



NATIONAL AUTOMOBILE DEALERS ASSOCIATION  
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Legal & Regulatory Group

April 8, 2011

*Via Web*

Office of the Secretary  
Federal Trade Commission  
Room H-113 (Annex M)  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Re: FCRA Risk-Based Pricing Rule Amendments  
Project No. R411009

Dear Secretary:

The National Automobile Dealers Association (NADA)<sup>1</sup> submits the following comments in response to the Notice of Proposed Rulemaking (NPR) that the Federal Trade Commission (Commission) and the Board of Governors of the Federal Reserve System (Board) recently released in the above captioned matter.<sup>2</sup>

Franchised automobile and truck dealers who are covered by the Commission's Risk-Based Pricing Rule (RBPR) generally issue the exception notices set forth at 16 C.F.R. §§ 640.5(e) and (f) in lieu of Risk-Based Pricing Notices as authorized by the RBPR. Because the new disclosures set forth in section 1100F of the Dodd-Frank Wall Street Reform and Consumer Protection Act<sup>3</sup> and the NPR will not change the form or content of the exception notices,<sup>4</sup> NADA does not comment on the NPR's proposed changes.

However, per the recommendation of Commission staff, NADA requests that the Commission use this rulemaking proceeding to formerly respond to the attached request for a written opinion that NADA presented to Bureau of Consumer Protection Director David Vladeck

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<sup>1</sup> NADA represents approximately 16,000 franchised dealers in all 50 states and the District of Columbia who (i) sell new and used cars and trucks; (ii) extend vehicle financing and leases to consumers that routinely are assigned to third-party finance sources; and (iii) engage in service, repair, and parts sales. Our members collectively employ approximately 1 million people nationwide. A significant number of our members are small businesses as defined by the Small Business Administration.

<sup>2</sup> 76 Fed. Reg. 13,902 -13,921 (Mar. 15, 2011).

<sup>3</sup> Pub. Law 111-203 (July 21, 2010).

<sup>4</sup> See 76 Fed. Reg. at 13,905 ("Nothing in section 1100F of the Dodd-Frank Act or this proposal limits the ability of creditors to provide these exception notices in lieu of the general risk-based pricing notice").

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on January 5, 2011. NADA's request pertains to whether certain franchised dealers are covered by section 311 of the FACT Act and the RBPR and therefore must issue either a RBPN or an exception notice as required by the RBPR.

Thank you for the opportunity to comment on this matter. Please contact me if NADA can provide additional information that would aid the Commission in its consideration of NADA's request.

Sincerely,

[original signed]

Paul D. Metrey  
Chief Regulatory Counsel  
Financial Services, Privacy, and Tax