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ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

In the Matter of the Unlicensed Activity of:
**LUXOR AUTO GROUP, INC. AND
HAMID R. SALARI, PRESIDENT**
3220 North Scottsdale Road
Scottsdale, Arizona 85251
Respondents.

No. 12F-BD020-SBD
CONSENT ORDER

On September 29, 2011, the Arizona Department of Financial Institutions ("Department") issued an Order to Cease and Desist; Notice of Opportunity For Hearing; Consent to Entry of Order, alleging that Respondents had violated Arizona law. Following an informal settlement conference with the Department, Respondents wish to resolve this matter in lieu of an administrative hearing and consent to the following Findings of Fact and Conclusions of Law, and consents to the entry of the following Order.

FINDINGS OF FACT

1. Respondent Luxor Auto Group, Inc. ("Luxor Auto") is an Arizona corporation that is not authorized to transact business in Arizona as a motor vehicle dealer or a sales finance company within the meaning of A.R.S. § 44-281 *et seq.*
2. Respondent Hamid R. Salari ("Mr. Salari") is the President of Luxor Auto and is not authorized to transact business in Arizona as a motor vehicle dealer or a sales finance company within the meaning of A.R.S. § 44-281 *et seq.*
3. The nature of Luxor Auto's business, at all times material hereto, is that of a motor vehicle dealer within the meaning of A.R.S. § 44-281(3) and a sales finance company within the meaning of A.R.S. § 44-281(12).
4. Luxor Auto and Mr. Salari are not exempt from licensure as a motor vehicle dealer or a sales finance company within the meaning of A.R.S. § 44-282(J).
5. Between August 31, 1999 and September 17, 2003, Respondents were authorized to transact business in Arizona as a motor vehicle dealer under the license # 0903071 MVD. Between

1 September 12, 2001 and September 17, 2003, Respondents were also authorized to transact business
2 in Arizona as a sales finance company under the license # 0904413 SF.

3 6. Although Respondents' motor vehicle dealer and sales finance company licenses expired
4 on September 17, 2003 due to non-renewal, as of January 2006, Luxor Auto was operating as a
5 motor vehicle dealer and a sales finance company.

6 7. On or about January 19, 2006, the Department issued a Notice of Assessment due to
7 Luxor Auto's unlicensed activity. Luxor Auto consented to the assessment of the civil money
8 penalty on or about January 25, 2006, by paying the four thousand dollar penalty and returning a
9 signed consent order to the Department. Luxor Auto also submitted applications for motor vehicle
10 dealer and sales finance company licenses.

11 8. On March 2, 2006, the Department issued to Luxor Auto a motor vehicle dealer license #
12 0907628 MVD and a sales finance company license # 0907626 SF. Both licenses expired on
13 September 16, 2006 due to non-renewal.

14 9. On June 21, 2011, Respondents submitted to the Department a notarized Motor Vehicle
15 Dealer License Application # MVD - 0918607 (the "MVD Application") and a notarized Sales
16 Finance Company Application # SF - 0918608 (the "SF Application"), which were completed and
17 signed by Hamid R. Salari and notarized on June 20, 2011.

18 10. On July 26, 2011 the Department sent two letters to Respondents in response to its MVD
19 and SF Applications, requesting that further information and documentation be provided to the
20 Department by August 31, 2011, required in order to complete the Application.

21 11. On September 16, 2011, the Department received from Respondents information and
22 documentation showing that from October 2006 through September 2010, Luxor Auto directly
23 financed thirty-four (34) motor vehicles, selling at least three (3) or more motor vehicles on a
24 noncash basis annually, while unlicensed as a motor vehicle dealer. Further, Luxor Auto have been
25 creating and/or holding retail installment contracts from October 2006 through present that exceed a
26 total aggregate outstanding indebtedness of twenty-five (25) thousand dollars, while unlicensed as a

1 sales finance company.

2 12. These Findings of Fact shall also serve as Conclusions of Law.

3
4 CONCLUSIONS OF LAW

5 1. Pursuant to Title 6 and Title 44, Chapter 2.1 of the Arizona Revised Statutes (A.R.S.
6 §§ 44-281 *et seq.*, the Motor Vehicle Time Sales Disclosure Act, the Superintendent has the
7 authority and duty to regulate all persons engaged in the motor vehicle dealer and sales finance
8 company business and with the enforcement of statutes, rules, and regulations relating to motor
9 vehicle dealers and sales finance companies.

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

12 3. Pursuant to A.R.S. § 44-281(12)(b), a person engages in business of a sales finance
13 company if, among other things, that person "engage[s], in whole or in part, in the business of
14 creating or holding retail installment contracts that exceed a total aggregate outstanding indebtedness
15 of twenty-five thousand dollars."

16 4. The conduct of Luxor and Mr. Salari, as alleged above, constitutes the conduct of
17 engaging in the business of a motor vehicle dealer and a sales finance company in the State of
18 Arizona without having first applied for and obtained from the Department a motor vehicle dealer
19 and sales finance company licenses under Chapter 2.1 of Title 44, in violation of A.R.S. § 44-
20 282(A).

21 5. Neither Luxor Auto nor Mr. Salari meet any of the exemptions to the licensing
22 requirements set forth in A.R.S. § 44-282(J).

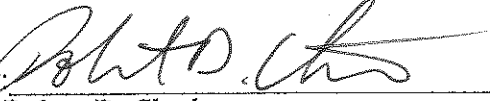
23 6. Pursuant to A.R.S. § 6-132, Respondents' violations of the aforementioned statutes are
24 grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for each violation for
25 each day.

26 . . .

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 24 day of October, 2011.

4 Lauren Kingry
5 Superintendent of Financial Institutions

6 By: 
7 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 the
14 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 them to
16 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 forth
18 above in the Findings of Fact and Conclusions of Law.

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

23 6. Failure to correct the violations set forth above in this Cease and Desist Order or any
24 future findings of repeat violations shall result in disciplinary action which may include a greater
25 civil money penalty.

26

1 Hamid R. Salari, President
Luxor Auto Group, Inc.
2 909 W. Main Street
Mesa, Arizona 85201
3 Respondents

4 RM Bobbie Rice
4224 E. Weldon Avenue
5 Phoenix, Arizona 85018
Statutory Agent for Respondents

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7 By: 
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