

ENTERED

July 10, 2024

Nathan Ochsner, Clerk

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

VROOM, INC., a corporation; and

VROOM AUTOMOTIVE, LLC, a limited liability
company,

Defendants.

Case No. **4:24-cv-2496**

**STIPULATED ORDER FOR
PERMANENT INJUNCTION,
MONETARY JUDGMENT, AND
OTHER RELIEF**

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed its Complaint for Permanent Injunction, Monetary Judgment, and Other Relief (“Complaint”), for a permanent injunction, monetary relief, and other relief in this matter, pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b. The Commission and Defendants stipulate to the entry of this Stipulated Order for Permanent Injunction, Monetary Judgment, and Other Relief (“Order”) to resolve all matters in dispute in this action between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Defendants participated in deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, by misrepresenting that all vehicles listed for sale on Defendants’ website had completed a thorough examination process before being listed.

3. The Complaint also charges that Defendants participated in deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, and of the Commission's Trade Regulation Rule Concerning the Sale of Mail, Internet or Telephone Order Merchandise ("MITOR"), 16 C.F.R. Part 435, by failing to offer consumers, Clearly and Conspicuously and without prior demand, an option to consent to a delay in shipment or to cancel an order and receive a prompt refund when Defendants failed to ship properly completed orders for merchandise within the timeframe required by MITOR, and failing to deem an order cancelled and make a prompt refund as required by MITOR; the Commission's Used Motor Vehicle Trade Regulation Rule ("Used Car Rule"), 16 C.F.R. Part 455, by failing to prominently and conspicuously display a Buyers Guide on used vehicles offered for sale to consumers as required by the Used Car Rule; and the Commission's Rule Governing Pre-Sale Availability of Written Warranty Terms ("Pre-Sale Availability Rule"), 16 C.F.R. Part 702, by failing to make the text of warranties offered readily available for examination by prospective buyers as required by the Pre-Sale Availability Rule.

4. Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendants admit the facts necessary to establish jurisdiction.

5. Defendants waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agree to bear their own costs and attorney fees.

6. Defendants and the Commission waive all rights to appeal or otherwise challenge or contest the validity of this Order.

DEFINITIONS

For the purpose of this Order, the following definitions apply:

- A. "**Applicable Time Period**" means the time stated in Defendants' solicitation or within 30 days of Receipt of a Properly Completed Order if no time is stated in the solicitation.
- B. "**Buyers Guide**" refers to the FTC's Buyers Guide, templates of which are attached as "Attachment C" (English) or "Attachment D" (Spanish), as appropriate.
- C. "**Clear(ly) and Conspicuous(ly)**" means that a required disclosure is difficult to miss (i.e., easily noticeable) and easily understandable by ordinary consumers, including in all of the following ways:
1. In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be presented simultaneously in both the visual and audible portions of the communication even if the representation requiring the disclosure is made in only one means.
 2. A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.
 3. An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.

4. In any communication using an interactive electronic medium, such as the internet or software, the disclosure must be unavoidable.
5. The disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the disclosure appears.
6. The disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.
7. The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.
8. When the representation or sales practice targets a specific audience, such as children, the elderly, or the terminally ill, “ordinary consumers” includes reasonable members of that group.

D. “**Consumer Product**” means any tangible personal property which is distributed in commerce and which is normally used for personal, family, or household purposes (including any such property intended to be attached to or installed in any real property without regard to whether it is so attached or installed). Products which are purchased solely for commercial or industrial use are excluded.

E. “**Defendants**” means all of the Defendants, Vroom, Inc. d/b/a Vroom and Texas Direct Auto, and Vroom Automotive, LLC, individually, collectively, or in any combination.

F. “**Good or Service**” includes merchandise, products, plans, or programs, such as Used Vehicles or Consumer Products.

G. **“Option”** means an offer made Clearly and Conspicuously and without prior demand.

H. **“Prompt,”** in the context of a Refund, means a Refund sent by any means at least as fast and reliable as first-class mail within 7 days of the date on which the buyer’s right to Refund vests under the provisions of this Order. Provided, however, that where Defendants cannot provide a Refund by the same method payment was tendered, Prompt Refund means a Refund sent in the form of cash, check, or money order, by any means at least as fast and reliable as first-class mail, within 7 days of the date on which Defendants discover Defendants cannot provide a Refund by the same method as payment was tendered.

I. **“Receipt of a Properly Completed Order”** means: where the buyer tenders full or partial payment in the proper amount in the form of cash, check or money order; authorization from the buyer to charge an existing charge account; or other payment methods, the time at which Defendants receive both said payment and an order from the buyer containing all of the information needed by Defendants to process and Ship the order.

J. **“Refund”** means:

1. Where the buyer tendered full payment for the unshipped merchandise in the form of cash, check, or money order, a return of the amount tendered in the form of cash, check, or money order sent to the buyer;
2. Where there is a credit sale:
 - a. And Defendants are a creditor, a copy of a credit memorandum or the like or an account statement sent to the buyer reflecting the removal or absence of any remaining charge incurred as a result of the sale from the buyer’s account;

- b. And a third party is the creditor, an appropriate credit memorandum or the like sent to the third party creditor which will remove the charge from the buyer's account and a copy of the credit memorandum or the like sent to the buyer that includes the date that Defendants sent the credit memorandum or the like to the third party creditor and the amount of the charge to be removed, or a statement from Defendants acknowledging the cancellation of the order and representing that they have not taken any action regarding the order which will result in a charge to the buyer's account with the third party;
 - c. And the buyer tendered partial payment for the unshipped merchandise in the form of cash, check, or money order, a return of the amount tendered in the form of cash, check, or money order sent to the buyer.
3. Where the buyer tendered payment for the unshipped merchandise by any means other than those enumerated in (1) or (2) of this definition:
- a. Instructions sent to the entity that transferred payment to Defendants instructing that entity to return to the buyer the amount tendered in the form tendered and a statement sent to the buyer setting forth the instructions sent to the entity including the date of the instructions and the amount to be returned to the buyer;
 - b. A return of the amount tendered in the form of cash, check, or money order sent to the buyer; or

- c. A statement from Defendants sent to the buyer acknowledging the cancellation of the order and representing that Defendants have not taken any action regarding the order which will access any of the buyer's funds.

K. “**Ship**” or any variation thereof, including Shipment or Shipping, means the act by which the merchandise is physically placed in the possession of the carrier.

L. “**Supplier**” means any person engaged in the business of making a Consumer Product directly or indirectly available to consumers.

M. “**Used Car Rule**” means the Commission’s Used Motor Vehicle Trade Regulation Rule, 16 C.F.R. Part 455. A copy of the Used Car Rule and of the FTC Publication “Dealer’s Guide to the Used Car Rule” are attached hereto as “Attachment A” and “Attachment B,” respectively.

N. “**Used Vehicle**” means a vehicle driven more than the limited use necessary in moving or road testing a new vehicle prior to delivery to a consumer but does not include any vehicle sold only for scrap or parts (title documents surrendered to the State and a salvage certificate issued).

O. “**Warrantor**” means any Supplier, manufacturer, or other person who gives or offers to give a Written Warranty.

P. “**Written Warranty**” means:

- 1. Any written affirmation of fact or written promise made in connection with the sale of a Consumer Product by Defendants to a buyer which relates to the nature of the material or workmanship and affirms or

promises that such material or workmanship is defect-free or will meet a specified level of performance over a specified period of time, or

2. Any undertaking in writing in connection with the sale by Defendants of a Consumer Product to refund, repair, replace or take other remedial action with respect to such Consumer Product in the event that such Consumer Product fails to meet the specifications set forth in the undertaking, which written affirmation, promise, or undertaking becomes part of the basis of the bargain between Defendants and a buyer for purposes other than resale of such product.

ORDER

I. INJUNCTION CONCERNING MISREPRESENTATIONS

IT IS ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with promoting offering for sale, or sale of any Good or Service are permanently restrained and enjoined from misrepresenting, expressly or by implication:

- A. The degree to which the Good or Service has completed a thorough inspection process before being offered for sale;
- B. The nature or quality of any inspection of a Good or Service;
- C. The time within which the Good or Service will Ship;
- D. The time within which the consumer will receive the ordered Good or Service; or
- E. Any other fact material to consumers concerning any Good or Service, such as: the total costs; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics.

II. INJUNCTION CONCERNING MAIL, INTERNET, OR TELEPHONE MERCHANDISE ORDERS

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the promoting, offering for sale, or sale of any Good or Service ordered by mail, via the internet, or by telephone are permanently restrained and enjoined from:

A. Representing, without a reasonable basis at the time of the solicitation, that Defendants will: (1) Ship ordered merchandise within the time stated in their solicitation; (2) Ship ordered merchandise within 30 days after Receipt of a Properly Completed Order if no time is stated in the solicitation; or (3) Ship ordered merchandise by any definite revised Shipping date provided to buyers.

B. Informing buyers that Defendants are unable to make any representation regarding the length of any Shipping delay unless Defendants have a reasonable basis for so informing buyers.

C. Failing to provide buyers with the Option either to consent to a delay in Shipping or to cancel the order and receive a Prompt Refund if Defendants cannot Ship the ordered merchandise within the Applicable Time Period. Said Option must be provided within a reasonable time after the Defendants learn of their inability to Ship within the Applicable Time Period, but in no event later than the Applicable Time Period.

1. Provided however, that any such Option must either:
 - a. provide a definite revised Shipping date; or
 - b. where Defendants lack a reasonable basis for providing a definite revised Shipping date, inform the buyer that:

- i. Defendants are unable to make any representation regarding the length of the delay; and
- ii. the reason(s) for the delay.

2. Where Defendants have provided a definite revised Shipping date, pursuant to II.C.1.a, that is more than 30 days later than the Applicable Time Period, Defendants must also Clearly and Conspicuously inform the buyer that the buyer's order will automatically be deemed to have been cancelled unless:

- a. Defendants have Shipped the merchandise within the Applicable Time Period, and the Defendants have received no cancellation request prior to Shipment; or
- b. the buyer has specifically consented to said Shipping delay within the Applicable Time Period.

3. Where Defendants have informed the buyer that they cannot make any representation regarding the length of the delay pursuant to Section II.C.1.b, Defendants must also Clearly and Conspicuously inform the buyer that the buyer's order will automatically be deemed to have been cancelled unless:

- a. Defendants have Shipped the merchandise within the Applicable Time Period, and the Defendants have received no cancellation request prior to Shipment; or
- b. the buyer has specifically consented to said Shipping delay within the Applicable Time Period. Provided however, Defendants must also expressly inform the buyer that the buyer will have a

continuing right to cancel the order at any time after the Applicable Time Period.

D. Where the buyer has consented to a definite revised Shipping date pursuant to Section II.C, and Defendants become aware they are unable to Ship ordered merchandise by that date, failing to provide a renewed Option either to consent to a further delay or to cancel the order and receive a Prompt Refund. Said Option must be made within a reasonable time after the Defendants first become aware of their inability to Ship before the said definite revised Shipping date, but in no event later than the expiration of the definite revised Shipping date.

1. Provided however, that any such Option must provide a new definite revised Shipping date, unless Defendants lack a reasonable basis for doing so.

2. In such event, Defendants must also provide the notices required by Section II.C.1.b and Section II.C.3 of this Order.

E. Failing to cancel any order and provide the buyer with a Prompt Refund:

1. When Defendants have received, prior to the time of Shipment, a cancellation and Refund request from the buyer pursuant to Section II of this Order;

2. Under the circumstances prescribed in Section II.C.2 and II.C.3;

3. When Defendants fail to provide the Option required by Section II.C. and have not shipped the merchandise within the Applicable Time Period; or

4. When Defendants notify the buyer that they have decided not to Ship the ordered merchandise.

**III. PROVISION CONCERNING FAILING TO CREATE AND
MAINTAIN CERTAIN RECORDS**

In any action brought by the Commission alleging a violation of Section II of this Order, failing to create and maintain records establishing compliance with Section II creates a rebuttable presumption that Defendants violated that Section.

IV. INJUNCTION CONCERNING USED VEHICLE DISCLOSURES

IT IS FURTHER ORDERED that Defendants and Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with promoting, offering for sale, or sale of any Good or Service are hereby permanently restrained and enjoined from:

- A. Misrepresenting any material fact, expressly or by implication, such as:
 - 1. the mechanical condition of a Used Vehicle;
 - 2. the terms of any warranty offered in connection with the sale of a Used Vehicle; and
 - 3. that a Used Vehicle is sold with a warranty when the Used Vehicle is sold without any warranty.

- B. Failing to disclose the material terms and conditions of any Used Vehicle offer, such as:
 - 1. prior to sale, that a Used Vehicle is sold without any warranty, if no warranty is offered; and
 - 2. prior to sale, the terms of any written warranty offered in connection with the sale of a Used Vehicle.

C. Before offering a Used Vehicle for sale to a consumer at a physical location, failing to display a properly completed Buyers Guide prominently and conspicuously in any location on the Used Vehicle and in such a fashion that both sides are readily readable.

D. Before offering a Used Vehicle for sale to a consumer via the internet, failing to display a properly completed Buyers Guide through a hyperlink that is prominently and conspicuously displayed with each Used Vehicle offered for sale.

E. Failing to provide the buyer of a Used Vehicle with a properly completed Buyers Guide, containing all the disclosures required by the Used Car Rule and reflecting the warranty coverage agreed upon.

F. Failing to include the following statement in each contract for the sale of a Used Vehicle to a consumer:

“The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale.”

G. For sales conducted in Spanish,

1. failing to provide the buyer of a Used Vehicle with a properly completed Buyers Guide in Spanish, a template example of which is attached as “Attachment D,” containing all the disclosures required by the Used Car Rule and reflecting the warranty coverage agreed upon, and

2. failing to include in Spanish the following statement in each contract for the sale of a Used Vehicle to a consumer:

“La información que ve en el formulario de ventana para este vehículo es parte del contrato. Información en el formulario de ventana anula cualquier disposición contraria en el contrato de venta.”

V. INJUNCTION CONCERNING WRITTEN WARRANTY DISCLOSURES

IT IS FURTHER ORDERED that Defendants and Defendants’ officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with promoting, offering for sale, or sale of any Good or Service are hereby permanently restrained and enjoined from:

A. As a seller of a Consumer Product (costing more than \$15.00) with a Written Warranty, failing to make a text of the Written Warranty readily available for examination by the prospective buyer by:

1. displaying it in close proximity to the warranted product (including through electronic or other means, if warrantors have elected the alternative described in Subsection C of this Section); or

2. furnishing it upon request prior to sale (including through electronic or other means, if warrantors have elected the alternative described in Subsection C of this Section) and placing signs reasonably calculated to elicit the prospective buyer’s attention in prominent locations in the store or department advising such prospective buyers of the availability of warranties upon request.

B. As a Warrantor of a Consumer Product (costing more than \$15.00) with a Written Warranty, failing to provide sellers with warranty materials necessary for such sellers to comply with Subsection A of this Section by use of one or more of the following means:

1. providing a copy of the Written Warranty with every warranted Consumer Product;
2. providing a tag, sign, sticker, label, decal or other attachment to the product, which contains the full text of the Written Warranty; or
3. printing on or otherwise attaching the text of the Written Warranty to the package, carton, or other container if that package, carton, or other container is normally used for display purposes. If the Defendants elect this method, a copy of the Written Warranty must also accompany the warranted product.

C. As an alternative method to comply with Subsection B of this Section, Defendants may provide the warranty terms in an accessible digital format on their internet web site. If Defendants elect this alternative, Defendants must:

1. Provide information to the consumer that will inform the consumer how to obtain warranty terms by indicating, in a Clear and Conspicuous manner, in the product manual or on the product or product packaging:
 - a. The internet web site of the Defendants where such warranty terms can be reviewed, and
 - b. The phone number, the postal mailing address of the warrantor, or other reasonable non-internet based means for the consumer to request a copy of the warranty terms;

2. Provide a hard copy of the warranty terms promptly and free of charge upon request by a consumer or seller made pursuant to Subsection A of this Section;
3. Ensure that warranty terms are posted in a Clear and Conspicuous manner and remain accessible to the consumer on the internet web site of Defendants; and
4. Provide information with the Consumer Product or on the internet web site of Defendants sufficient to allow the consumer to readily identify on such internet web site(s) the warranty terms that apply to the specific warranted product.

VI. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment in the amount of ONE MILLION Dollars (\$1,000,000) is entered in favor of the Commission against Defendants, jointly and severally, as monetary relief.

B. Defendants are ordered to pay to the Commission ONE MILLION Dollars (\$1,000,000), which, as Defendants stipulate, their undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within 7 days of entry of this Order by electronic fund transfer in accordance with instructions previously provided by a representative of the Commission.

VII. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Defendants relinquish dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to this Order and may not seek the return of any assets.

B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the Commission, including in a proceeding to

enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.

D. Each Defendant acknowledges that its Employer Identification Number, Social Security Number, or Other Taxpayer Identification Number (“TIN”), including all TINs that Defendants previously provided, may be used by the Commission for reporting and other lawful purposes, including collecting on any delinquent amount arising out of this Order in accordance with 31 U.S.C. §7701.

E. All money received by the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for consumer relief, such as redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after such redress is completed, the Commission may apply any remaining money for such related relief (including consumer information remedies) as it determines to be reasonably related to Defendants’ practices alleged in the Complaint. Any money not used for relief is to be deposited to the U.S. Treasury. Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents, employees and attorneys and all other persons in active concert or participation with any of them who

receive notice of this Order, are permanently restrained and enjoined from directly or indirectly failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. If a representative of the Commission requests in writing any information related to redress, Defendants must provide it, in the form prescribed by the Commission, within 14 days.

IX. ORDER ACKNOWLEDGMENTS

IT IS FURTHER ORDERED that Defendants obtain acknowledgments of receipt of this Order:

A. Each Defendant, within 7 days of entry of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.

B. For 5 years after entry of this Order, each Defendant, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for conduct related to the subject matter of the Order and all agents and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within 7 days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which a Defendant delivered a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

X. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Defendants make timely submissions to the Commission:

A. One year after entry of this Order, each Defendant must submit a compliance report, sworn under penalty of perjury. Each Defendant must:

1. identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Defendant;
2. identify all of that Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and internet addresses;
3. describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, whether these businesses involve mail, internet or telephone order sales, and the involvement of any other Defendant;
4. describe in detail whether and how that Defendant is in compliance with each Section of this Order; and
5. provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission.

B. For 10 years after entry of this Order, each Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following: (1) any designated point of contact; or (2) the structure of any Defendant or any entity that Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

C. Each Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Defendant within 14 days of its filing.

D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s full name, title (if applicable), and signature.

E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must 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: FTC v. Vroom, Inc., 2123138.

XI. RECORDKEEPING

IT IS FURTHER ORDERED that Defendants must create certain records for 10 years after entry of the Order, and retain each such record for 5 years. Specifically, each Defendant must create and retain the following records:

- A. accounting records showing the revenues from all goods or services sold;
- B. personnel records showing, for each person providing services, whether as an employee or otherwise, that person’s: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;

D. all records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission; and

E. a copy of each unique advertisement or other marketing material.

XII. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Defendants' compliance with this Order and any failure to transfer any assets as required by this Order:

A. Within 14 days of receipt of a written request from a representative of the Commission, each Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The Commission is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including depositions by remote means), 31, 33, 34, 36, 45, and 69.


B. For matters concerning this Order, the Commission is authorized to communicate directly with each Defendant. Defendant must permit representatives of the Commission to interview any employee or other person affiliated with any Defendant who has agreed to such an interview. The person interviewed may have counsel present.

C. The Commission may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Defendants or any individual or entity affiliated with Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

XIII. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO ORDERED this ~~04~~ day of July, 2024.

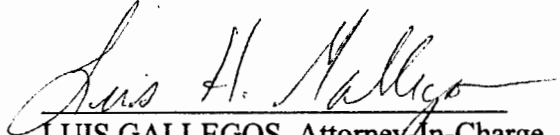


UNITED STATES DISTRICT JUDGE

SO STIPULATED AND AGREED:

FOR PLAINTIFF:

FEDERAL TRADE COMMISSION



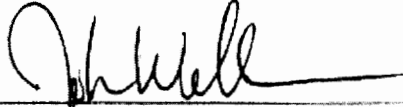
LUIS GALLEGOS, Attorney In-Charge
Oklahoma Bar No. 19098,
S.D. Texas No. 1725083,
lgallegos@ft.gov;
SARAH ZUCKERMAN,
New York Bar No. 5603832,
S.D. Texas No. 3886852,
szuckerman@ftc.gov; and
SERENA MOSLEY-DAY,
Georgia Bar No. 101006,
S.D. Texas No. (application pending),
smosleyday@ftc.gov

Date:

July 2, 2024

Federal Trade Commission
1999 Bryan Street, Suite 2150
Dallas, TX 75201
Tel: (214) 979-9350; Fax: (214) 953-3079

FOR DEFENDANTS:



Date: 5-6-24

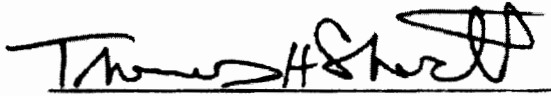
John Wells
Wilmer Cutler Pickering Hale and Dorr LLP
2100 Pennsylvania Avenue NW
Washington, DC 20037
Tel: (202) 663-6000
Fax: (202) 663-6363
john.wells@wilmerhale.com
COUNSEL For Vroom, Inc. and Vroom
Automotive, LLC.

DEFENDANTS: Vroom, Inc. and Vroom Automotive, LLC



Date: 5-6-24

THOMAS H. SHORTT
AS AN OFFICER OF
VROOM, INC.



Date: 5-6-24

THOMAS H. SHORTT
AS AN OFFICER OF
VROOM AUTOMOTIVE, LLC

Attachment A

**Federal Trade Commission's
Used Motor Vehicle Trade Regulation Rule
("Used Car Rule")**



Federal Trade Commission

Pt. 455

**PART 455—USED MOTOR VEHICLE
TRADE REGULATION RULE**

- Sec.
- 455.1 General duties of a used vehicle dealer:
definitions.
 - 455.2 Consumer sales—window form.
 - 455.3 Window form.
 - 455.4 Contrary statements.
 - 455.5 Spanish language sales.
 - 455.6 State exemptions.
 - 455.7 Severability.
- FIGURE 1 TO PART 455—“AS IS” - NO DEAL-
ER WARRANTY BUYERS GUIDE (ENGLISH)
FIGURE 2 TO PART 455—IMPLIED WARRANT-
TIES ONLY BUYERS GUIDE (ENGLISH)
FIGURE 3 TO PART 455—BACK OF BUYERS
GUIDE (ENGLISH)
FIGURE 4 TO PART 455—“AS IS” - NO DEAL-
ER WARRANTY BUYERS GUIDE (SPANISH)
FIGURE 5 TO PART 455—IMPLIED WARRANT-
TIES ONLY BUYERS GUIDE (SPANISH)

§ 455.1

FIGURE 6 TO PART 455—BACK OF BUYERS GUIDE (SPANISH)

AUTHORITY: 15 U.S.C. 2309; 15 U.S.C. 41-58.

SOURCE: 49 FR 45725, Nov. 19, 1984, unless otherwise noted.

§ 455.1 General duties of a used vehicle dealer; definitions.

(a) It is a deceptive act or practice for any used vehicle dealer, when that dealer sells or offers for sale a used vehicle in or affecting commerce as *commerce* is defined in the Federal Trade Commission Act:

(1) To misrepresent the mechanical condition of a used vehicle;

(2) To misrepresent the terms of any warranty offered in connection with the sale of a used vehicle; and

(3) To represent that a used vehicle is sold with a warranty when the vehicle is sold without any warranty.

(b) It is an unfair act or practice for any used vehicle dealer, when that dealer sells or offers for sale a used vehicle in or affecting commerce as *commerce* is defined in the Federal Trade Commission Act:

(1) To fail to disclose, prior to sale, that a used vehicle is sold without any warranty; and

(2) To fail to make available, prior to sale, the terms of any written warranty offered in connection with the sale of a used vehicle.

(c) The Commission has adopted this Rule in order to prevent the unfair and deceptive acts or practices defined in paragraphs (a) and (b). It is a violation of this Rule for any used vehicle dealer to fail to comply with the requirements set forth in §§ 455.2 through 455.5 of this part. If a used vehicle dealer complies with the requirements of §§ 455.2 through 455.5 of this part, the dealer does not violate this Rule.

(d) The following definitions shall apply for purposes of this part:

(1) *Vehicle* means any motorized vehicle, other than a motorcycle, with a gross vehicle weight rating (GVWR) of less than 8500 lbs., a curb weight of less than 6,000 lbs., and a frontal area of less than 46 sq. ft.

(2) *Used vehicle* means any vehicle driven more than the limited use necessary in moving or road testing a new vehicle prior to delivery to a consumer, but does not include any vehicle sold

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only for scrap or parts (title documents surrendered to the State and a salvage certificate issued).

(3) *Dealer* means any person or business which sells or offers for sale a used vehicle after selling or offering for sale five (5) or more used vehicles in the previous twelve months, but does not include a bank or financial institution, a business selling a used vehicle to an employee of that business, or a lessor selling a leased vehicle by or to that vehicle's lessee or to an employee of the lessee.

(4) *Consumer* means any person who is not a used vehicle dealer.

(5) *Warranty* means any undertaking in writing, in connection with the sale by a dealer of a used vehicle, to refund, repair, replace, maintain or take other action with respect to such used vehicle and provided at no extra charge beyond the price of the used vehicle.

(6) *Implied warranty* means an implied warranty arising under State law (as modified by the Magnuson-Moss Act) in connection with the sale by a dealer of a used vehicle.

(7) *Service contract* means a contract in writing for any period of time or any specific mileage to refund, repair, replace, or maintain a used vehicle and provided at an extra charge beyond the price of the used vehicle, unless offering such contract is "the business of insurance" and such business is regulated by State law.

(8) *You* means any dealer, or any agent or employee of a dealer, except where the term appears on the window form required by § 455.2(a).

[49 FR 45725, Nov. 19, 1984, as amended at 81 FR 81678, Nov. 18, 2016]

§ 455.2 Consumer sales—window form.

(a) *General duty.* Before you offer a used vehicle for sale to a consumer, you must prepare, fill in as applicable and display on that vehicle the applicable "Buyers Guide" illustrated by Figures 1-2 at the end of this part. Dealers may use remaining stocks of the version of the Buyers Guide in effect prior to the effective date of this Rule for up to one year after that effective date (*i.e.*, until January 27, 2018). Dealers who opt to use their existing stock and choose to disclose the applicability of a non-dealer warranty, must add the

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following as applicable below the "Full/Limited Warranty" disclosure: "Manufacturer's Warranty still applies. The manufacturer's original warranty has not expired on the vehicle;" "Manufacturer's Used Vehicle Warranty Applies;" or "Other Used Vehicle Warranty Applies." followed by the statement, "Ask the dealer for a copy of the warranty document and an explanation of warranty coverage, exclusions, and repair obligations."

(1) The Buyers Guide shall be displayed prominently and conspicuously in any location on a vehicle and in such a fashion that both sides are readily readable. You may remove the form temporarily from the vehicle during any test drive, but you must return it as soon as the test drive is over.

(2) The capitalization, punctuation and wording of all items, headings, and text on the form must be exactly as required by this Rule. The entire form must be printed in 100% black ink on a white stock no smaller than 11 inches high by 7¼ inches wide in the type styles, sizes and format indicated. When filling out the form, follow the directions in paragraphs (b) through (f) of this section and §455.4.

(b) *Warranties*—(1) *No Implied Warranty—"As Is"/No Dealer Warranty.* (i) If you offer the vehicle without any implied warranty, *i.e.*, "as is," mark the box appearing in Figure 1. If you offer the vehicle with implied warranties only, substitute the IMPLIED WARRANTIES ONLY disclosure specified in paragraph (b)(1)(ii) of this section, and mark the IMPLIED WARRANTIES ONLY box illustrated by Figure 2. If you first offer the vehicle "as is" or with implied warranties only but then sell it with a warranty, cross out the "As Is—No Dealer Warranty" or "Implied Warranties Only" disclosure, and fill in the warranty terms in accordance with paragraph (b)(2) of this section.

(ii) If your State law limits or prohibits "as is" sales of vehicles, that State law overrides this part and this rule does not give you the right to sell "as is." In such States, the heading "As Is—No Dealer Warranty" and the paragraph immediately accompanying that phrase must be deleted from the form, and the following heading and

paragraph must be substituted as illustrated in the Buyers Guide in Figure 2. If you sell vehicles in States that permit "as is" sales, but you choose to offer implied warranties only, you must also use the following disclosure instead of "As Is—No Dealer Warranty" as illustrated by the Buyers Guide in Figure 2. *See* §455.5 for the Spanish version of this disclosure.

IMPLIED WARRANTIES ONLY

The dealer doesn't make any promises to fix things that need repair when you buy the vehicle or afterward. But *implied warranties* under your state's laws may give you some rights to have the dealer take care of serious problems that were not apparent when you bought the vehicle.

(2) *Full/Limited Warranty.* If you offer the vehicle with a warranty, briefly describe the warranty terms in the space provided. This description must include the following warranty information:

(i) Whether the warranty offered is "Full" or "Limited." Mark the box next to the appropriate designation. A "Full" warranty is defined by the Federal Minimum Standards for Warranty set forth in section 104 of the Magnuson-Moss Act, 15 U.S.C. 2304 (1975). The Magnuson-Moss Act does not apply to vehicles manufactured before July 4, 1975. Therefore, if you choose not to designate "Full" or "Limited" for such vehicles, cross out both designations, leaving only "Warranty."

(ii) Which of the specific systems are covered (for example, "engine, transmission, differential"). You cannot use shorthand, such as "drive train" or "power train" for covered systems.

(iii) The duration (for example, "30 days or 1,000 miles, whichever occurs first").

(iv) The percentage of the repair cost paid by you (for example, "The dealer will pay 100% of the labor and 100% of the parts.")

(v) You may, but are not required to, disclose that a warranty from a source other than the dealer applies to the vehicle. If you choose to disclose the applicability of a non-dealer warranty, mark the applicable box or boxes beneath "NON-DEALER WARRANTIES FOR THIS VEHICLE" to indicate: "MANUFACTURER'S WARRANTY STILL APPLIES. The manufacturer's original warranty has not expired on

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some components of the vehicle," "MANUFACTURER'S USED VEHICLE WARRANTY APPLIES," and/or "OTHER USED VEHICLE WARRANTY APPLIES."

If, following negotiations, you and the buyer agree to changes in the warranty coverage, mark the changes on the form, as appropriate. If you first offer the vehicle with a warranty, but then sell it without one, cross out the offered warranty and mark either the "As Is—No Dealer Warranty" box or the "Implied Warranties Only" box, as appropriate.

(3) *Service contracts.* If you make a service contract available on the vehicle, you must add the following heading and paragraph below the Non-Dealer Warranties Section and mark the box labeled "Service Contract," unless offering such service contract is "the business of insurance" and such business is regulated by State law. See § 455.5 for the Spanish version of this disclosure.

SERVICE CONTRACT. A service contract on this vehicle is available for an extra charge. Ask for details about coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of your purchase of this vehicle, *implied warranties* under your state's laws may give you additional rights.

(c) *Name and Address.* Put the name and address of your dealership in the space provided. If you do not have a dealership, use the name and address of your place of business (for example, your service station) or your own name and home address.

(d) *Make, Model, Model Year, VIN.* Put the vehicle's make (for example, "Chevrolet"), model (for example, "Corvette"), model year, and Vehicle Identification Number (VIN) in the spaces provided. You may write the dealer stock number in the space provided or you may leave this space blank.

(e) *Complaints.* In the space provided, put the name and telephone number of the person who should be contacted if any complaints arise after sale.

(f) *Optional Signature Line.* In the space provided for the name of the individual to be contacted in the event of complaints after sale, you may include a signature line for a buyer's signature.

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If you opt to include a signature line, you must include a disclosure in immediate proximity to the signature line stating: "I hereby acknowledge receipt of the Buyers Guide at the closing of this sale." You may pre-print this language on the form if you choose.

[49 FR 45725, Nov. 19, 1984, as amended at 60 FR 62205, Dec. 5, 1995; 77 FR 73914, Dec. 12, 2012; 81 FR 81678, Nov. 18, 2016]

§ 455.3 Window form.

(a) *Form given to buyer.* Give the buyer of a used vehicle sold by you the window form displayed under § 455.2 containing all of the disclosures required by the Rule and reflecting the warranty coverage agreed upon. If you prefer, you may give the buyer a copy of the original, so long as that copy accurately reflects all of the disclosures required by the Rule and the warranty coverage agreed upon.

(b) *Incorporated into contract.* The information on the final version of the window form is incorporated into the contract of sale for each used vehicle you sell to a consumer. Information on the window form overrides any contrary provisions in the contract of sale. To inform the consumer of these facts, include the following language conspicuously in each consumer contract of sale:

The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale.

§ 455.4 Contrary statements.

You may not make any statements, oral or written, or take other actions which alter or contradict the disclosures required by §§ 455.2 and 455.3. You may negotiate over warranty coverage, as provided in § 455.2(b) of this part, as long as the final warranty terms are identified in the contract of sale and summarized on the copy of the window form you give to the buyer.

§ 455.5 Spanish language sales.

(a) If you conduct a sale in Spanish, the window form required by § 455.2 and the contract disclosures required by § 455.3 must be in that language. You may display on a vehicle both an English language window form and a

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§ 455.7

Spanish language translation of that form. Use the translation and layout for Spanish language sales in Figures 4, 5, and 6.

(b) Use the following language for the “Implied Warranties Only” disclosure when required by § 455.2(b)(1) as illustrated by Figure 5:

SOLO GARANTÍAS IMPLÍCITAS

El concesionario no hace ninguna promesa de reparar lo que sea necesario cuando compre el vehículo o posteriormente. Sin embargo, las *garantías implícitas* según las leyes estatales podrían darle algunos derechos para hacer que el concesionario se encargue de ciertos problemas que no fueran evidentes cuando compró el vehículo.

(c) Use the following language for the “Service Contract” disclosure required by § 455.2(b)(3) as illustrated by Figures 4 and 5:

CONTRATO DE MANTENIMIENTO. Con un cargo adicional, puede obtener un contrato de mantenimiento para este vehículo. Pregunte acerca de los detalles de la cobertura, los deducibles, el precio y las exclusiones. Si compra un contrato de mantenimiento dentro de los 90 días desde el momento en que compró el vehículo, las *garantías implícitas* según las leyes de su estado podrían darle derechos adicionales.

(d) Use the following language if you choose to use the Optional Signature Line provided by § 455.2(f):

Por este medio confirmo que he recibido copia de la Guía del Comprador al momento de la compraventa.

[81 FR 81679, Nov. 18, 2016]

§ 455.6 State exemptions.

(a) If, upon application to the Commission by an appropriate State agency, the Commission determines, that—

(1) There is a State requirement in effect which applies to any transaction to which this rule applies; and

(2) That State requirement affords an overall level of protection to consumers which is as great as, or greater than, the protection afforded by this Rule; then the Commission’s Rule will not be in effect in that State to the extent specified by the Commission in its determination, for as long as the State administers and enforces effectively the State requirement.

(b) Applications for exemption under subsection (a) should be directed to the Secretary of the Commission. When appropriate, proceedings will be commenced in order to make a determination described in paragraph (a) of this section, and will be conducted in accordance with subpart C of part 1 of the Commission’s Rules of Practice.

§ 455.7 Severability.

The provisions of this part are separate and severable from one another. If any provision is determined to be invalid, it is the Commission’s intention that the remaining provisions shall continue in effect.

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FIGURE 1 TO PART 455—“AS IS” – NO DEALER WARRANTY BUYERS GUIDE
(ENGLISH)

FIGURE 1 TO PART 455 – “AS IS” - NO DEALER WARRANTY Buyers Guide
(English)

BUYERS GUIDE

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

WARRANTIES FOR THIS VEHICLE:

AS IS - NO DEALER WARRANTY
THE DEALER DOES NOT PROVIDE A WARRANTY FOR ANY REPAIRS AFTER SALE.

DEALER WARRANTY

FULL WARRANTY.

LIMITED WARRANTY. The dealer will pay _____% of the labor and _____% of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty, and for any documents that explain warranty coverage, exclusions, and the dealer's repair obligations. Implied warranties under your state's laws may give you additional rights.

SYSTEMS COVERED: _____ **DURATION:** _____

NON-DEALER WARRANTIES FOR THIS VEHICLE:

MANUFACTURER'S WARRANTY STILL APPLIES. The manufacturer's original warranty has not expired on some components of the vehicle.

MANUFACTURER'S USED VEHICLE WARRANTY APPLIES.

OTHER USED VEHICLE WARRANTY APPLIES.

Ask the dealer for a copy of the warranty document and an explanation of warranty coverage, exclusions, and repair obligations.

SERVICE CONTRACT. A service contract on this vehicle is available for an extra charge. Ask for details about coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of your purchase of this vehicle, implied warranties under your state's laws may give you additional rights.

ASK THE DEALER IF YOUR MECHANIC CAN INSPECT THE VEHICLE ON OR OFF THE LOT.

OBTAIN A VEHICLE HISTORY REPORT AND CHECK FOR OPEN SAFETY RECALLS. For information on how to obtain a vehicle history report, visit fc.govusedcars. To check for open safety recalls, visit safercar.gov. You will need the vehicle identification number (VIN) shown above to make the best use of the resources on these sites.

SEE OTHER SIDE for important additional information, including a list of major defects that may occur in used motor vehicles.

Si el concesionario gestiona la venta en español, pida una copia de la Guía del Comprador en español.

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26 pt bold caps centered
1 pt rule
8.5 pt bold & regular, caps & lc

0.5 pt rule
6 pt regular caps
12 pt bold caps
2 pt rule

22 pt box, 1 pt stroke
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1 pt dashed rule

22 pt box, 1 pt stroke
24 pt bold caps
8 pt boxes, 1 pt stroke
8.5 pt regular, italic, caps & lc
10.2 pt leading

9 pt bold caps, 2 columns

12 pt bold caps
2 pt rule

8 pt boxes, 1 pt stroke
8.5 pt regular, caps & lc
10.2 pt leading

1 pt rule
8 pt box, 1 pt stroke
8.5 pt regular, italic, caps & lc
10.2 pt leading
2 pt rule

9 pt regular, bold, caps & lc
10.8 pt leading

* Typeface is Arial; text is flush left unless otherwise noted

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Pt. 455, Fig. 2

FIGURE 2 TO PART 455—IMPLIED WARRANTIES ONLY BUYERS GUIDE (ENGLISH)

FIGURE 2 TO PART 455 – IMPLIED WARRANTIES ONLY Buyers Guide (English)

BUYERS GUIDE

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

WARRANTIES FOR THIS VEHICLE:

IMPLIED WARRANTIES ONLY

The dealer doesn't make any promises to fix things that need repair when you buy the vehicle or afterward. But implied warranties under your state's laws may give you some rights to have the dealer take care of serious problems that were not apparent when you bought the vehicle.

DEALER WARRANTY

FULL WARRANTY

LIMITED WARRANTY. The dealer will pay _____% of the labor and _____% of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty, and for any documents that explain warranty coverage, exclusions, and the dealer's repair obligations. Implied warranties under your state's laws may give you additional rights.

SYSTEMS COVERED: _____ **DURATION:** _____

NON-DEALER WARRANTIES FOR THIS VEHICLE:

MANUFACTURER'S WARRANTY STILL APPLIES. The manufacturer's original warranty has not expired on some components of the vehicle.

MANUFACTURER'S USED VEHICLE WARRANTY APPLIES.

OTHER USED VEHICLE WARRANTY APPLIES.

Ask the dealer for a copy of the warranty document and an explanation of warranty coverage, exclusions, and repair obligations.

SERVICE CONTRACT. A service contract on this vehicle is available for an extra charge. Ask for details about coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of your purchase of this vehicle, implied warranties under your state's laws may give you additional rights.

ASK THE DEALER IF YOUR MECHANIC CAN INSPECT THE VEHICLE ON OR OFF THE LOT.

OBTAIN A VEHICLE HISTORY REPORT AND CHECK FOR OPEN SAFETY RECALLS. For information on how to obtain a vehicle history report, visit fc.govusedcars. To check for open safety recalls, visit safercar.gov. You will need the vehicle identification number (VIN) shown above to make the best use of the resources on these sites.

SEE OTHER SIDE for important additional information, including a list of major defects that may occur in used motor vehicles.

Si el concesionario gestiona la venta en español, pídele una copia de la Guía del Comprador en español.

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8.5 pt bold & regular caps & lc

0.5 pt rule
6 pt regular caps
12 pt bold caps
2 pt rule
22 pt box, 1 pt stroke
24 pt bold caps
8.5 pt regular italic caps & lc
10.2 pt leading
1 pt dashed rule

22 pt box, 1 pt stroke
24 pt bold caps
8 pt boxes, 1 pt stroke
8.5 pt regular italic caps & lc
10.2 pt leading

9 pt bold caps, 2 columns

12 pt bold caps
2 pt rule

8 pt boxes, 1 pt stroke
8.5 pt regular caps & lc
10.2 pt leading

1 pt rule
8 pt box, 1 pt stroke
8.5 pt regular italic caps & lc
10.2 pt leading
2 pt rule

9 pt regular bold caps & lc
10.8 pt leading

* Typeface is Arial; text is flush left unless otherwise noted

[81 FR 81679, Nov. 18, 2016]

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FIGURE 3 TO PART 455—BACK OF BUYERS GUIDE (ENGLISH)

FIGURE 3 TO PART 455 – Back of Buyers Guide (English)

Here's a list of some major defects that may occur in used vehicles.

| | |
|--|--|
| <p>Frame & Body Major structural damage to the body rust Sagging Cracked or bent frame</p> <p>Engine Oil leaks Badly worn or damaged excessive oil consumption Noisy operation Excessive vibration Excessive smoke Excessive heat Excessive noise</p> <p>Transmission & Drive Shaft Excessive noise Excessive vibration Excessive oil consumption Excessive heat Excessive smoke Excessive noise</p> <p>Clutch Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> | <p>Cooling System Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Electrical System Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Fuel System Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Exhaust System Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Brake System Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Steering System Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Suspension System Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Tires Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Wipers Excessive noise Excessive vibration Excessive heat Excessive smoke Excessive noise</p> <p>Air Bags</p> |
|--|--|

DEALER NAME _____

ADDRESS _____

TELEPHONE _____ EMAIL _____

FOR COMPLAINTS AFTER SALE CONTACT _____

IMPORTANT: The information on this form is part of any contract to buy this vehicle. Removing this label before consumer purchase (except for purpose of test-driving) violates Federal law (16 C.F.R. 455).

504 x 684 pt box, 1 pt stroke

2 pt rule

7 pt regular cap & ic

144 pt columns, left center right

7 pt bold, 2 pt before para.

7 pt regular, 15 pt left ind.

-10 pt first line ind

8.4 pt leading

2 pt rule

0.5 pt rules

8 pt regular caps

25 pts between rules

2 pt rule

0 pt bold & regular caps & ic

10.8 pt leading

* Typeface is Arial, text is flush left unless otherwise noted

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FIGURE 4 TO PART 455—“AS IS” – NO DEALER WARRANTY BUYERS GUIDE (SPANISH)

FIGURE 4 TO PART 455 – “AS IS”- NO DEALER WARRANTY Buyers Guide (Spanish)

GUÍA DEL COMPRADOR

IMPORTANTE: Las promesas verbales son difíciles de hacer cumplir. Solicite al concesionario que ponga todas las promesas por escrito. Conserve este formulario.

GARANTÍAS PARA ESTE VEHÍCULO:

COMO ESTÁ - SIN GARANTÍA DEL CONCESIONARIO
 EL CONCESIONARIO NO PAGARÁ NINGUNA REPARACIÓN. El concesionario no provee una garantía para reparaciones hechas después del momento de la venta.

GARANTÍA DEL CONCESIONARIO

GARANTÍA COMPLETA

GARANTÍA LIMITADA. El concesionario pagará el _____% de la mano de obra y el _____% de las partes de los sistemas cubiertos que fallen durante el periodo de garantía. Pídale al concesionario una copia de la garantía y de cualquier documento que le exponga la cobertura, las exclusiones y las obligaciones de reparación del concesionario. Las garantías implícitas según las leyes de su estado, podrán darle derechos adicionales.

SISTEMAS CUBIERTOS: _____ **DURACION:** _____

GARANTÍAS QUE NO PERTENECEN AL CONCESIONARIO:

LA GARANTÍA DEL FABRICANTE TODAVÍA APLICA. La garantía original del fabricante no ha expirado para algunos de los componentes del vehículo.

SE APLICA LA GARANTÍA DEL FABRICANTE PARA VEHÍCULOS USADOS.

SE APLICA OTRA GARANTÍA PARA VEHÍCULOS USADOS.
 Pídale al concesionario una copia del documento de garantía y una explicación de la cobertura, las exclusiones y las obligaciones de reparación.

CONTRATO DE MANTENIMIENTO. Con un cargo adicional, puede obtener un contrato de mantenimiento para este vehículo. Pregunte acerca de los detalles de la cobertura, los deducibles, el precio y las exclusiones. Si compra un contrato de mantenimiento dentro de los 90 días desde el momento en que compró el vehículo, las garantías implícitas según las leyes de su estado podrán darle derechos adicionales.

PREGUNTE AL CONCESIONARIO SI SU MECÁNICO PUEDE INSPECCIONAR EL VEHÍCULO DENTRO O FUERA DEL CONCESIONARIO.

OBTenga UN INFORME DEL HISTORIAL DEL VEHÍCULO Y VERIFIQUE SI EXISTEN RETIROS POR DEFECTOS DE SEGURIDAD PENDIENTES. Para información sobre cómo obtener un Informe del Historial del Vehículo, visite el sitio fc.gov/carrosusados. Para verificar si existen retiros por defectos de seguridad pendientes, visite safercar.gov. Para aprovechar al máximo los recursos de estos sitios necesitará el número de identificación de vehículo (VIN) mostrado anteriormente.

CONSULTE EL DORSO para obtener más información, incluyendo una lista de defectos importantes que pueden ocurrir en vehículos de motor usados.

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 12 pt bold caps
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22 pt box, 1 pt stroke
 24 pt bold caps
 24 pt leading
 8.5 pt regular, caps & ic
 10.2 pt leading
 1 pt dashed rule

22 pt box, 1 pt stroke
 24 pt bold caps
 8 pt boxes, 1 pt stroke
 8.5 pt regular, italic, caps & ic
 10.2 pt leading

9 pt bold caps, 2 columns

12 pt bold caps
 2 pt rule

8 pt boxes, 1 pt stroke
 8.5 pt regular, caps & ic
 10.2 pt leading

1 pt rule
 8 pt box, 1 pt stroke
 8.5 pt regular, italic, caps & ic
 10.2 pt leading
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 10.8 pt leading

* Typeface is Arial, text is flush left unless otherwise noted

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FIGURE 5 TO PART 455—IMPLIED WARRANTIES ONLY BUYERS GUIDE (SPANISH)

FIGURE 5 TO PART 455 – IMPLIED WARRANTIES ONLY Buyers Guide (Spanish)

GUÍA DEL COMPRADOR

IMPORTANTE: Las promesas verbales son difíciles de hacer cumplir. Solicite al concesionario que ponga todas las promesas por escrito. Conserve este formulario.

GARANTÍAS PARA ESTE VEHÍCULO:

SOLO GARANTÍAS IMPLÍCITAS
 El concesionario no hace ninguna promesa de reparar lo que sea necesario cuando compre el vehículo o posteriormente. Sin embargo, las garantías implícitas según las leyes estatales podrían darle algunos derechos para hacer que el concesionario se encargue de ciertos problemas que no fueran evidentes cuando compró el vehículo.

GARANTÍA DEL CONCESIONARIO

GARANTÍA COMPLETA

GARANTÍA LIMITADA. El concesionario pagará el _____% de la mano de obra y el _____% de las partes de los sistemas cubiertos que fallen durante el periodo de garantía. Pídale al concesionario una copia de la garantía y de cualquier documento que le explique la cobertura, las exclusiones y las obligaciones de reparación del concesionario. Las garantías implícitas según las leyes de su estado, podrían darle derechos adicionales.

SISTEMAS CUBIERTOS: _____ **DURACIÓN:** _____

GARANTÍAS QUE NO PERTENECEN AL CONCESIONARIO:

LA GARANTÍA DEL FABRICANTE TODAVÍA APLICA. La garantía original del fabricante no ha expirado para algunos de los componentes del vehículo.

SE APLICA LA GARANTÍA DEL FABRICANTE PARA VEHÍCULOS USADOS.

SE APLICA OTRA GARANTÍA PARA VEHÍCULOS USADOS.

Pídale al concesionario una copia del documento de garantía y una explicación de la cobertura, las exclusiones y las obligaciones de reparación.

CONTRATO DE MANTENIMIENTO. Con un cargo adicional, puede obtener un contrato de mantenimiento para este vehículo. Pregunte acerca de los detalles de la cobertura, los deducibles, el precio y las exclusiones. Si compra un contrato de mantenimiento dentro de los 90 días desde el momento en que compró el vehículo, las garantías implícitas según las leyes de su estado podrían darle derechos adicionales.

PREGUNTELE AL CONCESIONARIO SI SU MECÁNICO PUEDE INSPECCIONAR EL VEHÍCULO DENTRO O FUERA DEL CONCESIONARIO

OBTENGA UN INFORME DEL HISTORIAL DEL VEHÍCULO Y VERIFIQUE SI EXISTEN RETIROS POR DEFECTOS DE SEGURIDAD PENDIENTES. Para información sobre cómo obtener un Informe del Historial del Vehículo, visite el sitio www.govcarsused.com. Para verificar si existen retiros por defectos de seguridad pendientes, visite www.safercar.gov. Para aprovechar al máximo los recursos de estos sitios necesitará el número de identificación de vehículo (VIN) mostrado anteriormente.

CONSULTE EL DORSO para obtener más información, incluyendo una lista de defectos importantes que pueden ocurrir en vehículos de motor usados.

504 x 684 pt box, 1 pt stroke

26 pt bold caps centered

1 pt rule

8.5 pt bold & regular, caps & lc

10.2 pt leading

0.5 pt rule

8 pt regular caps

12 pt bold caps

2 pt rule

22 pt box, 1 pt stroke

24 pt bold caps

8.5 pt regular, italic, caps & lc

10.2 pt leading

1 pt dashed rule

22 pt box, 1 pt stroke

24 pt bold caps

8 pt boxes, 1 pt stroke

8.5 pt regular, italic, caps & lc

10.2 pt leading

9 pt bold caps, 2 columns

12 pt bold caps

2 pt rule

8 pt boxes, 1 pt stroke

8.5 pt regular, italic, caps & lc

10.2 pt leading

1 pt rule

8 pt box, 1 pt stroke

8.5 pt regular, italic, caps & lc

10.2 pt leading

2 pt rule

9 pt regular, bold, caps & lc

10.8 pt leading

* Typeface is Arial, text is flush left unless otherwise noted

[81 FR 81679, Nov. 18, 2016]

Federal Trade Commission

§ 456.1

FIGURE 6 TO PART 455—BACK OF BUYERS GUIDE (SPANISH)

FIGURE 6 TO PART 455 – Back of Buyers Guide (Spanish)

A continuación podrá encontrar una lista de los defectos principales que podrían ocurrir en vehículos usados.

Chasis y carrocería
 Corrosión excesiva en los componentes metálicos.
 Estructuras dañadas por golpes o choques.
 Estructuras dañadas por golpes o choques.

Motor
 Falta de mantenimiento regular.
 Falta de aceite de motor.
 Falta de mantenimiento regular.
 Falta de aceite de motor.
 Falta de mantenimiento regular.
 Falta de aceite de motor.

Transmisión y eje motor
 Falta de mantenimiento regular.
 Falta de aceite de transmisión.
 Falta de mantenimiento regular.
 Falta de aceite de transmisión.

Diferencial
 Falta de mantenimiento regular.
 Falta de aceite de diferencial.
 Falta de mantenimiento regular.
 Falta de aceite de diferencial.

Sistema de frenos
 Falta de mantenimiento regular.
 Falta de aceite de frenos.
 Falta de mantenimiento regular.
 Falta de aceite de frenos.

Sistema de suspensión
 Falta de mantenimiento regular.
 Falta de aceite de suspensión.
 Falta de mantenimiento regular.
 Falta de aceite de suspensión.

Neumáticos
 Falta de mantenimiento regular.
 Falta de aceite de neumáticos.
 Falta de mantenimiento regular.
 Falta de aceite de neumáticos.

Ruedas
 Falta de mantenimiento regular.
 Falta de aceite de ruedas.
 Falta de mantenimiento regular.
 Falta de aceite de ruedas.

Sistema de escape
 Falta de mantenimiento regular.
 Falta de aceite de escape.
 Falta de mantenimiento regular.
 Falta de aceite de escape.

Bolsas de aire

.....

NOMBRE DEL CONCESIONARIO

DIRECCIÓN DEL CONCESIONARIO

TELÉFONO **CORREO ELECTRÓNICO**

PARA QUEJAS DESPUÉS DE LA VENTA COMÚNIQUESE CON

IMPORTANTE: La información de este formulario es parte de cualquier contrato para comprar este vehículo. Quitar esta etiqueta antes de la compra del consumidor (excepto a los fines de realizar una prueba de conducción) es una infracción a la ley federal (16 C.F.R. 455).

504 x 884 pt box 1 pt stroke
 2 pt rule
 8 pt regular, cap & ic
 144 pt columns, left, center, right
 7 pt bold, 2 pt before para.
 7 pt regular, 15 pt left ind.
 -10 pt first line ind
 8.4 pt leading

2 pt rule
 0.5 pt rules
 8 pt regular, caps
 25 pts between rules

2 pt rule
 9 pt bold & regular, caps & ic
 10.8 pt leading

* Typeface is Arial, text is flush left unless otherwise noted

[81 FR 81679, Nov. 18, 2016]

Attachment B
“Dealer’s Guide to the Used Car Rule”



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

Dealer's Guide to the Used Car Rule

Tags: Automobiles

- Introduction
- The Buyers Guide
 - Vehicle Information
 - Dealer Information
 - Optional Signature Line
 - Warranty Information
 - What About Service Contracts?
 - What Do I Have to Give the Buyer At the Sale?
 - Can the Buyers Guide Serve As My Written Warranty?
 - What If I Don't Comply?
 - Where Can I Get More Information?

Introduction

Most car dealers who sell used vehicles must comply with the Federal Trade Commission's (FTC's) Used Car Rule. In fact, car dealers who sell, or offer for sale, more than five used vehicles in a 12-month period must comply with the Rule. Banks and financial institutions are exempt from the Rule, as are businesses that sell vehicles to their employees, and lessors who sell a leased vehicle to a lessee, an employee of the lessee, or a buyer found by the lessee.

The Used Car Rule applies in all states except Maine and Wisconsin. These two states are exempt because they have similar regulations that require dealers to post disclosures on used vehicles. The

Rule applies in the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, and American Samoa.

This booklet defines the Rule's requirements, explains how to prepare and display the Buyers Guide, and offers a compliance checklist.

You must post a Buyers Guide before you display a vehicle for sale or let a customer inspect it for the purpose of buying it, even if the car is not fully prepared for delivery. You also must display a Buyers Guide on used vehicles for sale on your lot through consignment, power of attorney, or other agreement. At public auctions, dealers and the auction company must comply. The Rule does not apply at auctions that are closed to consumers.

Previously titled or not, any vehicle driven for purposes other than moving or test driving is considered a used vehicle, including light-duty vans, light-duty trucks, demonstrators, and program cars that meet the following specifications:

- a gross vehicle weight rating (GVWR) of less than 8,500 pounds;
- a curb weight of less than 6,000 pounds; and
- a frontal area of less than 46 square feet.

Exceptions to the Rule are:

- motorcycles;
- any vehicle sold for scrap or parts if the dealer submits title documents to the appropriate state authority and obtains a salvage certification; and
- agricultural equipment.

The Buyers Guide

A disclosure document that gives consumers important purchasing and warranty information, the Buyers Guide tells consumers:

- the major mechanical and electrical systems on the car, as well as some of the major problems that consumers should look out for;
- whether the vehicle is being sold "as is" or with a warranty;

- what percentage of the repair costs a dealer will pay under warranty;
- that oral promises are difficult to enforce;
- to get all promises in writing;
- to ask to have the car inspected by an independent mechanic before they buy;
- to get a vehicle history report and to visit [ftc.gov/usedcars](https://www.ftc.gov/usedcars) for information on how to get a vehicle history report, how to check for safety recalls, and other topics; and
- to ask for a Spanish Buyers Guide if the sale is conducted in Spanish; and
- to keep the Buyers Guide for reference after the sale.

If you conduct a used car transaction in Spanish, you must post a Spanish language Buyers Guide on the vehicle before you display or offer it for sale.

The Buyers Guide must be displayed prominently and conspicuously on or in a vehicle when a car is available for sale. This means it must be in plain view and both sides must be visible. You can hang the Guide from the rear-view mirror inside the car or on a side-view mirror outside the car. You also can place it under a windshield wiper. The Guide also can be attached to a side window. A Guide in a glove compartment, trunk or under the seat is not conspicuous because it is not in plain sight.

You may remove the Guide for a test drive, but you must replace it as soon as the test drive is over.

Vehicle Information

At the top of the Guide, fill in the vehicle make, model, model year, and vehicle identification number (VIN). Write in a dealer stock number if you wish.

Dealer Information

On the back of the Guide, fill in the name and address of your dealership. Also fill in the name (or position) and the telephone number of the person the consumer should contact with complaints. You may use a rubber stamp or preprint your Guide with this information.

Optional Signature Line

You may include a signature line on the Guide and you may ask the buyer to sign to acknowledge that he or she has received the Guide. If you opt for a signature line, you must include a disclosure near it that says: "I hereby acknowledge receipt of the Buyers Guide at the closing of this sale." This language can be preprinted on the form. The signature line and the required disclosure must appear in the space provided for the name of the individual to be contacted in the event of complaints after the sale.

Warranty Information

- The Buyers Guide has two versions: One says "As Is-No Dealer Warranty;" the other says "Implied Warranties Only."
- **As Is-No Dealer Warranty.** If state law allows it, and you choose not to offer a warranty — written or implied — you must use the "As Is" version and check the box next to the heading "As Is-No Dealer Warranty" on the Guide.
- **Implied Warranties Only.** In states that limit or prohibit the elimination of implied warranties, you must use the "Implied Warranties Only" version and check the box next to the "Implied Warranties Only" if you don't offer a written warranty.
- **Warranty.** If you offer the vehicle with an express warranty, you must check the box next to the heading "Warranty" and complete that section of the Guide. Warranties required by state law must be disclosed in this section. Your state Attorney General can tell you about state warranty requirements.

State Law. In some states, use of the "As Is-No Dealer Warranty" Buyers Guide may be legally sufficient to eliminate implied warranties. In other states "as is" sales are allowed only if specific action is taken or certain language is used. For example, some states may require you to eliminate implied warranties by using special language and/or a document other than the Guide.

If you're not sure which version of the Buyers Guide you should use or if you have questions about state requirements, contact the FTC or your state Attorney General's office.

Is the Warranty "Full" or "Limited"?

For a warranty to be considered "full:"

- Warranty service must be provided to anyone who owns the vehicle during the warranty period.

- Warranty service must be provided free of charge when necessary, even for services like removing and reinstalling a system covered by the warranty.
- The consumer must be able to choose either a replacement or a refund if the vehicle can't be repaired after a reasonable number of tries.
- The consumer is not required to take any action to receive service, except to give notice that service is needed. Service must be rendered after notice unless the warrantor can demonstrate that it is reasonable to require consumers to do more than give notice.
- The length of implied warranties must not be limited.

The warranty is considered "limited" if any of these conditions doesn't apply.

What Percentage of Costs Does the Warranty Cover?

Fill in the percentage of parts and labor costs covered by the warranty in the spaces provided. If a deductible applies to repairs made under the warranty, put an asterisk next to the number and explain the deductible in the "systems covered/duration" section. For example, "*A \$50 deductible applies to each repair visit."

What Systems Are Covered? For How Long?

There's one column to list the systems covered, and another to list the length of the warranty for each system. In the left hand column, you must specify each system that's covered by the warranty. The Rule prohibits the use of shorthand phrases such as "drive train" or "power train" because it's not always clear what specific components are included in the "power train" or "drive train."

In the right hand column, you must state the length of the warranty for each system. If all systems are covered for the same length of time, you may state the duration once.

What if the Manufacturer's Warranty Still Applies?

If the manufacturer's warranty hasn't expired, you may disclose this fact by checking the box, "MANUFACTURER'S WARRANTY STILL APPLIES. The manufacturer's original warranty has not expired on some components of the vehicle," in the Non-Dealer Warranties for this Vehicle section of the Buyers Guide.

PCL XL error

Subsystem: KERNEL

Error: IllegalOperatorSequence

Operator: ReadChar

Position: 154461