



Attorney General Doug Peterson

News Release

FOR IMMEDIATE RELEASE
May 19, 2020

ATTORNEY GENERAL PETERSON ANNOUNCES OVER \$2.7 MILLION SETTLEMENT WITH NATION'S LARGEST SUBPRIME AUTO FINANCING COMPANY

Settlement with Santander Includes more than \$2.6 Million in Relief for Consumers

Lincoln, NE – Today Attorney General Doug Peterson, along with a coalition of 34 attorneys general, announced a settlement with Santander Consumer USA, Inc. (Santander) that includes the potential for more than \$2.67 million in relief for Nebraska consumers. The settlement resolves allegations that Santander violated consumer protection laws through deceptive loan origination and servicing practices, failing to monitor its dealers, and knowingly taking advantage of consumers with subprime credit. Under the settlement, Santander is required to make significant changes to its dealer oversight and loan underwriting practices.

Santander will pay \$65 million in restitution for certain consumers residing in the 34 participating jurisdictions who defaulted on their loans between January 1, 2010 and December 31, 2019. This includes approximately 1,044 consumers in Nebraska who can expect to receive just under \$235,000 total in restitution.

The settlement also includes significant consumer relief by way of loan forgiveness and loan deficiency waivers. For consumers with the lowest quality loans who defaulted prior to December 31, 2019, and have not had their cars repossessed, Santander must allow those consumers to keep their cars and waive any outstanding balance on the loans. Additionally, at least 117 consumers in Nebraska will receive immediate deficiency waivers on their loans totaling over \$1.27 million; and an additional 145 Nebraska consumers may be eligible for \$1.17 million in waivers if Santander can successfully buy back their loans. Consumers may visit the following website to find updated information on the settlement: www.santandermultistateagsettlement.com.

Santander will also pay an additional \$5 million to the settling states. Nebraska will receive \$30,000 of that amount.

Joining Attorney General Peterson in this settlement are the attorneys general of Arizona, Arkansas, California, Connecticut, the District of Columbia, Florida, Georgia, Hawaii, Illinois,

Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Virginia, Washington, West Virginia, and Wyoming.

###

Suzanne Gage
Director of Communications
Nebraska Attorney General
Office: 402.471.2656
Mobile: 402.560.3518
Suzanne.gage@nebraska.gov

