

Complaint

percentage rate of the finance charge, the due dates of scheduled repayments prior to consummation of the transaction, the unpaid balance of the cash price, the amount financed, the deferred payment price, and all consumer credit disclosures required by Regulation Z of said Act.

COMPLAINT

Pursuant to the provisions of the Truth in Lending Act and the implementing regulation promulgated thereunder, and the Federal Trade Commission Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that J. H. Goldberg Furniture Co., Inc., a corporation and Nathan Goldberg, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and regulation, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent J. H. Goldberg Furniture Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at 96 North Street, Rochester, New York.

The J. H. Goldberg Furniture Co., Inc., owns and operates a retail furniture store known as The Furniture Market located at the same address.

Respondent Nathan Goldberg is the secretary-treasurer of the corporate respondent. He formulates, directs and controls the policies, acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the sale of furniture and electrical appliances to the public.

PAR. 3. In the ordinary course and conduct of their business, as aforesaid, respondents regularly extend and arrange for the extension of consumer credit, as "consumer credit" is defined in Regulation Z, the implementing regulation of the Truth in Lending Act, duly promulgated by the Board of Governors of the Federal Reserve System.

PAR. 4. Subsequent to July 1, 1969, respondents, in the ordinary course of their business, as aforesaid, and in connection with their credit sales, as "credit sale" is defined in Regulation Z, have caused

and are causing customers to execute retail installment contracts, hereinafter referred to as "the contract."

By and through the use of the contract, respondents:

1. Failed in some instances to disclose the "annual percentage rate" accurately to the nearest quarter of one percent, in accordance with Section 226.5(b)(1) of Regulation Z.

2. Failed in some instances to disclose the "annual percentage rate" as required by Section 226.8(b)(2) of Regulation Z.

3. Failed in some instances to disclose the due date of the first payment, or otherwise failing to disclose the number, amount and due dates or periods of payments scheduled to repay the indebtedness, prior to the consummation of the transaction and the "total of payments" as required by Section 226.8(b)(3) of Regulation Z.

4. Failed in some instances to disclose the "unpaid balance of cash price" as required by Section 226.8(c)(3) of Regulation Z.

5. Failed in some instances to disclose the "amount financed" as required by Section 226.8(c)(7) of Regulation Z.

6. Failed to disclose the correct "deferred payment price" as required by Section 226.8(c)(8)(ii) of Regulation Z.

PAR. 5. Pursuant to Section 103(k) of the Truth in Lending Act, respondents' aforesaid failures to comply with the provisions of Regulation Z constitute violations of that Act and, pursuant to Section 108 thereof, respondents have thereby violated the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging respondents named in the caption hereof with violation of the Federal Trade Commission Act, the Truth in Lending Act and the implementing Regulation promulgated thereunder, and respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

Respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondents of all the jurisdictional facts set forth in the complaint to issue herein, 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 considered the agreement and having ac-

cepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in Section 2.34(b) of its Rules, the Commission hereby issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent J. H. Goldberg Furniture Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at 96 North Street, Rochester, New York.

Respondent Nathan Goldberg is the secretary-treasurer of said corporation. He formulates, directs and controls the policies, acts and practices of said corporation and his address is the same as that of said corporation.

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

ORDER

It is ordered, That respondents J. H. Goldberg Furniture Co., Inc., a corporation, and Nathan Goldberg individually and as an officer of said corporation, and respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with any extension or arrangement for the extension of consumer credit, or any advertisement to aid, promote or assist directly or indirectly any extension of consumer credit as "consumer credit" and "advertisement" are defined in Regulation Z (12 CFR Part 226) of the Truth in Lending Act (Public Law 90-321, 15 U.S.C. 1601 *et seq.*), do forthwith cease and desist from:

1. Failing to disclose the annual percentage rate accurately to the nearest quarter of one percent, in accordance with Section 226.5(b)(1) of Regulation Z.

2. Failing to disclose the annual percentage rate as required by Section 226.8(b)(2) of Regulation Z.

3. Failing to disclose the due date of the first payment, or otherwise failing to disclose the number, amount and due dates or periods of payments scheduled to repay the indebtedness, prior to the consummation of the transaction and the "total of payments" as required by Section 226.8(b)(3) of Regulation Z.

4. Failing to disclose the "unpaid balance of cash price" as required by Section 226.8(c)(3) of Regulation Z.

5. Failing to disclose the "amount financed" as required by Section 226.8(c)(7) of Regulation Z.

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6. Failing to disclose the correct "deferred payment price" as required by Section 226.8(c)(8)(ii) of Regulation Z.

7. Failing, in any consumer credit transaction or advertisement, to make all disclosures required by Sections 226.4, 226.5, 226.6, 226.7, 226.8, and 226.10 of Regulation Z, in the manner, form and amount prescribed therein.

It is further ordered, That respondent deliver a copy of this order to cease and desist to all present and future personnel of respondents engaged in the consummation of any extension of consumer credit or in any aspect of preparation, creation, or placing of advertising, and that respondent secure a signed statement acknowledging receipt of said order from each such person.

It is further ordered, That respondents notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent, 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 which may affect compliance obligations arising out of the order.

It is further ordered, That each respondent shall, within sixty (60) days after service upon them 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 the order to cease and desist contained herein.

IN THE MATTER OF

CONNELL RICE & SUGAR CO., INC., ET AL.

ORDER OF DISMISSAL, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT AND SEC. 2(c) OF THE CLAYTON ACT

Docket 8736. Complaint, May 8, 1967—Decision, Mar. 29, 1971

Order dismissing complaint as to respondent Standard Brands, Inc. Consent
of respondent Connell Rice & Sugar Co., Inc. and Foremost-