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:

Be Real Auto Sales Inc.
G4113 Clio Road
Flint, Michigan 48504

Respondent.
_____/

Enforcement Case No. 12-11578

Issued and entered
this 8th day of October, 2012
by Stephen R. Hilker
Senior Deputy Commissioner

CONSENT ORDER

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 Senior Deputy Commissioner finds and concludes that:

1. The Senior 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 (APA), as amended, MCL 24.201 *et seq.*, and the Motor Vehicle Sales Finance Act (Act), 1950 PA 27, MCL 492.101 *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 Stipulation to Entry of Consent Order is reasonable and in the public interest.

4. All applicable provisions of the APA have been met.

5. Be Real Auto Sales Inc. (Respondent) violated Section 12 of the Act, MCL 492.112, Section 13 of the Act, MCL 492.113, Section 14 of the Act, MCL 492.114, Section 22a of the Act, MCL 492.122a, Section 28 of the Act, MCL 492.128, Section 29 of the Act, MCL 492.129, MCL 440.9613, and MCL 440.9614.

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

A. The Stipulation to Entry of Consent Order is incorporated herein and made a part of this Order.

B. Respondent shall comply with all terms agreed to in the Stipulation to Entry of Consent Order.

C. Respondent shall not engage in any violations of law identified in paragraph 5 of this Order.

D. The Senior 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 Order and this Order may result in the commencement of additional proceedings.

Stephen R. Hilker
Senior Deputy Commissioner

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STIPULATION TO ENTRY OF CONSENT ORDER

Be Real Auto Sales Inc. (Respondent) and the Office of Financial and Insurance Regulation (OFIR) stipulate to the following:

1. On or about January 26, 2012, OFIR conducted an examination of Respondent. The Examination Report (Report) prepared by OFIR alleges that Respondent violated provisions of the Motor Vehicle Sales Finance Act (Act), 1950 PA 27, MCL 492.101 *et seq*.

2. The Report contained allegations that Respondent violated the Act, specifically Section 12 of the Act, MCL 492.112, Section 13 of the Act, MCL 492.113, Section 14 of the Act, MCL 492.114, Section 22a of the Act, MCL 492.122a, Section 28 of the Act, MCL 492.128, Section 29 of the Act, MCL 492.129, MCL 440.9613, and MCL 440.9614 and set forth the applicable laws and penalties which could be taken against Respondent.

3. Respondent exercised its right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*

4. OFIR and Respondent have conferred for purposes of resolving this matter and have agreed to resolve this matter pursuant to the terms set forth below.

5. At all pertinent times, Respondent was licensed with OFIR as an installment seller pursuant to the Act.

6. Respondent admits the allegations contained in the Report and has determined it will resolve this matter pursuant to this Stipulation to Entry of Consent Order (Stipulation) and Consent Order.

7. Within 180 days from the effective date of the attached Consent Order, Respondent agrees to develop and maintain a comprehensive written employee Policy and Procedures

Manual that will, at a minimum, develop compliance related policies for each regulation applicable to Respondent (*e.g.*, the Motor Vehicle Sales Finance Act, the Uniform Commercial Code, 1962 PA 174, MCL 440.9601 to 440.9624, the Credit Reform Act, Truth-in-Lending Act, applicable usury laws, and any other law, rule or regulation that may be applicable), the manual shall include requirements for each applicable consumer regulation so that employees are informed of the requirements that relate to their duties, and will be reviewed and revised every six months to ensure that it addresses any deficiencies identified in the Quality Control and Compliance Program set forth in paragraph 8 below.

8. Respondent also agrees to develop, implement and maintain a comprehensive written Quality Control and Compliance Program to audit each transaction for compliance with applicable law. The Quality Control and Compliance Program shall, at a minimum:

   i. Appoint a compliance officer with knowledge, authority, and accountability who will be responsible for administering Respondent's quality control and compliance program.
   ii. Define the scope of the audits.
   iii. Identify the number of transactions sampled by category or product type.
   iv. Identify deficiencies or modifications.
   v. Provide descriptions of or suggestions for corrective actions and time frames for correction.
   vi. Establish follow-up procedures to verify that corrective actions were implemented and effective.

9. Both parties have complied with the procedural requirements of the APA and the Act.

10. Respondent understands and agrees that this Stipulation to Entry of Consent Order will be presented to the Senior Deputy Commissioner for approval.

11. Respondent consents to the immediate revocation of its installment seller license if it fails to comply with the Act and/or this Stipulation and, in that respect, voluntarily waives any right to a hearing, and waives any and all right to object to and challenge before the Commissioner or in any administrative or judicial proceedings, any aspect, provision or requirement of this Stipulation.

12. The Senior Deputy Commissioner may, in his sole discretion, decide to accept or reject the Stipulation to Entry of Consent Order. If the Senior 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 Senior 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.

13. 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.

BE REAL AUTO SALES INC.

By: Terry LeClear
Its: manager + Compliance officer

10-1-12
Dated

The Office of Financial and Insurance Regulation Staff approve this Consent Order and Stipulation and recommend that the Senior Deputy Commissioner accept it.

OFFICE OF FINANCIAL AND
INSURANCE REGULATION

By: Marlon F. Roberts (P68523)
Staff Attorney

10/9/2012
Dated