

purchases of motor vehicles, or promoting credit sales and other extensions of closed-end credit in consumer credit transactions, in printed publications, including in the *Las Vegas Review-Journal* newspaper. Exhibit A is an example of a two-page advertisement that Respondent ran in the *Las Vegas Review-Journal*. Respondent's advertisements in other editions of the *Las Vegas Review-Journal* contain substantially similar statements and depictions.

"50% OFF" Prices

7. Respondent's advertisements, including but not limited to the advertisement attached as Exhibit A, deceptively promote offers for motor vehicles with a prominent "50% OFF" statement next to each vehicle. For example, the advertisement attached as Exhibit A features a 2014 Accent with a "50% OFF" price of "\$36/mo" or "\$8,974":

(from Exhibit A, print advertisement, *Las Vegas Review-Journal* ((Nov. 2014))

8. In a block of text near the bottom of the two-page newspaper advertisement, the following statement appears in miniscule print:

All advertised amounts include all Hyundai incentive/rebates, dealer discounts and \$2500 additional down from your trade in value . . . 1.14MY Accent - *Price excludes tax, title, license, doc, and dealer fees. MSRP \$18075 - \$2451 Dealer Discount - \$2650 HMA rebates - \$4000 Trade Allowance = Net Price \$8974. Lease 36 months with \$0 Cash down payment. On approved credit. Must trade qualifying vehicle . . .

16. Respondent's advertisements fail to include other required information, such as the terms of repayment.

FEDERAL TRADE COMMISSION ACT VIOLATIONS

Count I

Misrepresentation of Vehicle Purchase Prices

17. Through the means described in Paragraphs 6 through 9, Respondent has represented, directly or indirectly, expressly or by implication, that consumers can purchase vehicles for the prominently advertised "50% OFF" prices.

18. In fact, vehicles are not generally available for purchase at the prominently advertised "50% OFF" prices. Therefore, the representation set forth in Paragraph 17 is false or misleading.

19. Respondent's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

Count II

Misrepresentation of Offer

20. Through the means described in Paragraphs 6 through 10, Respondent has represented, directly or indirectly, expressly or by implication, that advertised monthly payment amounts are for vehicle purchases, not leases.

21. In fact, the advertised monthly payment amounts are for vehicle leases, not purchases. Therefore, the representation set forth in Paragraph 20 is false or misleading.

22. Respondent's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

Count III

Misrepresentation of Amount Due at Signing

23. Through the means described in Paragraphs 6 and 11 through 13, Respondent has represented, directly or indirectly, expressly or by implication, that consumers can pay \$0 at signing to obtain the vehicles shown in the advertisements for the advertised monthly payment amount.

24. In fact, consumers cannot pay \$0 at signing to obtain the vehicles shown in the advertisements for the advertised monthly payment amount. Consumers must turn in a qualifying vehicle whose trade-in value is at least \$2,500. Therefore, the representation set forth in Paragraph 23 is false or misleading.

limited to those described in Paragraphs 6 and 14 through 16, are subject to the requirements of the TILA and Regulation Z.

Count V

Failure to Disclose or Disclose Clearly and Conspicuously Required Credit Information

32. Respondent's advertisements promoting closed-end credit, including but not necessarily limited to those described in Paragraphs 6 and 14 through 16, have included TILA triggering terms, but have failed to disclose or disclose clearly and conspicuously, additional terms required