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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In Re: Chase Bank USA, N.A. "Check Loan"
Contract Litigation

MDL No. 2032

Case No. 3:09-md-02032 MMC (JSC)

THIS DOCUMENT APPLIES TO ALL
ACTIONS

**~~PROPOSED~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
SETTLEMENT**

1 The Parties have entered into a Class Settlement Agreement and Release, dated July 20, 2012
2 (“Settlement”) which, if approved, would resolve this certified class action. Plaintiffs have filed a
3 motion for preliminary approval of the Settlement. Upon review and consideration of the motion
4 papers and the Settlement and all exhibits thereto, including the proposed forms of notice to the Class,
5 the Court finds that there is sufficient basis for: (1) granting preliminary approval of the Settlement; (2)
6 approving the Parties’ proposed Notice Program and forms of notice attached hereto and directing that
7 notice be disseminated to the Class pursuant to the Notice Program provided in the Settlement; (3)
8 appointing a Settlement Administrator and Payment Advisor to conduct the respective duties set forth
9 for those positions in the Settlement, and (4) setting a hearing (the “Fairness Hearing”), at which the
10 Court will consider: (a) whether to grant final approval of the Settlement; and (b) whether to approve
11 Class Counsel’s application for attorneys’ fees, costs, expenses, and service awards (the “Fee
12 Application”).

13 IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

14 1. Capitalized terms not otherwise defined herein shall have the same meaning as set forth
15 in the Settlement.

16 2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332, and venue is
17 proper in this District, pursuant to the Transfer Order from the United States Judicial Panel on
18 Multidistrict Litigation (Dkt. No. 1).

19 3. Pursuant to this Court’s order dated May 13, 2011 (Dkt. No. 172), the certified Class in
20 this matter is defined as follows: “All persons or entities in the United States who entered into a loan
21 agreement with Chase, whereby Chase promised a fixed APR until the loan balance was paid in full,
22 and (i) whose minimum monthly payment was increased by Chase to 5% of the outstanding balance, or
23 (ii) who were notified by Chase of a minimum monthly payment increase and subsequently closed their
24 account or agreed to an alternative change in terms offered by Chase.” Persons within the Class
25 definition who submitted timely and valid requests for exclusion pursuant to the previously-
26 disseminated Notice of Pendency (*see* Dkt. No. 194, Ex. A), as determined by the records of the
27 Settlement Administrator, are excluded from the Class.

1 4. The Court preliminarily approves the proposed Settlement as fair, reasonable and
2 adequate, entered into in good faith, free of collusion, and within the range of possible judicial
3 approval.

4 5. The Court approves the Notice Program set forth in the Settlement and the forms of
5 notice attached hereto as Attachment A and Attachment B. The Court finds that the Notice Program,
6 including the forms of notice attached hereto, constitutes the best notice practicable under the
7 circumstances, constitutes valid, due, and sufficient notice to the Class in full compliance with the
8 requirements of applicable law, including Federal Rule of Civil Procedure 23 and the Due Process
9 Clause of the United States Constitution, and is the only notice to the Class of the Settlement that is
10 required.

11 6. The Court appoints The Garden City Group, Inc. (“GCG”) to serve as the Settlement
12 Administrator, and directs GCG to carry out all duties and responsibilities of the Settlement
13 Administrator specified in the Settlement.

14 7. The Court appoints Litinomics, Inc. (“Litinomics”) to serve as Payment Advisor and
15 directs Litinomics to carry out all duties and responsibilities of the Payment Advisor specified in the
16 Settlement.

17 8. All costs of disseminating notice to the Class of the Settlement and other Administrative
18 Costs, as defined in the Settlement, shall be approved by Class Counsel. All approved Administrative
19 Costs shall be paid from the Settlement Fund.

20 9. The Settlement Administrator shall create an updated mailing list that includes the
21 names and mailing addresses of all Class Members. Using the most updated mailing addresses used for
22 disseminating the Notice of Pendency, as updated by Class Members in response thereto and as
23 supplemented by data provided by Chase with respect to the Additional Accounts, the Settlement
24 Administrator shall use the NCOA to further update the mailing list. No later than August 24, 2012,
25 GCG shall: (i) mail (via first-class mail, postage pre-paid) notice in the form attached hereto as
26 Attachment A (“Settlement Notice A”) to all Class Members previously sent the Notice of Pendency
27 (according to the records of GCG), except for Incomplete Opt-Outs, and (ii) mail (via first-class mail,
28 postage pre-paid) notice in the form attached hereto as Attachment B (“Settlement Notice B”) to those

1 Persons with Additional Accounts (as defined in the Settlement) who were inadvertently not sent the
2 Notice of Pendency (according to the records of GCG) and Incomplete Opt-Outs. For each notice that
3 is returned with forwarding address information, GCG shall re-mail the applicable settlement notice
4 once to the new address provided.

5 10. GCG shall continue to maintain a case website, located at the web address
6 www.chaseminpaymentlawsuit.com, which by the time of the mailing of the settlement notices shall
7 include links to the following documents from the case: the Master Complaint, Chase's answer thereto,
8 the Court's order granting in part and denying in part Chase's motion to dismiss Plaintiffs' claims, the
9 Court's order granting class certification, the Settlement, and the Preliminary Approval Order. Upon
10 request, GCG shall provide Class Members additional copies of the appropriate settlement notice.

11 11. Only Persons with Additional Accounts who were not sent the Notice of Pendency
12 (according to the records of the Settlement Administrator) and Incomplete Opt-Outs may request
13 exclusion from the Class by submitting a timely request for exclusion to GCG, pursuant to the
14 instructions set forth in Settlement Notice B. The deadline for such Persons to request exclusion shall
15 be October 5, 2012. No Class Member or any other Person shall have the right to request exclusion on
16 behalf of any other Class Member. No group or mass-produced requests for exclusion shall be
17 considered valid.

18 12. Before the Fairness Hearing, GCG shall file with the Court a declaration confirming that
19 the Notice Program has been implemented, and setting forth a complete list of all Persons who
20 submitted timely and valid requests for exclusion from the Class.

21 13. With respect to Class Members previously sent the Notice of Pendency but who did not
22 attempt to request exclusion in response thereto, the Court finds that they have already been provided
23 with an opportunity to exclude themselves from the Class, and that a second opportunity is not
24 necessary or required under Federal Rule of Civil Procedure 23(e)(4) and the circumstances of this
25 case. The Notice of Pendency provided adequate information to Class Members about their rights and
26 the claims in this class action. Moreover, the Notice of Pendency informed Class Members that they
27 would be bound by any judgments that the Court makes in this case if they did not exclude themselves
28 from the Class at that time.

1 14. The Court directs that the Fairness Hearing be scheduled for November 16, 2012, at
2 9:00 a.m. to assist the Court in determining whether the Settlement should be finally approved as fair,
3 reasonable and adequate to the Class; whether Final Judgment should be entered dismissing with
4 prejudice this Action and those Related Actions coordinated in MDL 2032; and whether Class
5 Counsel's Fee Application should be approved.

6 15. The Parties shall file any motions in support of final approval of the Settlement by no
7 later than September 7, 2012. Class Counsel shall file their Fee Application by no later than
8 September 7, 2012. After it is filed, Class Counsel's Fee Application shall be posted on the case
9 website maintained by GCG.

10 16. Any Class Member who does not timely and validly exclude themselves from the Class
11 may object to, or comment on, the Settlement, Class Counsel's Fee Application, or any application for
12 service awards for the Class Representatives and/or Related Action Plaintiffs. The Court will only
13 consider objections that are timely and valid. To be considered, an objection must be in writing and be
14 signed by the Class Member making the objection; must be mailed to each of the Settlement
15 Administrator, Class Counsel and Chase's Counsel, postmarked no later than October 5, 2012, at the
16 addresses provided in the settlement notices; and must include the following: (i) the name of this
17 action; (ii) the objecting Class Member's full name, address, telephone number, and signature (an
18 attorney's signature is not sufficient); (iii) a statement that the objector is a Class Member and an
19 explanation of the basis upon which the objector claims to be a Class Member; (iv) all grounds for the
20 objection, accompanied by any legal support known to the objector or his or her counsel; (v) the
21 identity of all counsel who represent the objector, including any former or current counsel who may be
22 entitled to compensation for any reason related to the objection; (vi) a statement confirming whether the
23 objector intends to personally appear and/or testify at the Fairness Hearing; (vii) the identity of all
24 counsel representing the objector who will appear at the Fairness Hearing, if any; (viii) a list of all
25 persons who will be called to testify at the Fairness Hearing in support of the objection; and (ix) the
26 number of times in which the objector has objected to a class action settlement within the five years
27 preceding the date that the objector files the objection and the caption of each case in which such
28 objection was made. No later than October 15, 2012, the Settlement Administrator shall provide to the

1 Court copies of all objections. Any Class Member who does not submit a timely and valid objection
2 shall be deemed to have waived all objections and shall forever be foreclosed from making any
3 objection to the fairness, adequacy, or reasonableness of the Settlement and any Order and Final
4 Judgment entered approving it, Class Counsel's Fee Application, or any application for service awards
5 for the Class Representatives or Related Action Plaintiffs.

6 17. The Parties may file any papers in connection with any Class Member objections, and
7 any reply or other papers in support of final approval of the Settlement or Class Counsels' Fee
8 Application, by no later than November 2, 2012.

9 18. The Court reserves the right to modify the date of the Fairness Hearing and related
10 deadlines set forth herein. In that event, the revised Fairness Hearing date and any revised deadlines
11 shall be posted on the case website referred to in the settlement notices, and the Parties shall not be
12 required to re-send or otherwise publish any new class notice.

13 19. Pending a final determination of whether the Settlement should be approved, all Class
14 Representatives, Class Members, and any Person allegedly acting for or on their behalf, or seeking
15 benefits for the Class, either directly, representatively or in any other capacity, are preliminarily
16 enjoined from commencing, prosecuting, pursuing, or continuing against the Released Parties any
17 action, suit, demand, or proceeding in any court, tribunal, or other forum asserting any of the Released
18 Claims, including but not limited to in this Action or any of the Related Actions.

19 20. Pending a final determination of whether the Settlement should be approved, all
20 proceedings in this Action and all Related Actions, except as may be necessary to implement the
21 Settlement or comply with the terms of the Settlement, are hereby stayed.

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21. The following chart summarizes the dates and deadlines set by this Order:

Last day to mail settlement notices to the Class:	August 24, 2012
Last day for Plaintiffs to file motion(s) in support of final approval of the Settlement, and for Class Counsel to file their Fee Application:	September 7, 2012
Last day for all Class Members to postmark comments and objections to the settlement or Fee Application:	October 5, 2012
Last day for Class Members with Additional Accounts and Incomplete Opt-Outs to postmark or email opt-out requests:	October 5, 2012
Last day for the Parties to file any additional papers in support of final approval of the Settlement, responses to objections, and any replies in support of Class Counsel's Fee Application:	November 2, 2012
Fairness Hearing:	November 16, 2012

IT IS SO ORDERED.

Dated: August 9, 2012


 MAXINE M. CHESNEY
 United States District Judge