

subsidiaries, or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That respondents 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

BILL PIERRE FORD, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
TRUTH IN LENDING AND THE FEDERAL TRADE COMMISSION ACTS

Docket C-2136. Complaint, Jan. 17, 1972—Decision, Jan. 17, 1972

Consent order requiring a Seattle, Wash., seller of new and used automobiles to cease violating the Truth in Lending Act by failing to make all consumer credit disclosures required by Regulation Z of the Act and failing to maintain for at least two years documents relating to each vehicle purchased.

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 Bill Pierre Ford, Inc., a corporation, and William H. Pierre, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and implementing 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 Bill Pierre Ford, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Washington with its principal office and place of business located at 11525 Lake City Way N.E., Seattle, Washington.

Respondent William H. Pierre is an officer of the corporate respondent. He formulates, directs and controls the policies, acts and practices of the corporation, including the acts and practices herein-

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after 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 new and used motor vehicles to the public and have engaged in the advertising of same in various media.

PAR. 3. In the ordinary course of their business as aforesaid, respondents regularly extend 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, in the ordinary course of their business as aforesaid, and in connection with their credit sales, as "credit sale" is defined in Regulation Z, respondents have entered into and are entering into contracts for the sale of respondents' goods and services. Respondents have not, however, provided the consumer credit cost disclosures required by Sections 226.4, 226.5, 226.6 and 226.8 of Regulation Z prior to the consummation of the transaction as required by Section 226.8(a) of Regulation Z.

PAR. 5. Pursuant to Section 103(q) 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 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 of complaint which the Seattle Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Truth in Lending Act.

The respondents 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

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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 that complaint should issue stating its charges in that respect, and having thereupon accepted the executed agreement and placed such agreement 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, makes the following jurisdictional findings, and enters the following order:

1. Respondent Bill Pierre Ford, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Washington with its principal office and place of business located at 11525 Lake City Way N.E., Seattle, Washington.

Respondent William H. Pierre is an officer of said corporation and his address is the same as that 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.

ORDER

It is ordered, That respondents Bill Pierre Ford, Inc., a corporation, and William H. Pierre, individually and as an officer of said corporation, and respondents' agents, representatives, employees, successor and assigns, directly or through any corporate or other device, in connection with any consumer credit sale, as "consumer credit" and "credit sale" are defined in Regulation Z (12 CFR §226) of the Truth in Lending Act (Pub.L. 90-321, 15 U.S.C. 1601 *et seq.*), do forthwith cease and desist from:

1. Failing to make disclosures to customers prior to consummation of the transaction, as required by Section 226.8(a) of Regulation Z.

2. Engaging in any consumer credit transaction or disseminating any advertisement within the meaning of Regulation Z of the Truth in Lending Act without making all disclosures that are required by Sections 226.6, 226.7, 226.8 and 226.10 in the amount, manner, and form specified therein.

3. Failing to preserve and maintain for a period of not less than two years from the date of preparation, each buyer's order, purchase order, or other paper signed, initialed, or orally agreed to by a vehicle purchaser which sets out any terms, provisions or conditions of sale of a motor vehicle.

It is further ordered, That respondents deliver a copy of this order to cease and desist to all present and future personnel of respondents

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engaged in the consummation of any extension of consumer credit or in any aspect of preparation, creation, or placing of advertising, and that respondents 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 effect compliance obligations arising out of the order.

It is further ordered, That the respondents 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.