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FIRST AMERICAN CORP
Form 8-K
October 09, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) October 9, 2002

THE FIRST AMERICAN CORPORATION

(Exact Name of the Registrant as Specified in Charter)

| | | |
|--|-----------------------------|--------------------------------------|
| California | 0-3658 | 95-1068610 |
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |
| 1 First American Way, Santa Ana, California | | 92707-5913 |
| (Address of Principal Executive Offices) | | (Zip Code) |
| Registrant's telephone number, including area code | (714) 800-3000 | |

Not Applicable.

(Former Name or Former Address, if Changed Since Last Report)

Item 5. Other Events.

First American Title Insurance Company has settled its lawsuit with the State of California and the City and County of San Francisco as well as a parallel class action lawsuit brought in the County of Los Angeles, each of which is described in Note 17 to the consolidated financial statements of The First American Corporation included in its annual report on Form 10-K for the year 2001.

This settlement forms part of a global settlement involving all of First American's major competitors in California.

The settlement amount as it relates to First American is approximately \$8 million. Of this amount, \$5.5 million will be paid in the form of cash refunds to customers during a cash claims period and discounts against future title or escrow services over a seven-year period to eligible customers who purchased,

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sold or refinanced residential property between May 19, 1995 and October 8, 2002. The remainder of this amount is payable in part to governmental agencies and class action counsel to offset the costs of the related investigation and litigation and in part to the Consumer Protection Prosecution Trust Fund that has been established to assist consumer protection matters.

In reaching this settlement, First American Title Insurance Company denied any liability or wrongdoing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

THE FIRST AMERICAN CORPORATION

Date: October 9, 2002

By: /s/ Thomas A. Klemens

Name: Thomas A. Klemens
Title: Executive Vice President and
Chief Financial Officer