

UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE
Case No. 02-0382 – Borlay v. PRIMUS Automotive Financial Services, Inc. and Ford Motor Credit Company

Notice of Proposed Class Action Settlement

TO: ALL BLACK CONSUMERS who have entered or will enter into a retail installment contract that was or that will be assigned to PRIMUS Automotive Financial Services, Inc. or Ford Motor Credit Company (“Ford Credit”) doing business as PRIMUS Financial Services, Mazda American Credit, Land Rover Capital Group, Jaguar Credit, Subaru American Credit, American Suzuki Automotive Credit or Kia Financial Services during the period January 1, 1990 through the Effective Date of the settlement described below

Why Is This Notice Important? If you had an account with PRIMUS Automotive Financial Services, Inc. (“PRIMUS”), PRIMUS Financial Services, Mazda American Credit, Land Rover Capital Group, Jaguar Credit, Subaru American Credit, American Suzuki Automotive Credit, or Kia Financial Services involving the purchase of a motor vehicle through a retail installment contract at any time between January 1, 1990 and the present, you may be a member of a certified class action lawsuit in which a proposed Settlement has been reached. The lawsuit alleges that PRIMUS and Ford Credit, doing business under the names listed above (together, the Defendants) have a policy or practice that results in Blacks paying more financing charges than similarly situated white customers in violation of the Equal Credit Opportunity Act (“ECOA”). The Defendants deny that they have any such practice or policy, deny that Blacks pay more for such financing than similarly situated white customers, and deny that any of their practices or policies violate the ECOA. The Defendants maintain, on the contrary, that they require all of their employees, practices, and policies to comply with all laws, including the ECOA, and that they prohibit discrimination on the basis of national origin marital status, religion, sex, color, race, age (provided the applicant has the capacity to contract), receipt of public assistance benefits, or the good faith exercise of a right under the Consumer Credit Protection Act. The Defendants have agreed to settle the Litigation as a compromise to avoid the time, expense, and uncertainty associated with the Litigation. Capitalized terms used in this Notice are defined in the Settlement Agreement.

This Is Only A Summary Notice. You can log onto www.ECOA-settlement.com to review a copy of the Settlement Agreement and all documents submitted to the Court in connection with preliminary approval, which contain further information about the Settlement.

The Settlement: If the Settlement is approved by the Court, Ford Credit has agreed to the following:

- (i) Limit on Difference Between Buy Rate and APR: Ford Credit, doing business under the trade names PRIMUS Financial Services, Mazda American Credit, Land Rover Capital Group and Jaguar Credit, will not acquire or accept for assignment any Contract from any automobile dealership (a) with a term of 60 months or less if the APR is more than 2.5% above the Buy Rate; (b) with a term of greater than 60 months up to and including 72 months if the APR is more than 2% above the Buy Rate; and (c) with a term equal to or greater than 73 months if the APR is more than 1.5% above the Buy Rate;

- (ii) Contract Disclosure: Ford Credit will include a disclosure in Contracts produced and distributed by Ford Credit informing vehicle purchasers that the Annual Percentage Rate may be negotiable and that the selling dealership may assign the Contract and retain its right to receive a portion of the finance charge;
- (iii) Diversity Marketing Initiative: Ford Credit will launch a Diversity Marketing Initiative involving 200,000 preapproved firm offers of credit to Black consumers over the next three years with respect to vehicle financing;
- (iv) Consumer Education and Assistance: Ford Credit will contribute \$150,000 to fund certain consumer education and assistance initiatives with respect to credit financing;
- (v) Fees and Costs: Ford Credit will pay a total of \$50,000 to the Class Representative and the Individual Plaintiffs in exchange for a release of any and all claims. Ford Credit will pay plaintiffs' counsels' attorneys fees and litigation-related expenses in amounts to be approved by the Court, provided that those amounts will not exceed the aggregate amount of \$2.44 million.

Because this Settlement resolves a claim for declaratory and injunctive relief only, there will be no compensatory damages paid to Class Members. You will be releasing all claims for equitable, declaratory and/or injunctive relief that have been made, or could have been made, in this Litigation under the ECOA or any other federal or state statute or any common law theory arising out of the business practices challenged in the Litigation, that arose or that will arise on or before the Effective Date. Notwithstanding the foregoing, you will not be releasing any claims for monetary relief.

Objections: If you wish to object to the Settlement, you must deliver by hand or send by first class mail, postage prepaid, your position with all supporting papers, such that they are received on or before January 31, 2007, to:

Plaintiffs' Co-Counsel:

National Consumer Law Center
Attn: Ford Credit Settlement
77 Summer Street, 10th Floor
Boston, MA 02110-1006

Defendants' Co-Counsel:

Thomas M. Byrne
Sutherland Asbill & Brennan LLP
999 Peachtree Street, NE
Atlanta, GA 30309

You also must file such papers, showing proof of service upon all counsel identified above, with the Clerk of the United States District Court for the Middle District of Tennessee, 801 Broadway, Nashville, Tennessee 37203 on or before the same day. Any Class Member who does not make an objection in the manner provided shall have waived such objection and shall forever be foreclosed from making any objection to the fairness, adequacy or reasonableness of the proposed Settlement, or to the award of attorneys' fees and expenses.

Fairness Hearing: A hearing will be held before the Honorable Aleta Trauger in Courtroom 873 at the United States District Court for the Middle District of Tennessee, 801 Broadway, Nashville, Tennessee 37203, on February 26, 2007, at 10:00 a.m. (the "Fairness Hearing"), to determine whether the proposed Settlement is fair, adequate and reasonable and should be approved; and whether an award of attorneys' fees, costs and reimbursements should be made to Class Counsel. **You may, but are not required to, attend the Fairness Hearing.**

For More Information, or to obtain a copy of the Settlement Agreement as described above, you can

contact the lawyers representing the Class: National Consumer Law Center, 77 Summer Street, 10th Floor, Boston, MA 02110 (617-542-8010); Cunningham, Bounds, Crowder, Brown & Breedlove, P.O. Box 66705, Mobile, Alabama 36660 (251-471-6191); Law Office of Clint W. Watkins, 5214 Maryland Way, Ste. 402, Brentwood, TN 37027 (615-376-7000); Terry & Gore, 1200 16th Ave. South, Nashville, TN 37212 (615-469-0143); or Gilmore Law Firm, 116 Court St., P.O. Box 729, Grove Hill, AL 36451 (251-275-3115).

Please Do Not Contact The Court Or The Clerk Of The Court Concerning This Notice

Dated: November 13, 2006.

By Order of the Court

ALETA TRAUGER
UNITED STATES DISTRICT JUDGE
FOR THE MIDDLE DISTRICT OF TENNESSEE