

Complaint

125 F.T.C.

IN THE MATTER OF

VOLKSWAGEN OF AMERICA, INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE CONSUMER LEASING ACT AND SEC. 5 OF THE
FEDERAL TRADE COMMISSION ACT

Docket C-3778. Complaint, Jan. 5, 1998--Decision, Jan. 5, 1998

This consent order prohibits, among other things, the Michigan-based automobile manufacturer from omitting or burying key cost information in small, and at times, unreadable print in their automobile lease advertisements and from misrepresenting the costs of leasing, including the total amount due at lease signing. The consent order requires the respondent to disclose certain information clearly and conspicuously and to comply with all provisions of the specified acts and regulations.

Appearances

For the Commission: *Rolando Berrelez, Sally Pitofsky and David Medine.*

For the respondent: *Joseph S. Folz and Debra Kingsbury,*
in-house counsel, Auburn Hills, MI.

COMPLAINT

The Federal Trade Commission, having reason to believe that Volkswagen of America, Inc., a corporation ("respondent" or "Volkswagen"), has violated the provisions of the Federal Trade Commission Act, 15 U.S.C. 45-58, as amended, and the Consumer Leasing Act, 15 U.S.C. 1667-1667e, as amended, and its implementing Regulation M, 12 CFR 213, as amended, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Volkswagen of America, Inc. is a New Jersey corporation with its principal office or place of business at 3800 Hamlin Road, Auburn Hills, Michigan. Respondent offers Volkswagen and Audi vehicles for sale or lease to consumers.
2. Respondent has disseminated advertisements to the public that promote consumer leases, as the terms "advertisement" and "consumer lease" are defined in Section 213.2 of Regulation M, 12 CFR 213.2, as amended.

3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

4. Respondent has disseminated or has caused to be disseminated consumer lease advertisements ("lease advertisements") for Volkswagen and Audi vehicles, including but not necessarily limited to the attached Volkswagen Exhibits A - D. Volkswagen Exhibits A - D are television lease advertisements (attached in video and storyboard format). The advertisements contain the following statements:

A. [Video:] "Golf K2 Limited Edition \$215 a month 48 month lease"

[The advertisement contains the following lease disclosure in black fine print superimposed on a white background and accompanied by background sound:

"\$214.83 first month's payment, \$300 down payment, \$225.00 refundable security deposit and \$450 acquisition fee due at lease inception. Monthly payments total \$10,311.84. . . . Requires dealer discount of \$650 which could affect final negotiated transaction. Price includes all costs to be paid by a consumer except for other options, dealer charges, licensing costs, registration fees and taxes. Lessee responsible for insurance. At lease end, lessee responsible for \$0.10/mile over 48,000, for damage and excessive wear. Purchase option at lease end for \$7,504.80. Dealers set actual prices. . . ."

The fine print is displayed on one screen of 12 lines, appearing for approximately 4 seconds.] (Volkswagen Exhibit A).

B. [Video:] "219* a month The Jetta GL Lease"

[The advertisement contains the following lease disclosure in black fine print superimposed on a white background and accompanied by background sound:

"\$218.81 first month's payment, \$300 down payment, \$225.00 refundable security deposit and \$450 acquisition fee due at lease inception. Monthly payments total \$10,502.88. . . . 48-month closed-end lease offered to qualified customers by VW Credit, Inc. through participating dealers. . . . Requires dealer discount of \$750 which could affect final negotiated transaction. Price includes all costs to be paid by a consumer except for other options, dealer charges, licensing costs, registration fees and taxes. Lessee responsible for insurance. At lease end, lessee responsible for \$0.10/mile over 48,000 miles, for damage and excessive wear. Purchase option at lease end for \$8,371.65. Dealers set actual prices. © 1997 Volkswagen. See dealer for details.

The fine print is displayed on one screen of 12 lines, appearing for approximately 4 seconds.] (Volkswagen Exhibit B).

C. [Video:] "The Audi A6 quattro Lease for \$429 mo."

[The advertisement contains the following lease disclosure in white fine print superimposed on a varied-color background and in black print superimposed on a white background and accompanied by background sound:

39 mo. closed-end lease offered to qualified customers by VW Credit, Inc. through participating dealers through 3/31/97. \$1,999 down pmt., \$429 1st month's pmt., \$450 ref. sec. dep. and \$450 acq. fee due at lease inception. Price includes all costs to be paid by a consumer, except licensing, registration, taxes, dlr. prep., and other

options. Lessee responsible for insurance. Mo. pmts. total \$16,731. At lease end, lessee responsible for \$0.15 mile over 32,500 for damage & excess wear & for a \$250 disposal fee. Option to purchase at lease end for \$20,583 in example shown. The fine print is displayed on three screens, each screen contains 4 lines, and the three screens appear together for approximately 7 seconds.] (Volkswagen Exhibit C).

D. [Video:] "The Audi A6. Only Quattro. Only from Audi. Lease for \$439 mo./\$1,999 down"

[The advertisement contains the following lease disclosure in white fine print superimposed on a varied-color background or gray background and accompanied by background sound:

"39 mo. closed-end lease offered to qualified customers by VW Credit, Inc. through participating dealers through 01/02/97. \$1,999 down pmt., \$439 1st month's pmt., \$450 ref. sec. dep. and \$450 acq. fee due at lease inception. Price includes all costs to be paid by a consumer, except for licensing, registration, taxes, dlr. prep., and other options. Lessee responsible for insurance. Mo. pmts. total \$17,121. At lease end, lessee responsible for \$0.15 mile over 32,500 for damage & excess wear & for a \$250 disposal fee. Option to purchase at lease end for \$21,666 in example shown.

The fine print is displayed on three screens, each screen contains 4-5 lines, and the three screens appear together for approximately 7 seconds.] (Volkswagen Exhibit D).

FEDERAL TRADE COMMISSION ACT VIOLATIONS
COUNT I: MISREPRESENTATION IN LEASE ADVERTISING

5. In lease advertisements, including but not necessarily limited to Exhibit D, respondent has represented, expressly or by implication, that consumers can lease the advertised vehicles at the terms prominently stated in the advertisements, including but not limited to the monthly payment amount and the amount stated as "down."

6. In truth or in fact, consumers cannot lease the advertised vehicles at the terms prominently stated in the advertisements, including but not limited to the monthly payment amount and the amount stated as "down." Consumers must also pay additional fees beyond the prominently stated terms, such as the first month's payment, a security deposit, and an acquisition fee, at lease inception. Therefore, respondent's representation as alleged in paragraph five was, and is, false or misleading.

7. Respondent's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. 45(a).

COUNT II: FAILURE TO DISCLOSE ADEQUATELY IN LEASE ADVERTISING

8. In its lease advertisements, including but not necessarily limited to Exhibits A - D, respondent has represented, expressly or by implication, that consumers can lease the advertised vehicles at the terms prominently stated in the advertisements, including but not necessarily limited to the monthly payment amount. These advertisements do not adequately disclose additional terms pertaining to the lease offer, such as the total amount of any payments due at lease inception. The existence of these additional terms would be material to consumers in deciding whether to lease a Volkswagen or Audi vehicle. The failure to disclose adequately these additional terms, in light of the representation made, was, and is, a deceptive practice.

9. Respondent's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. 45(a).

COUNT III: CONSUMER LEASING ACT AND REGULATION M VIOLATIONS

10. Respondent's lease advertisements, including but not necessarily limited to Volkswagen Exhibits A - D, state a monthly payment amount but fail to disclose clearly and conspicuously certain additional terms required by the Consumer Leasing Act and Regulation M, including one or more of the following terms: that the transaction advertised is a lease; the total amount of any payments due at lease inception; whether or not a security deposit is required; and the number, amount, and timing of scheduled payments.

11. The lease disclosures in respondent's television lease advertisements, including but not necessarily limited to Volkswagen Exhibits A - D, are not clear and conspicuous because they appear on the screen in very small type, for a very short duration, and/or accompanied by background sounds and images.

12. Respondent's practices violate Section 184 of the Consumer Leasing Act, 15 U.S.C. 1667c, as amended, Section 213.5(c) of Regulation M, 12 CFR 213.5(c), and Section 213.7(d) of revised Regulation M, 61 Fed. Reg. 52,246, 52,261 (October 7, 1996) and 62 Fed. Reg. 15,364, 15,368 (April 1, 1997)(to be codified at 12 CFR 213.7(d)), as amended.

Commissioner Thompson and Commissioner Swindle not participating.

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EXHIBIT A

Exhibit A

Audio:

[Announcer and skier voice overs:]
"For years, snow boarders ('knuckle draggers') and skiers have shared an uneasy truce. The equipment, ('two plankers'), the clothes ('who's your tailor?') they agreed ('Dweeb' 'Delinquent') on nothing until now. Introducing the Golf K2. A Volkswagen tricked out for frosty weather with a roof rack and a K2 snowboard or a pair of K2 skis. Thus, the cold war ended and there was peace in our time. On the road of life, there are passengers and there are drivers."

Video:

[Moving footage of two skiers on snowy mountain with footage of moving Golf K2 on snow.]
[Disclaimer:] "Professional driver. Closed road. Do not attempt."
[Super:] "Golf K2 Limited Edition
\$215 a month 48 month lease"
[Disclaimer:] "\$214.83 first month's payment, \$300 down payment, \$225.00 refundable security deposit and \$450 acquisition fee due at lease inception. Monthly payments total \$10,311.84. Manufacturer's Suggested Retail Price of \$15,635.00 for a 1997 Golf K2 Limited Edition with 5 speed manual transmission, air conditioning, AM/FM Stereo cassette and freight. 48-month closed-end lease offered to qualified customers by VW Credit, Inc. through participating dealers." Supplies limited, must take retail delivery by 12/31/96. Requires dealer discount of \$650

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EXHIBIT A

which could affect final negotiated transaction. Price includes all costs to be paid by a consumer except for other options, dealer charges, licensing costs, registration fees and taxes. Lessee responsible for insurance. At lease end, lessee responsible for \$0.10/mile over 48,000, for damage and excessive wear. Purchase option at lease end for \$7,504.80. Dealers set actual prices.

Ski bindings not included. © 1996

Volkswagen.

See dealer for details"

[Footage of Golf K2 on road]

[Super:] [Volkswagen logo]

"Drivers wanted

1 800 DRIVE VW"

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EXHIBIT B

Exhibit B

Audio:

"This is the latest video game we're developing. And this is our inspiration, my Volkswagen Jetta. \$219 a month -- excellent. When you write code for 15 hours straight, you gotta get out. The Jetta's a real German road car with plenty of room for four carbon-based life forms. It's got dual air bags, daytime running lights, and side impact door beams. 'Cause in real life, there is no reset button. On the road of life, there are passengers and there are drivers. (music throughout)

Video:

[flashing images of four people in and around the Jetta]
[Super:]
"219* a month
The Jetta GL Lease"
[Disclaimer:] "Airbags are a Supplemental Restraint System."
[Disclaimer:] "\$218.81 first month's payment, \$300 down payment, \$225.00 refundable security deposit and \$450 acquisition fee due at lease inception. Monthly payments total \$10,502.88. Manufacturer's Suggested Retail Price of \$16,415.00 for a 1997 Jetta GL with 5 speed manual transmission, air conditioning, AM/FM Stereo cassette and freight. 48-month closed-end lease offered to qualified customers by VW Credit, Inc. through participating dealers. Supplies limited, must take retail delivery by 3/31/97. Requires dealer discount of \$750 which could affect final negotiated transaction. Price includes

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EXHIBIT B

all costs to be paid by a consumer except for
other options, dealer charges, licensing
costs, registration fees and taxes. Lessee
responsible for insurance. At lease end,
lessee responsible for \$0.10/mile over
48,000 miles, for damage and excessive
wear. Purchase option at lease end for
\$8,371.65. Dealers set actual prices.

© 1997 Volkswagen.

See dealer for details"

[Footage of Jetta on road]

[Super:] [Volkswagen logo]

"Drivers wanted.

<http://www.vw.com>"

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EXHIBIT C

Exhibit C

Audio:

"Okay if we just follow the . . . I'm sure we're . . . You're lost aren't you? We're, we're, we're lost. Do you have any idea where we're going? Yea we're right, right . . . it wasn't a highway, it was a catsup stain."

[Announcer:] "Where are more and more people taking their rugged off road vehicles these days? . . . The Audi A6 quattro, with quattro all wheel drive. It's where more and more four by four owners are heading every day. Only quattro. Only from Audi."

Video:

[Two men driving in a four by four vehicle - looking at road map] [Shot of Audi dealership with several Audi vehicles outside]

[Super:] "The Audi A6 quattro
Lease for \$429 mo."

[Disclaimer:] "39 mo. closed-end lease offered to qualified customers by VW Credit, Inc. through participating dealers through 3/31/97. \$1,999 down pmt., \$429 1st month's pmt., \$450 ref. sec. dep. and \$450 acq. fee due at lease inception. Rate based on \$36,110 MSRP of 1997 Audi A6 quattro Sedan incl. auto. trans., QTV special value pkg. (incl. quattro glass sunroof, 16" tires and alloy wheels), cold-weather pkg. & dest. chg., less required dlr. contribution, which could affect final negotiated transaction. Price includes all costs to be paid by a consumer, except licensing.

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EXHIBIT C

registration, taxes, dlr. prep., and other
options. Lessee responsible for insurance.
Mo. pmts. total \$16,731. At lease end,
lessee responsible for \$0.15 mile over
32,500 for damage & excess wear & for a
\$250 disposal fee. Option to purchase at
lease end for \$20,583 in example shown.
See your dealer for details. Model shown
\$34,350 including quattro and all-weather
pkg."

[Super:] [Audi symbol rings]

"Audi

See your Washington Metropolitan area
Audi Dealer for a test drive today, or call
1-800-FOR-AUDI."

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EXHIBIT D

Exhibit D

Audio:

"The day will soon come when you'll see
only Audis on the road. It's called January.
The Audi A6 quattro. All-wheel drive. All
the time."

Video:

[Winter scene - Audi driving through snow]
[Super:] "The Audi A6.
Only Quattro. Only from Audi.
Lease for \$439 mo./\$1,999 down"
[Disclaimer:] "39 mo. closed-end lease
offered to qualified customers by VW
Credit, Inc. through participating dealers
through 01/02/97. \$1,999 down pmt., \$439
1st month's pmt., \$450 ref. sec. dep. and
\$450 acq. fee due at lease inception. Rate
based on \$36,110 MSRP of 1997 Audi A6
quattro Sedan incl. QTV special value pkg.
(incl. quattro glass sunroof, 16" tires, cold-
weather pkg.) & dest. chg., less required dlr.
contribution, which could affect final
negotiated transaction. Price includes all
costs to be paid by a consumer, except for
licensing, registration, taxes, dlr. prep., and
other options. Lessee responsible for
insurance. Mo. pmts. total \$17,121. At
lease end, lessee responsible for \$0.15 mile
over 32,500 for damage & excess wear &

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EXHIBIT D

for a \$250 disposal fee. Option to purchase
at lease end for \$21,666 in example shown.
See your dealer for details. Model shown
\$34,720 including quattro and all-weather
package"

[Super:] [Audi rings symbol]

"Audi

See your Washington Metropolitan area

Audi Dealer for a test drive today, or call

1-800-FOR-AUDI."

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge the respondent with violation of the Federal Trade Commission Act; and

The respondent, its attorneys, 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 the respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true 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 Act, and that a 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 sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Volkswagen of America, Inc. is a New Jersey corporation with its principal office or place of business located at 3800 Hamlin Road, Auburn Hills, Michigan.

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

DEFINITIONS

1. *"Clearly and conspicuously"* as used herein shall mean: 1) video or written disclosures must be made in a manner that is

readable and understandable to a reasonable consumer and 2) audio or oral disclosures must be made in a manner that is audible and understandable to a reasonable consumer.

2. "*Total amount due at lease signing or delivery*" as used herein shall mean the total amount of any initial payments required to be paid by the lessee on or before consummation of the lease or delivery of the vehicle, whichever is later. The total amount due at lease signing or delivery may 1) exclude third-party fees, such as taxes, licenses, and registration fees, and disclose that fact or 2) provide a total that includes third-party fees based on a particular state or locality as long as that fact and the fact that fees may vary by state or locality are disclosed.

3. Unless otherwise specified, "*respondent*" as used herein shall mean Volkswagen of America, Inc., its successors and assigns, and its officers, agents, representatives, and employees.

4. "*Commerce*" as used herein shall mean as defined in Section 4 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. 44.

I.

It is ordered, That respondent, directly or through any corporation, subsidiary, division, or any other device, in connection with any advertisement to aid, promote, or assist, directly or indirectly, any consumer lease in or affecting commerce, as "advertisement" and "consumer lease" are defined in Section 213.2 of revised Regulation M, 61 Fed. Reg. 52,246, 52,258 (Oct. 7, 1996) and 62 Fed. Reg. 15,364 (April 1, 1997)(to be codified at 12 CFR 213.2)("revised Regulation M"), as amended, shall not, in any manner, expressly or by implication:

A. Misrepresent the total amount due at lease signing or delivery, the amount down, and/or the downpayment, capitalized cost reduction, or other amount that reduces the capitalized cost of the vehicle (or that no such amount is required).

B. Make any reference to any charge that is part of the total amount due at lease signing or delivery or that no such charge is required, not including a statement of the periodic payment, more prominently than the disclosure of the total amount due at lease signing or delivery.

C. State the amount of any payment or that any or no initial payment is required at lease signing or delivery unless all of the

following items are disclosed clearly and conspicuously, as applicable:

1. That the transaction advertised is a lease;
2. The total amount due at lease signing or delivery;
3. Whether or not a security deposit is required;
4. The number, amount, and timing of scheduled payments; and
5. That an extra charge may be imposed at the end of the lease term in a lease in which the liability of the consumer at the end of the lease term is based on the anticipated residual value of the vehicle.

II.

It is further ordered, That an advertisement that complies with subparagraph I.C shall be deemed to satisfy the requirements of Section 184(a) of the Consumer Leasing Act, 15 U.S.C. 1667c(a), as amended by Title II, Section 2605 of the Omnibus Consolidated Appropriations Act for Fiscal Year 1997, Pub. L. No. 104-208, 110 Stat. 3009, 3009-473 (Sept. 30, 1996) ("revised CLA"), as amended, and Section 213.7(d)(2) of revised Regulation M, 61 Fed. Reg. at 52,261 and 62 Fed. Reg. at 15,368 (to be codified at 12 CFR 213.7(d)(2)), as amended.

III.

It is further ordered, That if the revised CLA, as amended, or revised Regulation M, as amended, are amended in the future to alter definition 2 of this order ("total amount due at lease signing or delivery") or to require or permit advertising disclosures that are different from those set forth in subparagraphs I.B or I.C of this order, then the change or changes shall be incorporated in subparagraph I.B, subparagraph I.C, and/or definition 2 for the purpose of complying with subparagraphs I.B and I.C only, as appropriate; provided however, that all other requirements of this order, including definition 1 ("clearly and conspicuously"), will survive any such revisions.

IV.

It is further ordered, That respondent Volkswagen of America, Inc., and its successors and assigns, shall, for five (5) years after the date of service of this order, maintain and upon request make available to the Commission for inspection and copying all records that will demonstrate compliance with the requirements of this order.

V.

It is further ordered, That respondent Volkswagen of America, Inc., and its successors and assigns, shall deliver a copy of this order to all current and future principals, officers, directors, managers, employees, agents, and representatives having responsibilities with respect to the subject matter of this order and to all advertising agencies; and shall secure from each such person or entity a signed and dated statement acknowledging receipt of the order. Respondent shall deliver this order to current personnel or entities within thirty (30) days after the date of service of this order, and to such future personnel or entities within thirty (30) days after the person or entity assumes such position or responsibilities.

VI.

It is further ordered, That respondent Volkswagen of America, Inc., and its successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation that may affect compliance obligations arising under this order, including but not necessarily limited to dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

VII.

It is further ordered, That respondent Volkswagen of America, Inc., and its successors and assigns, shall within one hundred and twenty (120) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

VIII.

This order will terminate on January 5, 2018, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Commissioner Thompson and Commissioner Swindle not participating.

IN THE MATTER OF

SUNTRUP BUICK-PONTIAC-GMC TRUCK, INC. ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE CONSUMER LEASING ACT, THE TRUTH IN LENDING ACT AND
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT

Docket C-3779. Complaint, Jan. 5, 1998--Decision, Jan. 5, 1998

This consent order prohibits, among other things, two St. Louis Missouri-area automobile dealerships and their officer from omitting or burying key cost information in small, and at times, unreadable print in their automobile lease advertisements and from misrepresenting the costs of leasing, including the total amount due at lease signing. The consent order requires the respondents to disclose certain information clearly and conspicuously and to comply with all provisions of the specified acts and regulations.

Appearances

For the Commission: *Lauren Steinfeld* and *David Medine*.

For the respondents: *Paul Simon, Helfrey, Simon & Jones*, St. Louis, MO.

COMPLAINT

The Federal Trade Commission, having reason to believe that Suntrup Buick-Pontiac-GMC Truck, Inc. and Suntrup Ford, Inc., corporations, and Thomas Suntrup, individually and as an officer of the corporations ("respondents"), have violated the provisions of the Federal Trade Commission Act, 15 U.S.C. 45-58, as amended, the Consumer Leasing Act, 15 U.S.C. 1667-1667e, as amended, and its implementing Regulation M, 12 CFR 213, as amended, and the Truth in Lending Act, 15 U.S.C. 1601-1667, as amended, and its implementing Regulation Z, 12 CFR 226, as amended, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Suntrup Buick-Pontiac-GMC Truck, Inc. is a Delaware corporation with its principal office or place of business at 4200 N. Service Road, St. Peters, Missouri. Respondent offers automobiles for sale or lease to consumers.

2. Respondent Suntrup Ford, Inc. is a Missouri corporation with its principal office or place of business at 12750 Saint Charles Rock