

SETTLEMENT AND RELEASE AGREEMENT (“Agreement”) made subject to approval by the Court, as defined herein, by Cecil E. Hopkins, (“Plaintiff Hopkins”), individually and as the representative of the Settlement Class, as defined herein, and Kansas Teachers Community Credit Union (“KTCCU” or “Defendant”). Plaintiff Hopkins, Kansas Teachers Community Credit Union and the Class are collectively referred to as the “Parties.”

WHEREAS, Plaintiff Hopkins filed the civil action currently pending before the United States District Court for the Western District of Missouri, styled *Cecil E. Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF (the “Litigation”); and

WHEREAS, Plaintiff Hopkins is asserting claims against Kansas Teachers Community Credit Union for alleged violations of Missouri’s Uniform Commercial Code, Chapter 400, RSMo Missouri’s Merchandising Practices Act, §§ 407.010 RSMo, *et seq.* and for conversion, and seeks compensatory damages, statutory damages, and punitive damages and other relief on his own behalf, and on behalf of a class of persons similarly situated as a result of having obtained a motor vehicle loan or financing from KTCCU in conjunction with a “Portfolio Management Program” administered by Centrix Financial, LLC, and who obtained a Missouri Certificate of Title for that motor vehicle identifying KTCCU as the lienholder; and had said motor vehicle repossessed; and

WHEREAS, on February 18, 2010, the Court certified a Litigation Class in the Litigation comprising those persons who obtained a motor vehicle loan or financing from KTCCU in conjunction with a “Portfolio Management Program” administered by Centrix Financial, LLC, who obtained a Missouri Certificate of Title for that motor vehicle identifying KTCCU as the lienholder; and had said motor vehicle repossessed, and which Litigation Class is limited to the claims for violations of Uniform Commercial Code and Missouri Merchandising Practices Act;

and

WHEREAS, notice was thereafter provided to the members of the Litigation Class of their opportunity to opt out and exclude themselves from the Litigation Class; and

WHEREAS, KTCCU denies the claims and causes of action being asserted against it in the Litigation and denies any and all liability to Plaintiff Hopkins and the Litigation Class; and

WHEREAS, counsel for Plaintiff Hopkins (hereinafter, "Plaintiff's Counsel") and counsel for KTCCU have thoroughly investigated the facts relating to the claims alleged in the Litigation and the events and transactions underlying the Litigation, through formal and informal discovery, and discovery of non parties, and have made a thorough study of the legal principles applicable to the claims being asserted against KTCCU; and

WHEREAS, the Parties have reached an agreement, subject to Court approval, to resolve the Litigation as between Plaintiff Hopkins and the Class and KTCCU in accordance with the terms set forth herein; and

WHEREAS, Plaintiff's Counsel and counsel for KTCCU have engaged in arm's length negotiations concerning the settlement of the claims and causes of action being asserted against KTCCU in the Litigation; and

WHEREAS, Marathon Rothschild Credit Union, United Catholic Credit Union, and Advancial Federal Credit Union are named as third-party defendants in the Litigation.

WHEREAS, Plaintiff Hopkins and Plaintiff's Counsel have concluded that a settlement with KTCCU as stated herein will be fair, just, equitable, reasonable, adequate and in the best interests of Plaintiff Hopkins and the members of the Class based upon their investigation, study, negotiations and discovery taken in the Litigation, and taking into account the contested issues involved, the expense and time necessary to prosecute the Litigation against KTCCU through

trial, the delays and the risks and costs of further prosecution of the Litigation against KTCCU, the uncertainties of complex litigation, and the benefits to be received pursuant to this settlement agreement; and

WHEREAS, KTCCU desires to settle the claims being asserted against it in the Litigation on the terms and conditions set forth herein for the purpose of avoiding the burden, expense, and uncertainty of continuing litigation, and for the purpose of putting to rest all controversies that have been or could be raised against KTCCU in the Litigation; and

WHEREAS, the Parties acknowledge and agree that this Agreement constitutes a compromise in settlement of the claims and causes of action that have been or could be raised by Plaintiff Hopkins and the Litigation Class against KTCCU and the other “Released Persons,” as defined herein, as to, or in connection with, their motor vehicle loan or financing from KTCCU in connection with the Portfolio Management Program, but shall in no way release or affect the existing or future claims, causes of action, remedies, and/or rights to relief of Plaintiff or member of the Class against any person, association or entity other than the “Released Persons” with respect to their motor vehicle loan or financing from KTCCU in connection with the Portfolio Management Program.

NOW THEREFORE, the undersigned parties, each intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth herein, do hereby agree, subject to approval of the Court of this Agreement, that the Litigation and the “Released Claims” as defined herein, against the “Released Persons” as defined herein, are finally and fully compromised and settled and that the claims of the Litigation Class, as defined herein, against the “Released Persons” shall be dismissed with prejudice as against the “Released Persons” as follows:

1. Denial of Liability; No Admissions

The Parties are entering into this Agreement for the sole purpose of resolving vigorously disputed claims that have arisen between them and in the interest of avoiding the burdens, expense, and risk of further litigation. By entering into any preliminary settlement discussions, agreeing to the terms of this Agreement, or seeking the approval of the Settlement, the Parties are not making any admissions or concessions, whatsoever, with respect to any claims or defenses alleged or asserted, or any factual or legal assertions in the Litigation. Neither this Agreement nor any of its terms or provisions nor any of the negotiations between the Parties or their counsel shall be construed as an admission or concession by any of the Parties or their counsel of anything whatsoever, including but not limited to, any alleged violation or breach of contract or duty, any alleged fraud, misrepresentation or deception, or any alleged violation of any federal, state, or local law, rule, regulation, guideline or legal requirement (or any other applicable law, rule, regulation, guideline or legal requirement). The Parties expressly agree that, in the event the Court does not approve the Agreement, or any appellate court disapproves of the Agreement in any way that prevents the Settlement from becoming final and effective, no Party will use or attempt to use any conduct or statement of any other Party in connection with this Agreement, or any effort to seek approval of the Agreement, to affect or prejudice any other Party's rights in any ensuing litigation. KTCCU expressly reserves all rights and defenses to all claims and causes of action and does not waive any such rights or defenses in the event that the Agreement is not approved for any reason.

2. Definitions

As used in this Agreement, the following terms shall be defined as set forth below:

2.1 **Class Counsel.** “Class Counsel” shall mean Plaintiff’s Counsel, Walters Bender Strohbahn & Vaughan, P.C., 2500 City Center Square, 1100 Main Street, Kansas City, Missouri 64105.

2.2 **Class Mail Notice.** “Class Mail Notice” means a document in a form substantially the same as that attached hereto as **Exhibit A**.

2.3 **Defendant’s Counsel.** “Defendant’s Counsel” means Stinson Morrison Hecker LLP, 1201 Walnut Street, Suite 2900, Kansas City, Missouri 64106-2150.

2.4 **Deficiency Write-Off.** “Deficiency Write-Off” means the sum of all account balances and deficiency claims that KTCCU will write off or waive in connection with the Additional Monetary Benefits provided to the Settlement Class in connection with Paragraph 4(l), (m) and (n) below.

2.5 **Effective Date.** The “Effective Date” of this Agreement means the date when all of the conditions set forth in Paragraph 12 have occurred, provided that KTCCU has not timely rescinded the Agreement pursuant to Paragraph 9 below.

2.6 **Final Approval Order.** “Final Approval Order” means an Order of the Court in a form substantially the same as that attached hereto as **Exhibit C**, finally approving this Agreement and the “Settlement” pursuant to Federal Rule 23.

2.7 **Final Hearing Date.** “Final Hearing Date” means the date set by the Court for the hearing on final approval of the “Settlement.”

2.8 **Final Judgment.** “Final Judgment” means a Judgment of the Court in a form substantially the same as that attached hereto as **Exhibit D**.

2.9 **Gross Cash Fund.** “Gross Cash Fund” means the amount to be delivered by KTCCU in accordance with Paragraph 4(a) below.

2.10 **Gross Monetary Sum of Write-Offs.** “Gross Monetary Sum of Write-Offs” consists of the Additional Monetary Benefits to be provided by KTCCU or performed by KTCCU in accordance with Paragraphs 4(l), (m), (n), (o), and (p) below as consideration for the Settlement.

2.11 **Gross Settlement Fund.** “Gross Settlement Fund” is the Gross Cash Fund and Gross Monetary Sum of Write-Offs.

2.12 **Judgment Write-Off.** “Judgment Write-Off” means the sum of all Judgment balances that KTCCU will deem satisfied in connection with the Additional Monetary Benefits provided to the Settlement Class in connection with Paragraph 4(n) below.

2.13 **Litigation Class.** “Litigation Class” means the class of Missouri borrowers defined by the Court in the Order Certifying Plaintiffs’ Class, entered February 18, 2010.

2.14 **Net Distributable Settlement Fund.** “Net Distributable Settlement Fund” means the “Gross Cash Fund” plus any interest earned and attributable to these awards, respectively, while in escrow, less the sum of (a) the amount of any incentive award approved by the Court and paid to Plaintiff Hopkins; (b) the amount of any litigation expenses and/or costs approved by the Court and awarded to Plaintiff’s Counsel; and (c) the amount of any award of attorneys’ fees to Plaintiff’s counsel.

2.15 **Plaintiff Hopkins.** “Plaintiff Hopkins” means Plaintiff Cecil E. Hopkins and any person(s) claiming by, through and/or under him.

2.16 **Plaintiff’s Counsel.** “Plaintiff’s Counsel” means, collectively, Walters Bender Strohbehn & Vaughan, P.C., 2500 City Center Square, 1100 Main Street, Kansas City, Missouri

64105.

2.17 **Preliminary Approval Order.** “Preliminary Approval Order” means an Order of the Court preliminarily approving the Settlement, conditionally or preliminarily certifying a class for settlement purposes, directing the issuance of a class notice and scheduling a settlement hearing in accordance with Federal Rule 23, in a form substantially similar to that attached hereto as **Exhibit B**.

2.18 **Released Persons.** “Released Persons” shall mean KTCCU, as well as third-party defendants Advancial Federal Credit Union (“AFCU”), Marathon Rothschild Credit Union (“MRCU”), and United Catholic Credit Union (“UCCU”) individually and together with any of their parent or subsidiaries, and each of their respective members, predecessors, successors and assigns, and each of their past and present officers, directors, shareholders, employees, attorneys (including any consultants hired by counsel), accountants, insurers (except that it does not release claims the Released Persons have against their insurers), heirs, executors, and administrators, and each of their respective predecessors, successors, and assigns.

2.19 **Releasors.** “Releasors” means Plaintiff Hopkins and all Settlement Class Members, and each of their respective heirs, executors, administrators, assigns, predecessors, and successors, and any other person claiming by or through any or all of them. The Releasors shall not include any of the following: (a) any members of the Settlement Class who opt out of the Settlement in accordance with Paragraph 9 below; or (b) any person(s) whom KTCCU fails to identify as a member of the KTCCU Settlement Class on Exhibit E.

2.20 **Released Claims.** “Released Claims” means any and all claims, demands, actions, causes of action, rights, offsets, setoffs, suits, damages, lawsuits, liens, costs, surcharges, losses, attorneys’ fees, expenses or liabilities of any kind whatsoever, in law or in equity, for any

relief whatsoever, including monetary, injunctive or declaratory relief, rescission, general, compensatory, special, liquidated, indirect, incidental, consequential or punitive damages, as well as any and all claims for penalties, attorney's fees, costs or expenses, whether known or unknown, alleged or not alleged in the Litigation, suspected or unsuspected, contingent or vested, accrued or not accrued, liquidated or unliquidated, matured or unmatured, that in any way concern, relate to, or arise out of the Released Persons' motor vehicle loans or repossessions of motor vehicles in connection with the Released Persons' participation in the Portfolio Management Program, including but not limited to any claims related to the adequacy or sufficiency of notices and disclosures related to the Portfolio Management Program, or claims for conversion, which any of the Releasers have or may have had, or now have, from the beginning of time up through and including the Effective Date, against the Released Persons.

It is the intention of the Releasers to provide a general release of the Released Claims against the Released Persons; provided, however, that anything in this Agreement to the contrary notwithstanding, the term Released Claims does not include any claims of any kind or type by the Releasers against any person, association or entity that is not a Released Person, whether such claims arise out of or relate to the Portfolio Management Program administered or created by Centrix Financial, LLC or some other conduct, transaction, loan or occurrence.

2.21 **KTCCU.** "KTCCU" means Kansas Teachers Community Credit Union f/k/a Kansas Teachers Credit Union.

2.22 **Settlement Class.** "Settlement Class" shall have the meaning set forth in Paragraph 3(a) below.

2.23 **Settlement Class Member.** "Settlement Class Member" means any member of the Settlement Class who does not timely opt out of the Settlement pursuant to Paragraph 9(a)

below. If any KTCCU Settlement Class Member has died then the person's heir, representative, successor or assign shall be deemed an KTCCU Settlement Class Member.

2.24 **Settlement Class Member Payment.** "Settlement Class Member Payment" means the portion of the "Net Distributable Settlement Funds" shown on Schedule A to be paid to the respective Settlement Class Member(s) pursuant to the Settlement, plus any interest earned and attributable to such sum while in escrow.

2.25 **Settlement.** Settlement means the compromise in settlement memorialized in this Agreement.

2.26 **Settlement Hearing.** "Settlement Hearing" means the hearing on final approval of the partial class action settlement embodied in this Agreement.

3. **Certification of the KTCCU Settlement Class**

a. Plaintiff Hopkins and Plaintiff's Counsel shall file a motion requesting that the Court approve a settlement for a Class of persons for purposes of settlement (referred to and defined herein as the "Settlement Class"), consistent with the Order Certifying Plaintiff Class dated entered February 18, 2010 and defined as follows:

Those persons who:

- (1) Obtained a motor vehicle loan or financing from KTCCU in conjunction with a "Portfolio Management Program" administered by Centrix Financial, LLC; and
- (2) Who obtained a Missouri Certificate of Title for that motor vehicle identifying KTCCU as the lienholder; and
- (3) Had said motor vehicle repossessed; and

b. A list of all members of the Settlement Class is attached hereto as **Exhibit E**, but said Exhibit shall be filed under seal with the Court pursuant to the terms of the Stipulated

Protective Order dated November 12, 2008 to protect the privacy of the names and addresses of the members of the Settlement Class.

c. If this Agreement is not approved by the Court pursuant to the proposed Final Approval Order and Final Judgment, the Agreement, the conditional settlement class certification provided herein, the Settlement (including any modifications made with the consent of the Parties), and any action(s) taken or to be taken in connection therewith, shall be terminated and shall become null and void and have no further force or effect, the Preliminary Approval Order shall be vacated, the Parties shall be restored to their respective positions existing prior to the execution of this Agreement, and the Parties' rights and obligations with respect to the use of this Agreement and the settlement contemplated hereby will be subject to Paragraph 1 hereof. In addition, neither this Agreement, the preliminary certification of the Settlement Class, the Preliminary Approval Order, nor any other document relating in any way to any of the foregoing, shall be relied on, referred to or used in any way for any purpose in connection with any further proceedings in this Litigation or any related action, except for use in any bankruptcy proceeding where the debtor is Centrix Financial LLC, or any other Centrix entity. In such case, or in the event that this Agreement shall terminate or the settlement embodied herein does not become effective for any reason, the Agreement and all negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of the Parties, and each of them, who shall be restored to their respective positions existing prior to the execution of this Agreement, and evidence relating to the Agreement, and all negotiations, shall not be discoverable or admissible in the Litigation or otherwise.

4. Settlement Consideration and Distribution of the Settlement Fund to the Settlement Class Members

Gross Cash Fund

a. Within two (2) business days after entry of the Final Approval Order and receipt by Defendant's Counsel in writing of appropriate wiring instructions and a completed W-9 Tax Form from Plaintiff's Counsel, KTCCU shall deliver one million, seven hundred fifty thousand dollars and zero cents (\$1,750,000.00), subject to Paragraph 4(d) below (referred to and defined herein as the "Gross Cash Fund") to the Escrow Agent, as defined below, by wire transfer at its own expense.

b. The Gross Cash Fund shall be wired into an interest-bearing escrow account that the Parties shall establish, pursuant to mutually agreeable terms, at Missouri Bank & Trust, 1044 Main Street, Kansas City, Missouri, or some other insured depository institution in Missouri selected by Plaintiff's Counsel (the "Escrow Agent"). All interest earned on the Gross Cash Fund while in escrow shall be added to and included within the definition of "Gross Cash Fund" and shall be allocated to the persons identified on Schedule A in proportion to his, her or their share of the Net Distributable Settlement Fund. The Gross Cash Fund, including any interest earned in escrow, shall be returned to KTCCU in the event that the Settlement is rescinded, terminated, vacated, or the Effective Date does not arrive for any other reason. The Gross Cash Fund while in the escrow account shall be invested in a manner that generates the highest return that can be obtained without risk to the principal.

c. The Parties' escrow agreement shall provide that the Gross Cash Fund will be released to Plaintiff's Counsel from escrow the first business day after the Effective Date. Plaintiff's Counsel, subject to such supervision and direction of the Court as may be necessary, shall be responsible for and shall administer and oversee the distribution of the Gross Settlement

Fund, Gross Cash Fund, and Net Distributable Settlement Fund in accordance with the terms of this Agreement and Schedule A, which shall be filed under seal with the Court pursuant to the terms of the Stipulated Protective Order dated November 12, 2008 to protect the privacy of the members of the Settlement Class.

d. Subject to the provisions in paragraph 9(b), if any member(s) of the Settlement Class timely opt out and exclude themselves from the Settlement, the name(s) of the “opt out” class member(s) shall be removed from Schedule A and the portion of the Net Distributable Settlement Fund attributable to said “opt outs” shall remain a part of the Net Distributable Settlement Fund and will be reallocated to the Settlement Class Members *pro rata*. The Parties shall submit any required revisions to Schedule A to the Court under seal prior to the Final Hearing Date.

e. The amount of the Gross Cash Fund shall not be reduced as a result of any member(s) of the Settlement Class electing to opt out or exclude themselves from the Settlement pursuant to Sub-Paragraph 4(d), or for any other reason.

f. Upon release of the Settlement Fund by the escrow agent, Plaintiff’s Counsel shall calculate the Gross Settlement Fund, Gross Cash Fund and Net Distributable Settlement Fund and distribute the Net Distributable Settlement Fund, plus any interest earned on said fund while in escrow to the Settlement Class Members (*i.e.*, those members of the Settlement Class, if any, who did not timely opt out) in the amounts and to the addresses shown on Schedule A, or as the Court may otherwise determine and approve. Such distributions to the Settlement Class Members are referred to and defined as the “Settlement Class Member Payments.” Plaintiff’s Counsel shall distribute the Settlement Class Member Payments to the Settlement Class Members within 30 days of the Effective Date by checks mailed to the Settlement Class

Members. Plaintiff's Counsel will re-mail any returned checks to any new address disclosed. To the extent any check is returned a second time, Plaintiff's Counsel shall undertake reasonable efforts to locate a current address for said Settlement Class Member. If any Settlement Class Member refuses to accept receipt of a Settlement Class Member Payment check, or does not cash a Settlement Class Member Payment check within 30 days of receipt, Plaintiff's Counsel shall undertake reasonable efforts to locate and/or contact the Settlement Class Member and inquire about receiving and/or cashing the check.

g. Following the expiration of 180 days from the Effective Date, all checks issued to the Settlement Class members as a Settlement Class Member Payment that have not been cashed or negotiated will be deemed void and Plaintiff's counsel shall stop payment on such checks. All portions of the Net Distributable Settlement Fund remaining as of such date shall revert to and become the property of KTCCU.

h. If necessary, and in connection with the parties' efforts to obtain a Private Letter Ruling from the IRS as set forth in Paragraph 4(p) below, Plaintiff's Counsel shall be responsible for preparing, filing and addressing any requisite IRS Form 1099s with respect to the Net Distributable Settlement Fund and Class Members shall be responsible for any taxes due or any tax liability arising out of the distribution of the Settlement Funds.

i. The Released Persons shall have no responsibility for, interest in, or liability whatsoever with respect to or arising out of the investment, allocation or distribution of the Settlement Funds, the determination, administration, calculation, or payment of claims, the payment or withholding of taxes, or any losses incurred in connection therewith.

j. Any Settlement Class Member who receives a payment pursuant to the Settlement shall be solely responsible for distributing or allocating such payment between or among all co-

borrowers on his, her, or their Loan, regardless of whether a payment check has been made out to all or only some of the Settlement Class Members' co-borrowers and represents and warrants that he or she is entitled to receipt of the Settlement Class Member Payment and has not assigned by operation of law or otherwise the right to receipt of the Settlement Class Member Payment. The Settlement Class Members shall upon receipt of any Settlement Class Member Payment remit the Settlement Class Member Benefit to any persons having received by assignment or operation of law any right, title or interest to or in the Settlement Class Member Payment.

k. No person shall have any claim against the Released Persons, Plaintiff's Counsel, or any agent designated pursuant to this Agreement based upon any distributions made substantially in accordance with this Agreement or any Orders of the Court.

Gross Monetary Sum of Write-Offs

l. **State Laws Relating to Deficiency.** The parties acknowledge and agree that the Class members' claims are premised on state law which provides for a bar on the recovery of deficiency balances. The settlement consideration provided in this Agreement is determined by an application of state law.

m. **Write-Off of Class Members' Account Balances or Defendant's Deficiency Claims.** Promptly upon the Effective Date of this Agreement, KTCCU shall, with respect to all Settlement Class Members, close all accounts and write off any balances owed or claimed remaining as any deficiency on the Settlement Class Members' motor vehicle loans, including judgment balances, that are the subject of the Litigation. For purposes of determining the amount of any award to be made to the Plaintiff or Plaintiff's Counsel, the Deficiency Write-Off or the sum of all account balances and deficiency claims waived or written off pursuant to this paragraph is \$878,555.43 and shall be included as part of the Gross Settlement Fund.

n. **Satisfaction of Judgments.** As soon as practicable, upon Effective Date of this Agreement, KTCCU will, at its cost, file satisfactions of judgment for all members of the Class who have judgments entered against them that are the subject of the Litigation. For purposes of determining the amount of any award to be made to the Plaintiff or Plaintiff's Counsel, the Judgment Write-Off or the sum of all judgments deemed satisfied pursuant to this paragraph is \$0 and shall be included as part of the Gross Settlement Fund.

o. **Credit Reporting by KTCCU.** After receipt of a fully-executed copy of this Agreement, KTCCU will use its best efforts to request that the national credit reporting agencies (Experian, Equifax and TransUnion)(the "Credit Bureaus") delete any reporting of the trade line(s) with respect to the Settlement Class members' accounts concerning a motor vehicle loan or financing from KTCCU in connection with the Portfolio Management Program administered by Centrix Financial.

The parties acknowledge that Centrix Financial, Flatiron Financial and Peak5 and other servicers and the Credit Bureaus are separate entities from KTCCU. Accordingly, the Parties acknowledge that KTCCU cannot guarantee, warrant, or take responsibility for the performance of Centrix Financial, Flatiron Financial Peak5, or other servicers, or the Credit Bureaus with respect to changing, deleting, suppressing, or making entries regarding any credit information or other information regarding the Settlement Class Members' accounts concerning their motor vehicle loans or financing from KTCCU in connection with the Portfolio Management Program administered by Centrix Financial. Hopkins and the Settlement Class Members acknowledge that the Credit Bureaus' processes for acting on KTCCU's requests may take up to 120 days to be completed provided that KTCCU has undertaken its obligations set forth in this paragraph, Hopkins, and the Settlement Class Members hereby waive any and all claims, whether arising in

contract or tort, common law or statute, and/or federal or state law (including, but not limited to, claims for any damages, attorneys' fees and/or costs) against Released Parties that may arise subsequent to the date of this Agreement or which arise out of or relate to actions required to be taken by KTCCU pursuant to this provision. In the event that the trade line fails to get deleted or the trade line reporting reoccurs on any account in this Action after KTCCU's initial request, KTCCU's only responsibility will be to resubmit the trade line deletion request to the Credit Bureaus.

p. **Private-Letter Ruling.** Within 30 days of the execution of this Agreement KTCCU will submit, at its cost, a request for a Private Letter Ruling to the IRS, seeking guidance to support the parties' position that KTCCU is not required to file information returns with the IRS or furnish Forms 1099 to affected Settlement Class Members relating to relief being provided to such Class members pursuant to Paragraph 4(m) of this Agreement. Both parties shall assist in the drafting of such letter, to obtain the mutual goal of obtaining a favorable and beneficial ruling from the IRS. Should a dispute arise about the content of the letter, the parties shall make their best efforts to amicably resolve such dispute. Should the dispute not be resolved, the parties agree to submit the dispute to a mutually agreed upon third party tax attorney with private letter ruling experience for binding arbitration. KTCCU will refrain from filing Form 1096s and Form 1099s with the IRS and furnishing copies of Forms 1099 to affected Settlement Class Members with respect to the relief provided pursuant to paragraph 4(h) until the earlier of: (i) when KTCCU receives a response from the IRS communicating its view that such information returns must be filed with the IRS and such Forms 1099 must be furnished to affected Class members, or (ii) the reporting time period for 2011, which is no later than January 31, 2012. If, prior to the reporting time period for 2011, KTCCU receives a response from the

IRS communicating its view that such information returns and Forms 1099 need not be filed or furnished to affected Settlement Class Members, then KTCCU will permanently refrain from filing or furnishing such returns and forms.

5. Incentive Award and Attorney's Fees and Costs

a. Plaintiff Hopkins may petition the Court for the payment of an incentive award in a total amount not to exceed \$17,500 in recognition of services rendered for the benefit of the KTCCU Settlement Class throughout the course of the Litigation. Any such incentive award shall be in addition to the amount to be paid on his individual claims. The amount of any incentive award approved by the Court, and any interest attributable to said amount while in escrow, shall be deducted from the Gross Cash Fund. KTCCU will not object to Plaintiff Hopkins applying to the Court for and/or receiving an incentive award in the above-stated amount.

b. Plaintiff's Counsel and/or Plaintiff Hopkins may petition the Court for an award of litigation expenses and/or court costs not to exceed \$19,631.62. The amount of any such expense and/or award, and any interest attributable to said amount(s) while in escrow, shall also be deducted from the Gross Cash Fund. KTCCU will not object to Plaintiff's Counsel and/or Plaintiff Hopkins applying to the Court for, and receiving, an award of expenses and/or costs in the above amount.

c. Plaintiff's Counsel and/or Plaintiff Hopkins may also petition the Court for an award of attorney's fees which shall be a percent of the Gross Settlement Fund but shall not exceed eight hundred thousand dollars (\$800,000.00). The amount of any such fee award approved by the Court, and any interest attributable to said amount while in escrow, shall be deducted from the Net Settlement Fund to determine the Net Distributable Settlement Fund and

the individual KTCCU Settlement Class Member Payments. KTCCU will not object to Plaintiff's Counsel and/or Plaintiff Hopkins applying to the Court for, and receiving, an award of attorney's fees in the above amount.

d. Except as provided in this Paragraph 5, each Party shall bear its own attorney's fees, costs, and expenses incurred in the prosecution, defense, or settlement of the Litigation, and specifically, without limitation, Defendant KTCCU shall bear no other attorney's fees, court costs or expenses.

6. Releases

a. On the Effective Date, in exchange for the agreement by KTCCU to make available and pay the Gross Settlement Fund pursuant to the terms and conditions of this Agreement, and for other good and valuable consideration, Releasers, by operation of this Release and the judgment set forth in the Final Order and Judgment, shall be deemed without further action by any person or the Court (i) to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all of the Released Persons of and from any and all Released Claims; (ii) to have consented to dismiss with prejudice the Released Claims of the Releasers against the Released Persons in the Litigation; and (iii) to be forever barred and enjoined from instituting or further prosecuting in any forum whatsoever including, but not limited to, any state, federal, or foreign court, or regulatory agency, the Released Claims. The Parties agree that the Released Persons will suffer irreparable harm if any Settlement Class Member takes action inconsistent with this Paragraph 6(a), and that, in such event, the Released Persons may seek an injunction as to such action without further showing of irreparable harm.

b. The Releasers acknowledge and agree that they are aware that they may hereafter discover material or immaterial facts in addition to or different from those which they now know

or believe to be true with respect to the subject matter of this Release, but that it is their intention to, and they do hereby, upon the Effective Date of this Agreement, fully, finally and forever settle and release each and every of the Released Persons from each and every Released Claim, known or unknown, suspected or unsuspected, accrued or not accrued contingent or matured, which now exist, may hereafter exist, or may heretofore have existed, without regard to the subsequent discovery or existence of such different or additional facts.

c. Subject to Court approval, each Settlement Class Member shall be bound by this Agreement and all of their claims shall be dismissed with prejudice and released even if they never received actual, prior notice of the Litigation or the Settlement in the form of the Class Mail Notice or otherwise. The Release and agreements contained in this Paragraph 6 shall apply to and bind all Settlement Class Members, including those Settlement Class Members whose Class Mail Notices are returned as undeliverable, and those for whom no current address can be found, if any.

7. Representations and Stipulations

a. KTCCU represents, warrants and declares that:

(i) it has acted in good faith and has used its best efforts in identifying the members of the Settlement Class and in producing the Class Members' Retail Installment Contracts and Security Agreements and loan payment and servicing records on which the distribution of the individual Settlement Class Member Payments shown on Schedule A is based;

(ii) there are no members of the Settlement Class other than those identified on Exhibit E;

(iii) With respect to Plaintiff's claims in Counts 1, 2 and 3 of the First Amended Petition, Plaintiff's Supplemental Expert Witness Report dated September 24, 2010,

including attached Tables 1, 2 and 3, accurately sets forth the information found in the Class members' individual loan and loan servicing files and on their Retail Installment Contracts and Security Agreements and/or calculated by Plaintiff's experts based upon such information;

(iv) With respect to Plaintiff's claims in Count 1 of the First Amended Petition, that the total of all cash prices for the Class members was \$1,760,332.10; the total for all the finance charges for the Class members was \$1,1016,889.98; thus, the total for the claimed UCC statutory damages penalty (10% of the "cash price" plus the finance charge) for all Settlement Class Members, after deducting \$51,984.12 for the cost of any services contracts, would be \$1,187,724.78, as set forth in Table I of Plaintiff's Supplemental Expert Witness Report dated September 24, 2010;

(v) But for the "automatic bar" operation of law as enforced by this Settlement, the total amount that would have been due and owing from the Class members for "deficiencies" immediately after their repossession and sale was \$878,555.43, and such deficiencies would have run with interest at the contract annual percentage rates, which averaged approximately 18%;

(vi) According to KTCCU's court record search, no judgments were taken against Class Members. KTCCU states that it is possible that other litigation may have been taken against other Settlement Class Members but KTCCU is unaware of such actions; and

(vii) With respect to Plaintiff's claims in Count 2 of the First Amended Petition, Plaintiff and the Class Members make claims for monetary losses in the amount of \$821,105.32 (\$161,110.39 in down payments and \$659,904.93 in payments of principal and interest on the motor vehicle loans) and prejudgment interest amounts totaling \$365,410.00 (\$106,609.33 in prejudgment interest based upon their down payments and \$258,800.67 in

prejudgment interest based upon payments of principal and interest on their loans), totaling \$1,186,425.32, and as set forth in Table 2 of Plaintiff's Supplemental Expert Witness Report dated September 24, 2010.

b. Upon the Effective Date, the following stipulations shall be made:

i. No Privilege Waiver. Each Party stipulates and acknowledges that neither this Agreement nor a Party's decision to negotiate and/or execute the Agreement can be used to show or establish that a Party's conduct during this Litigation, including that of counsel, gives rise to or constitutes a waiver of the attorney-client, common interest or joint defense privilege or work product doctrines.

ii. Use of Discovery Information. The Parties agree to comply with the terms of the Stipulated Protective Order entered November 12, 2008, except as the Parties have previously agreed or may hereafter agree.

c. Plaintiff's Counsel represents and warrants to KTCCU that they have not been retained by any existing client to commence a new lawsuit or pursue any claims or right of relief against KTCCU with respect to any of the Released Claims. In addition, Plaintiff's Counsel agree that they will not solicit the right to legally represent any member or members of the Settlement Class who opt(s) out of the Settlement Class and Settlement with respect to the Released Claims, but this agreement does not (and shall not) in any way prohibit or restrict Plaintiff's Counsel from undertaking such representation if requested by any such member of the Settlement Class.

d. Claims Against Loan Servicers. This Agreement is not intended, nor should it be construed, to affect or limit the claims any of the Parties may have in *In re Centrix Financial, L.L.C.*, pending in the United States Bankruptcy Court for the District of Colorado, Case No. 06-

16403.

8. Preliminary Approval Order

The Parties shall promptly move the Court in the Litigation for a Preliminary Approval Order substantially similar to **Exhibit B** that accomplishes the following:

a. Certifying the proposed Settlement Class pursuant to Federal Rule 23 for settlement purposes;

b. Preliminarily approving the Agreement as fair, reasonable and adequate under Federal Rule 23 subject to a final determination by the Court;

c. Approving the appointment of Plaintiff Hopkins as representative of the Settlement Class;

d. Approving the appointment of Plaintiff's Counsel as counsel for the Settlement Class;

e. Approving a form of mailed notice substantially similar to the Class Mail Notice attached hereto as **Exhibit A** to be sent to the members of the Settlement Class shown on **Exhibit E**;

f. Directing Plaintiff's Counsel to mail the Class Mail Notice promptly after entry by the Court of the Preliminary Approval Order to the Settlement Class by first-class mail to the last known address of such persons;

g. Scheduling a hearing on final approval of this Agreement;

h. Establishing a procedure for members of the Settlement Class to opt out and setting a date, approximately thirty (30) days after the mailing of class notice, after which no member of the Settlement Class shall be allowed to opt out of the Settlement Class;

i. Establishing a procedure for the members of the Settlement Class to appear and/or

object to the Settlement and setting a date, approximately thirty (30) days after the mailing of the Class Mail Notice, after which no member of the Settlement Class shall be allowed to object;

j. Containing such other and further provisions consistent with the terms and provisions of this Agreement as the Court may deem advisable.

9. Opt Outs and Objections By Members of the Settlement Class

a. Procedure for Opt Outs. The deadline for opt out requests shall be set forth in the Preliminary Approval Order. Any request to opt out must be in writing and must include the name, address, telephone number, and last four digits of the Social Security Number of the Settlement Class Member seeking to opt out and a statement that the Settlement Class Member and all other borrowers named on the Settlement Class Member's Retail Installment Contract and Security Agreement are seeking exclusion. Any opt out request must be personally signed by each person who was a party to the Retail Installment Contract and Security Agreement in connection with the Settlement Class Member's motor vehicle purchase, unless such person is deceased. In the event a party to the Retail Installment Contract and Security Agreement is deceased, a copy of the death certificate for such person shall be submitted with the opt out request. Any opt out request must include a reference to "*Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF" and be mailed to:

R. Fredrick Walters
Garrett M. Hodes
Walters Bender Strohbehn & Vaughan, P.C.
2500 City Center Square
1100 Main Street
Kansas City, Missouri 64105

(on behalf of the Settlement Class)

and

William E. Hanna

Marc D. McKay
STINSON MORRISON HECKER LLP
1201 Walnut, Suite 2900
Kansas City, Missouri 64106-2150

(on behalf of Defendant KTCCU)

To be considered timely and effective, any opt out request must be received on or prior to the date established by the Court in the Preliminary Approval Order. No member of the Settlement Class may opt out by having a request to opt-out submitted by an actual or purported agent or attorney acting on behalf of the Class member. No opt out request may be made on behalf of a group of Settlement Class Members. Each member of the Settlement Class who does not submit an opt out request substantially in compliance with this Paragraph 9 shall be included in the Settlement Class and deemed a Settlement Class Member. For purposes of determining timeliness, an opt out request shall be deemed to have been submitted when received by either Class Counsel or Defendant's Counsel. Class Counsel shall provide to the Court, on or before the date of the Final Approval Hearing, a list of all persons who have timely and adequately filed a request to be excluded from the Settlement.

b. Effect of Opt Outs By Members of the Settlement Class. If Settlement Class member opt outs result in the exclusion from the settlement of 5 or more Settlement Class Member, KTCCU, in its sole discretion, may either rescind this Agreement, in which event each and every obligation under the Agreement shall cease to be of any force and effect, and this Agreement and any orders entered in connection therewith shall be vacated, rescinded, canceled, and annulled, or may obtain a *pro rata* reduction of the Net Distributable Settlement Cash Fund. If KTCCU exercises this option, the Parties shall return to the status quo in the Litigation as if the Parties had not entered into this Agreement. In addition, and in such event, this Agreement and all negotiations, court orders and proceedings relating thereto, shall be without prejudice to

the rights of the Parties, and each of them, and evidence of or relating to the Agreement and all negotiations shall not be admissible or discoverable in the Litigation or otherwise. KTCCU must exercise its option pursuant to this Paragraph 9(b) at least ten (10) business days prior to the Final Hearing Date, by giving written notice of such exercise to Plaintiff's Counsel.

c. Procedure for Objections to Settlement. Any member of the Settlement Class who wishes to object to the Settlement or to the incentive awards or the awards of expenses, costs and/or attorney's fees must file a written notice of objection, including supporting papers as described further below (hereinafter collectively referred to as the "Notice of Objection"), with the Court on or prior to the date established by the Court in the Preliminary Approval Order. For purposes of determining timeliness, a Notice of Objection shall be deemed to have been submitted when received and filed by the Clerk of Court. Copies of the Notice of Objection must also be mailed to the following on or prior to the date established by the Court in the Preliminary Approval Order, which shall be no later than ten (10) days prior to the Final Hearing Date:

R. Fredrick Walters
Garrett M. Hodes
Walters Bender Strohbahn & Vaughan, P.C.
2500 City Center Square
1100 Main Street
Kansas City, Missouri 64105

(on behalf of the Settlement Class)

and

William E. Hanna
Marc D. McKay
STINSON MORRISON HECKER LLP
1201 Walnut, Suite 2900
Kansas City, Missouri 64106-2150

The Notice of Objection must be in writing, and shall specifically include:

- (i) The name, address, and telephone number of the Class member filing the

objection;

- (ii) A statement of each objection asserted;
- (iii) A detailed description of the facts underlying each objection;
- (iv) Any loan documents in the possession or control of the objector and relied upon by the objector as a basis for the objection;
- (v) If the objector is represented by counsel, a detailed description of the legal authorities supporting each objection;
- (vi) If the objector plans to utilize expert opinion and/or testimony as part of the objection(s), a written expert report from all proposed experts;
- (vii) If the objector plans to call a witness or present other evidence at the hearing, the objector must state the identity of the witness and identify any documents by attaching them to the objection and provide any other evidence that the objector intends to present;
- (viii) A statement of whether the objector intends to appear at the hearing; and
- (ix) A copy of any exhibits which the objector may offer during the hearing.
- (x) A reference to “*Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF.”

Attendance at the final hearing is not necessary. Any member of the Settlement Class who does not make his or her objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, adequacy, or reasonableness of the proposed settlement or any other provision of this Agreement.

10. Final Approval Order and Final Judgment

a. Plaintiff Hopkins and Plaintiff’s Counsel agree that they will request the Court to enter, after the hearing on final approval of this Agreement, an Order substantially in the form attached as **Exhibit C**. In accordance with **Exhibit C**, the Final Approval Order will certify the Settlement Class and find that this Agreement is fair, reasonable, and adequate and in the best

interest of the Settlement Class. The Final Approval Order will require the Parties to carry out the provisions of this Agreement.

b. Plaintiff Hopkins and Plaintiff's Counsel agree that they will request the Court to enter a Final Judgment in the Litigation in a form substantially the same as that attached as **Exhibit D** after the Final Approval Hearing. In accordance with **Exhibit D**, the Final Judgment will dismiss all claims and motions of the Settlement Class Members pending against KTCCU in the Litigation on the merits and with prejudice as to the Releasers, declare that the Settlement Class Members are bound by the Releases set forth in Paragraph 6 of this Agreement, and reserve continuing jurisdiction over the enforcement of this Agreement and the administration and distribution of the Settlement Funds.

11. Certifications to the Court

a. On or before the Final Hearing Date, Plaintiff's Counsel shall file with the Court in the Litigation an affidavit verifying that the court-approved Class Mail Notices have been sent by first-class mail.

b. On or before the Final Hearing Date, Plaintiff's Counsel shall file with the Court an affidavit verifying that they have complied with the procedures described in Paragraph 14(a) with respect to all Class Mail Notices returned as undeliverable.

12. Effectiveness of Settlement Agreement

The "Effective Date" of this Agreement shall be the date when each and all of the following conditions have occurred:

a. This Agreement has been signed by the Plaintiff Hopkins, KTCCU, Plaintiff's Counsel, and Defendant's Counsel; and

b. A Preliminary Approval Order has been entered by the Court in a form substantially similar to that attached as **Exhibit B**, granting preliminary approval of this Agreement, and approving a form of Class Mail Notice, as provided in Paragraph 8; and

c. The Court-approved Class Mail Notices have been duly mailed to the Settlement Class as ordered by the Court in the Litigation; and

d. A Final Approval Order has been entered by the Court in a form substantially similar to that attached as **Exhibit C** as provided in Paragraph 10(a); and

e. A Final Judgment has been entered by the Court, in a form substantially similar to that attached as **Exhibit D**, as provided in Paragraph 10(b); and

f. The Final Approval Order and the Final Judgment entered as provided in Paragraphs 10(a) and 10(b) have become final because of (i) the expiration of the time for appeals therefrom without any appeal having been taken or, (ii) if review of the order, or any portion thereof, is sought by any person, the matter has been fully and finally resolved by the appellate court(s) and the time for seeking any higher level of appellate review has expired.

g. If any material portion of the Agreement, the Final Approval Order, or the Final Judgment is vacated, modified, or otherwise altered on appeal, any Party may, in its sole discretion, within seven (7) calendar days of such appellate ruling, declare that the Agreement has failed to become effective and in such circumstances the Agreement shall cease to be of any force and effect as provided in Paragraph 13.

13. Failure of Condition

If, for any reason, this Agreement fails to become effective pursuant to Paragraph 12, the orders, judgment, and dismissal to be entered pursuant to this Agreement shall be null and void or otherwise vacated, and the Parties will be returned to the status quo prior to entering into this Agreement with respect to the Litigation as if this Agreement had never been entered into. In addition, in such event, the Agreement and all negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of any and all parties hereto, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Litigation or otherwise.

14. Class Notice Forms

a. **Exhibit E** constitutes a list of the members of the Settlement Class to whom notice pursuant to this Agreement shall be provided. Prior to mailing, Plaintiff's Counsel will update the addresses by use of the United States Postal Service's National Change of Address database or another address database service (e.g., Accurint, Intelius). Plaintiff's Counsel will re-mail any returned notices to any new address disclosed. To the extent any notice is returned a second time, Plaintiff's Counsel shall undertake reasonable efforts to locate current addresses for said Settlement Class Member(s). The notices shall be mailed within five (5) days of the Preliminary Approval Order.

b. Subject to Court approval, all Settlement Class Members shall be bound by this Agreement and the Released Claims shall be dismissed with prejudice and released, even if a Settlement Class Member never received actual notice of the Litigation or the Settlement. Further, the Parties expressly acknowledge and agree that a Final Judgment shall be entered by

the Court dismissing the Released Claims and barring the relitigation of the Released Claims as provided herein, regardless of whether they were actually asserted, to the fullest extent of the law and that any dismissal order or judgment shall be entitled to Full Faith and Credit in any other court, tribunal, forum, including arbitration fora, or agency.

15. General Provisions

a. Entire Agreement. This Agreement constitutes the full, complete and entire understanding, agreement and arrangement of and between the Plaintiff Hopkins and the Settlement Class Members and KTCCU with respect to the Settlement and the Released Claims against the Released Persons. This Agreement supersedes any and all prior oral or written understandings, agreements, and arrangements between the Parties with respect to the Settlement and the Released Claims against the Released Persons. Except for those set forth expressly in this Agreement, there are no agreements, covenants, promises, representations or arrangements between the Parties with respect to the Settlement and/or the Released Claims against the Released Persons.

b. Modification in Writing. This Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by all Parties. This Agreement may not be amended, altered, modified or waived, in whole or in part, orally.

c. Ongoing Cooperation. The Parties hereto shall execute all documents and perform all acts necessary and proper to effectuate the terms of this Agreement. The execution of documents must take place prior to the Final Hearing Date.

d. Duplicate Originals/Execution in Counterpart. All Parties, Plaintiff's Counsel and Defendant's Counsel shall sign two copies of this Agreement and each such copy shall be considered an original. This Agreement may be signed in one or more counterparts. All

executed copies of this Settlement Agreement, and photocopies thereof (including facsimile copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

e. No Reliance. Each Party to this Agreement warrants that he, she or it is acting upon his, her, or its independent judgment and upon the advice of his, her, or its own counsel and not in reliance upon any warranty or representation, express or implied, of any nature or kind by any other party, other than the warranties and representations expressly made in this Agreement.

f. Governing Law. This Agreement shall be interpreted, construed, enforced, and administered in accordance with the laws of the state of Missouri, without regard to conflict of laws rules. This Agreement shall be enforced in the United States District Court for the Western District of Missouri. KTCCU, Plaintiff Hopkins and the Settlement Class Members waive any objection that each such party may now have or hereafter have to the venue of such suit, action, or proceeding and irrevocably consent to the jurisdiction of the United States District Court for the Western District of Missouri in any such suit, action or proceeding, and agree to accept and acknowledge service of any and all process which may be served in any such suit, action or proceeding.

g. Reservation of Jurisdiction. Notwithstanding the dismissal of and entry of a judgment on the Released Claims, the Court shall retain jurisdiction for purposes of enforcing the terms of this Agreement.

h. Binding on Successors. This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal representatives.

i. Mutual Preparation. This Agreement shall not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that because of the arm's length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

j. Gender Neutrality. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, and the singular shall include the plural and vice versa.

k. Taxes. All Settlement Class Members shall, as necessary given, be responsible for paying and/or reporting any and all federal, state and local income taxes due on the payments made to them pursuant to the Settlement.

l. No Other Financial Obligations on KTCCU. KTCCU shall not be liable or obligated to pay any fees, expenses, costs or disbursements to Plaintiff Hopkins, Plaintiff's Counsel or the Settlement Class Members, either directly or indirectly, in connection with the Litigation or the administration of this Agreement, other than the amounts expressly provided for herein. Any miscellaneous settlement administration expenses of any kind shall be advanced by Plaintiff's Counsel and reimbursed from the Settlement Funds, subject to the Court's approval.

m. Authority. With respect to themselves, each of the Parties to this Agreement represents, covenants and warrants that (a) they have the full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement and (b) the person executing this Agreement has the full right, power and authority to enter into this Agreement on behalf of the party for whom he/she has executed this Agreement, and the full right, power and authority to

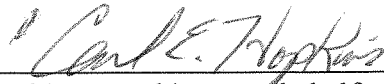
execute any and all necessary instruments in connection herewith, and to fully bind such party to the terms and obligations of this Agreement.

n. Exhibits. The exhibits attached to this Agreement are incorporated herein as though fully set forth.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have caused this Agreement to be executed as of this _____ day of _____, 2011.

Dated: 1-28, 2011

CECIL E. HOPKINS



Cecil E. Hopkins, on his own behalf and on behalf of the Settlement Class Members.

KANSAS TEACHERS COMMUNITY CREDIT UNION

Dated: _____, 2011

By: _____

Title: _____

Plaintiff's Counsel

Dated: _____, 2011

By: _____

Defendant's Counsel

Dated: _____, 2011

By: _____

execute any and all necessary instruments in connection herewith, and to fully bind such party to the terms and obligations of this Agreement.

n. Exhibits. The exhibits attached to this Agreement are incorporated herein as though fully set forth.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have caused this Agreement to be executed as of this 4th day of Feb., 2011.

CECIL E. HOPKINS

Dated: _____, 2011

Cecil E. Hopkins, on his own behalf and on behalf of the Settlement Class Members.

KANSAS TEACHERS COMMUNITY CREDIT UNION

Dated: 2 4, 2011

By: *Paul Holant*

Title: *President*

Plaintiff's Counsel

Dated: _____, 2011

By: _____

Defendant's Counsel

2-4
Dated: _____, 2011

By: *William H. ...*

execute any and all necessary instruments in connection herewith, and to fully bind such party to the terms and obligations of this Agreement.

n. Exhibits. The exhibits attached to this Agreement are incorporated herein as though fully set forth.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have caused this Agreement to be executed as of this _____ day of _____, 2011.

CECIL E. HOPKINS

Dated: _____, 2011

Cecil E. Hopkins, on his own behalf and on behalf of the Settlement Class Members.

KANSAS TEACHERS COMMUNITY CREDIT UNION

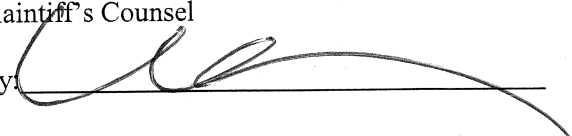
Dated: _____, 2011

By: _____

Title: _____

Plaintiff's Counsel

Dated: Feb. 4, 2011

By:  _____

Defendant's Counsel

Dated: _____, 2011

By: _____

EXHIBITS AND SCHEDULES

Schedule A – Proposed Distribution Schedule of Net Distributable Settlement Fund/
Settlement Class Member Payments

Exhibit A – Class Mail Notice

Exhibit B – Preliminary Approval Order

Exhibit C – Final Approval Order

Exhibit D – Final Judgment

Exhibit E – Settlement Class List

SCHEDULE A

**Filed under Seal pursuant to
Protective Order**

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI**

CECIL E. HOPKINS,

individually, and on behalf of a Class of all
others similarly situated,

Plaintiff,

vs.

KANSAS TEACHERS COMMUNITY
CREDIT UNION,

Defendant

vs.

MARATHON ROTHSCHILD CREDIT
UNION, et al.,

Third Party Defendants.

Case No. 08-5052-CV-SW-GAF

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
AND OF SETTLEMENT HEARING**

A Court authorized this Notice. This is not a solicitation from a lawyer.

This Notice may affect your rights. Please read it carefully!

**YOU ARE A MEMBER OF A CLASS OF PERSONS
WHO OBTAINED A MOTOR VEHICLE LOAN OR FINANCING FROM THE**

KANSAS TEACHERS COMMUNITY CREDIT UNION

IN CONNECTION WITH THE

CENTRIX FINANCIAL PORTFOLIO MANAGEMENT PROGRAM

**YOU MAY BE ENTITLED TO RECEIVE A SUBSTANTIAL MONETARY PAYMENT
AND OTHER RELIEF IN CONNECTION WITH A CLASS ACTION SETTLEMENT.**

*Class Members who do not exclude themselves from the settlement will receive a
monetary payment ranging from an estimated \$4,317 to \$22,895 (and \$9,315 on average) in*

addition to other relief pursuant to a class action settlement reached with Kansas Teachers Community Credit Union.

You can review what plaintiff's counsel currently estimates the amount of their "Kansas Teachers Community Credit Union Settlement Class Member Payment" to be by visiting the website of plaintiffs' counsel, www.wbsvlaw.com, and clicking on the link "KTCCU Settlement."

I. GENERAL INFORMATION

A. What is this Lawsuit About?

A class action lawsuit was commenced on March 13, 2008 by Mr. Cecil E. Hopkins in the Circuit Court of Jasper County, Missouri alleging violations of Missouri law by the Kansas Teachers Community Credit Union, formerly known as the Kansas Teachers Credit Union, with respect to motor vehicle loans made to Missouri residents and repossessions occurring in connection with those loans. The lawsuit is now pending in the United States District Court for the Western District of Missouri, before the Honorable Gary A. Fenner. On February 18, 2010 the Court issued an order certifying this matter as a class action lawsuit. A Notice of Class Action was mailed to you in March 2010.

The Plaintiff filed the lawsuit on his own behalf, and on behalf of a proposed Class of other persons (1) who obtained motor vehicle loans or financing from the Kansas Teachers Community Credit Union in connection with a "Portfolio Management Program" administered by Centrix Financial, LLC; and (2) who were issued Certificates of Title by the State of Missouri that identified the Kansas Teachers Community Credit Union as the "lienholder," and (3) had said motor vehicle repossessed.

In his lawsuit, the Plaintiff alleges, among other things, that the Kansas Teachers Community Credit Union violated certain provisions of the Missouri Uniform Commercial Code, Mo. Rev. Stat. §§ 400.1-101, *et seq.*, after it repossessed his and the Class members' motor vehicles by failing to send notices containing specific information as required by the Uniform Commercial Code.

Plaintiff also alleges that the Kansas Teachers Community Credit Union violated Missouri's Merchandising Practices Act by the commission of a number of unlawful and deceptive practices in connection with its motor vehicle financing program and repossession activities, including the targeting of subprime borrowers, the assessment of hidden finance charges and fees in connection with the borrower loans which were used to make undisclosed payments to Centrix Financial and the motor vehicle dealers and to purchase undisclosed insurance protecting it from borrower defaults.

Plaintiff also alleges that the conduct of the Kansas Teachers Community Credit Union was outrageous, willful, wanton and malicious, and otherwise showed a complete indifference to and conscious disregard of the rights of Plaintiff and the other members of the Class such that punitive damages are appropriate and warranted. KTCCU denies that it is responsible or liable for any damages to Plaintiff or the Class in the lawsuit.

B. Who is the Class Representative?

As part of its certification order, the Court designated the named Plaintiff in this lawsuit, Mr. Cecil E. Hopkins, to act as the Representative of the Class.

C. Who is Counsel for the Class?

The Court has appointed R. Frederick Walters, J. Michael Vaughan, Kip D. Richards, and Garrett M. Hodes of the law firm, Walters Bender Strohhahn & Vaughan, P.C., as Counsel for the Class. The address of Class Counsel is:

Walters Bender Strohhahn & Vaughan, P.C.
2500 City Center Square
1100 Main Street
Kansas City, Missouri 64105
(816) 421-6620
(816) 421-4747 (Facsimile)
www.wbsvlaw.com

D. Who is the Defendant in this Lawsuit?

The Kansas Teachers Community Credit Union (formerly known as the Kansas Teachers Credit Union) is the Defendant in this lawsuit.

The Kansas Teachers Community Credit Union expressly denies any wrongdoing as alleged by the Plaintiff and denies that the Plaintiff is entitled to any relief.

E. Are there other parties to this Lawsuit?

After being named as a Defendant in this lawsuit, the Kansas Teachers Community Credit Union sued the following associations and entities in a “third-party complaint”: Marathon Rothschild Credit Union, United Catholic Credit Union, Advancial Federal Credit Union, and the successor to Centrix Financial and a subsequent loan servicer, Peak5, now known as Flatiron Financial. The Kansas Teachers Community Credit Union alleges that these third-party defendants are responsible to the Kansas Teachers Community Credit Union for part of any damages that the Kansas Teachers Community Credit Union is ordered to pay to the Plaintiff and the Class in this lawsuit.

Marathon Rothschild Credit Union, United Catholic Credit Union, Advancial Federal Credit Union, and Flatiron Financial are called “Third-Party Defendants” in this lawsuit. Flatiron Financial has not appeared in this lawsuit or defended itself against the Third-Party Complaint filed by the Kansas Teachers Community Credit Union.

Marathon Rothschild Credit Union, United Catholic Credit Union, and Advancial Federal Credit deny that they are responsible to the Kansas Teachers Community Credit Union for any damages they are ordered to pay to the Plaintiff and the Class in this lawsuit.

II. WHY ARE YOU RECEIVING THIS NOTICE?

Plaintiff Cecil Hopkins, as a member and representative of the Class, and Kansas Teachers Community Credit Union have now agreed to settle and resolve the lawsuit as between them on terms that are summarized in this Notice. The complete details of the proposed Settlement are contained in a “Settlement Agreement and Release” (the “Agreement”) that the Plaintiff and Kansas Teachers Community Credit Union (hereinafter collectively, the “Parties”) filed with the Court.

On _____, 2011, the Court preliminarily approved the proposed settlement as fair, reasonable, and adequate. The Court will conduct a “fairness hearing” on _____, 2011 to consider, among other things, whether the settlement should be finally approved. The proposed settlement will become effective only if it is finally approved by the Court.

This Notice is merely to tell you about this Class Action Settlement and to inform you of your rights and options as a member of the Settlement Class. According to the parties’ records, you are a member of the Settlement Class and will be covered by the settlement.

How is the Settlement Class Defined?

The Settlement Class includes all persons who:

- (1) obtained a motor vehicle loan or financing from Defendant Kansas Teachers Community Credit Union in conjunction with the PMP (“Portfolio Management Program”) administered by Centrix Financial; and
- (2) obtained a Missouri Certificate of Title for that motor vehicle identifying Defendant Kansas Teachers Community Credit Union as the lienholder; and
- (3) had said motor vehicle repossessed.

III. THE TERMS OF THE PROPOSED SETTLEMENT

As noted, the proposed settlement will only become effective if approved by the Court. If the proposed settlement is approved, the Court will enter a judgment that releases and discharges Kansas Teachers Community Credit Union and certain other persons from all claims that were or could have been asserted against them in the lawsuit. The claims released in connection with the settlement are further discussed and set out in Section VII of this Notice.

The following is only a summary of some of the terms and conditions of the proposed settlement. For more information, you may obtain a copy of the executed Agreement by contacting Plaintiff’s Counsel at the address listed on this Notice, or by visiting the website of Plaintiff’s Counsel, www.wbsvlaw.com, and clicking on the link “Kansas Teachers Community Credit Union Settlement.”

In connection with the settlement, Kansas Teachers Community Credit Union has agreed to provide the Class Members with the following benefits (“the Gross Settlement Fund”):

A. *Gross Cash Fund:* The Kansas Teachers Community Credit Union has agreed to make a monetary payment of \$1,750,000.00 to the Class. This amount is the “Gross Cash Fund.”

The Gross Cash Fund will be used to pay (1) each “Settlement Class Member Payment”; (2) Plaintiff’s litigation costs and expenses; (3) an incentive award to Plaintiff; and (4) Plaintiff’s Counsel’s attorneys’ fees.

B. *Gross Monetary Sum of Write-Offs:*

1. **Deficiency Write-Off.** In connection with the settlement, the Kansas Teachers Community Credit Union will close all accounts and write off any balances owed or that are claimed to be remaining as a deficiency on the Settlement Class Members’ motor vehicle loans, including judgment balances, in connection with their motor vehicle loan or financing from KTCCU in connection with the Portfolio Management Program. The sum of account or deficiency balances that are being written off or waived is: \$878,555.43. This amount is called the “Deficiency Write-Off.”

2. **Judgment Write-Off.** In connection with the settlement, the Kansas Teachers Community Credit Union will, at its cost, file satisfactions of judgment for all members of the Class who have judgments entered against them in connection with their motor vehicle loan or financing from KTCCU in connection with the Portfolio Management Program. This amount is called the “Judgment Write-Off.”

3. **Credit Bureau Reporting.** In connection with the settlement, the Kansas Teachers Community Credit Union will use its best efforts to request that the national credit reporting agencies delete any reporting of the trade line(s) associated with the Settlement Class Members’ Kansas Teachers Community Credit Union accounts that relate to the Portfolio Management Program.

4. **IRS Private Letter Ruling.** In connection with the settlement, the Kansas Teachers Community Credit Union will request a Private Letter Ruling from the IRS supporting the parties’ position that the Settlement Class Members are not obligated to report the amount of any Deficiency Write-Off or Judgment Write-Off received by them pursuant to this settlement. Notwithstanding this relief, Settlement Class Members will also be responsible for paying any taxes determined to be due on any Settlement Class Member Payment received. Settlement Class Members are strongly encouraged to consult with their own tax concerning the tax effects of any money received pursuant to this Settlement. Plaintiff’s Counsel cannot provide you with any tax advice.

How Much Money Will I Receive?

If the Court approves the proposed Settlement, the members of the Settlement Class who do not exclude themselves from the Settlement will receive a “Settlement Class Member Payment” ranging from an estimated **\$4,317.15 to \$22,895.11 (and \$9,314.98 on average)**.

The amount of each “Settlement Class Member Payment” is calculated as the *pro rata* share of the “Net Distributable Settlement Fund.” It is determined for each Settlement Class Member loan based on the sum of the following amounts:

- (1) The statutory damages available for violations of Missouri’s Uniform Commercial Code, at §400.9-625 RSMo. This figure is based upon the approximate amount financed and the finance charge imposed in connection with the loan as set forth on your Retail Installment Contract and Security Agreement; and
- (2) The damages claimed for violations of Missouri’s Merchandising Practices Act, at §407.025 RSMo. This figure is based on the amount paid by you in connection with your loan by way of a down payment, or installment payments and the date of your loan and repossession.

The “Net Distributable Settlement Fund” is determined by deducting the following amounts from the “Gross Cash Fund”:

- (1) The amount of any incentive award made to the Plaintiff Cecil Hopkins by the Court;
- (2) The amount of any litigation expenses and/or court costs awarded to Plaintiff’s Counsel by the Court; and
- (3) The amount of attorneys’ fees awarded to Plaintiff’s Counsel by the Court.

The “Net Distributable Settlement Fund” is estimated to be \$912,868.38.

The amount of the incentive, expense and attorney’s fees awards that the Plaintiff and Plaintiff’s Counsel will ask the Court to approve and make are explained in Section VI of this Notice. The Plaintiff and Plaintiff’s Counsel will ask the Court to award them a percentage of the Gross Settlement Fund, in an amount not to exceed \$800,000, as an attorney’s fee award to Plaintiff’s Counsel for their services and work in this case and the Settlement with Kansas Teachers Community Credit Union.

Settlement Class Members can review what Plaintiff’s Counsel currently estimates the amount of their individual Settlement Class Member Payment to be by visiting the website of Plaintiffs’ Counsel, www.wbsvlaw.com, and clicking on the link “Kansas Teachers Community Credit Union Settlement.”

If the Court approves the Settlement, the members of the Settlement Class who do not exclude themselves from the Settlement will receive their Settlement Class Member Payment for the loan by check. The check will be mailed by Plaintiff's Counsel and will not come from Kansas Teachers Community Credit Union directly. Joint borrowers, such as a husband and wife, will receive a single payment per loan, notwithstanding any separation or divorce. Any Settlement Class Member who receives a payment under the Settlement is personally and solely responsible for distributing or allocating the payment between or among any co-borrower(s), or any persons having received an assignment by operation of law or otherwise of the right, title or interest of or to the Settlement Class Members Payment, regardless of whether the check is made payable to all, none or only some of the Settlement Class Member's co-borrowers and/or assignees.

IV. YOUR OPTIONS WITH RESPECT TO THE SETTLEMENT

You have a choice. You can remain a member of the Class and recover the settlement benefits *or* you have the right to exclude yourself from the Class so that you do not recover the settlement benefits. You may also enter an appearance in the action or you may seek to intervene directly in this lawsuit through your own independently-retained attorney at your own expense. Each of these choices has consequences, which you should understand before making your decision.

A. *What do I need to do to participate in the Settlement?*

Nothing. You are currently a member of the Settlement Class and will participate in the Settlement and will receive the estimated sum as stated above unless you exclude yourself from the Settlement in accordance as set forth below.

If you change your address, please contact Plaintiff's Counsel at the address provided below.

B. *Can I exclude myself from the settlement?*

Yes. The Court will exclude from the Class any member who requests exclusion. If you exclude yourself from the Settlement, you will ***not*** receive any payment from the Settlement Fund, and you will ***not*** be bound by any Final Order and Judgment entered in the case with respect to the Settlement Class. You will be free to continue pursuing whatever legal rights or claims you may have against the Kansas Teachers Community Credit Union and others.

To exclude yourself from the Settlement, you must send a request for exclusion by first-class mail, postage prepaid, to Plaintiffs' Counsel and Defendant's Counsel as set forth below:

Class Counsel:
R. Frederick Walters
Garrett M. Hodes
Walters Bender Strohbehn & Vaughan, P.C.
2500 City Center Square

1100 Main Street
Kansas City, Missouri 64105

Counsel for Defendant Kansas Teachers Community Credit Union:

William E. Hanna
Marc D. McKay
STINSON MORRISON HECKER LLP
1201 Walnut, Suite 2900
Kansas City, Missouri 64106-2150

To be effective, your request for exclusion must be in writing and be **received** by Plaintiff's Counsel and Defendant's Counsel at the addresses below on or before _____, **2011**. The request for exclusion must include: (a) your name, address, telephone number and the last four digits of your social security number; (b) a statement that you and all other borrowers named on the promissory note for your loan are seeking exclusion from the Settlement; (c) your signature and the signature of any other borrower(s) named on the promissory note for your loan; and (d) a reference to "*Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF"

The request for exclusion must be signed personally by you and any other borrower(s) named on the Retail Installment Contract and Security Agreement for your loan or the personal representative of any such person if deceased or legally incompetent. No request for exclusion may be made on behalf of a group of Settlement Class Members. Nor may any member of the Settlement Class opt out or exclude himself or herself from the Settlement Class by having an agent or attorney sign and submit an exclusion request form on his or her behalf. A request for exclusion form must be signed personally by you and any other borrower(s) named on the promissory note for your loan.

If the request for exclusion is not timely received, or if you choose not to exclude yourself from the Settlement, you will be included in the Settlement Class and will be bound by any Final Order and Judgment entered with respect to the Settlement Class. You also will be legally bound by the proposed Settlement if it is approved, including the provisions releasing Kansas Teachers Community Credit Union and certain other entities from the Released Claims, as is more fully described in the Agreement.

If you want to receive a Settlement Class Member payment as described above in Section III of this Notice, do **not** submit a request for exclusion.

V. WHY, WHEN AND WHERE WILL A FAIRNESS HEARING BE HELD?

A hearing on whether to grant final approval of the settlement will be held before the Honorable Gary A. Fenner of the United States District Court for the Western District of Missouri on _____, **2011**, at _____ **.m.**, _____ in the Charles Evans Whittaker Courthouse, 400 East Ninth Street, Kansas City, Missouri 64106 (the "Fairness Hearing").

There is no need for you to attend the Fairness Hearing if you simply wish to benefit from the proposed settlement.

The purpose of the Fairness Hearing is to determine, among other things: (a) whether the terms and conditions of the Settlement are fair, reasonable and adequate; (b) whether Plaintiff Cecil E. Hopkins (the “Named Plaintiff”) is an adequate representative of the Settlement Class; (c) whether Plaintiff’s Counsel is entitled to attorney’s fees and expenses and, if so, how much; (d) whether the Named Plaintiff should be entitled to a payment for his services and, if so, how much; and (e) whether the Final Order and Judgment should be entered dismissing the Lawsuit with prejudice on the merits as to Defendant Kansas Teachers Community Credit Union. The Court has the power to adjourn or reschedule the Fairness Hearing from time to time without further notice of any kind.

At the Fairness Hearing, the Court will consider the statements of the parties and any objections that may have been made. Any member of the Settlement Class who has not filed a timely written Request for Exclusion has the right to object to the proposed Settlement. If you want to object, you must file a written objection with the Clerk of Court for the United States District Court for the Western District of Missouri, Charles Evans Whittaker Courthouse, 400 East Ninth Street, Kansas City, Missouri 64106 no later than _____, **2011**.

All persons wishing to object must also send a copy of their written objection to Plaintiffs’ Counsel and Defendant’s Counsel (the names and addresses are set forth above). The objection must include: (a) your name, address, and telephone number; (b) a statement that you object to the proposed Settlement; (c) a specific statement explaining why you object to the proposed Settlement; (d) copies of all documents you wish the Court to consider in connection with your objection; (e) the names of all witnesses, and the report from any proposed experts you intend to call at the Fairness Hearing; (f) copies of any other loan documents upon which you rely for your objection; (g) if the objector is represented by counsel, a detailed description of the legal authorities supporting each objection; and (h) a reference to “*Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF.”

Any member of the Settlement Class who has not filed a timely written request for exclusion has the right to appear and/or enter an appearance at the Fairness Hearing. If you wish to appear at the hearing you or your attorney must: (a) file a Notice of Appearance with the Clerk of Court no later than _____, **2011**; and (b) serve the Notice of Appearance on Plaintiff’s Counsel and Defendant’s Counsel. Any subjects to be raised at the Fairness Hearing must be contained in a written objection filed with the Court in the manner set out above. If you wish to call witnesses or present other evidence at the Fairness Hearing, you must state the identity of the witnesses and identify any documents or other evidence you intend to present in your Notice of Appearance.

Any member of the Settlement Class who has not filed a timely written request for exclusion may also request to intervene in the Lawsuit, in person or through an attorney retained at the Settlement Class Member’s own expense. A request or motion to intervene must be in writing and reference to “*Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF” and otherwise comply with the Federal Rules of Civil Procedure and

applicable law. A request to intervene must be filed with the Clerk of Court for the United States District Court for the Western District of Missouri, Charles Evans Whittaker Courthouse, 400 East Ninth Street, Kansas City, Missouri 64106 no later than _____, 2011. Any persons wishing to intervene must also send a copy of their written request to intervene to Plaintiff's Counsel and Defendant's Counsel at the addresses above.

Any member of the Settlement Class who does not comply with the above requirements shall be deemed to have waived all objections to and shall be forever foreclosed from challenging the proposed Settlement.

VI. THE REASONS FOR SETTLEMENT

The Plaintiff and Defendant Kansas Teachers Community Credit Union have agreed to the settlement after considering, among other things, (i) the substantial benefits available to the Settlement Class under the terms of the Agreement; (ii) the attendant risks and uncertainty of litigation, especially in complex litigation such as this, as well as the difficulties and considerable delays inherent in such litigation; (iii) the vigorousness of the defenses asserted by Defendant Kansas Teachers Community Credit Union; and (iv) the desirability of consummating the Settlement promptly to provide effective relief to the Settlement Class.

The Court has not ruled on the merits of the Settlement Class Members' claims or Defendant's defenses in this case, and Defendant Kansas Teachers Community Credit Union has denied and continues to deny the claims asserted against it. Kansas Teachers Community Credit Union denies and continues to deny all charges of wrongdoing or liability against it arising out of or relating to any of the conduct, statements, acts, or omissions alleged, or that could have been alleged in the Lawsuit. Nonetheless, Kansas Teachers Community Credit Union has concluded that further litigation and a trial of the claims would be protracted, burdensome, and expensive, and that it is desirable that the lawsuit be fully and finally settled as against Kansas Teachers Community Credit Union in the manner and on the terms and conditions set forth in the Agreement.

VI. WILL THE PLAINTIFF OR PLAINTIFF'S COUNSEL RECEIVE COMPENSATION?

Yes. The Plaintiff, as representative of the Settlement Class, will make an application to the Court for approval of what is called an "incentive award." Such awards are used and made in class action lawsuits to provide an "incentive" to individuals like Mr. Hopkins to file and prosecute class action lawsuits for the benefit of a class of people they do not know. The award also compensates the representatives of a class for their work and time (in this case over 4 years of service) as class representative (being interviewed and deposed, reviewing documents, traveling to Kansas City, and meeting and conferring with class counsel, etc.)

Here, Plaintiff will ask the Court to approve and make an incentive award to him in this case of up to \$17,500 for his time, services and expenses throughout the course of the Lawsuit. Defendant Kansas Teachers Community Credit Union will not object to the Plaintiff's application, but the Court must still determine and approve the amount of any incentive award to

be made as reasonable. Any incentive award made to the Plaintiff will be paid from the Gross Monetary Settlement Fund in order to determine the Net Distributable Settlement Fund, as described in Section III above.

Plaintiff's Counsel and/or Plaintiff will also request the Court to approve an award of their litigation costs and expenses and attorneys' fees. Plaintiff's Counsel has prosecuted this litigation on a contingent basis and has incurred or advanced all of the litigation costs, expenses and attorneys' fees associated with the lawsuit since its investigation of Plaintiff's claims in this lawsuit began in 2006. Plaintiff's Counsel has not yet been paid for their work or received reimbursement for the expenses incurred or advanced on behalf of the Plaintiffs and the members of the Settlement Class and the other members of the Litigation Class.

The Court must determine and approve the amount of any such awards of attorneys' fees and litigation expenses to be made to Plaintiff's Counsel. The amount of any such award must be reasonable based on a number of factors including, but not limited to, the nature and extent of the work involved, the difficulty of the case and the issues presented, the skill needed to conduct the case properly, the experience, reputation and ability of the lawyers, the contingency or certainty of compensation, the customary charges for similar work, and the amount involved in the controversy and the benefits resulting to the client.

Based on these and other factors, and as a part of the Settlement, Plaintiffs' Counsel and/or Plaintiff will request the Court to approve an award of their litigation costs and expenses in the amount of \$19,631.62 and for a percentage of the Gross Settlement Fund for their attorneys' fees, in amount not exceeding \$800,000, as set forth in Section III above, to be paid from the Gross Cash Fund.

Defendant Kansas Teachers Community Credit Union will not object to the above application for litigation expenses, costs and attorneys' fees by Plaintiffs' Counsel but the Court must still determine and approve the amount of any awards to be made. If the Court approves and makes the awards as proposed, the Settlement Class Members will receive their *pro rata* share of the Net Distributable Settlement Fund remaining after deduction of any incentive awards and awards for litigation expenses, costs and attorneys' fees from the Gross Cash Fund as set forth in Section III above. Under this proposal, which the parties believe is fair and equitable, each Settlement Class Member shares in the payment of any awards made to Plaintiff and/or Plaintiffs' counsel from the Gross Cash Fund and recovers their *pro rata* share of the Net Distributable Settlement Fund remaining after deduction of those awards.

The range and average of the Settlement Payments described above in Section III of this Notice have been estimated with the expectation that the Court will approve as fair, adequate and reasonable the settlement and the applications for an incentive award and applications for an award of attorney's fees and expenses given, among other things, the Plaintiff's years of service, the complexity of the case, the nature and extent of the legal work provided by Plaintiffs' Counsel since 2006, and the extraordinary results obtained for the Settlement Class. If the Court approves an incentive award or an award of litigation expenses and attorney's fees in an amount less than that applied for, the difference shall be reallocated to the Net Distributable Settlement Fund as applicable.

VII. WHAT CLAIMS WILL BE RELEASED UNDER THE SETTLEMENT?

If the proposed settlement is approved by the Court, then the settlement will be legally binding upon all members of the Settlement Class who did not timely request exclusion. The settlement will fully, finally and forever release, settle, compromise relinquish and discharge KTCCU and any other Released Persons as defined in the Agreement from the claims asserted in the Lawsuit and any other Released Claims as also defined in the Agreement.

The Release means that you cannot bring any lawsuit against Kansas Teachers Community Credit Union as well as third-party defendants Advancial Federal Credit Union, Marathon Rothschild Credit Union, and United Catholic Credit Union for any reason whatsoever relating to the origination of your motor vehicle loan and/or repossession or any of the other Released Claims. You will, however, be able to enforce your rights under the Settlement Agreement, if necessary. If you are currently litigating any claims against Kansas Teachers Community Credit Union in some other lawsuit or proceeding, either individually or as part of a class, you may be barred from continuing to pursue those claims if you do not timely exclude yourself from the Kansas Teachers Community Credit Union Settlement Class. You should consult with an attorney concerning your rights immediately.

VIII. WHAT IF THE SETTLEMENT IS NOT APPROVED BY THE COURT?

If the proposed settlement is not approved by the Court as being fair, reasonable, and adequate, the settlement and the Agreement will be null and void and the Plaintiff will proceed with his claims in the Lawsuit. In that event, no payments will be made under the terms of the Agreement; however, Kansas Teachers Community Credit Union and the Plaintiff could also attempt to enter into another settlement.

IX. ADDITIONAL INFORMATION CONCERNING THE SETTLEMENT

This Notice is only a summary of the proposed settlement and does not describe all of the terms and conditions of the Agreement. You are encouraged to review the Agreement and other related documents, all of which are available upon request from Plaintiff's Counsel, or by visiting the website of Class Counsel, www.wbsvlaw.com and clicking on the link "Kansas Teachers Community Credit Union Settlement."

X. WHAT ARE THE RELEVANT DATES?

If you wish to request exclusion from the Settlement Class or appear at the Fairness Hearing, these are the relevant dates:

- **Deadline for mailing a request for exclusion (must be received by): _____, 2011**
- **Deadline for filing and serving notice of appearance, motion to intervene or written objection (must be received by the court by): _____, 2011**

- **Date and Time of Fairness Hearing:** _____, 2011 at _____ .m.

This Notice provides only a summary of matters about the Lawsuit. If you have any questions or concerns, please contact Plaintiff's Counsel in writing at the address listed above in this Notice or call (816) 421-6620 or (877) 472-6620.

Please do not call the Judge, Clerk or District Court about this Notice or lawsuit.
They will not be able to give you advice or answer your questions.

Dated: _____, 2011 _____

Gary A. Fenner,
United States District Court Judge

EXHIBIT B

EXHIBIT B: PROPOSED PRELIMINARY APPROVAL ORDER

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI**

CECIL E. HOPKINS,

individually, and on behalf of a Class of all
others similarly situated,

Plaintiff,

vs.

KANSAS TEACHERS COMMUNITY
CREDIT UNION,

Defendant

vs.

MARATHON ROTHSCHILD CREDIT
UNION, et al.,

Third Party Defendants.

Case No. 08-5052-CV-SW-GAF

**ORDER PRELIMINARILY APPROVING
CLASS ACTION SETTLEMENT**

WHEREAS, a class action petition was filed in the above-entitled action (the “Litigation”) on March 18, 2008; and

WHEREAS, on February 18, 2010, the Court certified a litigation class in the Litigation, comprised of those persons who obtained a motor vehicle loan or financing from Kansas Teachers Community Credit Union in conjunction with a “Portfolio Management Program” administered by Centrix Financial, LLC, who obtained a Missouri Certificate of Title for that motor vehicle identifying Kansas Teachers Community Credit Union as the lienholder; and had said motor vehicle repossessed, and which is particularly described in the Court’s *Order Certifying Plaintiff Class* (Doc. 151)(the “Litigation Class”); and

WHEREAS, notice was provided to the members of the Litigation Class of the Litigation and their opportunity to opt out or exclude themselves from the Litigation Class; and

WHEREAS, no Class members timely elected to exercise his, her, or its right to opt out of the Litigation Class; and

WHEREAS, Plaintiff Cecil E. Hopkins, as a member and representative of the Litigation Class and Kansas Teachers Community Credit Union (collectively, the “Parties”) have entered into a “Settlement Agreement and Release” dated _____, 2011 (the “Agreement”), which memorializes the Parties’ negotiated and agreed-upon settlement of the Litigation as between them and a proposed Settlement Class, subject to the approval of the Court (“the Settlement”); and

WHEREAS, Plaintiff has filed a *Motion for Preliminary Approval of Class Action Settlement* with the Court.

NOW THEREFORE, upon careful consideration of the *Motion for Preliminary Approval of Class Action Settlement*, and after reviewing the Agreement, and for good cause shown,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. The terms of the Agreement, and the Settlement as provided therein, are approved preliminarily as fair, reasonable and adequate to the Settlement Class as defined in the Agreement, subject to further consideration at the Fairness Hearing described in Paragraph 13 of this Order.
2. The definitions set forth in the Agreement are hereby incorporated by reference into this Order (with capitalized terms as set forth in the Agreement).
3. Plaintiff Cecil E. Hopkins and Kansas Teachers Community Credit Union have executed the Agreement in order to settle and resolve the Litigation as between them and the

proposed Settlement Class, subject to approval of the Court.

4. Accordingly, for the purpose of a settlement in accordance with the Agreement, and upon review of the *Plaintiffs' Motion for Preliminary Approval of Proposed Class Action Settlement*, this Court hereby preliminarily certifies the following class of persons as a settlement class (the "Settlement Class"):

Those persons who:

- (1) obtained a motor vehicle loan or financing from Kansas Teachers Community Credit Union in conjunction with a "Portfolio Management Program" administered by Centrix Financial, LLC; and
- (2) who obtained a Missouri Certificate of Title for that motor vehicle identifying Kansas Teachers Community Credit Union as the lienholder; and
- (3) had said motor vehicle repossessed.

Pursuant to the Agreement, and for purposes of the Settlement only, the Court finds preliminarily as to the Settlement Class that:

- a. The Settlement Class is so numerous that joinder of all members is impracticable;
- b. There are questions of law or fact common to Settlement Class that predominate over questions affecting only individual members of the Settlement Class;
- c. The claims of Plaintiff Cecil Hopkins are typical of those of the members of the Settlement Class;
- d. Plaintiff Cecil Hopkins and Plaintiffs' Counsel will fairly and adequately represent and protect the interests of the members of the proposed Settlement Class; and
- e. Certification of the Settlement Class as proposed is a superior and

appropriate method for the fair and efficient adjudication of the controversies between the Settlement Class and Kansas Teachers Community Credit Union.

5. For the purpose of this preliminary approval, and for all matters relating to the Settlement and the Litigation, until further order of the Court, the Court appoints Plaintiff Cecil Hopkins as Representative of the Settlement Class and R. Frederick Walters, Kip D. Richards, J. Michael Vaughan, and Garrett M. Hodes of the law firm Walters Bender Strohbehn & Vaughan, P.C., as Counsel for the Settlement Class (“Class Counsel”).

6. By this Order, the Court hereby exercises subject matter and personal jurisdiction over the Settlement Class for purposes of evaluating the final certification of the Settlement Class and the fairness and adequacy of the Settlement.

7. The Class Mail Notice, as set forth in Exhibit A to the Agreement, is hereby approved.

8. The Class Mail Notice in a form substantially the same as that set forth in Exhibit A to the Agreement, shall be mailed by Class Counsel by first-class mail, postage prepaid, to all members of the Settlement Class (as identified on Exhibit E of the Agreement). Such mailing shall be made within five (5) days of this Preliminary Approval Order.

9. The Agreement contemplates a notice methodology that protects the interests of the Parties and the Settlement Class, is the best notice practicable under the circumstances and is reasonably calculated to apprise the Settlement Class Members of the pendency of the Litigation and proposed Settlement, the Agreement, and the right to opt out and exclude themselves from or object to the proposed Settlement. In addition, the Court finds that the notice methodology is reasonable and constitutes due, adequate and sufficient notice to all persons entitled to receive notice of the proposed Settlement and meets all applicable requirements of law, including, but

not limited to, Federal Rule of Civil Procedure 23 and the Due Process Clause of the Fourteenth Amendment of the United States Constitution.

10. Prior to the Fairness Hearing, Class Counsel shall serve and file a sworn statement of a person with knowledge, evidencing compliance with the provisions of this Order concerning the mailing of the Class Mail Notice.

11. Any member of the Settlement Class desiring exclusion from the Settlement Class shall mail a request for exclusion (“Request for Exclusion”) to the Parties’ respective counsel. To be valid, the Request for Exclusion must be **received** on or before _____. Such Request for Exclusion shall include: (a) the name, address, telephone number and the last four digits of the class member’s social security number; (b) a statement that the Class member and all other borrowers named on the Class member’s promissory note are seeking exclusion; (c) the signature of each person who was a party to the promissory note made in connection with the Class member’s loan (unless any such person shall be deceased, in which case the opt out submission shall include a copy of such person’s death certificate); and (d) a reference to *Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF. Any member of the Settlement Class who does not properly and timely request exclusion from the Settlement Class shall be included in the Settlement Class and be bound by any judgment entered in this Action with respect to the Class.

12. Within a reasonable period after the deadline for submitting Requests for Exclusion, but before the Final Approval Hearing, Class Counsel shall file with the Court a sworn statement listing those persons who submitted timely Requests for Exclusion. The originals of all Requests for Exclusion shall be retained by the Parties.

13. A hearing (the “Fairness Hearing”) shall be held before the undersigned at

_____ .m. on _____, **2011**, at the United States District Court for the Western District of Missouri. At the Fairness Hearing, the Court will consider: (a) the fairness, reasonableness, and adequacy of the Settlement; (b) the entry of any final order or judgment in the Litigation with respect to the Settlement Class; (c) the application for an incentive award for the services rendered by Plaintiff Cecil Hopkins; (d) the application for attorney's fees and for reimbursement of expenses by Class Counsel; and (e) other related matters. The Fairness Hearing may be postponed, adjourned or continued by Order of the Court without further notice to the Settlement Class.

14. To be considered at the Fairness Hearing, any person desiring to file an objection or other comment on the Settlement shall be required to file all such objections and comments and all supporting pleadings on or before __, **2011**, with service upon Class Counsel and Defendant's Counsel. In his/her objection, an objecting Settlement Class Member must (a) set forth his/her full name, current address, and telephone number; (b) state that the class member objects to the Settlement in whole or in part; (c) set forth a specific statement of the legal and factual basis for the Objection; (d) provide copies of any and all documents that the objector wishes the Court to consider in connection with the Objection; (e) provide the names of any witnesses, and, provide a written expert report from all proposed experts who may be offered at the Fairness Hearing; (f) provide copies of any other loan documents on which the objector relies as a basis for the objection; (g) if the objector is represented by counsel, provide a detailed description of the legal authorities supporting each objection; and (h) reference *Hopkins v. Kansas Teachers Community Credit Union*, Case No. 08-5052-CV-SW-GAF. No Objection to or other comment concerning the Settlement shall be heard unless timely filed in accordance with the guidelines specified above and in the Agreement. Class Counsel and Defendant's

Counsel shall promptly furnish each other with copies of any and all objections or written requests for exclusion that come into their possession.

15. Any Settlement Class Member who does not make his or her objection in the manner provided in this Order shall be deemed to have waived any such objection and shall forever be foreclosed from making any objection to Settlement, including but not limited to, the propriety of class certification, the adequacy of any notice, or the fairness, adequacy or reasonableness of the Settlement.

16. Submissions of the Parties relative to the Settlement, including memoranda in support of the Settlement, applications for attorney's fees and reimbursement of expenses by Class Counsel, and any applications for the payment of services rendered by Plaintiff Cecil Hopkins shall be filed with the Clerk of the Court on or before ____, **2011**. Any attorney hired by an Settlement Class Member at the Settlement Class Member's expense for the purpose of objecting to the Settlement, or to any application for an incentive award or for an award of attorney's fees or expenses, shall file with the Clerk of Court and serve upon Class Counsel and Defendant's Counsel a written notice of appearance no later than ____, **2011**.

17. Any Settlement Class Member may appear at the Fairness Hearing in person, or by counsel if an appearance is filed and served as provided in the Notice, and such person will be heard to the extent allowed by the Court. No person shall be permitted to be heard unless, on or before ____, **2011**, such person has (a) filed with the Clerk of the Court a notice of such person's intention to appear and (b) served copies of such notice upon Class Counsel and Defendant's Counsel.

18. Any Settlement Class Member may intervene in the Litigation in person, or by counsel if a motion to intervene is filed and served as provided in the Notice. No person shall be

permitted to intervene unless, on or before _____, **2011**, such person has (a) filed with the Clerk of the Court a valid motion to intervene and (b) served copies of such notice upon Class Counsel and Defendant's Counsel.

19. All other events contemplated under the Agreement to occur after entry of this Order and before the Fairness Hearing shall be governed by the Agreement and the Class Mail Notice, to the extent not inconsistent herewith. Class Counsel and Defendant's Counsel shall take such further actions as are required by the Agreement.

20. The Parties shall be authorized to make non-material changes to the Class Mail Notice so long as Class Counsel and Defendant's Counsel agree and one of the Parties files a notice thereof with the Court prior to the Fairness Hearing.

21. All claims against and motions involving Defendant Kansas Teachers Community Credit Union in the Litigation, other than such as may be necessary to carry out the terms and conditions of the Agreement or the responsibilities related or incidental thereto, are stayed and suspended until further order of this Court.

22. The "Released Claims" of the "Releasers" as against the "Released Persons," all as defined in the Agreement, other than such as may be necessary to carry out the terms and conditions of the Agreement or the responsibilities related or incidental thereto, are stayed and suspended until further order of this Court.

23. If Final Approval of the Settlement does not occur, or if the Settlement is rescinded or terminated for any reason, the Settlement and all proceedings had in connection therewith shall be null and void and without prejudice to the rights of the Parties before the Settlement was executed and made, and all Orders issued pursuant to the Settlement shall be vacated.

24. Entering into or carrying out the Agreement, and any negotiations or proceedings related to it, shall not in any way be construed as, or deemed evidence of, an admission or concession as to the denials, defenses, or factual or legal positions of Defendant Kansas Teachers Community Credit Union, and shall not be offered or received in evidence in any action or proceeding against any party in any court, administrative agency or other tribunal for any purpose whatsoever, except as is necessary in a proceeding to enforce the terms of this Order and the Agreement, or to prove or show that a compromise in settlement of the Released Claims per the Agreement, in fact, was reached; provided, however, that this Order and the Agreement may be filed in any action filed against or by Kansas Teachers Community Credit Union or any Released Person to support a defense of *res judicata*, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim. Defendant expressly reserves all rights and defenses to any claims and do not waive any such rights or defenses in the event that the Agreement is not approved for any reason.

IT IS SO ORDERED

Date: _____

GARY A. FENNER, JUDGE
UNITED STATES DISTRICT COURT

EXHIBIT C

EXHIBIT C: PROPOSED FINAL APPROVAL ORDER

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI**

CECIL E. HOPKINS,

individually, and on behalf of a Class of all
others similarly situated,

Plaintiff,

vs.

KANSAS TEACHERS COMMUNITY
CREDIT UNION,

Defendant

vs.

MARATHON ROTHSCHILD CREDIT
UNION, et al.,

Third Party Defendants.

Case No. 08-5052-CV-SW-GAF

**[PROPOSED] ORDER FINALLY APPROVING CLASS ACTION
SETTLEMENT AND CERTIFYING A CLASS FOR SETTLEMENT PURPOSES**

Upon careful review and consideration of the Parties' Settlement Agreement and Release dated _____, 2011 (the "Agreement"), the evidence and arguments of counsel as presented at the Fairness Hearing held on _____, 2011, the memoranda filed with this Court, [and the timely objections to the proposed Settlement], and all other filings in connection with the Parties' settlement as memorialized in the Agreement (the "Settlement"); and for good cause shown,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. **Incorporation of Other Documents.** This Order incorporates and makes the following a part hereof:

a. The Agreement, filed with this Court on or about _____, 2011;
and

b. The following exhibits to the Agreement: (i) Schedule A (Proposed Distribution Schedule of “Net Distributable Settlement Fund,” filed under seal); (ii) Exhibit A (Class Mail Notice); (iii) Exhibit B (Proposed Order Preliminarily Approving the Class Action Settlement); (iv) Exhibit C (Proposed Order Finally Approving the Class Action Settlement and Certifying a Class for Settlement Purposes); (v) Exhibit D (Proposed Final Judgment); and (vi) Exhibit E (list of members of the Settlement Class, filed under seal).

Unless otherwise provided herein, all capitalized terms in this Order shall have the same meaning as those terms in the Agreement.

2. **Jurisdiction.** Because adequate notice was disseminated and all potential members of the Settlement Class (as defined below) were given notice of and an opportunity to opt out of the Settlement, the Court has personal jurisdiction over all members of the Settlement Class. The Court has subject matter jurisdiction over the Litigation, including, without limitation, jurisdiction to approve the proposed Settlement, to grant final certification of the Settlement Class, and to dismiss the Litigation against Kansas Teachers Community Credit Union with prejudice.

3. **Final Class Certification.** The Settlement Class, which this Court previously certified preliminarily, is hereby finally certified for settlement purposes under Federal Rule 23, the Court finding that the Settlement Class fully satisfies all of the applicable requirements of Federal Rule 23 and due process. The Settlement Class is defined as follows:

Those persons who:

- (1) Obtained a motor vehicle loan or financing from Kansas Teachers Community Credit Union in conjunction with a “Portfolio Management Program” administered by Centrix Financial, LLC; and
- (2) Who obtained a Missouri Certificate of Title for that motor vehicle identifying Kansas Teachers Community Credit Union as the lienholder; and
- (3) Had said motor vehicle repossessed.

4. [No members of the Settlement Class timely requested to be excluded from or “opted out” of the Settlement Class.] OR [A list of those persons who have timely excluded themselves from the Settlement Class, and who therefore are not bound by the Settlement and the accompanying Final Judgment, is attached hereto as **Exhibit 1** and incorporated herein and made a part hereof.]

5. **Adequacy of Representation.** There are no apparent conflicts of interest between Plaintiff Cecil E. Hopkins and the Settlement Class, or among the members of the Settlement Class, and Plaintiff Hopkins and Plaintiff’s counsel will fairly and adequately represent and protect the interests of the Settlement Class. Accordingly, the Named Plaintiff Cecil E. Hopkins and his counsel, R. Frederick Walters, Kip D. Richards, J. Michael Vaughan, and Garrett M. Hodes of the law firm Walters Bender Strohbehn & Vaughan, P.C. (“Plaintiffs’ Counsel” or “Class Counsel”), have satisfied the requirements of Federal Rule 23 and are hereby appointed and approved as representatives of the Settlement Class and Counsel for the Settlement Class, respectively.

6. **Class Notice.** The Court finds that the Class Mail Notice and its distribution to the Settlement Class as implemented pursuant to the Agreement and the Preliminary Approval Order:

a. Constituted the best practicable notice to the members of the Settlement Class under the circumstances of this Litigation;

b. Constituted notice that was reasonably calculated, under the circumstances, to apprise the members of the Settlement Class of (i) the pendency of this Litigation and the proposed Settlement, (ii) their right to exclude themselves from the Settlement Class and the proposed Settlement, (iii) their right to object to any aspect of the proposed Settlement (including, but not limited to, the following: final certification of the Settlement Class; the fairness, reasonableness or adequacy of the Settlement as proposed; the adequacy of the Plaintiff Cecil Hopkins' and/or Class Counsel's representation of the Settlement Class; the proposed awards of attorney's fees and expenses; and the proposed incentive award), (iv) their right to appear at the Fairness Hearing if they did not exclude themselves from the Settlement Class, and (v) the binding effect of the Orders and Judgment in the Litigation on all members of the Settlement Class who did not request exclusion;

c. Constituted notice that was reasonable and constituted due, adequate and sufficient notice to all persons and entities entitled to be provided with notice; and

d. Constituted notice that fully satisfied the requirements of Federal Rule 23, due process, and any other applicable law.

7. **Final Settlement Approval.** The terms and provisions of the Agreement, including all exhibits, have been entered into in good faith and as a result of arm's length negotiations, and the Agreement is fully and finally approved as fair, reasonable and adequate as to, and in the best interests of, each of the Parties and the Settlement Class Members, and in full compliance with all applicable requirements of the laws of the state of Missouri, the United

States Constitution (including the Due Process Clause), and any other applicable law. The Parties are hereby directed to implement and consummate the Agreement according to its terms and provisions.

8. **Binding Effect.** The terms of the Agreement, this Order and the accompanying Final Judgment shall be forever binding on Plaintiff Cecil E. Hopkins and all of the Settlement Class Members, as well as their respective heirs, executors, administrators, assigns, predecessors, and successors, and any other person claiming by or through any or all of them. The terms of the Agreement, this Order and the accompanying Final Judgment shall have *res judicata* and other preclusive effect as to the “Releasers” for the “Released Claims” as against the “Released Persons,” all as defined in the Agreement.

9. **Releases.** The Settlement Class Members (*i.e.*, those members of the Settlement Class who did not timely opt out) shall be bound by the Release provided in Paragraph 6 of the Agreement, which is incorporated herein in all respects, regardless of whether such persons received any compensation under the Agreement or Settlement. The Releases are effective as of the date of this Final Approval Order and the accompanying Final Judgment. The Court expressly adopts all defined terms in paragraph 6 of the Agreement, including but not limited to, the definition of the claims covered by the Release (which is set forth at Paragraph 2.20 of the Agreement).

10. **Enforcement of Settlement.** Nothing in this Final Approval Order or the accompanying Final Judgment shall preclude any action by any Party to enforce the terms of the Agreement.

11. **Additional Payment to Plaintiff Hopkins.** The Court hereby awards \$_____ to be paid from the Gross Cash Fund to Plaintiff Cecil E. Hopkins as an incentive award for his services as representative plaintiff in this Litigation.

12. **Attorney's Fees and Expenses.** Plaintiffs' Counsel are awarded \$_____, from the Gross Cash Fund representing an allocated share of the litigation expenses and court costs that Plaintiffs' Counsel has incurred and advanced as of _____ in connection with the Litigation and the Settlement, which shall be deducted from the Gross Cash Fund as defined in the Agreement. In addition, the Court awards Plaintiffs' Counsel attorney's fees of \$____, representing ___% of the "Gross Settlement Fund" as defined in the Agreement, which award is to be deducted from the Gross Cash Fund. The Court finds and concludes that each of the above awards to Plaintiff's Counsel for work and services in this case and in connection with the Settlement is reasonable. [Plaintiffs may include additional language for the Court to consider including in the final order in support of Plaintiffs' attorneys' fee award.]

13. **No Other Payments.** The preceding paragraphs of this Final Approval Order cover, without limitation, any and all claims for attorney's fees and expenses, costs or disbursements incurred by Plaintiff's Counsel or any other counsel representing Plaintiff Cecil E. Hopkins or the Settlement Class, or incurred by Plaintiff Hopkins or the Settlement Class Members, or any of them, in connection with or related in any manner to this Litigation, the Settlement of this Litigation, the administration of such Settlement, and/or the Released Claims, except to the extent otherwise specified in this Final Approval Order or the Agreement.

14. **Retention of Jurisdiction.** The Court has jurisdiction to enter this Final Approval Order and the accompanying Final Judgment. Without in any way affecting the finality of this Final Approval Order and the accompanying Final Judgment, this Court expressly retains

jurisdiction as to all matters relating to the administration and enforcement of the Agreement and Settlement and of this Final Approval Order and the accompanying Final Judgment, and for any other necessary purpose as permitted by law, including, without limitation:

a. enforcing the terms and conditions of the Agreement and Settlement and resolving any disputes, claims or causes of action that, in whole or in part, are related to the administration and/or enforcement of the Agreement, Settlement, this Final Approval Order or the Final Judgment (including, without limitation, whether a person is or is not a member of the Settlement Class or a Settlement Class Member; and whether any claim or cause of action is or is not barred by this Final Approval Order and the Final Judgment);

b. entering such additional Orders as may be necessary or appropriate to protect or effectuate the Court's Final Approval Order and the Final Judgment and/or to ensure the fair and orderly administration of the Settlement and distribution of the Settlement Fund; and

c. entering any other necessary or appropriate Orders to protect and effectuate this Court's retention of continuing jurisdiction.

15. **No Admissions.** Neither this Final Approval Order, nor the accompanying Final Judgment, nor the Agreement, nor any of its terms or provisions, nor any of the negotiations between the Parties or their counsel, nor any action taken to carry out this Order or the Final Judgment, is, may be construed as, or may be used as an admission or concession by or against any of the Parties or the Released Persons of the validity of any claim or liability, any alleged violation or failure to comply with any law, any alleged breach of contract, any legal or factual argument, contention or assertion. Entering into or carrying out the Agreement, and any negotiations or proceedings related to it, shall not in any event be construed as, or deemed

evidence of, an admission or concession as to Defendant Kansas Teachers Community Credit Union's denials, defenses, factual or legal positions, and shall not be offered or received in evidence in any action or proceeding against any party in any court, administrative agency or other tribunal for any purpose whatsoever, except as necessary in a proceeding to enforce the terms of this Order and the Agreement or to prove or show that a compromise in settlement of the Released Claims per the Agreement, in fact, was reached; provided, however, that this Order and the Agreement may be filed in any action against or by Kansas Teachers Community Credit Union or the Released Persons to support a defense of *res judicata*, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.

16. **Dismissal of Litigation Against Kansas Teachers Community Credit Union.**

The Litigation against Kansas Teachers Community Credit Union, including all individual and class claims is dismissed with prejudice as to Plaintiff Cecil E. Hopkins and the Settlement Class Members, without fees or costs to any party, except as otherwise provided in this Order and the Final Judgment.

17. **Separate Judgment.** The Court will separately enter the accompanying Final Judgment.

IT IS SO ORDERED

Date: _____

GARY A. FENNER, JUDGE
UNITED STATES DISTRICT COURT

EXHIBIT D

EXHIBIT D: PROPOSED FINAL JUDGMENT
IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI

CECIL E. HOPKINS,

individually, and on behalf of a Class of all
others similarly situated,

Plaintiff,

vs.

KANSAS TEACHERS COMMUNITY
CREDIT UNION,

Defendant

vs.

MARATHON ROTHSCHILD CREDIT
UNION, et al.,

Third Party Defendants.

Case No. 08-5052-CV-SW-GAF

[PROPOSED] FINAL JUDGMENT

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The settlement of the claims of the Settlement Class on the terms set forth in the parties' Settlement Agreement and Release ("Agreement"), dated _____, 2011 is approved, and the following settlement class is granted final certification for settlement purposes under Federal Rule 23:

Those persons who:

- (1) Obtained a motor vehicle loan or financing from Kansas Teachers Community Credit Union in conjunction with a "Portfolio Management Program" administered by Centrix Financial, LLC; and

(2) Who obtained a Missouri Certificate of Title for that motor vehicle identifying Kansas Teachers Community Credit Union as the lienholder; and

(3) Had said motor vehicle repossessed.

(the “Settlement Class”).

2. Individual notice complying with Federal Rule 23 was sent to the last-known address of each member of the Settlement Class as identified on Exhibit E to the Agreement. The Court finds all members of the Settlement Class set forth in Exhibit E to the Settlement Agreement to be members of the Settlement Class and are bound by this Final Judgment, [except for those members, if any, who timely excluded themselves from the Settlement Class, as shown on Exhibit 1 to the the Court’s *Order Finally Approving Class Action Settlement and Certifying a Class for Settlement Purposes*.

3. The claims in this Litigation against Defendant Kansas Teachers Community Credit Union are dismissed on the merits and with prejudice according to the terms set forth in the Agreement and in the Court’s *Order Finally Approving Class Action Settlement and Certifying a Class for Settlement Purposes*, dated this same (the “Approval Order”), without costs to any party except as provided in the Approval Order.

4. Plaintiff Cecil E. Hopkins and all members of the Settlement Class who did not timely exclude themselves from the Settlement Class shall be bound by the Release provided in Paragraph 6 of the Agreement.

5. The Court will retain continuing jurisdiction over this Litigation for the purposes set forth in the Approval Order.

6. Unless otherwise provided herein, all capitalized terms in this Order shall have the same meaning as those terms in the Agreement.

IT IS SO ORDERED

Date: _____

GARY A. FENNER, JUDGE
UNITED STATES DISTRICT COURT

EXHIBIT E

**Filed under Seal pursuant to
Protective Order**