

## Partner Patty Covington comments for Car and Driver on compliance regulations governing online car sales and home delivery

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On April 11, *Car and Driver* magazine published an article breaking down the legal and technical obstacles of a truly contactless online car-buying experience during the COVID-19 crisis. Many states have ordered dealerships to be at least partially closed to enforce social distancing measures and some are prohibiting sales of any kind, but most are allowing limited in-person sales. According to the article, traditional car dealers may risk violating the Federal Trade Commission's rule on at-home sales and a penalty reaching more than \$43,000. The dealer must finalize every part of the sales negotiation with you prior to delivery-not a single thing can be changed or added.

Hudson Cook Partner [Patty Covington](#) explained to *Car and Driver* that car dealers in some states are not allowed to conduct sales off-site, which may include deliveries. In many cases, what's considered an at-home sale is murky and may conflict between state law and federal law (the latter which requires the seller to offer a three-day cancellation policy). Patty advises consumers to check with their local dealer, and if they cannot provide an at-home sale, they can still pick up the car at the dealer.

Patty focuses on all areas of consumer financial services law, including auto finance, small installment lending, federal regulatory compliance, CFPB-readiness, privacy, data security and information management, electronic commerce, marketing, as well as matters involving the Federal Trade Commission and the Consumer Financial Protection Bureau. She advises banks, sales finance companies, motor vehicle dealers, small installment lenders, other similar creditors, service providers and technology providers.

[Click here](#) to read the *Car and Driver* article.

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