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16 UNITED STATES DISTRICT COURT
17 NORTHERN DISTRICT OF CALIFORNIA
18 SAN FRANCISCO DIVISION

19 JEFFREY CHEN,
20 Plaintiff,
21 v.
22 CHASE BANK USA, N.A., and DOES 1-
23 100,
24 Defendants.

Case No. 3:19-cv-01082-JSC

**DECLARATION OF DOMINIC VALERIAN
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: December 12, 2019
Time: 9:00 AM
Judge: Hon. Jacqueline Scott Corley
Courtroom: F - 15th Floor

1 I, Dominic Valerian, declare:

2 1. I am an attorney at law, duly licensed to practice law before this Court. I am
3 counsel for Plaintiff Jeffrey Chen in the above-entitled action. I have personal knowledge of the
4 facts set forth herein, and if called to testify thereto, could and would do so competently.

5 **Procedural History**

6 2. On January 28, 2019, Mr. Chen filed this class action lawsuit in Alameda County
7 Superior Court alleging that Chase violated ECOA's notice provision, 15 U.S.C. § 1691(d),
8 because its adverse action notice did not include the specific reason(s) for the adverse action
9 taken or disclose the right to a statement of those reasons.

10 3. The Complaint sought certification of a nationwide class of persons to whom
11 Chase sent a letter giving "previous unsatisfactory relationship with this bank" as the only reason
12 for denying a credit application between January 28, 2014 and the date of class certification,
13 punitive damages of up to \$500,000 (the statutory cap), injunctive relief, and attorneys' fees and
14 costs.

15 4. Chase removed the case to the Northern District of California, it was assigned to
16 this Court, and the parties consented to the jurisdiction of a magistrate judge pursuant to 28
17 U.S.C. § 636(c). On March 6, 2019, Chase moved to dismiss the Complaint on the grounds that:
18 (1) its reason for denying Mr. Chen's application was sufficiently specific, and (2) Mr. Chen
19 lacked statutory standing because he did not allege discrimination or confusion. The Court denied
20 Chase's motion dismiss on May 6, 2019.

21 5. The parties exchanged initial disclosures on May 23, 2019 and each side served
22 written discovery requests shortly thereafter. Chase answered the Complaint on May 28, 2019.
23 An initial case management conference was held on May 30, 2019, at which the Court scheduled
24 an early motion for summary judgment based on Chase's contention that Mr. Chen lacked
25 statutory standing and received a sufficiently specific adverse action notice because he allegedly
26 knew why his credit application was denied.

Settlement Process

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2 6. On June 18, 2019, the parties scheduled a full day of mediation with Hon. Wayne
3 D. Brazil (Ret.) for July 17, 2019 at JAMS in San Francisco. To facilitate the mediation and
4 conserve resources, the parties agreed to stay formal discovery and informally exchange
5 information. As part of this exchange, Chase produced records pertaining to its relationship with
6 Mr. Chen and provided the size of the class and the number of at-issue letters it sent during the
7 class period. This case turns primarily on the content of identical form letters, so knowing the
8 number of letter recipients enabled the parties to reasonably assess its value. A week before the
9 mediation, the parties submitted and exchanged detailed mediation statements, which thoroughly
10 analyzed the relevant law, facts, and the litigation risks both sides face.

11 7. On July 17, the parties spent a full day in mediation with Judge Brazil. The parties
12 did not reach an agreement that day but made substantial progress and continued to negotiate over
13 the following weeks. The parties reached a settlement in principle on August 9, 2019.

14 8. Chase prepared the first draft of the Settlement Agreement and sent it to Plaintiff's
15 counsel on September 18, 2019. Two months of extensive negotiations concerning the final terms
16 of the Settlement followed. On November 22, 2019, the parties executed a comprehensive Class
17 Action Settlement Agreement and Release (the "Agreement"), a true and correct copy of which is
18 attached hereto as Exhibit 1. At all times, the negotiation of the Settlement was in good faith and
19 at arm's-length.

20 9. Based on my experience, and taking into consideration the risks of continued
21 litigation versus the relief afforded by the Settlement, it is my opinion that the Settlement is fair,
22 adequate and reasonable, in the best interests of the Settlement Class, falls within the range of
23 reasonableness, and merits preliminary approval.

Settlement Administration

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25 10. Because this case and the Settlement involve confidential customer financial
26 information, Chase insisted upon using one of a limited number of settlement administrators that
27 have completed its screening process to ensure that they can adequately protect the security and
28 confidentiality of confidential customer information. Chase's outside counsel reached out to one

1 such administrator, Kurtzman Carson Consultants LLC (“KCC”), and invited them to submit a
2 bid. KCC prepared bids to administer the Settlement with and without a claims process, with one
3 email campaign and with three email campaigns, and with and without the claim form included
4 with the class notice. The parties selected the approach that they determined provided the best
5 value to the Settlement Class. KCC has estimated the Notice and Settlement Administration Costs
6 at \$50,102. KCC has not had any engagements with Plaintiff’s counsel in the past two years.

7 11. We estimate 7% of Settlement Class Members will submit a claim based on an
8 average claims rate of 7.37% in four similar cases involving consumer finance claims that KCC
9 identified. A table KCC prepared showing information relevant to the claims rate in these four
10 cases is attached hereto as Exhibit 2.

11 **The Class Representative’s Participation**

12 12. Class Representative Jefferey Chen estimates that he has spent more than 40 hours
13 on this case, including, researching and consulting with prospective counsel, gathering documents
14 and information, providing factual information to counsel, monitoring case developments, and
15 participating in settlement discussions. Mr. Chen also ran the risk of paying Chase’s costs if he
16 lost and gave up significant financial privacy for the benefit of the class.

17 **Qualifications of Plaintiff’s Counsel**

18 13. Below are summaries of the qualifications of the professionals who spent time on
19 this matter (which, except for my own, are based on my information and belief).

20 14. Ray E. Gallo. Mr. Gallo graduated from Yale College with a B.A. in Economics
21 and Political Science in May 1987 and received his J.D. from the University of California, Los
22 Angeles School of Law in December 1991. He joined the Los Angeles office of Crosby, Heafey,
23 Roach & May (now Reed Smith) in February 1992. After two years at Crosby, he founded Gallo
24 & Associates (now Gallo LLP). In or about 1998, as only a sixth-year lawyer, Mr. Gallo received
25 Martindale Hubbell’s “AV” rating. Mr. Gallo has been actively involved in the prosecution of
26 consumer fraud class actions since 2004. Mr. Gallo has been approved and appointed as class
27 counsel multiple times and has obtained final approval of class settlements in the following class
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1 action cases:

- 2 • *Meier v. Rubios*, No. BC 335793 (L.A. Super. Ct.) (final approval granted 2006).
- 3 • *Levinson v. Delivery Drivers, Inc.*, No. 05CC00022 (O.C. Super. Ct.) (final
- 4 approval granted 2007).
- 5 • *Sutton v. Pinkberry*, No. 370909 (L.A. Super. Ct.) (final approval granted in 2008).
- 6 • *Bienstock v. Ventura Foods*, No. BC 362937 (L.A. Super. Ct.) (final approval
- 7 granted 2008).
- 8 • *Amador v. Cal. Culinary Academy, Inc.*, No. CGC-07-467710 (S.F. Super. Ct.)
- 9 (final approval granted 2012) (recovered \$40 million for false advertising).
- 10 • *Bottoni v. Sallie Mae, Inc.*, No. C 10-03602 LB, 2013 WL 12312794 (N.D. Cal.
- 11 Nov. 21, 2013) (final approval granted November 21, 2013) (recovered estimated
- 12 \$76 million in debt relief and \$1 million in refunds, exclusive of fees, for excessive
- 13 collection charges).
- 14 • *Huber v. San Diego Ballpark Funding, LLC*, No. 37-2013-00066456-CU-CO-CTL
- 15 (S.D. Super. Ct.) (final approval granted March 4, 2016) (recovered \$1.6 million,
- 16 exclusive of fees, for purchasers of personal seat licenses on breach of contract
- 17 claims).
- 18 • *Matera v. Google LLC*, No. 5:15-cv-04062-LHK (N.D. Cal.) (final approval
- 19 granted February 9, 2018) (obtained injunction requiring Google to stop
- 20 intercepting and processing emails to Gmail accounts for advertising purposes).
- 21 • *Tsyn v. Wells Fargo Advisors, LLC*, No. 14-cv-02552-LB (N.D. Cal.) (final
- 22 approval granted November 1, 2018) (recovered \$9.5 million for failure to
- 23 reimburse business expenses and late commission payments).
- 24 • *Kirby v. Excelsior I, Inc.*, No. 2019-CP-40-01109 (S.C. Court of Common Pleas)
- 25 (final approval granted October 7, 2019) (recovered \$2 million for violations of
- 26 Uniform Commercial Code notice requirements for vehicle repossession).

27 15. Mr. Gallo has also prosecuted consumer mass action lawsuits, including *Vasquez*,

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1 *et al. v. California School of Culinary Arts, Inc.*, No. BC393129 (L.A. Super. Ct.) (represented
2 more than 1,400 plaintiffs after denial of class certification) and *Corley v. Google, Inc.*, No. 16-
3 CV-00473-LHK (N.D. Cal.) (represented more than 875 plaintiffs after class certification was
4 denied in prior actions). Mr. Gallo's practice continues to include meaningful commercial/hourly
5 work. Mr. Gallo's hourly rate is \$750.

6 16. Dominic Valerian. I graduated from the University of California, Davis with
7 honors in 2002 and the University of Southern California Law School in 2005. From 2005 to
8 2009, I worked at the Los Angeles office of Dewey & LeBoeuf, where I defended complex cases,
9 including consumer class actions. In 2009, I joined Gallo LLP, where my practice has focused
10 primarily on prosecuting consumer and employment class and mass actions, including the
11 *Amador, Bottoni, Huber, Vasquez, Corley, Tsyn*, and *Kirby* cases referenced above. I was
12 appointed co-class counsel with Mr. Gallo in *Bottoni* and *Huber*. My hourly rate is \$550.

13 17. Marc van Anda. Mr. van Anda graduated from the University of California,
14 Berkeley with a B.A. in political science in 1983. He obtained his paralegal certificate in April
15 2011 and joined Gallo LLP in November 2011. Mr. Van Anda's hourly rate is \$225.

16 18. Alexander Darr. Mr. Darr graduated *summa cum laude* from Mount Union
17 University with a B.A. in Political Science. He received his J.D. from The Ohio State University
18 in 2010, with honors and Order of the Coif. At law school, he served on the executive board for
19 the law review (The Ohio State Law Journal) and won a schoolwide oral advocacy competition.
20 Shortly after graduation he was hired as a law clerk for the Honorable Edmond E. Chang, a
21 United States District Court Judge of the United States District Court for the Northern District of
22 Illinois. In 2012 he joined the law firm of Ungaretti & Harris LLP (now merged with Nixon
23 Peabody) in its Chicago office. In 2013, he founded Darr Law LLC. Mr. Darr has been actively
24 involved in the prosecution of consumer protection actions since that time, primarily through
25 AAA and JAMS arbitrations. Mr. Darr also consults and advises small and medium businesses
26 about arbitration and its costs and benefits. Mr. Darr has pursued more than 100 consumer
27 arbitrations, many alleging claims under the Equal Credit Opportunity Act. Mr. Darr's practice
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1 continues to include meaningful commercial/hourly work, including defending of businesses
 2 regarding complex technology disputes and assisting real estate companies with their legal needs.
 3 Mr. Darr's hourly rate is \$475.

4 Past Distributions

5 19. Plaintiff's counsel's most similar prior class action settlement is *Bottoni v. Sallie*
 6 *Mae*, No. C 10-03602 LB, 2013 WL 12312794 (N.D. Cal. 2013), which also included consumer
 7 claims for statutory damages against a creditor. In *Bottoni*, class members received \$1,026,594
 8 cash and an estimated \$76 million in debt reduction, notice was sent to all 40,416 class members,
 9 notice was sent by email with a copy by U.S. mail to each class member that did not have an
 10 email address or had an email returned as undeliverable, claim forms were not required, the
 11 average class member received approximately \$25 cash and an estimated \$1,880 in debt relief,
 12 \$292,226.37 was distributed to the *cy pres* recipient Operation HOPE, administrative costs were
 13 \$72,149.03, attorneys fees were \$1,200,000, and costs were \$28,959.

14 Attorneys' Fees

15 20. Plaintiff's counsel intends to seek an award of \$185,000 in attorneys' fees and
 16 costs with fees requested under the lodestar method. As of November 18, 2019, Plaintiff's
 17 counsel's lodestar was \$203,558 as shown in the following table identifying timekeepers who
 18 billed time to this matter, their hourly rates, the hours expended, and the total fee calculation.

19 Timekeeper	Firm	Position	Hourly Rate	Hours	Lodestar
20 Ray Gallo	Gallo LLP	Partner	\$750	23.8	\$17,850
21 Dominic Valerian	Gallo LLP	Partner	\$550	203.8	\$112,090
22 Alexander Darr	Darr Law	Partner	\$475	142.1	\$67,498
23 Marc van Anda	Gallo LLP	Paralegal	\$225	27.2	\$6,120
24 Total				396.9	\$203,558

25 21. Plaintiff's counsel's costs are presently at \$7,685, so an award of \$185,000 in
 26 attorneys' fees and costs would amount to a fee award of \$177,315.
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1 I declare under penalty of perjury under the laws of the United States of America that the
2 foregoing is true and correct and that this Declaration was executed on November 22, 2019 at
3 Albany, California.

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5 /s/ Dominic Valerian

6 Dominic Valerian
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EXHIBIT 1

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

This CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE (“*Agreement*”) is entered into by and between Plaintiff Jeffrey Chen (the “*Settlement Class Representative*”), on behalf of himself and the Settlement Class (as defined below), on the one hand, and Defendant Chase Bank USA, N.A., now known as JPMorgan Chase Bank, N.A. (“*Chase*”), on the other (collectively referred to as the “*Parties*”).

RECITALS

1. WHEREAS, on January 28, 2019, the Settlement Class Representative filed a Complaint (the “*Complaint*”) in the Superior Court of California, County of Alameda, styled *Chen v. Chase Bank USA, N.A. et al.*, Case No. RG19004405, which asserted a single claim under the Equal Credit Opportunity Act (“*ECOA*”), 15 U.S.C. § 1691 *et seq.*
2. WHEREAS, on February 27, 2019, Chase removed the Complaint to the United States District Court for the Northern District of California (the “*Court*”) pursuant to 28 U.S.C. § 1441, at which point the case was styled *Chen v. Chase Bank USA, N.A. et al.*, Civil Case No. 3:19-cv-01082 (JSC) (the “*Action*”).
3. WHEREAS, the Parties have conducted arms-length settlement negotiations, including a full-day mediation session on July 17, 2019, in San Francisco, California, conducted by the Honorable Wayne D. Brazil (ret.).
4. WHEREAS, the Settlement Class Representative and Chase have conducted an investigation of the facts and have analyzed the relevant legal issues in regard to the claims and defenses asserted in the Action; the Settlement Class Representative and his counsel believe that the claims asserted in the Complaint have merit; and Chase denies that it has engaged in any wrongdoing and denies all claims asserted in the Complaint.
5. WHEREAS, the Parties also have considered the uncertainties of trial and the benefits to be obtained by settlement and have considered the costs, risks and delays associated with the continued prosecution of this complex and time consuming litigation and the likely appeals of any rulings in favor of either the Settlement Class Representative or Chase.
6. WHEREAS, the Parties have concluded that continued litigation could be protracted and expensive and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in this Agreement in order to limit further expense, inconvenience and uncertainty.
7. WHEREAS, the Parties now desire to resolve all claims of the Settlement Class Representative and the Settlement Class against Chase that are asserted or that could have been asserted in the Complaint concerning Chase’s use of the language “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” in adverse action letters sent pursuant to the ECOA.
8. WHEREAS, the Parties wish to enter into a compromise and settlement to avoid the uncertainty and expense of litigation and to achieve a fair and reasonable resolution of the Action.

9. WHEREAS, it is now the intention of the Parties and the objective of this Agreement to avoid the costs of further litigation and trial and to settle and dispose of, fully and completely and forever, any and all claims and causes of action in the Action.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements set forth herein, the Settlement Class Representative, the Settlement Class, and Chase, themselves and through their undersigned counsel, agree to settle the Action, subject to Court approval, under the following terms and conditions.

1. DEFINITIONS. Unless otherwise indicated above, the following shall be defined terms for purposes of this Agreement. Some of the definitions in this Section use terms that are defined later in the Section. All defined terms are italicized and listed in alphabetical order:

1.1. As used herein, the term “*Action*” means the civil action styled *Chen v. Chase Bank USA, N.A. et al.*, Civil Case No. 3:19-cv-01082 (JSC), currently pending in the United States District Court for the Northern District of California.

1.2. As used herein, the term “*Agreement*” means this Class Action Settlement Agreement and Release, including all amendments and exhibits hereto.

1.3. As used herein, the term “*CAFA*” means the Class Action Fairness Act of 2005, Pub. L. No. 109-2, 119 Stat. 4 (2005), effective February 18, 2005.

1.4. As used herein, the term “*Cash Payment*” means the amount to be paid to each Settlement Class Member Eligible for Cash Payment from the Net Settlement Class Consideration on a pro rata basis as set forth in Section 4.10 of this Agreement.

1.5. As used herein, the term “*Claims*” means any and all actual or potential claims, actions, causes of action, suits, counterclaims, cross claims, third party claims, contentions, allegations, and assertions of wrongdoing, and any demands for any and all debts, obligations, liabilities, damages (whether actual, compensatory, treble, punitive, exemplary, statutory, or otherwise), attorneys’ fees, costs, expenses, restitution, disgorgement, injunctive relief, any other type of equitable, legal or statutory relief, any other benefits, or any penalties of any type whatever, whether known or unknown, suspected or unsuspected, contingent or non-contingent, or discovered or undiscovered, whether asserted in federal court, state court, arbitration or otherwise, whether asserted in an individual action, a class action, a *parens patriae* action, or a representative action, and whether triable before a judge or jury or otherwise.

1.6. As used herein, the term “*Claim Form*” means the claim form to be made available online to each Settlement Class Member in the form of Exhibit E hereto. The Claim Form shall require each Settlement Class Member to provide (a) the Settlement Class Member’s name and mailing address, (b) a certification that, to the best of the Settlement Class Member’s knowledge, Chase sent him or her a notice containing either “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” as the only reason why Chase took an adverse credit action against the Settlement Class Member.

1.7. As used herein, the term “*Complaint*” means the operative complaint filed on January 28, 2019 in the Superior Court of California, County of Alameda, styled *Chen v. Chase Bank USA, N.A. et al.*, Case No. RG19004405.

1.8. As used herein, the term “*Chase’s Counsel*” means the law firm of Covington & Burling LLP.

1.9. As used herein, the term “*ECOA*” means the Equal Credit Opportunity Act, 15 U.S.C. § 1691 *et seq.*

1.10. As used herein, the term “*Effective Date*” means the date on which all of the following events have occurred: (a) the Court has entered both the Final Order and the Judgment, and (b) either: (i) the time to appeal from the Judgment or any orders entered in connection with that Judgment has expired and no appeal has been taken; or (ii) if a timely appeal of the Judgment or any orders entered in connection with that Judgment is taken, the date on which the Judgment or any orders entered in connection with that Judgment is no longer subject to further direct appellate review if the Judgment or any orders entered in connection with that Judgment have not been reversed in any way.

1.11. As used herein, the term “*Final Approval Hearing*” means the hearing(s) to be held by the Court to consider and determine whether the proposed Settlement of this Action on the terms of this Agreement should be finally approved as fair, reasonable and adequate, and whether both the Final Order and Judgment should be entered.

1.12. As used herein, the term “*Final Order*” means the order approving the Settlement and this Agreement. The Final Order shall be substantially in the form attached as Exhibit B hereto, subject to such modifications as the Court may direct.

1.13. As used herein, the term “*Judgment*” means the Judgment to be entered by the Court. The Judgment shall be substantially in the form attached as Exhibit C hereto, subject to such modifications as the Court may direct.

1.14. As used herein, the term “*Net Settlement Class Consideration*” means the amount of the Settlement Class Consideration remaining after payment of all Notice and Settlement Administration Costs, any Court-approved Class Representative Incentive Award, and all other costs, expenses, taxes, and fees as contemplated by this Agreement or as otherwise reasonably incurred to effectuate the Settlement as approved by the Court.

1.15. As used herein, the term “*Notice*” means the notice of the terms of the proposed Settlement provided to Settlement Class Members in any manner contemplated by Section 4.2 of this Agreement. The Notice shall be substantially in the form attached as Exhibit D hereto, subject to such modifications as the Court may direct.

1.16. As used herein, the term “*Notice and Settlement Administration Costs*” means all fees, costs, and other expenses, without limitation, relating to the Settlement Administrator’s implementation and administration of this Agreement.

1.17. As used herein, the term “*Notice and Settlement Administration Costs Advance*” means an advance on the Notice and Administration Costs in the amount of \$20,000 to be paid to the Settlement Administrator within 15 days of the entry date of the Preliminary Approval Order pursuant to Section 2.3.

1.18. As used herein, the term “*Notice Date*” means the first date on which Notice is sent to Settlement Class Members by email or mail as contemplated by Section 4.2 of this Agreement.

1.19. As used herein, the term “*Order*” includes, as appropriate, the Preliminary Approval Order, the Final Order, any orders relating to a Class Representative Incentive Award or any award of fees, costs, or expenses to Settlement Class Counsel, and the Judgment.

1.20. As used herein, the term “*Parties*” means the Settlement Class Representative, individually and in his representative capacity of the Settlement Class, and Chase.

1.21. As used herein, the term “*Post-Distribution Accounting*” means the reporting to be completed by the Settlement Class Administrator pursuant to Section 2.2, or separately by Settlement Class Counsel pursuant to Section 4.12.

1.22. As used herein, the term “*Preliminary Approval Order*” means the order provisionally certifying the Settlement Class for settlement purposes only, approving and directing notice, and setting the Settlement Hearing. The Preliminary Approval Order shall be substantially in the form attached as Exhibit A hereto, subject to such modifications as the Court may direct.

1.23. As used herein, the term “*Releases*” means the releases and covenants not to sue granted pursuant to Section 3.6(a), Section 3.6(b), and Section 3.6(c).

1.24. As used herein, the term “*Released Claims*” means any and all Claims which the Settlement Class Representative or any member of the Settlement Class ever had, now have, or may have in the future arising out of or relating to: (a) Chase’s use of the language “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” in an adverse action notice sent pursuant to the ECOA in connection with a credit card account on or before November 22, 2019; or (b) the acts and omissions alleged in the Complaint occurring on or before November 22, 2019.

1.25. As used herein, the term “*Released Parties*” means JPMorgan Chase Bank, N.A., together with its predecessors, successors (including, without limitation, acquirers of all or substantially all of its assets, stock or other ownership interests) and assigns; the past, present, and future, direct and indirect, parents (including, but not limited to holding companies and JPMorgan Chase & Co.), subsidiaries and affiliates of any of the above (including Chase Bank USA, N.A.); and the past, present and future principals, trustees, partners (including, without limitation, affinity, agent bank, and private label and co-brand partners), officers, directors, employees, agents, attorneys, shareholders, advisors, predecessors, successors (including, without limitation, acquirers of all or substantially all of their assets, stock, or other ownership interests), assigns, representatives, heirs, executors, and administrators of any of the above.

1.26. As used herein, the term “*Releasing Parties*” means the Settlement Class Representative, the Settlement Class Members (other than those who have timely and validly excluded themselves from the Settlement Class), and any person claiming by, for, or through them.

1.27. As used herein, the term “*Settlement*” means the full and final resolution of the Action and related claims effectuated by this Agreement.

1.28. As used herein, the term “*Settlement Administrator*” means or refers to Kurtzman Carson Consultants LLC, which shall perform the services contemplated by this Agreement and such other reasonable services to effectuate this Agreement with the consent of both Settlement Class Counsel and Defendant’s Counsel or as approved by the Court.

1.29. As used herein, the term “*Settlement Class*” means all natural persons to whom Chase sent a letter giving either “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” as the only reason for taking an adverse action in connection with a credit card account during the period beginning January 28, 2014 and ending on November 22, 2019. The following individuals are excluded from the Settlement Class: officers and directors of Chase and its parents, subsidiaries, affiliates, and any entity in which Chase has a controlling interest; and all judges assigned to hear any aspect of this litigation, as well as their immediate family members.

1.30. As used herein, the term “*Settlement Class Consideration*” means the total cash consideration of two hundred forty-four thousand six hundred fifty-nine dollars (\$244,659) to be paid by Chase under Section 3.2 of this Agreement.

1.31. As used herein, the term “*Settlement Class Counsel*” means Ray E. Gallo and the law firm of Gallo LLP; and Alexander Darr and the law firm of Darr Law LLC.

1.32. As used herein, the term “*Settlement Class Member*” means any person who is a member of the Settlement Class.

1.33. As used herein, the term “*Settlement Class Member Eligible for Cash Payment*” means a Settlement Class Member that has submitted a valid Claim Form pursuant to Section 4.3 of this Agreement and has not objected to or otherwise sought to be excluded from the Settlement.

1.34. As used herein, the term “*Settlement Class Member List*” means the list of Settlement Class Members and their last-known email and/or mailing addresses to be provided by Chase to Settlement Class Counsel and the Settlement Administrator in the form of an Excel spreadsheet pursuant to Section 4.2.

1.35. As used herein, the term “*Settlement Class Representative*” means Plaintiff Jeffrey Chen, individually and in his representative capacity of the Settlement Class.

1.36. As used herein, the term “*Settlement Website*” means the website that shall be created for Settlement administration purposes by the Settlement Administrator in the manner contemplated by Section 4.2(a).

2. SETTLEMENT ADMINISTRATION.

2.1. Settlement Administrator. The Settlement Administrator shall administer various aspects of the Settlement as described in the next paragraphs hereafter and as specified elsewhere in this Agreement.

2.2. Duties of Settlement Administrator. The duties of the Settlement Administrator, in addition to any other responsibilities that are described in this Agreement, shall include:

- (a) Serving the CAFA notice required under 28 U.S.C. § 1715 within 10 days of the filing of the motion for preliminary approval;
- (b) Providing Notice to Settlement Class Members as set forth in this Agreement and/or as otherwise directed by the Court;
- (c) Establishing and maintaining a system for collecting the submission of electronic Claim Forms that may be submitted to the Settlement Administrator through the Settlement Website;
- (d) Providing an address for (i) the submission of Claim Forms that may be mailed to the Settlement Administrator; and (ii) mailed requests for exclusion from Settlement Class Members;
- (e) Responding to any inquiries from Settlement Class Members;
- (f) Processing and determining the validity of any requests for exclusion by Settlement Class Members;
- (g) Providing interim reports on request, and, within 10 days after the Exclusion/Objection Deadline (as defined in Section 4.4 hereof), a final report to Settlement Class Counsel and Chase's Counsel summarizing the number of requests for exclusion received from Settlement Class Members during that period, the total number of exclusion requests received to date, the names and addresses of all Settlement Class Members who made a request for exclusion, and any other pertinent information requested by Settlement Class Counsel or Chase's Counsel;
- (h) In advance of the Final Approval Hearing, preparing an affidavit to submit to the Court affirming its compliance with the notice (including CAFA) and settlement administration provisions of this Agreement, as well as providing any information required by the Court's Procedural Guidance for Class Action Settlements (such as the number of undeliverable class notices, the number of Settlement Class Members who submitted valid Claim Forms; the number of Settlement Class Members who elected to opt out of the Settlement Class, the number of Settlement Class Members who objected to or commented on the Settlement);

- (i) Reviewing, determining the validity of, and responding to all Claim Forms submitted;
- (j) Processing and transmitting distributions from the Settlement Class Consideration Account as provided in this Agreement;
- (k) Providing interim reports on request and, within 10 days after the Claims Submission Deadline (as defined in Section 4.3(b) hereof), a final report to Settlement Class Counsel and Chase's Counsel that summarizes the number of claims received from Settlement Class Members since the prior reporting period, the total number of claims received to date, the number of any claims accepted and denied since the prior reporting period, the total number of claims accepted and denied to date, and any other pertinent information requested by Settlement Class Counsel or Chase's Counsel;
- (l) Providing a Post-Distribution Accounting within 10 days after the final distribution of the Settlement Class Consideration, which provides the following information: The total Settlement Class Consideration, the total number of Settlement Class Members, the total number of Settlement Class Members to whom the Notice was sent and not returned as undeliverable, the number and percentage of Claim Forms submitted, the number and percentage of opt-outs, the number and percentage of objections, the average and median recovery per claimant, the largest and smallest amounts paid to Settlement Class Members, the method(s) of notice and the method(s) of payment to Settlement Class Members, the number and value of checks not cashed, the amounts distributed to each cy pres recipient (if any), the administrative costs, the attorneys' fees and costs, the attorneys' fees in terms of percentage of the Settlement Class Consideration, and the multiplier, if any.
- (m) Paying any invoices, expenses, taxes, fees, and other costs as contemplated by this Agreement or required by law; and
- (n) Performing any other settlement administration-related functions reasonably necessary to effectuate this Agreement, with the consent of both Settlement Class Counsel and Chase's Counsel, or as approved or ordered by the Court.

2.3. Payment of Notice and Settlement Administration Costs. All Notice and Settlement Administration Costs shall be paid from the Settlement Class Consideration. The Notice and Settlement Administration Costs shall be paid and deducted from the Settlement Class Consideration prior to distribution to the Settlement Class, and shall not increase Chase's monetary obligation under this Agreement. An advance on the Notice and Administration Costs shall be paid to the Settlement Administrator in an amount of \$20,000 (the "Notice and Settlement Administration Costs Advance"), within 15 days of the entry date of the Preliminary Approval Order.

2.4. Effect of Failure of Settlement. In the event this Agreement is not approved or is terminated, or the proposed Settlement fails to become final and effective for any reason, including without limitation if the Final Order or Judgment are reversed, vacated or modified following any appeal taken therefrom, the Settlement Administrator shall return to Chase the Notice and Settlement Administration Costs Advance, less any Notice and Settlement Administration Costs actually incurred.

3. SETTLEMENT TERMS.

3.1. Certification of the Settlement Class.

- (a) Only for the purposes of Settlement, and the proceedings contemplated herein for effectuating the Settlement, the Parties stipulate and agree that a Court may (i) certify the Settlement Class in accordance with the definition contained in Section 1.29, (ii) appoint Plaintiff Jeffrey Chen as Settlement Class Representative to represent the Settlement Class for Settlement purposes, and (iii) appoint Settlement Class Counsel as counsel for the Settlement Class. Certification of the Settlement Class shall be effective and binding only with respect to the Settlement and this Agreement, as Chase contests that certification of a class could have been possible without this Settlement.
- (b) It is expressly recognized and agreed that this stipulation as to the certification of a Settlement Class and the appointment of a Settlement Class Representative and Settlement Class Counsel shall be of no force and effect and has no evidentiary significance outside of enforcing the terms of this Agreement. By entering into this Agreement, Chase does not waive its right to challenge or contest the maintenance of any lawsuit against it as a class action and to oppose certification of any class other than the Settlement Class in connection with the settlement memorialized in this Agreement.

3.2. Settlement Class Consideration. In consideration for the complete and final settlement of the Action, the Releases, and other promises and covenants set forth in this Agreement, and subject to the other terms and conditions thereof, Chase agrees to pay a total of two hundred forty-four thousand six hundred fifty-nine dollars (\$244,659) as the Settlement Class Consideration to the Settlement Class, the Settlement Class Representative, and the Settlement Administrator. Pursuant to Section 4.8 of this Agreement, Chase will pay the Settlement Class Consideration into the Settlement Class Consideration Account within 15 days of the Effective Date. In no event shall Chase be required to pay more than a total of two hundred forty-four thousand six hundred fifty-nine dollars (\$244,659) to the Settlement Class, the Settlement Class Representative, and the Settlement Administrator under this Agreement. Chase shall have no other monetary obligation to the Settlement Class, the Settlement Class Representative, or the Settlement Administrator under this Agreement. The Settlement Administrator will maintain and distribute the Settlement Class Consideration pursuant to Sections 4.8 and 4.10 of this Agreement.

3.3. Incentive Award to Settlement Class Representative.

- (a) No later than 35 days before the Claims Submission Deadline, the Settlement Class Representative will file a motion with the Court requesting a Class Representative Incentive Award, not to exceed \$5,000. Chase has no present intention to oppose any such motion that does not exceed \$5,000. Any such motion will be posted on the Settlement Website within one day of its filing. Subject to Court approval, Chase agrees to pay the Settlement Class Representative a Class Representative Incentive Award in an amount awarded by the Court, provided that any such Award does not exceed \$5,000.
- (b) The Settlement Class Representative's entitlement, if any, to a Class Representative Incentive Award will be determined by the Court. The Settlement shall not be conditioned on Court approval of a Class Representative Incentive Award for the Settlement Class Representative. In the event the Court declines any request or awards less than the amount sought, but otherwise approves the Settlement, the remaining provisions of this Agreement will continue to be effective and enforceable by the Parties. The Settlement Class Representative agrees not to appeal an award in an amount that is less than requested.
- (c) Within 15 days of the Effective Date and the receipt by Chase of all tax forms and/or payment information reasonably requested by Chase (whichever is later), Chase shall pay any Class Representative Incentive Award in accordance with instructions provided in writing by Settlement Class Counsel on Settlement Class Counsel's firm letterhead. Under no circumstances may the amount distributed to the Settlement Class Representative in connection with this Settlement exceed \$10,000.
- (d) Any Class Representative Incentive Award shall be paid and deducted from the Settlement Class Consideration, and shall not increase Chase's monetary obligation under this Agreement.
- (e) If the Court approves a Class Representative Incentive Award of less than \$5,000 or no Class Representative Incentive Award, the unapproved amount shall remain part of the Settlement Class Consideration.

3.4. Attorneys' Fees and Costs.

- (a) No later than 35 days before the Claims Submission Deadline, Settlement Class Counsel will file a motion with the Court requesting an award of attorneys' fees and costs, to be paid by Chase in addition to the Settlement Class Consideration, not to exceed \$185,000. Any such motion will be posted on the Settlement Website within one day of its filing. Chase has no present intention to oppose any such motion that does not exceed \$185,000. Subject to Court approval, Chase agrees to pay Settlement Class Counsel's

fees and costs in an amount awarded by the Court, provided that any such award of such fees and costs does not exceed \$185,000.

- (b) Settlement Class Counsel's entitlement, if any, to an award of attorneys' fees, costs, and/or expenses will be determined by the Court. The Settlement shall not be conditioned on Court approval of an award of attorneys' fees, costs, and/or expenses for Settlement Class Counsel. In the event the Court declines any request or awards less than the amount sought, but otherwise approves the Settlement, the remaining provisions of this Agreement will continue to be effective and enforceable by the Parties.
- (c) Within 15 days of the Effective Date and the receipt by Chase of all tax forms and/or payment information reasonably requested by Chase (whichever is later), Chase shall pay any award of attorneys' fees, costs, and/or expenses in accordance with instructions provided in writing by Settlement Class Counsel on Settlement Class Counsel's firm letterhead.

3.5. Injunction. The Court, in its final judgment entered on this Settlement, shall mandate that, for a period of five years beginning on the date of the entry of the Judgment, Chase shall not use the phrases "previous unsatisfactory relationship with this bank" and "previous unsatisfactory relationship with us or one of our affiliates" in adverse action notices as the sole reason for denying credit card applications or otherwise taking an adverse action in connection with a Chase credit card account (the "Injunction"). The Court shall retain jurisdiction for purposes of enforcing this Settlement, including but not limited to the Injunction.

3.6. Releases and Waivers of Rights

(a) **Release by Releasing Parties.** Upon entry of the Final Order and accompanying Judgment, and in addition to the preclusive effect of the dismissal with prejudice of the claims asserted in the Action pursuant to this Settlement, the Releasing Parties shall have released, relinquished, and forever discharged each of the Released Parties from any and all Released Claims. The Releasing Parties covenant and agree that they will not take any step whatsoever to assert, sue on, continue, pursue, maintain, prosecute, or enforce any Released Claim, directly or indirectly, against any of the Released Parties.

(b) **Additional Representation By the Parties.** The Settlement Class Representative represents and warrants that, as of November 22, 2019, he is unaware of any additional Claims that he has against Chase. Chase represents and warrants that, as November 22, 2019, it is unaware of any additional Claims that it has against the Settlement Class Representative.

(c) **Releases Relating To Litigation Conduct.** The Settlement Class Representative, Settlement Class Counsel, Chase, and Chase's Counsel agree to release each other from any and all Claims relating in any way to any Party or counsel's conduct in this Action, including but not limited to any Claims of abuse of process, malicious prosecution, or any other claims arising out of the institution, prosecution, assertion or resolution of this Action; provided however, that the Settlement Class Representative, Settlement Class Counsel, Chase, and Chase's Counsel do not release any rights or obligations arising out of this Agreement. The list of Claims

released by this Section 3.6(c) includes, but is not limited to, Claims for attorneys' fees, costs of suit, or sanctions of any kind except as otherwise set forth in this Agreement, including without limitation in Section 3.4.

(d) **Waiver of Rights.** The Parties and each Settlement Class Member each fully understand that, except as otherwise set forth herein, the facts upon which this Agreement is executed may be found hereafter to be other than or different from the facts now believed by the Settlement Class Representative, the Settlement Class Members, Settlement Class Counsel, Chase, and Chase's counsel to be true and expressly accept and assume the risk of such possible differences in facts and agree that the Agreement shall remain effective notwithstanding any such difference in facts. The Notice shall expressly advise Settlement Class Members of this waiver.

As to the Released Claims only, upon entry of the Final Order and accompanying Judgment, the Parties and each Settlement Class Member expressly waive and relinquish the provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY

and any and all provisions, rights and benefits of any similar, comparable, or equivalent state, federal, or other law, rule or regulation or the common law or equity. The Parties and each Settlement Class Member may hereafter discover facts other than, different from, or in addition to those that he, she, or it knows or believes to be true and, except as otherwise set forth herein, the Parties and each Settlement Class Member hereby expressly waive and fully, finally and forever settles, releases and discharges all known or unknown, suspected or unsuspected, contingent or non-contingent Released Claims as of November 22, 2019, whether or not concealed or hidden, and without regard to the subsequent discovery or existence of such other, different or additional facts. The Parties acknowledge, and the Settlement Class Members shall be deemed by operation of the Final Order and the Judgment to have acknowledged, that the waivers in this Section 3.6(d) were separately bargained for and are a material element of this Agreement. The waivers in this Section 3.6(d) apply only to the Released Claims and not to any other claims.

4. CLASS SETTLEMENT PROCEDURES.

4.1. Preliminary Approval. The Settlement Class Representative shall move the Court to enter the Preliminary Approval Order. The Preliminary Approval Order shall preliminarily approve this Agreement as fair, reasonable and adequate, approve the Notice, provisionally appoint Settlement Class Counsel as Class Counsel, provisionally appoint the Settlement Class Representative as the class representative, and set the date and time of the Final Approval Hearing.

4.2. Settlement Class Notice. Subject to Court approval, the Parties agree that as soon as practicable and no later than 10 days after entry of the Preliminary Approval Order, Chase will

provide the Settlement Class Member List to the Settlement Administrator and Settlement Class Counsel. As soon as practicable and no later than 45 days after entry of the Preliminary Approval Order, the Settlement Administrator will provide the Settlement Class with notice of the proposed Settlement by the following methods:

- (a) Establishing a Settlement Website dedicated to the Settlement, which shall contain the Notice and enable Settlement Class Members to submit a Claim Form electronically. The Settlement Website shall remain active until at least 45 days after the Post-Distribution Accounting described in Section 4.12 is posted to the website and shall have links to motions for approval and for attorneys' fees and any other important documents in the case;
- (b) Emailing the Notice to all Settlement Class Members who have an email address on file with Chase; and,
- (c) For all Settlement Class Members who do not have a current and valid email address on file with Chase (including as evidenced by any undeliverable messages or bounce-backs resulting from (b) immediately above), by sending the Notice to Settlement Class Members via U.S. Mail using the postal mailing address on file with Chase as updated by the Settlement Class Administrator using reasonable and customary procedures for address updating using public records.

Court approval of the notice program set forth in this Section 4.2 is a material term of this Agreement. All email notices shall be sent with a tracking pixel. Any Settlement Class Member who, as of the seventh day following the email notice, has not opened their email notice (as reported via the tracking pixel) shall be sent notice by mail per (c) above.

Settlement Class Counsel shall receive a full copy of the Settlement Class Member List simultaneous with Chase providing it to the Settlement Class Administrator. The Settlement Class Representative and Settlement Class Counsel agree that the Settlement Class Member List shall be considered “HIGHLY CONFIDENTIAL — ATTORNEYS’ EYES ONLY” material under the July 2, 2019 protective order entered in this action, agree that the Settlement Class Member List may only be used for purposes of providing Notice to Settlement Class Members, and may not be used for any other purpose, including but not limited to using the Settlement Class Member List for purposes of client solicitation. Settlement Class Counsel may but is not required to provide supplemental notice with additional communications to Settlement Class Members that are consistent with the Notice, at its own expense, for the purpose of increasing the claims rate, provided that any unsolicited communications to Settlement Class Members have been approved by the Court in advance after meeting-and-conferring about such communications with Chase (except that Class Counsel may send Settlement Class Members copies of the Notice without Court approval or meeting-and-conferring with Chase, provided that a complete copy of any unsolicited communications shall also be sent to Chase’s counsel).

4.3. Submission of Claims by Settlement Class Members.

- (a) Settlement Class Members will be provided an opportunity to submit electronically or by mail a Claim Form seeking a distribution from the Settlement Class Consideration Account calculated in accordance with Section 4.10 hereof. The Settlement Administrator will mail the Claim Form to any Settlement Class Member upon request, make the Claim Form available on the Settlement Website, and ensure the Claim Form (or the electronic equivalent thereof) can be completed and submitted directly through the Settlement Website so that no printing or mailing is required.
- (b) To be considered for payment, a Claim Form must be completed and signed (either by manual signature or electronic signature or affirmation) as detailed herein, and (a) submitted online at the Settlement Website no later than 60 days after the Notice Date, or (b) mailed to the Settlement Administrator at the address specified in the Claim Form and postmarked no later than 60 days after the Notice Date (collectively, the “Claims Submission Deadline”). Claim Forms will not be considered for payment if they are submitted online or postmarked after the Claims Submission Deadline. A Claim Form will be deemed to have been submitted when posted if received with a postmark date indicated on the envelope, mailed first-class postage prepaid, and addressed in accordance with the instructions. Only one (1) Claim Form may be submitted by each Settlement Class Member, and the Settlement Administrator shall in no case approve more than one (1) claim per Settlement Class Member.
- (c) If a claimant is not included in the Settlement Class Member List, then the Settlement Administrator shall deny the claim on the basis that the claimant is not a Settlement Class Member.
- (d) The Settlement Administrator shall be responsible for reviewing, determining the validity of, and responding to all Claim Forms submitted. All Claim Forms that the Settlement Administrator deems invalid or untimely shall be identified and presented to the Parties, who shall meet-and-confer over the validity and timeliness of any claim. If the Parties cannot agree whether a claim is valid and timely, then the Settlement Administrator shall determine whether a claim is timely. Any challenge to the Settlement Administrator’s determination that a claim is not valid or untimely must be presented to the Court in time for such challenge to be resolved at the Final Approval Hearing, otherwise, the claim shall be deemed invalid.
- (e) Court approval of the claims process set forth in this Section 4.3 (with the exception of the deadline to submit a Claim Forms) is a material term of this Agreement.

4.4. Requests for Exclusion. The Notice shall inform Settlement Class Members that they may exclude themselves from the Settlement Class by mailing to the Settlement Administrator a written request for exclusion that is postmarked no later than 60 days after the Notice Date (the “Exclusion/Objection Deadline”). To be effective, the request for exclusion must include (a) the Settlement Class Member’s full name, telephone number, and mailing address; (b) a clear and unequivocal statement that the Settlement Class Member wishes to be excluded from the Settlement Class; (c) the name of the Lawsuit: “*Chen v. Chase Bank USA, N.A.*, Civil Case No. 3:19-cv-01082 (JSC)”; and (d) the Settlement Class Member’s signature or digital signature or affirmation, or the like signature or affirmation of an individual authorized to act on the Settlement Class Member’s behalf. Upon the Settlement Administrator’s receipt of a timely and valid exclusion request, the Settlement Class Member shall be deemed excluded from the Settlement Class and shall not be entitled to any benefits of this Settlement.

4.5. Settlement Class Counsel represent that they do not presently intend to encourage any particular Settlement Class Member or any particular group of Settlement Class Members to submit requests for exclusion and that they do not presently intend to offer to represent any Settlement Class Member that submits a request for exclusion. Nothing about this section shall in any manner or degree restrict Settlement Class Counsel’s practice of law. The Settlement Administrator shall provide copies of all timely and valid exclusion requests to Settlement Class Counsel and Chase’s Counsel. A list of the Settlement Class Members who have timely and validly excluded themselves from the Settlement Class pursuant to this paragraph shall be attached to the Final Order and to the Judgment or otherwise recorded by the Court.

4.6. Chase’s Right to Terminate Based on Exclusions. Chase may terminate and rescind this Agreement and void the Settlement, at its own discretion (which shall not be subject to any challenge by Settlement Class Counsel, the Settlement Class Representative, or any other Settlement Class Member), if more than 25 Settlement Class Members submit valid and timely requests for exclusion. Chase may exercise this right by, within 10 days after receiving notice that the number of timely and valid exclusions exceeds the agreed upon threshold, giving notice to Settlement Class Counsel that Chase is terminating and rescinding this Agreement and voiding the Settlement *ab initio*.

4.7. Objections. The Notice shall inform Settlement Class Members that, if they do not request exclusion from the Settlement Class, they have the right to object to the proposed Settlement only by complying with the objection provisions set forth in this paragraph. Settlement Class Members who object to the proposed Settlement shall remain Settlement Class Members, and shall have voluntarily waived their right to pursue any independent remedy against the Released Parties. Any Settlement Class Member who wishes to object to the proposed Settlement must file or send to the Court a written objection that is postmarked or filed no later than the Exclusion/Objection Deadline, *i.e.*, no later than 60 days after the Notice Date. To be effective, an objection must (a) include the case name and case number: “*Chen v. Chase Bank USA, N.A.*, Case Number. 3:19-cv-01082 (JSC)”; (b) contain the full name, mailing address, and telephone number of the Settlement Class Member objecting to the Settlement (the “Objector”); (c) include the Objector’s signature or the signature of an individual authorized to act on his or her behalf; (d) state with specificity the grounds for the objection; (e) state whether the objection applies only to the Objector, to a specific subset of the class, or to the entire class; (f) contain the name, address, bar number and telephone number of counsel for the Objector, if represented or

counseled in any degree by an attorney in connection with the objection; and (g) state whether the Objector intends to appear at the Final Approval Hearing, either in person or through counsel. If the Objector or his or her attorney intends to call witnesses or present evidence at the Final Approval Hearing, the objection must contain the following information: (a) a list identifying all witnesses whom the Objector may call at the Final Approval Hearing and providing all known addresses and phone number for each witness, together with a reasonably detailed report of the testimony the witness will offer at the hearing; and (b) a detailed description of all other evidence the Objector will offer at the Final Approval Hearing, including copies of any and all exhibits which the Objector may introduce at the Final Approval Hearing. To the extent any Settlement Class Member objects to the proposed Settlement, and such objection is overruled in whole or in part, such Settlement Class Member will be forever bound by the Final Order and accompanying Judgment.

4.8. The Settlement Class Consideration Account.

- (a) Within 15 days of the Effective Date, Chase shall transfer by wire the Settlement Class Consideration, less the amount of the Notice and Settlement Administration Costs Advance previously paid by Chase pursuant to Section 2.3 hereof, to an account selected by the Settlement Administrator at an FDIC-insured financial institution approved by Settlement Class Counsel and Chase (the “Settlement Class Consideration Account”).
- (b) The Settlement Class Consideration Account shall be maintained by the Settlement Administrator as a Court-approved Qualified Settlement Fund pursuant to Section 1.468B-1 *et seq.* of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code of 1986, as amended. All taxes (including any estimated taxes, and any interest or penalties relating to them) arising with respect to the income earned by the Settlement Class Consideration Account or otherwise, including any taxes or tax detriments concerning income earned by the Settlement Class Consideration Account for any period during which the Settlement Class Consideration Account does not qualify as a Qualified Settlement Fund for purposes of federal or state income taxes or otherwise, shall be paid out of the Settlement Class Consideration Account. The Settlement Class Representative and Settlement Class Counsel, and Chase and Chase’s Counsel, shall have no liability or responsibility for any taxes arising with respect to the Settlement Class Consideration Account.
- (c) Any bank fees associated with the Settlement Class Consideration Account shall be paid by the Settlement Administrator from the Settlement Class Consideration Account.
- (d) Upon the Effective Date, the Settlement Class Consideration Account shall vest in, become the property of, and inure to the benefit of the Settlement Class, to be managed in accordance with this Agreement, and upon such further orders as the Court may enter.

4.9. Finality of Settlement. The Settlement shall become final and effective on the Effective Date.

4.10. Distribution of Settlement Class Consideration Account.

- (a) Within 20 days of the Effective Date, the Settlement Administrator shall determine the amount of the Net Settlement Class Consideration by deducting from the Settlement Class Consideration Account:
 - a) The amount of any Court-approved Class Representative Incentive Award.
 - b) The Notice and Settlement Administration Costs approved by the Court in the Final Order and the Judgment (including both costs already incurred and a prediction of future costs necessary to effectuate this Agreement), less the amount of the Notice and Settlement Administration Costs Advance previously paid by Chase pursuant to Section 2.3 hereof;
 - c) The amount of any and all other costs, expenses, and other payments not specifically enumerated in subsections (a) through (b) of this paragraph that are expressly contemplated under this Agreement or are otherwise reasonably necessary to effectuate the Settlement, as approved by the Court.
- (b) The Settlement Administrator shall then calculate the amount to be paid each Settlement Class Member Eligible for Cash Payment from the Net Settlement Class Consideration on a pro rata basis in proportion to the number of Settlement Class Members who submitted a valid Claim Form (the "Cash Payment").
- (c) Within 27 days of the Effective Date, each Settlement Class Member Eligible for Cash Payment shall be mailed the Cash Payment drawn from the Settlement Class Consideration Account.
- (d) The Cash Payment will be made by check with an appropriate legend to indicate that it is from the Settlement. The checks mailed to Settlement Class Members Eligible for Cash Payment shall be valid for 180 days after issuance. The Settlement Administrator will make reasonable efforts to locate the proper address for any intended recipient of a Cash Payment whose check is returned by the Postal Service as undeliverable, and will re-mail it once to the updated address.
- (e) For any unclaimed amounts remaining in the Settlement Class Consideration Account after the first distribution (in other words, any checks that remain uncashed more than 180 days after they were mailed to Settlement Class Members Eligible for Cash Payment), a second distribution shall be made to Settlement Class Members that cashed their

initial checks if economically feasible. The Settlement Administrator shall make this second distribution no more than 14 days after the checks mailed as part of the first distribution expire. If Settlement Class Counsel and the Settlement Administrator deem a second distribution economically infeasible or if there are funds remaining in the Settlement Class Consideration Account after the stale check date for the second distribution, then the remaining funds shall be distributed in a mutually agreeable manner, subject to the approval of the Court per applicable law.

- (f) In no event shall any unclaimed amounts remaining in the Settlement Class Consideration Account after distribution revert to Chase.

4.11. No Further Confirmatory Discovery. The parties exchanged certain information via informal discovery in advance of and following the July 17, 2019 mediation. The Settlement Class Representative represents and warrants that all of the information their counsel provided in connection with the mediation and settlement negotiations is true and correct to the best of his knowledge. Chase represents and warrants that, to the best of its knowledge, all of the information in Mr. Soukup's July 3, 2019 letter to Settlement Class Counsel is true and correct and that based on information reasonably available to Chase and to the best of Chase's knowledge, the current size of the Settlement Class is estimated to be approximately 18,183 persons. Chase is not required to provide any additional discovery, whether formal or informal, to the Settlement Class Representative, the Settlement Class, or Settlement Class Counsel.

4.12. Post-Distribution Accounting.

(a) Within 21 days after the final distribution of the Settlement Class Consideration in accordance with Section 4.10(e) hereof and payment of attorneys' fees, Settlement Class Counsel shall file a Post-Distribution Accounting, which provides the following information: The total Net Settlement Class Consideration, the total number of Settlement Class Members, the total number of Settlement Class Members to whom the Notice was sent and not returned as undeliverable, the number and percentage of Claim Forms submitted, the number and percentage of Settlement Class Members who requested exclusion, the number and percentage of objections, the average and median recovery per claimant, the largest and smallest amounts paid to Settlement Class Members, the method(s) of notice and the method(s) of payment to Settlement Class Members, the number and value of checks not cashed, the amounts distributed to any cy pres recipient(s), the Notice and Settlement Administration Costs, the attorneys' fees and costs, the attorneys' fees in terms of percentage of the Settlement Class Consideration, and the multiplier, if any.

(b) Within 21 days after the distribution of the Settlement Class Consideration and award of attorneys' fees, the parties should post the Post-Distribution Accounting, including the easy-to-read chart, on the Settlement Website.

5. FINAL JUDGMENT AND RELEASES.

5.1. Approval of this Agreement. Counsel for all Parties will jointly take all necessary and appropriate steps to secure the Court's approval of this Agreement. The Parties intend to use

their best efforts to obtain approval of the Settlement and entry of the orders contemplated herein, including, without limitation, seeking certification of a Settlement Class and the entry of preliminary and final approval orders. Settlement Class Counsel shall prepare and file motions seeking preliminary and final approval. Chase may, but is not required to, submit a memorandum or evidence in support of preliminary or final approval. Chase shall not be responsible for justifying to the Court the amount of any Class Representative Incentive Award or any attorneys' fees or costs, and Chase shall have no obligation to provide or submit any materials to justify any such awards.

5.2. Final Order and Judgment. The Settlement is contingent upon entry of a final order approving the terms and conditions of this Agreement, and judgment thereon. No later than 35 days before the date of the Final Approval Hearing, the Settlement Class Representative and Settlement Class Counsel shall file a motion seeking the Court's final approval of the Agreement. Such motion shall include the total amount of Notice and Administration Costs the Settlement Administrator is seeking to be paid from the Settlement Class Consideration in connection with work already performed pursuant to the Settlement Administrator's obligations under the Agreement, as well as a prediction of future costs the Settlement Administrator is likely to incur to effectuate the Agreement. Chase will not oppose the motion for final approval, unless to enforce its termination rights under Section 4.6 hereof.

5.3. Effect of Agreement if Settlement is not Approved. This Agreement is entered into only for the purpose of Settlement. If certification of the Settlement Class, preliminary or final approval of the Settlement, or any other order necessary to effectuate this Settlement does not occur, then this Settlement shall be void, shall have no force or effect, and shall impose no obligations on the Parties. Under such circumstances, this Agreement may not be introduced into evidence under any circumstances, including but not limited in connection with any motion for class certification. The intent of this Section 5.3 is that, if a necessary approval is denied, the Parties will revert to their positions immediately prior to August 8, 2019, and the Action will resume without prejudice to any party (*i.e.*, to their positions *ab initio*). In the event of such a reversion, the Parties agree that no class will be deemed to have been certified, and that the proposed or actual certification of a settlement class will not be urged or considered as a factor in any proceeding.

5.4. Dismissal. Upon entry of the Final Order and accompanying Judgment, except as to any Settlement Class Members who have validly and timely requested exclusion, all Claims in the Complaint shall be dismissed with prejudice pursuant to this Settlement. Dismissal with prejudice is a material term of this Settlement.

6. Additional Provisions

6.1. No Admission of Liability or Wrongdoing. This Agreement reflects the compromise and settlement of disputed claims among the Parties. Its constituent provisions, and any and all drafts, communications and discussions relating thereto, shall not be construed as, used for, or deemed to be evidence of an admission or concession of any point of fact or law by any person, including Chase, and shall not be offered or received in evidence or requested in discovery in this Action or any other litigation or proceeding as evidence of an admission or concession. Chase has denied and continues to deny each of the claims and contentions alleged by the Settlement Class Representative in the Action. Chase has asserted and continues to assert defenses

thereto, including that the Action, other than for settlement purposes, is not suitable for class certification, and Chase has expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Complaint.

6.2. Termination. If the Court for any reason does not enter any material part of the Preliminary Approval Order or the Final Order or Judgment, or if any of those Orders (with the exception of any provision of these Orders relating to the Class Representative Incentive Award or the an award of attorneys' fees and costs) is materially modified, reversed or set aside on further judicial review, or if for any other reason the Settlement does not become final, or if the Court or a reviewing court takes any action to expand, impair, or reduce the scope or effectiveness of the Releases set forth in Section 3.6 or to impose greater financial or other burdens on Chase than those contemplated in this Agreement, then either Party shall have the option of terminating this Agreement. If a Party exercises this option, this Agreement shall become null and void *ab initio* without prejudice to the *status quo ante* rights, positions and privileges of the Parties, except as otherwise expressly provided herein.

6.3. In the event of a termination, this Agreement shall have no force or effect and the Parties will return to the *status quo ante* in the Action as it existed prior to August 8, 2019. The Parties will also be prohibited from using this Settlement and any settlement or mediation communications as evidence in the Action. The Parties further agree to cooperate in asking the Court to set a reasonable schedule for the resumption of the Action.

6.4. Publicity. The Settlement Class Representative and Chase will not issue press releases, contact the media, or otherwise seek to publicize the case or the terms of the Settlement beyond what is required to effectuate the Settlement, *e.g.* giving notice to the Settlement Class Members. Settlement Class Counsel and Chase's counsel do not presently intend to issue press releases, contact the media, or otherwise seek to publicize the case or the terms of the Settlement beyond what is required to effectuate the Settlement, *e.g.* giving notice to the Settlement Class Members. Nothing in this paragraph, or elsewhere in this Agreement, shall prevent Settlement Class Counsel from: discharging their duties to Settlement Class Members; discussing the Settlement with the Settlement Class Representative, Settlement Class Members, or the Court; disclosing public information about the case on a resume, curriculum vitae, firm website, in other promotional materials, or in future legal filings; or responding to government inquiries.

6.5. Fair, Adequate and Reasonable Settlement. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement through arms-length negotiations, taking into account all relevant factors, present and potential. This Settlement was reached after negotiations that included a day-long mediation conducted by the Honorable Wayne D. Brazil (ret.).

6.6. Real Parties in Interest. In executing this Agreement, Plaintiff, on behalf of himself and the Settlement Class, represents and warrants that, to his knowledge, Settlement Class Members are the only persons having any interest in any of the claims that are described or referred to herein, or in any of the pleadings, records, and papers in the Action, and, except as provided herein, neither said claims nor any part thereof have been assigned, granted or transferred in any way to any other person, firm or entity.

6.7. Voluntary Agreement. This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of the Parties, or of any other person, firm or entity.

6.8. Binding On Successors. This Agreement shall bind and inure to the benefit of the respective successors, assigns, legatees, heirs, and personal representatives of each of the Parties.

6.9. Parties Represented by Counsel. The Parties hereby acknowledge that they have been represented in negotiations for and in the preparation of this Agreement by independent counsel of their own choosing, that they have read this Agreement and have had it fully explained to them by such counsel, and that they are fully aware of the contents of this Agreement and of its legal effect.

6.10. Authorization. Each party warrants and represents that there are no liens or claims of lien or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein by that party and, further, that each party is fully entitled and duly authorized to give this complete and final release and discharge.

6.11. Construction and Interpretation. Neither the Parties nor any of the Parties' respective attorneys shall be deemed the drafter of this Agreement for purposes of interpreting any provision hereof in any judicial or other proceeding that may arise between or among them.

6.12. Headings. The various headings used in this Agreement are solely for the convenience of the Parties and shall not be used to interpret this Agreement.

6.13. Exhibits. The exhibits to this Agreement constitute material parts of this Agreement and are incorporated by reference herein.

6.14. Merger and Integration. This Agreement—including the Recitals to this Agreement, which are contractual in nature and form a material part of this Agreement—contains the entire, complete, and integrated statement of each and every term and condition agreed to by and among the Parties, is not subject to any term or condition not provided for herein, and supersedes, extinguishes, and replaces all previous agreements, discussions, and negotiations. This Agreement shall not be modified in any respect except by a writing executed by duly authorized representatives of all the Parties hereto. In entering into this Agreement, no Party has made or relied on any warranty or representation not specifically set forth herein. There shall be no waiver of any term or condition absent an express writing to that effect by the Party to be charged with that waiver. No waiver of any term or condition in this Agreement by any Party shall be construed as a waiver of a subsequent breach or failure of the same term or condition, or waiver of any other term or condition of this Agreement.

6.15. Modifications and Amendments. No amendment, change or modification of this Agreement or any part thereof shall be valid unless in writing signed by the Parties.

6.16. Further Assurances. Each of the Parties hereto shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts or things reasonably necessary in connection with the performance of its obligations hereunder to carry out the express intent of the Parties hereto.

6.17. Execution Date. This Agreement shall be deemed executed on November 22, 2019.


6.18. Continuing Jurisdiction. The Court shall retain jurisdiction over the interpretation, effectuation, and implementation of this Agreement.

6.19. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument. The several signature pages may be collected and annexed to one or more documents to form a complete counterpart. Photocopies of executed copies of this Agreement may be treated as originals.

6.20. Notice. Any notice required or permitted to be given in connection with this Agreement shall be served in the Action in accordance with applicable law. If not served by email, a copy shall be sent by email to all opposing counsel of record at their respective email addresses of record.


IN WITNESS WHEREOF, each of the signatories has read and understood this Agreement, has executed it, and represents that he or she is authorized to execute this Agreement on behalf of the Party or Parties he represents, who or which has agreed to be bound by its terms and has entered into this Agreement.

Agreed to by:



Ray E. Gallo 11/21/2019
Date
*Counsel for the Settlement Class
Representative and the Settlement Class*

Essya L. Hanachi Date
*Managing Director, Chief Financial Officer
Chase*




Dominic Valerian 11/21/2019
Date
*Counsel for the Settlement Class
Representative and the Settlement Class*

Andrew Soukup Date
Counsel for Chase



Alexander Darr 11/21/2019
Date
*Counsel for the Settlement Class
Representative and the Settlement Class*



Jeffrey Chen 11/21/2019
Date
Settlement Class Representative

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IN WITNESS WHEREOF, each of the signatories has read and understood this Agreement, has executed it, and represents that he or she is authorized to execute this Agreement on behalf of the Party or Parties he represents, who or which has agreed to be bound by its terms and has entered into this Agreement.

Agreed to by:

Ray E. Gallo Date
*Counsel for the Settlement Class
Representative and the Settlement Class*


Dominic Valerian Date
*Counsel for the Settlement Class
Representative and the Settlement Class*

Alexander Darr Date
*Counsel for the Settlement Class
Representative and the Settlement Class*

Jeffrey Chen Date
Settlement Class Representative

 11/21/2019

Essya L. Hanachi Date
*Managing Director, Chief Financial Officer
Chase*

 11/22/19

Andrew Soukup Date
Counsel for Chase

EXHIBIT A

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*Attorneys for Defendant Chase Bank USA,
N.A., now known as JPMorgan Chase Bank,
N.A.*

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

JEFFREY CHEN,

Plaintiff,

v.

CHASE BANK USA, N.A., and DOES 1- 100,

Defendants.

Civil Case No. 3:19-cv-01082-JSC

**[PROPOSED] PRELIMINARY
APPROVAL ORDER**

1 Plaintiff Jeffrey Chen (the “Settlement Class Representative”) and Defendant Chase Bank
2 USA, N.A., now known as JPMorgan Chase Bank, N.A. (“Chase”), by their respective counsel,
3 have submitted a Class Action Settlement Agreement and Release (the “Agreement”) and have
4 applied under Rule 23 of the Federal Rules of Civil Procedure for an order: (1) preliminarily
5 approving the terms and conditions of the settlement (the “Settlement”) as set forth in the
6 Agreement, (2) for settlement purposes only, provisionally certifying a Settlement Class and
7 provisionally appointing Ray E. Gallo and Gallo LLP and Alexander Darr and Darr Law LLC as
8 Settlement Class Counsel and Plaintiff as the Settlement Class Representative, (3) approving the
9 form and method of notice to the Settlement Class and directing that notice to be provided to the
10 Settlement Class, and (4) scheduling a hearing to consider final approval of the Settlement. The
11 Court has given due consideration to the Agreement, including the exhibits to the Agreement, the
12 submissions in support of preliminary approval of the Settlement, and the record of proceedings,
13 and now finds that the proposed Settlement should be preliminarily approved pending notice to
14 Settlement Class Members and a final hearing on whether the Settlement is fair, reasonable and
15 adequate to the Settlement Class.

16 **ACCORDINGLY, IT IS HEREBY ORDERED:**

17 1. Terms capitalized herein and not otherwise defined shall have the meanings
18 ascribed to them in the Agreement.

19 2. This Court has jurisdiction over the subject matter of this Action and jurisdiction
20 over the Settlement Class Representative and Chase (collectively referred to as the “Parties”) in
21 this Action.

22 3. The Court finds that for the purposes of settlement and notice the requirements of
23 Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure have been met, specifically:

- 24 a. The Settlement Class is so numerous that joinder of all members is
25 impracticable;
- 26 b. There are questions of law or fact common to the Settlement Class based upon
27 the claims raised in the Complaint;
- 28

- 1 c. The Settlement Class Representative’s claim is typical of the claims of the
2 Settlement Class;
- 3 d. The Settlement Class Representative and Settlement Class Counsel will fairly
4 and adequately protect the interests of the Settlement Class;
- 5 e. Questions of law and fact common to the Settlement Class predominate over
6 any questions affecting only individual members, and a class action is superior
7 to other available methods for fairly and efficiently adjudicating this Lawsuit.

8 The Court therefore provisionally **CERTIFIES** the following Settlement Class, for settlement
9 purposes only:

10 All natural persons to whom Chase sent a letter giving either
11 “previous unsatisfactory relationship with this bank” or “previous
12 unsatisfactory relationship with us or one of our affiliates” as the only
13 reason for taking an adverse action in connection with a credit card
account during the period beginning January 28, 2014 and ending on
November 22, 2019.

14 The following individuals are excluded from the Settlement Class: officers and directors of Chase
15 and its parents, subsidiaries, affiliates, and any entity in which Chase has a controlling interest;
16 and all judges assigned to hear any aspect of this litigation, as well as their immediate family
17 members.

18 4. By provisionally certifying the foregoing Settlement Class, the Court finds that the
19 Parties have satisfactorily explained the differences between the Settlement Class definition and
20 the class proposed in the operative complaint, and that those differences are appropriate.

21 5. For settlement purposes only, the Court provisionally appoints Ray E. Gallo and
22 Gallo LLP and Alexander Darr and Darr Law LLC as Settlement Class Counsel and Plaintiff as
23 the Settlement Class Representative

24 6. In the event the Settlement does not become effective or is terminated pursuant to
25 the terms of the Agreement, such provisional certification shall be void, and Chase shall have
26 reserved its right to oppose any and all class certification motions.

27 7. The Court finds that the terms of the Agreement are within the range of a fair,
28 reasonable, and adequate settlement between the Settlement Class and Chase under the

1 circumstances of this Action. The Court therefore preliminarily approves the Agreement, which
2 is incorporated by reference into this Order, and directs the Parties to perform and satisfy the
3 terms and conditions of the Agreement that are triggered by such preliminary approval.

4 8. The Notice in the form attached to the Agreement as Exhibit D and the manner of
5 distribution of Notice set forth in the Agreement are hereby approved by this Court as the best
6 notice practicable to the Settlement Class. The form and manner of notice proposed in the
7 Agreement comply with Rules 23(c) and (e) and the requirements of Due Process.

8 9. Pursuant to Rule 23(e), a final fairness hearing (the “Final Approval Hearing”)
9 shall be held before the undersigned at 9:00 a.m., on Thursday, June 25, 2020, at the San
10 Francisco Courthouse, Courtroom F - 15th Floor, 450 Golden Gate Avenue, San Francisco, CA
11 94102 for the purpose of: (i) determining whether the Settlement is fair, reasonable, and adequate
12 and should be finally approved; (ii) determining whether a Final Approval Order and Judgment
13 should be entered; and (iii) considering Settlement Class Counsel’s application for an award of
14 attorneys’ fees, and the Settlement Class Representative’s application for a service award.

15 10. In accord with the Agreement, Settlement Class Counsel, through the Settlement
16 Administrator designated in the Settlement Agreement, shall provide Notice, in the form of
17 Exhibit D to the Agreement, to members of the Settlement Class no later than forty-five (45) days
18 from the date of this Order (the “Notice Date”), to be disseminated as follows:

- 19 a. By establishing a Settlement Website dedicated to the Settlement, which shall
20 contain the Notice and enable Settlement Class Members to submit a Claim
21 Form electronically. The Settlement Website shall remain active at least
22 during the period between 45 days after entry of the Preliminary Approval and
23 45 days after the Post-Distribution Accounting;
- 24 b. By emailing the Notice to all Settlement Class Members who have an email
25 address on file with Chase. All email notices shall be sent with a tracking
26 pixel. Any Settlement Class Member who, as of the seventh day following the
27 email notice, has not opened their email notice (as reported via the tracking
28 pixel) shall be sent notice by mail per (c) below.

1 c. For all Settlement Class Members who do not have a current and valid email
2 address on file with Chase (including as evidenced by any undeliverable
3 messages or bounce-backs resulting from (b) immediately above), by sending
4 the Notice to Settlement Class Members via U.S. Mail using the postal
5 mailing address on file with Chase as updated by the Settlement Class
6 Administrator using reasonable and customary procedures for address updating
7 using public records.

8 The Settlement Administrator may make any non-material changes to the Notice that have been
9 approved by both Chase’s Counsel and Settlement Class Counsel.

10 11. Within 15 days of entry of the Preliminary Approval Order, Chase shall pay the
11 Notice and Administration Costs Advance to the Settlement Administrator in an amount of
12 \$20,000. This advance shall be deducted from the Settlement Class Consideration and returnable
13 to Chase, subject to the terms of the Agreement, if the Settlement is not approved or otherwise
14 fails to become final for any reason.

15 12. Settlement Class Members shall be afforded an opportunity to request exclusion
16 from the Settlement Class by mailing a request for exclusion to the Settlement Administrator that
17 is postmarked no later than 60 days after the Notice Date. To be effective, the request for
18 exclusion must include (a) the Settlement Class Member’s full name, telephone number, and
19 mailing address; (b) a clear and unequivocal statement that the Settlement Class Member wishes
20 to be excluded from the Settlement Class; (c) the name and case number of the Lawsuit: “*Chen v.*
21 *Chase Bank USA, N.A.*, No. 3:19-cv-01082 (JSC)””; and (d) the Settlement Class Member’s
22 signature or a signature of an individual authorized to act on the Settlement Class Member’s
23 behalf. Settlement Class Members who submit a timely and valid request for exclusion from the
24 Settlement Class shall not participate in and shall not be bound by the Settlement. Settlement
25 Class Members who do not timely and validly opt out of the Settlement Class in accordance with
26 the Agreement shall be bound by all determinations and judgments in this action concerning the
27 Settlement.

28

1 13. Settlement Class Members who have not excluded themselves shall be afforded an
2 opportunity to object to the terms of the Settlement. Any Settlement Class Member who wishes
3 to object to the proposed Settlement must file or send to the Court a written objection that is
4 postmarked or filed no later than the Exclusion/Objection Deadline, *i.e.*, no later than 60 days
5 after the Notice Date. To be effective, an objection must (a) include the case name and case
6 number: “*Chen v. Chase Bank USA, N.A.*, No. 3:19-cv-01082 (JSC)”; (b) contain the full name,
7 mailing address, and telephone number of the Settlement Class Member objecting to the
8 Settlement (the “Objector”); (c) include the Objector’s signature or the signature of an individual
9 authorized to act on his or her behalf; (d) state with specificity the grounds for the objection; (e)
10 state whether the objection applies only to the Objector, to a specific subset of the class, or to the
11 entire class; (f) contain the name, address, bar number and telephone number of counsel for the
12 Objector, if represented or counseled in any degree by an attorney in connection with the
13 objection; and (g) state whether the Objector intends to appear at the Final Approval Hearing,
14 either in person or through counsel. If the Objector or his or her attorney intends to call witnesses
15 or present evidence at the Final Approval Hearing, the objection must contain the following
16 information: (a) a list identifying all witnesses whom the Objector may call at the Final Approval
17 Hearing and providing all known addresses and phone number for each witness, together with a
18 reasonably detailed report of the testimony the witness will offer at the hearing; and (b) a detailed
19 description of all other evidence the Objector will offer at the Final Approval Hearing, including
20 copies of any and all exhibits which the Objector may introduce at the Final Approval Hearing.
21 To the extent any Settlement Class Member objects to the proposed Settlement, and such
22 objection is overruled in whole or in part, such Settlement Class Member will be forever bound
23 by the Final Order and accompanying Judgment.

24 14. Settlement Class Counsel shall file any motion for a Class Representative
25 Incentive Award, and for an award of attorneys’ fees and costs, along with any supporting
26 materials, no later than 35 days before the Claims Submission Deadline. Any such motion will be
27 posted on the Settlement Website within one day of its filing.
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1 15. Settlement Class Counsel shall file a motion for final approval of the Settlement,
2 along with any supporting materials, no later than 35 days before the Final Approval Hearing.
3 The motion for final approval shall include the total amount of Notice and Administration Costs
4 the Settlement Administrator is seeking to be paid from the Settlement Class Consideration in
5 connection with work already performed pursuant to the Settlement Administrator's obligations
6 under the Agreement, as well as a prediction of future costs the Settlement Administrator is likely
7 to incur to effectuate the Agreement.

8 16. If the Settlement does not become final and effective for any reason, the
9 Agreement shall be null and void *ab initio*, the Settlement and all proceedings had in connection
10 therewith shall be without prejudice to the *status quo ante* rights of the Settlement Class
11 Representative and Chase, and all Orders issued pursuant to the Settlement shall be vacated.

12 17. This Order shall not be used as evidence for any purpose, other than to enforce its
13 terms, against Chase. The Order shall not be construed or used as an admission or evidence of
14 the validity of any claim or allegation made against Chase in this action or of any wrongdoing by
15 or against Chase, nor as a waiver by Chase of any right to present evidence, arguments or
16 defenses, including without limitation to the propriety of class certification, in any other
17 litigation.

18 18. The Court may adjourn the date and/or time of the Final Approval Hearing without
19 further notice to the members of the Settlement Class.

20 19. The Court retains jurisdiction to consider all further applications arising out of or
21 connected with the Settlement and may consider and grant final approval of the Settlement, with
22 or without minor modification and without further notice to the Settlement Class.

23 20. All discovery and pretrial proceedings in this action are stayed and suspended until
24 further order of this Court.

25 21. From the date of this Order through the date of a ruling on the Settlement Class
26 Representative's motion for final approval, all Settlement Class Members, each and every one of
27 them, are hereby barred and enjoined from filing, instituting, prosecuting or enforcing the
28 Released Claims, directly or indirectly, in any judicial, administrative, arbitral, or other forum,

1 against the Released Parties. This bar and injunction is necessary to protect and effectuate the
2 Agreement and this Order, and this Court's authority to effectuate the Settlement, and is ordered
3 in aid of this Court's jurisdiction.

4 **IT IS SO ORDERED.**

5 DATED:

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JACQUELINE SCOTT CORLEY
UNITED STATES MAGISTRATE JUDGE
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EXHIBIT B

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*Attorneys for Defendant Chase Bank USA,
N.A., now known as JPMorgan Chase Bank,
N.A.*

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

JEFFREY CHEN,

Plaintiff,

v.

CHASE BANK USA, N.A., and DOES 1- 100,

Defendants.

Civil Case No. 3:19-cv-01082-JSC

**[PROPOSED] FINAL APPROVAL
ORDER**

1 WHEREAS, Plaintiff Jeffrey Chen (the “Settlement Class Representative”) and Defendant
2 Chase Bank USA, N.A., now known as JPMorgan Chase Bank, N.A. (“Chase”) (collectively
3 referred to as the “Parties”), by their respective counsel, entered into a Class Action Settlement
4 Agreement and Release (the “Settlement”); and

5 WHEREAS, the Settlement Class Representative applied, pursuant to Rule 23 of the
6 Federal Rules of Civil Procedure, for an order preliminarily approving the proposed Settlement
7 and preliminarily approving the form and plan of notice and distribution as set forth in the
8 Settlement;

9 WHEREAS, this Court provisionally certified the following class (the “Settlement
10 Class”):

11 All natural persons to whom Chase sent a letter giving either
12 “previous unsatisfactory relationship with this bank” or “previous
13 unsatisfactory relationship with us or one of our affiliates” as the only
14 reason for taking an adverse action in connection with a credit card
account during the period beginning January 28, 2014 and ending on
November 22, 2019.

15 The following individuals are excluded from the Settlement Class: officers and directors of Chase
16 and its parents, subsidiaries, affiliates, and any entity in which Chase has a controlling interest;
17 and all judges assigned to hear any aspect of this litigation, as well as their immediate family
18 members.

19 WHEREAS, the Court entered an order preliminarily approving the Settlement (the
20 “Preliminary Approval Order”), approving the forms of notice of the Settlement to Settlement
21 Class Members, directing that notice of the Settlement be given to Settlement Class Members, and
22 scheduling a hearing on final approval;

23 WHEREAS, in accordance with the Agreement and the Preliminary Approval Order,
24 Settlement Class Counsel caused the Notice to be disseminated as directed by the Court, giving
25 the best notice practicable under the circumstances;

26 WHEREAS, on Thursday, June 25, 2020, at 9:00 a.m., this Court held a hearing on
27 whether the Settlement is fair, reasonable, adequate and in the best interests of the Class (the
28 “Final Approval Hearing”); and

1 WHEREAS, based upon the foregoing, having heard the statements of Settlement Class
2 Counsel and Chase’s Counsel, and of such persons as chose to appear at the Final Approval
3 Hearing; having considered all of the files, records and proceedings in the above-captioned action
4 (the “Action”), the benefits to the Settlement Class under the Settlement and the risks,
5 complexity, expense and probable duration of further litigation; and being fully advised in the
6 premises;

7 **THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:**

8 1. Terms capitalized herein and not otherwise defined shall have the meanings
9 ascribed to them in the Agreement.

10 2. This Court has jurisdiction over the subject matter of this Action and jurisdiction
11 over the Parties.

12 3. The Court finds that for the purposes of settlement the requirements of Rules 23(a)
13 and 23(b)(3) of the Federal Rules of Civil Procedure have been met, specifically:

14 a. The Settlement Class is so numerous that joinder of all members is
15 impracticable;

16 b. There are questions of law or fact common to the Settlement Class based upon
17 the claims raised in the Complaint;

18 c. The Settlement Class Representative’s claim is typical of the claims of the
19 Settlement Class;

20 d. The Settlement Class Representative and Settlement Class Counsel will fairly
21 and adequately protect the interests of the Settlement Class;

22 e. Questions of law and fact common to the Settlement Class predominate over
23 any questions affecting only individual members, and a class action is superior
24 to other available methods for fairly and efficiently adjudicating this Lawsuit.

25 4. The Settlement Class Representative and Settlement Class Counsel fairly and
26 adequately represent the interests of the Settlement Class in connection with the Settlement.

27 5. The Settlement is the product of good faith, arm’s-length negotiations, with the
28 assistance of a respected and experienced mediator, by the Settlement Class Representative and

1 Settlement Class Counsel, and Chase and its counsel, and the Settlement Class and Chase were
2 represented by capable and experienced counsel.

3 6. The Settlement Administrator, at the direction of the Parties, timely provided
4 adequate notice to all interested parties pursuant to the Class Action Fairness Act (“CAFA”), 28
5 U.S.C. § 1715, and the Parties have complied in all respects with the requirements of same.

6 7. The form, content, and method of dissemination of the Notice given to Settlement
7 Class Members—as previously approved by the Court in its Preliminary Approval Order—were
8 adequate and reasonable, constituted the best notice practicable under the circumstances, and
9 satisfied the requirements of Rules 23(c) and (e) and Due Process.

10 8. The Agreement is fair, reasonable, and adequate and in the best interests of the
11 Class, and is approved in all respects. The Court hereby directs the Parties and their counsel to
12 effectuate the Settlement according to its terms.

13 9. The Agreement provides for monetary benefits to Settlement Class Members
14 Eligible for Cash Payment. The Court approves those benefits and approves the distribution plan
15 for the Settlement Class Consideration as provided in the Agreement. Pursuant to Section 4.10 of
16 the Agreement, if Settlement Class Counsel and the Settlement Administrator deem a second
17 distribution economically infeasible or if there are funds remaining in the Settlement Class
18 Consideration Account after the stale check date for the second distribution, then the remaining
19 funds shall be distributed in a mutually agreeable manner, subject to the approval of the Court per
20 applicable law.

21 10. The Court has considered and overruled any and all objections to the Settlement.

22 11. Individuals that have timely and validly excluded themselves from the Settlement
23 Class are identified in Exhibit A hereto. All Settlement Class Members not listed in Exhibit A
24 shall be bound by the Settlement and the terms of the Agreement.

25 12. The Releasing Parties, each and every one of them, shall be deemed to have, and
26 by operation of the judgment shall have, fully and irrevocably released and discharged the
27 Released Parties from the Released Claims, all as defined in the Agreement. The terms of the
28 Agreement, which are incorporated by reference into this Order, shall have *res judicata* and other

1 preclusive effect as to the Released Claims as against the Released Parties. The Released Parties
2 may file the Agreement and/or this Order in any other litigation to support a defense or
3 counterclaim based on principles of *res judicata*, collateral estoppel, release, good-faith
4 settlement, judgment bar or reduction, or any similar defense or counterclaim.

5 13. For a period of five years beginning on the date of this Order, Chase is enjoined
6 from using the phrases “previous unsatisfactory relationship with this bank” and “previous
7 unsatisfactory relationship with us or one of our affiliates” in adverse action notices as the sole
8 reason for denying credit card applications or taking an adverse action in connection with a Chase
9 credit card account.

10 14. The Releasing Parties, each and every one of them, is hereby permanently barred
11 and enjoined from filing, instituting, prosecuting or enforcing the Released Claims, directly or
12 indirectly, in any judicial, administrative, arbitral, or other forum, against the Released Parties.
13 This permanent bar and injunction is necessary to protect and effectuate the Agreement and this
14 Order, and this Court’s authority to effectuate the Settlement, and is ordered in aid of this Court’s
15 jurisdiction and to protect its judgments. Notwithstanding the foregoing, nothing in this Order
16 and judgment shall preclude an action to enforce the terms of the Agreement.

17 15. The Settlement Class Representative’s claim in the above-captioned Action is
18 hereby dismissed with prejudice.

19 16. The Court has considered Settlement Class Counsel’s request for an award of
20 \$185,000 in attorneys’ fees and costs and expenses. Having reviewed Settlement Class Counsel’s
21 fee application and all applicable legal authorities, the Court hereby approves the requested award
22 of attorneys’ fees and costs and expenses, in the amount of \$185,000. Chase is directed to pay
23 Settlement Class Counsel \$185,000 in accordance with the procedures set forth in the Agreement.

24 17. In making this award of attorneys’ fees and costs and expenses, the Court has
25 considered and found that:

- 26 a. the Settlement provides direct, immediate and tangible economic benefits to
27 the Settlement Class members;

- 1 b. Settlement Class Counsel have conducted the litigation and achieved the
- 2 Settlement with skill, perseverance, and diligent advocacy;
- 3 c. The action involves complex legal and factual issues. But for the Settlement,
- 4 the litigation would involve further lengthy proceedings, at considerable risk to
- 5 the Settlement Class, and with uncertain resolution of the legal and factual
- 6 issues;
- 7 d. Had Settlement Class Counsel not achieved the Settlement, there would remain
- 8 a significant risk that the Settlement Class Representative and the Settlement
- 9 Class may have recovered less or nothing from Chase; and
- 10 e. The requested award of attorney’s fees and costs is fair and reasonable.

11 18. The Court has considered the request for an incentive award for the Settlement
12 Class Representative. The Court finds the requested incentive award to be justified under the
13 facts of this case and the applicable legal authorities. Having reviewed the Settlement Class
14 Representative’s request and all applicable legal authorities, the Court hereby approves the
15 incentive award of \$5,000 for the Settlement Class Representative. Chase is directed to pay the
16 Settlement Class Representative \$5,000 in accordance with the procedures set forth in the
17 Agreement.

18 19. This Order shall not be construed or used as an admission or evidence of the
19 validity of any claim or allegation made against Chase or any other Released Party in the Action
20 or of any wrongdoing by or against Chase or any other Released Party, nor as a waiver by Chase
21 or any other Released Party of any right to present evidence, arguments or defenses, including
22 without limitation to oppose class certification, in any other litigation.

23 20. If the Effective Date does not occur for any reason, the Agreement shall be
24 rendered null and void *ab initio*, and the Parties shall return to the *status quo ante* in the Action,
25 without prejudice to or waiver of the right of any Party to assert any claim, argument, or defense
26 that could have been asserted if the Agreement had never been reached and proposed to the Court,
27 and all Orders issued pursuant to the Settlement shall be vacated *nunc pro tunc*.

1 21. The Parties are hereby authorized, without requiring further approval from the
2 Court, to agree to adopt amendments and modifications to the Agreement, in writing and signed
3 by or as authorized by the Parties, that are not inconsistent with this Order and that do not limit
4 the rights of Settlement Class Members.

5 22. The Court shall retain jurisdiction over the Parties and any Settlement Class
6 Member for purposes of effectuating the administration and enforcement of the Agreement.

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DATED:

JACQUELINE SCOTT CORLEY
UNITED STATES MAGISTRATE JUDGE

EXHIBIT C

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*Attorneys for Defendant Chase Bank USA,
N.A., now known as JPMorgan Chase Bank,
N.A.*

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

JEFFREY CHEN,

Plaintiff,

v.

CHASE BANK USA, N.A., and DOES 1- 100,

Defendants.

Civil Case No. 3:19-cv-01082-JSC

[PROPOSED] FINAL JUDGMENT

1 The Court hereby enters final judgment in this action as set forth in and in accordance
2 with the Final Approval Order dated _____. Pursuant to this Final Judgment:

3 1. Terms capitalized herein and not otherwise defined shall have the meanings
4 ascribed to them in the Agreement.

5 2. Individuals that have timely and validly excluded themselves from the Settlement
6 Class are identified in Exhibit A to the Final Approval Order. All Settlement Class Members not
7 listed in Exhibit A thereto shall be bound by the Settlement and the terms of the Agreement.

8 3. The Releasing Parties, each and every one of them, shall be deemed to have, and
9 by operation of the judgment shall have, fully and irrevocably released and discharged the
10 Released Parties from the Released Claims, all as defined in the Agreement. The terms of the
11 Agreement, which are incorporated by reference into this Judgment, shall have *res judicata* and
12 other preclusive effect as to the Released Claims as against the Released Parties.

13 4. For a period of five years beginning on the date of this Judgment, Chase is
14 enjoined from using the phrases “previous unsatisfactory relationship with this bank” and
15 “previous unsatisfactory relationship with us or one of our affiliates” in adverse action notices as
16 the sole reason for denying credit card applications or otherwise taking an adverse action in
17 connection with a Chase credit card account.

18 5. In accordance with the procedures set forth in the Agreement, Chase shall pay
19 \$244,659 in Settlement Class Consideration, \$185,000 in attorneys’ fees and costs to Class
20 Counsel, and an incentive award of \$5,000 to the Settlement Class Representative.

21 6. This Action is hereby dismissed with prejudice.

22 7. The Court shall retain jurisdiction over the Parties and any Settlement Class
23 Member for purposes of effectuating the administration and enforcement of the Agreement.

24 8. If the Effective Date does not occur for any reason, the Agreement shall be
25 rendered null and void *ab initio*, and the Parties shall return to the *status quo ante* in the Action,
26 without prejudice to or waiver of the right of any Party to assert any claim, argument, or defense
27 that could have been asserted if the Agreement had never been reached and proposed to the Court,
28 and all Orders issued pursuant to the Settlement shall be vacated *nunc pro tunc*.

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9. This Judgment is a final and appealable order.

DATED:

JACQUELINE SCOTT CORLEY
UNITED STATES MAGISTRATE JUDGE

EXHIBIT D

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

[Class member Name]

ID Number: *

A court authorized this Notice. This is not a solicitation from a lawyer. You are not being sued.

You are receiving this notice because, between January 28, 2014 and November 22, 2019, you appear to have been sent an adverse action notice from Chase (as defined below) containing either “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” as the only reason for taking an adverse action in connection with your credit card account. You may be entitled to benefits under a proposed settlement. You can submit a claim for benefits online at [\[hyperlink to claim form on settlement website\]](#) or by mailing a claim form to the Settlement Administrator.

If you submit a valid claim form postmarked or submitted online by [\[date\]](#), you will receive a payment estimated at \$ [\[\]](#) if the Settlement is Approved.

Why did I get this notice? A settlement (“Settlement”) has been proposed in a class action lawsuit pending in the United States District Court for the Northern District of California styled *Chen v. Chase Bank USA, N.A. et al.*, Civil Case No. 3:19-cv-01082 (JSC) (the “Action”). The Action alleges that Chase Bank USA, N.A. (now JPMorgan Chase Bank, N.A. and referred to here as “Chase”) violated the Equal Credit Opportunity Act (“ECOA”), 15 U.S.C. § 1691 *et seq.* requirement to provide the specific reason(s) for taking an adverse action on a credit application by giving “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” as the only reason for taking an adverse action in connection with a credit card account. Chase denies that its actions violated the law, and no court or other entity has made any judgment or other determination that Chase violated the law. You are receiving this notice because Chase’s records show that you may be a Settlement Class Member.

Who is a member of the Settlement Class? The Settlement Class – which may include you – is comprised of all natural persons to whom Chase sent a letter giving either “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” as the only reason for taking an adverse action in connection with a credit card account during the period beginning January 28, 2014 and ending on November 22, 2019. The following individuals are excluded from the Settlement Class: officers and directors of Chase and its parents, subsidiaries, affiliates, and any entity in which Chase has a controlling interest; and all judges assigned to hear any aspect of this litigation, as well as their immediate family members.

What relief does the Settlement provide me? Under the Settlement, Chase has agreed to pay \$244,659 for: (1) payments to Settlement Class Members (estimated at [\[\]](#)), (2) notice and administration costs (estimated at [\[\]](#)), and (3) an incentive award to the Settlement Class Representative of up to \$5,000. Chase has also agreed to pay court-approved attorneys’ fees and expenses of up to \$185,000 and to stop the challenged practices for five years. In return, Settlement Class Members who do not exclude themselves will release Chase and related parties from certain as described below.

What are my options? You can either (1) submit a claim form to share in the benefits of the Settlement; (2) affirmatively exclude yourself from the Settlement; (3) object to the Settlement; or (4) do nothing. **Additional details about your rights and options and how to exercise them are below.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		DEADLINE
Submit a Claim Form	Settlement Class Members who submit a valid claim form postmarked or submitted online by [date], will receive a <i>pro rata</i> cash payment from the settlement fund. Payments are estimated to be \$[] based on a projected 7% claims rate, but may be significantly less if there are an unexpectedly large number of claims. You can submit a claim online at [hyperlink to claim form on settlement website] or by mailing a claim form to the Settlement Administrator. The claim form for submission by mail is available at this link: [include link to claim form hosted on website] or from the Settlement Administrator upon request.	[60 days after notice is mailed]
Exclude Yourself	You can exclude yourself from the Settlement and you will not be eligible for any benefits. You keep your right to sue on your own regarding any claims that are part of the Settlement.	[60 days after notice is mailed]
Object	You can write to the Court and explain why you do not like the Settlement and/or Class Counsel's requested attorneys' fee. You may also appear and speak at the final fairness hearing on your own or through your own lawyer to object to or comment on the Settlement.	[60 days after notice is mailed]
Do Nothing	If you do nothing, you will not be eligible to receive a payment under the Settlement. However, if the Settlement becomes final, you will release all claims against Chase relating to the Action.	No deadline

How do I request to be excluded? If you ask to be excluded, you will not get any settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) Chase in the future at your own expense. To exclude yourself from the Settlement, you must send a letter by mail postmarked no later than [date] saying that you want to be excluded from *Chen v. Chase Bank USA, N.A. et al.*, Civil Case No. 3:19-cv-01082 (JSC). To be effective, the request for exclusion must include (a) the Settlement Class Member's full name, telephone number, and mailing address; (b) a clear and unequivocal statement that the Settlement Class Member wishes to be excluded from the Settlement Class; (c) the name of the Lawsuit: "*Chen v. Chase Bank USA, N.A.*, Civil Case No. 3:19-cv-01082 (JSC)"; and (d) the Settlement Class Member's signature or digital signature or affirmation, or the like signature or affirmation of an individual authorized to act on the Settlement Class Member's behalf. Letters requesting exclusion must be sent to:

Chase ECOA Settlement Administrator
 [Settlement Admin. Address 1]
 [Settlement Admin. Address 2]
 [City], [State] [ZIP].

How do I object to the Settlement or Class Counsel’s request for attorneys’ fees? If you do not request exclusion from the Settlement Class, you can object to the Settlement, Class Counsel’s request for attorneys’ fees and expenses, and/or the request for an incentive award to the Settlement Class Representative. You can’t ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed settlement must be in writing. All written objections and supporting papers must (a) clearly identify the case name and number *Chen v. Chase Bank USA, N.A. et al.*, Civil Case No. 3:19-cv-01082 (JSC); (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, or by filing them in person at any location of the United States District Court for the Northern District of California; (c) be filed or postmarked on or before [60 days after notice is mailed]; (d) contain the full name, mailing address, and telephone number of the Settlement Class Member objecting to the Settlement (the “Objector”); (e) include the Objector’s signature or the signature of an individual authorized to act on his or her behalf; (f) state with specificity the grounds for the objection; (g) state whether the objection applies only to the Objector, to a specific subset of the class, or to the entire class; (h) contain the name, address, bar number and telephone number of counsel for the Objector, if represented or counseled in any degree by an attorney in connection with the objection; and (i) state whether the Objector intends to appear at the Final Approval Hearing, either in person or through counsel.

If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. If the Objector or his or her attorney intends to call witnesses or present evidence at the Final Approval Hearing, the objection must contain the following information: (a) a list identifying all witnesses whom the Objector may call at the Final Approval Hearing and providing all known addresses and phone number for each witness, together with a reasonably detailed report of the testimony the witness will offer at the hearing; and (b) a detailed description of all other evidence the Objector will offer at the Final Approval Hearing, including copies of any and all exhibits which the Objector may introduce at the Final Approval Hearing.

What if I do nothing? If you do not submit a timely and valid claim form or submit a timely and valid request to be excluded from the Settlement, you still give up the right to sue Chase for the claim that this Settlement resolves. These “Released Claims” are described below and in the Agreement. If you have an existing lawsuit involving the Released Claims, speak to your lawyer in that suit immediately. You must exclude yourself from *this* Settlement Class to continue your own lawsuit.

What am I giving up to stay in the Settlement Class? If you do not opt out, when the Settlement is granted final approval, you—and any person claiming by, for, or through you—will be deemed to have released, relinquished, and forever discharged each of the Released Parties from any and all Released Claims. You also covenant and agree that you will not take any step whatsoever to commence, institute, continue, pursue, maintain, prosecute, or enforce any Released Claim, directly or indirectly, against any of the Released Parties.

“*Released Parties*” means JPMorgan Chase Bank, N.A., together with its predecessors, successors (including, without limitation, acquirers of all or substantially all of its assets, stock or other ownership interests) and assigns; the past, present, and future, direct and indirect, parents (including, but not limited to holding companies and JPMorgan Chase & Co.), subsidiaries and affiliates of any of the above (including Chase Bank USA, N.A.); and the past, present and future principals, trustees, partners (including, without limitation, affinity, agent bank, and private label and co-brand partners), officers, directors, employees, agents, attorneys, shareholders, advisors, predecessors, successors (including, without limitation, acquirers of all or substantially all of their assets, stock, or other ownership interests), assigns, representatives, heirs, executors, and administrators of any of the above.

“*Released Claims*” means any and all Claims which the Settlement Class Representative or any member of the Settlement Class ever had, now have, or may have in the future arising out of or relating to: (a) Chase’s use of the language “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” in an adverse action notice sent pursuant to the ECOA in connection with a credit card account on or before November 22, 2019; or (b) the acts and omissions alleged in the Complaint occurring on or before November 22, 2019.

“*Claims*” means any and all actual or potential claims, actions, causes of action, suits, counterclaims, cross claims, third party claims, contentions, allegations, and assertions of wrongdoing, and any demands for any and all debts, obligations, liabilities, damages (whether actual, compensatory, treble, punitive, exemplary, statutory, or otherwise), attorneys’ fees, costs, expenses, restitution, disgorgement, injunctive relief, any other type of equitable, legal or statutory relief, any other benefits, or any penalties of any type whatever, whether known or unknown, suspected or unsuspected, contingent or non-contingent, or discovered or undiscovered, whether asserted in federal court, state court, arbitration or otherwise, whether asserted in an individual action, a class action, a *parens patriae* action, or a representative action, and whether triable before a judge or jury or otherwise.

Additionally, as to the Released Claims only, upon entry of the Final Order and accompanying Judgment, Settlement Class Members will each waive all rights and benefits afforded by Section 1542 of the California Civil Code, which provides: “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY,” and any and all provisions, rights and benefits of any similar, comparable, or equivalent state, federal, or other law, rule or regulation or the common law or equity.

This Notice provides only a summary of the claims being released. The full details of the claims being released by Settlement Class Members who do not exclude themselves from the Settlement are available for you to read in Sections 1.5, 1.24-1.26, and 3.6 of the Settlement Agreement.

What lawyers represent the Settlement Class and how do I contact them? The Court appointed Ray E. Gallo and the law firm of Gallo LLP and Alexander Darr and the law firm of

Darr Law LLC to represent Class Members. They are called “Class Counsel.” Class Counsel may be contacted to answer questions at Darr@Darr.Law.

How will Class Counsel and the Settlement Class Representative be paid? Class counsel will ask the Court to award of attorneys’ fees and costs of \$185,000 and an incentive award of \$5,000 for the Settlement Class Representative. Chase has no present intention to oppose Class Counsel’s requests for these amounts. Class Counsel's motion for attorneys' fees and costs and for the incentive award for the Settlement Class Representative will be filed with the Court on or before [35 days before the Claims Submission Deadline] and will be posted on the Settlement Website at [hyperlink to website] within one day of its filing.

When and where will the Court decide whether to approve the Settlement? The Court will hold a hearing on [date] at [time] to determine whether the proposed settlement should be finally approved. This date and time may change without further notice, so you are advised to check [hyperlink to website] or the Court’s PACER site in advance of the hearing to confirm the date has not been changed. The hearing will take place before the Honorable Jacqueline Scott Corley (or another judge sitting in her stead) in Courtroom F - 15th Floor, San Francisco Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102. You are not required to attend the hearing in order to participate in the Settlement.

When will I receive my settlement payment? If the Settlement is approved, Settlement Class Members who submit a valid claim form will be paid within 27 days after final court approval of the Settlement and after all rights to appeal or review are exhausted or any appeal or review has been resolved in favor of the Settlement.

What if my address changes? Please call the Settlement Administrator at [phone number] to report any address changes so that your payment reaches you.

Where can I find more information about the Settlement? This notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement. Additional details about the Settlement, including links to the Settlement Agreement, claim forms, motions for approval and for attorneys’ fees, and other important documents in the case are available at [hyperlink to website]. You can also obtain additional information about the Settlement by contacting class counsel at Darr@Darr.Law or by contacting the Settlement Administrator at [number]. You can also obtain a copy of the Settlement Agreement and other documents filed in this case by accessing the Court docket in this case, for a fee, through the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102-3489, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT, THE COURT CLERK’S OFFICE, CHASE, OR CHASE’S COUNSEL TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

EXHIBIT E

**YOUR CLAIM
FORM MUST BE
POSTMARKED BY
[date]**

*Chen v. Chase Bank USA,
N.A. et al., Civil Case
No. 3:19-cv-01082 (JSC)*

PROOF OF CLAIM

**YOU MUST MAIL
YOUR COMPLETED
PROOF OF CLAIM
TO:
[insert address]**

**YOU CAN ALSO SUBMIT YOUR CLAIM FOR BENEFITS ONLINE AT
[HYPERLINK TO CLAIM FORM ON SETTLEMENT WEBSITE]**

PART I: SETTLEMENT CLASS MEMBER INFORMATION

Full Name

Street Address

City

State/Country

Zip/Postal Code

Part II: CERTIFICATION

To participate in the class action settlement of the above-captioned case and to complete this Claim Form, please verify that the statement below is true and correct by signing the Claim Form below.

I certify that, to the best of my knowledge, between January 28, 2014 and November 22, 2019, Chase Bank USA, N.A. and/or JPMorgan Chase Bank, N.A., (collectively, “Chase”) sent me a notice containing either “previous unsatisfactory relationship with this bank” or “previous unsatisfactory relationship with us or one of our affiliates” as the only reason why Chase took an adverse credit action against me.

Signature

Date

For more information, or to submit a claim for benefits online, you may visit the Settlement Website at [website] or contact the Claims Administrator at [contact info].

EXHIBIT 2



Consumer Finance Claims Cases - Filing Rates and Average Awards
11/20/2019

average 7.37%

Case Name	Case #	Court	Case Summary	Noticing Method	# of Class Members	# of Notices Sent	# of Claims	# of Postal Claims	# of Online Claims	Claims as % of Class	# of Timely Opt-Outs	Award Amount Pre-Printed?	Average Award
Beason, et. al. v. Liberty Bank of Arkansas	CV-2011-137	Sharp County, 3rd Judicial Circuit	Defendant Consumer Checking Account ("Account") holder who incurred Overdraft Fees as the result of the manner in which Defendant processed Debit Card or ATM transactions instituted a class action lawsuit against Defendant, alleging that Defendant improperly processed these transactions when assessing Overdraft Fees.	4-Page Notice and 1-Page Claim Form, live telephone support, static website	50,417	50,417	1,223	1,223	-	2.43%	1,196	No	\$ 178.21
Dix v. Citibank West	CIVDS 1206865	San Bernardino County Superior Court	The lawsuit claims that Defendant, and companies acting on its behalf, were not permitted to collect on obligations that remained on junior mortgage obligations after foreclosure of senior mortgage obligations on properties in the state of California. Defendant maintains that its collection practices with respect to these debts were proper and that Defendant has not violated any laws.	4-page Notice, 1-page Claim Form, #9 Return Envelope with BRM ("pre-paid" postage), dynamic website with online claims filing, IVR	9,913	9,913	714	439	279	7.20%	1	Yes	\$ 137.27
Sabina v. JPMorgan Chase Bank, N.A.	BCD-cv-14-61	Cumberland County Business and Consumer Court	Plaintiffs allege that Chase did not send them their "original" recorded mortgage release within 30 days after receiving it back from the registry of deeds, in violation of Section 551, and seek statutory damages, attorneys' fees and costs on behalf of themselves and a putative class of similarly-situated mortgagors.	6-page Notice, 2-page Claim Form, static website, live telephone support	5,072	5,072	633	633	-	12.48%	2	Yes	\$ 400.00
Wilborn v. J.P. Morgan Chase Bank, N.A.			Individuals who paid attorneys' fees to Defendant or its agent after a foreclosure action was commenced by Defendant on a residential mortgage on a property in Ohio, together with a payoff of the remaining amount outstanding on the residential mortgage (also known as a "redemption")	4-page Notice and 1-page Claim Form, live telephone support, static website, published notice in 6 Ohio newspapers.	940	940	67	67	-	7.13%	-	Yes	\$ 400.00