

1 Ray E. Gallo (SBN 158903)
rgallo@gallo.law
GALLO LLP
2 100 Pine St., Suite 1250
San Francisco, CA 94111
3 Phone: 415.257.8800

4 Alexander Darr (appearing pro hac vice)
darr@darr.law
5 DARR LAW LLC
1391 W. 5th Ave., Ste. 313
6 Columbus, OH 43212
Phone: 312.857.3277

7
8 Dominic Valerian (SBN 240001)
dominic@valerian.law
VALERIAN LAW, P.C.
9 1530 Solano Ave.
Albany, CA 94707
10 Phone: 510.567.4632

11 *Attorneys for Plaintiff Jeffrey Chen*

12
13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN FRANCISCO DIVISION

16 JEFFREY CHEN,
17 Plaintiff,
18 vs.
19 CHASE BANK, USA, N.A.,
20 Defendant.

Case No. 19-cv-01082-JSC

**SUPPLEMENTAL DECLARATION OF
JEANNE CHERNILA RE: SETTLEMENT
ADMINISTRATION**

1 I, JEANNE CHERNILA, declare and state as follows:

2 1. I submit this supplemental declaration at the request of Plaintiff's Counsel to provide
3 an update on settlement administration activity since I signed my prior declaration regarding
4 settlement administration (Dkt. No. 56-2) on May 21, 2020.

5 2. I am a Project Manager with KCC Class Action Services, LLC ("KCC"), located at
6 3301 Kerner Boulevard, San Rafael, California 94901. KCC is the appointed Settlement
7 Administrator for this matter, and I have personally provided day-to-day oversight and support for
8 the parties.¹ I have personal knowledge of the matters stated herein and, if called upon, could and
9 would testify thereto.

10 **CLAIM FORMS**

11 3. The postmark deadline for Class Members to file claims in this matter was April 28,
12 2020. At the time my prior declaration was signed on May 21, 2020, KCC had received 2,963 valid
13 claim form submissions.

14 4. Since May 21, 2020, KCC has received (i) one claim form postmarked before the
15 deadline, and (ii) nineteen claim forms postmarked after the deadline, from Class Members. The
16 parties have agreed to treat one of these claims forms as invalid because it was left blank. The
17 parties have agreed to treat the other nineteen claims as valid, bringing the total number of valid
18 claims to 2,982.

19 5. The parties have agreed that any claims received by KCC after this supplemental
20 declaration is signed will be denied.

21 **EXCLUSION REQUESTS RECEIVED TO DATE**

22 6. The Notice informed Class Members that requests for exclusion from the Class must
23 be postmarked no later than April 28, 2020. When my prior declaration was signed on May 21,
24 2020, KCC had received 10 requests for exclusion. None have been received since.

25
26
27
28 ¹ All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Preliminary Approval Order.

OBJECTIONS TO THE SETTLEMENT

1
2 7. The postmark deadline for Class Members to object to the settlement was April 28,
3 2020. When my prior declaration was signed on May 21, 2020, KCC had not received any
4 objections to the settlement. None have been received since.

5 **SETTLEMENT WEBSITE UPDATE RE: FINAL APPROVAL HEARING**

6 8. On June 10, 2020, the Settlement Website was updated to provide the following
7 notice at the top of the home page and on the “Important Dates and Deadlines” page:

8 NOTICE REGARDING FINAL APPROVAL HEARING

9 **In light of the continuing COVID-19 public health emergency, through**
10 **September 30, 2020, all civil matters in the United States District Court for**
11 **the Northern District of California will be decided without a hearing, or if the**
12 **Court believes a hearing is necessary, the hearing will be by telephone or**
13 **videoconference. See N.D. Cal. General Order No. 72-3. The Court will**
14 **notify the parties in advance of the Final Approval Hearing whether the**
15 **matter will be submitted on the papers, proceed via conference call, or**
16 **proceed via Zoom Webinar. That information will be posted here when it**
17 **becomes available.**

18 9. A further update will be posted to the Settlement Website when the Court notifies
19 the parties how the Final Approval Hearing will proceed.

20 **ADMINISTRATION COSTS**

21 10. KCC’s final administration costs for this matter are \$59,242.46. This amount
22 includes costs to date, taxes, and all of KCC’s costs and fees through the completion of this matter.
23 As noted in my prior declaration, KCC’s final administration costs exceed the \$52,000 in
24 administration costs that were projected at the time of preliminary approval primarily because the
25 roughly 16% claims rate is substantially higher than projected, individuals who are not Class
26 Members filed 1,357 claims, and Notice Packets were mailed to more than twice as many Class
27 Members as projected.

28 11. A Cost Summary and Scope of Services Report detailing the work KCC performed
administering the Settlement and the associated costs is attached hereto as Exhibit 1.

PAYMENTS

12. The Settlement provides for Chase to pay “Settlement Class Consideration” of

1 \$244,659 for: (1) payments to the Settlement Class (“Net Settlement Class Consideration”), (2) a
2 Class Representative Incentive Award of up to \$5,000, and (3) Notice and Settlement
3 Administration Costs. *See* Agreement §§ 2.3, 3.2, 3.3(d). The funds remaining after deducting the
4 Class Representative Incentive Award and Notice and Settlement Administration Costs from the
5 Settlement Class Consideration (the “Net Settlement Class Consideration”) will be divided in equal
6 shares among the Settlement Class Members who submitted valid claim forms (the “Settlement
7 Class Members Eligible for Cash Payment”). *Id.* § 4.10(b).

8 13. Assuming a \$5,000 Class Representative Incentive Award and Notice and
9 Settlement Administration Costs of \$59,242.46, the Net Settlement Class Consideration will be
10 \$180,416.54. Dividing this amount evenly between the 2,982 Settlement Class Members that have
11 submitted valid claims would result in individual payments of \$60.50 for each Settlement Class
12 Member Eligible for Cash Payment.

13
14 I declare under penalty of perjury under the laws of the United States of America that the
15 foregoing is true and correct.

16 Executed on June 18, 2020 at San Rafael, California.

17
18 
19
20
21
22
23
24
25
26
27
28

JEANNE CHERNILA

Exhibit 1

	Initial Estimate		Cost to Completion	
<u>Data and Forms Set-up</u>				
Intake and Process Data, Set up Case Management System	20 hrs	2000	23.14 hrs	2314
Format Document(s)	10 hrs	1000	16.69 hrs	1669
NCOA Updates	18183 units	250	18183 units	250
Sub-total Cost of Data and Forms Set-up		\$ 3,250.00		\$ 4,233.00
<u>CAFA Mailing</u>				
CAFA Mailing to State Attorneys General and US Attorney General	1 unit	1500	1 unit	1500
Supplemental CAFA Mailing to State Attorneys General and US Attorney General	0 units	0	1 unit	1500
Sub-total Cost of CAFA Mailing		\$ 1,500.00		\$ 3,000.00
<u>Email Campaign</u>				
Email Service	17274 units	2591	17926 units	2688.9
Email Campaign Management	10 hrs	1000	10 hrs	1000
Track/Manage Bouncebacks	5 hrs	500	5 hrs	500
Sub-total Cost of Email Campaign		\$ 4,091.00		\$ 4,188.90
<u>Print/Mail Notice Packet</u>				
Estimated # of Class Members with Unopened Emails	2591 units		13557 units	
Estimated # of Class Members with Email Bounceback	3455 units		1557 units	
Estimated # of Class Members with Postal Address Only	909 units		909 units	
Total Estimated # of Class Members to Receive Mailed Notice	6955 units		16023 units	
Mailed Notice to Email Bouncebacks and Class Members with Unopened Emails				
6-page Notice, 1/3 Sheet Claim Form, #10 outbound envelope	6046 units	2116	15144 units	5290
Print Production Management	10 hrs	1000	11 hrs	1100
Mailed Notice to Class Members with Postal Addresses Only				
6-page Notice, 1/3 Sheet Claim Form, #10 outbound envelope	909 units	318	248 units	86.8
Print Production Management	10 hrs	1000	10 hrs	1000
Returned Mail				
Forwarding of Returned Mail with USPS Forwarding Addresses	70 units	77	217 units	238.7
Data Entry for Re-mails to New Addresses	70 units	35	217 units	108.5
Returned Undeliverable Mail	1043 units		1945 units	
Handling of Returned Undeliverable Mail	4 hrs	400	4 hrs	400
Sub-total of Print/Mail Notice Packet		\$ 4,946.00		\$ 8,224.00
<u>Address Searches/Re-mails</u>				
Number of Address Searches Performed	1043 units	782	1739 units	1304.25
Number of New Addresses Found	730 units		479 units	
Re-mails to Found Addresses	730 units	803	479 units	526.9
Staff Time for Address Searches/Re-mails	3 hrs	300	4 hrs	400
Sub-total of Address Searches/Re-mails		\$ 1,885.00		\$ 2,231.15
<u>Website Set-up & Maintenance</u>				
Design & Set up Dynamic Website	50 hrs	5000	50 hrs	5000
Domain Registration (5 yrs/Privacy Registration)	1 unit	175	1 unit	175
Maintenance	5 hrs	500	5 hrs	500
Server Space rental	12 units	600	12 units	600
Sub-total of Website Set-up & Maintenance		\$ 6,275.00		\$ 6,275.00
<u>Case Management, Opt Out Processing, and Declaration of Notice Procedures</u>				
Case Management	50 hrs	5000	60 hrs	6000
Establish Email Inbox for Correspondence	1 unit	250	1 unit	250
Email Inbox Monitoring	5 hrs	500	9 units	900
Opt Out, Objection, Correspondence Processing	15 hrs	1500	13 units	1300
Declaration of Notice Procedures	10 units	1000	15 units	1500
Sub-total of Case Management, Opt Out Processing, and Declaration of Notice Procedures		\$ 8,250.00		\$ 9,950.00
SUB-TOTAL OF NOTICE PROCEDURES		\$ 30,198.00		\$ 38,402.05
<u>Call Center Support</u>				
Script Drafting and Management	5 hrs	500	3 hrs	300
Monthly Maintenance Fees	12 units	600	12 units	600
Estimated # of Calls	909 units		1300 units	
Live Operator Line Charges	1818 units	2273	1300 units	1625
Fulfill Notice Packet Requests	46 units	51	0 units	0
Print Production Management	2 hrs	200	0 hrs	0
SUB-TOTAL OF TELEPHONE SUPPORT		\$ 3,623.00		\$ 2,525.00
<u>Claims Administration</u>				
Estimated # of Claims	1818 units		4677 units	
Process Claims Filed Online	909 units	682	4177 units	3132.75
Process Claims Filed by Postal Mail	909 units		560 units	
Staff Hours Processing Claims	80 hrs	8000	43 hrs	4300
Open/Image/Data Enter Forms	909 units	545	560 units	336
Deficient Claims filed by Postal Mail	45 units		0 units	
Print/Mail Deficiency Letters	45 units	56	0 units	0
Staff Hours Processing Deficiencies	8 hrs	800	0 hrs	0
Open/Image/Data Enter Forms	45 units	27	0 units	0
Status Reports	10 hrs	1000	5 hrs	500
SUB-TOTAL OF CLAIMS ADMINISTRATION		\$ 11,110.00		\$ 8,268.75
<u>DISBURSEMENTS & TAX REPORTING</u>				
Funds Management, Obtain Tax ID	10 units	1000	10 units	1000
Distribution Calculations & Prep	20 units	2000	20 units	2000
Print/Mail Checks	1818 units	1364	2982 units	2236.5
Handling of Returned Undeliverable Mail	1 hr	100	1 hr	100
<u>Address Searches- Returned Checks</u>				
Number of Address Searches Performed	19 units	29	37 units	56
Staff Time for Address Searches	2 hrs	200	2 hrs	200
Reissue Checks	13 units	59	26 units	117
Post-Distribution Follow-up & Reports	15 hrs	1500	15 hrs	1500
Settlement Fund Tax Returns (annual)	1 unit	1000	1 unit	1000
SUB-TOTAL OF DISBURSEMENTS & TAX REPORTING		\$ 7,251.00		\$ 8,209.50
SUB-TOTAL ADMINISTRATION COSTS		\$ 52,182.00		\$ 57,105.30
Estimated Postage		\$ 5,317.00		\$ 11,910.00
TOTAL ADMINISTRATION COSTS		\$ 57,499.00		\$ 69,015.30
NOT TO EXCEED TOTAL ADMINISTRATION COSTS		\$ 52,000.00		\$ 59,242.26