

1 **ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

2 In the Matter of the Unlicensed Activity of:

No. 12F-BD034-SBD

3 **MILLENNIUM AUTO SALES, LLC**
4 **DBA MILLENNIUM AUTO SALES**
5 **AND PAUL W. JONES, MEMBER**
4185 W. Kitty Hawk Lane
Chandler, AZ 85226

CONSENT ORDER

6 Respondents.

7 On October 20, 2011, the Arizona Department of Financial Institutions (“Department”)
8 issued an Order to Cease and Desist; Notice of Opportunity For Hearing; Consent to Entry of Order,
9 alleging that Respondent had violated Arizona law. Wishing to resolve this matter in lieu of an
10 administrative hearing, Respondents consent to the following Findings of Fact and Conclusions of
11 Law, and consents to the entry of the following Order.

12 **FINDINGS OF FACT**

13 1. Respondent Millennium Auto Sales, LLC (“Millennium Auto”) is an Arizona
14 corporation, doing business as Millennium Auto Sales, a trade name registered with the Arizona
15 Secretary of State, is not and was not, at any time material herein, authorized to transact business in
16 Arizona as a motor vehicle dealer within the meaning of A.R.S. §§ 44-281, *et seq.* The nature of
17 Millennium Auto’s business is that of a motor vehicle dealer within the meaning of A.R.S.
18 § 44-281(3).

19 2. Respondent Paul W. Jones (“Mr. Jones”) is the sole Member of Millennium Auto and is
20 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. Millennium Auto and Mr. Jones are not exempt from licensure as a motor vehicle dealer
23 within the meaning of A.R.S. § 44-282(J).

24 4. On July 27, 2011, Respondents submitted to the Department a notarized Motor Vehicle
25 Dealer License Application (the “Application”), which was completed and signed by Paul W. Jones,
26 and notarized on July 25, 2011. Question 9 of the Application discloses that Respondents sell retail

1 installment contracts to seven (7) banks and finance companies.

2 5. On August 25, 2011 the Department sent a letter to Respondents with an attachment,
3 requesting they provide further information and documentation to the Department by September 25,
4 2011, required in order to complete the processing of the Application. Among the items noted or
5 requested from Respondents was a request that the dba name be removed from the Application, as
6 Respondents did not have a trade name registered with the Arizona Secretary of State. Also
7 requested was further information regarding their answer of "1999" to the start date of the dealership
8 (Application, Question 4); completion of their Corporation Commission information (Application,
9 Question 5); and a copy of Respondents' license with Arizona Department of Transportation.

10 6. On September 21, 2011, the Department received from Respondents an Amended Page
11 One of their Motor Vehicle Dealer License Application, which was signed by Paul W. Jones as
12 "Amended 9/19/2011." Question 4 was amended to show the start date of the dealership as July
13 2006, and Question 5 was completed to show the required Arizona Corporation Commission
14 information. Also provided to the Department were copies of the Arizona Secretary of State Trade
15 Name Certification for Millennium Auto Sales, dated September 19, 2011, and Respondents' ADOT
16 Motor Vehicle Division License, effective July 11, 2006.

17 7. On September 21, 2011, Respondents also provided to the Department a written
18 explanation regarding why auto sales and customer data for the years prior to 2011 were unavailable
19 due to a 2009 burglary when their computers and server were stolen, as well as informing the
20 Department that they are unable to provide data from prior to 2011 because the application they used
21 to track inventory and manage their customer data was provided by a company that is no longer in
22 business and does not provide services to access the data.

23 8. On September 11, 2011, the Department also received from Respondents a list of motor
24 vehicles sold by Millennium Auto on a non-cash basis and the dollar amount financed. The list
25 disclosed that from January 2011 through August 19, 2011, Millennium Auto sold a total of thirty-
26 three (33) motor vehicles on a non-cash basis; specifically:

- a. During January 2011, Millennium Auto sold a total of four (4) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;
- b. During February 2011, Millennium Auto sold a total of three (3) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;
- c. During March 2011, Millennium Auto sold a total of eight (8) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;
- d. During April 2011, Millennium Auto sold a total of four (4) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;
- e. During May 2011, Millennium Auto sold a total of three (3) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;
- f. During June 2011, Millennium Auto sold a total of four (4) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;
- g. During July 2011, Millennium Auto sold a total of three (3) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;
- h. During August 2011, Millennium Auto sold a total of four (4) motor vehicles on a non-cash basis while unlicensed as a motor vehicle dealer;

9. These Findings of Fact shall also serve as Conclusions of Law.

CONCLUSIONS OF LAW

1. Pursuant to Title 6 and Title 44, Chapter 2.1 of the Arizona Revised Statutes (A.R.S. §§ 44-281 *et seq.*, the Superintendent has the authority and duty to regulate all persons engaged in the motor vehicle dealer business and with the enforcement of statutes, rules, and regulations relating to motor vehicle dealers.

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

3. The conduct of Millennium Auto and Mr. Jones, as alleged above, constitutes the conduct of engaging in the business of a motor vehicle dealer in Arizona, within the meaning of

1 A.R.S. § 44-281(3), without having first applied for and obtained from the Department a motor
2 vehicle dealer license under Chapter 2.1 of Title 44, in violation of A.R.S. § 44-282(A).

3 4. Neither Millennium Auto nor Mr. Jones meet any of the exemptions to the licensing
4 requirements set forth in A.R.S. § 44-282(J).

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

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

15 **ORDER**

16 1. Millennium Auto and Mr. Jones shall immediately stop all motor vehicle dealer activity
17 in Arizona until such time as Millennium Auto and Mr. Jones have obtained a motor vehicle dealer
18 license from the Superintendent as prescribed by A.R.S. § 44-282.

19 2. Millennium Auto and Mr. Jones shall immediately pay to the Department a civil money
20 penalty in the amount of **one thousand dollars (\$1,000.00)**. Millennium Auto and Mr. Jones are
21 jointly and severally liable for payment of the civil money penalty.

22 3. Millennium Auto and Mr. Jones shall comply with all Arizona statutes and rules
23 regulating Arizona motor vehicle dealers (A.R.S. § 44-281 *et seq.*).

24 4. The provisions of this Order shall be binding upon respondents, their employees, agents,
25 and other persons participating in the conduct of the affairs of Respondents.

26 5. This Order shall become effective upon service, and shall remain effective and

1 enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated,
2 or set aside.

3 SO ORDERED this 29th day of December, 2011.

4 Lauren Kingry
5 Superintendent of Financial Institutions

6
7 By: 
for Robert D. Charlton
8 Assistant Superintendent of Financial Institutions

9 **CONSENT TO ENTRY OF ORDER**

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

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

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

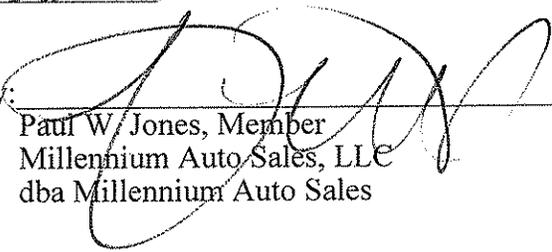
17 4. Respondents agree to immediately cease from engaging in the violative conduct set
18 forth in the Findings of Fact and Conclusions of Law.

19 5. Respondents acknowledge that the acceptance of this Agreement by the
20 Superintendent is solely to settle this matter and does not preclude this Department, any other agency
21 or officer of this state or subdivision thereof from instituting other proceedings as may be
22 appropriate now or in the future.

23 6. Paul W. Jones, on behalf of Millennium Auto Sales, LLC dba Millennium Auto Sales
24 and himself, represents that he is the sole Member, and that, as such, has been authorized by
25 Millennium Auto Sales, LLC dba Millennium Auto Sales to consent to the entry of this Order on its
26 behalf.

1 7. Respondents waive all rights to seek judicial review or otherwise to challenge or
2 contest the validity of the Cease and Desist Order.

3 DATED this 20 day of December, 2011.

4
5 By: 

Paul W. Jones, Member
Millennium Auto Sales, LLC
dba Millennium Auto Sales

6
7
8 ORIGINAL of the foregoing filed this 29th
9 day of December, 2011, in the office of:

10 Lauren W. Kingry
11 Superintendent of Financial Institutions
12 Arizona Department of Financial Institutions
13 ATTN: Sabrina Hampton
14 2910 N. 44th Street, Suite 310
15 Phoenix, AZ 85018

16 COPY mailed/delivered same date to:

17 Craig A. Raby, Assistant Attorney General
18 Office of the Attorney General
19 1275 West Washington
20 Phoenix, AZ 85007

21 Robert D. Charlton, Assistant Superintendent
22 Tammy Seto, Senior Examiner
23 Arizona Department of Financial Institutions
24 2910 N. 44th Street, Suite 310
25 Phoenix, AZ 85018

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

Paul W. Jones, Member
Millennium Auto Sales, LLC
dba Millenium Auto Sales
4185 W. Kitty Hawk Lane
Chandler, AZ 85226
Respondents


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