

Better Business Bureau (BBB) Advertising Reminder

A dealer recently received a letter from the BBB so I'm providing a reminder about including financing details in your print ads.

According to the Better Business Bureau, if an advertisement of closed-end credit contains any of the following triggering terms, three specific disclosures must also be stated, clearly and conspicuously.

The *triggering* terms are:

1. the amount or percentage of any down payment
2. the number of payments or period of repayment
3. the amount of any payment, expressed either as a percentage or as a dollar amount
4. the amount of finance charge

The three *disclosures* are:

1. the amount or percentage of the down payment
2. the terms or repayment
3. the "annual percentage rate," using that term spelled out in full. If the rate may be increased after consummation of the credit transaction, that the fact must be disclosed.

Also, the Better Business Bureau states whenever a price is mentioned in advertising, any extra charges should also be disclosed in immediate conjunction with the price (e.g., delivery, installation, assembly, excise tax, postage and handling).