

**STATE OF FLORIDA
OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF LEGAL AFFAIRS**

In the Matter of:

AG Case Number: L12-3-1110

GREENWAY FORD, INC.,
d/b/a GREENWAY FORD

Respondent.

ASSURANCE OF VOLUNTARY COMPLIANCE

PURSUANT TO Chapter 501, Part II, Florida Deceptive and Unfair Trade Practices Act, Florida Statutes (2012), the STATE OF FLORIDA, OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LEGAL AFFAIRS (“Department”) investigated GREENWAY FORD, INC., (“Respondent”) regarding its advertising from approximately June 1, 2012 through November 1, 2013 (“Investigation Period”).

Respondent enters into this Assurance of Voluntary Compliance (“AVC”) with the Department without an admission of wrongdoing and for the purpose of resolving this matter only. Pursuant to Section 501.207(6), Florida Statutes (2012), the Department accepts this AVC in termination of its investigation.

STIPULATED FACTS

1. Respondent is a Florida corporation with its principle place of business and headquarters located at 9001 East Colonial Drive Orlando, Florida 32817.

2. Respondent is an automotive dealership and Advertises the sale and lease of new and used Motor Vehicles in newspapers, television and radio, and via the internet throughout the State.

3. The Department reviewed Respondent's Advertisements of the sale and lease of new and used Motor Vehicles to Florida consumers during the Investigation Period.

4. Based upon the Department's inquiry into the Respondent's advertisements in the Orlando Sentinel (collectively referred to as "Orlando Sentinel Advertisements"), it contends that Respondent failed to comply with Chapter 501, Part II, Florida Deceptive Unfair Trade Practice Act, Florida Statutes (2012) ("FDUTPA"); the Federal Truth in Lending Act, 15 U.S.C. 1601, et seq, 12, CFR, 226.1 et seq, otherwise known as Regulation Z ("Regulation Z") and Regulation M, 12 C.F.R. § 213, as amended ("Regulation M"), and the Consumer Leasing Act, 15 U.S.C. §§ 1667-1667f, as amended ("CLA").

5. The Department contends that Respondent Advertised the sale and lease of Motor Vehicles in its Orlando Sentinel Advertisements without Clearly and Conspicuously disclosing all Material terms, including but not limited to, the following:

- a. Additional fees and costs;
- b. Services plans;
- c. Optional products and services;
- d. Description and the value discounted of any rebate, discount and other incentive program such as military, student, and teacher discounts.

6. The Department alleges that during the Investigation Period the Respondent ran each of the following promotions in its Orlando Sentinel Advertisements without Clearly and Conspicuously disclosing all Material terms, as required by FDUTPA:

- a. "0% APR"
- b. Down payment in the amount of \$2,000.00 (Two Thousand and 00/100 U.S. Dollars).
- c. "0% APR" for 72 months"

7. The Department contends that during the Investigation Period, Respondent's Orlando Sentinel Advertisements advertised monthly payments and down payments without disclosing all additional credit terms as required by Regulation Z.

8. During the Investigation Period, the Department alleges, Respondent ran the following promotions in its Orlando Sentinel Advertisements without Clearly and Conspicuously disclosing, as required by Regulation Z, the amount or percentage of down payment, terms of payments, and the amount of any finance charges:

- a. "2013 Ford Fiesta" "Payments As Low As \$99 per month" ;
- b. "2013 Ford F-150" "Payments As Low As \$269 per month" ;
- c. "2014 Ford Escape" "Payments As Low As \$177 per month" ;
- d. "2014 Ford Focus" "Payments As Low As \$139 per month" ;
- e. "2013 Ford Fusion" "Payments As Low As \$177 per month" ;
- f. "2013 Ford Edge" "Payments As Low As \$234 per month."

9. The Department contends that during the Investigation Period, Respondent ran its Orlando Sentinel Advertisements which advertised a statement of a payment or that any or no initial payment was required at the lease signing or delivery without disclosing Clearly and Conspicuously, as Regulation M and the CLA require, the following terms:

- a. That the transaction advertised is a lease;
- b. The total amount due at lease signing or delivery;

- c. Whether or not a security deposit is required;
- d. The number, amounts, and timing of scheduled payments; and
- e. That in some instances an additional charge may be imposed at the end of the lease term.

10. During the Investigation Period, the Department alleges, Respondent ran the following promotions in its Orlando Sentinel Advertisements without Clearly and Conspicuously disclosing, as required by Regulation M, the amount or percentage of down payment, terms of payments, and the amount of any finance charges:

- a. "FINAL DAYS! 0% FOR 72 MONTHS";
- b. "RATES AS LOW AS 0% APR Ford Credit Financing + NO PAYMENT UP TO 90 DAYS"

11. Respondent denies both the Department's factual contentions and allegations and that it has otherwise engaged in unlawful conduct. Respondent has voluntarily made changes to its Orlando Sentinel Advertisements and has made the Department aware of those changes, and has otherwise fully cooperated with the Department in its investigation.

JURISDICTION AND VENUE

12. The parties agree the State of Florida has jurisdiction over Respondent for the purpose of entering into this AVC and any enforcement actions arising from this AVC.

13. It is further agreed venue for any matter relating to or arising from this AVC shall lie solely in Orange County, Florida.

DEFINITIONS

14. For the purposes of this AVC, the parties agree the following definitions shall apply:

15. “Advertising” and “Marketing” (including “Advertisement,” “Advertise,” and “Market”) shall mean a commercial message that directly or indirectly promotes a consumer transaction in any newspaper of general circulation in the State of Florida (“Newspaper Advertisements”).

16. “Clear and Conspicuous” (including “Clearly and Conspicuously”) shall mean as follows:

- a. The disclosure is presented in a coherent and meaningful sequence with respect to other statements, representations, claims, or terms being conveyed;
- b. The disclosure is in close proximity to the statement, representation, claim or term it clarifies, modifies, explains, or to which it otherwise relates;
- c. The disclosure is contradictory to any statement, representation, claim or term it purports to clarify, modify, or explain, or is otherwise contradictory or confusing in relation to any other statement, representation, claim or term being conveyed;
- d. The disclosure is conveyed by means of an abbreviation and, if so, whether the abbreviation is commonly understood by the public, or approved by federal or state law;
- e. The disclosure is legible;
- f. The disclosure is of sufficient prominence in terms of print, size, location and contrast, as compared with accompanying statements, representations, claims or terms, so as to be readily noticeable and reasonably understandable by the person(s) to whom it is directed.

17. "Consumer credit," shall have the same meaning as defined in Regulation Z.
18. "Consumer lease," shall have the same meaning defined in Regulation M.
19. "Material" means likely to affect a consumer's choice of, or conduct regarding, goods or services.
20. "Motor Vehicle" shall mean:
 - a. any self-propelled Motor Vehicle designed for transporting persons or property on a street, highway, or other road;
 - b. recreational boats and marine equipment; and
 - c. motorcycles.

COMPLIANCE TERMS

21. Respondent shall comply with the FDUPTA, Regulation Z, Regulation M, and the CLA to the extent that it applies to Respondent and Respondent's Newspaper Advertisements.

22. Respondent shall not run any Newspaper Advertisements advertising a Motor Vehicle for sale or lease at a particular price or monthly payment when such price or monthly payment does not Clearly and Conspicuously disclose all Material terms, including but not limited to:

- a. Additional fees and costs;
- b. Services plans;
- c. Optional products and services;

23. Respondent shall comply with Regulation Z and shall not, in any of its Newspaper Advertisements:

- a. Misrepresent any Material fact regarding the cost and terms of financing.

- b. Advertise the amount or percentage of any down payment; the number of any payments or period of repayments; the amount of any payment; or the amount of any finance charge, without disclosing Clearly and Conspicuously the following terms:
 - i. The amount or percentage of the down payment;
 - ii. The terms of the repayment; and,
 - iii. The annual percentage rate, using the term “annual percentage rate” or the abbreviation “APR,” using that term.

24. Respondent’s Newspaper Advertisements shall comply with Regulation M and the CLA and shall not:

- a. Advertise the amount of any payment or that any or no initial payment is required at lease signing or delivery, if delivery occurs after consummation, without disclosing Clearly and Conspicuously the following terms:
 - i. The total amount due at lease signing or delivery;
 - ii. Whether or not a security deposit is required;
 - iii. The number, amounts, and timing of scheduled payments; and,
 - iv. 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 Motor Vehicle.

25. Respondent shall make the terms and conditions of this AVC known to those persons or entities associated with Respondent who are responsible for the implementation, monitoring, and continuation of the obligations set forth in the AVC.

MONETARY TERMS

26. Upon execution of this AVC, Respondent shall pay to the Department the total sum of Ten Thousand and 00/100 Dollars (\$10,000.00) for investigative costs, attorneys' fees, and future monitoring. These funds shall be payable in their entirety by valid certified or cashier's check, to the Department of Legal Affairs Revolving Trust Fund and delivered to the Office of the Attorney General, Attention: Elizabeth J. Starr, Chief, Assistant Attorney General, 135 W. Central Blvd., Ste. 1000, Orlando, FL 32801.

27. In the event Respondent fails to timely pay any of the above amounts, Respondent shall be in default of this AVC. Upon default, Respondent stipulates to entry of final judgment in favor of the Department for all outstanding amounts due. Respondent agrees evidence of the failure to pay in accordance with the terms and conditions of this AVC may be in the form of an affidavit from the Department.

APPLICABILITY

28. This AVC shall solely apply to and continuously bind Respondent.

29. The parties further agree that Respondent shall not effect any change in the form of business or organizational identity as a method of avoiding the terms and conditions set forth in this AVC. This provision should not be construed to prevent Respondent from changing its form of doing business so long as the successor business is bound by the provisions of this agreement.

EFFECTIVE DATE

30. The Department's Director of Consumer Protection Division may refuse to accept this AVC at his direction. This AVC shall only become effective upon its acceptance and signing by the Director. The effective date of this AVC shall be the date on which the Director signs it.

31. The receipt of or the deposit by the Department of any monies pursuant to this AVC does not constitute acceptance of this AVC by said Department, and any monies received will be returned if this AVC is not accepted.

32. This AVC may be signed in multiple counterparts, each of which shall be considered an original, and all of which together will constitute one and the same agreement.

CONSTRUCTION OF AVC

33. The terms and conditions of this AVC are the result of joint negotiations between the parties and shall be deemed to have been drafted by both the Department and the Respondent. In the event of a dispute, this AVC shall not be construed against either party.

34. Respondent shall in no way represent the Department has approved any of the Respondent's business practices, and shall not use the existence of this AVC to, in any way, imply such approval.

FUTURE VIOLATIONS/CHANGES IN LAW

35. The parties agree if any of the substantive laws cited in this AVC are amended or repealed by the legislature, an authorized government agency, or court, so that such change permits any action prohibited by any section of this AVC, that section of this AVC shall no longer have any force or effect. The remaining terms and conditions of this AVC shall remain

enforceable as if such illegal, invalid, or unenforceable clause, section, or other provision had not been contained herein.

IN WITNESS WHEREOF, Respondent has caused this AVC to be executed by an authorized representative in the County and State listed below, as of the date affixed thereon.

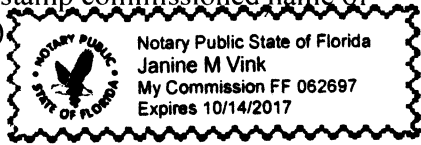
GREENWAY FORD, INC.
Edward M. Alden
Edward M. Alden, Chief Executive Officer

Dated this 11th day of ~~January~~, 2014. February

STATE OF Florida
COUNTY OF Orange

BEFORE ME, an officer duly authorized to take acknowledgments in the State of Florida, personally appeared Edward Alden, as CEO of GREENWAY FORD, INC., who acknowledged before me that he executed the foregoing instrument for the purposes therein stated, on this 11 day of February, 2014.
Sworn to and subscribed before me this 11 day of February, 2014.

Janine M Vink
NOTARY PUBLIC
(print, type or stamp commissioned name of Notary Public)



Personally known or
Produced identification _____ (check one)
Type of Identification Produced: _____

OFFICE OF THE ATTORNEY GENERAL

Elizabeth J. Starr
Elizabeth J. Starr
Bureau Chief
Consumer Protection Division
Office of the Attorney General
Department of Legal Affairs
135 West Central Blvd., Suite 1000
Orlando, Florida 32801
(407) 245 0833 phone, (407) 245 0365 Fax

Richard Lawson
Richard Lawson
Director
Consumer Protection Division
Office of the Attorney General
Department of Legal Affairs
The Capitol
Tallahassee, Florida 32399-1050

Accepted this 18 day of February, 2014.