. is
17 no longer doing business. We have surrendered all licenses and
18 dealer plates to motor vehicles. Any and all mail sent to our above
address will be forwarded so please allow extra time if a response
is required. Thank you.

19 14. On July 25, 2013, a Department's Examiner noted that Respondents' website,
20 www.azrollingcars.com was still active. Further a call placed by the Examiner on that date to
21 Respondents' phone number, 602-841-1299, was answered by an individual who indicated that
22 RCAC was open until 6:30-7:00 p.m. that day, again indicating that Respondents were engaging in
23 the business of a motor vehicle dealer while unlicensed as such by the Department.

24 15. On August 13, 2013, a Department Examiner visited RCAC and received a Rolling Cars
25 Auto Center Inc. business card for the RCAC office manager.

26 16. On September 7, 2013, a Department examiner visited RCAC to look for a car and was

1 informed by Respondent, Mr. Gamez, that RCAC offered financing through Westlake Services,
2 LLC, an Arizona licensed sales finance company. During the visit, the Examiner was provided with
3 a copy of the Bill of Sale for a vehicle, and she noted the dealership name on the document was
4 listed as "AZ Real Deal Inc.," rather than listed as Rolling Cars Auto Center, Inc. Mr. Gamez
5 informed the Examiner that AZ Real Deal was another dealership "they" owned on Grand Avenue
6 and stated they had paperwork in both names.

7 17. Mr. Gamez is the Director and owner of AZ Real Deal, Inc., which holds Motor Vehicle
8 Dealer License, No. MVD-0924056 and Sales Finance Company License, Number SF-0924281, as
9 of June 20, 2013. AZ Real Deal was incorporated on March 31, 2013, and was approved by and
10 registered with the Arizona Corporation Commission on April 26, 2013. AZ Real Deal is licensed by
11 the Arizona Department of Transportation ("ADOT"), license number L00012332, at its location at
12 3918 Grand Avenue, Phoenix, and is also licensed by ADOT, license number L00012449, at the
13 RCAC location at 6353 W. Glendale Avenue, Glendale, AZ, under the name "AZ Real Deal Inc. dba
14 Rolling Cars." RCAC was formerly licensed by ADOT, license number L00012449, at the Glendale
15 Avenue location, under the name "Rolling Cars dba AZ Real Deal Inc." Neither the name "Rolling
16 Cars" nor the name "AZ Real Deal" is a Trade Name, registered with the Arizona Secretary of State.

17 18. Respondents sold at least three (3) or more motor vehicles on a non-cash basis annually,
18 while unlicensed by the Department as a motor vehicle dealer.

19 19. The website of the Arizona Department of Transportation ("ADOT")
20 <http://www.azdot.gov/mvd/MotorVehicleDealers/LicensedDealers.asp> and its brochure inform
21 applicants that dealers "selling on a non-cash basis may be required to obtain a motor vehicle sales
22 license from Arizona Department of Financial Institutions."

23 20. These Findings of Fact shall also serve as Conclusions of Law.

24 CONCLUSIONS OF LAW

25 1. Pursuant to Title 44, Chapter 2.1 of the Arizona Revised Statutes (A.R.S. § 44-281
26 *et seq.*), the Motor Vehicle Time Sales Disclosure Act, the Superintendent has the authority and duty

1 to regulate all persons engaged in the motor vehicle dealer business and with the enforcement of
2 statutes, rules, and regulations relating to motor vehicle dealers.

3 2. Pursuant to A.R.S. § 44-281(3), a person engages in business of a motor vehicle dealer if
4 that person “in any year sells on a noncash basis three or more motor vehicles at retail.”

5 3. The conduct of Respondents, as alleged above, constitutes that of engaging in the
6 business of a motor vehicle dealer in the State of Arizona without first having applied for and
7 obtained from the Department a motor vehicle dealer license pursuant to Chapter 2.1 of Title 44, in
8 violation of A.R.S. § 44-282(A).

9 4. Respondents do not meet any of the exemptions to the licensing requirements set forth in
10 A.R.S. § 44-282(J).

11 5. Pursuant to A.R.S. § 6-132, Respondents’ violations of the aforementioned statutes are
12 grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for each violation for
13 each day.

14 6. The violations of applicable laws, set forth above, constitute grounds for: (1) the issuance
15 of an order pursuant to A.R.S. § 6-137 directing Respondents to cease and desist from the violative
16 conduct and to take the appropriate affirmative actions, within a reasonable period of time prescribed
17 by the Superintendent, to correct the conditions resulting from the unlawful acts, practices, and
18 transactions; (2) the imposition of a civil monetary penalty pursuant to A.R.S. § 6-132; and (3) an
19 order or any other remedy necessary or proper for the enforcement of statutes and rules regulating
20 motor vehicle dealers pursuant to A.R.S. §§ 6-123 and 6-131.

21 **ORDER**

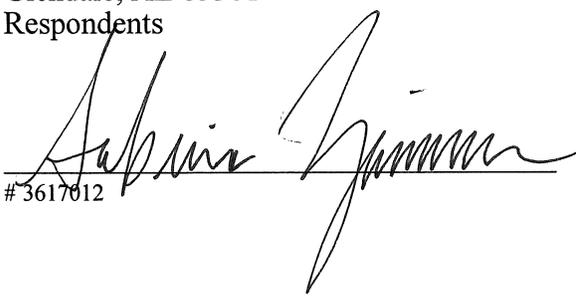
22 1. Respondents shall immediately stop the violations set forth in the Findings of Fact and
23 Conclusions of Law.

24 2. Respondents shall immediately stop all motor vehicle dealer activity in Arizona until
25 such time as Respondents have obtained a motor vehicle dealer license from the Superintendent as
26 prescribed by A.R.S. § 44-282.

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AND COPY MAILED SAME DATE by
Certified Mail, Return Receipt Requested, to:

Salvador A. Gamez, Director and Owner
Rolling Cars Auto Center Inc.
6353 W. Glendale Avenue
Glendale, AZ 85301
Respondents


#3617012