

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

In The Matter Of:)
)
 Sherman, Clay & Co.) **Docket No. 15-21-B**
 d/b/a AllWell)
)

STIPULATION AND CONSENT AGREEMENT

Background

1. The Commissioner of the Vermont Department of Financial Regulation is charged with administering and enforcing Vermont law as it pertains to sales finance companies doing business in the State of Vermont. 8 V.S.A. Chapters 1 and 73.
2. Sherman, Clay & Co. d/b/a AllWell ("Sherman Clay") is an Indiana corporation with its principal place of business in San Bruno, California.
3. In connection with Sherman Clay's application for a Vermont sales finance company license, the Department received a March 18, 2015 letter from Sherman Clay indicating that between approximately November 27, 2012 and September 15, 2014 Sherman Clay acted as a sales finance company in Vermont through its AllWell financing line.
4. Sherman Clay does not hold a sales finance company license as required by 8 V.S.A. §2201(a)(1)(4).
5. The Department has alleged that Sherman Clay violated 8 V.S.A. §2201(a)(1)(4) by engaging in sales finance company activities in Vermont without a license.
6. The Department has also alleged that this is a repeat violation by Sherman Clay. In January 2009 Sherman Clay entered into a Stipulation and Consent Order with the Department to resolve unlicensed sales finance company activity in Vermont. See DFR Docket No. 09-004-B.

7. Sherman Clay has not admitted any violation of Vermont law and has denied any intentional wrongdoing on its part.

8. The parties wish to resolve this matter without further administrative or judicial proceedings.

9. Sherman Clay and the Department expressly agree to enter into this Stipulation and Consent Agreement in full and complete resolution of the alleged violations described in paragraphs 5 and 6.

Stipulation and Agreement

Sherman Clay and the Department hereby stipulate and agree as follows:

10. Although Sherman Clay does not admit the Department's allegations; Sherman Clay does not dispute the facts establishing the Department's jurisdiction over Sherman Clay in this matter.

11. Sherman Clay shall pay an administrative penalty to the Department in the amount of \$26,000.00, which payment shall be made on or before July 24, 2015.

12. Sherman Clay shall not engage in sales finance company activities in Vermont without first obtaining a Vermont sales finance company license.

13. Sherman Clay shall establish policies and procedures to ensure that it does not engage in sales finance company activities in Vermont without a license.

14. The execution of this Stipulation and Consent Agreement, in and of itself, shall not prohibit Sherman Clay from filing an application with the Department for a sales finance company license.

15. In the event Sherman Clay fails to comply with any provision or condition of this Stipulation and Consent Agreement, the Commissioner may, upon submission of a request from

the Banking Division of the Department, issue an Order imposing additional administrative penalties, and ordering any other available remedy. The Department's failure to exercise this option shall not constitute a waiver of the right to exercise such option at any other time.

16. The Department shall retain continuing jurisdiction in this matter until Sherman Clay has complied with the terms and conditions of this Stipulation and Consent Agreement.

17. This Stipulation and Consent Agreement shall not prevent any person from pursuing any claim or defense such person may have against Sherman Clay.

18. Nothing contained in this Stipulation and Consent Agreement shall restrain or limit the Department in responding to and addressing any actual complaint filed with the Department involving Sherman Clay, and the Department reserves the right to pursue restitution or any other remedy in connection with any actual complaint filed with the Department.

19. Sherman Clay knowingly and voluntarily waives any right it may have to judicial review by any court of these matters by way of suit, appeal, or extraordinary relief resulting from entry of this Stipulation and Consent Agreement.

ORDER

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

20. Sherman Clay shall comply with all agreements, stipulations, and undertakings as recited in this Stipulation and Consent Agreement.

21. Sherman Clay shall pay an administrative penalty to the Department as described above, which payment shall be made on or before July 24, 2015.

22. In the event Sherman Clay fails to pay the administrative penalty to the Department or otherwise fails to comply with any other term or condition of this Stipulation and Consent Agreement, the Commissioner may, upon submission of a request from the Banking Division of

the Department, issue an Order imposing additional administrative penalties, and ordering any other available remedy. The Department's failure to exercise this option shall not constitute a waiver of the right to exercise such option at any other time.

23. This Order shall not prevent any person from pursuing any claim he or she may have against Sherman Clay.

24. Nothing contained in this Order shall restrain the Department from responding to and addressing any complaint involving Sherman Clay filed with the Department or shall preclude the Department from pursuing any other violation of law.

25. This Order shall not be construed as an adjudication of any violation of any Vermont law or federal law, except as specifically set forth herein.

Vermont Department of Financial Regulation

Susan L. Donegan
Susan L. Donegan, Commissioner

Dated this 15th day of July, 2015

CONSENTED AND AGREED TO:

Sherman, Clay & Co. d/b/a AllWell

By: Cecilia Bertoldi
(Print Name: Cecilia Bertoldi)
Title: CFO

Dated this 9 day of July, 2015

STATE OF California) SS
COUNTY OF San Mateo)

On the 9 day of July 2015, personally appeared Cecilia Bertoldi, being the CFO and duly authorized representative of **Sherman, Clay & Co.** signer of the foregoing Stipulation and Consent Agreement and acknowledged the same to be his/her free act and deed and the free act and deed of **Sherman, Clay & Co.**

Before me, Victoria Greenblat, Notary Public

My commission expires 4/19/2019

