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Dennis G. Weldon, Jr., Esquire
Philadelphia Parking Authority
3101 Market St., 2nd fl.
Philadelphia, PA 19104

Honorable Silvan B. Lutkewitte, III, Chairman
Independent Regulatory Review Commission
333 Market St., 14th fl.
Harrisburg, PA 17101

Re: Proposed changes to 52 Pa. C.S. § 1027.5 Agreement of Sale

Gentlemen: Attached please find comments on behalf of Money max Funding, Inc. of Pennsylvania regarding the proposed regulation by the Philadelphia Parking Authority.

The proposed regulation will require that the agreement of sale for the rights at issue be executed and filed with the Authority at the time the actual regulatory transfer of rights request is filed with the Authority. (§§ 1027.5 and 1059.4).

The Philadelphia Parking Authority submits that;

The current regulations contain no guidance on this point, which has resulted in execution and filing of agreements of sale, although formal transfer filings are delayed, often by months. That delay results in confusion among the parties, the public and regulatory authorities as to who is operating the rights. This confusion has also resulted in litigation between regulated parties who dispute the intent to sell after agreements of sale are entered, but before formal transfer applications are filed. The certainty this simple timing requirement will make will benefit the entire industry by reducing or eliminating the current state of uncertainty. This proposed regulation does not create a new filing requirement; it simply requires that the documents be filed simultaneously.

I agree with the Authority that there may be confusion and at times conflict between a buyer and seller and the brokers responsibility to both in regards to the present climate and conditions of how transfers are presently done.

However, I disagree with the Authority that the agreement of sale is the reason for the lack of clarity.

1. The agreement of sale between the buyer and the seller is an important tool for the broker to efficiently complete the process.
2. The agreement of sale is a binding instrument between the buyer and the seller.
3. The Broker is registered with the Authority
4. The Broker is trained and tested by the Authority on the procedures and guidelines on how to complete and submit a transfer of a medallion(s).

5. An agreement to buy and most importantly in the present climate (seller's market) a seller who wants to sell. Both have to in point commit to one another in to have a successful transfer of a medallion(s)
6. An agreement must be made before any documents even begin, never mind completed or submitted.

Though the definition of a Broker is not in the regulation the purpose and scope does suffice;

§ 1029.1. Purpose.

(a) This chapter establishes and prescribes Authority regulations and procedures for the registration of individuals as brokers for the sale and transfer of medallions and certificates. Unless the context indicates otherwise, the provisions of this chapter apply to the sale of certificates of public convenience or medallions as provided by this subpart and Subpart C (relating to limousines).

(b) An individual authorized to act as a broker by the Authority on December 3, 2011, shall immediately comply with this chapter before the first registration renewal required under § 1011.3 (relating to annual rights renewal process).

The Broker is the responsible party in this matter, a responsibility given by the Authority;

§ 1029.2. Use of broker.

(a) A broker shall be used by the parties to the sale of rights, except as provided in § 1029.3 (relating to use of attorney). A single broker may represent both parties in a transaction. The Authority will maintain a list of brokers, which may be obtained at www.philapark.org/tld.

(b) A person may not act as a broker without having been registered by the Authority under this chapter.

Other than an agreement of sale, there are other binding documents that describes any information needed for the buyer and seller that clearly points out the details in the agreement.

Including PPA form: "Broker letter of representation and PPA form: "Broker agreement addendum. These instruments were put into place to protect all parties. If we think about it, it's not amending the regulation/law that is in question; it may only be the procedure.

I think it is very easy to resolve this issue without amending the regulations/law;

1. It is absolutely necessary that there is an agreement of sale that is in place before a broker can move forward in any sale transaction including submitting a transfer application to the Authority.
2. Seller or buyer or both sign an agreement with the broker (Broker-Letter Of Representation).
3. Broker amendment letter detailing the facts of the agreement in the transaction.
4. These three documents could/should be submitted to the Authority once the broker finds a buyer for the seller or the seller for the buyer doesn't matter. However, all of the above should have a mandatory time restriction unless agreed otherwise by either party.

The agreement of sale is a contract duly executed and legally binding with the language or instrument embodying such a contract. This agreement gives the Broker confidence and the latitude to move forward with the sale or transfer of a medallion(s) before an application is submitted. The fear or incentive to find a buyer or seller by the Broker without a binding agreement by either party is the fact that one or both may back out of the arrangement before or even after the application is submitted. You must understand the Broker invest time, money, and energy in the sale or transfer of the medallion(s).

At this time brokers are sending the seller to the offices of the PPA (the Authority) to sign an agreement of sell in front of the staff and/or administrator. The seller and the broker are aware that the medallion is for sale. Six month later the medallion hasn't been sold or the application has not been submitted. PPA says ask your broker. The broker gives the seller an excuse why he/she hasn't completed the transaction.

Seller wants to back out. However, the broker feels confident that because the agreement of sale was signed at the offices of the PPA (The authority) and the PPA is aware of the signed agreement; it is presumed that the seller has no rights.

In return the PPA tells the complainant to take the argument to court. Whatever is the court's decision, the PPA will honor that decision. If there is a judgment the PPA will honor that judgment.

To me if you sign in front of the PPA or not or if you sign an agreement of sale along with the application or not the results are still the same if there is a default or the buyer or the seller backs out at the last minute, it will eventually reach the courts if dispute is not resolved. The Authority will honor the decision of the courts.

I think we are all on the same page in our efforts to make the transfer or sale of a medallion(s) to move through the process without incident. And again I feel it is unnecessary to amend the regulation/law when the procedure is really the matter in question.

Sincerely,



Simon Abitbol
Money Max Funding, Inc.