

FILED

NORTH CAROLINA
ROCKINGHAM COUNTY

2010 JUN 28 AM 11:37
IN THE GENERAL COURT OF JUSTICE
ROCKINGHAM CO., C.S.C. SUPERIOR COURT DIVISION

NANCY E. ODELL, Individually and on behalf
of those similarly situated,

C. H. Lee

Plaintiff,

05 CvS 999

v.

LEGAL BUCKS, LLC, J. KEITH TART, and
LYNN D. TART,

Defendants.

**ORDER APPROVING
SETTLEMENT**

ALEXANDER L. LEE, JOE S. BROWN, and
MARK THOMPSON,

09 CvS 2608

Plaintiffs,

v.

LEGAL BUCKS, LLC, LBFUND I, LLC,
LOGAN FINANCIAL NETWORK, INC., J.
KEITH TART, LYNN D. TART, PHILIP L.
SMITH, VIRGINIA SMITH,

Defendants.

This cause coming on to be heard and being heard on June 28, 2010 before the undersigned Superior Court Judge upon the motion of the plaintiffs for approval of the settlement of this class action. After reviewing the file, the materials presented and statements of the attorneys for the parties it appears to the Court as follows:

1. In this class action there are approximately 1,418 class members: 1,072 subclass A and 431 subclass B with 85 being members of both subclasses A and B. The final number of class member will be determined after the approximately 40 opt out forms that have been received have been evaluated. As of this date approximately 232 claims have been submitted.

2. The notice of the class action and the proposed settlement has been mailed to all putative class members at their last-known address and, in addition, to the attorneys of Subclass B members. A notice of the settlement has also been published twice in each of the following newspapers: Greensboro News & Record, Winston-Salem Journal, Charlotte Observer, Asheville Citizen Times, Raleigh News & Observer, Wilmington Star News, and Fayetteville Observer.

3. A website has been created and maintained on the World-Wide Web, www.legalbucksclassaction.com, which contains the information about the class action, the settlement of the case, and the claim and opt-out forms.

4. In the face of class counsel's notice to class members, which the Court finds is adequate, no objection to the settlement has been filed by any class member.

5. Independent experienced counsel have examined the settlement for fairness from the point of view of each subclass: Paul T. Coates for subclass A, class members who repaid interest to Legal Bucks, LLC and/or LBFund I, LLC on advances made between June 15, 2001 and December 31, 2008, and Stanley F. Hammer for subclass B, class members who received advances from Legal Bucks, LLC and LBFund I, LLC between June 15, 2001 and December 31, 2008. Both attorneys are of the opinion that the settlement is fair, reasonable, and in the best interest of the respective subclasses, and further that the fees and expenses requested by the attorneys for the class are reasonable.

6. All parties to this action agree to the terms of the settlement.

7. As of the date of this hearing the Claims Administrator has received the sum of \$364,826.71. The additional amount to be paid into the Settlement Fund by subclass B is potentially in excess of \$1,500,000.

Based on the record and the foregoing findings of fact, the Court concludes that the settlement is fair, reasonable, and adequate and in the best interest of the class.

Therefore, it is HEREBY ORDERED, ADJUDGED and DECREED as follows:

1. Each member of Subclass A who timely submits a claim form by August 5, 2010 and whose claim is allowed by the Claims Administrator shall be entitled to a pro-rata share of the net proceeds of the Settlement Fund, based on the amount of interest the class member paid to Legal Bucks, LLC and/or LBFund I, LLC. The net proceeds of the Settlement Fund shall consist of the proceeds paid into the fund less Court-approved fees, awards, and expenses.

2. The obligation of each member of Subclass B to repay his or her advance(s) shall be modified as follows: each member of Subclass B shall be under no obligation to pay any interest on any advance, but shall be obligated, upon the settlement of his or her underlying action, to pay into the class fund the principal amount of the advance(s); however, the obligation to repay the principal shall be further limited to the *lesser* of the principal amount advanced or one-half of the proceeds of the underlying action, after payment of attorney fees and legal costs and medical or insurance liens. Each Subclass B member shall pay the repayment amount to the Settlement Fund within 60 days after the receipt of his or her settlement proceeds in the underlying action. Upon payment into the Settlement Fund of the repayment amount, each subclass B member and his or her attorney in the underlying action shall be released from any further obligations to defendants and to the Settlement Fund.

3. One-half of all sums, if any, collected by defendants from persons eligible to be included in Subclass B but who opted out of the class will be paid to the Settlement Fund after deduction of collection expenses in the amount of one-third of the amounts collected.

4. Any claim may be challenged by the Claims Administrator for failure of supporting proof of entitlement to participation or for the reason that such person is not a member of the class. All such challenges shall set forth specifically the basis thereof and shall be served on the person challenged. All unresolved challenges shall be resolved by the Court.


5. The Claims Administrator is directed to make an interim distribution by November 19, 2010 and shall make such additional distributions from time to time as the Settlement Fund accumulates enough money to make it reasonable to make a distribution. Such future distributions should occur at least on or before December 31, 2011 and annually thereafter unless another schedule is approved by the Court.

6. The Claims Administrator has the authority, subject to Court approval, to terminate the administration of the class if it appears that the costs of administration outweigh the expected income from continuing the administration. Any residual funds remaining after the conclusion of the administration of the class will be paid to the Legal Fund for Indigent Persons and the North Carolina State Bar pursuant to N.C. Gen Stat. § 1-267.10.

7. Keith Tart, Lynn D. Tart, Phillip L. Smith, Virginia Smith, Logan Financial and all the Doe defendants are hereby dismissed from these actions with prejudice.

8. The Court retains jurisdiction over this matter.

This the 28 day of June, 2010.



The Honorable Edwin G. Wilson, Jr.