

PARAGRAPH THREE: 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.

PARAGRAPH FOUR: In the ordinary course and conduct of their business, respondents have been engaged in the dissemination of advertisements that promote, directly or indirectly, credit sales and other extensions of closed-end credit in consumer credit transactions, as the terms "advertisement," "credit sale," "closed-end credit," and "consumer credit" are defined in the TILA and Regulation Z.

PARAGRAPH FIVE: The acts and practices of respondents alleged in this complaint have been and are in or affecting commerce, as "commerce" is defined in the FTC Act.

COUNT ONE

PARAGRAPH SIX: Respondent Huling Bros. Chevrolet, Inc., in the course and conduct of its business, on numerous occasions has disseminated, or caused to be disseminated, advertisements that state annual percentage rates as well as monthly payment amounts and vehicle sales prices. In fact, in many instances, the advertisements understate the annual percentage rates by more than 1/4 of 1 percentage point, thereby failing to disclose accurately the annual percentage rate.

PARAGRAPH SEVEN: Respondent's aforesaid practice violates

COUNT THREE

PARAGRAPH TEN: Respondents Huling Bros. Chevrolet, Inc., and Huling Buick, Inc., in the course and conduct of their business, on numerous occasions have disseminated, or caused to be disseminated, advertisements that state conflicting monthly payment amounts for the same transaction, thereby failing to disclose accurately the terms of repayment.

PARAGRAPH ELEVEN: Respondents' aforesaid practice violates Section 144(d) of the TILA, 15 U.S.C. § 1664(d), and Section 226.24(c) of Regulation Z, 12 C.F.R. § 226.24(c), and constitutes an unfair or deceptive act or practice, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT FOUR

PARAGRAPH TWELVE: Respondents Huling Bros. Chevrolet, Inc.,

PARAGRAPH FIFTEEN: Respondents' aforesaid practice constitutes an unfair or deceptive act or practice, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT SIX

PARAGRAPH SIXTEEN: Respondent Huling Buick, Inc., in the course and conduct of its business, has disseminated, or caused to be disseminated, advertisements that state a rate of a finance charge, but fail to state the rate as an "annual percentage rate," using that term or the abbreviation "APR."

PARAGRAPH SEVENTEEN: Respondent's aforesaid practice