

IN THE CIRCUIT COURT OF THE CITY OF ST. LOUIS
STATE OF MISSOURI

TERRELL BAILEY, individually and)
On behalf of all those similarly situated,)
)
Plaintiff,)
)
v.)
)
ALLIANCE CREDIT UNION,)
)
Defendant.)

Case No. 2322-CC09369

PRELIMINARY APPROVAL ORDER

Terrel Bailey (“Class Representative”) is asserting claims against Alliance Credit Union (“ACU”) for alleged violations of the Uniform Commercial Code, and seeking statutory damages and other relief for herself and a class of persons similarly situated (the ”Class”), and defined in Exhibit 1 to the Joint Motion for Preliminary Approval of Class Action Settlement.

The Parties stipulate to a Class, pending preliminary and final approval by the Circuit Court of St. Louis City, Missouri, compromise and defined as all persons who ACU mailed a pre-sale notice or post-sale notice on or after August 25, 2017. Excluded from the Class are (1) persons whom ACU has obtained a final deficiency judgment against; and (2) persons who filed for bankruptcy after the date on their pre-sale notice and who had such consumer debt discharged in bankruptcy. Class Representative, as member and representative of the Class, and ACU have entered into a “Class Action Settlement Agreement and Release” dated November 20, 2024 (the “Agreement”), which memorializes the Parties’ negotiated and agreed-upon settlement as between ACU and the proposed Class, subject to the approval of the Court (“the Settlement”).

Pursuant to the Settlement, the Parties have filed a *Joint Motion for Preliminary Approval of Class Action Settlement* (the “Motion”) with the Court. Upon careful consideration of this

Motion, and after reviewing the Agreement and making an independent judicial investigation into the allegations and defenses of the parties, and for good cause shown, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. Under Missouri Supreme Court Rule 52.08, the Agreement and the Settlement are approved preliminarily as fair, reasonable and adequate to the Class as defined in the Agreement subject to further consideration at the Fairness Hearing described in Paragraph 14 of this Order.

2. The definitions in the Agreement are incorporated by reference into this Order (and, the capitalized terms in this Order are consistent with the Agreement).

3. Class Representative and ACU have executed the Agreement to settle and resolve the Litigation between them and the Class, subject to approval of the Court.

4. The proposed Class is defined as all persons who ACU mailed a pre-sale notice or post-sale notice on or after August 25, 2017. Excluded from the Class are (1) persons whom ACU has obtained a final deficiency judgment against; and (2) persons who filed for bankruptcy after the date on their pre-sale notice and who had such consumer debt discharged in bankruptcy.

5. ACU must cease all collection efforts regarding the loans that have deficiency balance and are subject of the Litigation.

6. For this preliminary approval, and for all matters relating to the Settlement and the Litigation, the Court appoints Terrell Bailey as the Class Representative of the Class, and Benjamin McIntosh of SWMW Law, LLC, as Class Counsel for the Class until further order of the Court.

7. By this Order, the Court exercises subject-matter and personal jurisdiction over the Class to evaluate the final certification of the Class and the fairness and adequacy of the Settlement.

8. The Class Mail Notice and the Long-Form Notice, as set forth in **Exhibits A and B** to the Agreement, are approved.

9. The Class Mail Notice in a form substantially the same as set forth in **Exhibit A** to the Agreement shall be mailed by the Settlement Administrator by first-class mail, postage prepaid, to all members of the Class (as identified by the class list ACU must provide pursuant to Paragraph 2.b. of the Agreement). Such mailing shall be made within the timeframe provided by the Agreement. The Long-Form Notice in a form substantially the same as set forth in Exhibit B to the Agreement shall be available to members of the Class on a website and mailed by first-class mail, postage prepaid, to Class Members upon their request.

10. The Agreement contemplates a notice methodology that protects the interests of the Parties and the Class and provides the best notice practicable under the circumstances and is reasonably calculated to apprise the Class Members of the pendency of the Litigation and proposed Settlement, the Agreement, and their right to opt out and exclude themselves from or object to the proposed Settlement. In addition, the Court finds that the notice methodology is reasonable and constitutes due, adequate, and sufficient notice to all persons entitled to receive notice of the proposed Settlement and meets all requirements of law, including, but not limited to, Missouri Supreme Court Rule 52.08 and the Due Process Clauses of the Fourteenth Amendment of the United States Constitution and the Missouri Constitution.

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

12. Any member of the Class desiring exclusion from the Class shall mail a request to opt out ("Request to Opt Out") to the Settlement Administrator. To be valid, the Request to Opt Out must be postmarked within 30 days after mailing of the Notice to class members. Such Request to Opt Out shall include: (a) the name, address; telephone number, and last four digits of the Social

Security Number of the Class Member; (b) a statement that the Class Member and all other borrowers named on the Class Member's Retail Installment Contract and Security Agreement or governing loan agreement are seeking exclusion from or to opt out of the Settlement; (c) the signature of each person who was a party to the Retail Installment Contract and Security Agreement or governing loan agreement that is the subject of this Litigation (unless any such person shall be deceased); and (d) a reference to *Terrell Bailey v. Alliance Credit Union*, Case No. 2322-CC09369. Any member of the Class who does not properly and timely request exclusion or to opt out from the Class shall be included in the Class and be bound by any judgment entered with respect to the Class.

13. Within five days before the Fairness Hearing (defined below), Class Counsel shall cause the Settlement Administrator to file with the Court a sworn statement listing those persons (by reference to the unique identifier and last four digits of the person's Social Security Number as identified by the class list ACU must provide pursuant to Paragraph 2.b. of the Agreement) who submitted timely Requests to Opt Out. The originals of all Requests to Opt but shall be retained by the Parties.

14. A hearing (the "Fairness Hearing") shall be held before the undersigned at 1:30 p.m. on February 13, 2025, at the Twenty-Second Judicial Circuit of St. Louis City, Missouri, 10 N. Tucker Blvd., St. Louis, MO 63101. At the Fairness Hearing, the Court will consider: (a) the fairness, reasonableness, and adequacy of the Settlement; (b) the entry of any final order or judgment with respect to the Class; (c) the application for an incentive award for the services rendered by the Class Representative on behalf of the Class; (d) the application for attorney's fees and for reimbursement of expenses by Class Counsel; and (e) other related matters. The Fairness Hearing may be postponed, adjourned or continued by the Court without further notice to the Class.

15. To be considered at the Fairness Hearing, any person desiring to file an objection or other comment on the Settlement shall be required to file all such objections and comments and all supporting pleadings prior to or during the Fairness Hearing, with service upon Class Counsel and ACU's Counsel filed prior to the hearing. Any Class Member's objection must be in writing and shall specifically include:

- a. The name, address; telephone number, facsimile number (if available), email address (if available) and last four digits of the Social Security Number of the Class Member filing the objection;
- b. A statement of each objection asserted;
- c. A detailed description of the facts underlying each objection;
- d. Any loan documents in the possession or control of the objector and relied upon by the objector as a basis for the objection;
- e. If the objector is represented by counsel, the name, address, telephone number, facsimile number (if available) and email address (if available) of the counsel, and a detailed description of the legal authorities supporting each objection;
- f. If the objector plans to utilize expert opinion and/or testimony as part of the objection(s), a written expert report from all proposed experts that outlines each of the expert's opinions and the factual and substantive bases thereof;
- g. If the objector plans to call a witness or present other evidence at the hearing, the objector must state the identify of the witness and identify any documentary evidence by attaching the documents to the objection, and the objector must provide any other evidence that the objector intends to present;
- h. A statement of whether the objector intends to appear at the hearing;
- i. A copy of any exhibits which the objector may offer during the hearing;
- j. A reference to "*Terrell Bailey v. Alliance Credit Union*, Case No. 2322-CC09369;" and
- k. A certification under 28 U.S.C. § 1746 or similar state law in substantially the following form: "I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date). (Signature)".

No objection to or other comment concerning the Settlement shall be heard after the Fairness Hearing. Class Counsel and ACU's Counsel shall promptly furnish each other with copies of all objections or written requests to opt out that come into their possession.

16. Any Class Member who does not make his or her objection at the Fairness Hearing, or prior to the Fairness Hearing, shall be deemed to have waived any such objection and shall forever be foreclosed from making any objection to the Settlement, including but not limited to, the propriety of class certification, the adequacy of any notice, or the fairness, adequacy or reasonableness of the Settlement. The procedures and requirements for filing objections to the Agreement and Settlement should ensure the efficient administration of justice and the orderly presentation of any Class Members' objections to the Agreement, in accordance with such Class Members' due process rights. Objectors who fail to properly or timely file their objections with the Clerk of the Court with the required information and documentation set forth above, or fail to serve them as provided above, shall not have their objections be considered by the Court.

17. Submissions of the Parties relative to the Settlement, including memoranda to support the Settlement, applications for attorney's fees and reimbursement of costs or expenses by Class Counsel, and any applications for the payment of services rendered by Bailey as Representative of the Class, shall be filed with the Clerk of the Court at least seven days prior to the Final Fairness Hearing. Any attorney hired by a Class Member at the Class Member's expense to object to the Settlement, or to any application for an incentive award or for an award of attorney's fees, costs, or expenses, shall file with the Clerk of Court and serve upon Class Counsel and Counterclaim Defendant's Counsel a written notice of appearance within 30 days after the mailing of class notice.

18. Any Class Member may appear at the Fairness Hearing in person, or by counsel if an appearance is filed and served as provided in the Long Form Notice, and such person will be heard to the extent allowed by the Court.

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

20. The Parties shall be authorized to make nonmaterial changes to the Class Mail Notice and Long-Form Notice if Class Counsel and ACU's Counsel agree.

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

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

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

24. Entering into or carrying out the Agreement, and any negotiations or proceedings related to it, shall not be construed as, or deemed evidence of, an admission or concession regarding any claims or defenses alleged or asserted, or any factual or legal assertions in the

Litigation, and shall not be offered or received in evidence in any action or proceeding against any party in any court, administrative agency or other tribunal for any purpose, except in a proceeding to enforce this Order and the Agreement, or to prove or show that a compromise in settlement of the Released Claims per the Agreement was reached; provided, however, this Order and the Agreement may be filed in any action filed against or by ACU or any Released Person to support a defense of res judicata, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim. The Parties expressly reserve all rights and defenses to all claims and causes of action and waive no such rights or defenses if the Agreement is not approved or fails to become effective for any reason.

IT IS SO ORDERED.

Date: November 21, 2024



Judge Joseph P. Whyte