

H&R Block Says Court Decision a Significant Victory for the Company in Chicago RAL Case; Judge Throws Out All But One of the Plaintiffs' Claims

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KANSAS CITY, Mo.--(BUSINESS WIRE)--March 31, 2004--H&R Block Inc. (NYSE:HRB) today described the court's opinion issued Tuesday in the U.S. District Court for the Northern District of Illinois a significant victory in a legal case regarding refund anticipation loans.

"We are very pleased that the ruling by Judge Elaine Bucklo threw out all but one of the numerous claims made by the plaintiffs," said Nicholas Spaeth, senior vice president and general counsel for H&R Block. "Going forward, the judge will require the plaintiffs to present evidence to support the remaining claim, and we believe there is not the evidence to support it."

The company said that the sole claim, a federal RICO count, remains only because the Judge, for purposes of this hearing, must accept as true the assertions in the complaint even before the plaintiffs have presented any evidence.

In addition, the Judge eliminated a large portion of the class by ruling that arbitration clauses contained in many of the loan contracts signed by clients are enforceable.

About H&R Block

H&R Block Inc. (www.hrblock.com) is a diversified company with subsidiaries that deliver tax, financial, mortgage and business products and services. It is the only major company with subsidiaries offering a full range of software, online and in-office tax solutions, combined with personalized financial advice about retirement savings, home ownership, and other opportunities to help clients build a better financial future. As the world's largest tax services company, H&R Block served nearly 21 million clients in the U.S. and 11 countries in 2003. H&R Block Financial Advisors Inc. offers investment services and securities products. With more than 1,000 financial advisors serving clients at more than 400 offices, H&R Block Financial Advisors Inc. is a member NYSE, SIPC, a registered broker-dealer and a registered investment advisor. H&R Block Inc. is not a registered broker-dealer and is not a registered investment advisor. H&R Block Mortgage Corp. offers a full range of retail mortgage products. Option One Mortgage Corp. provides mortgage services and offers wholesale mortgage products through large financial institutions and a network of 24,000 independent mortgage brokers. RSM McGladrey Business Services Inc. and its subsidiaries serve mid-sized businesses and their owners with tax, accounting and business consulting services, as well as personal wealth management services.

CONTACT:

H&R Block

Media Relations:

Linda McDougall, 816-932-7542

Investor Relations:

Becky Shulman, 816-701-4574

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