

**UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION**

**In the Matter of**

**First American Title Lending of Georgia,  
LLC  
a limited liability company.**

**DOCKET NO.** \_\_\_\_\_

**AGREEMENT CONTAINING CONSENT ORDER**

The Federal Trade Commission has conducted an investigation of certain acts and practices of First American Title Lending of Georgia, LLC, a limited liability company, (“First American” or “Proposed Respondent”). Proposed Respondent is willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between Proposed Respondent, its duly authorized officers, and counsel for the Federal Trade Commission that:

1. Proposed Respondent is a limited liability company with its principal place of business at 6045 Century Oaks Drive, Chattanooga, Tennessee 37416. First American operates from 33 different locations in the state of Georgia.
2. Proposed Respondent neither admits nor denies any of the allegations in the draft complaint, except as specifically stated in this order. Only for purposes of this action, Proposed Respondent admits the facts necessary to establish jurisdiction.
3. Proposed Respondent waives:
  - a. Any further procedural steps;
  - b. The requirement that the Commission’s decision contain a statement of findings of fact and conclusions of law; and
  - c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify Proposed Respondent, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.
5. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to Proposed Respondent, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to Proposed Respondent's address as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Proposed Respondent waives any right it may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.
6. Proposed Respondent has read the draft complaint and consent order. It understands that it may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

## ORDER

### DEFINITIONS

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

- A. "**Consumer Credit**" means credit offered or extended to a consumer primarily for personal, family, or household purposes, as set forth in Section 1026.2(a)(12) of Regulation Z, 12 C.F.R. §1026.2(a)(12) as amended.

B. **“Clear and conspicuous”** or **“Clearly and Conspicuously”** means:

1. 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.
2. 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.
3. 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.
4. In a radio advertisement, the disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it.
5. 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.

C. **“Respondent”** means First American Title Lending of Georgia, LLC, and its successors and assigns.

**I.**

IT IS HEREBY ORDERED that Respondent and its officers, agents, representatives, and employees, directly or indirectly, in connection with any advertisement for any extension of consumer credit, in or affecting commerce, shall not, in any manner, expressly or by implication:

- A. State an introductory or temporary finance charge without disclosing, clearly and conspicuously, the finance charge after the introductory or temporary period ends;
- B. State an introductory or temporary finance charge without disclosing, clearly and conspicuously, the full effect of failing to make a timely complete repayment of the loan within the introductory or temporary time period;
- C. Fail to disclose, clearly and conspicuously, all qualifying terms associated with obtaining the loan at its advertised rate, including but not limited to, minimum loan requirements, new customer requirements, and any other material term.

- D. Fail to disclose, clearly and conspicuously, all costs associated with obtaining the loan, including but not limited to transaction costs, registration costs or fees, recording costs or fees, and title fees; or
- E. Misrepresent any other material fact about the terms of the loan.

## **II.**

IT IS FURTHER ORDERED that Respondent and its officers, agents, representatives, and employees, directly or indirectly, in connection with any 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 down payment, the number of payments or period of repayment, the amount of any payment, or the amount of any finance charge, without disclosing clearly and conspicuously all of the terms required by Section 144 of the Truth in Lending Act (“TILA”), 15 U.S.C. §1664, and Section 1026.24(d) of Regulation Z, including but not limited to:
  - 1. The amount of percentage or the down payment;
  - 2. The terms of repayment; and
  - 3. The annual percentage rate, using that term or the abbreviation “APR.” If the annual percentage rate may be increased after the consummation of the credit transaction, that fact must also be disclosed; or
- B. State a rate of finance charge without stating the rate as an “annual percentage rate” using that term or the abbreviation “APR,” as required by Section 144 of the TILA, 15 U.S.C. §1664, and Section 1026.24(c) of Regulation Z; or
- C. Fail to comply in any other respect with the TILA, 15 U.S.C. §§ 1601- 1667, as amended, and its implementing Regulation Z, 12 C.F.R. Part 1026 as amended.

## **III.**

IT IS FURTHER ORDERED that Respondent shall deliver as soon as practicable, but in no event later than thirty (30) days after entry of this order, an exact copy (written or electronic) of this order, showing the date of delivery, to all of Respondent’s current and future principals, officers, directors, and managers and to all current employees, agents, and representatives having responsibilities with respect to the advertisement of consumer credit, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondent shall

deliver this order to future personnel within thirty (30) days after the person assumes such position or responsibilities.

#### IV.

IT IS FURTHER ORDERED that Respondent 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;
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in its possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations; and
- D. Other records that will demonstrate compliance with the requirements of this order.

#### V.

IT IS FURTHER ORDERED that Respondent 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 limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor; 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. Unless otherwise directed by a representative of the Commission in writing, all notices required by this Part shall be emailed to [Debrief@ftc.gov](mailto:Debrief@ftc.gov) or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: First American Title Lending Docket No. \_\_\_\_\_.

#### VI.

IT IS FURTHER ORDERED that Respondent 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 its own compliance with this order. Within ten (10) days

of receipt of written notice from a representative of the Commission, it shall submit additional true and accurate written reports.

## **VII.**

This order will terminate twenty (20) years from the date of its issuance, 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 of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014

**FIRST AMERICAN TITLE LENDING OF GEORGIA, LLC**

By: \_\_\_\_\_  
Name:  
Title:  
First American Title Lending of Georgia, LLC

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014

**FEDERAL TRADE COMMISSION**

\_\_\_\_\_  
HELEN P. WONG  
PETER LAMBERTON  
Attorneys for the Federal Trade Commission

APPROVED:

\_\_\_\_\_  
GREGORY ASHE  
Acting Assistant Director  
Division of Financial Practices

\_\_\_\_\_  
JAMES REILLY DOLAN  
Associate Director  
Division of Financial Practices

\_\_\_\_\_  
JESSICA RICH  
Director  
Bureau of Consumer Protection