STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

In The Matter Of:

BOB FOX, AUTO SALES, LLC.
BOB FOX, INC., ROBERT FOX
and MARGO FOX,

Respondents.

_____/

File No. 06-47-CZ

Hon. Beverly Nettles-Nickerson

AG File No. 200500109

ASSURANCE OF DISCONTINUANCE

MICHAEL A. COX
ATTORNEY GENERAL

Nancy A. Piggush (P28801)
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Consumer Protection Division
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Lansing, MI 48909
(517) 335-0855

Dated Filed: May 19, 2006

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
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In The Matter Of:

BOB FOX AUTO SALES, LLC
BOB FOX, INC., ROBERT FOX
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ASSURANCE OF DISCONTINUANCE

This Assurance of Discontinuance ("Assurance") concerns the resolution of alleged violations of the Michigan Consumer Protection Act (the "MCPA"), MCL 445.901 et seq. and the Rental-Purchase Agreement Act (the "R-PAA"), MCL 445.951 et seq. by Respondents, Bob Fox Auto Sales, LLC, Bob Fox, Inc., Robert Fox and Margo Fox (jointly "Respondents"). Respondents agree not to contest: (a) the authority of the Department of Attorney General (sometimes also referred to as "Department") to execute this Assurance; or (b) any terms or conditions set forth herein.

The entrance into this Assurance by Respondents is neither an admission of liability with respect to any issue dealt with in this Assurance nor is it an admission or denial of any factual allegations or legal conclusions stated, and this Assurance shall not be construed otherwise. The parties agree that the terms and conditions of the Assurance are fair, reasonable and consistent with the public interest and the doctrines of applicable law.

I. JURISDICTION

The Ingham County Circuit Court has jurisdiction over the subject matter of this action pursuant to MCL 445.905(1) and MCL 445.959(1), and personal jurisdiction over Respondents for the enforcement of this Assurance. Respondents waive all objections and defenses they may have as to jurisdiction or venue.

II. PARTIES BOUND

2.1 This Assurance shall apply to and be binding upon Respondents, their officers, board members, agents, employees and successors. Respondents are responsible for compliance with the terms of this Assurance, and shall ensure that all of their agents, servants employees, officers, principals and those acting in concert are, at all times, in compliance with the terms and conditions of this Assurance.

2.2 The signatories to this Assurance certify they are authorized to execute and legally bind the parties they represent.

III. DEFINITION

Unless otherwise specified the following shall apply:

3.1 "Accounting" means a list, provided by Respondents, stating all amounts Respondents charged a consumer for any Transfer Transaction and all amounts the consumer paid. The Accounting shall include the total amount charged, and the balance due, and shall include and describe the nature of each charge made, the date each charge was made, the amount of each payment made, and the date the payment was made.

3.2 "Assurance" means this Assurance and any attached Exhibits or Appendixes.

3.3 "Attorney General" means Michael A. Cox, Attorney General of the State of Michigan, on behalf of the People of the State of Michigan. The Attorney General is sometimes also referred to as the "Department of Attorney General" or "Department."

3.4 "Completed Transfer Transaction" means a Transfer Transaction that a consumer has completed payment for and Respondents have fully performed.

3.5 "Compliant Transfer Transaction" is any agreement Respondents entered with a Consumer that complies with Michigan law or the laws of another state, and federal law, as applicable to the Consumer. The Consumer or the Respondents shall promptly notify the Attorney General of any dispute about whether an agreement is a Compliant Transfer Transaction.

3.6 "Consumer" or "person" means any person, natural person, individual, governmental agency or entity, partnership, corporation, trust, estate, incorporated or unincorporated association, and any other legal or commercial entity however organized. It includes any former, present, or future customer of any Respondents.

3.7 "Day" means a calendar day.

3.8 "Effective Date of this Assurance" "Entry of this Assurance," or "Entry" means the date this Assurance is filed with the Ingham County Circuit Court.

3.9 "Executory Transfer Transaction" means an existing Transfer Transaction containing any term or terms of performance that must be completed by any party to the Transfer Transaction; provided, however, any Fees Respondents charged shall not be computed in determining the balance owed for any Executory Transfer Transaction.

3.10 "Fee" means any "administration fee;" "repossession fee;" "storage fee;" "surcharge;" "charge in connection with odometer breakdown;" "carrying charge;" "vehicle pick up fee;" or any fee or charge Respondents imposed or collected if such fees were not authorized

by statute or were not awarded by a court order specifically requiring payment of the fee or charge; and any other fee or charge Respondents imposed or collected that was not authorized by statute. Fees do not include any fee or tax paid to the State of Michigan by Respondents.

3.11 "Good Faith" means honesty in fact in any dealing, conduct or transaction that any party to this Assurance, any Consumer, any Respondent or any other person is required to do or to refrain from doing under the terms of this Assurance. Respondents, Consumers and other persons must govern their respective conduct so as to act with an honest belief, the absence of malice, and the absence of design to defraud or to seek an unconscionable advantage. Further, Respondents are required to perform all obligations owed to any Consumer by that conduct which is free from recklessness, negligence, indifference, arbitrariness, or an intentional disregard of the interests of Consumers.

3.12 "Member" means a member of the Michigan State Bar Association who is licensed and in good standing with the Bar.

3.13 "Parties" means the Attorney General and the Respondents.

3.14 "Payment," means payment in money, goods, or services. Payment includes but is not limited to, money payment, motor vehicle trade-ins or other tangible personal property items traded to Respondents by or on behalf of a Consumer. The Attorney General shall finally determine any dispute that might arise as to any Payment.

3.15 "Post-Assurance Consumers" means any Consumer who submits a complaint to the Attorney General within 120 days after the Entry of this Assurance or who submitted a complaint to the Secretary of State at any time from October 9, 2003 to 120 days after the Entry of this Assurance.

3.16 "Pre-Assurance Consumers" means any Consumer who, before Entry of this Assurance, submitted a complaint against any Respondent to the Attorney General. See

Appendix A of this Assurance listing the names, last known addresses, and Rental Agreement or Purchase Agreement Number for the current Pre-Assurance Consumers.

3.17 "Respondents" means Bob Fox Auto Sales, LLC, Bob Fox, Inc., Robert D. ("Bob") Fox and Margo Fox. Respondents include the agents, attorneys, servants, employees, and sales representatives of each of the Respondents named in the caption to this Assurance.

3.18 "Substitute" means any motor vehicle Respondents provided to a Consumer instead of the Vehicle the Consumer agreed to accept in the Consumer's initial Transfer Transaction.

3.19 "Transfer Transaction" means any agreement of any Respondent with any Consumer by which Respondents agreed to transfer to a Consumer a motor vehicle in exchange for the payment of money, goods, or services. A Transfer Transaction includes but is not limited to, cash purchase agreements, motor vehicle installment sale contracts (as defined by Section 2 of the Motor Vehicle Sales Finance Act (MVSFA), MCL 492.102-9 et seq.), or any other written agreement for lease, rental or sale of a motor vehicle. A Transfer Transaction includes any agreement wherein Bob Fox Auto Sales LLC operated under any other name (or acted with any other person or business entity) from October 9, 2003 to 120 days after the Entry of this Assurance. A Transfer Transaction includes and implies completed performance of all required state or federal governmental documentation and payments, including but not limited to, the making of and signing for all verifications, applications, transfers, registrations, licensures, titles, assignments, the payment of all taxes and fees and the execution and completion of all other similar requirements.

3.20 "Vehicle" means any motor vehicle that was the subject of a Transfer Transaction.

IV. STATEMENT OF PURPOSE

In entering into this Assurance, the mutual objective of the Attorney General and Respondents is to resolve, without litigation, issues arising under the MCPA and the R-PAA in connection with Respondents' motor vehicle sales, rentals, or other Transfer Transactions and their contracts and agreements for such sales, rentals or other Transfer Transactions of motor vehicles to consumers at any time from the date of formation of Bob Fox Auto Sales, L.L.C. to the Effective Date of this Assurance.

V. IMPLEMENTATION OF COMPLIANCE MEASURES

5.1 Respondents shall immediately comply with all applicable provisions of the MCPA, the R-PAA, and the MVSFA, including but not limited to immediately ceasing engaging in any method, act or practice that falsely represents to any consumer that:

A. Respondents' agreements comply with the requirements of the R-PAA.

B. Respondents' motor vehicle sales contracts comply with the requirements of the MVSFA.

C. Respondents' representations, advertisements, agreements and other documents comply with the requirements of the MCPA.

D. Respondents have any interest in or own any sole proprietorship, partnership, corporation or other business entity (of any form) connected or represented as connected with Respondents.

5.2 Respondents shall immediately cease any method, act, or practice that violates any requirement of the MCPA, the R-PAA, the MVSFA, and the Michigan Vehicle Code ("MVC"), MCL 257.1 et seq.

5.3 Upon the Entry of this Assurance Respondents shall:

A. Provide and transfer to Consumers the Vehicle Respondents agreed to provide.

B. Upon the Consumer's request, provide the Consumer an Accounting for any Transfer Transaction the Consumer negotiated with Respondents.

C. Commence compliance pursuant to the terms of the Assurance.

5.4 Respondents shall not transfer a Substitute to a Consumer unless:

A. The Consumer voluntarily agrees to the Substitute in a signed writing; and

B. Respondents memorialize the transaction in a written agreement that complies with all applicable laws.

5.5 If Respondents entered into any Transfer Transaction at any time on or after October 9, 2003 wherein Respondents failed to pay the full amount of Michigan sales tax due, Respondents shall immediately pay to the State of Michigan all sales taxes due and payable.

5.6 Providing Notice: Within 10 days after the date of the Entry of this Assurance, Respondents shall provide and mail to all Pre-Assurance Consumers a copy of the notice letter that is attached as Appendix B ("Notice").

5.7 Time and Place for Filing Complaint: Consumers shall have a period of 120 days after the date of Entry of this Assurance to submit written complaints against Respondents to the Attorney General. The Attorney General will forward copies of the complaints received to Respondents as follows (complaints may be forwarded by U.S. mail, by email, or by facsimile):

Bob Fox Auto Sales, LLC
Attn: Robert Fox
2222 Lapeer
Port Huron, MI 48080

5.8 Within 10 days of Respondents' receipt of a copy of a Pre-Assurance or Post-Assurance Consumer's complaint, Respondents shall process the complaint as follows:

A. By first class mail, mail to each the Consumer and the Attorney General copies of the Consumer's Election Form, Appendix C of the Assurance, the Consumer's Transfer Transaction document, and a current Accounting for the Consumer's Executory Transfer Transaction.

B. To be eligible for a refund or relief, Consumers must complete all requested information in the Consumer's Election Form and provide or mail the completed Consumer's Election Form to Respondents within 30 days after the Consumer's receipt of the Consumer's Election Form.

C. Cancellation: For Consumers Who Have An Executory Transfer Transaction They Want to Cancel:

(1) Any Consumer who has an Executory Transfer Transaction the Consumer wants to cancel, and while at all times acting in good faith, must provide or mail to Respondents the completed Consumer's Election Form and

(i) Return the Vehicle or Substitute to Respondents within 30 days from the Consumer's receipt of the Consumer's Election Form; or

(ii) If the Consumer wants the Respondents to re-take the Vehicle or Substitute, then, the Consumer--within 30 days of the Consumer's receipt of the Consumer's Election Form--must advise Respondents of the location where Respondents may retake the Vehicle or Substitute and must provide Respondents access to the Vehicle or Substitute.

(2) For any Vehicle or Substitute returned to Respondents or re-taken by Respondents, Respondents shall provide the Consumer a signed written statement stating the date the Vehicle or Substitute was returned or re-taken.

(3) Upon receipt of a completed Consumer's Election Form Respondents shall perform all of the following within 8 days of Respondent's receipt of the Consumer's Election Form:

(i) Cancel the Transfer Transaction for any Consumer who chose by the Consumer's Election Form to cancel and who returned the Vehicle or Substitute, or who gave notice of the location where Respondents may re-take the Vehicle or Substitute.

(ii) Respondents shall effect cancellation by providing the Consumer a copy of the Transfer Transaction for such Vehicle or Substitute and by placing on the copy the following clearly written information in blue or red ink: "Cancelled," the date of the cancellation, and a legible inked signature of a Respondent or an agent of Respondents. Hereafter the cancelled copy of the Transfer Transaction is referred to as the "Cancellation."

(iii) For those Consumers who cancel, Respondents shall, upon providing the Consumer with the Consumer's Cancellation, provide the following money refunds:

(a) For Consumers who negotiated any Transfer Transaction with Respondents after February 25, 2005, the total amount of any payment made to Respondents.

(b) For Consumers who negotiated a Transfer Transaction before February 25, 2005:

(1) Twenty-five per cent (25%) of the total amount the Consumer paid to Respondents; provided, however, any amounts the Consumer paid as Fees shall first be deducted from the total; and

(2) The total amount the Consumer paid for any Fees.

(iv) Respondents' retaking or receipt of a Vehicle or Substitute shall be an "as is" receipt or re-taking. Personal property items of Consumers shall not be taken or received by Respondents.

(v) Respondents shall make refunds to Consumers prior to or concurrent with Respondents' receipt or retaking of the Vehicle or Substitute.

(vi) The parties to an Executory Transfer Transaction that is to be cancelled shall cooperate and shall provide the information, signatures, and other documentation necessary to effect a lawful transfer of ownership of the Vehicle or Substitute to Respondents.

D. <u>Continuations: For Consumers Who Have An Executory Transfer Transaction They Want to Continue;</u>

(1) Within eight days after Respondents' receipt of a Consumer's Election Form, from a Consumer who wants to continue an Executory Transfer Transaction, Respondents shall mail such Consumer a written offer that shall include a proposed Michigan law compliant agreement and a current Accounting

relating to the Consumer's Executory Transfer Transaction. The written offer shall be provided by or with a letter that has previously been approved by the Attorney General, and shall be addressed and mailed to the Consumer. Concurrently, the Respondents shall mail copies of the written offer, the proposed agreement, and the Accounting to the Attorney General.

(2) Respondents shall refund to Consumers who accept Respondents' offer:

(i) The sum of $500.00. (At the option of the Consumer, this sum may be applied to pay down the balance owed under any Compliant Transfer Transaction); and

(ii) The total amount of any Fees Respondents charged and collected that were not lawful charges.

(3) If the Consumer and Respondents are not successful in re-negotiating a Compliant Transfer Transaction, the Consumer may cancel the Executory Transfer Transaction by the processes outlined in Paragraph 5.8-C.

(4) The Consumer and Respondents shall have 60 days to complete the processes, performances and payments allowed under this Paragraph 5.8-D.

E. <u>For Consumers With Completed Transfer Transactions:</u>

(1) For any Consumer whose Transfer Transaction was completed, Respondents shall refund to such Consumer:

(i) 25% of the total amount the Consumer paid to Respondents, provided, however, any Fees Respondents charged shall, first, be deducted from the total amount the Consumer paid; and

(ii) The total amount the Consumer paid for Fees.

(2) Refunds shall be made within eight days of Respondents' receipt of the Consumer's Election Form.

5.9 If Respondents received any money from any state or federal governmental unit (including but not limited to the Michigan Health and Human Services agency or any Family Independence agency) for or in connection with a Transfer Transaction for a Consumer, Respondents shall immediately refund to such governmental unit, the total amount received. Refund checks shall be made out to the "State of Michigan" and remitted to the agency from which Respondents received the money. In the memo portion of Respondents' refund checks, Respondents shall note the full name and address of the consumer on whose behalf the governmental unit paid Respondents. Respondents shall provide the Attorney General copies of all such refund checks.

5.10 In any dispute between a Consumer and Respondents regarding whether an agreement is a Compliant Transfer Transaction:

A. The Attorney General shall select a member of the Michigan Bar (Member) who shall finally determine whether the agreement is a Compliant Transfer Transaction. In making a final determination the Member shall be guided by the Rental-Purchase Agreement Act (MCL 445.901 et seq.), the Motor Vehicle Sales Finance Act (MCL 492.101 et seq.), the federal Truth in Lending Act (15 USC 1601 et seq), the Michigan Uniform Commercial Code (MCL 440.1101 et seq), the Michigan Consumer Protection Act (MCL 445.901 et seq.), and the Michigan Uniform Commercial Code (MCL 440.1101) (or, if necessary, the similar acts of other states).

B. Except as otherwise provided herein, within 30 days of receipt of a disputed agreement, the Member shall make a written final determination and mail the

final determination to the Consumer with copies mailed to the Respondent and to the Attorney General.

C. Respondents shall be responsible to pay all costs and fees incurred by the Member for the Member's making such final determination. For each disputed agreement submitted to the Member and within ten days of the Member's receipt of a disputed agreement, Respondents shall pay the Member the initial sum of $200.00 before the Member commences any performance. Respondent's failure to timely pay the Member the initial sum constitutes Respondents' agreement that the dispute shall be resolved favorable to the Consumer and without the Member's rendering a final determination.

D. The Member's hourly billing shall be at the rate of $150.00 per hour. Upon receipt of the initial sum of $200.00 the Member shall begin performance. The Member shall commence further billing Respondents only after the Member has expended more than 80 minutes in performing a final determination. However, if the Member expends less than 80 minutes to make and mail a final determination no part of the initial sum of $200.00 Respondents paid the Member is returnable to the Respondents. Respondents shall also be liable for and pay the Member any other necessary reasonable expenses that the Member incurs. For each final determination made by the Member for which the Member expended more than 80 minutes the Member shall submit a written billing to the Respondents. Respondents' failure to pay any balance due on any billing made by the Member within 30 days of billing shall constitute a violation of the terms of this Assurance.

5.11 For a period of three years from the date of the Entry of this Assurance, and upon five days written notice, the Respondents shall provide and deliver to the Attorney General, without charge, copies of any Transfer Transaction, Accounting, or any other agreement or

writings in Respondents' possession or control relating to the sale, lease, or rent of any motor vehicle(s). Further, Respondents shall cooperate to expeditiously and satisfactorily resolve any future Consumer complaints submitted to them by the Attorney General. Complaints not satisfactorily resolved within 60 days after Respondent's receipt of a copy of the complaint, shall be deemed as Respondent's failure to comply with the terms of this Assurance.

5.12 For any Consumer whose credit history or credit reputation was negatively affected by Respondents' unlawful conduct, as noted in the Notice of Intended Action and Opportunity to Cease and Desist issued against Respondents on February 25, 2005, Respondents shall undertake any and all reasonable actions to remove from the Consumer's credit history and credit reputation all negative remarks caused by or emanating from Respondents' unlawful conduct. The Department has the sole authority to determine what are "reasonable actions" to be undertaken by Respondents.

5.13 Respondents shall be responsible to pay all fees, costs, and expenses in connection with generating, providing, and mailing any notices, forms or other correspondence to Consumers, and in connection with any other feature or obligations of this Assurance.

5.14 For any pre-Assurance Consumer's complaint or post-Assurance Consumer's complaint that cannot reasonably be resolved within the timelines set forth in other paragraphs of this Section V (Section 5)--for example (and not in limitation), if the Consumer and the Respondents have submitted an agreement for determination about whether it is a Compliant Transfer Transaction, the Respondents and Consumers shall cooperate in extending and fixing necessary and reasonable new timelines for completion of restitution to Consumers if Respondents owe restitution. The Attorney General shall have final determination about what shall be the necessary and reasonable new timelines.

VI. REIMBURSEMENT OF COSTS AND EXPENSES

6.1 Concurrent with the Respondents' signing of this Assurance, Respondents shall pay to the State of Michigan the sum of $5,000.00 to reimburse the state for its legal, investigative and administrative expenses relating to compliance efforts directed at Respondents through the effective date of this Assurance.

6.2 Payment shall be made by certified check payable to the State of Michigan and remitted to Assistant Attorney General in Charge, Katharyn A. Barron, Department of Attorney General, Consumer Protection Division, P.O. Box 30213, Lansing, MI 48909. The certified check shall reference "Bob Fox Auto Sales, LLC, Assurance of Discontinuance No. 200500109."

VII. CIVIL PENALTIES

7.1 Respondents shall be liable for and pay to the State of Michigan a civil penalty of $ 20,000.00. Payment of $8,000.00 of this amount is suspended, conditioned on full compliance with all of the provisions of this Assurance. The non-suspended penalty amount shall be payable concurrent with the Respondents' signings of the Assurance.

7.2 In the event of non-compliance with any provision of this Assurance, all civil penalties will be immediately due and payable.

7.3 Unless a temporary restraining order is sought, the Attorney General shall make reasonable efforts to provide written notice if the Attorney General believes Respondents, or any related or affiliated entity or successor, is not complying with the provisions of this Assurance, and will set forth the basis for such belief. Notwithstanding the foregoing, such notice shall not be deemed to be a jurisdictional prerequisite to commencing an enforcement action.

7.4 The civil penalty provided by this section is exclusive. For any attorney fees or other costs that the Department may incur for any future enforcement activity (if any) the Respondents shall reimburse the Attorney General for such additional costs and attorney fees.

VIII. NOTICES

8.1 All notices, deliveries or other communications required or permitted hereunder shall be in writing and shall be deemed given when addressed as follows:

A. If to the Department:

Department of Attorney General
Consumer Protection Division
PO Box 30213
Lansing, MI 48909

B. If to Respondents:

Bob Fox Auto Sales, LLC
Attn: Bob Fox or Margo Fox
2222 Lapeer
Port Huron, MI 48080

8.2 Respondents shall provide prompt written notice to the Department of any change of address or person to whom notice hereunder is to be sent. The notification shall reference "Bob Fox Auto Sales, LLC, Assurance of Discontinuance No. 200500109."

IX. DISPUTE RESOLUTION

9.1 Except as otherwise stated in Section Ten (Section X), or unless a temporary restraining order is sought by the Attorney General, the dispute resolution procedures of this section shall be the exclusive mechanism to resolve disputes arising under this Assurance and shall apply to all provisions of this Assurance. Any dispute that arises under this Assurance and

that is to be resolved under this Section, shall in the first instance, be the subject of informal negotiations between the parties, with the nature and the extent of the dispute provided to the non-complaining party in writing. The period of negotiations shall not exceed ten days from the date of written notice by any party that a dispute has arisen, but it may be extended by an agreement between the parties. The period for informal negotiations shall end when the Department provides a written statement setting forth its proposed resolution of the dispute to Respondents.

9.2 If the parties fail to resolve a dispute by informal negotiations, then the dispute shall be resolved in accordance with the resolution proposed by the Department unless, within ten days after receipt of the Department's proposed resolution, Respondents file a petition for resolution with the Ingham County Circuit Court setting forth the matters in dispute, the efforts made by the parties to resolve it, the relief requested, and the schedule, if any, within which the dispute must be resolved to ensure orderly implementation of this Assurance. Respondents must provide the Attorney General a copy of the petition. The Attorney General shall be provided adequate time for filing response. The Court shall resolve the dispute.

X. COVENANT NOT TO SUE BY COMPLAINANT AND RESERVATION OF RIGHTS

10.1 In consideration of the implementation of compliance measures, the payment of the civil penalty, and the reimbursement of the costs and expenses that will be made by Respondents under the terms of this Assurance, and except as specifically provided in this section, the Department covenants not to sue or take administrative action against Respondents.

10.2 "Covered Matters" shall include any liability to the State of Michigan for the following:

A. All claims for violations of the MCPA, or the R-PAA through to the Effective Date of this Assurance.

B. Payments of all civil penalties for violations of the MCPA or R-PAA, through the Effective date of this Assurance.

C. Reimbursement of costs and expenses incurred by the Department of Attorney General, through the Effective date of this Assurance.

10.3 The covenant not to sue set forth in this section does not pertain to any matters other than those expressly specified in "Covered Matters" in paragraph 10.2. The Department reserves, and this Assurance is without prejudice to, all rights against Respondents with respect to all other matters including, but not limited to, the following:

A. Liability arising from a violation by Respondents that is a requirement of this Assurance;

B. Liability for violations of the MCPA or R-PAA that occur after the Effective Date of this Assurance.

C. The covenant not to sue will not apply if Respondents make any material misrepresentation to any consumer, including but not limited to, the failure to make full and complete Refunds to consumers.

D. The covenant not to sue will not apply if Respondents make or made any material misrepresentation to the Department.

XI GENERAL PROVISIONS

11.1 This Assurance shall be binding upon, inure to the benefit of, and apply to the parties and their successors-in-interest. This Assurance shall not create any private rights or causes of action in any third parties.

11.2 Nothing in this Assurance shall be construed to prevent any Consumer from pursuing any right or remedy which the Consumer has against any Respondent except to the extent the Consumer executes a valid mutual release.

11.3 No change or modification of this Assurance shall be valid unless in writing and signed by both parties.

11.4 Respondents agree to cooperate and to fairly resolve any issues regarding returns or mailings of Consumer's Election Forms, deliveries or re-takings of Vehicles or Substitutes and regarding titling, registration or other documentary issues.

11.5 No later than 225 days after the entry of this Assurance, Respondents shall provide the Department with a report that details all Consumer payments under this Assurance. The report shall include documents supporting the calculation of proper payments, proof of payment, and all copies of completed Consumer Election Forms.

XII. APPLICABLE LAW

This Assurance shall be construed in accordance with and governed by the laws of the State of Michigan.

BOB FOX AUTO SALES, LLC

Dated: 8-12-06

By: Robert Fox

Robert Fox who has been duly authorized to sign on behalf of Bob Fox Auto Sales, LLC

BOB FOX, INC.

Dated: 5-12-06

By: Robert Fox
Robert Fox who has been duly authorized to sign on behalf of Bob Fox Auto Sales, Inc

Dated: 5-12-06

By: Robert Fox
Robert (Bob) Fox

Dated: 5/2-06

By: Margo Fox
Margo Fox

Dated: 5/12/06

By: David P. Oppliger
David Oppliger
1111 Pine Grove Ave.
Port Huron, MI 48060
Attorney For Respondents

MICHAEL A. COX
ATTORNEY GENERAL

Dated: 5-19-06

By: Nancy A. Piggush
Nancy A. Piggush (P-28801)
Assistant Attorney General
Consumer Protection Division
P.O. Box 30213
Lansing, MI 48909

Exhibit A

Appendix A

PRE-ASSURANCE CONSUMERS

AG NO	Name & Address	Rental Agreement Number ("RA") or Purchase Agreement Date ("PA")
200414877	Shawn & Kathleen Pulliam	RA-000346
200414871	Margaret Rinaldi	RA-00419
200502551	Kelly Gabriel Stroh-Sullivan	RA-000322
200501679	Timothy Allan Sullivan	PA-4/27/04
200416116	Norma Weaver	RA-00342

Exhibit B

Appendix B

In The Matter Of:	File No. 06-47-CZ
BOB FOX AUTO SALES, LLC BOB FOX, INC., ROBERT FOX and MARGO FOX,	Hon. Beverly Nettles-Nickerson AG File No. 200500109
Respondents.	

NOTICE:

YOUR RIGHTS UNDER THE ASSURANCE OF DISCONTINUANCE

Dear Consumer:

On May 19, 2006, An Assurance of Discontinuance ("Assurance") was entered into between the Michigan Department of Attorney General and Bob Fox Auto Sales, LLC, Bob Fox, Inc., Robert Fox and Margo Fox ("Respondents") in the case known as: ***In the Matter of Bob Fox Auto Sales, LLC, Bob Fox, Inc., Robert Fox and Margo Fox, Respondents,*** Ingham Circuit Court No. 05-32-CZ. The Assurance was voluntarily agreed to by the Respondents to resolve matters alleged in a Notice of Intended Action ("NIA") issued by the Attorney General. Respondents have agreed to resolve Consumers complaints. Upon Respondents' receipt of a Consumer's complaint, the complaint must be resolved consistent with the provisions of the Assurance.

As a part of the Assurance, certain customers, ("Consumers") of Bob Fox Auto Sales, LLC may be eligible to obtain a refund or other relief from Respondents. The provisions discussing refunds and other relief are set forth in Section V (Section 5) of the Assurance under the heading "Implementation of Compliance Measures." Paragraph 5.9 specifically addresses refund and relief eligibility. A copy of the Assurance is attached to this letter.

Eligibility:

To be eligible for a refund or other relief, you must meet all of the following criteria:

1. During any period from October 9, 2003 to September 18, 2006 you or someone on your behalf entered an agreement for the sale, lease, or rental of a motor vehicle with Bob Fox Auto Sales, LLC. (Agreements include those wherein Bob Fox Auto Sales, LLC or any other Respondent operated under any other name from October 9, 2003 to September 18, 2006.)

2. The agreement is in writing.

3. You or someone on your behalf paid money to or received a motor vehicle from Bob Fox Auto Sales, LLC or from any other Respondent.

4. By September 18, 2006, you file a complaint against Bob Fox Auto Sales, LLC or against any other Respondent with the Attorney General. (See Appendix A of the Assurance of Discontinuance for Consumer's complaints the Attorney General has already received).

5. You timely submit to Respondents a completed Consumer's Election Form.

6. You must act in "good faith." See Paragraph 3.11 of the Assurance for what is meant by "good faith."

How to File a Complaint with the Attorney General:

You may file a complaint online or obtain a complaint form at the the Attorney General's web site **www.michigan.gov/ag**. You may also file a complaint by submitting a legible handwritten or typed statement of your complaint and copies of any relevant documents to:

Michigan Attorney General
Consumer Protection Division
Bob Fox Auto Sales Complaint
P.O. Box 30213
Lansing, MI 48909
Fax No. 517-335-1935

Please include your name, address, and telephone number. Please keep a copy of your complaint and your original documents for your reference. The Attorney General will provide the Respondents with a copy of your complaint.

You Are Not Obligated To File a Complaint:

You are not obligated to have your claims against Respondents processed under the terms of the Assurance. Filing a complaint is voluntary. You have the option of accepting or rejecting refunds or relief that may be available to you through the terms of the Assurance. You may, at

any time, exercise any rights you have to file a private lawsuit (including joining any class action) provided you have not already entered into a settlement agreement with Respondents.

The Consumer's Election Form:

Upon Respondent's receipt of your complaint, Respondents will have ten days to provide you with a copy of the Consumer's Election Form. You must then complete the Election Form and return it to Respondents within 30 days after you receive it. Depending on the choice you make, you may be obligated to return to Respondents the vehicle you were purchasing.

Assurance Questions:

This Notice was prepared by the Michigan Department of Attorney General and although the Attorney General's office may not provide you with legal advice, questions about the Assurance may be directed to:

Michigan Attorney General
Consumer Protection Division
P.O. Box 30213
Lansing, MI 48909
Tel. 1-877-765-8388
Fax No. 517-335-1935

Exhibit C

Appendix C

CONSUMER'S ELECTION FORM

In The Matter Of:

BOB FOX AUTO SALES, LLC
BOB FOX, INC., ROBERT FOX
and MARGO FOX,

Respondents.
_____/

File No. 06-47-CZ

Hon. Beverly Nettles-Nickerson

AG File No. 200500109

To Consumers wanting to participate in refunds offered under the Assurance of Discontinuance ("Assurance") agreed to by Respondents:

If you want a refund or to cancel your Transfer Transaction (your contract) with Bob Fox Auto Sales or other Respondents, please complete this Consumer's Election Form and return or mail it no later than 30 days after receipt. Also enclosed are copies of the contract or contracts (Transfer Transaction) you negotiated with Respondents and a copy or copies of the related Accounting for each Transfer Transaction. ***(Note: You are not required to participate in this process. If you do not want to participate, do not complete and return your Consumer's Election Form):***

From *(Print your name)*: _____

(Print your mailing address): _____

_____

_____

(Your phone numbers): Home:_____Work:_____Cell:_____

(After you have filled in the information requested, go to pages 2 and 3 of this Consumer's Election Form.)

ELECTIONS

(Before you check any Section please, carefully, read each Section.)

SECTION I: For Consumers that have an agreement on which they have completed payment and Respondents have fully performed.

A. _____ I request a refund pursuant to Paragraph 5.8-E of the Assurance of Discontinuance. (If you checked this Section I A, go directly to Section IV and complete it.)

SECTION II: For Consumers who have an agreement not completely performed--Executory Transfer Transactions—Check B or C not both.

B. _____ I want to cancel the Executory Transfer Transaction and receive a refund of any monies to which I am entitled pursuant to either subsection (a) or (b) of Paragraph 5.8-C (3) (iii) under the Assurance of Discontinuance. (If you checked this Section II B, go to Section III.)

C. _____ I want to continue the Executory Transfer Transaction. I wish to enter into an amended agreement that complies with Michigan law and receive the refunds to which I am entitled pursuant to Paragraph 5.8-D under the Assurance of Discontinuance. (If you checked this Section II C, go to Section III.)

SECTION III: Delivery or non-delivery of the vehicle. Check only D or E not both.

D. _____ I will deliver the Vehicle (or Substitute) to the Bob Fox Auto Sales, LLC premises at 2222 Lapeer, Port Huron, MI. However, delivery is not completed until I receive the Cancellation documentation and refunds to which I am entitled under Paragraph 5.8-C (3) (i) through (vi). (If you checked this Section III-D, go to Section IV and complete it.)

E. _____ I will not deliver the Vehicle (or Substitute). Please call me to make arrangements for a re-taking by Bob Fox Auto Sales LLC or its agent. The Vehicle (or Substitute) may be retaken at the address given below but only after Bob Fox Auto Sales LLC or its agent provides me a Cancellation and the refunds to which I am entitled under Paragraph 5.8-C(3) (i) through (vi).

_____
Street address or other place

_____
City

_____
State

(If you checked this Section III-E and filled in the address information, go to Section IV and complete it.)

Section IV: Signing and dating the Consumer's Election Form.

Please enter your signature on this line: _____

Please print your name on this line: _____

Please write in the date you signed: _____

(Go to Section V for instructions in delivering or mailing your completed Consumer's Election Form.)

Section V: Returning/Mailing Your Completed Consumer's Election Form:

You must return or mail your completed Consumer's Election Form no later than 30 days after you received it. (Mailings must be postmarked with a date that is not later than 30 days after your receipt of the Consumer's Election Form). Return or mail your Consumer's Completed Election Form to:

Bob Fox Auto Sales, LLC
2222 Lapeer
Port Huron, MI 48080