

OCCC CASE NO. L25-031

IN THE MATTER OF:	§	BEFORE THE
	§	
MASTER FILE NO.: 14406	§	OFFICE OF CONSUMER
CHOICE FINANCE INC.	§	
5617 FRANKFORD AVE.	§	CREDIT COMMISSIONER
LUBBOCK, TEXAS 79424	§	
	§	STATE OF TEXAS

AMENDED ORDER OF REVOCATION

The Office of Consumer Credit Commissioner (“OCCC”) issues this Amended Order of Revocation against Choice Finance Inc. (“Choice Finance”) based on the violations of law described below.¹

Statement of Facts and Law

Under Chapter 342 of the Texas Finance Code, a person must hold a regulated lender license issued by the OCCC in order to make, transact, or negotiate consumer loans at interest rates greater than 10%.²

Choice Finance is a regulated lender licensed by the OCCC under Chapter 342 of the Texas Finance Code. Choice Finance operates under master file number 14406 at one licensed location, under license number 55873. Choice Finance’s compliance officer is Ryan Herring, and its designated contact address is 5617 Frankford Ave., Lubbock, Texas 79424.

Under Chapter 342 and its implementing rules, a regulated lender must file annual reports with the OCCC.³ A regulated lender must comply with all instructions from the OCCC relating to submitting the report.⁴ The report is due by May 1 of each year for the prior calendar year’s loan activity.⁵

¹ Tex. Fin. Code §§ 14.208, 342.156.

² Tex. Fin. Code §§ 342.005, 342.051.

³ Tex. Fin. Code § 342.559; 7 Tex. Admin. Code § 83.835.

⁴ 7 Tex. Admin. Code § 83.835.

⁵ 7 Tex. Admin. Code § 83.835; https://occc.texas.gov/industry/regulated-lenders/annual_reports

Choice Finance did not file its 2019 annual report by the extended deadline of June 1, 2020. On October 12, 2020, the OCCC issued an Order to File Timely and Accurate Annual Reports against Choice Finance for failing to timely file its 2019 annual report.⁶ The order required Choice Finance to file its 2019 annual report and to timely file complete and accurate future reports. Choice Finance did not request a hearing on the order, and the order became final and enforceable. Choice Finance ultimately filed its 2019 annual report.

Choice Finance did not file its 2023 annual report by the deadline of May 1, 2024. On July 22, 2024, the OCCC issued an Order Imposing Administrative Penalty against Choice Finance for failing to timely file its 2023 annual report. The Order required Choice Finance to file its 2023 annual report and pay a \$500 administrative penalty within 30 days of the date of the order.⁷ The order became final and enforceable.

As of the date of this Order, Choice Finance has not filed its 2023 annual report and has not paid the \$500 administrative penalty, as required by the OCCC's July 2024 Order Imposing Administrative Penalty.

Authority

If the Consumer Credit Commissioner ("Commissioner") has reasonable cause to believe that a person is violating Chapter 342 of the Texas Finance Code, the Commissioner may issue an order to cease and desist from the violation, to take affirmative action, or both to ensure compliance.⁸ If a regulated lender violates an injunction, then the Commissioner may impose an administrative penalty up to \$1,000 per day of the violation.⁹

The Commissioner may revoke a regulated lender license if: (1) the license holder, knowingly or without exercise of due care, violates Chapter 342, a rule adopted under Chapter 342, or an order issued under Chapter 342; or (2) a fact or condition exists that, if it had existed or had been known to exist at the time of the original application for the license, clearly would have justified the Commissioner's denial of the application.¹⁰

⁶ OCCC case no. L21-00014.

⁷ OCCC case no. L24-00078.

⁸ Tex. Fin. Code § 14.208(a).

⁹ Tex. Fin. Code § 14.208(c).

¹⁰ Tex. Fin. Code § 342.156.

By failing to timely file its 2019 and 2023 annual reports, Choice Finance violated Chapter 342 of the Texas Finance Code and its implementing rules. By failing to timely file its 2023 annual report, Choice Finance violated the OCCC's Order to File Timely and Accurate Annual Reports issued on October 12, 2020. By failing to file its 2023 annual report and pay the \$500 administrative penalty, Choice Finance violated the OCCC's Order Imposing Administrative Penalty issued on July 22, 2024. These violations were committed knowingly or without exercise of due care. These violations would have justified denial of Choice Finance's original license application, if these violations had existed or been known to exist at the time of the license application.

For these reasons, the Commissioner issues this Amended Order of Revocation.

Order

IT IS ORDERED that:

1. The regulated lender license of Choice Finance Inc., master file number 14406, license number 55873, is REVOKED.
2. Choice Finance must cease and desist making, transacting, or negotiating loans under Chapter 342 of the Texas Finance Code.
3. Choice Finance must cease and desist contracting for, charging, or receiving, directly or indirectly, in connection with a loan under Chapter 342 of the Finance Code, any charge, including interest, compensation, consideration, or another expense.
4. Choice Finance must cease and desist entering new motor vehicle retail installment transactions, if it has done so.
5. Choice Finance must cease and desist collecting payments on motor vehicle retail installment transactions, if it has done so.
6. Choice Finance must cease and desist repossessing collateral including motor vehicles and must cease and desist selling any collateral that it has repossessed.

7. **No later than 30 days after the date of this Order**, Choice Finance must perform a self-review and identify each outstanding loan under Chapter 342 of the Texas Finance Code.
8. **No later than 30 days after the date of this Order**, for each outstanding loan under Chapter 342, Choice Finance must do one of the following:
 - a. assign the loan to another person who holds a license under Chapter 342 or is otherwise authorized to make loans under Chapter 342; or
 - b. refund all interest on the loan down to an effective annual interest rate of 10%.
9. **No later than 30 days after the date of this Order**, Choice Finance must perform a self-review and identify each outstanding motor vehicle retail installment transaction, including each sale of a motor vehicle for which Choice Finance is accepting payments or holds a lien.
10. **No later than 30 days after the date of this Order**, for each outstanding motor vehicle retail installment transaction, Choice Finance must do one of the following:
 - a. assign the transaction to another person who holds a license under Chapter 348 or is otherwise authorized to hold retail installment contracts under Chapter 348; or
 - b. cease collecting any payments and release any lien.
11. **No later than 30 days after the date of this Order**, Choice Finance must create a spreadsheet labeled "L25-031_ChoiceFinanceInc." The spreadsheet must list each transaction for which Choice Finance provided refunds, and each transaction that Choice Finance assigned to another person. The spreadsheet must include a row for each consumer and the following columns:
 - a. Account number
 - b. First and last name of consumer
 - c. Date of loan or retail installment transaction
 - d. Dollar amount of interest
 - e. Dollar amount of interest refunded to the consumer
 - f. Date of the refund
 - g. Date on which Choice Finance released the lien, if applicable
 - h. Date of the release of lien

- i. Name of any person that Choice Finance assigned the transaction to, if applicable
12. **No later than 30 days after the date of this Order**, Choice Finance must send a copy of the spreadsheet to the OCCC. The spreadsheet must be sent by email to Vivek Vedanarayanan at vivek.vedanarayanan@occc.texas.gov.
13. Choice Finance must retain transaction records for each loan or other credit transaction, including copies of any refund checks and any ledgers showing account credits, until the later of the following:
 - a. the fourth anniversary of the date of the transaction; or
 - b. the second anniversary of the date on which the final entry is made in the record.
14. Choice Finance must allow the OCCC to investigate its records to verify compliance with this Order. If the OCCC requests any information regarding a loan or credit transaction, Choice Finance must provide the requested information within five days.
15. The Order of Revocation issued by the OCCC against Choice Finance on November 20, 2024, is withdrawn and replaced by this Amended Order of Revocation.

Violation of Order

If you violate this Order, the OCCC may impose an administrative penalty of up to \$1,000 for each day.¹¹

Right to Request Hearing

You have the right to request a hearing regarding this Order.¹² To request a hearing, you must send a written hearing request to the OCCC no later than 30 days after the date of this Order.¹³ You must send your request to Vivek Vedanarayanan, Assistant General Counsel, by mail to 2601 N. Lamar Blvd., Austin, TX 78705, or by email to vivek.vedanarayanan@occc.texas.gov.

¹¹ Tex. Fin. Code § 14.208(c).

¹² Tex. Fin. Code §§ 14.208(b), 342.156.

¹³ Tex. Fin. Code §§ 14.208(b), 342.156.

If you request a hearing, a hearing will be set and conducted in accordance with Chapter 2001 of the Texas Government Code.¹⁴ If you fail to request a hearing by this deadline, the Order will be considered final and enforceable.¹⁵

All communications with the OCCC concerning this matter must be through Vivek Vedanarayanan, Assistant General Counsel, who may be contacted by mail at 2601 N. Lamar Blvd., Austin, TX 78705, by telephone at 512-936-7623, or by email to vivek.vedanarayanan@occc.texas.gov.

Signed this 20th day of December, 2024.

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

¹⁴ Tex. Fin. Code §§ 14.208(b), 342.156.

¹⁵ Tex. Fin. Code §§ 14.208(b), 342.156.

CERTIFICATE OF SERVICE

I certify that on December 20, 2024, a true and correct copy of this Amended Order of Revocation has been sent to Choice Finance Inc. by the following:

Choice Finance Inc.
Attn: Ryan Herring,
Compliance Officer
5617 Frankford Ave.
Lubbock, TX 79424
ryan.herring@ezautotx.com

- email
- eFileTexas.gov electronic service
- regular mail
- certified mail, return receipt requested
#9214 8901 9403 8300 0092 6434 36

Choice Finance Inc.
Attn: Ryan A. Herring,
Registered Agent
5511 105th St.
Lubbock, TX 79424
ryan.herring@ezautotx.com

- email
- eFileTexas.gov electronic service
- regular mail
- certified mail, return receipt requested
#9214 8901 9403 8300 0092 6434 43

/s/ Vivek V. Vedanarayanan
Vivek V. Vedanarayanan
Assistant General Counsel
Office of Consumer Credit Commissioner
State Bar No. 24127068
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