

OCCC CASE NO. L21-00136

IN THE MATTER OF:	§	BEFORE THE
	§	
MASTER FILE NO. 1700059735	§	OFFICE OF CONSUMER
AUTOMANIA LLC	§	
8000 SOVEREIGN ROW, SUITE A	§	CREDIT COMMISSIONER
DALLAS, TEXAS 75247	§	
	§	STATE OF TEXAS

AGREED ORDER

The Office of Consumer Credit Commissioner (“OCCC”) issues this Agreed Order against Automania, LLC (“Automania”) based on the violations of law described below.¹

Statement of Facts and Law

A motor vehicle sales finance license is required to act as a holder of a motor vehicle retail installment contract.² A holder is a person who operates as a retail seller or holds and collects on a contract in which the person agrees to accept the cash price of a motor vehicle in one or more deferred installments.³

On March 28, 2018, the OCCC granted Automania a motor vehicle sales finance license under master file number 1700059735, license number 159032. That license expired on July 31, 2018 at midnight.⁴ On November 15, 2020, Automania submitted a new application for a motor vehicle sales finance license under application ID number 69442. Automania is located at 8000 Sovereign Row, Suite A, Dallas, Texas 75247. Automania’s compliance officer is Ali Barani.

Beginning September 14, 2018, Automania engaged in activity requiring a license by entering 14 motor vehicle retail installment contracts. Automania accepted the cash price of motor vehicles in one or more deferred installments without a motor vehicle sales finance license, in violation of Section 348.501 of the Texas Finance Code.

¹ Tex. Fin. Code §§ 14.208, 14.251.

² Tex. Fin. Code § 348.501.

³ Tex. Fin. Code § 348.001(3), (7), (8).

⁴ Tex. Fin. Code § 348.507.

A retail installment contract may include an itemized charge for registration, certificate of title, and license fees paid to a public official, and may include an itemized charge for fees prescribed by law and connected with the inspection of the motor vehicle.⁵ A motor vehicle sales finance dealer must maintain documentation showing disbursement of fees for title, license, and registration of the vehicle, such as a title application receipt.⁶ If a dealer includes an itemized charge for performing a state inspection, then the dealer must maintain a copy of the work order, inspection receipt, or other evidence reflecting that the inspection was performed, including the date and cost of the inspection.⁷

In several transactions, Automania violated Section 348.005 of the Texas Finance Code by charging more for title, license, registration, or inspection fees than the amounts Automania actually disbursed on behalf of buyers, as shown on title application receipts provided by Automania.

Order & Agreement

By signing below, Automania waives all rights to any hearing or appeal, agrees to pay the administrative penalty and make the restitution as identified below, and otherwise agrees to comply with this Order and Texas law.

IT IS ORDERED that Automania, LLC:

1. Cease and desist charging fees for title, license, registration, or inspection that are greater than the amounts actually disbursed on behalf of retail buyers, as shown on a title application receipt or inspection receipt maintained by Automania.
2. No later than **May 21, 2021**, pay an administrative penalty of **One Thousand Four Hundred Dollars (\$1,400.00)** to the Office of Consumer Credit Commissioner.
3. No later than **May 21, 2021**, identify all motor vehicle retail installment transactions that you entered without a license and refund the retail buyer any finance charges that you collected or that remain collectible.

⁵ Tex. Fin. Code § 348.005(1), (3).

⁶ 7 Tex. Admin. Code §§ 84.707(d)(2)(A)(iv), 84.708(e)(2)(A)(v) (requiring a licensee to maintain documents evidencing “fees for license, title, and registration of the vehicle”).

⁷ 7 Tex. Admin. Code §§ 84.707(d)(2)(M), 84.708(e)(2)(H).

4. No later than **May 21, 2021**, identify all motor vehicle retail installment transactions that included itemized charges for title, license, registration, or inspection exceeding amounts actually disbursed (as shown on a title application receipt or inspection receipt), and refund the excessive portion of each fee.
5. No later than **May 21, 2021**, provide the OCCC with a spreadsheet of all transactions you identified and all buyers that you gave a refund. This list must include the buyer's name, account number, transaction date, amount financed, amount of finance charges, the amount of excess itemized charges, and refund amount.
6. Keep a copy of each customer's refund check or payment history showing an account credit until the later of your first examination or the required retention period.⁸ During your first examination the OCCC will confirm that all refunds listed in the spreadsheet have been made.

Signed this 16th day of April, 2021.

/s/ Leslie Pettijohn
Leslie L. Pettijohn
Consumer Credit Commissioner
State of Texas

AGREED:
Automania, LLC

/s/ Babak Barani
Babak Barani, Owner
(signed electronically with permission)

⁸ See 7 Tex. Admin. Code § 84.704(b), (g).

CERTIFICATE OF SERVICE

I certify that on April 16, 2021, a true and correct copy of this Agreed Order has been sent to Automania, LLC by the following methods:

Automania, LLC
Attn: Ali Barani,
Compliance Officer
8000 Sovereign Row, Suite A
Dallas, Texas 75247
younggtrowner@gmail.com

- hand-delivery
- facsimile
- electronic mail
- regular mail
- certified mail, return receipt requested

Automania, LLC
Attn: Babak Barani,
Registered Agent
4541 St. Samons St.
Carrollton, Texas 75010
bobbybarani1@gmail.com

- hand-delivery
- facsimile
- electronic mail
- regular mail
- certified mail, return receipt requested

/s/Audrey Spalding
Audrey Spalding
Assistant General Counsel
Office of Consumer Credit Commissioner
State Bar No. 24111055
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