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

TONY W. ROSS,
BRIAN and TONI HAMMOND,
GEORGE and NADINE HESS,
DON and DONNA GERBELING et al.,
Individually and on behalf of all others
similarly situated,

Plaintiffs,

vs.

THOUSAND ADVENTURES OF IOWA, INC.,
and THOUSAND ADVENTURES, INC,
and

1. HELLER FINANCIAL, INC.;
2. ALLSTATE FINANCIAL, INC.;
3. CASCADE FINANCE;
4. ZARR, INC.,
5. CONSUMER LOAN PORTFOLIOS, INC.;
6. TRAVEL AMERICA, INC.;
7. WESTERN AMERICAN BANK, N.A.;
8. LIBERTY BANK;
9. COMMUNITY FIRST BANK
f/k/a CARROLTON FEDERAL BANK;
10. GREAT WESTERN BANK
f/k/a DOUGLAS COUNTY BANK;
11. 900 CAPITAL;
12. TRAVELERS ACCEPTANCE CORP.;
13. GEICO FINANCIAL SERVICES, INC.;
14. FARMERS & MERCHANTS BANK,
f/k/a NEBRASKA STATE BANK;
15. WASHINGTON COUNTY BANK;
16. WHEELER INVESTMENT GROUP;
17. FIRST SAVINGS BANK OF ARLINGTON;
18. RECEIVABLE FINANCING CORP.,

Defendants.

Law No. LALA003946

**NOTICE OF PROPOSED CLASS ACTION
SETTLEMENT WITH HELLER FINANCIAL, INC.**

DO NOT BE ALARMED. YOU HAVE NOT BEEN SUED. THIS NOTICE IS MERELY TO TELL YOU ABOUT YOUR RIGHTS AS TO A PROPOSED SETTLEMENT WITH DEFENDANT HELLER FINANCIAL, INC. ("Heller") AND OF A SETTLEMENT HEARING.

TO: ALL PERSONS (AND THEIR HEIRS, SUCCESSORS, AND/OR ASSIGNS) WHO PURCHASED A MEMBERSHIP FROM THOUSAND ADVENTURES, INC., OR ONE OF ITS SUBSIDIARIES. PLEASE READ THIS NOTICE CAREFULLY.

History of the Litigation

This class action was originally brought against Thousand Adventures, Inc. and Thousand Adventures of Iowa ("TAI" and "TA of Iowa" respectively) by Tony Ross, on behalf of himself and all others similarly situated who purchased or otherwise acquired a campground membership in TAI resorts, recreational facilities or other campgrounds throughout the United States ("Members"). On July 10, 1997, a default judgment was entered against TAI, and the proposed class was certified and the membership contracts were effectively rescinded. TAI is currently in bankruptcy.

In November 2000, additional class plaintiffs and defendants were added, including Heller Financial, Inc., among others. In this lawsuit, plaintiffs allege that Heller was assigned retail installment contracts signed by some of the Members to finance their purchase of the campground memberships. Heller was one of the lenders who allegedly were holders of some of the Members' contracts. Heller has denied liability throughout this litigation.

Settlement Negotiations

Plaintiffs' counsel believe they have made a thorough investigation of the law and the facts relating to the allegations of the Complaint and the defenses asserted by Heller. In conducting this investigation, Plaintiffs' counsel have, among other things, reviewed several thousand pages of documents, have been involved in numerous depositions and conversations with witnesses, and have participated in numerous court hearings related to this matter. An impartial mediator also has met with Plaintiffs' counsel and Heller.

Plaintiffs and Heller have engaged in arms-length negotiations which resulted in a conditional agreement to settle the claims against Heller as set forth in a Settlement Agreement signed by the parties which is subject to final approval by the Court ("Settlement Agreement"). In agreeing to the settlement, Plaintiffs and their counsel considered the risks of continued litigation against Heller and the likelihood of success, balanced against the substantial benefits to the Class which would accrue as a result of the proposed settlement. Plaintiffs, on advice of counsel, have concluded that the proposed settlement of the claims against Heller is fair, reasonable and adequate and in the best interest of the settlement class.

The Class

You have received this notice because you have been identified as a potential Member of the settlement class. The class is defined as all current or former Members (and their heirs, representatives or agents) of TAI, or any of its affiliates, subsidiaries, assignees or successors

("Class"). The named Plaintiffs believe the class includes more than 60,000 Members. However, only approximately 1,100 of that number had contracts that were assigned to Heller at some time.

The settlement involves a resolution of any claims that any Member may now or in the future have against Heller, which arise out of or relate in any way to TAI, any division, subsidiary, affiliate, assignee or successor of TAI, or any campgrounds or campground contracts or representations relating to recreational ventures, resorts or other campgrounds used, owned, or operated by TAI or its subsidiaries which include, TAI of Iowa, Thousand Adventures of Ohio, Inc., Thousand Adventures, of Kansas, Inc., Thousand Adventures of Michigan, Inc., Thousand Adventures of New York, Inc., Thousand Adventures of Georgia, Inc., Thousand Adventures of Florida, Inc., Thousand Adventures of Mississippi, Inc., Thousand Adventures of Minnesota, Inc., and others.

Summary of the Settlement

This civil action (the "Action") is pending in the Iowa District Court for Lee County at Fort Madison ("the Court"). The terms of the proposed settlement are as follows:

1. The settlement is being made exclusively with Heller and its affiliates or related corporations and will not preclude any Members from asserting similar claims against TAI or other responsible parties.
2. Under this settlement, without admitting liability, Heller will forgive and discharge any balances due under the Consumer Installment Loan and Security Agreements ("Installment Loan Agreements") between TAI or any of its subsidiaries, and individual consumers who borrowed funds under those agreements and whose contracts were assigned to Heller. The amounts of the unpaid balances of the retail installment contracts that Heller will forgive is estimated to be roughly \$3,400,000.
3. In addition, Heller has agreed to pay \$750,000 toward the Members' claims, and their attorney fees. The amount each Member will receive cannot be determined at this time, but will depend on the total amount of settlement proceeds obtained from all defendants and the number of claims that are made against the settlement funds.
4. The money received from Heller in this settlement will be combined with other settlement funds already obtained by the Class and placed in a segregated Trust Fund that will be distributed to Class Members after all the litigation has been resolved. Class Counsel listed below will be responsible for such distributions, which will be made only after the Court has approved the manner of making the payments to Class Members.
5. The actual amount of payments to Class Members will not be known until all the claims against other defendants are resolved and the members file their claims. Since no distributions will be made now, you will be informed at a later date how to file a claim. Heller will have no further involvement in this action after the

settlement is approved and will not be responsible or liable for how or when any distributions are made.

6. As part of its \$750,000 cash contribution to the settlement, Heller has agreed to pay attorney fees up to \$315,000 (if approved by the Court) which represents 7.5% of the \$4,195,000 in benefits obtained on behalf of the Class, plus the actual costs of notice. In addition, Heller will expend up to \$45,000 relating to the recovery of documents, evidence, and other discovery information that is relevant to the Class in the pursuit of claims against other responsible parties.
7. The settlement shall release and discharge Heller and its current or former owners, officers, directors, agents, employees and attorneys, advisors, predecessors, successors, assigns and affiliates from any and all claims, demands, causes of action, suits, actions, debts which the Class Members have against Heller arising out of or related to TAI, or any campgrounds or campground contracts or representations pertaining to campgrounds used, owned, operated or controlled by TAI, whether such claims are asserted or unasserted, contingent or noncontingent, known or unknown.

THIS NOTICE SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES.

This description of the claims and contentions of the parties is general and does not cover all of the claims and contentions of the parties. For a more detailed statement of the matters involved in this action, you may review the court papers and the full Settlement Agreement at the Court Clerk's Office (7th and Avenue F, Fort Madison, Iowa 52627) during normal business hours. You may also find copies of certain court papers on the internet at www.natlassoc.com.

HOW TO ELECT TO OPT OUT OF THE SETTLEMENT CLASS

Any Member of the Class may choose to be excluded, but only upon specific request. If a timely request for exclusion ("opt out") is made by any Member, then that Member and anyone else sharing the benefits of that membership, including successive generations, will be excluded from the settlement class. **Class Members who timely request exclusion will not be entitled to participate in a distribution of any proceeds from this settlement, and they will not be bound by any judgment approving the settlement and releasing Heller.** If you wish to be excluded from the settlement class, you must submit the attached Exclusion Request no later than **April 4, 2003**, to Class Counsel, Douglas H. Napier, Esq., 607 Eighth Street, Suite One, Fort Madison, IA 52627.

If you exercise your right to be excluded from the settlement class, you might be precluded from an opportunity to object to or otherwise comment on the settlement or any other proceedings in the Action related to the settlement of the claims against Heller.

If more than 25 Members of the Class elect to opt out of the proposed settlement, Heller has the option to terminate the settlement in its entirety.

KEEP YOUR ADDRESS CURRENT

As a Member of the Class, you are requested to notify Class Counsel, Douglas H. Napier, at the address listed above, of any change in your address.

NOTICE OF HEARING AND RIGHT TO OBJECT

By an order of Court dated February 18, 2003, the Court scheduled a hearing on **April 9, 2003, at 1:15 p.m. Central Time**, at the Lee County Courthouse, at 7th Street and Avenue F, Fort Madison, Iowa on the following issues:

- (a) To determine whether the proposed settlement is fair, reasonable, adequate and in the best interest of the Members and whether all claims against Heller should be released and dismissed with prejudice;
- (b) To consider an application by Class Counsel for an award of fees and expenses of up to \$315,000;
- (c) To consider such other matters as the Court may deem proper and necessary.

As a Member of the Class, you are not required to do anything in order for the Settlement to be approved. You may, however, appear at the settlement hearing, in person, or through counsel of your own choice, and address any of the above issues. However, no one will be heard or entitled to contest the settlement unless that person has filed a signed and dated statement setting out the specific reasons for objecting to the settlement with the Clerk of the Court **on or before April 4, 2003**, and, on or before that date serving a copy of the objection by actual delivery on counsel for the Plaintiffs:

Douglas H. Napier, Esq.,
NAPIER, WOLF & NAPIER
607 Eighth Street, Suite One
Fort Madison, IA 52627-2805

and on counsel for Heller:

E. King Poor
Samuel Mendenhall
WINSTON & STRAWN
35 West Wacker Drive
Chicago, IL 60601

YOU DO NOT NEED TO DO ANYTHING IF: 1) YOU BELIEVE YOU ARE A MEMBER OF THE CLASS, 2) DO NOT WANT TO OPT OUT FROM THE SETTLEMENT WITH HELLER AND 3) DO NOT WANT TO OBJECT TO THE SETTLEMENT. You will be contacted in the future regarding a distribution of the settlement proceeds.

IF YOU DO NOT WANT TO PARTICIPATE IN THIS SETTLEMENT, YOU MAY EITHER 1) OPT OUT OF THE CLASS, OR 2) OBJECT TO THE SETTLEMENT AGREEMENT BY FOLLOWING THE INSTRUCTIONS BELOW.

FURTHER INFORMATION

Additional and updated information may be found on the website of the National Association of Members located at www.natlassoc.com.

DO NOT CALL THE CLERK OF COURT. THEY WILL NOT BE ABLE TO ANSWER YOUR QUESTIONS OVER THE TELEPHONE.

All inquiries regarding this Notice, or the class action, or the proposed settlement should be addressed, in writing, to the attorney for the Class listed below:

Douglas H. Napier, Esq.,
Attorney at Law
Napier, Wolf & Napier
607 Eighth Street, Suite One
Fort Madison, IA 52627-2805

Or by email to:
napierwolf@aol.com
Attorneys for the Representatives
and Class Plaintiffs

Clerk Of The Court
Iowa District Court for
Lee County at Fort Madison
7th & Avenue F
Fort Madison, IA 52627

DATED: February 19, 2003

OPT OUT FORM

**ONLY FILL OUT THIS FORM AND RETURN IF YOU DO NOT WISH TO PARTICIPATE
IN THE CLASS ACTION LAWSUIT BY THOUSAND ADVENTURES MEMBERS
AGAINST
HELLER**

*By filling out this form and mailing it to the address below, you will be **opting out** of the class of Thousand Adventures Members and **will not be able to participate in any recovery** obtained through this lawsuit, nor will you be able to receive any other benefits from settlements with defendants, including the forgiveness of amounts owed under the retail installment contracts. Be certain you understand the effect of opting out of the class before signing and returning this form.*

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone Number: (____) _____

E-mail address: _____

Thousand Adventures Membership Number: _____ (Important)

Social Security Number(s) for each Member: _____

Signed this _____ day of _____, 2003.

By signing this Opt Out Form, I understand that I am giving up all rights to any proceeds that may be received from Heller in this class action lawsuit.

Signature of Member (or representative)

Signature of Co-Member (if applicable)

Mail completed form to:

***(Must be received by
April 4, 2003.)***

Douglas H. Napier, Esq.
Thousand Adventures Class Action - Opt Out
Napier, Wolf & Napier
607 Eighth Street, Suite One
Fort Madison, IA 52627-2805