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NEWS RELEASE

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SEARS ROEBUCK & CO. TO PAY \$450,000 IN CIVIL PENALTIES AND COSTS IN AUTOMOBILE REPAIR AND SALES TAX CASE

The Fresno County District Attorney's Office is pleased to announce today that the office's Consumer Protection Unit has settled a consumer protection case against Sears, Roebuck and Co. ("Sears"). The settlement was signed on November 30th.

The investigation arose out of State of California, Department of Consumer Affairs, Bureau of Automotive Repair ("BAR") inspections into Sears Automotive Repair Dealerships located primarily in the Central Valley. The investigation revealed that Sears was not charging the appropriate amount of sales tax for parts installed in automotive vehicles. The investigation also found that Sears had oversold engine oil and repairs in violation of the California Automotive Repair Act. Prosecutors from Fresno County took legal action to eradicate the problems, with the complaint being filed in Fresno County Superior Court.

Under the terms of the settlement, without admitting any wrongdoing, Sears agreed to charge sales tax on the parts installed and correct the violations of the Automotive Repair Act by implementing training program to their employees. In addition, Sears agreed to pay \$450,000 in civil penalties and costs. Sears also agreed to pay the unpaid sales tax, interest, and penalties to the State of California, Board of Equalization.

The Fresno County District Attorney's Consumer Protection Unit investigates and prosecutes cases involving fraudulent, deceptive, and illegal business activity that victimizes Fresno County residents and/or law-abiding businesses.

If you have a consumer complaint or consumer question, contact the Fresno County District Attorney's Office's Consumer Protection Unit at 559-600-3156.

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