

1 **ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

2 In the Matter of the Unlicensed Activity of:

No. 10F-BD076-SBD

3 **ARIZONA VICTORY, INC. AND**
4 **MICHAEL W. SCHULTZ, PRESIDENT**
5 **AND OWNER**
13401 N. Cave Creek Rd.
Phoenix, AZ 85022-5135

CONSENT ORDER

6 Respondents.

7
8 On December 16, 2009, the Arizona Department of Financial Institutions (“Department”)
9 issued an Order to Cease and Desist; Notice of Opportunity For Hearing; Consent to Entry of Order,
10 alleging that Respondents had violated Arizona law. Wishing to resolve this matter in lieu of an
11 administrative hearing, Respondents consent to the following Findings of Fact and Conclusions of
12 Law, and consent to the entry of the following Order.

13 **FINDINGS OF FACT**

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

18 2. Respondent Michael W. Schultz (“Mr. Schultz”) is the President and Owner of Arizona
19 Victory, Inc. Mr. Schultz is not and was not at any time material herein authorized to transact
20 business in Arizona as a motor vehicle dealer within the meaning of A.R.S. §§ 44-281 *et seq.*

21 3. Neither Arizona Victory, Inc. nor Mr. Schultz is exempt from licensure as a motor
22 vehicle dealer within the meaning of A.R.S. § 44-282(G).

23 4. On April 20, 2009, the Department received a complaint filed against Arizona Victory,
24 Inc. The complainant disputed the fact that he owed money for a motorcycle as it was never
25 financed and never delivered.

26 5. On April 29, 2009, the Department sent Arizona Victory, Inc. a request to provide a

1 response to the complaint, and a listing of sales and finance companies that Arizona Victory, Inc. has
2 sold motor vehicle contracts to in the past 12 months, including ledgers providing the number and
3 dollar amount of all contracts purchased on a buy here/pay here basis.

4 6. On May 11 and May 25, 2009, the Department received faxed responses to the complaint
5 from Mr. Schultz stating that the complainant never received the bike and never paid any money; the
6 final paperwork was never submitted.

7 7. As of June 15, 2009, the Department had not received the documents requested. The
8 Department sent a Subpoena Duces Tecum on June 15, 2009 commanding Arizona Victory, Inc. to
9 produce the following information, set forth below, from March 3, 2006 through June 30, 2009
10 relating to Arizona Victory, Inc. in both hard copy and Excel format for: (1) 1102 N. Anita Ave,
11 Tucson, AZ 85705; and (2) 13401 N. Cave Creek Rd., Phoenix, AZ 85022; and additionally:

- 12 a. A list of all new motor vehicles sold categorized by type, month and year sold;
- 13 b. A list of all used motor vehicles sold categorized by type, month and year sold;
- 14 c. A list of all new and used motor vehicles that were financed on a non-cash basis
15 categorized by type, month, and year, including:
 - 16 i. the total dollar amount financed; and
 - 17 ii. the total purchase price and grand total;
- 18 d. A list of all transactions involving in-house financing, including:
 - 19 i. the name, address, and telephone number of all customers; and
 - 20 ii. the total amount financed and grand total; and
- 21 e. A list of all transactions involving financing (not in-house), including:
 - 22 i. The financial institution's or lender's name and address;
 - 23 ii. the name, address, and telephone number of all customers; and
 - 24 iii. the total amount financed and grand total.

25 8. On June 18, 2009 the Department received the certified mail receipt delivery signed by
26 M. Schultz.

1 activity in Arizona until such time as Arizona Victory, Inc. or Mr. Schultz has obtained a motor
2 vehicle dealer license from the Superintendent as prescribed by A.R.S. § 44-282.

3 2. Arizona Victory, Inc. and Mr. Schultz shall pay to the Department a civil money penalty
4 in the amount of **five thousand dollars (\$5,000.00)**. Arizona Victory, Inc. and Mr. Schultz are
5 jointly and severally liable for payment of the civil money penalty.

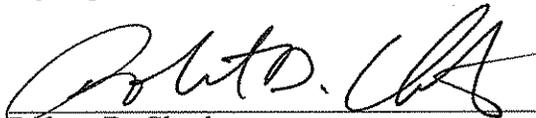
6 3. The provisions of this Order shall be binding upon Respondents, their employees, agents
7 and other persons participating in the conduct of the affairs of Respondents.

8 4. This Order shall become effective upon service, and shall remain effective and
9 enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated
10 or set aside.

11 SO ORDERED this 3 day of February, 2010.

12 Thomas L. Wood

13 Acting Superintendent of Financial Institutions

14 By 

15 Robert D. Charlton

16 Assistant Superintendent of Financial Institutions

17 **CONSENT TO ENTRY OF ORDER**

18 1. Respondents acknowledge that they have been served with a copy of the foregoing
19 Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, have read the
20 same, are aware of their right to an administrative hearing in this matter, and have waived the same.

21 2. Respondents admit the jurisdiction of the Superintendent and consent to the entry of the
22 foregoing Findings of Fact, Conclusions of Law, and Order.

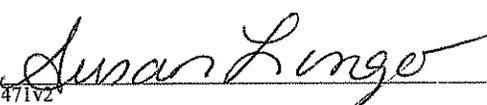
23 3. Respondents state that no promise of any kind or nature has been made to induce them to
24 consent to the entry of this Order, and that they have done so voluntarily.

25 4. Respondents agree to cease from engaging in the violative conduct set forth above in the
26 Findings of Fact and Conclusions of Law.

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

3 Michael W. Schultz, President
4 Arizona Victory, Inc.
5 13401 N. Cave Creek Rd.
6 Phoenix, AZ 85022-5135
7 Respondents

8 Michael W. Schultz, President
9 Arizona Victory, Inc.
10 1102 N. Anita Avenue
11 Tucson, AZ 85705

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14 #665471VZ

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