

NOTICE: AFRICAN-AMERICANS AND LATINOS ALLEGE DISCRIMINATION BY AUTO LENDERS

African-American and Latino victims who allege they were discriminated against by auto loan financing companies and auto manufacturers have filed suit in Alameda County Superior Court on Thursday, March 27th in two separate cases: Thompson v. WFS Financial, Inc. and Pakeman v. American Honda Finance Company. On April 9th, a third lawsuit was filed in San Francisco Superior Court, entitled Herra, et al. v. Toyota Motor Credit Corporation. This notice is to provide information to persons who may be affected by these cases, or who have information about the discriminatory lending practices by auto loan financing companies and auto manufacturers.

HOW THE DISCRIMINATION OCCURS AND HURTS CONSUMERS

These cases challenge discrimination in finance charges on loans for new and used motor vehicle purchases and leases. The complaint charges that auto loan financing companies and auto manufacturers charge African Americans and Latinos a finance charge markup, or increase in the applicable interest rate for the loan, greater than the finance charge markup charged to non-minority customers with similar credit ratings. According to the suits, no legitimate credit reasons exist for this markup, and it has a discriminatory impact on African American and Latino customers.

Discriminatory finance mark ups violate California anti-discrimination law and are an unfair business practice. Plaintiffs believe that the discriminatory charges to victims of the practices can amount to \$500, \$1,000 or more on a single loan.

THE REMEDIES SOUGHT BY THE LAWSUIT

Plaintiffs will ask the court to certify the cases as class actions so that all African American and Latino purchasers of new or used motor vehicles who have been charged discriminatory finance mark ups will be able to participate in the relief sought in the cases. If these cases are successful, the defendants will be ordered to stop their discriminatory practices, and to pay damages and restitution of illegal finance charges to the Plaintiffs and other African American and Latino motor vehicle purchasers affected by these practices.

LIST OF DEFENDANTS

* WFS Financial, Inc. is a national auto financing lender that works with over 7500 car dealers nationwide. It extends and finances loans to persons who buy or lease new or used cars from those dealers.

* American Honda Finance Company is the lender for the Honda Motor Company and it extends and finances loans to persons who buy or lease new or used cars from Honda dealerships nationwide.

* Toyota Motor Credit Corporation, the lender for Toyota Motor Company. Toyota Motor Credit offers loans to buyers of new and used cars from Toyota dealerships across America.

* Attorneys representing plaintiffs and the class in these cases have also received complaints about lending practices of the lending affiliates of other auto lenders, including Mitsubishi Motors, and are actively investigating those lenders.

PROPOSED CLASS MEMBERS

Any African American or Latino who financed a purchase of a Honda, Toyota, or Mitsubishi car through a Honda, Toyota or Mitsubishi dealership, or any car financed by WFS through a dealership, since 1995, who paid a high interest rate on the loan (for example, an interest rate at an annual percentage rate of 10 percent or more) is likely to have been a victim of loan financing discrimination and would fall within the class.

HOW TO CONTACT THE ATTORNEYS FOR THE CONSUMERS

The attorneys handling these cases welcome inquiries from persons who believe that they have been discriminated against on the basis of their race or national origin when financing the purchase of a vehicle. We are interested in learning about your experiences. Please contact the Plaintiffs' attorneys by calling this toll-free number (800) 998-3469 and leaving your contact information.

Attorneys or staff of the firms that represent the Plaintiffs will receive your message and promptly return your call. They will provide information free of charge, without any obligation to any caller and on a completely confidential basis.

Enrique Martínez and Stephen Cassidy
Lief Cabraser Heimann & Bernstein, LLP
275 Battery Street, 30th Floor
San Francisco, CA 94111

Joe Jaramillo
Goldstein, Demchak, Baller, Borgen
& Dardarian
300 Lakeside Drive, Suite 1000
Oakland, CA 94612