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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

4EC HOLDINGS, LLC,
Plaintiff,

v.

LINEBARGER GOGGAN BLAIR &
SAMPSON, LLP,
Defendant.

Case No. [14-cv-01944-VC](#)

ORDER

Following the hearing on the motion for preliminary approval, the Court requests that the parties file a joint brief by February 20, 2014, addressing, in no particular order, the following questions:

- What is the average claim amount per class member? What is the median claim amount?
- What is the parties' best estimate of the amount of money that will actually be claimed by the class members, and what is the information/data upon which that estimate is based?
- Suppose the class members only claim \$200,000. Would a settlement that involved payment of \$200,000 to the class members, \$300,000 to the settlement administrator, and roughly \$1.6 million in attorneys' fees to plaintiffs' counsel be fair? Why or why not?
- If this case continued in litigation, what (if anything) would be a realistic recovery for the plaintiffs (including penalties), and why?
- On what basis have the parties concluded that the defendant received roughly \$6 million as a result of its collection activities? Should the Court or the plaintiff be

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required to review the defendant's financial records to confirm that estimate?

- Counsel for the defendant asserted at the hearing that the taxpayers were harmed by the conduct of the class members. Is there an argument that unclaimed funds should be distributed to the defendant's clients rather than the defendant? If not the defendants' clients, some other governmental entity or entities? If not some other governmental entity, anyone else?
- How would money be distributed to class members in the event of a judgment following trial? Would the Court still face a question of what to do with unclaimed funds?

To the extent the parties disagree on the answers to these questions they can file separate sections in the joint brief.

IT IS SO ORDERED.

Dated: January 23, 2015



VINCE CHHABRIA
United States District Judge