

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
BEAUMONT DIVISION**

SHARON HUBBARD

v.

**A-1 LEASING, LLC and BOND
CORPORATION**

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CIVIL ACTION NO. 1:07-CV-044

STIPULATION OF SETTLEMENT

This Stipulation of Settlement dated as of June 3, 2008 (“Settlement Agreement”), is made and entered into by and among Plaintiff Sharon Hubbard (hereafter “Plaintiff”) and Defendants A-1 Leasing, LLC and Bond Corporation (collectively, the “A-1 Defendants”).

I. RECITALS

WHEREAS, on January 24, 2007, the following action was filed by Plaintiff, Civil Action No. 1:07-CV-044 in the United States District Court for the Eastern District of Texas, Beaumont Division, and styled *Sharon Hubbard, Individually and on Behalf of All Others Similarly Situated v. USA Merchant Systems, Inc. d/b/a USA Card Services, Inc., d/b/a StartUp Essentials, A-1 Leasing, LLC, and Bond Corporation* (the “Litigation”), alleging causes of action against the A-1 Defendants for various violations of the Texas Deceptive Trade Practices Act and violation of Tex. Bus. & Comm. Code §35.53;

WHEREAS, the A-1 Defendants have denied all allegations of wrongdoing asserted in the Litigation;

WHEREAS, the A-1 Defendants are corporations incorporated in the State of Michigan with their principal place of business in Grand Rapids, Michigan;

WHEREAS the parties to the Litigation engaged in extensive written discovery, exchanging tens of thousands of pages of documents among themselves, as well as third party discovery, informal discovery, and depositions of Robert DeVleiger, Robert Harris, Brad Oliver, Kevin DeVoto, and William Carroll.

WHEREAS the parties engaged in motion practice concerning the appropriate scope and extent of discovery;

WHEREAS Plaintiff and the A-1 Defendants recognize that the outcome in the Litigation is highly uncertain and that achieving a final result through the litigation process would require substantial additional risk, discovery, time and expense;

WHEREAS, Plaintiff and her counsel have conducted an extensive investigation and evaluation of the facts and law relating to the claims asserted in the Litigation to determine how best to serve the interests of the Plaintiff and the Settlement Class (as defined below) and believe, in view of the costs, risks, and delay of continued litigation balanced against the benefits of settlement to the Settlement Class, that the settlement as provided in this Settlement Agreement is in the best interests of the Settlement Class and that the settlement provided in this Settlement Agreement represents a fair, reasonable, and adequate resolution of the Litigation;

WHEREAS, counsel for Plaintiff and the A-1 Defendants engaged in extensive arms-length negotiations prior to entering into this Settlement Agreement including a mediation before Greg Thompson on April 29, 2008, which ultimately culminated in an agreement on May 12 to settle this Litigation;

WHEREAS, Plaintiff and the A-1 Defendants desire to compromise and settle all issues and claims relating to the lease agreements the Class Members entered into with the A-1 Defendants as a result of solicitations by any of USA Merchant Systems, Inc. d/b/a USA Card

Services, Inc., Startup Essentials and National Business Advisers; James One GP, LLC; James One Holdings, L.P., d/b/a USA Card Services Inc., Startup Essentials, National Business Advisers, and Startup Essentials, LLC; Startup Essentials, L.L.C.; James One Merchant Solutions, L.P. d/b/a National Business Advisers and James One; or Robert Harris (the “Harris Defendants”) that have been brought, or that could have been brought, in the Litigation by or on behalf of Plaintiff and the members of the Settlement Class who do not exclude themselves from the Settlement Class;

WHEREAS, Plaintiff and the A-1 Defendants desire and intend (1) to seek Court approval of the settlement of the Litigation as set forth in this Settlement Agreement; (2) to present the Settlement Agreement to the Court for its preliminary approval and take all appropriate steps to obtain entry of an order similar to that attached hereto as Exhibit C; and, (3) upon Court approval, to seek a final order and judgment from the Court similar to that attached hereto as Exhibit D dismissing with prejudice the claims of the settlement class, at the Fairness Hearing, which the Court has scheduled for Thursday, August 7, 2008 at 2:00 p.m.;

WHEREAS, on May 29, 2008, Plaintiff and the A-1 Defendants jointly filed a Motion to Sever Plaintiff’s claims against the A-1 Defendants from the remaining claims against the Harris Defendants for purposes of giving notice of the Settlement Agreement, conducting hearings, and if approved, entering a final judgment;

WHEREAS, on May 30, the Court severed the claims against the Harris Defendants from this action and assigned those claims a new cause number 1:08CV0304 (“Harris Litigation”);

WHEREAS, Plaintiff and the A-1 Defendants and their counsel agree to recommend approval of this Settlement Agreement by the Court, and Plaintiff and their counsel agree to recommend participation in this settlement to members of the Settlement Class; and

WHEREAS, Plaintiff and the A-1 Defendants agree to undertake their best efforts, including all steps and efforts that may become necessary by any order of the Court, to effectuate the terms and purposes of this Settlement Agreement, to secure the Court's approval of it, and to oppose any appeals from any orders of final approval.

II. TERMS AND CONDITIONS

NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among the A-1 Defendants, Plaintiff, and the Settlement Class, as defined below, (collectively, the "Settling Parties") that, subject to approval of the Court, the Litigation and the Released Claims (as defined below) shall be fully and finally compromised, settled, and released and that the Litigation shall be dismissed with prejudice, as to all Settling Parties, subject to and upon the following terms and conditions:

A. Class Certification

Under Rule 23 of the Federal Rules of Civil Procedure, a nationwide class ("Settlement Class") shall be certified for settlement purposes only, and shall be defined as follows:

All persons who were solicited by any of USA Merchant Systems, Inc. d/b/a USA Card Services, Inc., Startup Essentials and National Business Advisers; James One GP, LLC; James One Holdings, L.P., d/b/a USA Card Services Inc., Startup Essentials, National Business Advisers, and Startup Essentials, LLC; Startup Essentials, L.L.C.; James One Merchant Solutions, L.P. d/b/a National Business Advisers and James One; or Robert Harris and entered into a lease with A-1 Leasing, LLC and/or Bond Corporation.

Those members of the Settlement Class who do not timely request to be excluded from the Class are referred to herein as the "Settlement Class." For settlement purposes only, and subject to Court approval, Sharon Hubbard is appointed class representative, the law firm of Hubbard & Biederman, L.L.P. as lead class counsel, and The Ferguson Firm as liaison counsel for the Settlement Class ("Class Counsel"). Plaintiff and Class Counsel agree that certification

of the Settlement Class is for settlement purposes only. In the event this settlement is not approved as stipulated and provided by this Settlement Agreement, the A-1 Defendants retain the right to object to the maintenance of this or any other action as a class action and to contest this or any other action on any other grounds.

B. Settlement Consideration

In consideration for this settlement, the A-1 Defendants will give a three-month lease payment credit to qualified members of the Settlement Class who, as of May 1, 2008, (1) have satisfied all of his, her, or its obligations under the lease agreement with the A-1 Defendants (including having paid the lease as agreed) and (2) submit (a) a complete and valid Class Settlement Claim Form, attached hereto as Exhibit A and (b) a true and correct copy of his or her qualifying lease with the A-1 Defendants. Members of the Settlement Class who had not satisfied all of his, her, or its obligations under the lease agreement with the A-1 Defendants (including having paid the lease as agreed) as of May 1, 2008 may obtain this relief by (1) submitting (a) a complete and valid Class Settlement Claim Form and (b) a true and correct copy of his or her qualifying lease with the A-1 Defendants; and (2) curing their default pursuant to the terms of their lease prior to submitting the Class Settlement Claim Form. The three-month lease payment credit will be applied to the qualified Settlement Class members' last three lease payments to the A-1 Defendants. All other lease obligations are unaffected. To redeem their benefits under this Agreement, qualified members of the Settlement Class must submit the above-described information no later than September 22, 2008. This three-month lease credit to the qualified members of the Settlement Class is valued at approximately \$2.4 million.

In recognition of her services to the Settlement Class in bringing this case and assisting counsel in the prosecution of the Litigation, the A-1 Defendants will also pay to Plaintiff Sharon

Hubbard \$10,000 by wire transfer within ten (10) business days following the Effective Date of the Settlement Agreement.

Further in consideration for this settlement, the A-1 Defendants will pay \$750,000 to Class Counsel for their attorneys' fees, costs, and expenses, as detailed in Section H below.

Finally, in consideration for this settlement, the A-1 Defendants agree to cooperate with the Settlement Class and Class Counsel in the Settlement Class' claims against any of the Harris Defendants. The A-1 Defendants agree to reasonably cooperate with Class Counsel and the Settlement Class in their pursuit of The Harris Defendants to the extent legally and ethically appropriate, including by making the A-1 Defendants' witnesses available to Class Counsel and the Settlement Class.

C. Class Notice

Subject to the terms of this Settlement Agreement, the A-1 Defendants shall administer or oversee the administration of the notification to members of the Settlement Class solely as follows:

By no later than June 16, 2008, the A-1 Defendants shall cause to be mailed by first class mail a Notice of Class Action, Proposed Settlement, and Settlement Hearing with substantially the same text as in attached Exhibit B ("Notice").

Prior to mailing the Notice, the A-1 Defendants shall cause a National Change of Address ("NCOA") to be conducted to confirm and/or update each member of the Settlement Class' last known address. The A-1 Defendants shall bear the cost of mailing the Notice and conducting the NCOA.

Hubbard & Biederman, LLP shall also publish a copy of the Notice and this Settlement Agreement on its website located at www.hblawfirm.com. Counsel for the A-1 Defendants shall

have the right to review and comment on any notice of this Settlement prior to publication on the website.

With the exception of the Notice and any statements on Class Counsel's website, the parties and their counsel agree that they will not cause a press release or equivalent public announcement to be issued concerning this Settlement Agreement.

D. Opt-Outs, Objections, and Claim Process

Subject to the terms of this Settlement Agreement, the A-1 Defendants, in consultation with Class Counsel and counsel for the A-1 Defendants, shall administer (or oversee the administration of) the receipt of any and all requests for exclusion.

Any member of the Settlement Class who intends to object to the fairness of the settlement must file any such objection with the Court no later than July 23, 2008, and provide copies of the objection by that date to: Stephen L. Hubbard, HUBBARD & BIEDERMAN, L.L.P., 1601 Elm Street, Suite 1995, Dallas, Texas 75201 and Steven M. Zager, AKIN GUMP STRAUSS HAUER & FELD LLP, 1111 Louisiana Street, 44th Floor, Houston, Texas 77002-5200. Any objection to settlement will be invalid unless it includes: (i) the name of this lawsuit; (ii) the Class Member's full name, current address, and telephone number; (iii) the basis for the objection including all documents on which the objection is based, a list of all persons who will be called to testify in support of the objection, a statement of all grounds for the objection accompanied by any legal support for such objection; (iv) a statement whether the Class Member intends to appear at the Fairness Hearing scheduled by the Court; (v) if the Class Member intends to appear at the Fairness Hearing through counsel, the objection must also state the identity of all attorneys representing the objector who will appear at the Fairness Hearing; and (vi) the Class Member's signature. If the objector intends to appear at the Fairness Hearing

through counsel, the objection must also state the identity of all attorneys representing the objector who will appear at the Fairness Hearing.

Any member of the Settlement Class who intends to opt-out of the Settlement Class must send any such request for exclusion post-marked no later than July 23, 2008 to a separate post office box rented at the A-1 Defendants' expense, and send copies to Stephen L. Hubbard, HUBBARD & BIEDERMAN, L.L.P., 1601 Elm Street, Suite 1995, Dallas, Texas 75201 and Steven M. Zager, AKIN GUMP STRAUSS HAUER & FELD LLP, 1111 Louisiana Street, 44th Floor, Houston, Texas 77002-5200. Any request for exclusion must include: (i) the name and caption of this lawsuit; (ii) the class member's full name; (ii) the class member's current address and telephone number; (iii) a clear statement of intention to be excluded from the class; and (iv) a signature.

Any member of the Settlement Class who does not file a timely written objection to the settlement and notice of an intent to appear at the Fairness Hearing shall be foreclosed from seeking any adjudication or review of the settlement by appeal or otherwise. Members of the Settlement Class who file a timely and valid request for exclusion will not be bound by the terms of this Settlement Agreement.

No later than July 30, 2008, the A-1 Defendants will provide an affidavit or declaration to Class Counsel detailing the steps taken in compiling the list of Class Members and their addresses and the mailing of the Notice, listing all Class Members who timely opt out, and certifying the final list of Class Members who will be bound by the Final Order and Judgment.

If more than ten percent (10%) of the members of the Settlement Class exclude themselves from the settlement, the A-1 Defendants shall be entitled, at their option, to cancel the settlement and rescind this Settlement Agreement. To cancel the settlement under this paragraph,

the A-1 Defendants must provide written notice to Class Counsel and to the Court no later than July 30, 2008. In the event of cancellation of the Fairness Hearing or this Settlement Agreement, as a result of the A-1 Defendants' rescission: (i) this Settlement Agreement shall be null and void and shall have no force or effect, and no party to this Settlement Agreement shall be bound by any of its terms, except for the terms of this paragraph; (ii) the parties shall be restored to their respective positions existing immediately before the execution of this Settlement Agreement; and (iii) the A-1 Defendants shall be solely responsible for providing and paying for notice to the Settlement Members of such cancellation, if the Court determines such notice is necessary.

E. Effective Date

As soon as reasonably practicable after the execution of this Settlement Agreement, counsel for Plaintiff and the A-1 Defendants shall jointly present the Settlement Agreement to the Court for its preliminary approval and take all appropriate steps to obtain entry of an order substantially similar to that attached hereto as Exhibit C, which would preliminarily certify a tentative settlement class under Fed. R. Civ. P. 23(b)(3), preliminarily approve the fairness of the settlement, and order the distribution of class notice as provided in this Settlement Agreement.

If the Settlement Class is certified, the settlement is approved preliminarily by the Court, and all other conditions precedent to the settlement have been satisfied, counsel for the Settling Parties shall take all appropriate steps to obtain entry of a Final Order and Judgment in the form attached as Exhibit D. The Final Order and Judgment shall, among other things: (i) approve this Settlement Agreement as fair, adequate and reasonable, (ii) dismiss the Lawsuit with prejudice and on the merits, (iii) incorporate the terms of the Release, and (iv) award attorneys' fees to Class Counsel and an incentive award to Plaintiff.

The effective date of this Settlement Agreement ("Effective Date") shall be the date of entry of the Final Order and Judgment in the form attached as Exhibit D if no person files an

objection, or the first date after expiration of any available appeal period following entry of a Final Order and Judgment if an objection is filed. If any appeal from the Final Order and Judgment is filed, the Effective Date shall be the first date after the conclusion of all appeals periods and all rights to appeal the Final Order and Judgment, so long as the Final Order and Judgment is not reversed or materially revised.

F. Release

As of the Effective Date, the members of the Settlement Class fully, finally, and forever settle, release, and discharge the Released Parties (as defined below in subparagraph (a)) from the Released Claims (as defined below in subparagraph (b)), and are forever barred and enjoined from asserting any of the Released Claims in any court or other forum whatsoever. The provisions of any state, federal, municipal, local or territorial law or statute providing in substance that releases shall not extend to claims, demands, injuries, or damages that are unknown or unsuspected to exist at the time this Settlement Agreement is executed and approved by the trial court, are hereby expressly, knowingly, and voluntarily waived by all Settling Parties.

(a) The term “Released Parties” shall mean the A-1 Defendants and their past or present directors, officers, employees, partners, principals, underwriters, issuers, insurers, parents, subsidiaries, licensees, divisions, joint ventures, assigns, associates, attorneys, related or affiliated entities, and controlling shareholders. Notwithstanding the sentence above, the term “Released Parties” does not include the Harris Defendants or any third-party debt collector either attempting to collect a debt or making reports to any credit bureau on behalf of any of the A-1 Defendants in violation of any applicable state or federal debt collection or credit reporting laws.

(b) The term “Released Claims” shall mean any and all claims or causes of action of any nature whatsoever included but not limited to any claim for violations of federal, state, or other law (whether in contract, tort, or otherwise, including statutory, common law, property, and

equitable claims), and also including “Unknown Claims” (as defined below in subparagraph (c)), that have been or could have been asserted against the Released Parties in the Litigation or any other complaint, action, or litigation in any other court or forum based upon or in any way relating to leases with the A-1 Defendants that were solicited by any of the Harris Defendants, except for those claims specifically set forth in section (d) below.

(c) As used in this Settlement Agreement, the term “Unknown Claims” means any and all Released Claims that any member of the Settlement Class does not know or even suspect to exist against any of the Released Parties which, if known, might have affected his or her decision regarding the settlement of the Litigation. The members of the Settlement Class shall further acknowledge that they may hereafter discover facts in addition to or different from those that they now know or believe to be true concerning the subject matter of this release, but nevertheless fully, finally, and forever settle and release any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, may hereafter exist or heretofore have existed based upon actions or conduct occurring on or before the date of this Settlement Agreement, without regard to subsequent discovery or existence of such different or additional facts concerning each of the Released Parties.

(d) Notwithstanding the above release, the Settling Parties specifically understand and agree:

(i) The A-1 Defendants do not release and in fact retain any claim(s) the A-1 Defendants may have against any member of the Settlement Class, who has defaulted on his, her, or its lease with the A-1 Defendants, as of May 1, 2008;

(ii) Members of the Settlement Class do not release their rights to **individually** defend any collection action by the A-1 Defendants and to assert any defenses or

counterclaims solely to such collection action including all claims that are otherwise being released in this Settlement Agreement;

(iii) In the event that any Class Member asserts defenses or counterclaims in response to collection efforts, the A-1 Defendants specifically agree not to assert that such defenses or counterclaims are precluded by this Settlement Agreement, the Final Order and Judgment dismissing Class Members' claims with prejudice, or any statute of limitations;

(iv) Nothing in this release or Settlement Agreement is intended or shall release claims that the Settling Parties may have against the Harris Defendants;

(v) Nothing in this release is intended or shall release claims that may accrue after May 1, 2008 in the event that any member of the Class defaults on his, her or its lease with the A-1 Defendants; and

(vi) Nothing in this release shall preclude any action to enforce the terms of this Settlement Agreement.

G. Termination

In addition to the right of the A-1 Defendants to terminate the settlement under Section D of this Settlement Agreement, the A-1 Defendants and/or Plaintiff shall have the unilateral right to terminate this Settlement Agreement by providing written notice to the other party within seven (7) days of: (1) the Court's rejection, modification or disapproval of any portion of this Settlement Agreement that the terminating party in its sole judgment and discretion believes is material, or (2) if the Court does not enter or completely affirm any portion of the Final Order and Judgment attached as Exhibit D that the terminating party in its sole judgment and discretion believes is material.

If any Settling Party timely terminates under this Section G, this Settlement Agreement shall be of no force and effect and the Settling Parties' rights and defenses shall be restored without prejudice, as if this Settlement Agreement had never been executed.

H. Attorneys' Fees and Expenses

The A-1 Defendants will pay Class Counsel's attorneys' fees, including costs and expenses, in the amount of \$750,000. The Settling Parties agree that no additional attorneys' fees, costs, or expenses shall be paid by the A-1 Defendants in this Litigation to any other counsel or to Class Counsel on account of any other statute, contract, or doctrine relating to attorneys' fees, costs, or expenses or on account of any other claim in this Litigation. Class Counsel agrees not to seek an award of attorneys' fees greater than \$750,000 in this Litigation, and the A-1 Defendants will not oppose an application for an award of Class Counsel's attorneys' fees (including costs and expenses) of up to \$750,000. Payment will be made as follows:

(a) If no appeal is taken from the Final Order and Judgment, the A-1 Defendants will pay one-half of that amount (\$375,000) by wire transfer within ten (10) business days following the Effective Date of the Settlement Agreement. The A-1 Defendants will pay the remaining one-half (\$375,000) to Class Counsel by wire transfer no later than six (6) months after the Effective Date of the Settlement Agreement. The foregoing payments of attorneys' fees to Class Counsel is only applicable, however, if the proposed class-action settlement is finally approved.

(b) If an appeal is taken from the Final Order and Judgment, the A-1 Defendants will pay one-half of that amount (\$375,000) by wire transfer into a separate, interest-bearing account at an institution and in such accounts that are acceptable to Plaintiff and the A-1 Defendants within ten (10) business days following the the date of entry of the Final Order and Judgment. If the appeal is not resolved within six months of the date of entry of the Final Order and Judgment, then the A-1 Defendants will deposit the remaining one-half (\$375,000) into an interest-bearing

account at an institution and in such accounts that are acceptable to Plaintiff and the A-1 Defendants no later than six (6) months after the date of entry of the Final Order and Judgment. If the Settlement Agreement is upheld on appeal, the A-1 Defendants shall cause the payment of the Attorneys' Fees from the interest-bearing account, together with the accrued interest, to be transferred to Lead Counsel within ten (10) business days of the Effective Date. If the Settlement Agreement is overturned on appeal, the money and interest will be returned to the A-1 Defendants.

I. Preliminary Injunction and Prosecution Bar

Plaintiff and the A-1 Defendants agree to petition the Court for a Preliminary Order Approving Class Settlement, a copy of which is attached as Exhibit C. Among other things, that order shall provide that, in aid of the Court's jurisdiction to implement and enforce the proposed settlement, Plaintiff and all members of the Settlement Class shall be preliminarily enjoined and barred from commencing or prosecuting any action asserting any of the Released Claims through the Effective Date of the Settlement Agreement.

J. Miscellaneous Provisions

(a) The exhibits to the Settlement Agreement are an integral part of the settlement and are expressly incorporated and made a part of this Settlement Agreement.

(b) This Settlement Agreement is for settlement purposes only. Neither the fact of, nor any provision contained in this Settlement Agreement, nor any action taken hereunder, shall constitute, or be construed as, any admission of the validity of any claim or any fact alleged in the Litigation or of any wrongdoing, fault, violation of law, or liability of any kind on the part of the A-1 Defendants or any admissions by the A-1 Defendants of any claim or allegation made in any action or proceeding against the A-1 Defendants. If this Settlement Agreement is terminated and becomes null and void, the class action portions of this settlement shall have no further force

and effect with respect to any party to the Litigation and shall not be offered in evidence or used in the Litigation or any other proceeding. This Settlement Agreement shall not be offered or be admissible in evidence against the A-1 Defendants or cited or referred to in any action or proceeding, except in an action or proceeding brought to enforce its terms.

(c) No representations, warranties, or inducements have been made to any of the Settling Parties other than those representations, warranties, and covenants contained in this Settlement Agreement. This Settlement Agreement and its Exhibits shall constitute the entire agreement of the Settling Parties and may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by all parties to this Settlement Agreement or their successors-in-interest.

(d) The parties to this Settlement agree that the deadlines for adding parties in the Harris Litigation has passed and will jointly oppose any attempt to extend that deadline.

(e) The A-1 Defendants agree to provide all necessary affidavits, declarations, or discovery supporting all representations in this Settlement Agreement including, without limitation, the composition of the Settlement Class and value of the relief.

(f) This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original as against any party who has signed it, and all of which shall be deemed a single agreement.

(g) Plaintiff and the A-1 Defendants have negotiated all terms and conditions of this Settlement Agreement at arms-length. All terms, conditions, and exhibits in their exact form are material and necessary to this Settlement Agreement and have been relied upon by the Settling Parties in entering into this Settlement Agreement.

(h) This Settlement Agreement shall be governed by and enforced in accordance with the laws of the State of Texas, and any disputes, challenges, questions, or the like relating to this Settlement Agreement shall be heard only by this Court.

(i) The Court shall retain continuing and exclusive jurisdiction over the parties to this Settlement Agreement, including all members of the Settlement Class, for the purpose of the administration and enforcement of this Settlement Agreement.

(j) This Settlement Agreement shall be binding upon and inure to the benefit of the Settling Parties and their representatives, heirs, successors, and assigns.

(k) In the event any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions if the A-1 Defendants and Class Counsel, on behalf of the Settling Parties, mutually elect to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Settlement Agreement.

(l) Plaintiff and the A-1 Defendants may agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement, without further notice (subject to Court approval as to Court dates).

(m) This Settlement Agreement represents the entire agreement and understanding among Plaintiff and the A-1 Defendants and supersedes all prior proposals, negotiations, agreements, and understandings relating to the subject matter of this Settlement Agreement. Plaintiff and the A-1 Defendants acknowledge, stipulate, and agree that no covenant, obligation, condition, representation, warranty, inducement, negotiation, or understanding concerning any part or all of the subject matter of this Settlement Agreement has been made or relied on except

as expressly set forth in this Settlement Agreement. No modification or waiver of any provisions of this Settlement Agreement shall in any event be effective unless the same shall be in writing and signed by the person against whom enforcement of the Settlement Agreement is sought.

IN WITNESS HEREOF, Plaintiff and the A-1 Defendants have caused this Settlement Agreement to be executed by their duly authorized attorneys, as of June 3, 2008.

AKIN GUMP STRAUSS HAUER & FELD LLP

A handwritten signature in cursive script that reads "Ashley Adams". The signature is written in black ink and is positioned above a horizontal line.

Steven M. Zager

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Ashley R. Adams

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aradams@akingump.com

1111 Louisiana Street, 44th Floor

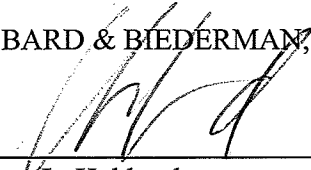
Houston, Texas 77002-5200

Tel: (713) 220-5800

Fax: (713) 236-0822

ATTORNEYS FOR A-1 DEFENDANTS,
A-1 LEASING, LLC AND BOND
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ATTORNEYS FOR PLAINTIFF,
SHARON HUBBARD

Exhibit A	Class Settlement Claim Form
Exhibit B	Notice of Proposed Class Action Settlement
Exhibit C	Preliminary Order Approving Class Settlement
Exhibit D	Final Order and Judgment

**SETTLEMENT AGREEMENT EXHIBIT A:
CLAIM FORM**

EXHIBIT A

If you wish to submit a Settlement Class Claim Form, you must complete this form in its entirety and mail it along with a complete copy of your lease agreement with Defendants A-1 Leasing, LLC and/or Bond Corporation to the address below, post-marked no later than September 22, 2008. The Final Fairness Hearing has been scheduled for Thursday, August 7, 2008 at 2:00 p.m. at Jack Brooks Federal Building, Courtroom #3, 300 Willow Street, Beaumont, Texas 77701.

Please **print** legibly.

Name: _____

Address: _____

Telephone No.: _____

Attach a complete copy of your lease agreement with A-1 Defendants to this Claim Form.

I, [name] _____, hereby attest under penalty of perjury, that I entered into a lease agreement with A-1 Leasing, LLC and/or Bond Corporation, which is attached hereto, and that the information provided above is true and correct.

Dated: _____

Signed: _____

This Claim Form must be completed legibly and in full, and mailed with a complete copy of your lease agreement with A-1 Leasing, LLC and/or Bond Corporation to the following address no later than September 22, 2008:

Class Settlement
c/o A-1 Leasing
P.O. Box 7166
Grand Rapids, MI 49510-7166

Error! Unknown document property name.

SETTLEMENT AGREEMENT EXHIBIT B:
PROPOSED NOTICE TO CLASS

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
BEAUMONT DIVISION**

**Sharon Hubbard, Individually and on
Behalf Of All Others Similarly Situated,**

Plaintiff

v.

**A-1 Leasing, LLC and Bond
Corporation,**

Defendants.

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Civil Action No. 1:07-CV-044

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

TO: ALL PERSONS WHO WERE SOLICITED BY ANY OF USA MERCHANT SYSTEMS, INC. D/B/A USA CARD SERVICES, INC., STARTUP ESSENTIALS AND NATIONAL BUSINESS ADVISERS; JAMES ONE GP, LLC; JAMES ONE HOLDINGS, L.P., D/B/A USA CARD SERVICES INC., STARTUP ESSENTIALS, NATIONAL BUSINESS ADVISERS, AND STARTUP ESSENTIALS, LLC; STARTUP ESSENTIALS, L.L.C.; JAMES ONE MERCHANT SOLUTIONS, L.P. D/B/A NATIONAL BUSINESS ADVISERS AND JAMES ONE OR ROBERT HARRIS (“HARRIS DEFENDANTS”) AND ENTERED INTO A LEASE WITH A-1 LEASING, LLC AND/OR BOND CORPORATION (“A-1 DEFENDANTS”).

*A Federal Court authorized this notice.
This is not a solicitation from a lawyer.*

1. A settlement has been proposed in this class action lawsuit as to leases entered into with the A-1 Defendants as a result of solicitation by the Harris Defendants. To those who qualify, the settlement will provide credit to their lease payment account with the A-1 Defendants.
2. The settlement will resolve this lawsuit. The Court in charge of this case still has to decide whether to approve the settlement at the Fairness Hearing. Payments or credits will only be made if the Court approves the settlement, and after appeals, if any, are resolved in favor of the settlement.
3. Your legal rights are affected whether you act, or don't act. **Read this notice carefully.**

BASIC INFORMATION

1. Why Did I Receive This Notice?

You received this Notice because you have been identified as being a member of the Class as defined in Section 3 below.

2. What Is This Lawsuit About?

Plaintiff, Sharon Hubbard (“Class Plaintiff”) filed this class action challenging what she characterized as a telemarketing scheme in which Plaintiff alleges the Harris Defendants promoted startup business opportunities in connection with equipment leases issued by the A-1 Defendants. Plaintiff filed this lawsuit seeking cancellation, restitution, and damages for all Class Members based upon (1) the fraudulent sales of leases; (2) Defendants’ failure to register as telemarketers under the Texas Telephone Solicitation Act; (3) Defendants’ failure to register under the Texas Business Opportunity Act; and (4) violations of the Tex. Bus. & Comm. Code § 35.53.

The A-1 Defendants deny all allegations of wrongdoing and further claim that they cannot be held liable for the acts of the Harris Defendants. The Harris Defendants were included as defendants in this lawsuit, but the Harris Defendants are not a party to this Settlement. Claims against the Harris Defendants are being litigated separately.

3. Who Is Included In The Class?

The Court has preliminarily certified a Class consisting of all persons who were solicited by the Harris Defendants and entered into a lease with the A-1 Defendants. According to Defendants’ documents, there are approximately 6,625 persons in the Class, living throughout the nation.

The Class and Class Members, as defined and used in this Notice, do not include those persons excluded from the Class.

4. Why Did The Parties Agree To The Proposed Settlement?

The Court did not decide in favor of the Class or Defendants. Instead, the Class Plaintiff and the A-1 Defendants have agreed to a settlement. Based on their investigation, the Class Plaintiff and Class Counsel believe that this lawsuit should be settled, because (i) the proposed settlement is fair and reasonable, provides significant benefits to the Class, and is in the best interests of the Class, and (ii) the uncertainties of the litigation.

While denying any wrongdoing and denying the Class’s allegations, the A-1 Defendants have agreed to this settlement based on (i) the uncertainty and substantial costs of class action litigation; (ii) its desire to put to rest the Class’s claims and end the expense and disruption caused by the defense of this lawsuit; and (iii) because the proposed settlement is fair and reasonable.

5. What Benefits Does The Settlement Provide?

A. If You Were Current on Your Payments to A-1/Bond as of May 1, 2008

All Class Members who were current in their payments on their lease with A-1 as of May 1, 2008 are eligible to apply for the settlement credit. If eligible, the proposed settlement provides credits for the last

three monthly payments of your lease. The total value of the relief being offered to the Settlement Class is approximately \$2.4 million.

Class Members, who are entitled to these benefits, must complete and mail the attached Claim Form legibly and in full, together with a complete copy of their lease agreement with the A-1 Defendants to the specified address no later than September 22, 2008.

In consideration for the benefits provided by the settlement, Class Members release the A-1 Defendants of all claims related to the Litigation. A full version of the release is included as Exhibit A to this Notice.

B. If You Were Not Current on Your Payments to A-1/Bond as of May 1, 2008

All Class Members who were not current in their payments on their lease with A-1 as of May 1, 2008, are eligible to apply for the settlement credit of three monthly lease payments by (1) completing and mailing the attached Claim Form, together with a complete copy of their lease agreement with the A-1 Defendants to the specified address no later than September 22, 2008 and (2) curing their default pursuant to the terms of their lease agreement with the A-1 Defendants prior to submitting the attached Claim Form. Unless Class Members who were not current in their payments on their lease with A-1 as of May 1, 2008 take the above steps, those Class Members are not eligible to receive any credits to their lease payment account.

In consideration for the benefits provided by the settlement, the claims against the A-1 Defendants in this lawsuit are being dismissed; however, the A-1 Defendants do not release and in fact retain any claim(s) the A-1 Defendants may have against you. Correspondingly, as a Class Member, you do not release any rights to individually defend any collection action by the A-1 Defendants and to assert any defenses or counterclaims to such collection action including alleged offsets for claims that are otherwise being released in this Settlement. Furthermore, relevant statutes of limitations are tolled for any defensive matter or counterclaim. A full version of the release is included as Exhibit A to this Notice.

6. What Effect Does This Settlement Have on Claims Against the Harris Companies?

None. Although the Harris Companies were originally part of this lawsuit, these settled claims have been severed from that litigation. The Harris Companies are not part of this settlement and the Class Plaintiff is pursuing an action against them in a separate lawsuit. The Class Plaintiff is seeking certification of claims against the Harris Companies but, as of the mailing of this Notice, the Court has not made any decision either way on certification of those claims.

THE LAWYERS REPRESENTING YOU

7. Do I Have A Lawyer In This Case?

The Court appointed the law firm of Hubbard & Biederman LLP, in Dallas, TX as Lead Counsel and the Ferguson Firm in Beaumont, TX as Liaison Counsel to represent all Class Members. The names of the lawyers handling this lawsuit at those firms and their addresses are as follows:

Stephen L. Hubbard
Robert W. Biederman
David M. Grossman
Hubbard & Biederman LLP
1601 Elm Street
Dallas, TX 75201
(214) 857-6000
www.hblawfirm.com

Timothy W. Ferguson
Ferguson Firm
1122 Orleans
Beaumont, TX 77701
(409) 832-9900
www.fergusonfirm.com

8. Should I Get My Own Lawyer?

If you want to remain a member of the Class, but you do not wish to be represented by the appointed Class Counsel, you may enter an appearance through your own attorney at your own expense. To do so, you must file an Entry of Appearance with the Clerk of the Court and serve the Notice on Class Counsel and Defendants' Counsel at the addresses listed below in Section 11.

9. Do I Have to Pay Class Counsel?

No. You will not be personally responsible for any costs or attorney's fees incurred in this lawsuit. If the Court approves the proposed settlement, Class Counsel will request that the Court award the attorney's fees and costs in an amount not to exceed \$750,000. The amount awarded by the Court to Class Counsel will be paid by the A-1 Defendants separate and apart from the payments to the Class, and will not reduce or diminish in any manner the \$2.4 million in settlement benefits.

Class Counsel also will seek \$10,000 for the Class Plaintiff to compensate for her substantial time and effort in prosecuting this case. The amount awarded by the Court to the Class Plaintiff also will be paid by the A-1 Defendants separate and apart from the payments to the Class, and will not reduce or diminish the settlement benefits in any manner.

YOUR RIGHTS AND OPTIONS

10. How Do I Get My Settlement Benefits?

If you are eligible (see Section 5 above) and want to apply for the settlement credit, you must complete the Claim Form attached as Exhibit B legibly and in full, and mail the Claim Form, along with a complete copy of your lease agreement with A-1 Leasing, LLC and/or Bond Corporation to the following address, postmarked no later than September 22, 2008:

Class Settlement
c/o A-1 Leasing
P.O. Box 7166
Grand Rapids, MI 49510-7166

11. How Do I Exclude Myself?

If you do not wish to be included in the Class and wish not to receive the settlement benefits, for which you are eligible, you must mail a written exclusion to:

Class Settlement
c/o A-1 Leasing
P.O. Box 7166
Grand Rapids, MI 49510-7166

You also must deliver copies of your exclusion to the attorneys in the case:

Stephen L. Hubbard
HUBBARD & BIEDERMAN, LLP
1601 Elm Street, Suite 1995
Dallas, Texas 75201

Steven M. Zager
AKIN GUMP STRAUSS HAUER & FELD LLP
1111 Louisiana Street, 44th Floor
Houston, Texas 77002-5200

Your written request to be excluded must be postmarked no later than July 23, 2008. Your request for exclusion *must* contain:

- (1) The name of this lawsuit *Sharon Hubbard v. A-1 Leasing, LLC and Bond Corporation.*, No. 1:07-CV-044;
- (2) Your full name, current address, and telephone number;
- (3) A clear statement of intention to exclude yourself such as "I wish to be excluded from the Class"; and
- (4) Your signature.

If you ask to be excluded, you will not get any settlement benefits, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue (or continue to sue) the A-1 Defendants in the future.

12. How Do I Object?

If you believe the settlement is not fair, reasonable and adequate, including the proposed payments to Class Counsel and Class Plaintiff, you may file an objection with the Court. You can object only if you stay in the Settlement Class. You will still be in the Settlement Class, will be bound by any judgment, and will receive benefits if the Settlement is approved and you are eligible.

If you want to object, you must deliver your objection to the Clerk of the Court:

United States District Court for the Eastern District of Texas
Jack Brooks Federal Building
300 Willow Street, Suite 104
Beaumont, Texas 77701

You also must deliver copies of your Objection to the attorneys in the case:

Stephen L. Hubbard
HUBBARD & BIEDERMAN, LLP
1601 Elm Street, Suite 1995
Dallas, Texas 75201

Steven M. Zager
AKIN GUMP STRAUSS HAUER & FELD LLP
1111 Louisiana Street, 44th Floor
Houston, Texas 77002-5200

Your objection must be received no later than July 23, 2008. Your objection *must* include:

- (1) The name of this lawsuit *Sharon Hubbard v. A-1 Leasing, LLC and Bond Corporation*, No. 1:07-CV-044;
- (2) Your full name, current address, and telephone number;
- (3) The basis for your objection including all documents on which the objection is based, a list of all persons who will be called to testify in support of the objection, a statement of all grounds for the objection accompanied by any legal support for such objection;
- (4) A statement whether you intend to appear at the Fairness Hearing scheduled by the Court;
- (5) If you intend to appear at the Fairness Hearing through counsel, the objection must also state the identity of all attorneys representing the objector who will appear at the Fairness Hearing; and
- (4) Your signature.

If you wish to appear at the Fairness Hearing through counsel, no later than July 23, 2008, your counsel must also file with the Court and deliver to Lead Counsel for the Class and Defense Counsel at the addresses specified above, a notice of intention to appear, setting forth the case number, and the name, address and telephone number of the Class Member (and if applicable, the name of the Class Member's attorney). Any Class Member who does not timely and validly file and serve a notice of intention to appear pursuant to the terms of this paragraph shall not be permitted to appear, except for good cause.

13. Where Do I Send My Claim Form?

If you wish to remain a member of the Class, you may send your completed Claim Form to:

Class Settlement
c/o A-1 Leasing
P.O. Box 7166
Grand Rapids, MI 49510-7166

If you send in your Claim Form, you may not exclude yourself from the Class.

THE SETTLEMENT HEARING

14. When and Where Will the Court Decide Whether to Grant Final Approval of the Settlement?

The Court has scheduled a hearing **on August 7, 2008, at 2:00 p.m.** at the Jack Brooks Federal Building, Courtroom #3, 300 Willow Street, Beaumont, Texas 77701. At this hearing, the Court will consider whether to approve the proposed settlement as fair, reasonable, and adequate, including the application by Class Counsel for attorneys' fees and Class Representative for additional compensation. If there are objections, the Court will consider them.

15. May I Attend the Settlement Hearing?

As a Class Member, you may-but are not required- to attend the Settlement Hearing. However, if you intend to attend the Settlement Hearing and object to the proposed settlement, you first must comply with the Section 11 governing Objections. Also, if you intend to appear at the Settlement Hearing, you or your attorney must file a Notice of Intention to Appear with the Clerk of the Court and serve the Notice on counsel at the addresses listed above in Section 15. **The Court and the parties must receive your Notice of Intention to Appear no later than July 23, 2008.**

16. Additional Information

All references in this notice to the proposed settlement, pleadings and Court orders are only summaries. Complete copies of the pleadings, orders and other documents filed in this litigation may be examined and copied at any time during regular office hours at the offices of the Clerk of the Court.

Certain documents and other information are also available on the Internet at www.hblawfirm.com.

The Class Plaintiff, Class Counsel, the A-1 Defendants and Defendants' counsel express no opinion concerning the tax consequences of the proposed settlement to Class Members and make no representations, warranties or other assurances regarding such tax consequences. No opinions, representations, warranties, or other assurances shall be deemed to have been made by the Class Plaintiff, Class Counsel, the A-1 Defendants and Defendants' counsel with respect to such tax consequences by virtue of this Agreement, and the Class Plaintiff, Class Counsel, the A-1 Defendants and Defendants' counsel shall not be held liable for any such tax consequences that may occur. Each Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Class Member.

PLEASE DO NOT CALL OR WRITE TO THE COURT FOR INFORMATION OR ADVICE.

DATED: June ____, 2008

BY ORDER OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS, BEAUMONT DIVISION.

/s/ Marcia A. Crone
UNITED STATES DISTRICT JUDGE

EXHIBIT A
RELEASE

As of the Effective Date, the members of the Settlement Class fully, finally, and forever settle, release, and discharge the Released Parties (as defined below in subparagraph (a)) from the Released Claims (as defined below in subparagraph (b)), and are forever barred and enjoined from asserting any of the Released Claims in any court or other forum whatsoever. The provisions of any state, federal, municipal, local or territorial law or statute providing in substance that releases shall not extend to claims, demands, injuries, or damages that are unknown or unsuspected to exist at the time this Settlement Agreement is executed and approved by the trial court, are hereby expressly, knowingly, and voluntarily waived by all Settling Parties.

(a) The term “Released Parties” shall mean the A-1 Defendants and their past or present directors, officers, employees, partners, principals, underwriters, issuers, insurers, parents, subsidiaries, licensees, divisions, joint ventures, assigns, associates, attorneys, related or affiliated entities, and controlling shareholders. Notwithstanding the sentence above, the term “Released Parties” does not include the Harris Defendants or any third-party debt collector either attempting to collect a debt or making reports to any credit bureau on behalf of any of the A-1 Defendants in violation of any applicable state or federal debt collection or credit reporting laws.

(b) The term “Released Claims” shall mean any and all claims or causes of action of any nature whatsoever included but not limited to any claim for violations of federal, state, or other law (whether in contract, tort, or otherwise, including statutory, common law, property, and equitable claims), and also including “Unknown Claims” (as defined below in subparagraph (c)), that have been or could have been asserted against the Released Parties in the Litigation or any other complaint, action, or litigation in any other court or forum based upon or in any way relating to leases with the A-1 Defendants that were solicited by any of USA Merchant Systems, Inc. d/b/a USA Card Services, Inc., Startup Essentials and National Business Advisers; James One GP, LLC; James One Holdings, L.P., d/b/a USA Card Services Inc., Startup Essentials, National Business Advisers, and Startup Essentials, LLC; Startup Essentials, L.L.C.; James One Merchant Solutions, L.P. d/b/a National Business Advisers and James One; or Robert Harris, except for those claims specifically set forth in section (d) below.

(c) The term “Unknown Claims” means any and all Released Claims that any member of the Settlement Class does not know or even suspect to exist against any of the Released Parties which, if known, might have affected his or her decision regarding the settlement of the Litigation. The members of the Settlement Class shall further acknowledge that they may hereafter discover facts in addition to or different from those that they now know or believe to be true concerning the subject matter of this release, but nevertheless fully, finally, and forever settle and release any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, may hereafter exist or heretofore have existed based upon actions or conduct occurring on or before the date of this Settlement Agreement, without regard to subsequent discovery or existence of such different or additional facts concerning each of the Released Parties.

(d) Notwithstanding the above release, the Settling Parties specifically understand and agree: (i) the A-1 Defendants do not release and in fact retain any claim(s) the A-1 Defendants may have against any member of the Settlement Class, who has defaulted on his, her or its lease with the A-1 Defendants, as of May 1, 2008; (ii) members of the Settlement Class do not release their rights to individually defend any collection action by the A-1 Defendants and to assert any defenses or counterclaims solely to such collection action including all claims that are otherwise being released in this Settlement Agreement; (iii) in the event that any Class Member asserts defenses or counterclaims in response to collection efforts, the A-1 Defendants specifically agree not to assert that such defenses or counterclaims are precluded by this settlement, the final judgment dismissing Class Members’ claims with prejudice, or any statute of limitations; (iv) nothing in this release or settlement agreement is intended or should be read to release

claims that the Settling Parties may have against the Harris Defendants; (v) nothing in this release is intended or shall release claims that may accrue after May 1, 2008 in the event that any member of the Class defaults on his, her or its lease with the A-1 Defendants; and (vi) nothing in this release shall preclude any action to enforce the terms of this Settlement Agreement.

EXHIBIT B

If you wish to submit a Settlement Class Claim Form, you must complete this form in its entirety and mail it along with a complete copy of your lease agreement with Defendants A-1 Leasing, LLC and/or Bond Corporation to the address below, post-marked no later than September 22, 2008. The Final Fairness Hearing has been scheduled for Thursday, August 7, 2008 at 2:00 p.m. at Jack Brooks Federal Building, Courtroom #3, 300 Willow Street, Beaumont, Texas 77701.

Please **print** legibly.

Name: _____

Address: _____

Telephone No.: _____

Attach a complete copy of your lease agreement with A-1 Defendants to this Claim Form.

I, [name] _____, hereby attest under penalty of perjury, that I entered into a lease agreement with A-1 Leasing, LLC and/or Bond Corporation, which is attached hereto, and that the information provided above is true and correct.

Dated: _____

Signed: _____

This Claim Form must be completed legibly and in full, and mailed with a complete copy of your lease agreement with A-1 Leasing, LLC and/or Bond Corporation to the following address no later than September 22, 2008:

Class Settlement
c/o A-1 Leasing
P.O. Box 7166
Grand Rapids, MI 49510-7166

**SETTLEMENT AGREEMENT EXHIBIT C:
PRELIMINARY ORDER APPROVING CLASS SETTLEMENT**

exclusive of interest and costs; and, on information and belief, at least one member of the class is a citizen of a State that is different from any defendant in this action.

WHEREAS the parties engaged in extensive written discovery, exchanging tens of thousands of pages of documents among themselves, as well as third party discovery, informal discovery, and depositions of Robert DeVleiger, Robert Harris, Brad Oliver, Kevin DeVoto, and William Carroll.

WHEREAS the parties engaged in motion practice concerning the appropriate scope and extent of discovery;

WHEREAS, pursuant to this Court's Order, the parties held a mediation before Greg Thompson on April 29, 2008. Although no settlement was reached at that time, Plaintiff, A-1 and Bond continued to negotiate. After extensive negotiation, the Parties entered into a Stipulation of Settlement, dated June 3, 2008 (together with exhibits thereto, the "Settlement Agreement"), in which the Parties have agreed upon a settlement subject to the determination of the Court as to the fairness, reasonableness and adequacy of the settlement, which, if approved, will result in dismissal of the claims against the A-1 Defendants with prejudice.

WHEREAS the Court has carefully reviewed the Settlement Agreement, pleadings on file, and the Parties' motion in support of the Settlement Agreement.

WHEREAS, the Court has determined that it would be in the best interests of the parties and the proposed Settlement Class to conduct hearings and other proceedings about the Settlement Agreement;

WHEREAS, on May 30, 2008, the Court severed Plaintiff's claims against the A-1 Defendants for purposes of giving notice of, conducting hearings on, and if approved, entering a final judgment as to the Settlement Agreement,

After reviewing the proposed settlement, proposed notice, the oral and written argument and the submissions of the parties, the Court is of the opinion that the settlement should be preliminarily approved and the class preliminarily certified for settlement purposes only, and that a hearing should be set for final determination of the fairness of the settlement and certification of the class for settlement purposes.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. The Court finds that the prerequisites of Federal Rule of Civil Procedure 23 have been satisfied and that a class should be preliminarily certified only for settlement purposes. The Class shall consist of all persons who were solicited by any of USA Merchant Systems, Inc. d/b/a USA Card Services, Inc., Startup Essentials and National Business Advisers; James One GP, LLC; James One Holdings, L.P., d/b/a USA Card Services Inc., Startup Essentials, National Business Advisers, and Startup Essentials, LLC; Startup Essentials, L.L.C.; James One Merchant Solutions, L.P. d/b/a National Business Advisers and James One; or Robert Harris and entered into a lease with A-1 Leasing, LLC and/or Bond Corporation (“Class” or “Settlement Class”). The Court directs that, for the sole purpose of settlement, and without adjudication on the merits, the Lawsuit shall proceed as a class action on behalf of the Class.

2. Sharon Hubbard is designated as representative of the Class for the purpose of seeking approval of the Settlement. The law firm of Hubbard & Biederman, LLP is hereby designated as Lead Counsel for the Class and the Ferguson Firm is appointed liaison counsel.

3. The Settlement Agreement is preliminarily approved as fair, reasonable and in the best interests of the Class, subject to the right of any Class Member to challenge the Settlement Agreement and to show cause, if any exists, why a Final Order and Judgment dismissing this

Lawsuit (based on the Settlement Agreement) should not be entered after due and adequate notice to the Class and a Fairness Hearing as ordered herein.

4. The Court finds that: (i) the proposed settlement resulted from extensive arm's-length negotiation and was concluded only after Plaintiffs' Counsel had conducted extensive discovery and (ii) the proposed settlement evidenced by the Settlement Agreement is sufficient to warrant (a) notice thereof to the members of the Class and (b) a full hearing on the settlement.

5. The "Fairness Hearing" will be held on August 7, 2008, at 2:00 pm to determine: (i) whether the proposed Class should be finally certified for settlement purposes; (ii) whether the Settlement should be approved as fair, reasonable and adequate and in the best interest of the Settlement Class; (iii) whether the Lawsuit should be dismissed with prejudice pursuant to the terms of the Settlement Agreement; (iv) whether Class Members should be bound by the Release set forth in the Settlement Agreement; (v) whether Class Members should be subject to a permanent injunction that, among other things, bars Class Members from filing, commencing, prosecuting, or intervening in, or participating as class members in, any lawsuit in any jurisdiction based on or relating to the claims and causes of action, or the facts and circumstances related thereto, in this Lawsuit; and (vi) whether the request of Plaintiffs' Counsel for an award of attorneys' fees and expenses, and for an incentive award to Plaintiff, should be approved. The Parties' supplemental submissions in support of the settlement, fee and incentive award shall be filed with the Court by August 4, 2008. The Parties' responses, if any, to any objections or appearances filed pursuant to paragraphs 14-15 of this Order shall be filed with the Court by August 4, 2008.

6. No later than June 16, 2008, the A-1 Defendants shall send the notice and the accompanying materials substantially in the form filed with this Court as Exhibit B to the

Settlement Agreement (the "Notice") by first-class mail, postage prepaid, to each Class Member's last known or most current address, as confirmed by a National Change of Address ("NCOA") to be conducted pursuant to the provisions of the Settlement Agreement.

7. No later than July 30, 2008, the A-1 Defendants shall file with the Court a proof of mailing of the Class Notice.

8. Having considered, among other factors (i) the various methods by which notice to members of the Class might be given, and (ii) the stake of each member of the Class, the Court finds that notice given in the form and manner provided in this Order is the best practicable notice and is reasonably calculated, under the circumstances, to apprise members of the Class of (a) of the pendency of this Lawsuit, (b) of their right to exclude themselves from the proposed settlement, (c) that any judgment, whether favorable or not, will include all Class Members who have not been excluded; and (d) that any Class Member who has not been excluded may object to the settlement and, if he or she desires, enter an appearance either personally or through counsel. The Court further notes that the Class Notice provided in the Settlement Agreement is written in simple English and is readily understandable by members of the Class. In sum, the Court finds that such notice is reasonable, that it constitutes due, adequate and sufficient notice to all persons entitled to be provided with notice, and that it meets the requirements of due process, the Federal Rules of Civil Procedure and the Rules of the Court.

9. The A-1 Defendants, in consultation with Lead Counsel, will administer and implement the terms of the proposed settlement, by (i) mailing the Notice, and (ii) carrying out such other responsibilities as are provided for in the Settlement Agreement or may be agreed to by the parties in the Lawsuit.

10. Any member of the Class who wishes to be excluded from the Class may request exclusion by sending a written request for exclusion to the Clerk of the Court care of the A-1 Defendants, with copies to Lead Counsel and Defense Counsel, by first-class mail, postage prepaid, to the following addresses:

Class Settlement
c/o A-1 Leasing, LLC
P.O. Box 7166
Grand Rapids, MI 49510-7166

Stephen L. Hubbard
HUBBARD & BIEDERMAN, LLP
1601 Elm Street, Suite 1995
Dallas, Texas 75201

Steven M. Zager
AKIN GUMP STRAUSS HAUER & FELD LLP
1111 Louisiana Street, 44th Floor
Houston, Texas 77002-5200

11. The request for exclusion must include: (i) the name and caption of this lawsuit ; (ii) the Class Member's full name, current address, and telephone number; (iii) a clear statement of intention to be excluded from the Class; and (iv) the Class Member's signature.

12. Any exclusion request must be postmarked no later than July 23, 2008. If the proposed settlement is approved, any member of the Class who has not submitted an appropriate, timely, written request for exclusion from the Class, shall be bound by all subsequent proceedings, orders and judgments in this Lawsuit, even if he or she has pending or subsequently initiates litigation encompassed by the Class Members' Release against the A-1 Defendants (or any of them) relating to the claims released in the Settlement Agreement.

13. Any Class Member who has not been excluded from the Class and who complies with the requirements of this paragraph may object to any aspect of the proposed settlement

and/or the award of attorneys' fees and expenses and/or Plaintiff's incentive award, either on his or her own or through an attorney hired at his or her expense. Any Class Member who wishes to object to the proposed settlement must file with the Clerk of the Court, U.S. District Court, 300 Willow Street, Suite 104, Beaumont, TX 77701, with copies to Lead Counsel and Defense Counsel at the addresses specified above, a written statement of objection. Such statement shall include: (i) the name of this lawsuit; (ii) the Class Member's full name, current address, and telephone number; (iii) the basis for the objection including all documents on which the objection is based, a list of all persons who will be called to testify in support of the objection, a statement of all grounds for the objection accompanied by any legal support for such objection; (iv) a statement whether the Class Member intends to appear at the Fairness Hearing scheduled by the Court; (v) if the Class Member intends to appear at the Fairness Hearing through counsel, the objection must also state the identity of all attorneys representing the objector who will appear at the Fairness Hearing; and (vi) the Class Member's signature.

14. Objections will be considered by the Court only if they are received by the Court and all counsel no later than July 23, 2008. Any Class Member who does not timely file and serve a written objection pursuant to the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising, any objection to the settlement, and any objection that is not timely or validly made shall be barred.

15. Any Class Member who files and serves a timely and valid written objection may appear at the Fairness Hearing either in person or through counsel retained at the Class Member's expense. Class Members or their attorneys intending to appear at the Fairness Hearing must deliver to Lead Counsel for the Class and Defense Counsel and file with the Court, at the addresses specified above, no later than July 23, 2008 a notice of intention to appear,

setting forth the case number, and the name, address and telephone number of the Class Member (and if applicable, the name of the Class Member's attorney). Any Class Member who does not timely and validly file and serve a notice of intention to appear pursuant to the terms of this paragraph shall not be permitted to appear, except for good cause.

16. Pending final determination of whether the settlement should be approved, and in aid of the Court's jurisdiction to implement and enforce the proposed settlement, the Plaintiffs, all members of the Settlement Class, and anyone who acts or purports to act on their behalf shall not institute or prosecute any action, and are hereby enjoined from instituting or prosecuting any action, that asserts Released Claims against any Released Party through the Effective Date of the Settlement Agreement, as those terms are defined in the Settlement Agreement.

17. Lead Counsel for the Class shall make available to any member of the Class during regular business hours, at the member's expense, the documents exchanged by the Parties during discovery in this Lawsuit, and deposition transcripts and attached exhibits generated in this Lawsuit. These documents shall be made available for review only at the offices of Hubbard & Biederman LLP. If a Class Member hires an attorney to represent him or her in connection with the review of such documents, the attorney must file a notice of appearance as specified above.

18. This Order shall become null and void, and shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing immediately before this Court entered this Order, if the proposed settlement is not finally approved by the Court, or does not become final, pursuant to the terms of the Settlement Agreement. In such event, the proposed settlement and Settlement Agreement shall become null and void and be of

no further force and effect, and neither the Settlement Agreement nor the Court's orders, including this Order, shall be used or referred to for any purpose whatsoever.

19. This Order shall be of no force or effect if the settlement does not become final, and shall not be construed or used as an admission, concession or declaration by or against the A-1 Defendants or Plaintiff or members of the Class of the validity of any claim or any actual or potential fault, wrongdoing or liability whatsoever.

20. The Court reserves the right to approve the Settlement Agreement with such modifications as may be agreed by the Parties and without requiring further notice to the Class Members.

21. The Court retains exclusive jurisdiction over the action to consider all further matters arising out of or connected with the settlement, including the enforcement of the Settlement Agreement.

IT IS SO ORDERED.

**SETTLEMENT AGREEMENT EXHIBIT D:
FINAL ORDER AND JUDGMENT**

Business Advisers and James One; or Robert Harris and entered into a lease with A-1 Leasing, LLC and/or Bond Corporation.

2. This Final Order and Judgment incorporates herein and makes a part hereof, the Settlement Agreement dated June 3, 2008 and all exhibits thereto and the terms defined therein, which is finally approved as fair, reasonable, and adequate and in the best interests of the Settlement Class;

3. This Court has jurisdiction over the subject matter of this litigation, and over all parties to the litigation, including all members of the Class as defined in Paragraph 3(A), below, and has jurisdiction to approve the settlement reflected in the Settlement Agreement;

4. The Court finds that this matter satisfies the class action prerequisites set forth in Fed.R.Civ.P. 23. This finding is based upon the following:

A. **Numerosity.** Fed.R.Civ.P. 23(a)(1) requires that the class be so numerous that the joinder of all members is impracticable. The Class consists of all persons who were solicited by any of USA Merchant Systems, Inc. d/b/a USA Card Services, Inc., Startup Essentials and National Business Advisers; James One GP, LLC; James One Holdings, L.P., d/b/a USA Card Services Inc., Startup Essentials, National Business Advisers, and Startup Essentials, LLC; Startup Essentials, L.L.C.; James One Merchant Solutions, L.P. d/b/a National Business Advisers and James One; or Robert Harris and entered into a lease with A-1 Leasing, LLC and/or Bond Corporation. The Class Members are ascertainable through objective criteria and the A-1 Defendants served Notice upon over 6,600 persons residing throughout the nation. The Class, therefore, is so numerous and dispersed that joinder is impracticable.

B. **Commonality.** Fed.R.Civ.P. 23(a)(2) requires that there be "questions of law or fact common to the class." The Court finds that Plaintiff and the other members of the Class all have a common interest in resolving: (i) Whether the A-1 Defendants violated Tex.

Bus. Comm. Code §§17.41, et seq. (“DTPA”) by engaging in false, misleading, or deceptive acts or practices; (ii) whether the A-1 Defendants violated the DTPA by virtue of violation of the Tex.Bus.Comm.Code §§38.001, et seq (“Texas Telephone Solicitation Act”); (iii) whether the A-1 Defendants violated the DTPA by virtue of violations of the Texas Business Opportunity Act; (iv) whether the A-1 Defendants violated Tex. Bus. & Comm. Code § 35.53; and (v) whether Plaintiff and members of the Class have sustained damages and the proper measure of damages. The Court, therefore, finds that there are common questions of law and fact and that the commonality requirement of Rule 23(a)(2) is satisfied.

C. **Typicality.** Rule 23(a)(3) requires that the claims and defenses of the representative plaintiff be typical of the claims and defenses of the class. “Typicality” does not mean that the claims of the representative parties must be identical with those of the absent class members; rather, typicality is satisfied where the representative plaintiff claims arise out of the same event or course of conduct as the other class members' claims and is based on the same legal theory. The Court finds that the allegations concerning Plaintiff’s claims arose from the substantially similar course of conduct that gives rise to the claims of the Class Members and are based on the same legal theories. Accordingly, the typicality requirement of Rule 23(a)(3) is satisfied.

D. **Adequacy of Representation.** Rule 23(a)(4) requires that “the representative parties will fairly and adequately protect the interests of the class.” To meet Rule 23 requirements, the court must find that class representatives, their counsel, and the relationship between the two are adequate to protect the interests of absent class members. The standards of Rule 23(a)(4) are met if: (1) the named plaintiffs' interests are not antagonistic to other members of the Class; and (2) the named plaintiff, through his attorneys, is prepared to prosecute the

action vigorously. The Court finds: (i) the interests of the named Plaintiff are consistent with those of the Class; (ii) there are no conflicts or antagonisms between or among the named Plaintiff and the Class Members; (iii) the named Plaintiff has been and is capable of continuing to be active participants in both the prosecution of, and the negotiations to settle this action; and (iv) the named Plaintiff and the Class Members are represented by qualified, reputable counsel who are experienced in preparing, prosecuting and negotiating settlements of large class actions. Accordingly, the adequacy of representation requirement of Rule 23(a)(4) is satisfied.

5. The Court has considered the class action maintenance requirements set forth in Fed.R.Civ.P 23 (b) and finds the requirements satisfied under Fed.R.Civ.P 23 (b)(3) based upon the following:

A. The first superiority factor identified in Rule 23 (b)(3) is "the interests of members of the class in individually controlling the prosecution or defense of separate actions." This Court finds that, because the common questions of law and fact predominate, a class action is the most efficient method of adjudicating this dispute. Trying this case as a single action provides great economic benefits, as opposed to trying more than 6,000 individual actions throughout the country;

B. Rule 23(b)(3) suggests that the Court should consider "the extent and nature of any litigation concerning the controversy already commenced by or against members of the class." The lack of other suits concerning these practices indicates that there is very little individual interest in prosecuting actions against the A-1 Defendants;

C. Because Plaintiff seeks certification of a class based upon violation of Texas law, this Court finds that concentration of litigation in this forum is appropriate.

D. Rule 23(b)(3) asks the Court to consider "the difficulties likely to be encountered in the management of a class action." This factor is not relevant in the context of a settlement class.

6. As a result of the foregoing, the Court hereby certifies the Class as described in Paragraph 3(A), above, for purposes of settlement only.

7. The Settlement Agreement is fair, reasonable and adequate as to, and in the best interests of, each of the Parties and the Class Members. This finding is based upon the following:

A. The Settlement Agreement was entered into in good faith and resulted from extensive arm's length negotiations with the assistance of an experienced mediator and were conducted after Class Counsel had completed substantial discovery in this case.

B. The Settlement Agreement provides significant and immediate benefits to eligible members of the Class. Additionally, the Court finds that the subject matter of this Action is factually and legally complex and that trial of this matter would raise numerous complex legal issues, including questions involving burden of proof and calculation of damages. The remaining litigation would involve substantial additional expense for all parties. Additionally, any result would likely be followed by further lengthy and costly appeals. In contrast, the Settlement provides Class Members with the opportunity for timely relief without having to endure the risk, time and expense inherent in continuing this Action;

C. The stage of the proceedings and the amount of discovery support approval of the Settlement Agreement. There has been extensive discovery and access to information in this case. Plaintiff has been provided with thousands of documents in response to requests of experienced Class Counsel, deposed the A-1 Defendants' personnel, deposed the

Harris Defendants' personnel, and took discovery from third parties. The discovery in this case had progressed to the point where counsel for each side could reasonably assess the strengths and weaknesses of their respective cases. Plaintiff therefore had an ample basis for evaluating the case and negotiating a settlement whose relief is tailored to the needs and potential claims of Class Members;

D. The Court finds that the Settlement Agreement should be approved in light of the possible range of recovery and the uncertainty of damages. The recovery of damages should the case proceed to trial is by no means certain, while the value of the settlement benefits is great. This factor weighs heavily in favor of approval, and this Court finds the settlement should be approved.

E. The Court finds that the respective opinions of the Parties confirm that the Settlement Agreement should be approved. Class Counsel are experienced in complex class litigation and are of the opinion that the proposed Settlement is fair and reasonable. The Class Representative likewise is of the opinion that the proposed Settlement is fair and reasonable.

8. The Court finds that the Class Notice and methodology implemented pursuant to the Court's Order dated June ____, 2008 complied with Fed.R.Civ.P. 23(c)(2) in that it provided individual notice to all members who could be identified through reasonable effort and was the best notice practicable under the circumstances. The Court further finds that the Class Notice fully complied with Fed.R.Civ.P. 23(c)(2) in that it advised each member of the Class in plain, easily understood language of the following: (i) the nature of the suit; (ii) that the Court will exclude him or her from the Class if he or she so requested by a specified date; (iii) that the judgment incorporating the settlement will include and bind all members of the Class who did not request exclusion by the specified date; and (iv) that any Class Member who did not request

exclusion may, if he or she desired, object to the terms of the settlement and/or enter an appearance through his or her counsel. The Court finds that the Class Notice fully complies with the requirements of the Federal Rules of Civil Procedure and the Due Process Clauses of the Constitution of the United States.

9. The Court finds that Class Counsel and Plaintiff adequately represented the Class for purposes of entering into and implementing the Settlement.

10. The terms of the Settlement Agreement and this Final Order and Judgment shall be forever binding upon, and shall have *res judicata* effect and preclusive effect in, all pending and future lawsuits or other proceedings that may be maintained by, or on behalf of, the Plaintiff or any Class Members, as well as their heirs, executors, administrators, successors and assigns, relating to the claims released in the Settlement Agreement, which is expressly incorporated herein.

11. The parties are authorized, without further approval from this Court, to agree and adopt such amendments, modifications and expansions of the Settlement Agreement and its implementing documents (including all exhibits to the Settlement Agreement) as: (i) shall be consistent in all material respects with this Final Order and Judgment; and (ii) do not limit the rights of Class Members.

12. Nothing in this Final Order and Judgment shall preclude any action to enforce the terms of the Settlement Agreement.

13. The Court finds that an incentive award to Plaintiff is appropriate to compensate her for her time, effort, and expense in prosecuting this case and Orders the A-1 Defendants to pay her \$_____ pursuant to the terms of the Settlement Agreement.

14. Class Counsel are hereby awarded attorneys' fees and reimbursement of expenses in the amount of \$_____ which the Court Orders the A-1 Defendants to pay in accordance with the terms and conditions set forth in the Settlement Agreement. This award is reasonable, based upon the following findings:

A. Class Counsel have incurred legal time in excess of \$_____ in prosecuting this Action through July ____, 2008, which the Court finds reasonable in connection with the complexity of the claims and defenses in this case, and the vigorous defense interposed by Defendants;

B. Class Counsel have incurred reasonable and necessary expenses through July ____ of \$_____ in prosecuting this Action;

C. Class Counsel's rates are reasonable and customary in this type of class action litigation in their respective communities and in Jefferson County, Texas; and

D. The attorneys' fees requested are reasonable in that they are in line with fee awards in similar actions.

15. Except as provided above, neither the Settlement Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any of the documents or statements referenced in it shall be (a) offered or received against the Released Parties in any proceeding as evidence of any presumption, concession, or admission by any of the Released Parties of the truth of any fact alleged by the Class Representative or the validity of any claim that had been asserted in the Litigation, or the deficiency of any defense that has been asserted in the Litigation or of any liability, negligence, fault or wrongdoing of the Released Parties, or (b) referred to for any other reason in any other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the

provisions of the Settlement Agreement, provided however that any of the Released Parties may refer to it to effectuate the liability protection granted them hereunder, including to support any defense or cross-claim based on res judicata, collateral estoppel, release, good faith settlement bar, restitution or any other means of preclusion.

16. The Parties and Class Members are hereby directed to consummate the Settlement Agreement, according to its terms and provisions.

17. The A-1 Defendants are authorized, at their sole discretion and without approval of the Court, to implement the settlement prior to the Effective Date as that term is defined in the Settlement Agreement.

18. The Court retains exclusive jurisdiction to enter this Final Order and Judgment. Without in any way affecting the finality of this Final Order and Judgment, this Court hereby retains jurisdiction as to all matters relating to administration, consummation, enforcement and interpretation of the Settlement Agreement and of this Final Order and Judgment, and for any other necessary purpose.

19. This action, including all individual claims and Class claims asserted therein, is hereby dismissed on the merits and with prejudice, without fees or costs to any party except as otherwise provided herein.

20. All other relief not granted herein is denied. This is a final judgment.

IT IS SO ORDERED.