

Complaint

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Commission a report in writing, setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF

CHARLES EDWIN PORTER, DOING BUSINESS AS
FLORIDA TRAINING CENTER, ET AL.

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

Docket C-2172. Complaint, March 17, 1972—Decision, March 17, 1972

Consent order requiring a Tampa, Fla., individual offering courses in key punch operations and bank teller techniques to cease violating the Truth in Lending Act in his consumer credit transactions by failing to disclose the total number of payments, the cash price, the unpaid balance of cash price, the amount financed, the deferred payment price, and other 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 Charles Edwin Porter, individually and doing business as Florida Training Center and Commercial Training Institute, hereinafter referred to as respondent, has 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 Charles Edwin Porter is an individual doing business as Florida Training Center and Commercial Training Institute. The office and principal place of business of Florida Training Center and Commercial Training Institute is located at 709 Franklin Street, Suite 204, Tampa, Florida.

PAR. 2. Respondent is now, and for some time last past has been engaged in the advertising, offering for sale and sale to the public of

the course of instructions in key punch operations and bank teller techniques.

PAR. 3. In the ordinary course of his business as aforesaid, respondent regularly extends 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 his business as aforesaid and in connection with his credit sales, as "credit sale" is defined in Regulation Z, respondent has caused and is causing his customers to sign an Application for Enrollment which becomes a binding contract when accepted by him. On these Application for Enrollment contracts, hereinafter referred to as "the contract," respondent provides certain consumer credit cost information. Respondent does not provide his customers with any other consumer credit cost disclosures.

By and through the use of the contract, respondent:

1. Fails to make all disclosures required to be made by Section 226.8 of Regulation Z clearly, conspicuously and in a meaningful sequence, as required by Section 226.6(a) of Regulation Z.

2. Fails to use the term "cash price" to describe the price at which respondent offers, in the regular course of business, to sell for cash the property or services which are the subject of the credit sale, as required by Section 226.8(c)(1) of Regulation Z.

3. Fails to use the term "cash downpayment" to describe the downpayment in money made in connection with the credit sale, as required by Section 226.8(c)(2) of Regulation Z.

4. Fails to disclose the difference between the cash price and total downpayment, and to describe that sum as the "unpaid balance of cash price," as required by Section 226.8(c)(3) of Regulation Z.

5. Fails to disclose the amount of credit extended, and to describe that sum as the "amount financed," as required by Section 226.8(c)(7) of Regulation Z.

6. Fails to use the term "deferred payment price" as required by Section 226.8(c)(8)(ii) of Regulation Z.

7. Fails to disclose the number of payments scheduled to repay the indebtedness, and the sum of such payments using the term "total of payments" as required by Section 226.8(c)(3) of Regulation Z.

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PAR. 5. Pursuant to Section 103(q) of the Truth in Lending Act, respondent's aforesaid failure to comply with the provisions of Regulation Z constitutes a violation of that Act and pursuant to Section 108 thereof, respondent has 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 respondent name in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Atlanta Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act, the Truth in Lending Act and the implementing regulation promulgated thereunder; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent 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 respondent 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 respondent has violated the said Acts, and that 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 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 Charles Edwin Porter is an individual doing business as Florida Training Center and Commercial Training Institute with his principal office and place of business located at 709 Franklin Street, Tampa, Florida.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent Charles Edwin Porter, individually and doing business as Florida Training Center and Commercial Training Institute, and his agents, representatives and employees, directly or through any corporate or other device, in connection with any 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 §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 all disclosures required to be made by Section 226.8 of Regulation Z clearly, conspicuously and in a meaningful sequence, as required by Section 226.6(a) of Regulation Z.
2. Failing to disclose the number of payments scheduled to repay the indebtedness and the sum of such payments using the term "total of payments," as required by Section 226.8(b)(3) of Regulation Z.
3. Failing to disclose the price at which respondent, in the regular course of business, offers to sell for cash the property or services which are the subject of the credit sale, and to describe that price as the "cash price," as required by Section 226.8(c)(1) of Regulation Z.
4. Failing to disclose the amount of any downpayment in money, and to describe that amount as the "cash downpayment," as required by Section 226.8(c)(2) of Regulation Z.
5. Failing to disclose the difference between the "cash price" and the "total downpayment," and to describe that difference as the "unpaid balance of cash price," as required by Section 226.8(c)(3) of Regulation Z.
6. Failing to disclose the amount of credit extended, and to describe that amount as the "amount financed," as required by Section 226.8(c)(7) of Regulation Z.
7. Failing to use the term "deferred payment price" to describe the sum of the cash price, all other charges which are part of the amount financed but are not part of the finance charge, and the finance charge, as required by Section 226.8(c)(8)(ii) of Regulation Z.

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8. Failing, in any consumer credit transaction or advertisement, to make all disclosures, determined in accordance with Section 226.4 and Section 226.5 of Regulation Z, in the manner, form and amount required by Sections 226.6, 226.8 and 226.10 of Regulation Z.

It is further ordered, That a copy of this order to cease and desist be delivered to all present and future personnel of respondent 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 respondent notify the Commission at least thirty (30) days prior to any proposed change in respondent's business organization such as dissolution; assignment or sale resulting in the emergence of a successor business, corporate or otherwise; the creation of subsidiaries; any change of business name or trade style; or any other change which may affect compliance obligations arising out of the order.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon him of this order file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist contained herein.

IN THE MATTER OF

TITAN ENTERPRISES, INC.,

DOING BUSINESS AS

V.I.P. INTERNATIONAL SCIENTIFIC CO., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT