

UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Robert Pitofsky, Chairman  
Mary L. Azcuenaga  
Janet D. Steiger  
Roscoe B. Starek, III  
Christine A. Varney

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In the Matter of )  
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HULING BROS. CHEVROLET, INC., ) DOCKET NO. C-3732  
a corporation; )  
HULING BUICK, INC., ) DECISION AND  
a corporation; and ) ORDER  
HULING BROS. CHRYSLER/PLYMOUTH, INC., )  
a corporation. )  
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The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft complaint that the Seattle Regional Office proposed to present to the Commission for its consideration and that, if issued by the Commission, would charge the respondents with violation of the Truth in Lending Act, 15 U.S.C. § 1601 et seq., and its implementing Regulation Z, 12 C.F.R. 226, and the Federal Trade Commission Act, 15 U.S.C. § 45 et seq.; and

The respondents, their attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Acts and Regulation, and that

a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in § 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Huling Bros. Chevrolet, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Washington, with its principal place of business located at 4755 Fauntleroy Way S.W., Seattle, Washington 98126.

2. Respondent Huling Buick, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Washington, with its principal place of business located at 4545 Fauntleroy Way S.W., Seattle, Washington 98126.

3. Respondent Huling Bros. Chrysler/Plymouth, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Washington, with its principal place of business located at 4550 Fauntleroy Way S.W., Seattle, Washington 98126.

4. The Federal Trade Commission has jurisdiction over the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

#### ORDER

##### I.

IT IS ORDERED that respondents Huling Bros. Chevrolet, Inc., a corporation, its successors and assigns, and its officers; Huling Buick, Inc., a corporation, its successors and assigns, and its officers; and Huling Bros. Chrysler/Plymouth, Inc., a corporation, its successors and assigns, and its officers; and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division, or other device, in connection with any advertisement to promote, directly or indirectly, any extension of consumer credit, as "advertisement" and "consumer credit" are defined in the Truth in Lending Act ("TILA"), 15 U.S.C. §§ 1601-1667e, as amended, and in Regulation Z, 12 C.F.R. Part 226, do forthwith cease and desist from:

A. Misrepresenting in any manner, directly or by implication, the terms of financing the purchase of a vehicle, including but not limited to the annual percentage rate, the amount of any periodic payment amount, or the availability of any

advertised credit term; the sale price; or the availability of any advertised rebate.

B. Stating a rate of finance charge without stating the rate as an "annual percentage rate" or the abbreviation "APR," using that term, and failing to calculate the rate in accordance with Regulation Z. If the annual percentage rate may be increased after consummation, the advertisement shall state that fact. The advertisement shall not state any other rate, except that a simple annual rate or periodic rate that is applied to an unpaid balance may be stated in conjunction with, but not more conspicuously than, the annual percentage rate.

(Sections 144 and 107 of the TILA, 15 U.S.C. §§ 1664 and 1606, and Sections 226.24(b) and 226.22 of Regulation Z, 12 C.F.R. §§ 226.24(b) and 226.22)

C. Stating the amount or percentage of any downpayment, the number of payments or period of repayment, the amount of any payment, or the amount of any finance charge, without stating accurately, clearly and conspicuously, all of the terms required by Regulation Z, as follows:

- (1) the amount or percentage of the downpayment;
- (2) the terms of repayment; and
- (3) the "annual percentage rate," using that term or the abbreviation "APR." If the annual percentage rate may be increased after consummation of the credit transaction, that fact must also be disclosed.

(Section 144 of the TILA, 15 U.S.C. § 1664, and Section 226.24(c) of Regulation Z, 12 C.F.R. § 226.24(c))

D. Failing to state only those terms that actually are or will be arranged or offered by the creditor, in any advertisement for credit that states specific credit terms, as required by Regulation Z.

(Section 142 of the TILA, 15 U.S.C. § 1662, and Section 226.24(a) of Regulation Z, 12 C.F.R. § 226.24(a))

E. Failing to comply in any other respect with the Truth in Lending Act, 15 U.S.C. §§ 1601-1667e, as amended, or its implementing regulation, Regulation Z, 12 C.F.R. Part 226, as amended.

## II.

IT IS FURTHER ORDERED that respondents, and their successors and assigns, shall distribute a copy of this order to all present or future officers, agents, representatives, and employees having

responsibility with respect to the subject matter of this order, and that respondents, and their successors and assigns, shall secure from each such person a signed statement acknowledging receipt of said order.

**III.**

IT IS FURTHER ORDERED that each respondent, and its successors and assigns, shall notify the Commission at least thirty (30) days prior to any proposed change in its corporate entity, such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries, or any other change in the corporation that may affect compliance obligations arising out of the order.

**IV.**

IT IS FURTHER ORDERED that for five (5) years after the date of service of this order respondents, and their successors and assigns, shall maintain and upon request make available all records that will demonstrate compliance with the requirements of this order.

**V.**

IT IS FURTHER ORDERED that respondents, and their successors and assigns, shall, within sixty (60) days of the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

**VI.**

This order will terminate on April 14, 2017, or twenty (20)

**Provided further,** that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or