

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

FEDERAL TRADE COMMISSION and PEOPLE OF
THE STATE OF ILLINOIS,

Plaintiffs,

v.

ACIA17 Automotive Inc., a Delaware corporation, d/b/a
LEADER AUTOMOTIVE GROUP., et al.,

Defendants.

Case No. 24-cv-13047

**JOINT MOTION FOR ENTRY OF STIPULATED ORDER
FOR PERMANENT INJUNCTION, MONETARY RELIEF, AND OTHER RELIEF**

Plaintiffs, the Federal Trade Commission and the People of the State of Illinois (together, “Plaintiffs”), and Defendants, ACIA17 Automotive Inc., ACIA ACQ Corp., ACIA FINCO Corp., ACIA CH Auto LLC, ACIA CL LLC, ACIA HN Auto LLC, ACIA KL Auto LLC, ACIA Motors LLC, ACIA P LLC, ACIA PG Auto LLC, ACIA PH Auto LLC, ACIA TC Auto LLC, ACIA TN Auto LLC, and AutoCanada Inc. (collectively, “Corporate Defendants”), jointly move this Court for entry of the Stipulated Order for Permanent Injunction, Monetary Relief, and Other Relief (“Stipulated Final Order,” attached as **Exhibit 1**) reached through settlement negotiations between the parties, which would resolve this case as to the Corporate Defendants. The Stipulated Final Order does not resolve claims against the remaining defendant, James Douvas. The parties request entry of the Stipulated Final Order pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act, 15 U.S.C. §§ 53(b) and 57b (“FTC Act”), FTC’s Used Motor

Vehicle Trade Regulation Rule (“Used Car Rule”), 16 C.F.R. Part 455, the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1 *et seq.*, the Illinois Prizes and Gifts Act, 815 ILCS 525/1 *et seq.*, and the Illinois Motor Vehicle Advertising Regulations, 14 Ill. Adm. Code 475.110 *et seq.* In support of this motion, Plaintiffs and Corporate Defendants state as follows:

1. Plaintiffs filed their Complaint for Permanent Injunction, Monetary Relief, and Other Relief on December 19, 2024, alleging that Defendants violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), the Used Car Rule, 16 C.F.R. § 455, the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1 *et seq.*, the Illinois Prizes and Gifts Act, 815 ILCS 525/1 *et seq.*, and the Illinois Motor Vehicle Advertising Regulations, 14 Ill. Adm. Code 475.110 *et seq.* Corporate Defendants have waived service of the summons and the Complaint.

2. The Stipulated Final Order has been signed by Corporate Defendants and their counsel. The Stipulated Final Order also has been approved by the FTC and the Illinois Attorney General and signed by their respective counsel.

WHEREFORE, Plaintiffs and Corporate Defendants respectfully request that the Court enter the Stipulated Final Order.

Respectfully submitted,

Dated: December 19, 2024

/s/ James Davis
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Attorneys for Plaintiff

FEDERAL TRADE COMMISSION

Dated: December 19, 2024

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THE PEOPLE OF THE STATE OF
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Dated: December 19, 2024

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Dated: December 19, 2024

/s/ Eric Mogilnicki

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Exhibit 1

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

FEDERAL TRADE COMMISSION and PEOPLE
OF THE STATE OF ILLINOIS,

Plaintiffs,

v.

ACIA17 Automotive Inc., a Delaware corporation,
d/b/a LEADER AUTOMOTIVE GROUP,

ACIA ACQ Corp., a Delaware corporation, d/b/a
LEADER AUTOMOTIVE GROUP,

ACIA FINCO Corp., a Delaware Corporation, d/b/a
LEADER AUTOMOTIVE GROUP,

ACIA CH LLC, a Delaware Limited Liability
Company, d/b/a NORTH CITY HONDA and
LEADER AUTOMOTIVE GROUP,

ACIA CL LLC, a Delaware Limited Liability
Company, d/b/a CRYSTAL LAKE CHRYSLER
DODGE JEEP RAM and LEADER
AUTOMOTIVE GROUP,

ACIA HN AUTO LLC, a Delaware Limited
Liability Company, d/b/a HYUNDAI OF
LINCOLNWOOD and LEADER AUTOMOTIVE
GROUP,

ACIA KL AUTO LLC, a Delaware Limited
Liability Company, d/b/a KIA OF
LINCOLNWOOD and LEADER AUTOMOTIVE
GROUP,

ACIA MOTORS LLC, a Delaware Limited
Liability Company, d/b/a MERCEDES-BENZ OF
BLOOMINGTON NORMAL, LINCOLN OF
NORMAL, VOLKSWAGEN OF BLOOMINGTON
NORMAL, VOLVO CARS NORMAL, AUDI
BLOOMINGTON NORMAL, SUBARU OF

Case No. 24-cv-13047

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

BLOOMINGTON NORMAL, BLOOMINGTON
NORMAL AUTOMALL, and LEADER
AUTOMOTIVE GROUP,

ACIA P LLC, a Delaware Limited Liability
Company, d/b/a MERCEDES-BENZ OF PEORIA,
PORSCHE PEORIA, VOLKSWAGEN OF
PEORIA, AUDI PEORIA, AUTOHAUS OF
PEORIA, and LEADER AUTOMOTIVE GROUP,

ACIA PG AUTO LLC, a Delaware Limited
Liability Company, d/b/a CHEVROLET OF
PALATINE and LEADER AUTOMOTIVE
GROUP,

ACIA PH AUTO LLC, a Delaware Limited
Liability Company, d/b/a HYUNDAI OF
PALATINE and LEADER AUTOMOTIVE
GROUP,

ACIA TC AUTO LLC, a Delaware Limited
Liability Company, d/b/a TOYOTA OF LINCOLN
PARK LEADER AUTOMOTIVE GROUP,

ACIA TN AUTO LLC, a Delaware Limited
Liability Company, d/b/a TOYOTA OF
LINCOLNWOOD and LEADER AUTOMOTIVE
GROUP,

AUTOCANADA INC., a Canadian Corporation,
and

JAMES DOUVAS, individually and as an officer or
director of ACIA17 AUTOMOTIVE INC., ACIA
ACQ CORP., ACIA CH LLC, ACIA CL LLC,
ACIA HN AUTO LLC, ACIA KL AUTO LLC,
ACIA MOTORS LLC, ACIA P LLC, ACIA PG
AUTO LLC, ACIA PH AUTO LLC, ACIA TC
AUTO LLC, ACIA TN AUTO LLC, d/b/a
LEADER AUTOMOTIVE GROUP,

Defendants.

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”) filed their Complaint for Permanent Injunction, Monetary Judgment, and Other Relief (“Complaint”), pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b), and 57b, and the FTC’s Used Motor Vehicle Trade Regulation Rule (“Used Car Rule”). Plaintiff People of the State of Illinois, by Kwame Raoul, Illinois Attorney General, joined in filing the Complaint pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1 et seq. (“Consumer Fraud Act”), the Illinois Prizes and Gifts Act, 815 ILCS 525, the Illinois Uniform Deceptive Trade Practices Act, 815 ILCS 510, and the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN CODE tit. 14, § 475, to obtain a Permanent Injunction, Restitution, Civil Penalties, and Other Relief against Defendants. Plaintiffs and Defendants ACIA17 Automotive Inc., ACIA ACQ Corp., ACIA FINCO Corp., ACIA CH LLC, ACIA CL LLC, ACIA HN AUTO LLC, ACIA KL AUTO LLC, ACIA MOTORS LLC, ACIA P LLC, ACIA PG AUTO LLC, ACIA TC AUTO LLC, ACIA TN AUTO LLC, and AutoCanada Inc., (“Settling Defendants”) stipulate to the entry of this Stipulated Order for Permanent Injunction, Monetary Judgment, Civil Penalty 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, the Used Car Rule, 16 C.F.R. Part 455, and Section 2 of the Illinois Consumer Fraud Act, 815 ILCS 505/2, Section 25 of the Illinois Prizes and Gifts Act, 815 ILCS 525/25, Section 2 of the Illinois Uniform

Deceptive Trade Practices Act, 815 ILCS 510/2, and the Illinois Administrative Code, ILL. ADMIN. CODE, tit. 14 § 475, in the promoting, advertising, marketing, sale, leasing, or financing of new and used vehicles.

3. Settling 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, Settling Defendants admit the facts necessary to establish jurisdiction.

4. Settling 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.

5. Settling Defendants and Plaintiffs 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. **“Add-on Product or Service”** means any product or service not provided to the consumer or installed on the vehicle by the vehicle manufacturer and for which the vehicle dealer, directly or indirectly, charges a consumer in connection with a vehicle sale, lease, or financing transaction.

B. **“Buyers Guide”** refers to the FTC’s Buyers Guide, templates of which are attached as “Attachment 1” (English) or “Attachment 2” (Spanish), as appropriate.

C. **“Clear(ly) and Conspicuous(ly)”** means that a required disclosure is easily noticeable (i.e., difficult to miss) 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 members of that group.

D. “**Defendants**” means all of the Individual Defendants and Corporate Defendants, individually, collectively, or in any combination.

1. “**Corporate Defendants**” means
 - a. AutoCanada, Inc.;
 - b. ACIA17 Automotive Inc., d/b/a Leader Automotive Group;
 - c. ACIA ACQ Corp., d/b/a Leader Automotive Group;
 - d. ACIA FINCO Corp., d/b/a Leader Automotive Group;
 - e. ACIA CH LLC, d/b/a North City Honda and Leader Automotive Group;
 - f. ACIA CL LLC, d/b/a Crystal Lake Chrysler Dodge Jeep Ram and Leader Automotive Group;
 - g. ACIA HN AUTO LLC, d/b/a Hyundai of Lincolnwood and Leader Automotive Group;
 - h. ACIA KL AUTO LLC, d/b/a Kia of Lincolnwood and Leader Automotive Group;
 - i. ACIA MOTORS LLC, d/b/a Mercedes-Benz of Bloomington Normal, Lincoln of Normal, Volkswagen of Bloomington Normal, Volvo Cars Normal, Audi Bloomington Normal, Subaru of

Bloomington Normal, Bloomington Normal Automall, and Leader Automotive Group;

- j. ACIA P LLC, d/b/a Mercedes-Benz of Peoria, Porsche Peoria, Volkswagen of Peoria, Audi Peoria, Autohaus of Peoria, and Leader Automotive Group;
- k. ACIA PG AUTO LLC, d/b/a Chevrolet of Palatine and Leader Automotive Group;
- l. ACIA PH AUTO LLC, d/b/a Hyundai of Palatine and Leader Automotive Group;
- m. ACIA TC AUTO LLC, d/b/a Toyota of Lincoln Park and Leader Automotive Group; and
- n. ACIA TN AUTO LLC, d/b/a Toyota of Lincolnwood and Leader Automotive Group;

and their successors and assigns.

- 4. **“Settling Defendants”** means Corporate Defendants.

E. **“Express, Informed Consent”** means an affirmative act communicating unambiguous assent to be charged, made after receiving, and in close proximity to, a Clear and Conspicuous disclosure, either orally or in writing, of the following information:

- 1. what the charge is for;
- 2. the amount of the charge, including, if the charge is for a product or service, all fees and costs to be charged to the consumer over the period of repayment with and without the product or service; and
- 3. if the product or service is optional, that fact.

F. **“Offering Price”** means the full cash price for which a vehicle dealer will sell or finance a vehicle to any consumer, provided that the dealer may exclude only charges a Federal, State, or local government agency, unit, or department requires the consumer to pay.

G. **“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 3” and “Attachment 4,” respectively.

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

ORDER

I. PROHIBITION AGAINST MISREPRESENTATIONS

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants’ officers, agents, employees, 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 advertising, marketing, promoting, or offering for sale, lease, or financing, or selling, leasing, or financing vehicles are permanently restrained and enjoined from misrepresenting, expressly or by implication:

- A. the costs or terms of purchasing, financing, or leasing a vehicle;
- B. whether charges, fees, products, or services are optional or required;
- C. whether Settling Defendants have installed or applied, or will install or apply, any Add-on Product or Service;
- D. the availability of vehicles at an advertised price;

E. whether vehicles are certified or include a limited or original manufacturer warranty; or

F. any other material fact, such as: any restrictions, limitations, or conditions; or any aspect of the benefits, performance, efficacy, nature, or central characteristics of any product or service.

II. PROHIBITION AGAINST VIOLATIONS OF THE ILLINOIS CONSUMER FRAUD ACT

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers, agents, employees, 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 advertising, marketing, promoting, offering for sale, lease, or financing, or selling, leasing, or financing vehicles, are permanently restrained and enjoined from violating Section 2 of the Consumer Fraud Act (815 ILCS 505/2), and Section 2 of the Uniform Deceptive Trade Practices Act (815 ILCS 510/2) by misrepresenting, in connection with the purchase of a vehicle in Illinois:

- A. whether charges, products, or services are optional or required;
- B. the existence or amount of any fees, interest, charges, or costs;
- C. the availability of an advertised vehicle;
- D. any material aspect of any Add-on Product or Service;
- E. whether Defendants have installed or applied, or will install or apply, any Add-On Product or Service that they require consumers to purchase;
- F. whether Defendants sell certain vehicles at certain prices;
- G. whether a vehicle is certified or includes a limited or original manufacturer warranty;

H. whether Defendants' vehicles and services are of a particular standard, quality, or grade, by encouraging and incentivizing the posting of fabricated online reviews; and

I. any other material fact, such as: any restrictions, limitations, or conditions; or any aspect of the benefits, performance, efficacy, nature, or central characteristics of any product or service.

III. PROHIBITION AGAINST VIOLATIONS OF THE ILLINOIS CONSUMER FRAUD ACT THROUGH THE VIOLATIONS OF SECTION 25 OF THE ILLINOIS PRIZES AND GIFTS ACT

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers, agents, employees, 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 advertising, marketing, promoting, offering for sale, lease, or financing, or selling, leasing, or financing vehicles, are permanently restrained and enjoined from violating the Consumer Fraud Act by violating Section 25 of the Illinois Prizes and Gifts Act, 815 ILCS 525/1 et seq., by offering a written promotional offer to induce consumers to visit an Illinois dealership owned and operated by Defendants in order to receive a prize and failing to include in the written promotional offer:

A. A Clear and Conspicuous¹ disclosure that no purchase is necessary to enter such written promotional offer as required by Section 25(3) of the Illinois Prizes and Gifts Act, 815 ILCS 525/25(3); and

¹ For purposes of sections III and IV, and for any subsequent compliance or enforcement action by the Illinois Attorney General, "Clear(ly) and Conspicuous(ly)" shall be as defined by Section 475.110 of the Illinois Motor Vehicle Advertising Regulations, Ill. Admin. Code tit. 14 § 475.110, attached hereto as Attachment 5.

B. A Clear and Conspicuous disclosure that a purchase will not improve the person's chances of winning with an entry as required by Section 25(4) of the Illinois Prizes and Gifts Act, 815 ILCS 525/25(4).

IV. PROHIBITION AGAINST VIOLATIONS OF ILLINOIS MOTOR VEHICLE ADVERTISING REGULATIONS

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' agents, employees, 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 advertising, marketing, promoting, offering for sale, lease, or financing, or selling, leasing, or financing vehicles are permanently restrained and enjoined from:

A. Violating Section 475.210 of the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN. CODE tit. 14 § 475.210, by advertising, offering for sale, or selling vehicles without Clearly and Conspicuously disclosing all material terms and conditions relating to the offer at the outset of the offer so as to leave no reasonable probability that the offering might be misunderstood. Material terms include, without limitation, those mandated by federal law including, but not limited to, those Acts listed in Section 475.250, ILL. ADMIN. CODE tit. 14 §475.250, or state law, or without which the advertisement would be false or misleading.

B. Violating Section 475.310 of the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN. CODE tit. 14 § 475.310 by advertising the total price of a motor vehicle without including in the advertised price all costs to the purchaser at the time of sale, or which are necessary or usual prior to delivery of such vehicle to the purchaser, including any costs of delivery, dealer preparation, and other charges of any nature; provided, however, taxes, license and title fees and a documentary service fee, as defined by ILL. ADMIN. CODE tit. 14 § 475.110,

may be excluded from the advertised price if Clearly and Conspicuously disclosed in the advertisement that these costs are excluded from the advertised price;

C. Violating Section 475.310 of the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN. CODE tit. 14 § 475.310, by selling or leasing a vehicle for more than its advertised price;

D. Violating Section 475.310 of the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN. CODE tit. 14 § 475.310, by failing to make available to the public all vehicles described by its advertisement at the advertised price;

E. Violating Section 475.580 of the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN. CODE tit. 14 § 475.580, by negotiating the terms of a sale of a motor vehicle and thereafter adding the cost of Add-On Products or Services without previously disclosing the same to the consumer and without the consumer's Express, Informed Consent;

F. Violating Section 475.610 of the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN. CODE tit. 14 § 475.610, by advertising "closed-end credit" terms in the advertisement, offer of sale, or sale of any motor vehicle if the advertisement includes any one of the "triggering terms" identified in Section 475.610 without Clearly and Conspicuously disclosing the required credit sales advertising disclosures; and

G. Violating Section 475.630 of the Illinois Motor Vehicle Advertising Regulations, ILL. ADMIN. CODE tit. 14 § 475.630, by advertising a finance rate (APR) without disclosing any applicable conditions, qualifications, or limitations which materially affect the availability of such rate.

V. REQUIRED DISCLOSURES

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers, agents, employees, 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 advertising, marketing, promoting, or offering for sale, lease, or financing, or selling, leasing, or financing vehicles, are permanently restrained and enjoined from failing to disclose Clearly and Conspicuously:

A. in any advertisement or communication that references, expressly or by implication, a specific vehicle or any monetary amount or financing term for any vehicle: the Offering Price. If the communication or response is in writing, the Offering Price must be disclosed in writing;

B. when making any representation, expressly or by implication, about a monthly payment for any vehicle: (1) the total amount the consumer will pay to purchase or lease the vehicle at that monthly payment after making all payments as scheduled, and (2) the amount of consideration to be provided by the consumer, if the total amount disclosed assumes the consumer will provide consideration. If the representation is in writing, the disclosure must also be in writing; or

C. when making any comparison between payment options, expressly or by implication, that includes discussion of a lower monthly payment: that the lower monthly payment will increase the total amount the consumer will pay to purchase or lease the vehicle, if true. If the representation is in writing, the disclosure must be in writing.

Provided, however, that nothing in this provision shall prevent any party from moving to modify Subsection V.A pursuant to Federal Rule of Civil Procedure 60(b), nor limit the parties' right to contest such a motion.

VI. PROHIBITION AGAINST MISREPRESENTATION INVOLVING REVIEWS AND ENDORSEMENTS

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' agents, employees, 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 advertising, marketing, promoting, or offering for sale, lease, or financing, or selling, leasing, or financing vehicles are permanently restrained and enjoined from making any misrepresentation, expressly or by implication, about or through ratings, reviews, badges, or endorsements of Settling Defendants' products or services, including any misrepresentation:

- A. that a reviewer or other person reviewed, endorsed, or used the product or service;
- or
- B. that the review or other endorsement represents the experience, views, or opinions of a user of the product or service.

VII. OBTAINING EXPRESS, INFORMED CONSENT FOR CHARGES

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers, agents, employees, 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 advertising, marketing, promoting, or offering for sale, lease, or financing, or selling, leasing, or financing vehicles, are permanently restrained and enjoined from charging a consumer without having obtained the consumer's Express, Informed Consent.

VIII. INJUNCTION CONCERNING USED VEHICLE DISCLOSURES

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers, agents, employees, 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

advertising, marketing, promoting, or offering for sale, lease, or financing, or selling, leasing, or financing vehicles are permanently restrained and enjoined from:

A. Failing to disclose, prior to sale, that a Used Vehicle is sold without any warranty, if no warranty is offered; and

B. Failing to make available, 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 4,” 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.”

IX. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment in the amount of Twenty Million Dollars (\$20,000,000) is entered in favor of the Plaintiffs against Settling Defendants, jointly and severally, as monetary relief. This judgment is not joint and several with any other Defendant to the extent subsequently ordered.

B. Settling Defendants are ordered to pay to the Commission Nineteen Million Eight Hundred Thousand Dollars (\$19,800,000). 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.

C. Within 7 days of entry of this Order, Settling Defendants shall pay Two Hundred Thousand Dollars (\$200,000) to the People of the State of Illinois as a voluntary contribution to the Attorney General Court Ordered and Voluntary Compliance Payment Projects Fund. The payment shall be made out to the “Attorney General Court Ordered and Voluntary Compliance Fund,” in accordance with payment instructions separately provided by Plaintiffs. Such funds may be used by the Illinois Attorney General for any lawful purpose as authorized by Section 7(e) of the Consumer Fraud Act, 815 ILCS 505/7(e). Settling Defendants shall not be entitled to further accounting regarding the money deposited into this account.

X. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling 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 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 Settling Defendant acknowledges that Settling Defendant's Employer Identification Number, Social Security Number, or other Taxpayer Identification Number ("TIN"), including all TINs that Settling Defendants previously provided, may be used by the Plaintiffs 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 such relief is to be split evenly, between (1) the Commission on one hand; and (2) the State of Illinois on the other hand. Such money paid to the Commission that is not used for relief is to be deposited to the U.S. Treasury. Any money paid to the State of Illinois not used for equitable relief may be used to the full extent authorized by law, including, but not limited to, as payment for the State's costs of investigating and litigating the instant case. Settling Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

XI. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers, agents, employees and all other persons in active concert or participation with any of them 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.

XII. COOPERATION

IT IS FURTHER ORDERED that Settling Defendants must fully cooperate with representatives of the Plaintiffs in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the complaint. Settling Defendants must provide truthful and complete information, evidence, and testimony. Settling Defendants must cause Settling Defendants' officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Plaintiff's representative may reasonably request upon 5 days written notice, or other reasonable notice, at such places and times as a Plaintiff's representative may designate, without the service of a subpoena.

XIII. ORDER ACKNOWLEDGMENTS

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

A. Each Settling 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 Corporate 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 Settling Defendant delivered a copy of this Order, that Settling Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

XIV. COMPLIANCE REPORTING

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

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

1. Each Settling Defendant must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Plaintiffs may use to communicate with Defendant; (b) identify all of that Defendant's

businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant; (d) describe in detail whether and how that Defendant is in compliance with each Section of this Order; and (e) 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 Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

1. Each Settling Defendant must report any change in: (a) any designated point of contact; or (b) the structure of any Corporate Defendant or any entity that any Settling 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 Settling 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. ACIA17 Automotive Inc.

F. Upon request, any compliance report, compliance notice, notice of filing, or any other written submission to the Commission or a Commission representative by Defendants pursuant to this Order, may be shared with the Office of the Illinois Attorney General.

XV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for 15 years after entry of the Order, and retain each such record for 5 years. Specifically, each Corporate Defendant, in connection with advertising, marketing, promoting, offering for sale, lease, or financing of any vehicle must create and retain the following records or copies thereof:

- 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. records related to the generation of any customer reviews;
- E. all records necessary to demonstrate full compliance with each provision of this Order;
- F. all submissions to the Commission;

- G. a copy of each unique advertisement or other marketing material; and
- H. a copy of any pencil, four square, or worksheet used to negotiate, desk, or pencil deals.

XVI. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling 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 Plaintiffs, each Settling 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 Plaintiffs are 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 Plaintiffs are authorized to communicate directly with each Settling Defendant. Settling Defendant must permit representatives of the Plaintiffs 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. Plaintiffs may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Settling 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.

XVII. 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 ___ day of _____, 202__.

UNITED STATES DISTRICT JUDGE

**SO STIPULATED AND AGREED:
FOR PLAINTIFFS:
FEDERAL TRADE COMMISSION**

James Davis

Date: 12/19/2024

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FOR SETTLING DEFENDANTS:



PAUL ANTONY
Executive Chairman
AutoCanada

Date: November 15, 2024

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Date: November 15, 2024



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Date: November 15, 2024