



NEWS RELEASE

OFFICE OF ATTORNEY GENERAL HENRY MCMASTER
STATE OF SOUTH CAROLINA

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States Reach Settlement With Ford Motor Credit Company, Ford-Lincoln Mercury Dealers

Columbia, S.C. - Attorney General Henry McMaster joined forces with thirty-eight other states to reach today's announced settlement with Ford Credit, which impacts more than 150,000 consumers.

"Through this settlement these practices are being addressed by Ford Motor Credit Company and its dealers. It should resolve the confusion and provide appropriate redress for these affected consumers," McMaster said.

The settlement is the result of the cooperation of Ford Credit and the 1,300 participating Ford and Lincoln Mercury dealers, 18 of which are South Carolina dealers. Ford Credit will pay \$500,000 in fees and costs in addition to all consumer restitution and the administration of the settlement. The dealers will pay \$5.8 million dollars to participate in the settlement. Consumers who are notified by Ford Credit may qualify for a restitution check of \$100.00 from Ford Credit.

The settlement involves Ford Motor Credit's leasing practices. The "Red Carpet" leasing program came under the scrutiny of the multi-state group when investigators discovered that early termination of vehicle leases, and the purchase of these vehicles by the lessees, resulted in charges that were sometimes higher than the actual balance owed on the lease.

Dealers would discharge the lease obligation to Ford Credit, but would keep the extra amount charged to consumers, who were usually unaware of any of this because the dealers provide the payoff figure, not Ford Credit. Ford has agreed to change its Red Carpet lease contract language to clearly explain a consumer's rights when terminating a vehicle lease early. The change involves not only Ford Credit branches but also the practices at the Ford and Lincoln Mercury stores.

Ford Credit has also agreed to pay for the administration of the settlement. Consumers for the years of 1991 through 1994 will receive direct notice from Ford Credit. Other consumers may also participate by calling the administrator of the settlement at 1-800-221-3312 or accessing the following website:

www.gilardi.com/fordcreditclagsettlement

Participating SC Dealers:

BEACH FORD, INC.
PO BOX 3609
MYRTLE BEACH, SC 29578

BEACH LINCOLN MERCURY, INC.
PO BOX 3609
MYRTLE BEACH, SC 29578

BEN SATCHER MOTORS INC.
PO BOX 888
LEXINGTON, SC 29071

BOB BENNETT FORD, INC.
PO BOX 21488
COLUMBIA, SC 29221

FORT MILL FORD, INC. DBA FORT MILL FORD
PO BOX 37, 801 GOLD HILL RD
FORT MILL, SC 29716

GEORGE BALLENTINE F-F-M, INC.
PO BOX 219/HWY 72 BYPASS
GREENWOOD, SC 29648

HERITAGE LINCOLN MERCURY, INC.
2424 LAURENS RD
GREENVILLE, SC 29607

ISLAND FORD LINCOLN MERCURY, INC.
1230 FORDING ISL RD, PO BOX 740
BLUFFTON, SC 29910

JONES FORD, INC.
5757 RIVERS AVE
N. CHARLESTON, SC 29419

KALMIA MOTORS DBA SATCHER MOTOR CO.
PO BOX 3128
AIKEN, SC 29802

M & M MOTORS LLC DBA FOOTHILLS FORD
6129 BELTON HWY
BELTON, SC 29627

O. C. WELCH FORD LINCOLN MERCURY, INC.
HWY 170, PO BOX 2087
BEAUFORT, SC 29901

PEACHTREE MOTORS, INC.
714 CHESNEE HWY
GAFFNEY, SC 29347

PULLIAM MOTOR COMPANY
PO BOX 908
COLUMBIA, SC 29202

SONIC-NORTH CHARLESTON, INC. DBA
ALTMAN LINCOLN-MERCURY
8485 RIVERS AVE
N. CHARLESTON, SC 29406

STIVERS AUTOMOTIVE OF COLUMBIA, INC.
320 GREYSTONE BLVD
COLUMBIA, SC 29210

TIDELANDS FORD LINCOLN MERCURY
9387 OCEAN HIGHWAY
PAWLEYS ISLAND, SC 29585

WOODY BILTON FORD INC.
1511 HWY 52 SOUTH
MONCKS CORN

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