

Chapter 15 – Advertising

Subchapter 1 - General Provisions

465:15-1-1. Purpose

The purpose of this Chapter is to implement the intent of the legislature as declared in the Oklahoma New Motor Vehicle Commission Law by regulating the advertising of Commission licensees by requiring truthful and accurate advertising practices for the benefit of the citizens of this State.

465:15-1-2. Definitions

The following words and terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"Advertisement" means an oral, written, graphic, or pictorial statement made in the course of soliciting business, including, without limitation, a statement or representation contained in a newspaper, magazine, publication, notice, sign, poster, display, circular, pamphlet, flyer, letter, price tag, window sticker, email, mobile text, mobile application, or on the Internet, radio, television, or any other type of media.

"Bait advertisement" means an alluring but insincere price offer or savings claim which a dealership does not intend to honor.

"Bait and switch advertisement" means an alluring but insincere offer to sell a product of which the primary purpose is to obtain leads to persons interested in buying merchandise of the type advertised and to switch consumers from buying the advertised product in order to sell some other product at a higher price or on a basis more advantageous to the advertiser.

"Clear and conspicuous" means that the statement, representation, or disclosure is of such size, color, contrast, and audibility and is presented so as to be readily noticed, easily understood, and non-deceptive. All language and terms, including abbreviations, shall be used in accordance with their common or ordinary usage and meaning by the general public.

"Dealer-added fee" means an amount charged by the dealer to the customer in connection with the sale or lease of a new motor vehicle including, but not limited to, processing fee, documentary fee, service and handling fee, administrative fee, closing fee, or ADP (additional dealer profit) fee. "Dealer-added fee" does not mean legally required charges such as a lien entry filing fee. It is prohibited to state or imply that a dealer-added fee is required by law or by any government agency.

"Dealership addendum" means a form which is to be displayed on a window of a new motor vehicle when the dealer installs special features, equipment, parts or accessories, or charges for services not already compensated by the manufacturer or distributor for work required to prepare a vehicle for delivery to a buyer. The addendum is to disclose:

- (A) That it is supplemental and it should not be deceptively similar in appearance to the manufacturer's label, which is required to be affixed by every

manufacturer to the windshield or side window of each new motor vehicle under the Automobile Information Disclosure Act;

- (B) Any added feature, service, equipment, part, or accessory charged and added by the dealership and the retail price thereof;
- (C) Any additional charge to the selling price such as additional dealership markup; and,
- (D) The total dealer selling price.

"Dealer discount" means the amount of reduction or contribution by the dealer to reduce the selling price of the vehicle from "MSRP".

"Demonstrator" means those vehicles that are of the current or previous model year which have not been sold, titled or registered to any type of purchaser and are used by dealership personnel for demonstration purposes. Service vehicles, courtesy cars, daily rentals, loaners, factory program cars, driver education and factory executive cars shall not be described as "demonstrator" vehicles. Demonstrators may be advertised for sale, as such, only by a franchised dealer of the same line-make of vehicle.

"Disclosure" means required information that is clear, conspicuous, and accurate. In print and internet advertisements, disclosures shall be located either adjacent to the price or in an area clearly marked with reference symbols. In audio advertisements, disclosures shall be clear and understandable in pace and volume and shall be located at the end of the advertisement. In a television or video advertisement, the disclosure must appear continuously on the screen for a minimum of ten seconds.

"Factory executive/official vehicle" means a new motor vehicle with an original Manufacturer's Statement of Origin, that has been used exclusively by an executive or official of the dealer's franchising manufacturer, distributor, or their subsidiaries.

"Licensee" means any entity or person required to obtain a license from the Oklahoma New Motor Vehicle Commission.

"Manufacturer's label" means the label required by the Automobile Information Disclosure Act, 15 U.S.C. Sections 1231-1233, (normally referred to as Monroney Label), to be affixed by the manufacturer to the windshield or side window of each new automobile delivered to a dealer.

"Manufacturer's Suggested Retail Price" or "MSRP" means the selling price suggested by the manufacturer or distributor displayed on the Manufacturer's Label / Monroney Label.

"Program car" means a car that is purchased at a manufacturer's closed auction or sold by or directly from the manufacturer or distributor which is a current or previous year model, that has been previously tagged and/or titled, and returned to the manufacturer for disposal.

"Rebate" or "Cash back" means the payment of money from the manufacturer to a consumer, or to a dealer on behalf of a consumer, on the condition that the consumer purchases or leases a new motor vehicle.

Subchapter 3 - Specific Advertising Regulations

465:15-3-1. General prohibition

A licensee shall not use false or misleading advertising.

465:15-3-2. Availability of vehicles

(a) **Specific advertising.** A licensee may advertise a price, payment, or savings claim for a specific vehicle or line-make of vehicles for sale if:

- (1) the specific vehicle or line is in the possession of the licensee at the time the advertisement is placed, or the vehicle may be obtained from the manufacturer or distributor or some other source, and this information is disclosed in the advertisement; and,
- (2) the advertisement discloses the number of vehicles available for the advertised price, payment, or savings. This requirement shall be met by the following:

- (a) if the advertised price, payment, or savings claim pertains to only one specific vehicle, that vehicle's stock number must be disclosed; or,
- (b) if the advertised price, payment, or savings claim pertains to multiple vehicles, the disclosure must contain either the number of vehicles available or verbiage such as "many available" or "several to choose from" and identify by stock number of two or more new vehicles for which the advertised price, payment, or savings claim applies. Advertised savings claims or prices must match the savings claims and prices for the same vehicles that are listed in dealer inventory.

(b) **General advertising.** This Section does not prohibit general advertising of vehicles by a manufacturer, dealer advertising association, or distributor, and the inclusion of the names and addresses of the dealers selling such vehicles in the particular area.

465:15-3-3. Accuracy

All advertised statements shall be accurate, clear and conspicuous. All advertising shall be in plain language, with disclosures or material facts that are non-deceptive. By way of example and not limitation, the following are in violation of this rule:

- (1) Statements that mislead the consumer either by directly communicating a misleading message or that cause reasonable inference which is misleading,
- (2) Disclaimers and disclosures that contradict, confuse, or unreasonably limit a principal message of an advertisement. Disclaimers and disclosures cannot include qualifications, limitations or conditions upon the accurate representation of the full and total selling price available to any retail buyer,
- (3) Statements susceptible to both a misleading and a truthful interpretation,
- (4) Deceptive statements, even though the true facts are subsequently made known to the consumer, or
- (5) Using footnotes, asterisks, or various subscripted symbols which confuse, contradict, materially modify, or unreasonably limit the material terms of an advertisement.

465:15-3-4. Bait advertisement

Any advertising of a "Bait" or "Bait and switch" nature is prohibited.

465:15-3-5. Layout

The layout, headlines, illustrations, or type size of a printed advertisement and the broadcast words or pictures of radio/TV/internet advertisements shall not convey or permit an erroneous or misleading impression as to which vehicle or vehicles are offered at featured prices. No advertised offer, expression, or display of price, terms, down payment, trade-in allowance, cash difference, savings, or other such material terms shall be misleading and any necessary qualifications shall be clearly, conspicuously, and accurately set forth to prevent any misunderstandings.

465:15-3-6. Manufacturer's suggested retail price

The suggested retail price of a new motor vehicle when advertised by a manufacturer or distributor shall include all costs and charges for the vehicle advertised, except that destination and dealer preparation charges, and state and local taxes, title, and license fees may be excluded from such price, provided that the advertisement conspicuously states that such costs and charges are excluded. However, with respect to advertisements placed with local media in Oklahoma by a manufacturer, distributor, or advertising association which include the names of the local dealers for the vehicles advertised, if the price of a vehicle is stated in the advertisement, such price must include all costs and charges for the vehicle advertised, including destination and dealer preparation charges and may exclude only state and local taxes, license, and title fees. MSRP is an exact price that is clearly identified on a vehicle Monroney Label and may not be altered in dollar amount or otherwise misrepresented by a manufacturer, distributor or dealer. MSRP may not be referred to by any other term.

465:15-3-7. Dealer price advertising

- (a) **Selling price.** The most conspicuous price or payment of a new motor vehicle, when advertised by a dealer, must be the full and total selling price for which the dealer will sell the vehicle to any retail buyer. The only charges that may be excluded from the advertised price or payment are: taxes, title, and license fees. The dealer shall include dealer add-ons featured in the dealership addendum when advertising the current selling price.
- (b) **Qualification.** A qualification may not be used when advertising the price of a vehicle such as "with trade", "with acceptable trade", "with dealer-arranged financing", or "with down payment".
- (c) **Rebate or incentive claim.** If an advertised price includes any rebates, cash back, or other incentives, the ad must clearly disclose that the price includes the rebate or incentive. Dealer discounts and rebates, available to every buyer, cannot be combined as one.
- (d) **Rebates only available to select consumers.** The most conspicuous price or payment of a new motor vehicle, when advertised by a dealer, must be the true price that is available for every consumer. Conditional or selective rebates cannot be included in the most conspicuous selling price.
- (e) **Third-party vehicle listing website pricing.** Only the most conspicuous price or payment of a new motor vehicle, the full and total selling price for which the dealer will sell the vehicle, shall be displayed on third-party vehicle listing websites.

465:15-3-8. Identification

- (a) When the price, payment or savings claim of a vehicle is advertised, the following must be conspicuously disclosed adjacent to the price, payment, or savings claim:
 - (1) model year;
 - (2) make;
 - (3) model name or style name; and
 - (4) if the advertised new vehicle had been in prior service as a demonstrator, service loaner, factory program vehicle, or any other similar use, if known by the dealer, it must be identified as such.
- (b) An illustration of a motor vehicle used in an advertisement must be that of either the actual motor vehicle advertised or a vehicle of the same make, model, year, and style.

465:15-3-10. Auction

Terms such as "auction" or "auction special" and other terms of similar import shall be used only in connection with a vehicle offered or sold at a bona fide auction.

465:15-3-11. Authorized dealer

The term "authorized dealer" or a similar term or indication shall not be used unless the advertising dealer holds a franchise and a license to sell at the advertised location those vehicles he is holding himself out as "authorized" to sell.

465:15-3-12. Lease advertisements

Vehicle lease advertisements shall clearly and conspicuously identify that the advertisement is for the lease of a vehicle. The term "lease" must appear with the advertised payment. Statements such as "alternative financial plan", "drive away for \$____ per month", or other terms or phrases that do not use the term "lease", do not constitute adequate disclosure of a lease. Lease terms that are not available to the general public shall not be included in advertisements directed at the general public. All limitations and qualifications applicable to the lease terms advertised shall be clearly and conspicuously disclosed as per Federal Trade Commission Regulation "M".

- (1) If an advertisement, promoting a consumer lease on a motor vehicle contains any of the following terms:
 - (A) The amount of any payment; or
 - (B) A statement of any capitalized cost reduction or other payment required prior to or at the consummation or delivery;
- (2) Then the following terms must be disclosed:
 - (A) That the advertised transaction is a lease;
 - (B) The total amount due prior or at consummation or delivery;
 - (C) The number, amounts and due dates or periods of scheduled payments;
 - (D) A statement of whether or not a security deposit is required; and
 - (E) A statement that an extra charge may be imposed at the end of the lease term where the lessee's liability, if any, is based on the difference between the residual value of the lease property and its realized value at the end of the lease term.

465:15-3-13. Closed ended credit term advertisements

All closed ended credit term advertising shall be in compliance with Federal Trade Commission Regulation "Z" (Truth in Lending Act).

- (1) If an advertisement, promoting a closed ended credit sale on a motor vehicle purchase contains any of the following terms:
 - (A) The amount of down payment expressed either as a percentage or dollar amount;
 - (B) The amount of any payment expressed as a percentage or dollar amount;
 - (C) The number of payments;
 - (D) The period of repayment; or
 - (E) The amount of any finance charge;
- (2) Then the following terms must be disclosed:
 - (A) Amount or percentage of down payment;
 - (B) Terms of repayment; and
 - (C) Annual percentage rate, using the term or abbreviation "APR".

465:15-3-14. Prohibited statements

The following statements are presumptively false and misleading, and the burden of proving otherwise shall be on the Advertiser/Licensee:

- (1) Statements such as "everybody financed", "no credit rejected", "guaranteed approval", "you are pre-approved", and other similar statements representing or implying that no prospective credit purchaser will be rejected because of his inability to qualify for credit.
- (2) Statements representing that no other dealer grants greater allowances for trade-ins.
- (3) Statements representing that because of its large sales volume a dealer is able to purchase vehicles for less than another dealer selling the same make of vehicles, unless such is the case.
- (4) Statements such as "factory direct prices", "wholesale prices", "factory sale", and other similar statements that create the impression that the vehicle is being offered for sale by the manufacturer or distributor of the vehicle, are prohibited. Dealers may use terms such as "factory authorized sale", "supplier pricing", "you pay what we pay", or "employee pricing" only in conjunction with factory-allowed pricing programs or within factory-defined pricing rules, factory-sponsored promotions and/or advertising campaigns. Statements such as "we have been selected", "we have been chosen", and other similar statements, which imply that the dealership has exclusive arrangements not available to other dealers, are prohibited.
- (5) A savings claim or discount offer is prohibited except to advertise specific new or demonstrator vehicles. Statements such as "up to", "as much as", "from", shall not be used in connection with savings or discount claims, unless the vehicle for which the claim is made is clearly identified including stock number. Savings claims can only be offered from the bottom line MSRP sticker price. Discounts shown on the Monroney Sticker Label shall not be included in the advertised discount or savings claim. The featured savings claim or discount offer for a new motor vehicle, when advertised, must be the savings claim or discount which is available to any and all members of the buying public.
- (6) The use of the terms "Free", "Complimentary", or similar terminology is prohibited if a consumer must make a purchase to obtain the "free" offer.

- (7) The terms "dealer's cost", "invoice", "invoice price" or other reference to the cost of the vehicle to the dealer shall not be used.
- (8) No trade-in amount or range of amounts shall be stated or implied in an advertisement, including comparisons or references to industry valuation guides.
- (9) A used vehicle shall not be advertised in any manner that creates the impression it is new.
- (10) Statements such as "we pay tag, tax and license", or statements with similar meaning shall not be used.
- (11) The use of the terms "liquidation", "going out of business", or statements with similar meaning, are prohibited unless a dealer is actually going out of business and ceasing its operations at the licensed location. If a dealer is going out of business, these terms can only be advertised during the period between the execution of a buy-sell with the proposed buyer and written factory approval.
- (12) An offer of a buy down rate is prohibited without the appropriate disclaimer: "This is a buy down rate. The amount of the buy down may affect the price of the vehicle".
- (13) Terminology such as "we will pay off your trade" or statements with similar meaning shall not be used, unless accompanied by a disclaimer which clearly and conspicuously states that the amount of the pay off is added into the contract and is dependent upon approved credit.
- (14) Statements such as "we will make your payments for a number of months", "you make no payments for a number of months", or similar statements are prohibited unless the finance contract is written as such and the customer is not obligated for payments to the finance company for that specified period of time.

465:15-3-15. Dealership name

All forms of dealer advertisements must conspicuously display the name of the new motor vehicle dealership. Dealers must prominently be identified by their active dealership DBA name listed on file with the Commission.

465:15-3-16. Number one "1" claims

When advertising "number 1", "biggest", "number 1 in sales", "largest inventory", or other similar claims, the basis for these claims must be disclosed. Examples:

- (1) "Based on Oklahoma new vehicle registrations for January 2025", would support a "number 1 in sales" claim.
- (2) When advertising "number 1 in customer satisfaction", the basis for this claim and the period of time for which the dealer was "number 1 in customer satisfaction" must be disclosed, such as "based on official manufacturing reporting – January 1, 2025 through January 31, 2025".

Subchapter 5 - Finding of Violation

465:15-5-1.1. Enforcement

Upon an allegation, by the Commission staff or person or entity, that an advertisement may be in violation of a rule as referenced in this Chapter, the Executive Director, or his designee, will

investigate the allegation to determine if the advertisement is a potential violation. The Executive Director, or his designee, will determine the action to be taken, which may include correspondence to the dealer, an offer to enter into a proposed consent order requiring acceptance by the Commission, or to schedule a hearing in accordance with OAC 465:1-7-3. The Commission has the authority, under Title 47, Sections 565 and 566, to schedule a hearing at any time concerning alleged advertising violations and to apply penalties according to a published penalty scale, as authorized by the Commission.

465:15-5-1.2. Violation

The violation of an advertising rule shall be considered by the Commission as a violation of the Oklahoma New Motor Vehicle Commission Law, created by Title 47 of Oklahoma State Statute. In addition to the specific advertising regulations, referenced in Subchapter 3, any other advertising or advertising practices found by the Commission to be false or misleading shall be deemed violations of the law, and shall also be considered violations of the general prohibition.

465:15-5-2. Hearing

No licensee shall be held to be in violation of the foregoing rules of this Chapter including the general prohibition, referenced in OAC 465:15-3-1, except upon a finding thereof made by the Commission after notice and hearing as provided in the Oklahoma New Motor Vehicle Commission Law.