



Attorney General Jon Bruning

NEWS RELEASE

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Attorney General Bruning Announces \$3.35 million Settlement Between 34 States and Dell

Note: A sound bite on this topic is available at: <http://www.ago.ne.gov>

(Lincoln, Neb.) Dude, you might have a Dell refund check coming. Attorney General Jon Bruning announced today that Dell will pay \$3.35 million under an agreement with attorneys general from 34 states. The agreement provides restitution to customers who experienced problems with the company's financing promotions, rebate offers, technical support and repair policies.

"Today's agreement is a win for Nebraskans and other Dell customers nationwide," said Bruning. "The company will change its customer service operations and offer refunds to consumers."

Under the agreement, Texas-based Dell, Inc., and its subsidiary, Dell Financial Services, LLC, admit no wrongdoing but agree to pay \$1.5 million in restitution to eligible consumers who file claims by April 13, 2009.

The state attorneys general led an investigation into Dell's sales practices after customers complained about many issues. Some applied for zero-percent financing and then were charged higher interest rates. Others had trouble obtaining warranty service on their Dell computers. Many said they never received promised rebates.

Under the settlement, Dell agreed to:

- Disclose in advertisements for promotional credit offers that the majority of consumers who apply won't qualify for the best annual percentage rate (APR).
- Fulfill its warranty obligations within 30 days from the date of notification or receipt of a defective product.
- Mail rebates within the specified timeframe or within 30 days if no date is specified.
- If a rebate is available, provide the necessary rebate documentation at the time the product is delivered or the service is provided.

Consumers who have experienced problems with Dell's customer service and financing, warranties or rebates may be eligible for a refund and should contact the Attorney General's Consumer Protection Division toll-free at (800)727-6432 to receive a claim form. Claims must be filed with the Attorney General's Office by April 13, 2009 regarding a Dell purchase made between April 1, 2005 and today.

Dell will pay an additional \$1.85 million to the states for reimbursement of legal costs and other expenses. Nebraska will receive \$46,666 of that amount which will go into the state's settlement cash fund.

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