

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

PACIFICO FORD, INC.,

Defendant.

Civil Action No. 07 341

**CONSENT ORDER**

**I. INTRODUCTION**

1. This Consent Order is submitted jointly by the parties for the approval of and entry by the Court simultaneously with the filing of the United States' complaint. The Consent Order fully resolves the claims of the United States that Defendant Pacifico Ford, Inc. ("Pacifico Ford") has violated the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691-1691f ("ECOA"), and its implementing regulations located at 12 C.F.R. Part 202. The United States alleges that Pacifico Ford has engaged in practices involving setting interest rates on loans that discriminate against African-American consumers who receive dealer financing to purchase motor vehicles. Pacifico Ford denies that it has violated ECOA or engaged in any discriminatory practices against African-Americans or any other consumers.
2. There has been no factual finding or adjudication with respect to any matter alleged by the United States. Accordingly, the execution of this Consent Order is not, and is not to be considered as, an admission or finding of any violation of ECOA by Pacifico Ford.

Rather, the parties have agreed that this matter should be resolved without the time and expense of discovery and/or a trial; and have entered into this Consent Order voluntarily to avoid the risks and burdens of litigation.

3. Pacifico Ford has cooperated fully with the United States' investigation since its initiation in 2002 and hereby reaffirms its commitment to fair dealing in all aspects of its business.

## **II. REMEDIAL ORDER**

4. Unless otherwise stated herein, the provisions set forth in Sections II through IV of this Consent Order shall be implemented within ninety (90) days of the Effective Date<sup>1</sup> of this Consent Order and shall continue throughout its Term. The Term is herein defined as a period of five (5) years and ninety (90) days, beginning on the Effective Date, except that the parties may file a joint motion to terminate the Consent Order prior to that date, which motion may be proposed by Pacifico Ford at any time after the Consent Order has been in effect for three (3) years, if Pacifico Ford has fully complied with all its terms. The United States shall join Pacifico Ford's motion if it concludes that Pacifico Ford has fully complied with all the provisions of this Consent Order.

### **A. General Nondiscrimination Injunction**

5. Pacifico Ford, including all of its officers, employees, agents, representatives, assignees, and successors in interest, is hereby enjoined from engaging in any act or practice which discriminates on the basis of race or color, in any aspect of a credit transaction, in violation of ECOA, 15 U.S.C. §§ 1691-1691f. More specifically, Pacifico Ford is hereby

---

<sup>1</sup> The "Effective Date" is herein defined as the date that this Consent Order is approved and entered by the United States District Court for the Eastern District of Pennsylvania.

enjoined from discriminating, on the basis of race or color, against any consumer<sup>2</sup> in the terms or conditions relating to the extension of credit, including the setting of Dealer Reserves<sup>3</sup> and Annual Percentage Rates (“APRs”),<sup>4</sup> for loans to purchase motor vehicles.

**B. Limit on Rate of Dealer Reserve**

6. Nothing in this Consent Order requires Pacifico Ford to seek or obtain a Dealer Reserve in financing motor vehicle purchases. For the Term of this Consent Order and for each loan where Pacifico Ford refers a consumer to a lender and/or participates in a credit decision regarding a consumer, Pacifico Ford shall not: (1) charge the consumer a Dealer Reserve more than two and one-half percentage points (2.50%), for loans with a term equal to or less than sixty (60) months; or (2) charge the consumer a Dealer Reserve more than two percentage points (2.0%), for loans with a term greater than sixty (60) months.

**C. Guidelines for Setting Dealer Reserves**

7. Pacifico Ford shall develop and implement formal, written “Guidelines for Setting Dealer Reserves” (“Guidelines”). The Guidelines shall include, at a minimum:
- (a) the requirement that Pacifico employees start negotiations in each loan transaction with the Dealer Reserve set at the same, pre-determined level, unless otherwise

---

<sup>2</sup> A “consumer” is defined as an individual who applies for and/or obtains credit in connection with the purchase of a motor vehicle for personal household use. Nothing in this Consent Order shall apply to commercial, fleet, wholesale or other similar purchases.

<sup>3</sup> The “Dealer Reserve” (also known as “Dealer markup”) is the difference between the Annual Percentage Rate and the Buy Rate, where the “Buy Rate” is a rate at which a lender agrees to acquire a contract from Pacifico Ford, expressed in the form of a percentage.

<sup>4</sup> The “Annual Percentage Rate” or “APR” is the measure of the cost of credit, expressed as a yearly rate, as defined in Regulation Z, 12 C.F.R. Part 226, implementing the Truth in Lending Act, 15 U.S.C. §§ 1601-1667f.

provided in subpart (b). This Dealer Reserve starting level shall be set forth in writing and distributed to all relevant employees pursuant to Paragraph 8. The Dealer Reserve starting level may be changed by the dealership periodically through a written direction to all relevant employees, but shall not exceed the caps described in Paragraph 6;

- (b) the requirement that Pacifco employees may start or negotiate a dealer reserve lower than the pre-determined starting level only for a good faith, competitive reason that is consistent with ECOA. A good faith, competitive reason is defined as: a lower cap imposed by the lender for the particular transaction; a constraint on the customer's ability to satisfy monthly payment requirements; a statement by the customer that he or she has access to an equal or more favorable offer from another dealer or lender; a special promotional offer extended to all customers on the same terms; the fact that a particular transaction is eligible for Ford Motor Credit or other subvned interest rates;<sup>5</sup> the fact that the transaction is eligible for Pacifco Ford's employee incentive program as defined in Appendix A; or documented inventory reduction considerations related to specific vehicles;
- (c) instructions regarding the circumstances under which Pacifco Ford employees can make a counter-offer or follow-up financing offer, which circumstances shall be consistent with subparts (a) and (b), above;

---

<sup>5</sup> A "subvned interest rate" is an interest rate that is subsidized by either the lender or a third party so that the interest rate charged to the customer is below the market rate of interest that the customer otherwise would pay.

- (d) a requirement that for each financing transaction in which there is a Dealer Reserve and that Dealer Reserve is less than the amount of the pre-established starting level described in subpart (a) above, all documentation related to such financing transaction shall be reviewed by the Pacifico Ford General Manager or his/her designee who has not participated in the arrangement of the credit under review. Within two (2) business days after the signing of the final contracts, the General Manager or his/her designee shall review the transaction to certify, in writing, either that the Dealer Reserve complies with the Guidelines for Setting Dealer Reserves or that the General Manager or his/her designee has taken and documented corrective action; and
  - (e) instructions regarding the use of the questionnaire attached as Appendix B to document any good faith, competitive reasons to depart from the Dealer Reserve starting levels, and other documentation that must be included in each loan file to document fully the Dealer Reserve offered each consumer and any and all subsequent financing negotiations, as described in Paragraph 22.
8. The Guidelines and all written instructions regarding the Dealer Reserve starting level shall be distributed to all Pacifico Ford officers, employees, and agents (including all salespersons) who participate, in any manner, in the setting and negotiating of Dealer Reserves (the “relevant employees”). Pacifico Ford shall require its relevant employees to follow the Guidelines and operative written instructions on the Dealer Reserve starting level.

9. At least thirty (30) days prior to scheduled implementation, the Guidelines and the initial written instructions on the Dealer Reserve starting level shall be provided to the United States for review. The United States shall respond within thirty (30) days and shall not unreasonably withhold its approval. If the United States indicates in writing that it does not agree with the Guidelines, then implementation shall be delayed and the United States and Pacifco Ford shall seek to resolve their differences within thirty (30) days. In the event that the parties cannot agree, then either party may, within fourteen (14) days thereafter, request the intervention of the Court. Pacifco Ford may implement the Guidelines immediately upon receipt of a no objection notice or upon the expiration of the initial thirty (30) day period described above without receipt of a response from the United States.

**D. Public Notices**

10. Pacifco Ford shall take the following measures:
- (a) Pacifco Ford shall post and prominently display at its dealership, in its showroom, in each sales office or cubicle and in each finance or business office or cubicle, a notice of non-discrimination, in the form set forth in Appendix C, and a notice that each APR may be negotiable, in the form set forth in Appendix D; and
  - (b) Pacifco Ford shall provide consumers who contact or meet with Finance and Insurance personnel to discuss financing options in connection with the purchase of a motor vehicle an individual notice of non-discrimination, in the form set forth in Appendix C, a notice that each APR is negotiable, in the form set forth in Appendix D, and a copy of the booklet, "Understanding Vehicle Financing,"

which was produced by the American Financial Services Association Education Foundation and the National Automobile Dealers Association, in cooperation with the Federal Trade Commission. These documents shall be provided to the consumer before he or she executes an agreement to purchase a motor vehicle.

**E. Equal Credit Opportunity Training Program**

11. Within ninety (90) days from the Effective Date of this Consent Order, Pacifico Ford shall establish an equal credit opportunity training program. Pacifico Ford shall require the attendance of its relevant employees (as defined in Paragraph 8) within one hundred twenty (120) days of the Effective Date of this Consent Order, and annually thereafter. The equal credit opportunity training program shall include instruction in the appropriate application of the Guidelines for Setting Dealer Reserves. During the equal credit opportunity training program, Pacifico Ford shall provide to each relevant employee: (a) a copy of this Consent Order; (b) a copy of the Guidelines; and (c) training on (i) the terms of this Consent Order; (ii) ECOA requirements; and (iii) his or her responsibilities and obligations under each.
12. Within one hundred twenty (120) days from the Effective Date of this Consent Order, Pacifico Ford shall secure from each relevant employee a signed statement indicating that he or she has received copies of this Consent Order and the Guidelines and has completed equal credit opportunity training. These statements shall be substantially in the form of Appendix E (Consent Order) and Appendix F (Equal Credit Opportunity Training). During the term of this Consent Order, each new officer, employee or agent who begins to participate in any manner in the negotiating or setting of Dealer Reserves shall be

provided with a copy of this Consent Order and sign the statements included as Appendix E and Appendix F within thirty (30) days of beginning his or her participation in the negotiating or setting of Dealer Reserves.

13. The equal credit opportunity training shall be conducted by an independent qualified person or organization that is approved in advance by the United States. Any expenses associated with this training program shall be borne by Pacifico Ford. Pacifico Ford may videotape the original training program for use in lieu of a live presentation for training subsequently hired employees.

### **III. COMPENSATION FOR IDENTIFIED PERSONS**

14. Pacifico Ford shall deposit in an interest-bearing escrow account, as to which Pacifico Ford shall be the escrow agent, the total sum of two hundred eighteen thousand, fourteen dollars (\$218,014) within thirty (30) days after the Effective Date to fund payments to Identified Persons (as defined in Paragraph 16) who financed motor vehicle purchases through Pacifico Ford from 1999 to 2002 in the manner set forth in Paragraph 15. As specified in and if called for under Paragraph 17, Pacifico Ford shall deposit a further amount of up to a total of one hundred forty-five thousand, one hundred fifty-two dollars (\$145,152) within thirty (30) days after verifying the United States' list of any Identified Persons for 2003 to 2005. Pacifico Ford shall provide written verification of each deposit (collectively, "the Settlement Fund") to the United States. Any interest that accrues shall become part of the Settlement Fund and be utilized as set forth herein.
15. Each Identified Person shall be eligible to receive a payment from the Settlement Fund, in an amount determined according to the methodology proposed by the United States



and which Pacifico Ford has consented to use solely for purposes of this Consent Order, subject to the following conditions:

- (a) No Identified Person shall receive payment from the Settlement Fund until after the execution of: (1) a written verification that he or she meets the definition of Identified Person; and (2) a release by such Identified Person of all claims, legal or equitable, which he or she might have against Pacifico Ford arising in whole or in part out of the United States' factual allegations as of the date of the entry of the Consent Order. The form of the Release is set forth in Appendix G (Release).
  - (b) The total cash amount to be paid by Pacifico Ford to Identified Persons shall not exceed three hundred sixty three thousand, one hundred sixty-six dollars (\$363,166) plus interest that has accrued on the Settlement Fund.
16. The parties have agreed to the list of Identified Persons for 1999 to 2002. For purposes of identifying Identified Persons (if any) for 2003 to 2005 in accordance with Paragraph 17, Pacifico Ford has provided to the United States an electronic database of financed transactions as specified by the parties. The United States shall, upon reasonable notice to Pacifico Ford, be allowed access to Pacifico Ford's records and files to verify the accuracy of the electronic database and to otherwise identify persons who are potentially entitled to payments from the Settlement Fund. For purposes of this Consent Order, "Identified Persons" are defined as: African-American consumers who purchased motor vehicles from Pacifico Ford and were charged a Dealer Reserve higher than the Dealer Reserve charged to non-African-American consumers who are deemed comparable under

the methodology proposed by the United States and which Pacifico Ford has consented to use solely for purposes of this Consent Order.

17. Within one hundred eighty (180) days of the Effective Date of this Consent Order, the United States shall provide to Pacifico Ford a list of Identified Persons (if any) for 2003 to 2005 generated by using the above-referenced methodology. Pacifico Ford shall have thirty (30) days in which to review and verify the list. The United States shall consider in good faith any concerns raised by Pacifico Ford regarding application of the methodology. Pacifico Ford shall thereafter deposit sufficient funds to cover payments to any Identified Persons as agreed to by the parties in accordance with Paragraphs 14 and 15(b).
18. The United States shall send the notification letter attached as Appendix H to each Identified Person via regular mail within thirty (30) days of Pacifico Ford's deposit for the relevant group of Identified Persons (1999-2002 or 2003-2005). The notification letter shall enclose the Release attached as Appendix G and instruct the Identified Person to mail an executed Verification of Eligibility (included with Appendix H) and an executed Release within sixty (60) days of the notification letter's postmark date to:

Chief, Housing and Civil Enforcement Section  
Civil Rights Division – NWB 7062  
United States Department of Justice  
950 Pennsylvania Avenue, N.W.  
Washington, D.C. 20530  
Attn: DJ# 188-62-8

19. Pacifico Ford shall provide the United States with any records or documents in its possession that the United States requests to help prepare the list of and locate Identified Persons.
20. The United States shall provide Pacifico Ford with all executed Releases for the Identified Persons who meet the conditions in Paragraph 15(a) within one hundred eighty (180) days after the United States' deadline for mailing notices as established in Paragraph 18. Pacifico Ford shall issue checks drawn on the Settlement Fund to the Identified Persons who executed the Verification and Release and mail the checks within thirty (30) days of receiving the Releases from the United States. The checks shall be issued in the amount determined according to the methodology described in Paragraphs 15-17. Pacifico Ford shall provide copies to the United States of each check that is distributed and an accounting of the total amounts distributed within thirty (30) days after mailing the checks.
21. In the event that less than the total deposit amount plus interest for the 1999-2002 period or the 2003-2005 period is distributed to Identified Persons, the remainder shall be returned to Pacifico Ford unless the United States files an objection with the Court within thirty (30) days of receiving the accounting described in Paragraph 20. The United States shall not file such objection if it concludes that Pacifico Ford has fully complied with the payment requirements of this Consent Order.

#### IV. ADMINISTRATION

##### A. Record-Keeping and Reporting Requirements

22. Pacifco Ford shall for the Term of the Consent Order retain:
- (a) all consumer motor vehicle loan applications submitted to lenders for approval and all documents, notices and communications concerning the Buy Rates, Dealer Reserves, and APRs of such motor vehicle loan applications;
  - (b) all approved loan files, which shall include but are not limited to the following documents: (1) the financing contract; (2) a copy of the supporting documentation for the financing contract, vehicle purchase, registration, and credit application process; (3) a questionnaire attached as Appendix B which has been completed by the employee who negotiated the transaction to describe the good faith, competitive reason for any reduction from the pre-determined Dealer Reserve starting rate, and any supporting documentation; and (4) all required manager certifications; and
  - (c) all non-privileged records relating to its equal credit opportunity compliance program, including documents concerning its equal credit opportunity employee training program.

Pacifco Ford shall comply with this Paragraph by, inter alia, implementing policies and procedures requiring its officers, agents, employees and/or representatives to retain the documents described in this Paragraph. An individual instance of inadvertent failure to retain a document required to be retained by this Paragraph shall not be deemed a breach of the Consent Order.

23. Upon reasonable written notice to Pacifico Ford, the United States shall be provided access to, or, at the United States' election and expense, copies of, all non-privileged records related to compliance with this Consent Order, including but not limited to individual motor vehicle loan application files, certifications of the General Manager or his/her designee pursuant to Paragraph 7(d), and records relating to Pacifico Ford's equal credit opportunity employee training program. If the United States elects to request copies of records, the United States shall have the option to have its authorized personnel make the copies.
24. Pacifico Ford shall advise the United States in writing within fifteen (15) days of receipt of any new formal or informal discrimination complaint against Pacifico Ford, its employees or agents. Pacifico Ford shall also promptly provide to the United States access to, or, at the United States' election and expense, copies of, all non-privileged information it may request concerning any such complaint. If the United States elects to request copies of records, the United States shall have the option to have its authorized personnel make the copies. Within fifteen (15) days of the resolution of any such complaint, Pacifico Ford shall advise the United States of such resolution.
25. Pacifico Ford shall serve by first class mail, postage prepaid, upon the Chief of the Housing and Civil Enforcement Section,<sup>6</sup> semi-annual reports beginning one hundred eighty (180) days after the Effective Date and continuing for the remainder of the Term of this Consent Order as defined in Paragraph 4.

---

<sup>6</sup> See Paragraph 18.

- (a) Each semi-annual report shall provide a complete account of Pacifico Ford's efforts to comply with the requirements of this Consent Order in the previous one hundred eighty (180) days ("the reporting period"); an assessment as to the extent to which each requirement was met; and an explanation as to why any particular requirement was not met.
- (b) Each report shall attach supporting documentation, including (1) all statements signed during the reporting period by relevant employees as defined in Paragraph 8 acknowledging receipt of this Consent Order and the "Guidelines for Setting Dealer Reserves" and acknowledging participation in Pacifico Ford's equal credit opportunity training program; (2) Dealer Reserve starting levels utilized during the reporting period; (3) representative copies of any training materials, notices of non-discrimination, notices that each APR is negotiable, or the "Understanding Vehicle Financing" booklet, to the extent that they have not previously been provided to the United States.
- (c) The first six semi-annual reports shall include an electronic database for Pacifico Ford new and used motor vehicle sales conforming to the specifications previously agreed to by the parties, for the one hundred eighty (180) day period prior to the report. Beginning with the seventh semi-annual report (if any), the United States shall have access to such databases pursuant to Paragraph 23.

**B. Successor in Interest**

- 26. This Consent Order shall be binding on Pacifico Ford, including all of its officers, employees, agents, representatives, assignees, and successors in interest. In the event

Pacifico Ford seeks to transfer or assign all or part of its interest in the dealership, and the successor or assign intends to carry on the same or similar use, as a condition of sale Pacifico Ford shall obtain the written accession of the successor or assign to any obligations remaining under this Consent Order for the remaining term of this Consent Order. However, the foregoing sentence shall not apply to an asset sale or liquidation.

**C. Retention of Jurisdiction, Modifications, and Remedies for Non-Performance**

27. The Court shall retain jurisdiction for the Term of this Consent Order as defined in Paragraph 4 to enforce the provisions of the Consent Order, after which time the case shall be dismissed with prejudice. The United States may move the Court to extend the duration of the Consent Order in the interests of justice. Each party shall bear its own fees and costs.
28. Any time limits for performance imposed by this Consent Order may be extended by mutual agreement of the parties. Pacifico Ford and the United States may jointly stipulate to make changes, modifications and amendments to this Consent Order, which shall be effective, absent further action from the Court, thirty (30) days after a joint motion has been filed with the Court. If either party proposes a change, modification or amendment to this Consent Order, the other party shall respond within thirty (30) days and shall not unreasonably withhold its approval. The parties shall endeavor in good faith to resolve any disputes concerning a proposed change, modification or amendment to this Consent Order between themselves before bringing it to the Court for resolution.
29. In the event that any disputes arise concerning the interpretation of or compliance with the terms of this Consent Order, the parties shall endeavor in good faith to resolve any

such dispute between themselves before bringing it to the Court for resolution. In the event of either a failure by Pacifico Ford to perform in a timely manner any act required by this Consent Order or an act by Pacifico Ford in violation of any provision hereof, the United States may move this Court to impose any remedy authorized by law or equity. Such remedy may include, but is not limited to, an order requiring performance or non-performance of certain acts and an award of any damages, costs and attorneys' fees to the United States.



**IT IS SO ORDERED:**

This 18<sup>th</sup> day of August, 2007.

Peter B. Tucker  
UNITED STATES DISTRICT COURT

Agreed to by the Parties as indicated by the signatures of counsel below:

FOR THE UNITED STATES:

FOR PACIFICO FORD:

WAN J. KIM  
Assistant Attorney General  
Civil Rights Division

McNEES WALLACE & NURICK LLC

Patricia O'Beirne  
STEVEN H. ROSENBAUM

Arnald B. Kaufman  
JOHN S. OYLER

Chief  
DONNA M. MURPHY  
Deputy Chief  
PATRICIA L. O'BEIRNE  
Trial Attorney  
Housing and Civil Enforcement Section  
Civil Rights Division  
U.S. Department of Justice  
950 Pennsylvania Ave., N.W.  
Washington, D.C. 20530  
202-307-6264, 202-514-1116 (fax)

DONALD B. KAUFMAN  
McNees Wallace & Nurick LLC  
P.O. Box 1166  
100 Pine Street  
Harrisburg, PA 17108-1166  
717-237-5373, 717-237-5300 (fax)

PATRICK L. MEEHAN  
United States Attorney  
ANNETTA FOSTER GIVHAN  
Pennsylvania Bar No.: 48190  
Assistant United States Attorney  
615 Chestnut Street, suite 1250  
Philadelphia, PA 19106  
215-861-8325, 215-861-8349 (fax)

WILMER CUTLER PICKERING  
HALE AND DORR LLP  
David W. Ogden  
DAVID W. OGDEN  
REGINALD J. BROWN  
KELLY THOMPSON COCHRAN  
Wilmer Cutler Pickering Hale and Dorr LLP  
1875 Pennsylvania Avenue, N.W.  
Washington, D.C. 20037  
202-663-6440, 202-663-6363 (fax)

**APPENDIX A**

Employee Incentive Program

In order to recruit and retain employees, Pacifico Ford provides discounts to employees and members of their immediate family. For these purposes, "immediate family" is defined to include spouses, parents, spouse's parents, sons and daughters (including in-laws and stepchildren), grandchildren, brothers and sisters (including in-laws, step, and half), same sex domestic partners covered under the health care plan, and immediate family members of such domestic partners. Employee Incentive Program transactions include but are not limited to the transactions that are eligible for the Ford Vehicle Purchase Program Plan D discounts.

**APPENDIX B**

**Customer** \_\_\_\_\_ **Date** \_\_\_\_\_ **Deal #** \_\_\_\_\_

**Pre-established dealer reserve starting rate** \_\_\_\_\_% **Final dealer reserve rate** \_\_\_\_\_%

If the final dealer reserve does not equal the pre-established starting rate, check the reason for the departure and fill out the corresponding blanks. If the customer did not state a specific amount or source of a competing offer, indicate "not identified."

- Dealer reserve limited by financing source
- Customer stated monthly payment constraint of \$ \_\_\_\_\_ per month
- Customer stated competing dealer offer by \_\_\_\_\_ (name) of \$ \_\_\_\_\_
- Customer stated competing credit offer by \_\_\_\_\_ (name) of \_\_\_\_\_%
- Pacifico promotional financing campaign offered to all customers on same terms
- Subvened interest rate from Ford Motor or \_\_\_\_\_ (name) of \_\_\_\_\_%
- Pacifico Ford employee incentive program
- Inventory reduction considerations (describe approximate number of days in inventory, approximate number in stock, declining value of vehicle, etc.) \_\_\_\_\_

**I certify that the departure described above was made in good faith.**

Sign \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

**General Manager or Designee Review**

**\*\*\* Must be completed within two (2) business days of sale \*\*\***

**(Signer shall not have participated in arrangement of credit under review.)**

I have reviewed the above information and:

- certify that the dealer reserve complies with the Guidelines for Setting Dealer Reserves, or
- certify that I have ordered the following corrective action:
  - customer interest rate reduced or refund paid to customer
  - employee corrective action taken (describe): \_\_\_\_\_
  - other (describe): \_\_\_\_\_

Sign \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

APPENDIX C

**We do Business in Accordance with Federal Fair Lending Laws**

**UNDER THE EQUAL CREDIT OPPORTUNITY ACT, IT IS ILLEGAL TO DISCRIMINATE IN ANY CREDIT TRANSACTION:**

- **On the basis of race, color, national origin, religion, sex, marital status, or age;**
- **Because income is from public assistance; or**
- **Because a right has been exercised under the Federal Consumer Credit Protection Laws.**

**IF YOU BELIEVE YOU HAVE BEEN DISCRIMINATED AGAINST, YOU SHOULD SEND A COMPLAINT TO:**

**Federal Trade Commission  
600 Pennsylvania Ave., N.W.  
Washington, DC 20580  
Telephone: 1-877-382-4357  
Web site: www.ftc.gov**

**or**

**U.S. Department of Justice  
Civil Rights Division – NWB 7062  
Chief, Housing and Civil Enforcement Section  
950 Pennsylvania Ave., N.W. – G St  
Washington, DC 20530  
Telephone: 1-800-896-7743  
Web site: <http://www.usdoj.gov/crt/housing>**

**APPENDIX D**

**The Annual Percentage Rate (“APR”) on the loan you use to purchase a motor vehicle may be negotiable with Pacifico Ford, Inc.**

**In order to compensate Pacifico Ford, Inc., for the services it provides in arranging your loan, Pacifico Ford, Inc., may receive a portion of the Finance Charge on the loan you use to purchase your motor vehicle.**

**APPENDIX E**

**ACKNOWLEDGMENT OF RECEIPT OF CONSENT ORDER  
AND GUIDELINES FOR SETTING DEALER RESERVES**

On \_\_\_\_\_, I received a copy of and read the Consent Order entered by the federal district court in United States v. Pacifico Ford, Inc., Civil Action No. \_\_\_\_ (E.D. Pa.) and a copy of the "Guidelines for Setting Dealer Reserves." I have had all of my questions concerning the Guidelines, the Consent Order, and the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691-1691f, answered to my satisfaction.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Position)

\_\_\_\_\_  
(Date)

**APPENDIX F**

**CERTIFICATION OF EQUAL CREDIT OPPORTUNITY TRAINING**

On \_\_\_\_\_, I attended training on the federal Equal Credit Opportunity Act. I have had all of my questions concerning the Equal Credit Opportunity Act answered to my satisfaction.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Position)

\_\_\_\_\_  
(Date)

**APPENDIX G**

**RELEASE OF ALL CLAIMS**

In consideration of and contingent upon the payment of the sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_) cash, pursuant to the Consent Order entered in United States v. Pacifico Ford, Inc., Civil Action No. \_\_\_\_\_, in the United States District Court for the Eastern District of Pennsylvania ("the Action"), I hereby release and forever discharge Defendant Pacifico Ford, Inc., including all of its officers, employees, agents, representatives, assignees, and successors in interest, from any and all liability for any claims, legal or equitable under any source of law, I may have against any of them arising in whole or in part out of the factual allegations made in this Action as of the date of the entry of the Consent Order. I fully acknowledge and agree that this release of Defendant Pacifico Ford, Inc. shall be binding on my heirs, representatives, executors, successors, administrators, and assigns.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that I am the person named below and am authorized to execute this release. I further acknowledge that I have read and understand this release and have executed it voluntarily and with full knowledge of its legal consequences.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Date)



**APPENDIX H**

**NOTIFICATION LETTER**

Date  
Name  
Street Address  
City, State Zip Code

Re: Pacifico Ford Settlement Payment

Dear \_\_\_\_\_:

As you may know, the United States recently entered into a Consent Order with Pacifico Ford to resolve a complaint brought by the United States against Pacifico Ford. In its complaint, the United States claims that Pacifico Ford discriminated against African-American consumers by charging them higher interest rates on dealer-financed motor vehicle loans than other consumers. Pacifico Ford denies that it has discriminated against any consumers, but has agreed to enter into a Consent Order with the United States in order to avoid the time and expense of litigation. A copy of the Consent Order is enclosed. Please read the Consent Order.

Under the terms of the Consent Order, certain African-American consumers who purchased motor vehicles from Pacifico Ford and received dealer financing [between January 1, 1999 and December 31, 2002] [between January 1, 2003 and August 31, 2005] are eligible to receive monetary compensation in the amount of \_\_\_\_\_ dollars. The United States believes this payment is a fair settlement of the matters described in the Consent Order. In addition, a United States District Court Judge has approved the Consent Order to resolve the lawsuit.

If you meet the eligibility requirements, you must sign the attached Verification of Eligibility and the Release in order to receive this award. The Release states that you agree to accept the monetary award and not bring legal action against Pacifico Ford regarding the allegations described in the Consent Order. To receive this monetary award, please sign the enclosed Verification of Eligibility and Release and return them as soon as possible. Please return both signed documents to:

Chief, Housing and Civil Enforcement Section  
Civil Rights Division – NWB 7062  
United States Department of Justice  
950 Pennsylvania Avenue, N.W. – G St  
Washington, D.C. 20530  
Attn: DJ# 188-62-8

**If you do not return the enclosed Verification and Release within sixty (60) days of the date of this letter, you may be ineligible for the monetary reward.**

Pacifico Ford will mail you a check in the amount noted above after you have returned both the signed Verification and Release. You should receive your check within ninety (90) days after you return your signed forms.

If you have any questions, you may call \_\_\_\_\_

Sincerely,

Enclosures

**VERIFICATION OF ELIGIBILITY**

I hereby affirm that: 1) I am African-American, 2) I purchased a motor vehicle using dealer financing from Pacifico Ford, 6701 Essington Avenue, Philadelphia, Pennsylvania, between January 1, 1999 and August 31, 2005, and 3) I have signed a Release of All Claims.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Phone) (optional)

\_\_\_\_\_  
(Date)

Please return this document and the Release of All Claims as soon as possible to:

Chief, Housing and Civil Enforcement Section  
Civil Rights Division – NWB 7062  
United States Department of Justice  
950 Pennsylvania Avenue, N.W. – G St  
Washington, D.C. 20530  
Attn: DJ# 188-62-8