

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

ARGENT CLASSIC CONVERTIBLE)	
ARBITRAGE FUND (BERMUDA) LTD. and)	MDL 2003
ARGENT CLASSIC CONVERTIBLE)	
ARBITRAGE FUND, L.P., Individually and On)	Case No. 1:08-nc-70016
Behalf of All Others Similarly Situated,)	
)	Judge Solomon Oliver, Jr.
Plaintiffs,)	
vs.)	
)	
NATIONAL CITY CORPORATION, <i>et al.</i> ,)	
)	
Defendants.)	
)	

**PRELIMINARY ORDER FOR NOTICE AND HEARING
IN CONNECTION WITH SETTLEMENT PROCEEDINGS**

WHEREAS, on August 13, 2010, the parties to the above-entitled action (the “Action”) entered into a Stipulation and Agreement of Settlement (the “Stipulation”) that is subject to review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the exhibits thereto, sets forth the terms and conditions for the proposed settlement of the Action on the merits and with prejudice; and the Court having read and considered the Stipulation and the accompanying documents; and the parties to the Stipulation having consented to the entry of this Order; and all capitalized terms used herein having the meanings defined in the Stipulation; and

NOW, THEREFORE, IT IS HEREBY ORDERED, this 19th day of August, 2010 that:

1. The Court after hearing from counsel for the parties on the record on August 19, 2010, at 3:30 p.m., hereby preliminarily approves the Stipulation and the Settlement set forth therein, subject to further consideration at the Fairness Hearing described below:

2. Solely for purposes of the Settlement, the Court finds that the requirements of the Federal Rules of Civil Procedure, the United States Constitution, the Rules of the Court, and any other applicable law have been met as to the Settlement Class defined below, in that:

a. The Court preliminarily finds that, as required by Federal Rule of Civil Procedure 23(a)(1), the members of the Settlement Class are so numerous that their joinder before the Court would be impracticable;

b. The Court preliminarily finds that, as required by Federal Rule of Civil Procedure 23(a)(2), there are one or more questions of fact and/or law common to the Settlement Class;

c. The Court preliminarily finds that, as required by Federal Rule of Civil Procedure 23(a)(3), the claims of the Class Representatives (as defined below) are typical of the claims of the Settlement Class;

d. The Court preliminarily finds that, as required by Federal Rule of Civil Procedure 23(a)(4), the Class Representatives will fairly and adequately protect the interests of the Settlement Class in that: (i) the interests of the Class Representatives and the nature of their alleged claims are consistent with those of the members of the Settlement Class; (ii) there appear to be no conflicts between or among the Class Representatives and the Settlement Class; and (iii) the Class Representatives and the members of the Settlement Class are represented by qualified, reputable counsel who are experienced in preparing and prosecuting securities class actions; and

e. The Court preliminarily finds that, as required by Federal Rule of Civil Procedure 23(b)(3), the questions of law and fact common to the members of the Settlement Class predominate over any questions affecting only individual members of the Settlement Class,

and a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(3), and for purposes of the Settlement only, the Court hereby certifies the Settlement Class as including all persons or entities who purchased or otherwise acquired the Notes pursuant to and/or traceable to the registration statement on Form S-3 filed by National City Corporation with the U.S. Securities and Exchange Commission on January 18, 2008 and the accompanying prospectus supplement declared effective as of January 23, 2008, for \$1.25 billion of National City Corporation 4.0% Convertible Senior Notes due 2011 (the "Registration Statement") from January 23, 2008 through December 23, 2008 and who were damaged thereby, including their legal representatives, heirs, successors or assigns, and any entity in which they have or had a controlling interest. Excluded from the Settlement Class are Defendants, members of their immediate families, and their legal representatives, heirs, successors or assigns, and any entity in which Defendants have or had a controlling interest. Also excluded from the Settlement Class are persons or entities who properly exclude themselves by filing a timely and valid request for exclusion in accordance with procedures set forth in the Notice.

4. The Court appoints Argent Classic Convertible Arbitrage Fund (Bermuda) Ltd. and Argent Classic Convertible Arbitrage Fund, L.P. as the Class Representatives for the Settlement Class and appoints the law firm of Entwistle & Cappucci LLP as Class Counsel for the Settlement Class.

5. The Court preliminarily finds that:

a. The proposed Settlement resulted from informed, extensive arms' length negotiations, including two, full-day mediation sessions under the direction of a very experienced mediator, David Geronemus, Esq. of JAMS;

b. Class Counsel has concluded that the proposed Settlement is fair, reasonable and adequate; and

c. The proposed Settlement is sufficiently fair, reasonable, and adequate to warrant sending notice of the Settlement to the Settlement Class.

6. A hearing (the "Fairness Hearing") pursuant to Rule 23(e) of the Federal Rules of Civil Procedure is hereby scheduled to be held before the Court on November 30, 2010, at 11:30 a.m. for the following purposes:

a. to determine whether the proposed Settlement Class should be certified under Rule 23;

b. to determine whether the proposed Settlement is fair, reasonable, and adequate, and should be approved by the Court;

c. to determine whether the Order and Final Judgment as provided under the Stipulation should be entered, dismissing the Complaint filed herein, on the merits and with prejudice, and to determine whether the release by the Settlement Class of the Released Claims, as set forth in the Stipulation, should be provided to the Released Parties;

d. to determine whether the proposed Plan of Allocation for the proceeds of the Settlement is fair and reasonable, and should be approved by the Court;

e. to consider Lead Counsel's application for an award of attorneys' fees and expenses;

f. to determine whether an order should be entered barring and enjoining the Plaintiffs and all members of the Settlement Class from instituting, instigating, commencing, maintaining or prosecuting, either directly, indirectly, or in a representative capacity, any action in any court or tribunal asserting any Released Claims against any Released Parties; and

g. to rule upon such other matters as the Court may deem appropriate.

7. The Court reserves the right to approve the Settlement with or without modification and with or without further notice of any kind. The Court further reserves the right to enter its Order and Final Judgment approving the Stipulation and dismissing the Complaint on the merits and with prejudice regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and expenses.

8. The Court approves the form, substance and requirements of the Notice of Proposed Settlement of Class Action (the "Notice") and the Proof of Claim form, annexed hereto as Exhibits 1 and 2, respectively.

9. The Court approves the form of Summary Notice of Proposed Settlement of Class Action (the "Publication Notice") in all material respects in the form and content annexed hereto as Exhibit 3 and directs that Lead Counsel shall cause the Publication Notice to be published in the national edition of *The Wall Street Journal* within ten days of the mailing of the Notice. Lead Counsel shall, at or before the Settlement Fairness Hearing, file with the Court proof of publication of the Publication Notice.

10. The Court approves the appointment of The Garden City Group as the Claims Administrator. The Claims Administrator shall cause the Notice and the Proof of Claim, substantially in forms annexed hereto, to be mailed, by first class mail, postage prepaid, on or before September 15, 2010, to all Settlement Class Members who held the Notes of record

and who purchased or otherwise acquired the Notes from January 23, 2008 through December 23, 2008, as set forth on the books and records maintained by, or on behalf of, National City or its successor, and to those Settlement Class members that can be reasonably identified from Forms 13-F filed with the Securities and Exchange Commission. The Claims Administrator shall use reasonable efforts to give notice to nominee purchasers such as brokerage firms and other persons or entities who purchased or acquired the Notes as record owners. Such nominee purchasers are directed, within seven (7) days of their receipt of the Notice, to either forward copies of the Notice and Proof of Claim to their beneficial owners, or to provide the Claims Administrator with lists of the names and addresses of the beneficial owners of the Notes, and the Claims Administrator is ordered to send the Notice and Proof of Claim promptly to such identified beneficial owners. Nominee purchasers who elect to send the Notice and Proof of Claim to their beneficial owners shall send a statement to the Claims Administrator confirming that the mailing was made as directed. Additional copies of the Notice shall be made available to any record holder requesting such for the purpose of distribution to beneficial owners of the Notes, and such record holders shall be reimbursed from the Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable expense of sending the Notices and Proofs of Claim to such beneficial owners. Lead Counsel shall, at or before the Fairness Hearing, file with the Court proof of mailing of the Notice and Proof of Claim.

11. The form and content of the Notice and Publication Notice, and the method set forth herein of notifying the Settlement Class of the Settlement and its terms and conditions, meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 27(a)(7) of the Securities Act of 1933, 15 U.S.C. § 77z-1(a)(7) as amended by the Private Securities Litigation Reform Act of 1995 (the "PSLRA"), Section 21D(a)(7) of the Securities Exchange Act of 1934,

15 U.S.C. § 78u-4(a)(7) as amended by the PSLRA, and due process, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons and entities entitled thereto.

12. In order to be entitled to participate in the Net Settlement Fund, in the event the Settlement is effected in accordance with the terms and conditions set forth in the Stipulation, each Settlement Class Member shall take the following actions and be subject to the following conditions:

a. A properly executed Proof of Claim, in all material respects in the form attached hereto as Exhibit 2, must be submitted to the Claims Administrator, at the Post Office Box indicated in the Notice, postmarked not later than January 24, 2011. Such deadline may be further extended by Court Order. Each Proof of Claim shall be deemed to have been submitted when postmarked (if properly addressed and mailed by first class mail, postage prepaid) provided such Proof of Claim is actually received within twenty-one (21) days of the above-referenced deadline. Any Proof of Claim submitted in any other manner shall be deemed to have been submitted when it was actually received at the address designated in the Notice. Any Settlement Class Member who does not timely submit a Proof of Claim within the time provided for shall be barred from sharing in the distribution of the proceeds of the Net Settlement Fund, unless otherwise ordered by the Court, and shall be bound by the judgment in the Action.

b. The Proof of Claim submitted by each Settlement Class Member must satisfy the following conditions: (i) it must be properly completed, signed and submitted in a timely manner in accordance with the provisions of the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation as designated in the Proof of Claim, including proof of the transactions claimed and the losses incurred thereon, or such other

documents or proofs as the Claims Administrator, in its discretion, may deem acceptable; (iii) if the person executing the Proof of Claim is acting in a representative capacity, the Proof of Claim must include evidence of that person's current authority to act on behalf of the Settlement Class Member; and (iv) the Proof of Claim must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

c. As part of the Proof of Claim, each Settlement Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted, and shall (subject to effectuation of the Settlement) release all Released Claims as provided in the Stipulation.

13. Regardless of whether they submit a Proof of Claim, all Settlement Class Members shall be bound by all determinations and judgments in this Action, whether favorable or unfavorable, unless such persons or entities timely and validly request exclusion from the Settlement Class. A Settlement Class Member wishing to make such request for exclusion from the Settlement Class shall, no later than twenty-one (21) calendar days prior to the date scheduled herein for the Fairness Hearing, mail a request for exclusion in written form by first class mail postmarked to the address designated in the Notice. Such request for exclusion shall clearly indicate the name, address and telephone number of the person seeking exclusion, that the sender requests to be excluded from the Settlement Class in the *Argent Classic Convertible Arbitrage Fund (Bermuda) Ltd. v. National City Corporation* settlement, and must be signed by such person. Such persons requesting exclusion shall provide the date(s), price(s), and size(s) of all of their transactions in the Notes. The persons and entities who timely and validly request exclusion from the Settlement Class shall be excluded from the Settlement Class and shall not be

entitled to submit any Proof of Claim forms and shall not be entitled to receive any payment out of the Net Settlement Fund as described in the Stipulation and in the Notice.

14. Any member of the Settlement Class who wishes to object to the fairness, reasonableness, or adequacy of the Settlement, to the adequacy of the class representatives, to the Plan of Allocation, to any term of the Stipulation, to the proposed award of attorneys' fees and expenses, may file an objection with the Court. An objector must file with the Court a statement of his, her or its objection(s), including proof of membership in the Settlement Class, specifying the reason(s), if any, for each such objection made, including any legal support and/or evidence that such objector wishes to bring to the Court's attention or introduce in support of such objection. Attendance at the Fairness Hearing is not necessary; however, persons wishing to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, and/or the proposed award of attorneys' fees and expenses are required to indicate in their written objection their intention to appear at the hearing. Persons who intend to object to the Settlement, the Plan of Allocation, and/or the proposed award of attorneys' fees and expenses and desire to present evidence at the Fairness Hearing must include in their written objections copies of any exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. The objector must also mail the objection and all supporting law and/or evidence to Lead Counsel and to Defendants' Counsel. The addresses for filing objections with the Court and service on counsel are as follows:

To the Court:

Clerk of the Court
United States District Court
Northern District of Ohio
Carl B. Stokes United States Court House
801 West Superior Avenue
Cleveland, Ohio 44113-1838

Re: *Argent Classic Convertible Arbitrage Fund (Bermuda) Ltd. v. National City Corporation, et al.*, Case No. 1:08-nc-70016-SO

To Lead Counsel for the Settlement Class:

Vincent R. Cappucci
Andrew J. Entwistle
ENTWISTLE & CAPPUCCI LLP
280 Park Avenue, 26 Floor West
New York, New York 10017
Fax: (212) 894-7272

To Defendants' Counsel:

John M. Newman Jr.
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114-1190
Fax: (216) 579-0212

The objector or his, her or its counsel (if any) must effect service of the objection on counsel listed above and file it with the Court by no later than twenty-one (21) days before the date of the Fairness Hearing. If an objector hires an attorney to represent him, her or it for the purposes of making such objection pursuant to this paragraph, the attorney must both effect service of a notice of appearance on counsel listed above and file it with the Court by no later than twenty-one (21) days before the date of the Fairness Hearing. Any member of the Settlement Class or other person who does not timely file and serve a written objection complying with the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising (in this proceeding, on any appeal or in any other proceedings), any objection to the Settlement, and any untimely objection shall be barred.

15. Defendants' Counsel and Lead Counsel shall promptly furnish each other with copies of any and all objections that come into their possession.

16. Pending final determination of whether the Settlement should be approved, the Lead Plaintiff, all Settlement Class Members and their heirs, executors, administrators, successors and assigns, and each of them, and anyone who acts or purports to act on their behalf, shall be barred and enjoined from instituting, instigating, commencing, maintaining or prosecuting, either directly, indirectly, or derivatively, any action in any court or tribunal that asserts any Released Claims against any Released Party.

17. As provided in the Stipulation, Lead Counsel may pay the Claims Administrator the reasonable and customary fees and costs associated with giving notice to the Settlement Class and the review of claims and administration of the Settlement, up to \$300,000, out of the Settlement Amount without further order of the Court.

18. If any specified condition to the Settlement set forth in the Stipulation is not satisfied and Lead Counsel or Defendants' Counsel elects to terminate the Settlement as provided in paragraphs 33 and 34 of the Stipulation, then, in any such event, the Stipulation, including any amendment(s) thereof, and this Order shall be null and void, of no further force or effect, and without prejudice to any party, and may not be introduced as evidence or referred to in any actions or proceedings by any person or entity, and each party shall be restored to his, her or its respective position as it existed on the date of the Stipulation.

19. This Order shall not be construed or used as an admission, concession, or declaration by or against Defendants of any fault, wrongdoing, breach, or liability. This Order shall not be construed or used as an admission, concession, or declaration by or against Plaintiffs or the Settlement Class that their claims lack merit or that the relief requested in the action is inappropriate, improper or unavailable, or as a waiver by any party of any arguments, defenses or

claims he, she, or it may have, including, but not limited to, any objections by Defendants to class certification in the event that the Stipulation is terminated.

20. All funds held by the Escrow Agent shall be deemed and considered to be in the custody of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed or returned pursuant to the Stipulation and/or further order(s) of the Court.

21. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of or connected with the Settlement.

22. The Court may continue the Fairness Hearing without further written notice.

SO ORDERED this 19th day of August, 2010.

/s/SOLOMON OLIVER, JR.

Chief Judge
United States District Court