

**STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

Before the Commissioner of the Office of Financial & Insurance Regulation

In the Matter of:

BBN Finance, LLC
License Nos.: SF-0016508, RL-0017869

Enforcement Case No. 11-11372

Respondent
_____ /

CONSENT ORDER

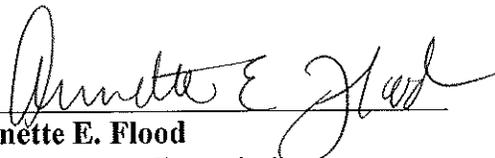
Issued and entered
on Jan 30, 2012
by **Annette E. Flood**
Chief Deputy Commissioner

Based upon the Stipulation to Entry of Consent Order and the files and records of the Office of Financial and Insurance Regulation (OFIR) in this matter, the Chief Deputy Commissioner finds and concludes that:

1. The Chief Deputy Commissioner has jurisdiction and authority to adopt and issue this Consent Order in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (MAPA), as amended, MCL 24.201 *et seq.*, and the Regulatory Loan Act ("RLA"), 1939 P.A. 21, as amended, MCL 493.1 *et seq.*
2. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. Acceptance of the parties' Stipulation to Entry of Consent Order is reasonable and in the public interest.
4. All applicable provisions of the MAPA have been met.
5. Notwithstanding that BBN Finance, LLC ("Respondent") does not admit the violation alleged in this matter, for purposes of this order, Respondent violated Section 2(1) of the RLA, MCL 493.2(1).

Now therefore, based upon the parties' Stipulation to Entry of Consent Order (Stipulation) and the facts surrounding this case, **IT IS ORDERED THAT:**

1. Respondent shall adhere to all terms of the attached Stipulation and this Consent Order.
2. Respondent shall not engage in violation of sections of the RLA identified in paragraph 5 of the Chief Deputy Commissioner's findings and conclusions above.
3. Respondent shall operate its business activities in full compliance with the Regulatory Loan Act.
4. The Chief Deputy Commissioner retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the Act. Failure to abide by the terms and provisions of the Stipulation to Entry of Consent Order and this Consent Order may result in the commencement of additional proceedings.



Annette E. Flood
Chief Deputy Commissioner

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STIPULATION TO ENTRY OF CONSENT ORDER

BBN Finance, LLC (Respondent) and the Office of Financial and Insurance Regulation (OFIR) stipulate to the following:

1. Pursuant to the Regulatory Loan Act ("RLA"), 1939 P.A. 21, as amended, MCL 493.1 *et seq.*, the Commissioner of the Office of Financial and Insurance Regulation is responsible for the licensing and regulating of all persons that engage in the business of making loans of money and contract for, or receive on the loan, a greater rate of interest than the lender would be permitted by law to charge if the lender were not a licensee under the RLA.
2. A person engaged in the business of making loans is limited to receiving an interest rate that is not greater than 7% per annum unless the person has obtained a license from the Commissioner under the RLA, the Consumer Financial Services Act, 1988 P.A. 161, as amended MCL 487.2051 *et seq.* (CFSA), or is exempt from licensure pursuant to Section 20 of the RLA, MCL 493.20.
3. At all time pertinent to the matter herein, Respondent was not licensed under the RLA, CFSA or exempt from licensure under Section 20 of the RLA.
4. The Chief Deputy Commissioner issued a Notice of Intention to Issue a Cease and Desist Order on October 13, 2011, stating that Respondent violated the RLA by lending money to Michigan consumers and charging a rate of interest beyond the legally permissible rate of 7% per year. This determination was based on the following facts:
 - a. On or about March 29, 2011, V.L. B. _____, account number _____, entered into an automobile loan agreement to purchase a 2000 Isuzu Rodeo from the Respondent.

- Pursuant to the agreement, Respondent provided a loan to V.L. B in the amount of \$6,805.44 at a rate of interest of 25% per year.
- b. On or about April 21, 2011, P. H: , account number , entered into an automobile loan agreement to purchase a 2006 Chevrolet Trailblazer from the Respondent. Pursuant to the agreement, Respondent provided a loan to P. H in the amount of \$19,363.84 at a rate of interest of 25% per year.
 - c. On or about April 6, 2011, J.M. I , account number , entered into an automobile loan agreement to purchase a 2002 Buick LeSabre from the Respondent. Pursuant to the agreement, Respondent provided a loan to J.M. in the amount of \$9,647.54 at a rate of interest of 25% per year.
 - d. On or about February 18, 2011, E.A. P , account number , entered into an automobile loan agreement to purchase a 1999 Ford Mercury from the Respondent. Pursuant to the agreement, Respondent provided a loan to E.A. P in the amount of \$5,320 at a rate of interest of 25% per year.
 - e. On or about March 8, 2011, R. W , account number , entered into an automobile loan agreement to purchase a 2008 Dodge Caliber from the Respondent. Pursuant to the agreement, Respondent provided a loan to R. W in the amount of \$13,075 at a rate of interest of 25% per year.
 - f. On or about March 21, 2011, G.M. F and G.K. A , account number , entered into an automobile loan agreement to purchase a 1997 Lincoln Continental from the Respondent. Pursuant to the agreement, Respondent provided a loan to G.M. F and G.K. A in the amount of \$5,965 at a rate of interest of 25% per year.
5. In order to become compliant with the requirements of the RLA, Respondent made an application to OFIR for a regulatory loan license. On August 22, 2011, OFIR issued Respondent a regulatory loan license.
 6. Without admitting the allegations contained in paragraph 4, in the interest of resolving this matter without incurring additional litigation time and expense, and without admitting or denying any wrongdoing, Respondent has agreed to enter into this Stipulation to the entry of Consent Order.
 7. Within 30 days after the issuance of the attached Consent Order by the Chief Deputy Commissioner, Respondent shall refund to the following Michigan consumers the interests it charged on loans in the amount specified below:

<u>Customer's Name</u>	<u>Amount of Refund</u>
V.L. B	\$472.04
G.M. F and G.K. A	\$447.14

P. H.	\$1,181.31
J.M. I	\$650.96
E.A. P.	\$421.00
R. W	\$1,076.88

8. Respondent agrees to deliver to the Chief Deputy Commissioner within 90 days from the date of the attached Consent Order evidence of each refund made to the abovementioned consumers. The evidence shall consist of a copy of the front and back of the cancelled check for each payment and proof that the payments were delivered to the consumers. In the event that a consumer fails to cash a payment delivered to the consumer by the respondent, within the timeframe prescribed above, Respondent agrees to provide OFIR with evidence that demonstrates that the payment was delivered and accepted by the consumer.
9. Both parties have complied with the procedural requirements of the Michigan Administrative Procedures Act of 1969 (MAPA), as amended, MCL 24.201 *et seq.*, and the RLA.
10. Respondent understands and agrees that this Stipulation will be presented to the Chief Deputy Commissioner for approval.
11. The Chief Deputy Commissioner may in her sole discretion, decide to accept or reject the Stipulation to Entry of Consent Order. If the Chief Deputy Commissioner accepts the Stipulation to Entry of Consent Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Consent Order. If the Chief Deputy Commissioner does not accept the Stipulation to Entry of Consent Order, Respondent waives any objection to the Commissioner holding a formal administrative hearing and making his decision after such hearing.
12. The failure to abide by the terms and conditions of this Stipulation to Entry of Consent Order and the Consent Order may, at the discretion of the Chief Deputy Commissioner, result in further administrative compliance actions.
13. The Chief Deputy Commissioner has jurisdiction and authority under the provisions of the MAPA and the RLA to accept the Stipulation to Entry of Consent Order and to issue a Consent Order resolving these proceedings.
14. Respondent has had an opportunity to review the Stipulation to Entry of Consent Order and the proposed Consent Order and have the same reviewed by legal counsel.
15. It is further stipulated, by and between the parties hereto, that failure to refund money to Michigan consumers as set forth above shall result in a revocation or continued revocation of Respondent's license(s) to conduct business contemplated by the RLA, and in the denial of any license or registration renewal and the denial of future applications

for any licensure or registration of both Respondent and its owners until compliance is made with the terms of this Stipulation. Unless otherwise specified in this Stipulation, requirements imposed on the Respondent must be fulfilled in accordance with the terms of this Stipulation and Consent Order.

16. Respondent understands and intends that by signing this Stipulation, Respondent is waiving the right pursuant to the RLA, the rules promulgated thereto, and the MAPA, to a hearing before an administrative law judge, at which OFIR would be required to prove the charges set forth by presentation of evidence and legal authority and at which Respondent would be entitled to appear to cross-examine all witnesses presented by OFIR and to present such testimony or other evidence or legal authority deemed appropriate as a defense to said charges.

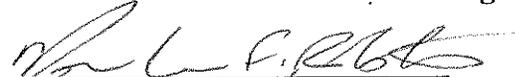
BBN Finance, LLC



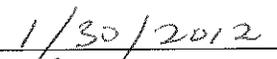
By: NORTH CLARK
Its: PRESIDENT


Dated

Office of Financial & Insurance Regulation



By: Marlon F. Roberts (P68523))
Attorney


Dated