

4. On November 16, 2005, this Court entered its Order adopting the federal court's Class Certification Order.
5. On May 23, 2006, this Court issued its Order Granting Plaintiffs' Motion To Adjust Class 2 Definition To Correspond With Allegations Of Their Fourth Amended Petition and its further Order On Content Of Class Notice, in which this Court defined the classes as follows:

Class 1: The "official fees class," defined as all persons who between October 15, 1991 and October 9, 1997:

- a) Purchased a motor vehicle in Missouri for personal, family or household purposes;
- b) Received a Missouri title application in connection therewith which listed defendant CAC as the lienholder; and
- c) Executed a retail installment contract for the purchase of the vehicle which was assigned by the selling dealer to CAC, and which listed an amount charged for official fees, denominated with terms such as "filing," "title," and "public officials" fees, which amount was in excess of the amount of \$10.00 in official fees actually paid.

Subclass 1(A): The NAC subclass:

The same class as stated for Class 1 above, except that it is restricted to those members of Class 1 who purchased their vehicles from defendant Northeast Auto Credit, Inc.

Class 2: The "interest overcharge class," defined as all persons who, between October 15, 1991 and October 9, 1997:

- a) Purchased a motor vehicle in Missouri for personal, family or household purposes;
- b) Executed a retail installment contract for the purchase of the vehicle which was assigned by the selling dealer to CAC, and which either contained no agreement to pay post-maturity interest or contained one of the following clauses:

Post-Maturity Interest: You agree to pay interest at the rate of 9.00% per year on any amount owing on this contract which is not paid at maturity, including maturity by acceleration.

or

After maturity, or after you default and we demand payment, we will earn finance charges on the unpaid balance at 9.00% per year.

and

- c) Were charged post-maturity interest by CAC in excess of that provided for in the installment contract.

Class 3: The "repossession class," defined as persons who, on or after October 15, 1991:

- a) Purchased a motor vehicle in Missouri for personal, family or household purposes;
- b) Executed a retail installment contract for the purchase of the vehicle which was assigned by the selling dealer to CAC; and
- c) Whose vehicles were repossessed and resold by or for defendant CAC.

Subclass 3(A): The lawsuit subclass, the same class as stated for Class 3 above, except that it is limited to such persons who also were sued by CAC.

Subclass 3(B): The judgment subclass, the same class as stated for Class 3(A) above, except that it is limited to such persons who also had judgment taken against them by CAC.

- 6. On June 13, 2006, this Court issued its Order On CAC's Motion For Clarification Of Orders Relating To The Cut-off Date Of Class Three, ordering the cut-off date for Class 3 as October 9, 1997.
- 7. The parties subsequently participated in mediation sessions and telephone conferences throughout October through December, 2006, with the Hon. David Russell, former Circuit Judge for Clay County, Missouri. Although no settlement was reached in those sessions and conferences, substantial progress was made toward settlement and the parties continued their efforts to negotiate a settlement. As a result, the parties reached

the proposed settlement set forth in the Memorandum of Understanding executed on February 9, 2007.

CONCLUSIONS OF FACT AND LAW

1. In determining whether to approve a settlement the Court must consider a number of factors. These factors include: 1) opinions of the participants, including class counsel, class representatives, and class members; 2) the complexity, expense, and likely duration of further litigation; 3) the extent of discovery completed and the state of the proceedings; 4) the probability of the plaintiff's success on the merits; 5) the range of possible recovery, and 6) the evidence, if any, that the proposed settlement is the product of fraud and collusion. *Ring v. The Metropolitan St. Louis Sewer District*, 41 S.W.3d 487, 492 (Mo. Ct. App. 2000).
2. Counsel for CAC and Class Counsel worked diligently with Judge Russell and with each other to reach a settlement in this case. The federal court previously granted partial summary judgment to the plaintiffs, but was reversed on appeal on jurisdictional grounds. Both the federal court and this Court found that this case meets the criteria for class certification. This Court further denied CAC's motion to dismiss plaintiffs' case for failure to state a claim. Each party has engaged in extensive discovery, review of information and analysis of the legal and factual bases for the claims and defenses. These endeavors laid a solid foundation for each party to analyze their respective positions, and settle the case based on the best interest of their clients. Thus, the parties engaged in unusually vigorous and extended litigation before their successful attempt to resolve this matter.

3. The opinions of the participants, including Class Counsel, the Class Representatives, and CAC, support preliminary approval of the settlement. Further, the complexity, expense, and likely duration of further litigation, the state of the proceedings, along with the extensive work by counsel for both sides in reaching the settlement set forth in the Memorandum of Understanding, and the terms of the Memorandum of Understanding itself, demonstrate that the proposed settlement is the product of arms-length negotiation, and thus should be approved.
4. The several types of relief afforded to the classes pursuant to the litigation of this case and this settlement, including CAC's agreement to write off approximately \$39,000,000 in current account balances, CAC's previous entries of partial satisfactions of judgments on thousands of class members' cases (which resulted in savings on those class members' accounts of some millions of additional dollars in interest and the satisfied charges), CAC's agreement to enter either full or partial satisfactions of the thousands of judgments it has taken against class members, CAC's agreement to take reasonably necessary action to correct any credit reporting issues that may exist on class member accounts to remove any negative credit report entries relating to class members' CAC accounts that are inconsistent with this settlement, CAC's agreement to pay \$12,500,000 in cash, out of which class members will receive reimbursement of amounts they paid to CAC that the plaintiffs maintain CAC was not entitled to collect, and CAC's agreement to a provision requiring that it refrain from certain conduct for a three-year period and to terms for the enforcement of that provision, all constitute substantial benefits to the classes.

5. The Court hereby preliminarily approves the proposed settlement as fair, reasonable, and adequate to the classes, subject to the right of any class member to challenge the fairness, reasonableness, and adequacy of the proposed settlement, and to show cause, if any exists, why a final judgment dismissing the case based on the proposed settlement should not be entered at the Final Settlement Hearing, after due and adequate notice to the classes has been given in conformity with this Order.
6. The Court approves the form of Notice of the Class Action Settlement and Settlement Hearing ("Notice of Hearing"), attached as Exhibit A-2 to the parties' Joint Motion for Order Conditionally Approving Class Settlement and Setting Hearing for Final Approval of Class Settlement, for mailing to Class Members in order to provide notice of the Final Settlement Hearing, and preliminarily finds that mailing the Notice to the class members at addresses as determined from review of CAC's records, from additional cross-checking of databases, and from additional "skip-trace" checking of a database, all as described in the parties' "Suggestions In Support Of The Parties' Joint Motion For Order Conditionally Approving Class Settlement And Setting Hearing For Final Approval Of Class Settlement", constitutes the best notice practicable under the circumstances, constitutes due and sufficient notice of the settlement and the matters set forth therein to all persons entitled to receive notice, and fully satisfies the requirements of due process.
7. The Court preliminarily finds that the Class Representatives and Class Counsel have fairly and adequately represented the interests of the Plaintiff Classes. Accordingly,

IT IS HEREBY ORDERED AND DIRECTED BY THE COURT:

(a) that notice be given to the Plaintiff Classes of the proposed settlement of the Action and of the right of each Class Member to timely object to the same in the manner specified in paragraph (h) below;

(b) the Court preliminarily finds that the settlement set forth in the Memorandum of Understanding is fair, reasonable and adequate to the Classes;

(c) the Court preliminarily finds that the Class Representative and Class Counsel have fairly and adequately represented the interests of the Plaintiff Classes;

(d) that a hearing is scheduled to be held before the Court ("Final Settlement Hearing") at the Jackson County Courthouse, 415 East 12th Street, Division 1, Kansas City, Missouri 64106, on August 3, 2007, at 1:30 P.M., or as soon thereafter as may be convenient for the Court, in order to determine: (i) whether the proposed settlement set forth in the Memorandum of Understanding should be finally approved as fair, reasonable, adequate, and in the best interests of the Classes, (ii) whether a final judgment should be entered dismissing the claims of Class Members with prejudice and on the merits, as required by the Memorandum of Understanding, and (iii) whether this Court should approve, with or without modification, the Class Representatives' application for awards of Class Representative fees and of attorneys' fees, costs, expenses and disbursements of Class Counsel ("Fee Petition");

(e) that the Court approves the form of the Notice of the Class Action Settlement and Settlement Hearing ("Notice of Hearing") attached as Exhibit A-2 to the parties' Joint Motion for Order Conditionally Approving Class Settlement and Setting Hearing for Final Approval of Class Settlement, for mailing to Class Members in order to provide notice of the Final Settlement Hearing, and directs that class counsel mail or

cause to be mailed the Notice of Hearing to Class Members at the last known addresses as determined from review of CAC's records, from additional cross-checking of databases, and from additional "skip-trace" checking of a database, all as described in the parties' "Suggestions In Support Of The Parties' Joint Motion For Order Conditionally Approving Class Settlement And Setting Hearing For Final Approval Of Class Settlement", such mailing to occur within 15 days of entry of this Order Preliminarily Approving Proposed Class Settlement;

(f) the Court preliminarily finds that mailing pursuant to subparagraph (e) above constitutes the best notice practicable under the circumstances, constitutes due and sufficient notice of the settlement and the matters set forth in said notice to all person entitled to receive notice, and fully satisfies the requirements of due process.

(g) that any objections by Class Members to the settlement reflected in this Agreement and/or to the Fee Petition shall be heard at the Final Settlement Hearing, and any papers submitted in support of said objections shall be received and considered by the Court in connection with the Final Settlement Hearing (unless, in its discretion, the Court shall direct otherwise), only if persons making objections file with the Court Administrator, and serve upon Class Counsel and counsel for the Defendants, on or before July 23, 2007, written notice of their intent to appear at the Final Settlement Hearing, including details of their objections and copies of any papers they ask the Court to consider in connection with issues to be addressed at the Final Settlement Hearing. Any class member who does not make an objection as provided herein shall be deemed to have waived any such objection and, notwithstanding

the Class Member's appearance at the hearing, shall be foreclosed from making any objection to the fairness, adequacy, reasonableness or approval of the settlement.

(h) that Statements of Objection and notices to appear pursuant to subparagraph (g) shall be deemed filed on the date they are hand delivered or mailed, first class, postage prepaid, to:

Court Administrator
Circuit Court of Jackson County
Jackson County Courthouse
415 East 12th Street
Kansas City, Missouri 64106 ;

and shall be deemed served on Class Counsel on the date they are hand delivered or mailed, first class, postage prepaid, to:

Dale K. Irwin
SLOUGH CONNEALY IRWIN & MADDEN LLC
1627 Main Street, Suite 900
Kansas City, Missouri 64108

shall be deemed served on Defendants' counsel on the date they are hand delivered or mailed, first class, postage prepaid, to:

John W. Cowden
BAKER STERCHI COWDEN & RICE LLC
2400 Pershing Road, Suite 500
Kansas City, Missouri 64108-2504

(i) that, if the settlement becomes final and effective within the meaning of paragraph 6 of the Memorandum of Understanding, other than payment of such Class Representative fees and attorneys' fees, costs, expenses and disbursements of Class Counsel as the Court may approve, only Class Members who have not requested exclusion in timely response to the Notice of the Class Action Settlement and Settlement

Hearing, and, as appropriate, their heirs, successors, assigns and/or personal representatives, will have any right to participate in the settlement;

(j) that, from the date of the Preliminary Approval Order, Class Members shall, except to the extent they have requested exclusion from the Plaintiff Class, be barred from asserting against CAC claims that were alleged in the Action or could have been alleged on the basis of the facts alleged in the Fourth Amended Petition or any other petition or complaint filed in this Action;

(k) that the Final Settlement Hearing may, from time to time and without further notice to Class Members, be continued or adjourned by order of the Court;

(l) that any class member who wishes to be excluded from the lawsuit must, no later than 30 days from the mailing of the Notice, file with the Court Administrator a Written Statement of Exclusion, saying: "I [or We] hereby request to be excluded from the Plaintiff Classes in the Fielder, et al. v. Credit Acceptance Corporation, et al., litigation, Court File No. 16CV96-2428501-01", which statement must be signed by the class member seeking exclusion, dated, and contain a current address of all person(s) obligated on the applicable Retail Installment Contract;

(m) that a Statement of Exclusion shall be considered filed with the Court Administrator on the date it is hand-delivered or postmarked, first class mail, postage prepaid, to:

Court Administrator, Circuit Court of Jackson County, 415 East 12th Street,
Kansas City, Missouri 64106;

(n) that any persons who so request exclusion from the plaintiff Classes neither will be entitled to share in the benefits of any settlement or judgment in this case, nor will they be bound by any settlement or judgment in the lawsuit;

(o) that on or before NOON ON JULY 30, 2007, plaintiffs' counsel and/or the Class Administrator shall file any affidavit(s) reflecting service of the Notice on class members; and

(p) that on or before NOON ON AUG 2, 2007, plaintiffs shall file any additional submissions in support of final approval of this settlement, and any responses to any objections to the settlement that have been filed.

IT IS SO ORDERED.

Dated: JUL - 7 2007


Sandra C. Midkiff, Judge

A TRUE COPY - ATTEST
CIRCUIT COURT OF JACKSON COUNTY, MO.
COURT ADMINISTRATOR'S OFFICE
DEPARTMENT OF CIVIL RECORDS

BY  DCA