

**UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**      **Jon Leibowitz, Chairman**  
                                 **J. Thomas Rosch**  
                                 **Edith Ramirez**  
                                 **Julie Brill**  
                                 **Maureen K. Ohlhausen**

**In the Matter of**

**KEY HYUNDAI OF MANCHESTER,  
LLC,  
HYUNDAI OF MILFORD, LLC,  
limited liability corporations.**

**DOCKET NO. C-4358**

**DECISION AND ORDER**

The Federal Trade Commission having initiated an investigation of certain acts and practices of Respondents named in the caption hereof, and Respondents having been furnished thereafter with a copy of a draft 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 Respondents with violation of the Federal Trade Commission Act (“FTC Act”), the Truth in Lending Act (“TILA”), and the Consumer Leasing Act (“CLA”); and

Respondents, their attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order (“consent agreement”), an admission by Respondents of all the jurisdictional facts set forth in the aforesaid draft complaint, a statement that the signing of the 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, 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 Respondents have violated the FTC Act, the TILA, and the CLA, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such consent agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, and having duly considered the comments received from interested persons pursuant to section 2.34 of i

hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Key Hyundai of Manchester, LLC, is a Connecticut limited liability corporation with its principal office or place of business at 21 Hartford Turnpike, Vernon, Connecticut, 06066.
2. Respondent Hyundai of Milford, LLC, is a Connecticut limited liability corporation with its principal office or place of business at 566 Bridgeport Ave., Milford, Connecticut, 06460.
3. 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**

### **DEFINITIONS**

For the purposes of this order, the following definitions shall apply:

1. “Advertisement” shall mean a commercial message in any medium that directly or indirectly promotes a consumer transaction.
2. “Clearly and conspicuously” shall mean as follows:
  - a. In a print advertisement, the disclosure shall be in a type size, location, and in print that contrasts with the background against which it appears, sufficient for an ordinary consumer to notice, read, and comprehend it.
  - b. In an electronic medium, an audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. A video disclosure shall be of a size and shade and appear on the screen for a duration and in a location sufficient for an ordinary consumer to read and comprehend it.
  - c. In a television or video advertisement, an audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. A video disclosure shall be of a size and shade, and appear on the screen for a duration, and in a location, sufficient for an ordinary consumer to read and comprehend it.
  - d. In a radio advertisement, the disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it.
  - e. In all advertisements, the disclosure shall be in understandable language and syntax. Nothing contrary to, inconsistent with, or in mitigation of the disclosure shall be used in any advertisement or promotion.

3. “Consumer credit” shall mean credit offered or extended to a consumer primarily for personal, family, or household purposes.
4. “Consumer lease” shall have the same meaning as that term is defined in Section 213.2 of Regulation M, 12 C.F.R. § 213.2, as amended.
5. “Material” shall mean likely to affect a person’s choice of, or conduct regarding, goods or services.
6. “Motor vehicle” shall mean
  - a. any self-propelled vehicle designed for transporting persons or property on a street, highway, or other road;
  - b. recreational boats and marine equipment;
  - c. motorcycles;
  - d. motor homes, recreational vehicle trailers, and slide-in campers; and
  - e. other vehicles that are titled and sold through dealers.

## I.

**IT IS HEREBY ORDERED** that Respondents, directly or through any corporation, subsidiary, division, or other device, in connection with any advertisement to promote, directly or indirectly, the provision of consumer credit, in or affecting commerce, shall not, in any manner, expressly or by implication:

- A. Misrepresent that when a consumer trades in a used motor vehicle (“trade-in vehicle”) in order to purchase another motor vehicle (“newly purchased vehicle”), Respondents will pay any remaining loan balance on the trade-in vehicle such that the consumer will have no remaining obligation for any amount of that loan; or
- B. Misrepresent any material fact regarding the cost and terms of financing or leasing any newly purchased vehicle.

## II.

**IT IS FURTHER ORDERED** that Respondents, directly or through any corporation, subsidiary, division, or other device, in connection with an advertisement to promote, directly or indirectly, any extension of consumer credit in or affecting commerce, shall not in any manner, expressly or by implication:

A. State the amount or percentage of any down payment, the number of payments or period of repayment, the amount of any payments including any late

#### IV.

**IT IS FURTHER ORDERED** that Respondents and their successors and assigns shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representations or the re

## VII.

**IT IS FURTHER ORDERED** that Respondents and their successors and assigns, within sixty (60) days after the date of service of this order, shall file with the Commission a true and accurate report, in writing, setting forth in detail the manner and form of their own compliance with this order. Within ten (10) days of receipt of written notice from a representative of the Commission, they shall submit additional true and accurate written reports.

## VIII.

This order will terminate on May 4, 2032, 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;
- 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 Respondents 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