

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

Jill B. Savedoff, individually and on behalf of all others similarly situated,	:	
	:	
	:	CASE NO. 1:06CV00135
	:	
	:	
Plaintiff,	:	CIVIL ACTION
	:	
vs.	:	JUDGE JAMES S. GWIN
	:	
Access Group, Inc.	:	
	:	
Defendants.	:	MAGISTRATE JUDGE LIMBERT
	:	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into as of this 12th day of September 2008, by and between defendant Access Group, Inc. (“Access”) and plaintiff Jill B. Savedoff (“Plaintiff”), individually and on behalf of the Class as defined below and as certified by this Court.

WHEREAS, Plaintiff is prosecuting this Action on her own behalf and on behalf of a Class against Access; and

WHEREAS, Plaintiff alleges that Access breached the terms of the Class's student loan contracts in two distinct ways: (1) by compounding "Additional Interest" (defined below) which had accrued during each Class Member's loan repayment period and (2) in the case of private loan class members and, for prior to program year 2001-2002, federal loan class members, by applying each Class Member's monthly payments to pay off Additional Interest before applying payments to reduce the loan principal;

WHEREAS, the Court entered judgment determining that Access's compounding of Additional Interest breached the Class Members' student loan agreements and that judgment is no longer subject to further review;

WHEREAS, Access has certified that in July 2006 it recalculated Class members' accounts to undo the compounding of Additional Interest, conferring a benefit of \$404,715.72 in favor of the Class, which Plaintiff agrees constitutes the full remedy to which it is entitled for that claim;

WHEREAS, Access denied Plaintiff's allegations of breach and injury and continues to deny that its application of monthly payments to pay off Additional Interest before applying payments to reduce the loan principal is in breach of the Class Members' student loan agreements;

WHEREAS, Class Counsel have conducted an investigation into the facts and the law regarding the Action and have concluded that a settlement with Access according to the terms set forth below, is in the best interests of Plaintiff and the Class; and

WHEREAS, Access, despite its belief that it has meritorious defenses to the remaining claim, has nevertheless agreed to enter into this Agreement to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation.

NOW, THEREFORE, in consideration of the covenants, agreements and releases set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by and among the undersigned that the Action be settled, compromised and dismissed on the merits with prejudice as to Access, without costs as to Plaintiff, the Class, or Access, subject to the approval of the Court, on the following terms and conditions:

A. Definitions

The following terms, as used in this Agreement, have the following meanings:

1. “Additional Interest” means outstanding interest that accrued or accrues during the repayment period of a student loan under an “Easy Pay Plan” (defined below) due to interest rate changes or other reasons, but which Access did not or does not bill as currently due when incurred.
2. “Class” means all persons who are borrowers under an “Easy Pay 2 Step Plan” (defined below) or “Easy Pay 3 Step Plan” (defined below) on whose student loans any of the Defendants have, since January 1, 1993, compounded Additional Interest after commencement of the repayment period. Excluded from the Class are those borrowers whose Additional Interest has been compounded solely pursuant to a written forbearance agreement with the lender.
3. “Class Counsel” means the law firms of Weinstein Kitchenoff & Asher LLC, 1845 Walnut Street, Suite 1100, Philadelphia, PA 19103; and Landskroner Gries Madden Ltd., 1360 West 9th Street, Suite 200, Cleveland, OH 44113.

4. “Class Member” means each member of the Class who does not timely and validly request to be excluded from the Class.

5. “Class Period” means the period from and including January 1, 1993 to the present.

6. “Class Representative” or “Plaintiff” means Jill B. Savedoff.

7. “Court” means the United States District Court for the Northern District of Ohio, Eastern Division.

8. “Easy Pay” or “Easy Pay Plan” means the Easy Pay 2 Step Plan and the Easy Pay 3 Step Plan.

9. “Easy Pay 2 Step Plan” means a repayment option offered by Access wherein the borrower makes interest-only payments for two years, and then equal payments of principal and interest for the remaining term of the loan.

10. “Easy Pay 3 Step Plan” means a repayment option offered by Access wherein the borrower makes interest-only payments for two years, payments of interest and partial principal for three years, and then equal payments of principal and interest for the remaining years.

11. “Effective Date” means when: (a) the Court has entered a final order approving this Agreement under Rule 23(e) of the Federal Rules of Civil Procedure and a final judgment dismissing the Action against Access on the merits with prejudice as to all Class Members and without costs, and (b) the time for appeal or to seek permission to appeal from the Court's approval of this Agreement and entry of a final judgment as described in clause (a) above has expired or, if appealed, approval of this Agreement and the final judgment has been affirmed in its entirety by the Court of last resort to which such appeal has been taken and such affirmance has become no

longer subject to further appeal or review. Neither the provisions of Rule 60 of the Federal Rules of Civil Procedure nor the All Writs Act, 28 U.S.C. §1651, shall be taken into account in determining the above-stated times.

12. “Opt-Out” means any putative Class Member who timely and validly exercises his or her right to opt out of the Class for purposes of this settlement pursuant to the procedures ordered by the Court.

13. “Releasees” shall refer jointly and severally, individually and collectively to Access and to its past and present officers, directors, employees, agents, members, attorneys, servants, representatives, parents, subsidiaries, affiliates, and their respective past, present and future officers, directors, employees, agents, members, attorneys, trustees, servants, representatives, and the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing.

14. “Releasers” shall refer to the Class Representative, the Class Members, and heirs, executors, administrators, and assigns of each of the foregoing.

15. “Settlement Amount” means the \$82,500.00 cash payment paid by Access in settlement.

16. The “Settlement Fund” shall be comprised of the Settlement Amount and any interest accrued on the Settlement Amount until the date of distribution, less any deductions approved by the Court.

B. Approval of this Agreement and Dismissal of Claims

17. Plaintiff and Access shall use their best efforts to effectuate this Agreement, including cooperating in promptly seeking the Court's approval of procedures (including giving the

Class notice under Federal Rules of Civil Procedure 23(c) and (e)) to secure the prompt, complete, and final dismissal with prejudice of the Action. If Access and Plaintiff disagree concerning procedures after attempting to reach an agreement in good faith, they may present the Court with their respective proposals.

18. By January 15, 2009, Access will provide Class Counsel with the declaration of a knowledgeable person setting forth (a) the amount of Additional Interest that was uncapitalized and (b) the amount of interest that was credited back to the Class when Additional Interest was uncapitalized.

19. Within twenty (20) business days of execution of this Agreement, Plaintiff shall submit to the Court a motion (“Motion”) for preliminary approval of the settlement, stay of this action, and authorization to disseminate notice of the settlement and the final judgment contemplated by this Agreement to all potential Class Members. The Motion shall include, *inter alia*, (a) a proposed form of, (b) method for, and (c) date of dissemination of notice to the Class.

20. Access will provide written notice to the Class members of the proposed settlement and any right to opt-out either as part of Access’ routine billing (to those Class Members still repaying their loans) or by first-class mail letter (to those individuals who have paid off their loans). Plaintiff may request other forms of notice and Access preserves its right to object.

21. After preliminary approval of this Agreement by the Court and compliance with the notice requirements approved by the Court, Plaintiff and Access shall jointly seek entry of an order and final judgment which provides:

- a. As to the Action, approving finally this Agreement and its terms as being a fair, reasonable, and adequate settlement as to the Class Members within the meaning of Rule 23 of the Federal Rules of Civil Procedure and directing its consummation according to its terms;
- b. Directing that the Action be dismissed with prejudice and without costs; and
- c. Reserving exclusive jurisdiction over the settlement and this Agreement, including the administration and consummation of this settlement.

22. This Agreement shall become final on the Effective Date.

23. As of the execution of this Agreement, Plaintiff and Access shall be bound by its terms, and this Agreement shall not be rescinded or terminated except in accordance with the terms of this Agreement.

C. Release and Discharge

24. Upon the occurrence of the Effective Date and in consideration of payment of the Settlement Amount, as specified in Section D of this Agreement, and for other valuable consideration, the Releasees shall be completely released, acquitted, and forever discharged from any and all claims, demands, actions, suits and causes of action, whether class, individual, or otherwise in nature, that Releasers, or each of them, ever had, now has, or hereafter can, shall, or may have, against Releasees, whether known or unknown, on account of or arising out of or resulting from conduct alleged or asserted in the complaints filed in the Action. The Releasers shall not, after the date of this Agreement, seek to recover against any of the Releasees on any of the Released Claims.

25. Upon the occurrence of the Effective Date and in consideration of the Release and Discharge described in Paragraph 24 herein, and for other valuable consideration, Plaintiff, the Class, Class Members, and Class Counsel shall be completely released, acquitted, and forever discharged from any and all claims, demands, actions, suits and causes of action, whether class, individual, or otherwise in nature, that Releasees ever had, now has, or hereafter can, shall, or may have against Plaintiff, the Class and its members, and/or Class Counsel, whether known or unknown, on account of or arising out of or resulting from the commencement and/or prosecution of this action. This release language does not affect Plaintiff's and the Class Members' obligations under their loan agreements.

D. Payment

26. Within ten days of the entry of preliminary approval, or in any case, no later than January 15, 2009, Access shall deposit the Settlement Amount in an interest bearing account and maintain it until distribution on the Effective Date or as otherwise ordered by the Court. All interest earned on the Settlement Fund shall become and remain part of the Settlement Fund.

E. The Settlement Fund

27. Access retains its right, if any, to object to any application for fees, expenses and/or incentive award. Class Counsel retains its right, if any, to submit any such application.

28. After the Effective Date, and subject to Court approval, the value of the Settlement Fund shall be distributed by Access to the Class Members having private loans and, for prior to program year 2001-2002, federal loans, either by (a) crediting the principal of an outstanding Easy Pay loan balance that is the subject of this litigation (for Class members who have existing Easy Pay loan balances), at which point Access will be reimbursed from the Settlement Fund for such

credits, or (b) sending a check in the appropriate amount (to Class members whose qualifying loan has been paid off). The Settlement Fund, net of any Court allowed expense, costs, incentive award, and fees, if any, will be distributed *pro rata* based upon the amount of Additional Interest incurred by the Class Member. Access will complete the distribution of the Settlement Fund and provide Class Counsel with a verification of the distribution and any reimbursement Access receives pursuant to Paragraph 28(a) herein, within thirty days (30) after the Effective Date.

F. Rescission If The Agreement Is Not Finally Approved

29. If the Court declines to approve this Agreement or any part hereof, or if such approval is modified or set aside on appeal, or if the Court does not enter the final judgment provided for in Paragraph 21 of this Agreement, or if the Court enters the final judgment and appellate review is sought and, on such review, such final judgment is not affirmed, then Access and the Plaintiff shall each, in their sole discretion, have the option to rescind this Agreement in its entirety, and any and all amounts then constituting the Settlement Fund (including all interest earned thereon) shall be returned forthwith to Access.

30. Access and Plaintiff expressly reserve all of their rights if the Agreement does not become effective. Plaintiff and Access also agree that this Agreement, and any discussions or negotiations associated with it, shall not be deemed or construed to be an admission or evidence of any violation of any statute or law, or of any liability or wrongdoing, or of the truth or falsity of any of the claims or allegations contained in the pleadings filed by Plaintiff or Access in the Action, and evidence thereof shall not be discoverable or used directly or indirectly, in any way, whether in the Action or in any other action or proceeding, except for implementation and enforcement of the Agreement and the settlement it provides.

G. Miscellaneous

31. The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding, or dispute arising out of or relating to this Agreement or the applicability of this Agreement that cannot be resolved by negotiation and agreement by the disputing parties.

32. This Agreement constitutes the entire agreement between Plaintiff and Access pertaining to the settlement of the Action and supersedes any and all prior and contemporaneous undertakings of Plaintiff and Access in connection therewith. This Agreement may be modified or amended only by a writing executed by Plaintiff and Access, subject to Court approval.

33. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of Releasors and Releasees. Without limiting the generality of the foregoing and subject to the Effective Date occurring: (a) each and every covenant and agreement made herein by Plaintiff or Class Counsel shall be binding upon all Class Members and Releasors, and (b) each and every covenant and agreement made herein by Access shall be binding upon all Releasees.

34. This Agreement may be executed in counterparts by Plaintiff and Access and a facsimile signature shall be deemed an original signature for purposes of executing this Agreement.

35. Neither Access nor Plaintiff, nor any of them, shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

36. Nothing expressed or implied in this Agreement is intended to or shall be construed to confer or give any person or entity other than Class Members, Class Counsel, Releasers, and Releasees any right or remedy under or by reason of this Agreement.

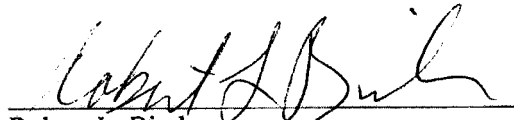
37. Each of the undersigned attorneys represents that he is fully authorized by his respective client to enter into the terms and conditions of, and to execute, this Agreement on behalf of that client, subject to Court approval.

Dated: December 23, 2008



David H. Weinstein
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Telephone: (215) 545-7200
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On behalf of Plaintiff, Jill B. Savedoff,
and the Class

Dated: December 23, 2008



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