**Section 475.610 Credit Sales Advertising Disclosures**

It is an unfair or deceptive act to advertise "closed-end credit" terms in the advertisement, offer of sale, or sale of any motor vehicle if the advertisement contains any one of following five "triggering terms": amount or percentage of down payment; number of payments; period of repayment; amount of any payment (expressed as percentage or dollar amount); or amount of any finance charge, without clearly and conspicuously disclosing:

a) amount or percentage of any down payment, terms of repayment, and "annual percentage rate" using that term spelled out in full or the abbreviation "APR". If the annual percentage rate may be increased after the contract is signed, that fact must be disclosed. An advertisement that complies with the Federal Truth in Lending Act (15 USC 1601 et seq.) and amendments thereto, and any regulations issued or that may be issued under that federal statute, shall be deemed in compliance with the provisions of this subsection.

b) the contractual amount owing at the conclusion of a pre-determined schedule of installment payments, in close proximity to and, where applicable, in the same decibel tone as, the "triggering term" when a dealer advertises the availability of balloon-note financing. For the purpose of this subsection (b), balloon-note financing shall mean the manner of purchase whereby a consumer agrees to select and perform, at the conclusion of a pre-determined schedule of installment payments made in periodic or monthly amounts, one of the following options:

1) satisfy the balance of the contractual amount owing;

2) refinance any balance owing, on the terms previously agreed upon at the time of executing the retail installment contract; or

3) surrender the vehicle at such time and manner agreed upon at the time of executing the retail installment contract.

c) a manufacturer's or manufacturer captive finance company's tiered financing offer. For the purpose of this subsection (c), tiered financing shall mean the manner of financing a purchase whereby a consumer must qualify for a specific manufacturer's or manufacturer captive finance company's offer according to pre-established credit qualifications.

Proper disclosures might include:

Ad copy: 1.9% APR for 48 months

Disclosure: Financing subject to credit approval and insurability. 1.9% financing for 48 months on (vehicle make/model) in lieu of rebate to qualified buyers and ends (date). 48 months at ($ amount) per month per $1000 financed at 1.9% APR (level a, b, c) with 10% down on (vehicle make/model). Finance rate varies depending on credit worthiness of customer as determined by (captive finance company). Some customers will not qualify.

(Source: Amended at 25 Ill. Reg. 4819, effective March 20, 2001)