UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman

Julie Brill

Maureen K. Ohlhausen Joshua D. Wright

In the Matter of

BILL ROBERTSON & SONS, INC. a California corporation d/b/a HONDA OF HOLLYWOOD

| DOCKET NO. | |
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| DOCKET NO. | |

COMPLAINT

The Federal Trade Commission, having reason to believe that Bill Robertson & Sons, Inc. d/b/a Honda of Hollywood, a corporation ("respondent"), has violated provisions of the Federal Trade Commission Act ("FTC Act"), the Consumer Leasing Act ("CLA"), and its implementing Regulation M, and it appearing to the Commission that this proceeding is in the public interest, alleges:

- 1. Respondent is a California corporation with its principal office or place of business at 6525 Santa Monica Boulevard, Los Angeles, California 90038. Respondent offers automobiles for sale or lease to consumers.
- 2. The acts or practices of respondent alleged in this complaint have been in or affecting
- 3. Since at least March 2013, respondent has disseminated or caused to be disseminated advertisements to the public promoting the purchase, finance, and leasing of automobiles.
- 4. Respondent has disseminated or caused to be disseminated advertisements promoting consumer leases for automobiles, as the terms "advertisement" and "consumer lease" are defined in Section 213.2 of Regulation M, 12 C.F.R. §213.2, as amended.
- 5. Respondent has placed numerous such advertisements promoting consumer leases for automobiles in the *Los Angeles Times* newspaper. A copy of one such full-page advertisement that ran in the Los Angeles Times is attached as Exhibit A. The advertisement contains the statements and depictions described in this paragraph; respondent's advertisements in other editions of the *Los Angeles Times* contain substantially similar statements and depictions.

a. Respondent's advertisements prominently state: "0 FIRST PAYMENT," "0 DOWN," "0 SECURITY DEPOSIT," "0 DUE AT SIGNING," and "0.9% APR

FEDERAL TRADE COMMISSION ACT VIOLATIONS

Count I

Misrepresentation of Amount Due at Lease Inception

6.

- d. The number, amount, and timing of scheduled payments.
- e. With respect to a lease in which the liability of the consumer at the end of the lease term is based on the anticipated residual value of the property, that an extra charge may be imposed at the end of the lease term.
- 12. Therefore, the practices set forth in Paragraph 11 of this Complaint have violated Section 184 of the CLA, 15 U.S.C. § 1667c, and Section 213.7 of Regulation M, 12 C.F.R. § 213.7.

THEREFORE, the Federal Trade Commission, this _____ day of _____, 2014, has issued this complaint against respondent.

By the Commission.

Donald S. Clark Secretary