

**UNITED STATES OF AMERICA
BEFORE THE CONSUMER FINANCIAL PROTECTION BUREAU**

**Administrative Proceeding
File No. 2016-CFPB-0021**

In the Matter of:

Presto Auto Loans, Inc.,

Respondent.

**MOTION TO EXTEND TIME TO
ANSWER NOTICE OF CHARGES &
HOLD SCHEDULING CONFERENCE**

**MOTION TO EXTEND TIME
TO ANSWER NOTICE OF CHARGES & HOLD SCHEDULING CONFERENCE**

Respondent, Presto Auto Loans, Inc. ("Respondent" or "Presto"), respectfully moves the Hearing Officer for an order (1) granting Respondent an extension of the time by which Respondent may answer the plaintiff Consumer Financial Protection Bureau's ("CFPB" or "Plaintiff") Notice of Charges by fourteen (14) days, and (2) extending the time for holding a scheduling conference by fourteen (14) days, and as cause therefore states:

1. Plaintiff filed the Notice of Charges in this matter on September 20, 2016, naming Presto as Respondent.

2. The Notice of Charges was served on Respondent via UPS on September 22, 2016. Pursuant to Sections 201 and 203 of the CFPB's Rules or Practice for Adjudication Proceedings, 12 C.F.R. § 1081, a Respondent's response to the Notice of Charges must be filed no later than fourteen ten (14) days after service of the Notice, and a scheduling conference must be held within twenty (20) days after service of the Notice. Therefore, Respondent's response to the Notice of Charges is due on or before October 6, 2016, and the scheduling conference is due to be held by October 12, 2016.

3. Respondent was not contacted by Plaintiff before being served with the Notice of Charges. Therefore, Respondent has had to quickly hire counsel and begin compiling documents and information relevant to the allegations in the Notice of Charges. At the same time, the parties have begun discussions towards a possible settlement of this matter, and Enforcement Counsel have asked Respondent to produce information to aid them in formulating a settlement proposal.

4. The factors set forth in 12 CFR § 1081.115 all weigh in favor of an extension. First, the proceeding has just begun, and, because there was no prior contact between Plaintiff and Respondent, Respondent had no opportunity to begin preparing its defenses or pursue a settlement. Second, Respondent has not requested any extensions to date. Third, the parties are at an ideal stage in the proceedings to discuss settlement because neither the parties nor the Hearing Officer have had to expend significant resources yet. Fourth, a fourteen (14) day extension would not significantly affect the Hearing Officer's ability to complete the proceeding within the time specified by 12 C.F.R. § 1081.400(a). Should this case proceed to trial, Respondent expects that discovery and the trial itself could be completed relatively expeditiously. In addition, the extension sought is within the time limit of extensions generally permitted by the rules. *See* 12 C.F.R. § 1081.115(c) (stating that "extensions of time for filing papers shall not exceed 21 days"). Finally, Respondent is a small company, and having to expend the resources necessary to engage in settlement negotiations while simultaneously pursuing the litigation would create a substantial burden that might well be avoided by granting the extensions requested. Although negotiations are at an early stage, Respondent believes there is a reasonable chance to resolve this matter without litigation.

5. Counsel for Respondent conferred with Enforcement Counsel before filing this motion, and Enforcement Counsel indicated they would not oppose the extensions requested herein.

WHEREFORE, the undersigned respectfully requests that this Court extend (1) the period of time to respond to the Notice of Charges by fourteen (14) days to **October 20, 2016**, and (2) the time within which to hold the scheduling conference by fourteen (14) days to **October 26, 2016**.

Dated: September 30, 2016

Respectfully submitted,

/s/ Erik M. Kosa

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*Attorneys for Respondent Presto Auto
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MEET AND CONFER STATEMENT

On September 28, 2016, counsel for Respondent, Presto Auto Loans, Inc., conferred with counsel for the Consumer Financial Protection Bureau (“Enforcement Counsel”) pursuant to 12 C.F.R. § 1081.205(f) about seeking the extension requested in this motion. Enforcement Counsel stated that they do not oppose this motion.

Dated: September 30, 2016

Respectfully submitted,

/s/ Erik M. Kosa

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*Attorneys for Respondent Presto Auto
Loans, Inc.*

Certificate of Service

I hereby certify that on the 30th day of September, 2016, I caused a copy of the foregoing to be filed by electronic transmission (email) with the Office of Administrative Adjudication (CFPB_electronic_filings@cfpb.gov) and served on the following parties who have consented to electronic service:

Rebecca Coleman, Esq.
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/s/ Erik M. Kosa _____

Erik M. Kosa