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### 3,500 Georgians to share in insurance settlement

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About 3,500 Georgians will share combined settlements of up to \$13.5 million stemming from two class-action lawsuits against lenders who folded credit life insurance policies into their loans.

One Georgian also getting a piece of the settlements is Gov. Roy Barnes.

"The governor was counsel in the case" when the lawsuits were filed more than four years ago, said Marietta lawyer Howard D. **Rothbloom**, so Barnes will share in the \$3.15 million portion of the settlements to pay attorney fees and expenses.

The class-action suits were filed against Associates Financial Life Insurance Co. and Ford Consumer Finance Co. The companies went through a number of ownership and name changes and are now units of Citigroup.

The lawsuits alleged the lenders violated Georgia law by selling a form of single-premium credit life insurance that wasn't allowed to be sold in the state after July 1, 1991. Such insurance added thousands of dollars to the cost of loans, said **Rothbloom**.

The companies' attorneys couldn't be reached for comment.

The Federal Trade Commission and U.S. Justice Department also filed complaints against other Associates units alleging lending abuses.

Citigroup has since said it is dropping single-premium credit insurance.

Under the two settlements of **Rothbloom**'s lawsuits, borrowers who are in the two classes typically will receive benefits ranging from premium refunds of a few hundred dollars for inactive policies to refunds and mortgage interest rate reductions worth thousands of dollars for active policies, said **Rothbloom**.

The money will be distributed in February in one settlement, which got final approval Dec. 4 in Fulton Superior Court, said **Rothbloom**.

The other settlement has already been distributed.

Photo: Gov. Roy Barnes will share in the \$13.5 million credit life insurance settlement as a former counsel in the case.

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