

DEPARTMENT OF CONSUMER AFFAIRS  
CITY OF NEW YORK

-----X  
NYC Department of Consumer Affairs,

Complainant,

-against-

SKYLINE AUTOMOTIVE INC. d/b/a  
TOYOTA OF MANHATTAN.

Respondent.  
-----X

CONSENT ORDER

Violation No. 05349350

License No. 1211430-DCA

Respondent **SKYLINE AUTOMOTIVE INC.**, d/b/a Toyota of Manhattan consents to this Consent Order (“CO”) with the New York City Department of Consumer Affairs (“the Department” or “DCA”) to settle the above-captioned Notice of Hearing.

The Department served on Respondent a Notice of Hearing, 05349350, charging Respondent with violating Title 6 of the Rules of the City of New York (“the Rules”). In the Notice of Hearing the Department alleges that Respondent violated § 5-09 of the Rules by advertising financing options for automobiles in newspapers and failing to clearly and conspicuously disclose all material exclusions, reservations, limitations, modifications or conditions for those financing offers; and § 5-21 of the Rules by advertising the extension of consumer credit in a manner that did not comply with applicable Federal law and rules.

**I. DEFINITIONS**

- I. For the purposes of this CO, the following definitions apply:
  - a. “Advertisement” or “advertisements” shall mean all labels, packaging, promotional materials, statements, visual descriptions or other representations of any kind disseminated in print, orally or electronically, by or on behalf of Respondent to New York City (“NYC”) consumers including, but not limited to, mailings, postcards, business cards, signs, banners, in-store signs, store-front signs, billboards, newspaper print advertisements, internet advertisements, and social media.
  - b. “Clear and conspicuous” and “clearly and conspicuously” shall mean disclosure of material exclusions, reservations, limitations, modifications or conditions on an advertising statement, made in a manner that is readily apparent and understandable by an ordinary person and which complies with §§ 5-06 and 5-09 of the Rules. Factors to be considered for this purpose include, but are not limited

to, use of plain language, relative type size, font, color contrast, location within an advertisement, and proximity to the statement or representation to which it applies. Moreover,

- (1) in print advertisements and mailings, the disclosure, representation or term shall be presented in a manner that is easy to read and placed reasonably near the statement that it modifies; and
  - (2) in website advertisements, the disclosure, representation or term shall be placed reasonably near the statement that it modifies, or made available through a hyperlink which is reasonably close to the statement, and which is labeled to make clear to consumers that the hyperlink leads to a page containing exclusions, reservations, limitations, modifications or conditions.
- c. "Date of the CO" shall mean the date the CO is signed and executed by the Department and Respondent.
  - d. "Skyline Automotive, Inc." shall refer to Respondent Skyline Automotive, Inc. and its officers, successors, assigns and all other persons acting on its behalf, directly, or indirectly, or through any corporate or other entity.
  - e. "Material disclosures" or "material terms" shall mean words, representations, or documents that (1) are required by federal, state, or New York City law and rules; (2) alter the rights or responsibilities of any party to a transaction; or (3) alter the price, quality, or characteristics of any second-hand automobile, financing agreement, or any add-on product.

## II. INJUNCTIVE RELIEF

2. Respondent shall comply fully with the Consumer Protection Law, the License Enforcement Law (Section 20-101 et seq. of the Code), the Second-Hand Dealer Law (Section 20-264 et seq. of the Code) and the Rules. Respondent shall also comply with all applicable state and federal law, including but not limited to the Federal Trade Commission's ("FTC") Trade Regulation Rule on the Sale of Used Motor Vehicles ("Used Car Rule"), 16 C.F.R. Section 455, and the federal Truth in Lending Act (Regulation Z), 12 C.F.R. Section 226, et seq. Nothing in this CO shall be construed to lessen or alter Respondent's obligations with regard to statutes and rules not specifically cited in this CO.
3. Respondent shall immediately and permanently cease publication of the advertisement in Attachment A.

### A. MATERIAL DISCLOSURES AND CONDITIONS

4. Respondent shall disclose clearly and conspicuously all material terms, exclusions, reservations, limitations, modifications or conditions in its advertisements.
5. Respondent shall disclose clearly and conspicuously all material terms, exclusions, reservations, limitations, modifications or conditions on an offer of products or

services in a type size at least one-third as high and one-third as broad as the largest print used in the advertisements.

6. Except as otherwise provided herein, "clear and conspicuous" and "clearly and conspicuously" shall not be satisfied by referring the consumers to a website for a disclosure of material terms, exclusions, reservations, limitations, modifications of conditions made in any print, television or radio advertisements.

## **B. ADVERTISEMENTS**

7. Respondent shall not publish or cause to be published advertisements that:
  - a. Contain any false or misleading information regarding the automobiles offered for sale; or
  - b. Contain footnotes or statements, which alone or in combination, contradict or confuse a principal message or that contain contradictory or ambiguous statements, which alone or in combination, contradict or confuse a principal message.
8. Respondent shall not advertise extensions of credit or financing offers unless Respondent clearly and conspicuously discloses the minimum eligibility requirements of the advertised credit or financing terms, if any, in the body of the advertisement. If the advertised credit or financing terms have minimum eligibility requirements, Respondents shall not advertise such extension of credit or financing using terms that state or imply that all consumers qualify for the advertised credit or financing terms, including but not limited to "bad credit, no credit, no problem" and "sign and drive."
9. Respondents shall include in all advertisements offering a second-hand automobile for sale the DCA license number and the trade name, as it appears on the dealership's license.
10. Whenever publishing advertisements offering credit that is not open-end credit, Respondents shall comply with all applicable federal, state and local laws relating to consumer credit including, but not limited to, § 144 of the federal Truth in Lending Act, 15 U.S.C. § 1664; § 226.24 of Regulation Z, 12 C.F.R. § 226.24; the Consumer Protection Law; and §§ 5-09 and 5-21 of the Rules.
11. Whenever publishing advertisements containing i) the amount or percentage of any down payment, ii) the number of payments or period of repayment, iii) the amount of any payment, iv) the amount of any finance charge, Respondent shall also include in the body of the advertisements i) the amount or percentage of the down payment, ii) the terms of repayment, which reflect the repayment obligations over the full term of the loan, and iii) the rate of the finance charge expressed as an annual percentage rate, and, whether the rate may be increased after consummation.
12. Whenever publishing an advertisement in a newspaper, magazine, periodical, or other publication that is not in English, each disclosure of material exclusions, reservations, limitations, modifications or conditions on an statement shall clearly and conspicuously appear in the predominant language of the publication in which

the advertisement appears. In the case of any other advertisement that is not in a publication, the disclosure shall appear in the language principally used in the advertisement.

13. Whenever publishing advertisements that include prices of vehicles that Respondent offers for sale, Respondent shall disclose clearly and conspicuously the actual purchase price of a vehicle, which shall include all charges connected with the sale of the car, including but not limited to certification fees, exclusive of registration, title, inspection, and taxes and shall be the maximum charge to the consumer. Respondent shall not advertise the purchase price of a vehicle after mail-in-rebate unless Respondent will sell the vehicle at the advertised purchase price at the point of sale. Respondent shall disclose adjacent to the actual purchase price of the vehicle that the price includes everything except registration, title, inspection, and taxes.
14. If Respondent advertises or offers rebate programs, Respondent shall disclose clearly and conspicuously the material terms and conditions of rebates in its advertisements including, but not limited to, the type and amount of the rebates.
15. Respondent shall provide a copy of this CO to all employees, independent contractors and other individuals and entities responsible for developing Respondent's advertisements published or caused to be published in New York City.

### **C. RECORD PRODUCTION AND RETENTION**

16. Respondent shall maintain the following documents in a manner that is organized and readily accessible for three years from the date of the CO:
  - a. All advertisement, invoices, published advertisements, internet videos and electronic images of web advertisements that appear on Respondent's website or other websites, all radio and TV advertisements, and any advertisements disseminated through social media.
17. Respondent shall store internet advertisements by printing a copy of each automobile's advertisement or saving it in a Portable Document Format ("PDF") that preserves images as well as text. Respondent shall print or save the automobile's advertisement at the time it is initially published, and every time there is a change to the automobile's price or terms.
18. Respondent shall retain all consumer complaints received directly from consumers or from any agency or private entity that receives consumer complaints, including but not limited to, the Better Business Bureau and/or any governmental agency, including the Department. Respondent shall maintain the consumer complaints in a manner that is organized, readily accessible, and searchable by the consumer's last name.
19. If requested by the Department, Respondent shall produce copies of all documents and records maintained pursuant to this section within five business days.

### **III. FINE**

20. Respondent shall pay \$15,575 to the Department upon execution of the CO. Payment shall be made by money order or by check made payable to "New York City Department of Consumer Affairs," and sent to the New York City Department of Consumer Affairs Legal Division, Attn: Emily L. Anderson, 42 Broadway, 9th Floor, New York, NY 10004.

#### **IV. BREACH**

22. If, following a hearing, Respondent is found to have breached the CO, Respondent shall pay a fine of \$1000 for each breach of the CO. Respondent shall pay \$500 per advertisement for violating Subsection B of Section II of the CO. Specific breaches of the CO shall, in addition to a breach of the CO, constitute independent and separate violations of any applicable laws and rules. If the same conduct gives rise to both a breach of the CO and a breach of the applicable laws and rules, Respondent shall pay two penalties: the fine for breach of the CO and the maximum penalty for violation of the applicable law or rule.
23. If, following a hearing, Respondent is found to have violated any provision of the Consumer Protection Law and Rules, the violation shall be treated as a knowing violation.
24. Failure by Respondent to produce any of the documents or records required by the Code, the Rules, or the CO shall constitute prima facie, but rebuttable, evidence at a hearing that Respondent has failed to maintain those records and that Respondent has violated the CO.

#### **V. MISCELLANEOUS**

25. This Consent Order shall constitute a final order pursuant to Section 6-42(c) of the Rules.
26. Within ten (10) days of the date of the CO, Respondent shall provide a copy of the CO to all employees and independent contractors, and individuals and entities responsible for developing Respondent's advertisements published in New York City.
27. Respondent waives the right to a hearing on, or appeal of, the violations alleged in the above-captioned Notice of Hearing under Sections 20-104 and 20-105 of the Admin. Code or under Article 78 of the New York State Civil Practice Law and Rules.
28. The acceptance of the CO by the Department shall not be deemed approval by the Department of any of Respondent's business practices, and Respondent shall make no representation to the contrary.
29. Jason Manos, as the General Manager of Respondent, represents and warrants that he is authorized to enter into this Consent Order on behalf of Respondent.

Agreed to for the Respondent by:

Accepted for Julie Menin, Commissioner of  
Consumer Affairs for the City of New York, by:

Jason Manos  
Print Name

[REDACTED]  
Print Name

General Manager  
Title

Staff Attorney  
Title

*Jason Manos*  
Signature

[REDACTED]  
Signature

4/28/15  
Date

4/30/15  
Date

Agreement Dated: 4/30/15

**Businesses licensed by the Department of Consumer Affairs (DCA) are required to comply with all relevant local, state and federal laws. Copies of New York City licensing and consumer protection laws are available in person at DCA's Licensing Center, located at 42 Broadway, 1st Floor, New York, NY, by calling 311, New York City's 24 hour Citizen Service Hotline, or by going online at [www.nyc.gov/consumers](http://www.nyc.gov/consumers).**

# ATTACHMENT A

地址: 3402 81st Ave, #500, Brooklyn, NY (明倫中學)

**0% APR** 全新 2014 TOYOTA **COROLLA L**  
 STK# 140004 MODEL#1852, AUTO, 4CYL, AM/  
 FM/CD, A/C, PWR S/B/W/L/M, MSRP \$18,435  
**售價 \$16,588**  
**節省 \$1847** 比市場  
 價便宜

**37 MPG**

**% APR**  
**免息貸款**  
 可長達60個月  
**免費**  
**保養服務**  
**路邊故障**  
**協助服務**  
WITH LEASE NEW TOYOTA

**0% APR** 最新 2013 TOYOTA **RAV4 LE 4WD**  
 STK#131827 MODEL#4432, AUTO, 4CYL, AM/  
 FM/CD, A/C, PWR S/B/W/L/M, MSRP \$26,010  
**售價 \$23,688**  
**節省 \$2322** 比市場  
 價便宜

**31 MPG**

**0% APR** 最新 2014 TOYOTA **CAMRY LE**  
 STK# 140028 MODEL#2532, AUTO, 4CYL, AM/  
 FM/CD, A/C, PWR S/B/W/L/M, MSRP \$23,990  
**售價 \$20,888**  
**節省 \$3111** 比市場  
 價便宜

**35 MPG**

**0% APR** 最新 2013 TOYOTA **HIGHLANDER**  
 STK#131825 MODEL#5546, AUTO, V6, FWD, AM/  
 FM/CD, A/C, PWR S/B/W/L/M, MSRP \$31,785  
**售價 \$28,688**  
**節省 \$3097** 比市場  
 價便宜

**25 MPG**

**Toyota of Manhattan.com**

**免費停車服務**

**1-888-445-2279**

SHOWROOM HOURS: Daily 10 am, from 10 am  
 MON-FRI 9-8, SAT 9-6, SUN 12-5 Daily 12 am, from 12 am

SERVICE 212-541-8470  
 PARTS 212-582-6767

Daily 12 am, from 10 am  
Daily 12 am, from 10 am  
Daily 12 am, from 10 am

Prices incl all costs to consumer except tax, tags, etc. \$75 doc fee & reg fees. \*Low APR on select new models up to 60 mos for qual buyers, cannot be combined with any other offers. Not legal for typo errors. Photos for illustration purposes only. \*Covers normal factory scheduled service. Plus is 2 years or 25k mi, whichever comes first. The new Toyota vehicle cannot be part of a rental or commercial fleet or a fleet or taxi vehicle. Valid only in the continental US and Alaska. Roadside assistance does not include parts and fluids. See dealer for complete plan details. †Based on EPA highway mileage. Offers expire 3 days after pub.

**ToyotaCare**

**華人代表**  
**精通國粵英**

**請諮詢**

**Keith Ma Jessica Li Gary Yang**