

IN THE MATTER OF

BOB RICE FORD, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION AND MAGNUSON-MOSS
WARRANTY ACTS*Docket C-3026. Complaint, July 1, 1980—Decision, July 1, 1980*

This consent order requires, among other things, a Boise, Idaho seller of new and used motor vehicles and its corporate officer to make the text of written warranties readily available to prospective buyers and prominently display signs advising consumers of such availability. Written warranties must include all statutorily required information, and limited warranties so designated. Respondents are also required to post signs stating that all warranties are not the same and that comparisons should be made prior to purchase. All relief available to purchasers under state laws must be provided; and affected customers, in instances where implied warranties were improperly waived, notified of their implied warranty rights. Further, the order bars respondents from raising any defenses pertaining to a disclaimer of implied warranties in suits brought by motor vehicle purchasers who were issued written limited warranties disclaiming implied warranties. Additionally, respondents are required to instruct their employees as to their statutory obligations, and maintain a surveillance program designed to ensure compliance with the provisions of the order.

Appearances

For the Commission: *Dennis D. McFeely.*

For the respondents: *Paul T. Baird, Boise, Idaho.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, and of the Magnuson-Moss Warranty—Federal Trade Commission Improvement Act ("Warranty Act"), the implementing Rules concerning the Disclosure of Written Consumer Product Warranty Terms and Conditions ("Disclosure Rule") (16 C.F.R. 701 (1977)) and the Availability of Written Warranty Terms ("Pre-Sale Rule") (16 C.F.R. 702 (1977)) duly promulgated on December 31, 1975 pursuant to Title I, Section 109 of the Warranty Act (15 U.S.C. 2309), and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Bob Rice Ford, Inc., a corporation, and Robert L. Rice, individually and as an officer of said corporation, hereinafter sometimes referred to as respondents, have violated the provisions of said Acts, the Pre-Sale Rule and the

Disclosure Rule, 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. The present tense as used herein includes the past tense.

PAR. 2. Respondent Bob Rice Ford, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Idaho. Its principal office and place of business is located at 3150 Main St., Boise, Idaho.

Respondent Bob L. Rice is an officer 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 Bob Rice Ford, Inc.

PAR. 3. Respondents have been, and are now, engaged in the advertising, offering for sale, and sale of new and used automobiles and trucks to the public.

PAR. 4. In the course and conduct of their business, respondents offer for sale and sell to consumers, consumer products distributed in commerce as "consumer product," "consumer," "distributed in commerce," and "commerce," are defined by Sections 101(1), 101(3), 101(13) and 101(14), respectively, of the Warranty Act. Respondents are, therefore, suppliers as "supplier" is defined by Section 101(4) of the Warranty Act.

COUNT 1

PAR. 5. Alleging violation of the Warranty Act and Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One through Four are incorporated by reference herein as if fully set forth verbatim.

PAR. 6. Respondents, in the course and conduct of their business, have offered and sold automobiles and other consumer products manufactured after July 4, 1975 costing the consumer in excess of \$15.00, many of which are warranted by the manufacturer. Respondents are therefore sellers as "seller" is defined in Section 702.1(e) of the Pre-Sale Rule.

PAR. 7. In connection with the offering for sale and sale of automobiles and other consumer products manufactured after January 1, 1977, respondents have failed, as required by Section 702.3(a) of the Pre-Sale Rule, to make the text of any written warranty available for prospective buyers' review prior to sale.

PAR. 8. Respondents' failure to comply with the Pre-Sale Rule as

described in Paragraphs Six and Seven of this complaint is a violation of the Warranty Act, and, pursuant to Section 110(b) of the Warranty Act, is an unfair or deceptive act or practice in violation of Section 5 of the Federal Trade Commission Act, as amended.

COUNT 2

PAR. 9. Alleging violation of the Warranty Act and Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One through Four are incorporated by reference herein as if fully set forth verbatim.

PAR. 10. In the course and conduct of its business, respondents provide to purchasers of used automobiles and trucks manufactured after July 4, 1975 a written limited warranty covering the engine, transmission, rear axle, brake system, and electrical system. Respondents are therefore warrantors as "warrantor" is defined by Section 101(5) of the Warranty Act.

PAR. 11. In connection with the respondents' providing of written warranties, respondents have failed to designate the warranty as a "Limited Warranty" as required by Section 103 of the Warranty Act.

PAR. 12. Respondents' failure to properly designate their warranty is a violation of Section 103 of the Warranty Act, and, pursuant to Section 110(b) of the Warranty Act, is an unfair or deceptive act or practice in violation of Section 5 of the Federal Trade Commission Act, as amended.

COUNT 3

PAR. 13. Alleging violation of the Warranty Act and Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One through Four and Paragraph Ten are incorporated by reference herein as if fully set forth verbatim.

PAR. 14. In written warranties provided to purchasers of used automobiles and trucks manufactured after January 1, 1977 respondents have failed to clearly and conspicuously disclose in a single document in simple and readily understood language the following statements:

A. This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

B. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you.

Failure to include these statements violates Section 701.3 of the Disclosure Rule.

PAR. 15. Respondents' failure to comply with the Disclosure Rule as described in Paragraph Fourteen of this complaint is a violation of the Warranty Act, and, pursuant to Section 110(b) of the Warranty Act, is an unfair or deceptive act or practice in violation of Section 5 of the Federal Trade Commission Act, as amended.

COUNT 4

PAR. 16. Alleging violation of the Warranty Act and Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One through Four and Paragraph Ten are incorporated by reference herein as if fully set forth verbatim.

PAR. 17. While providing written warranties to purchasers, of used automobiles and trucks manufactured after July 4, 1975, respondents have, with respect to those same purchasers, disclaimed all implied warranties (including the implied warranties of merchantability and fitness for a particular use) arising under state law and otherwise available to purchasers of respondents' automobiles and trucks.

PAR. 18. Respondents' disclaimer of the implied warranties as described in Paragraph Seventeen of this complaint is a violation of Section 108 of the Warranty Act, and, pursuant to Section 110(b) of the Warranty Act, is an unfair or deceptive act or practice in violation of Section 5 of the Federal Trade Commission Act, as amended.

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 Magnuson-Moss Warranty Act.

The respondents, their attorneys, 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 Federal Trade Commission having initiated an investigation of certain acts and practices of Bob Rice Ford, Inc., a corporation, and Robert L. Rice, individually and as an officer of said corporation, and it now appearing that said corporation, and Robert L. Rice, individually and as an officer of said corporation, hereinafter sometimes referred to as proposed respondents, are willing to enter into an agreement containing an order to cease and desist from the use of the acts and practices being investigated,

It is hereby agreed, by and between Bob Rice Ford, Inc., by its duly authorized officer, Robert L. Rice, individually and as an officer of said corporation, and counsel for the Federal Trade Commission that:

1. Proposed respondent Bob Rice Ford, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Idaho with its principal office and place of business located at 3150 Main St., Boise, Idaho.

Proposed respondent Robert L. Rice is an officer 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. Proposed respondents admit all the jurisdictional facts set forth in the draft of complaint here attached.

3. Proposed respondents waive:

(a) Any further procedural steps;

(b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and

(c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become a part of the official record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of complaint contemplated thereby and related material pursuant to Rule 2.34, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not

constitute an admission by respondents that the law has been violated as alleged in the draft of complaint here attached.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the draft of complaint here attached and its decision containing the following order to cease and desist in disposition of the proceeding, and (2) make information public in respect thereto. When so entered, the order to cease and desist shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the U.S. Postal Service of the complaint and decision containing the agreed-to order to proposed respondents' address as stated in this agreement shall constitute service. Proposed respondents waive any rights they may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondents have read the proposed complaint and order contemplated hereby. They understand that once the order has been issued, they will be required to file one or more compliance reports showing that they have fully complied with the order, and that they may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

ORDER

I. Definitions

A. "Warranty Act" means the Magnuson-Moss Warranty—Federal Trade Commission Improvement Act (15 U.S.C.2301, *et seq.*).

B. The definition of terms contained in Section 101 of the Warranty Act and in Rules 701 and 702 promulgated thereunder (16 C.F.R. 701.1, 702.1) as presently defined and as may be amended hereafter, shall apply to the terms of this order.

C. With respect to new automobiles and trucks, "display area" means a prominent location in the showroom.

II.

It is ordered, That respondent Bob Rice Ford, Inc., a corporation, its successors and assigns, and its officers, and Robert L. Rice, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or indirectly through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, and sale of automobiles or other consumer products:

A. Shall, with respect to written warranties on new cars and other new consumer products, make available to the consumer prior to sale through utilization of a binder system as specified in 16 C.F.R. 702.3(a)(1)(ii), as presently written and as may be amended hereafter, the text of any written warranties offered or provided by respondents or the manufacturers of automobiles and consumer products sold by respondents. In utilizing any such binder or binders respondents shall:

1. provide prospective buyers with ready access thereto; and
2. a. display such binder(s) in a manner reasonably calculated to elicit the prospective buyers' attention; or
b. i. make such binder(s) available to prospective buyers on request; and
ii. place signs reasonably calculated to elicit the prospective buyers' attention in prominent locations within the display area, advising such prospective buyers of the availability of the binder(s), including instructions for obtaining access; and
3. index such binder(s) according to product or warrantor; and
4. clearly entitle such binder(s) as "Warranties" or other similar title.

Provided, however, that with respect to written warranties on new cars, it shall be deemed compliance with this paragraph if respondents display the text of any written warranties offered on new cars in the showroom in a manner reasonably calculated to elicit prospective buyers' attention, employing any means authorized by 16 C.F.R. 702.3(a)(1)(i) or (iv), as presently written and as may be amended hereafter. In such instance, the sign required by Paragraph III(A) shall be amended by inserting, in lieu of Line 3, the phrase "The warranty on new cars is posted in this showroom," and inserting, in lieu of Line 4, the phrase "There is also a warranty binder for parts and accessories."

B. Shall clearly and conspicuously display the text of each written warranty offered by respondents for used motor vehicles on a

window of each warranted vehicle; *provided*, that in the event the Federal Trade Commission issues a final Trade Regulation Rule establishing requirements which make compliance with this paragraph impossible, or which requires disclosure of warranty terms on window forms, then this paragraph will be null and void.

III.

It is further ordered, That respondents:

A. Post, in a prominent location in the showroom, a sign, at least 36 inches wide by 48 inches high and reasonably calculated to elicit prospective buyers' attention, which contains a verbatim reproduction of the following language:

IMPORTANT!

NOT ALL WARRANTIES ARE THE SAME
Compare warranties before you buy
There is a warranty binder in this showroom
If you can't find it, ask for it
Check for these things:
Full or Limited:
What costs are covered?
What do you have to do?
Are all parts covered?
How long does the warranty last?

B. Post, in a prominent location in the used car sales office lobby, a sign, at least 36 inches wide by 48 inches high and reasonably calculated to elicit prospective buyers' attention, which contains a verbatim reproduction of the following language:

IMPORTANT!

NOT ALL WARRANTIES ARE THE SAME
Compare warranties before you buy
Warranties (when given) are on the windows of used cars
If you don't see it, ask about it
Check for these things:
Full or Limited:
What costs are covered?
What do you have to do?
Are all parts covered?
How long does the warranty last?

C. The signs required by Paragraphs III.A. and B. shall be posted for a period of not less than three years from the effective date of this order. The language in such signs shall be unencumbered by other written or visual matter, shall be spaced, indented and punctuated

as indicated in Paragraphs III.A. and B. above, and shall be printed in black against a solid white background, as follows:

1. The title of each sign shall be the word "Important" and shall be printed in capital letters in 4-inch boldface type followed by an exclamation mark.
2. The next phrase shall be printed on a separate line in capital letters and in 3-inch medium face type.
3. The next three phrases shall be printed on separate lines and in 3-inch medium face type.
4. Each succeeding phrase shall be printed on a separate line and in 2-inch medium face type.
5. The word "Important!" and each phrase shall be at least one inch from every other phrase.

IV.

It is further ordered, That respondents in connection with the advertising, offering for sale, and sale of automobiles and other consumer products shall clearly and conspicuously designate written warranties offered by said respondents as required by Section 103 of the Warranty Act. If a written warranty is given which does not meet the standards set forth in Section 104 of the Warranty Act:

- A. The warranty shall be titled "Limited Warranty"; and
- B. The title shall be printed in capital letters in 44-point boldface type.

V.

It is further ordered, That respondents in connection with the offering of written warranties on automobiles and other consumer products shall clearly and conspicuously disclose in a single document in simple and readily understood language, the following items of information:

- A. The identity of the party or parties to whom the written warranty is extended, if the enforceability of the written warranty is limited to the original consumer purchaser or is otherwise limited to persons other than every consumer owner during the term of the warranty;
- B. A clear description and identification of products, or parts, or characteristics, or components or properties covered by and, where necessary for clarification, excluded from the warranty;
- C. A statement of what the warrantor will do in the event of a

defect, malfunction or failure to conform with the written warranty, including the items or services the warrantor will pay for or provide, and, where necessary for clarification, those which the warrantor will not pay for or provide;

D. The point in time or event on which the warranty term commences, if different from the purchase date, and the time period or other measurement of warranty duration;

E. A step-by-step explanation of the procedure which the consumer should follow in order to obtain performance of any warranty obligation, including the persons or class of persons authorized to perform warranty obligations. This includes the name(s) of the warrantor(s), together with: the mailing address(es) of the warrantor(s), and/or the name or title and the address of any employee or department of the warrantor responsible for the performance of warranty obligations, and/or a telephone number which consumers may use without charge to obtain information on warranty performance;

F. Information respecting the availability of any informal dispute settlement mechanism that complies with 16 C.F.R. 703 (1977);

G. Any limitations on the duration of implied warranties, disclosed on the face of the warranty as provided in Section 108 of the Warranty Act, accompanied by the following statement:

Some states do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to you.

H. Any exclusions of or limitations on relief such as incidental or consequential damages, accompanied by the following statement, which may be combined with the statement required in subparagraph G above:

Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you.

I. A statement in the following language:

This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

VI.

It is further ordered, That respondents, in connection with the advertising, offering for sale, and sale of automobiles or other consumer products in instances where respondents either provide a written warranty to the consumer with respect to such consumer product, or, at the time of sale or within 90 days thereafter, enter

into a service contract with the consumer which applies to such consumer product, shall:

A. Not disclaim or modify, except as permitted by Section 108(b) of the Warranty Act, any implied warranty with respect to a consumer product;

B. Not limit the duration of any implied warranty with respect to a consumer product unless:

1. any written warranty is clearly and conspicuously designated a "Limited Warranty"; and

2. the limitation is for a period of time at least as long as the duration of any written warranty provided by respondents with respect to the product; and

3. the duration of the written warranty is for a reasonable duration; and

4. the limitation is conscionable, is set forth in clear and unmistakable language, and is prominently displayed on the face of the warranty.

VII.

It is further ordered, That respondents shall:

A. Not raise any defenses pertaining to a disclaimer, limitation or modification of implied warranties in any case, suit or claim brought or made against respondents by consumers who have purchased any of respondents' warranted motor vehicles manufactured after July 4, 1975 and who were issued a written limited warranty disclaiming implied warranties;

B. Provide, in good faith, all consumers with all relief available to them under applicable Idaho state laws, if:

1. said consumers purchased any of respondents' warranted motor vehicles manufactured after July 4, 1975 and were issued a used car owner security plan attempting to disclaim implied warranties; and

2. if said motor vehicles did not comply with all of the implied warranties;

C. Notify all consumers who have purchased any of respondents' warranted motor vehicles manufactured after July 4, 1975 and were issued a used car owner security plan which attempted to disclaim implied warranties, by mailing to each such consumer within 60 days of the effective date of this order at the customer's last residence

address known to respondents, the notice set forth in Appendix A of this order. If the notice is returned undelivered, the return envelope shall be retained and the notice is to be sent to the customer's last employment address known to respondents or to the address of a co-signer, relative or other person through whom the customer may be reached.

VIII.

It is further ordered, That:

A. Respondents deliver a copy of this order to cease and desist to all present and future employees, salespersons, agents, independent contractors, and other representatives of respondents engaged in the sale of automobiles or consumer products on behalf of respondents, and secure a signed statement acknowledging receipt of the order from each such person.

B. Respondents instruct all present and future employees, salespersons, agents, independent contractors, and other representatives of respondents, engaged in the sale of automobiles or other consumer products on behalf of respondents, as to their specific obligations and duties under the Warranty Act, all present and future implementing Rules promulgated under the Act and this order including but not limited to:

1. instructions as to the availability and location of warranty information;
2. instructions as to the nature of and differences among full warranties, limited warranties, and service contracts.

C. Respondents institute a program of continuing surveillance to reveal whether respondents and respondents' employees, salespersons, agents, independent contractors, or other representatives are in compliance with this order.

D. Respondents maintain complete records for a period of not less than three (3) years from the date of the incident, of any written or oral information received which indicates the possibility of a violation of this order by any of respondents' employees, salespersons, agents, independent contractors, or other representatives. Any oral information received indicating the possibility of a violation of the order shall be reduced to writing, and shall include the name, address and telephone number of the informant, the name and address of the individual involved, the date of the communication and a brief summary of the information received. Such records shall

be available upon request to representatives of the Federal Trade Commission during normal business hours upon reasonable advance notice.

E. Respondents maintain, for a period of not less than three (3) years from the effective date of this order, complete business records including customer sale folders to be furnished upon request to the staff of the Federal Trade Commission, relating to the manner and form of their continuing compliance with all the terms and provisions of this order.

F. The corporate respondent named herein 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 corporate respondent which may affect compliance obligations arising out of this order.

G. For a period of five years, the individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and/or of his affiliation with a new business or employment.

H. Respondents herein 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 this order.

APPENDIX A

[Date]

[Name and Address of Consumer]

Dear [Name of Consumer]:

Some time ago you bought from us a used car or truck made after July 3, 1975. We gave you our "Ford Dealer Used Car Owner Security Plan." It said that for a certain time after you bought your car or truck, we would give you a discount on certain repairs.

We have learned that this plan is a warranty under federal law. This means we should not have disclaimed any implied warranties.

In fact, you do have an implied warranty of merchantability. This means that the car or truck you purchased must have been fit for ordinary use. Furthermore, if you relied on any claim made by us at the time you purchased the vehicle that it was fit for a particular purpose, you have a warranty of fitness for a particular purpose. The vehicle must fit the purpose we claimed it would fit. The law of the State of Idaho gives you four years to enforce these implied warranties.

Decision and Order

We feel we have lived up to our "Security Plan." It said we would make repairs at a discount for a certain time after you bought your car or truck. If you feel we have not lived up to the other warranties shown above, you have a legal right to them, even though we disclaimed them in error. If you have any questions, please call us at 342-6811.

Please excuse these mistakes in our warranty.

Sincerely,

Bob Rice Ford, Inc.
A. W. Baril, Vice President &
General Manager

Modifying Order

96 F.T.C.

IN THE MATTER OF
FORD MOTOR COMPANY, ET AL.

MODIFYING ORDER IN REGARD TO ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket 9073. Decision, March 29, 1979—Modifying Order, July 3, 1980

This order changes some of the order provisions in an order to cease and desist issued against a Detroit, Mich. manufacturer of motor vehicles March 29, 1979, 93 F.T.C. 402, 44 FR 25630. In an effort to insure evenhandedness in requirements in similar cases issued against competitors, the Commission is modifying the order provisions to meet those in a provisionally accepted order against General Motors Corporation. The Commission has eliminated the references to the State of Louisiana in Paragraphs I.J. and II.F; redefined the meaning of "allowable expenses" in Paragraph I.L; and removed the requirement that respondent submit summary reports of certain required audits to the agency. The order now requires simply the preparation and maintenance of such audit summary reports.

ORDER REOPENING AND MODIFYING CONSENT ORDER

On March 29, 1979, the Commission issued a Decision and Order against respondents Ford Motor Company and Ford Motor Credit Company,¹ in connection with the extension and enforcement of motor vehicle retail credit obligations and the disposition of repossessed motor vehicles. There is now before the Commission a Request by the Ford respondents (filed May 30, 1980, and amended June 10, 1980) for reopening and modification of that Order pursuant to Section 2.51 of the Commission's Rules of Practice, 16 C.F.R. 2.51.

The Order required Ford to establish and provide to all dealers, as part of the Ford Manual of Dealer Accounting Procedure (binding on all Ford dealers), a system for determining repossession surpluses and for accounting for such surpluses and for any deficiencies sought on repossessed vehicles. It required also that Ford conduct a series of field audits to verify whether its dealers are in fact adhering to that system.

Order Paragraph I.J defines "disposition" of a repossessed vehicle to include its sale or lease, but not transactions subsequent to judicial sales in Louisiana.² In accordance with the latter aspect,

¹ 93 F.T.C. 402. The Order was modified on February 16, 1980, [45 FR 22020; 95 F.T.C. 349] at the behest of the Ford respondents and without objection by the Commission's staff, in a single subparagraph unaffected by the Request discussed herein.

² The full text of Paragraph I.J is as follows:

J. "Disposition" or "dispose" refers to a dealership's sale or lease of a repossessed vehicle previously sold by that dealership and returned to it by or for a financing institution pursuant to a repurchase agreement. Such sale or lease includes only transactions with an independent third party; i.e., it does not include a sale

(Continued)