

# EXHIBIT A

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December 29, 2010

## VIA FIRST CLASS MAIL

The Honorable Eric H. Holder, Jr.  
Attorney General of the United States of America  
950 Pennsylvania Avenue, N.W.  
Room 5111  
Washington, DC 20530

Re: *Kardonick, et al. v. JPMorgan Chase & Co., et al.,*  
No. 10-cv-23235-WMH (S.D. Fla.)

Dear Attorney General Holder:

We represent JPMorgan Chase & Co. ("JPMorgan") and Chase Bank USA, N.A. ("Chase"), who have been named as defendants in the above-captioned matter. JPMorgan is a bank holding company, and Chase is a national banking association. Pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715, we hereby notify you of a proposed settlement with the Chase defendants in that lawsuit.

In accordance with federal regulations codified at 12 C.F.R. part 37, Chase offers its cardmembers debt cancellation and suspension products that enable a cardmember to suspend or cancel their credit card payments in certain situations. Plaintiffs allege that Chase violated various federal and state consumer protection laws based on how it markets and administers these products. Chase denies that it has engaged in any wrongdoing, but the parties have agreed to a proposed settlement. As part of the settlement, Chase has agreed to pay \$20,000,000 into a settlement fund to cover payments to class members, attorney fees, and costs of notice and administration.

Defendants further state as follows:

1. Complaints. Copies of the original class action complaint (filed on September 8, 2010) and the Amended Consolidated Class Action Complaint (filed on December 21, 2010) are enclosed as Exhibits 1 and 2, respectively. The proposed settlement also resolves claims asserted against Chase in *David v. JPMorgan Chase & Co., et al.*, No. 10-cv-1415 (E.D. Ark.), and *Clemens v. JPMorgan Chase & Co., et al.*, No. 10-cv-949 (E.D. Wisc.). Copies of those complaints are enclosed as Exhibits 3 and 4, respectively.

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2. Hearing. No judicial hearings related to the proposed settlement have been scheduled. On December 21, 2010, Plaintiffs filed a motion asking the Court to schedule a preliminary approval hearing.

3. Notice. A proposed notice plan is included at Section VIII of the attached Stipulation and Agreement of Class Action Settlement (“the Settlement Agreement”). Under the notice plan, a short-form notification of class settlement will be mailed to class members at their last known address and published in a national newspaper. This short-form notification, which is enclosed as Exhibit 5, directs class members to a settlement website or invites them to contact the Settlement Administrator for more information. A longer notice, attached as Exhibit 6, is available on the settlement website or from the Settlement Administrator. The notices inform class members of their right to request exclusion from the settlement.

4. Settlement Agreement. A copy of the Settlement Agreement entered into by the parties in the above-captioned action, with exhibits, is enclosed as Exhibit 7.

5. Other Agreements. In accordance with Section X.D of the Settlement Agreement, the parties have agreed that Chase has the right to terminate the Settlement Agreement if more than a specified number of individuals opt out of the settlement class. A copy of this confidential agreement is enclosed as Exhibit 8.

Besides the Settlement Agreement and the agreement set forth in Exhibit 8, no other settlement or agreement has been made between class counsel and the Defendants.

6. Final Judgment. No final judgment or notice of dismissal has been entered in the above-captioned class action.

7. Class Members. Plaintiffs seek to certify a class comprised of the following members:

All Chase Cardholders who were enrolled or billed for a Payment Protection Product at any time between September 1, 2004 and November 11, 2010. Excluded from the class are all Chase Cardholders whose Chase Credit Card Accounts that were enrolled or billed for a Payment Protection Product were discharged in bankruptcy.

Because the parties estimate that more than 14 million people are included in the class, it is not feasible to provide the names of class members who reside in each state, as contemplated by 28 U.S.C. § 1715(b)(7)(A). Furthermore, because the settlement fund will be distributed to class members who make a valid claim, it not feasible to determine at this time the share of claims that will be paid to class members on a state-by-state basis. Attached as Exhibit 9 is a reasonable state-by-state estimate of the number of Chase cardholders who have enrolled in a

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payment protection product between September 1, 2004 and November 11, 2010, as well as the estimated percentage of class members living in each state.

8. Opinions. There are no written judicial opinions relating to the materials described in items 3 through 6 above.

\* \* \*

In connection with the proposed settlement, the Chase defendants will seek a certification by the Court that they have complied with all applicable notice requirements under the Class Action Fairness Act.

The foregoing information is provided based upon the information currently available to the Chase defendants and the status of the proceedings at this time. Please contact me if you require any additional materials or if you need any further information about the aforementioned matters.

Sincerely,



Andrew Soukup

Enclosures