

The FTC / Associates Class Action Settlement Fact Sheet

- WHAT:** A proposed Class Action Settlement between Citigroup and The Associates¹; and the Federal Trade Commission; and various individual plaintiffs.
- WHO:** Customers of The Associates who obtained real estate or personal loans that included credit insurance products from December 1, 1995 through November 30, 2000, and who have not previously settled credit insurance claims against The Associates or already received a full premium refund.
- WHY:** The FTC and individual consumers claim that The Associates deceived borrowers into purchasing credit insurance products in connection with their loans.
- WHAT TO DO:** You don't have to do anything right now. The Court must approve the Class Action Settlement before it is final. Watch your mailbox over the next several weeks for further notices from the Court and the FTC. If your address changes, notify the FTC's toll-free consumer hotline at 1-877-862-0866.

SETTLEMENT

- FUND:** The FTC will administer a settlement fund of \$215 million, out of which eligible borrowers may receive payment. Most consumers will receive checks, but some consumers with open loans will receive a credit to reduce the balance of their loans.

Answers to questions consumers may have about the Class Action Settlement

- Q:** Am I eligible for a payment from the settlement fund?
- A:** Maybe. Consumers who purchased credit insurance in connection with a loan from The Associates between December 1, 1995 and November 30, 2000 may be eligible for payment from the settlement fund. Consumers who have already received a full refund of their premiums or who previously settled their claims are not eligible.
- Q:** How do I apply for a payment from the settlement fund?
- A:** You don't have to do anything right now. The Court must approve the Class Action Settlement before it is final. Watch your mailbox over the next several weeks for further

¹ "The Associates" refers to Associates First Capital Corporation and its subsidiaries, including Associates Corporation of North America.

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Q: How much money will I receive?

A: If the Class Action Settlement is approved, The FTC will administer a settlement fund of \$215 million to be paid to class members. How much you receive depends on how much money you spent on credit insurance premiums, and how many consumers participate in the settlement program.