
IN THE IOWA DISTRICT COURT IN AND FOR LEE COUNTY
AT FORT MADISON

TONY ROSS, et al,	§	
	§	
	§	
	§	Law No. LALA003946
Plaintiffs,	§	
vs.	§	
	§	
THOUSAND ADVENTURES, INC., et al,	§	
	§	
Defendants.	§	
	§	

JOINT MOTION FOR CONDITIONAL APPROVAL OF SETTLEMENT WITH
WESTERN AMERICAN NATIONAL BANK, CONDITIONAL CLASS
CERTIFICATION AND APPROVAL OF NOTICE TO THE CLASS

COMES NOW, Plaintiffs and Defendant, Western American National Bank, now known as First National Bank Mid-Cities (“WANB”), hereby requests that the Court grant conditional approval of a proposed settlement between Tony Ross, et al, individually, and on behalf of the class of members (“Plaintiffs”), and Western American National Bank. A copy of said proposed settlement is attached as Exhibit A. In support of this motion, the Plaintiffs state:

1. The plaintiff class has asserted various claims against WANB relating to the class of Members' purchase of a campground membership from Thousand Adventures, Inc., or its various subsidiaries. WANB denies any liability to the plaintiffs or class members.
2. The parties propose that the class be defined as follows: “any person, including that person’s heirs or assigns, who purchased, renewed, extended, or agreed to a novation of, or contracted to purchase, renew, or extend a campground membership from Thousand Adventures, Inc., or any of its subsidiaries, successors, assigns, parents, or affiliates including Travel America, Inc. and its

subsidiaries, affiliates, predecessors, successors, or assigns[collectively referred herein as "Thousand Adventures" or "TAI" or "Travel America, Inc."] and whose membership purchase was financed in whole or in part by executing a consumer retail installment contract with Thousand Adventures, or Travel America, Inc. (including their subsidiaries, affiliates, predecessors, successors or assigns). The wholly owned subsidiaries of Thousand Adventures, Inc., include, but are not limited to, Thousand Adventures of Ohio, Inc; Thousand Adventures of Iowa, Inc.; Thousand Adventures of Alabama, Inc.; Thousand Adventures of Michigan, Inc.; Thousand Adventures of Maryland, Inc.; Thousand Adventures of Missouri, Inc.; Thousand Adventures of Arizona, Inc.; Thousand Adventures of Florida, Inc.; Thousand Adventures of Georgia, Inc.; Thousand Adventures of Illinois, Inc.; Thousand Adventures of Indiana, Inc.; Thousand Adventures of Kansas, Inc.; Thousand Adventures of Kentucky, Inc.; Thousand Adventures of Mississippi, Inc.; Thousand Adventures of Minnesota, Inc.; Thousand Adventures of North Carolina, Inc.; Thousand Adventures of Tennessee, Inc.; Thousand Adventures of Louisiana, Inc.; Thousand Adventures of New York, Inc.; Thousand Adventures of Oklahoma, Inc."

3. Plaintiffs state that counsel for the plaintiffs has vigorously pursued claims against WANB, and others, and has negotiated the attached settlement in good faith and without collusion, threat, or undue influence. Counsel for the plaintiff believes the settlement is fair and adequate, given the uncertainty of success and the expense of protracted litigation.

4. The value of the settlement is approximately Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00), which includes the cancellation of approximately Four Million Nine Hundred Thousand Dollars (\$4,900,000) in unpaid retail installment contract balances, payment of Three Hundred Seventy-Five Thousand Dollars (\$375,000) to the class of members, and Two Hundred Twenty-Five Thousand Dollars (\$225,000) in class attorney fees.

5. Additional benefits of the settlement include a provision whereby WANB agrees to pay all costs associated with the mediation of this settlement, and WANB also agrees to dismiss its lawsuit against Northeast National Bank and Northwest National Bank (Cause No. 05-02792-A), pending in the 14th Judicial District Court in and for Dallas County, Texas and pay all costs associated with that lawsuit and its dismissal, provided that said other banks shall absolutely release WANB and its officers, directors, employees, agents, attorneys, and its or their affiliates, heirs, assigns, and personal representatives from any claims, which either or both of said banks has or could have asserted in said lawsuit, or otherwise arising from or related to said banks' purchases of participation interests in pools of TAI-originated consumer contracts.

6. In connection with the settlement, Plaintiffs shall be responsible for arranging for notice to the class members, which shall include a direct mailing to the list of members who have registered with Plaintiffs counsel and the list of members whose Contracts were purchased by WANB, and shall include posting the notice on the website of the National Association of Members (www.natlassoc.com). Plaintiffs shall pay the expenses associated with the above described notice. Any additional notice required by WANB shall be at the expense of WANB.

7. The Plaintiffs believe that the settlement is a fair resolution of outstanding claims by the class of members against WANB, and will avoid the uncertainty and delay of further litigation.

8. The parties seek the Court's conditional approval of the settlement and conditional certification of the class, subject to reasonable notice to the class members, giving them an opportunity to object or opt-out of the class. A copy of the proposed Notice to class members is attached as Exhibits B. Plaintiffs proposes that notice to the class of members be accomplished by (a) mailing a copy of the notice (Exhibit B) to (1) the list members identified in a database maintained by plaintiffs' counsel; and (2) the list of members whose notes were purchased by

WANB, which the Court will order WANB to produce to Plaintiffs' counsel; and (b) by posting the notice (Exhibit B) and the Settlement Agreement (Exhibit A) on the website of the National Association of Members. This website is managed by a non-profit organization, headed by Thousand Adventures members, and has been approved by various United States Bankruptcy Courts as sufficient notice to the class members. The website is located at www.natlassoc.com. The parties believe that the above proposed notice will provide the greatest amount of notice to the members and will provide the Court with a sufficient sampling a members to enter a final order in this matter. Notice will also be given to all remaining parties in this lawsuit.

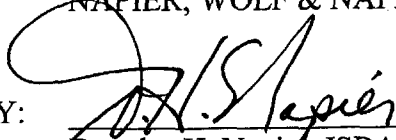
9. To the extent the Settlement Agreement, attached as Exhibit A, conflicts with this motion or the description in any actual or proposed Notice, the Settlement Agreement evidenced by Exhibit A hereto shall control.

10. This settlement shall also be conditioned upon a final hearing, as set out in the Notice to Members who shall be given an opportunity to object in writing, attend the final hearing, or opt out of the settlement class.

WHEREFORE, the Parties pray that the Court conditionally approve the settlement with WANB, conditionally certify the class, the class representative, and class counsel, subject to the prescribed notice and pending final hearing, and that the Court approve the notice provisions to the class of members and set the date of final hearing.

NAPIER, WOLF & NAPIER

BY:



Douglas H. Napier, ISBA #124703
607 Eighth Street, Suite One
Fort Madison, IA 52627
Phone: (319) 372-2934
Fax: (319) 372-6764

ATTORNEY FOR PLAINTIFFS

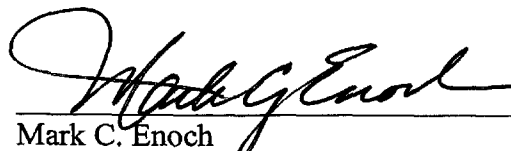
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GLAST, PHILLIPS & MURRAY, P.C.

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Facsimile: (972) 419-8329

ATTORNEYS FOR WANB

IN THE IOWA DISTRICT COURT IN AND FOR LEE COUNTY
AT FORT MADISON

TONY ROSS, et al,

Plaintiffs,

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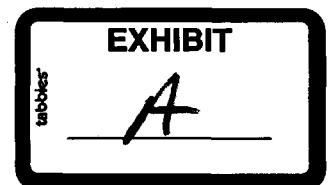
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Law No. LALA003946

PROPOSED STIPULATION FOR RELEASE AND SETTLEMENT

This Proposed Stipulation for Release and Settlement (this "Agreement") is made as of the dates affixed herein below between and among Tony Ross, Individually and on behalf of all other persons similarly situated (the "Class," "Putative Class," or "Plaintiffs"), and Western American National Bank, now known as First National Bank Mid-Cities ("WANB"), and nothing in this proposed Stipulation shall be binding on any party hereto or have any legal effect, whatsoever, until all conditions precedent set forth in this Agreement and in any Court Orders relating thereto have either occurred, been performed, or waived in writing.

WHEREAS, Tony Ross filed suit, individually, and on behalf of all other persons similarly situated, against, among other parties, WANB in the Iowa District Court for Lee County at Fort Madison (the "Court") on or about November 21, 2000, in a case styled *Tony Ross, Brian and Toni Hammond, George and Nadine Hess, Don and Donna Gerbeling, Individually and on behalf of all*



other persons similar situated v. Thousand Adventures of Iowa, Inc., Law No. LALA 003946 (the "Ross Lawsuit");

WHEREAS, the Plaintiffs desire to settle the claims asserted against WANB upon the terms and conditions herein below set forth, and deem such settlement desirable and in the best interests of the members of the Putative Class;

WHEREAS, the Plaintiffs allege certain claims on behalf of themselves and the Putative Class or Classes of claimants;

WHEREAS, WANB timely filed a motion to dismiss alleging a lack of personal jurisdiction and asserting that the Class' claims are barred by issue preclusion;

WHEREAS, the Court conducted an evidentiary hearing on Motions to Dismiss and entered a Ruling on WANB's motion, finding that the Iowa court did have personal jurisdiction over WANB and a permission to file an interlocutory appeal with the Iowa Supreme Court was denied;

NOW, THEREFORE, in consideration of the promises and mutual agreements, covenants, and provisions contained in this Agreement, the sufficiency and adequacy of which is expressly acknowledged by the parties' signatures affixed herein below, it is hereby agreed between and among the parties that any existing claim shall be settled and compromised upon the following terms and conditions.

Consideration.

1. Upon conditional approval of this settlement by the Court, WANB will reserve a total of Six Hundred Thousand and No/100 Dollars (\$600,000.00) which will be used to fund the settlement terms of this Agreement.

2. Within ten (10) days of final approval, WANB will pay over to the Class Counsel and the Class of Members the \$600,000, which shall be applied to the payment of the Class Members (\$375,000) and attorney fees (\$225,000), and any expenses approved by the Court.
 3. WANB will forgive and cancel all outstanding consumer retail installment contracts which are or have been held by WANB in the approximate aggregate amount of Five Million Five Hundred Thousand Dollars (\$5,500,000).
 4. WANB voluntarily will return to the sender any payment received by WANB on the Putative Class Members' retail installment contracts (the "Contracts") during the three (3) year period following the Court's approval of this Agreement.
 5. Conditioned upon the absolute release by Northeast National Bank ("NENB") and Northwest National Bank ("NWNB") of any and all claims they may have against WANB arising from or related to the purchases of participation interests by said banks in the Contracts, WANB will dismiss its cause of action against NENB and NWNB with prejudice, and agrees it will make no further claim against these banks for contribution, indemnification, or any such other amounts in connection with this settlement.
 6. The parties will file a Joint Motion seeking conditional approval of this Agreement, conditional certification of the class, and approval of the notice provisions.
 7. "Class," as used herein, shall mean any person, including that person's heirs or assigns, who purchased, renewed, extended, or agreed to a novation of, or contracted to purchase, renew, or extend a campground membership from Thousand
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Adventures, Inc., or any of its subsidiaries, successors, assigns, parents, or affiliates including Travel America, Inc. and its subsidiaries, affiliates, predecessors, successors, or assigns [collectively referred herein as "Thousand Adventures" or "TAI" or "Travel America, Inc.,"] and whose membership purchase was financed, in whole or in part, by the Putative Class Member executing a Contract with Thousand Adventures or Travel America, Inc. (including their subsidiaries, affiliates, predecessors, successors or assigns). The wholly owned subsidiaries of Thousand Adventures, Inc., include, but are not limited to, Thousand Adventures of Ohio, Inc.; Thousand Adventures of Iowa, Inc.; Thousand Adventures of Alabama, Inc.; Thousand Adventures of Michigan, Inc.; Thousand Adventures of Maryland, Inc.; Thousand Adventures of Missouri, Inc.; Thousand Adventures of Arizona, Inc.; Thousand Adventures of Florida, Inc.; Thousand Adventures of Georgia, Inc.; Thousand Adventures of Illinois, Inc.; Thousand Adventures of Indiana, Inc.; Thousand Adventures of Kansas, Inc.; Thousand Adventures of Kentucky, Inc.; Thousand Adventures of Mississippi, Inc.; Thousand Adventures of Minnesota, Inc.; Thousand Adventures of North Carolina, Inc.; Thousand Adventures of Tennessee, Inc.; Thousand Adventures of Louisiana, Inc.; Thousand Adventures of New York, Inc.; and Thousand Adventures of Oklahoma, Inc.

8. In the event the Court confirms a settling Class and approves the proposed settlement, the Plaintiffs, on their behalf and on behalf of the Class, shall, at a minimum, publish notice of the proposed settlement, the content of which is subject to the review and approval of all parties to this Agreement and the Court, to the Class

by posting notice of the settlement on the Thousand Adventure Ohio/NATL Association.com website (www.natlassoc.com), and by mailing notice to their own database of Class Members and the list of Member's whose contracts are legally owned by WANB. If additional notice is desired, WANB may, at its sole expense, cause additional notice to be made. Any notice must specify the manner and time duration by which any Class Member may opt out of the Class and the manner and means by which any such Member may attempt to assert his or her claim.

9. In the event that more than ten (10) Class Members opt out of the proposed settlement, WANB will have the option, but no obligation, to proceed with the settlement. If more than ten (10) Class Members opt out, Plaintiffs shall have ten (10) days from the date of any timely opt-out to contact any Member opting out and to give them an opportunity to withdraw their opt-out notice.
10. In the event that the Court confirms the settling Class, approves the proposed settlement, and no more than ten (10) potential Class Members opt-out (or WANB elects to proceed, notwithstanding the opt-outs), the Plaintiffs, on their behalf and on behalf of the Class and WANB, agree to allow the Court's Order to become final, agree not to seek further rehearing or appeal of that Order, and acknowledge and agree that the Order is binding on all Class Members.
11. In the event that the Court confirms the settling Class, approves the proposed settlement, and no more than ten (10) potential Class Member opt-out (or WANB elects to proceed, notwithstanding the opt-outs), WANB will release the \$600,000 settlement funds to Class Counsel within ten (10) days of the Court's approval.

WANB agrees not to object to Class counsel's request for reasonable attorney's fees in the amount of Two Hundred Twenty-Five Thousand Dollars (\$225,000), nor for reimbursement of expenses.

12. WANB shall have no responsibility for the distribution of settlement monies to the Class Members, and Plaintiffs' counsel acknowledges full responsibility and liability for disbursing and accounting for all settlement monies.
13. In the event that the Court does not confirm a settling Class, the Court does not approve the proposed settlement, or there are more than ten (10) Members who opt out and WANB does not elect to waive, this proposed settlement will be void and of no force and effect, and the parties to this Agreement will have whatever rights, defenses, and remedies they had if this proposal had not been made.

Release.

Release by Plaintiffs and Settling Class.

14. Subject to final approval by the Court, the Plaintiffs and the settling Class hereby absolutely, fully, and forever release, waive, relinquish, and discharge WANB and its respective former and present officers, directors, shareholders, members, employees, parents, affiliates, predecessors, subsidiaries, trustees, insurers, attorneys, agents, and administrators, and each of them, as well as their successors, assigns, heirs, and executors (the "Released Party" or, collectively, the "Released Parties"), of and from any and all manner of claims, causes of action, debts, liabilities, demands, obligations, costs, expenses, fees, interest, court costs, sums of money, controversies, damages, accounts, reckonings, and liens of every kind or nature whatsoever, direct

or indirect, which Plaintiffs or the settling Class at any time heretofore had, owned, or held, arising from or related in any way to any and all claims asserted or that could have been asserted in the Ross Lawsuit (the "Released Claims"). This Agreement is intended for the benefit of the Released Parties, and the benefits of this release accrue to, and are limited to, the Released Parties. The parties acknowledge and agree that this Agreement, including the Release language in this Agreement, is limited to the Released Parties and does not include any other defendant, and in no way reduces or otherwise affects the Plaintiffs' claim against anyone other than the Released Parties.

15. Conditioned upon the Release, as described in paragraph 5 above, WANB agrees and acknowledges that it has no claim, nor will assert such claim, for indemnification or contribution from NENB or NWNB, and that WANB expressly releases NENB and NWNB from such claim(s). WANB specifically reserves the right to pursue whatever claims it may have against First Savings Bank of Arlington for contribution, indemnification, expenses, or other related claims.

Miscellaneous

16. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto, their heirs, successors, assigns, and personal representatives, together with their respective divisions, parents, and subsidiaries or affiliated corporations or entities.
17. The parties hereto acknowledge that the covenants contained in this Agreement provide good and sufficient consideration for every promise, duty, release, obligation, and right contained in this Agreement.

18. By execution hereof, the Plaintiffs, individually and on behalf of the Class, represent, covenant, and warrant that they are the exclusive owners and holders of all claims arising out of the Lawsuit and that no claims released herein have previously been conveyed, assigned, or in any manner transferred, in whole or in part, to any other party. Plaintiffs, individually and on behalf of the Class, expressly represent, covenant, and warrant that they have full authority to release any claims that they now have or may have had in the past against the Released Parties.
19. It is understood and agreed that no party to this Agreement admits any liability to any other party, but, to the contrary, expressly denies the same. This Agreement is made to resolve, settle, and compromise the matters in dispute between the parties hereto and avoid the cost, expense, and effort of protracted and disputed litigation.
20. The Class agrees and stipulates the Order is *res judicata* as to the settling Class, and all issues raised, or which could have been raised, in the Lawsuit, provided this settlement is approved by the Court.
21. The parties hereto expressly represent and warrant that they are executing this Agreement voluntarily, with the benefit of advice of counsel, without any duress or coercion.
22. The parties hereto warrant and represent to all other parties that no promise, representation, conduct, or consideration by any other party to this Agreement, their owners, agents, servants, employees, attorneys, or persons in privity with them, has induced the execution of this Agreement, except for those representations and agreements specifically set forth herein.

23. This Agreement, including Exhibits, embodies the entire agreement between the parties hereto, supersedes all prior agreements and understandings, if any, relating to the subject matter hereof, and may be amended only by an instrument, in writing, executed jointly by the parties hereto.
24. This Agreement may be executed in multiple counterparts, each of which is deemed to be an original and all of which, when taken together, shall constitute one agreement.
25. The parties hereto shall execute any and all additional papers, documents, and other assurances, and shall do any and all acts and things reasonable and necessary in connection with the performance of their obligations hereunder to carry out the intent of the parties hereto.
26. Any notice or other communication required to be given, pursuant to this Agreement, as required or allowed to the Class, must be in writing and shall be deemed to have been delivered (a) if delivered in person, via courier, or by facsimile (i) when received at the address of the person to whom notice is given, or (ii) upon obtaining evidence of such delivery (e.g., courier receipt or confirmation of facsimile transmission); (b) if sent by a nationally recognized overnight delivery service (e.g., Federal Express, UPS, Airborne Courier), on the first (1st) business day after receipt by such delivery for overnight delivery; or (c) if sent by certified United States Mail (except where actual receipt is specified in this Agreement), or the earlier of the date actually received or two (2) business days after deposited in a receptacle provided by

the United States Post Office, addressed to the intended parties at the following respective addresses:

If to WANB: Mark C. Enoch, Esq.
Glast, Phillips & Murray, P.C.
13355 Noel Road, Suite 2200
Dallas, TX 75240-6657
Phone: (972) 419-8300
Facsimile: (972) 419-8329

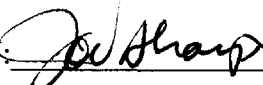
If to Plaintiffs: Douglas H. Napier, Esq.
Napier, Wolf & Napier
607 Eighth Street, Suite One
Fort Madison, Iowa 52627
Facsimile: (319) 372-6764

or to such other substitute address and/or addressee as any party hereto shall designate by written notice to the other party in accordance with the terms of this paragraph; provided, however, that no such notice of change of address and/or addressee shall be effective unless and until actually received by the party to whom such notice is sent.

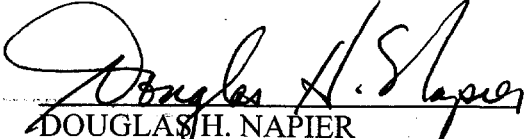
27. The parties hereto agree and understand that the terms hereof are contractual and are not merely recitals, and that the parties hereto intend to be, and are hereby, bound by its terms. Each undersigned individual, by his signature below, warrants that he or she is of legal age, legally competent to execute this Agreement, and fully authorized by the party hereto on whose behalf he or she signs this Agreement to execute and enter into this Agreement on behalf of such party.
28. If, for any reason, any term, condition, or covenant contained in this Agreement is found null, void, or otherwise unenforceable, that portion of the Agreement shall be

IN WITNESS WHEREOF, this Agreement is executed as of the dates set forth herein
below.

WESTERN AMERICAN NATIONAL
BANK

BY: 

Its: Chairman
4009 Airport Freeway
Bedford, TX 76021

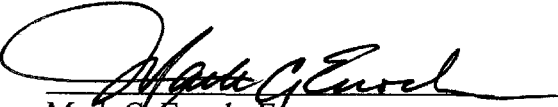


DOUGLAS H. NAPIER
607 Eighth Street, Suite One
Fort Madison, IA 52627

ATTORNEY FOR PLAINTIFFS
Tony Ross, Individually, and for the
Class

APPROVED:

GLAST, PHILLIPS & MURRAY, P.C.



Mark C. Enoch, Esq.
Texas State Bar No. 06630360

13355 Noel Road, Suite 2200
Dallas, TX 75240-6657
Telephone: (972) 419-8366
Facsimile: (972) 419-8329

ATTORNEYS FOR DEFENDANT
Western American National Bank

Notice of Proposed Settlement

To All Former **Thousand Adventures and Travel America Members:**

Please be advised that there is pending before the Iowa District Court in and for Lee County a Motion to Approve a Settlement with *Western American National Bank, now known as First National Bank Mid-Cities*, in a class action filed on behalf of persons and entities who purchased campground memberships from Thousand Adventures, Inc. or Travel America, Inc. and their subsidiaries. The settlement provides for the cancellation of approximately \$5,500,000 of note balances and the payment of \$600,000 cash for the benefit of the class as well as other non-cash consideration. A complete copy of the proposed settlement agreement can be found at www.natlassoc.com.

A hearing on this proposed settlement is scheduled for _____ 2006, at ____:____.M., CST, at the Lee County Courthouse in Fort Madison, Iowa, to approve the settlement, consider Class Counsel's application for attorney fees (\$225,000), and expenses and any objections that are filed. **You do NOT need to attend this hearing unless you object to the settlement.** If you intend to object to the settlement, you must file a written objection with the Clerk of Court for Lee County, Iowa by _____, serve a copy of the objection on Class Counsel, and attend the hearing.

If you wish to share in this settlement, DO NOTHING. If you do not respond, it will be assumed that you wish to remain part of the class action and wish to share in the settlement benefits.

If you wish to opt out of the class you must notify class counsel in writing by _____, 2006 at the following address:

Douglas H. Napier
TAI OPT OUT
607 Eighth Street
Suite One
Fort Madison, IA 52627

If you opt out of this settlement, you will NOT be eligible to receive any part of the settlement proceeds. DO NOT OPT OUT UNLESS YOU DESIRE TO PURSUE A SEPARATE CLAIM AGAINST WESTERN AMERICAN NATIONAL BANK, now known as FIRST NATIONAL BANK MID-CITIES. If you opt out, you must hire you own attorney at your own expense if you pursue a claim.

For more information, go to www.natlassoc.com or email class counsel at napierwolf@aol.com or write to class counsel at: Napier, Wolfe & Napier, TAI Settlement, 607 Eighth Street, Suite One, Fort Madison, IA 52627.

