

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Julie Brill
 Maureen K. Ohlhausen
 Joshua D. Wright
 Terrell McSweeney

In the Matter of

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

DOCKET NO. C-4529

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the Respondent named in the caption hereof, and Respondent having been furnished thereafter with a copy of a draft complaint that the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with a violation of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45 *et seq.*; and a violation of the Truth In Lending Act (“TILA”), 15 U.S.C. § 1664; and Section 1026.24(c) of Regulation Z; and

Respondent, its Attorney, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order (“Consent Agreement”), which includes a statement by Respondent that it neither admits nor denies any of the allegations in the draft complaint, except as specifically stated in the Consent Agreement, and, only for purposes of this action, admits the facts necessary to establish jurisdiction; 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 has reason to believe that Respondent has violated the FTC Act and TILA and its implementing Regulation Z, 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 comment received from an interested person pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34, now in further conformity with the procedure prescribed in Commission Rule 2.34, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent First American Title Lending of Georgia, LLC, is a limited liability company with its principal place of business at 6045 Century Oaks Drive, Chattanooga, Tennessee 37416.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondent, and the proceeding is in the public interest.

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 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. C-4529.

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 on June 2, 2035, 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.

By the Commission.

Donald S. Clark
Secretary

SEAL:
ISSUED: June 2, 2015