

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

A Best Financial Corporation
License No. FL-2719
Registration No. SR-0983

Enforcement Case No. 19-15698

Respondent.
_____ /

Issued and entered
on Nov. 22, 2019
by Teri L. Morante
Chief Deputy Director

ORDER ACCEPTING STIPULATION AND REQUIRING COMPLIANCE AND PAYMENT OF FINES

Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services (DIFS), the Chief Deputy Director finds and concludes that:

1. The Chief Deputy Director has jurisdiction and authority to adopt and issue this Order Accepting Stipulation and Requiring Compliance and Payment of Fines in this proceeding pursuant to the Michigan Administrative Procedures Act (APA), as amended, MCL 24.201 *et seq.*, and the Mortgage Brokers, Lenders and Servicers Licensing Act (Act), 1987 PA 173, MCL 445.1651 *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 Order is reasonable and in the public interest.
4. All applicable provisions of the APA have been met.
5. Respondent violated Sections 22(a) and (b) of the MBLSLA, MCL 445.1672(a) and (b).

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

- A. Respondent shall comply with all terms agreed to in the Stipulation to Entry of Order.
- B. Respondent shall pay to the State of Michigan, through DIFS, administrative and civil fines in the amount of \$10,000.00. Respondent shall pay the fines within 30 days of the invoice date as indicated on the DIFS invoice.

- C. The Chief Deputy Director 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.


Teri L. Morante
Chief Deputy Director

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A Best Financial Corporation
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Respondent.
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**STIPULATION TO ENTRY OF ORDER
REQUIRING COMPLIANCE AND PAYMENT OF CIVIL FINES**

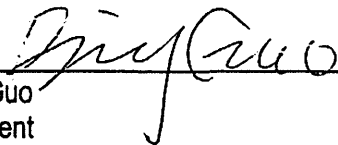
A Best Financial Corporation (Respondent) hereby stipulates and agrees to the following:

1. In the exercise of its statutory authority and responsibility, the Department of Insurance and Financial Services (DIFS) conducted a limited scope examination of Respondent from July 1, 2019, through July 8, 2019, pursuant to Section 11(2)(c) of the Mortgage Brokers, Lenders and Servicers Licensing Act (Act), MCL 445.1661(2)(c). The purpose of the examination was to assess the adequacy of management and review records to determine compliance with findings of previous examinations and applicable state and federal laws.
2. On or about November 5, 2019, a Notice of Opportunity to Show Compliance (NOSC) was issued by DIFS to Respondent along with a Statement of Factual Allegations, pursuant to the provisions of the Michigan Administrative Procedures Act (APA), 1969 PA 306, as amended, MCL 24.201 *et seq.*
3. The NOSC contained allegations that Respondent violated the Act and set forth the applicable laws and penalties.
4. Thereafter, DIFS Staff and Respondent conferred for the purpose of resolving this matter and Respondent has determined to resolve this matter, pursuant to the terms set forth below.
5. At all pertinent times, Respondent was licensed with DIFS as a mortgage broker and lender under the Act.
6. Respondent admits the following:
 - a. Respondent refunded closing costs to borrowers on twenty (20) transactions. The refunds were generated through a reduction in loan officer compensation. These actions constitute a violation of Regulation Z, 12 CFR §1026.36(d)(1)(i), and thus a violation of Section 22(a) of the MBLSLA, MCL 445.1672(a);

- b. Respondent engaged in misrepresentation in connection with a transaction by failing to disclose these reimbursements to lenders in violation of Section 22(b) of the Act, MCL 445.1672(b); and
 - c. These violations cited above are repeat violations from previous examinations.
7. For the violations of the Act admitted by Respondent, Respondent agrees to the imposition of civil fines in the amount of **\$10,000.00**. Respondent shall remit payment of the civil fines within 30 days of the invoice date as indicated on the DIFS' invoice.
 8. Respondent agrees that it shall CEASE AND DESIST from any and all violations of the statutes, rules, and regulations identified in paragraph 6 of this Stipulation.
 9. Respondent agrees that the procedural requirements of the APA and Act have been met in all respects by both parties.
 10. Respondent understands and agrees that this Stipulation will be presented to the Senior Deputy Director for approval. The Senior Deputy Director may, in her sole discretion, decide to accept or reject the Stipulation and Order. If the Senior Deputy Director accepts the Stipulation and Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Order. If the Senior Deputy Director does not accept the Stipulation and Order, Respondent waives any objection to the Director holding a formal administrative hearing and making a decision after such hearing.
 11. Respondent understands and agrees that the failure to abide by and fully comply with the terms and conditions of this Stipulation and Order may, at the discretion of the Senior Deputy Director, result in further administrative compliance actions.
 12. Respondent understands and acknowledges that the maximum civil fine is \$3,000.00 for each violation of the MBLSLA. Respondent understands and agrees that the amount of the civil fines has been negotiated in return for the avoidance of further proceedings and certain promises and conditions, one of which is the timely payment of civil fines. Should Respondent fail to pay the civil fines of **\$10,000.00** in accordance with the terms of this Stipulation and Order, Respondent agrees that an action will commence to determine if the Respondent has, in fact, failed to pay, and, if so, Respondent agrees that the civil fines will immediately increase to the maximum amount allowed for each violation under the MBLSLA and shall be immediately due in full.

13. Respondent has had an opportunity to review this Stipulation and the accompanying Order Requiring Compliance and Payment of Civil Fines and have the same reviewed by legal counsel.

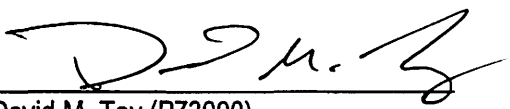
A Best Financial Corporation



Bing Guo
President

11/21/2019
Dated

DIFS Staff approve this Stipulation and recommend that the Senior Deputy Director issue an Order Requiring Compliance and Payment of Civil Fines.



David M. Toy (P73000)
DIFS Staff Attorney

11/21/2019
Dated