

All-In Price Compliance Audit Report

Business Name: Example Cafe LLC
Website: www.examplecafe.com
Scan Date: September 21, 2025
Prepared By: All-In Price Compliance Scanner

Executive Summary

This report provides an overview of Example Cafe LLC’s compliance with California Senate Bill 478 (SB-478), the ‘Honest Pricing Law,’ which requires businesses to disclose the full cost of goods and services upfront. The audit included a review of the company’s website, checkout process, booking forms, and promotional materials. Violations were identified where mandatory fees were not disclosed prior to checkout. Failure to comply may result in civil penalties, lawsuits, and reputational harm. The following report details identified issues, compliance strengths, and recommendations for corrective action.

| Page/Section | Issue | Status |
|--------------------|--|-----------------|
| Checkout / Fees | Undisclosed service fee at final checkout | Violation Found |
| Booking Page | Mandatory resort fee not included in initial price | Violation Found |
| Menu / Pricing | Prices displayed accurately | Compliant |
| Terms & Conditions | Ambiguous refund language related to surcharges | Violation Found |
| Home Page | Clear base pricing displayed | Compliant |

Compliance Notes

- **Violations detected:** 3
- **Estimated penalty exposure:** \$25,000–\$60,000 annually
- **Recommended action:** Immediately update checkout and booking pages to disclose all mandatory fees upfront. Revise Terms & Conditions to eliminate ambiguity and ensure compliance with consumer protection standards.

Legal Background

SB-478, effective July 1, 2024, prohibits the advertising of prices that exclude mandatory fees. Businesses operating in California must display the full price payable, inclusive of any service, resort, or administrative fees. The Federal Trade Commission (FTC) has also enacted the Junk Fee Rule (2024), which provides national enforcement authority to prohibit hidden fees

in consumer transactions.

Potential Penalties

Failure to comply with SB-478 and the FTC Junk Fee Rule may result in the following consequences:

- Civil fines of \$5,000 or more per violation.
- Class-action lawsuits from consumers seeking damages.
- Enforcement actions by the California Department of Justice.
- Negative media coverage and loss of consumer trust.

Recommendations

1. Conduct a full review of all pricing-related website pages, advertisements, and promotional materials.
2. Ensure all fees (service, resort, cleaning, processing) are disclosed in the initial advertised price.
3. Train staff responsible for pricing and customer communication on SB-478 compliance requirements.
4. Implement a quarterly compliance scan to monitor for future violations.
5. Consider engaging legal counsel to review Terms & Conditions and customer agreements.

Additional Observations

During the review, it was noted that Example Cafe LLC maintains clear base pricing on its homepage and menu pages, which is a positive compliance factor. However, inconsistencies between advertised pricing and final checkout totals increase risk exposure. Furthermore, the Terms & Conditions contain ambiguous refund policies that may be interpreted as non-compliant under SB-478 standards. Addressing these issues promptly will significantly reduce risk.

This compliance report is prepared for informational purposes only and is based on California DOJ SB-478 guidance and FTC regulations. It does not constitute legal advice. For legal counsel, consult a qualified attorney.