

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN

_____	)	
UNITED STATES OF AMERICA,	)	
Plaintiff,	)	
	)	Civil Action No.
	)	
v.	)	
	)	
FORD MOTOR CREDIT COMPANY,	)	
a corporation,	)	
	)	
Defendant.	)	
_____	)	

CONSENT DECREE

WHEREAS: Plaintiff, the United States of America, has commenced this action by filing the Complaint herein; Ford Motor Credit Company ("Ford Credit") has waived service of the Summons and Complaint; the parties have been represented by the attorneys whose names appear hereafter; and the parties have agreed to settlement of this action upon the following terms and conditions, without any hearing or adjudication on the merits of any issue of fact or law and without Ford Credit admitting liability for any of the matters alleged in the Complaint;

THEREFORE, on the joint motion of both parties, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

1. This Court has jurisdiction of the subject matter and of the parties.

2. The Complaint states a claim upon which relief may be granted against Ford Credit under Sections 5(a)(1), 5(m)(1)(A), 9, 13(b), and 16(a) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 45(a)(1), 45(m)(1)(A), 49, 53(b), and 56(a), as amended, and under the Equal Credit Opportunity Act ("ECOA"), 15 U.S.C. §§ 1691-1691(f), as amended, and under the Federal Reserve Board Regulation B ("Regulation B"), 12 C.F.R. Part 202, as amended.

#### DEFINITIONS

3. As used in this Consent Decree:

(a) the "Equal Credit Opportunity Act" or "ECOA" refers to 15 U.S.C. §§ 1691-1691f, as amended;

(b) "Regulation B" refers to the Federal Reserve Board Regulation B, 12 C.F.R. § 202, as amended, in effect on or after March 23, 1977; and

(c) the terms "applicant" and "credit" are defined as provided in Regulation B, 12 C.F.R. § 202.2.

#### MONETARY RELIEF

4. Ford Credit, and its successors and assigns, and its officers, agents, servants, and employees, directly or through any corporation, subsidiary, division, or other device, shall pay to the Commission as consumer redress and attendant costs of administration the sum of six hundred fifty thousand dollars (\$650,000.00) of which approximately five hundred thousand

dollars (\$500,000.00) will be paid to consumers as redress according to the plan provided for in Appendices A, B, and C to this Consent Decree ("Consumer Redress Plan"). Ford Credit shall make the payment by electronic transfer on or before the tenth day following the date of service of this Consent Decree. The payment shall be deposited into a suspense account established by the Commission. In the event of any default in the payment, Ford Credit shall also pay interest as computed under 28 U.S.C. § 1961(a), which shall accrue on the unpaid balance from the date of default until the date the balance is fully paid.

5. Ford Credit's payment of the amount for consumer redress and attendant costs of administration does not constitute payment of a civil penalty or payment in lieu of a civil penalty. Ford Credit's payment of this sum shall satisfy all of Ford Credit's payment obligations under this Consent Decree.

6. Ford Credit, and its successors and assigns, and its officers, agents, servants, and employees, directly or through any corporation, subsidiary, division, or other device, shall comply with Appendix A to this Consent Decree and shall also provide reasonable cooperation to the Commission and the independent administrator in connection with administration of the Consumer Redress Plan.

#### INJUNCTION

7. Ford Credit, and its successors and assigns, and its officers, agents, servants, employees, and attorneys, and all

persons in active concert or participation with any one or more of them who receive actual notice of this Consent Decree by personal service or otherwise, are hereby enjoined, directly or through any corporation, subsidiary, division, or other device, from discriminating against an applicant on the basis of marital status, by failing to aggregate, or otherwise discounting or failing to consider, the income of joint applicants based on the existence, the absence, or the likelihood of a marital relationship between the parties, with respect to any aspect of a credit transaction, in violation of the ECOA, 15 U.S.C. § 1691(a), and Regulation B, 12 C.F.R. §§ 202.4 and 202.6(b)(5).

PERSONS AFFECTED; CONTINUING JURISDICTION

8. Ford Credit, and its successors and assigns, shall, within thirty (30) days of the entry of this Consent Decree, provide a copy of this Consent Decree, the ECOA, and Regulation B to each of its officers, agents, servants, employees, and attorneys having responsibility with respect to the subject matter of this Consent Decree, secure from each such person a signed statement acknowledging receipt of a copy of this Consent Decree, and, within ten (10) days of complying with this paragraph, file an affidavit with this Court setting forth the fact and manner of its compliance, including the name and title of each person to whom a copy of the Consent Decree has been provided, and serve such affidavit on the Federal Trade Commission, by mailing a copy thereof, to the Associate Director,

Division of Financial Practices, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580.

9. For a period of three (3) years from the date of entry of this Consent Decree, Ford Credit, and its successors and assigns, shall maintain and make available to the Federal Trade Commission, within thirty (30) days of the date of receipt of a written request from the Associate Director, Division of Financial Practices, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580, business records demonstrating compliance with the terms and provisions of this Consent Decree. Such business records shall consist of those records that Ford Credit is required to maintain under Section 202.12 of Regulation B, 12 C.F.R. § 202.12.

10. Ford Credit, and its successors and assigns, shall notify the Associate Director, Division of Financial Practices, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580, at least thirty (30) days prior to any change in defendant's business that may affect Ford Credit's obligations under this Consent Decree, including, but not limited to, merger, incorporation, dissolution, assignment, or sale that results in the emergence of a successor corporation, or the creation or dissolution of a subsidiary or parent.

11. Ford Credit is hereby required, in accordance with 31 U.S.C. § 7701, to furnish to the Federal Trade Commission its taxpayer identifying number (employer identification number), which shall be used for purposes of collecting and reporting on any delinquent amount arising out of such entity's relationship with the government.

12. This Court shall retain jurisdiction of this matter for the purposes of enabling any of the parties to this Consent Decree to apply to the Court at any time for such further orders or directives as may be necessary or appropriate for the interpretation or modification of this Consent Decree, the enforcement of compliance therewith, the punishment of violations thereof, or as justice may require.

JUDGMENT IS THEREFORE ENTERED in favor of the United States and against Ford Credit, pursuant to all the terms and conditions recited above.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

---

UNITED STATES DISTRICT JUDGE

The parties, by their respective counsel, hereby consent to the terms and conditions of the Consent Decree as set forth above and consent to the entry thereof. Ford Credit waives any rights that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412, amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996).

United States Attorney  
Eastern District of Michigan

BILL LANN LEE  
Acting Assistant Attorney  
General  
Civil Rights Division

By: \_\_\_\_\_

\_\_\_\_\_  
JOAN A. MAGAGNA  
Chief  
Housing and Civil Enforcement  
Section

\_\_\_\_\_  
BRIAN F. HEFFERNAN  
VALERIE O'BRIAN  
Civil Rights Division  
U.S. Department of Justice  
P.O. Box 65998  
Washington, D.C. 20035  
(202) 307-3803

FEDERAL TRADE COMMISSION

By: \_\_\_\_\_

\_\_\_\_\_  
DAVID MEDINE  
Associate Director for  
Financial Practices



---

JESSICA L. RICH  
Assistant Director for  
Financial Practices

---

SANDRA M. WILMORE

---

SALLY FORMAN PITOFISKY  
Attorneys  
Division of Financial  
Practices  
Bureau of Consumer Protection  
Washington, D.C. 20580

FORD MOTOR CREDIT COMPANY

By: 

---

HURLEY D. SMITH  
Secretary  
Ford Motor Credit Company

By: 

---

JOHN K. GODRE  
Counsel-Litigation  
Ford Motor Credit Company

---

ANNE P. FORTNEY  
Counsel for Defendant  
Lovell White Durrant  
1401 Eye Street, N.W.  
Suite 1040  
Washington, D.C. 20005