

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

Case No. 1:10-cv-23235/HOEVELER

DAVID KARDONICK, JOHN DAVID and
MICHAEL CLEMINS, individually and on behalf of
all others similarly situated and the general public,

Plaintiff,

v.

JPMORGAN CHASE & CO. and CHASE BANK
USA, N.A.

Defendants.

DECLARATION OF RONALD A. BERTINO, C.P.A.

I, Ronald A. Bertino, C.P.A., hereby declare pursuant to 28 U.S.C. § 1746 as follows:

1. I am a partner of the Certified Public Accounting firm of Heffler, Radetich & Saitta L.L.P. ("HR&S" or the "Settlement Administrator"), the offices of which are at Suite 1700, 1515 Market Street, Philadelphia, Pennsylvania 19102. HR&S was appointed as Settlement Administrator in the *Kardonick v. JPMorgan Chase & Co. et al.* litigation, by an Order dated February 2, 2011¹ approving the Stipulation and Agreement of Class Action Settlement ("Stipulation") filed December 20, 2010, to supervise and administer the settlement notice and claims processes. I have been responsible for monitoring and overseeing the notice and administration processes.

¹ This Order was corrected and signed by Judge Hoeveler on February 11, 2011.

2. On February 9, 2011 HR&S received electronically, from Defendants 15,593,495 account files listing the names, addresses, last four digits of Social Security Number, date of birth and pertinent account identification information for the members of the Class.

3. Pursuant to Paragraph VIII.A of the Stipulation, HR&S sent these names and addresses to a licensee of the United States Postal Service's ("USPS") National Change of Address ("NCOA") database, for address standardization and updates. All changes received were applied to the mailing database. A total of 616 records did not contain sufficient information for mailing, and were sent back to Chase for updated information. Chase supplied the necessary information, and we updated the mailing database.

4. Also pursuant to Paragraph VIII.A of the Stipulation, HR&S was responsible for, among other things, mailing "one Notice to each member of the Settlement Class, even if the member of the Settlement Class had more than one Chase Credit Card Account with a Payment Protection Product." We electronically compared the data of all 15,593,495 accounts with each other, found sufficient common factors on a total of 453,819 records, electronically linked these records to one (1) original record, and produced and sent a file of 15,139,676 names and addresses to a printing/ mailing agent for processing. Due to the vast number of accounts, this process was performed electronically; some persons may have received more than one Notice if all of their accounts could not be commonized in this process.

5. From time to time, HR&S personnel visited the site of the printing/ mailing agent to assist, coordinate and supervise the mailing processes. Beginning March 31, 2011 and ending on April 8, 2011, the addressed postcard Notices were delivered to the USPS to be mailed via first-class mail, as follows:

<u>Mail Date</u>	<u>Number</u>
March 31, 2011	2,264,574
April 1, 2011	2,579,800
April 4, 2011	1,158,933
April 5, 2011	5,104,767
April 6, 2011	2,101,933
April 8, 2011	<u>1,929,669</u>
<u>Total:</u>	<u>15,139,676</u>

A sample Notice postcard is attached hereto as Exhibit A. In resolving all claims in the Litigation, the Defendants agreed to pay \$20 Million in cash into a Settlement Fund for the benefit of the class. This total amount includes Advanced Notice Costs of \$3,607,350.00 to effectuate notice. See Stipulation and Settlement [Dkt # 16] at VI(A). We were informed by Plaintiffs' counsel that on March 2, 2011, Defendants paid the remainder of the \$20 Million in cash into a Settlement Fund and by April 8, 2011, the Settlement Administrator caused all Notices to be mailed to Class members.

6. Pursuant to Paragraph VIII.C of the Stipulation, HR&S caused the Publication Notice to be published in the national edition of *USA Today* on April 6, 2011. An affidavit obtained from the Principal Clerk of *USA Today* is attached hereto as Exhibit B.

7. Paragraph VIII.D of the Stipulation explains the process to be followed for any Notices returned by the USPS. HR&S has received a total of 1,079,084 Notices returned by the USPS as undeliverable. Of those, a total of 63,372 contained a forwarding address supplied by the USPS and were re-mailed, or are in the process of being re-mailed, to that address. The remaining 1,015,712 names and addresses were sent, or are being sent, to TransUnion pursuant to the Stipulation in an attempt to obtain an updated mailing address. Of those sent to TransUnion, HR&S received an updated address for a total of 601,590 records, to which a Notice was re-mailed, or is in the process of being re-mailed, to those addresses. The mailing database is updated for all new addresses received. We continue to receive undeliverable Notices returned by the USPS and will continue to process them in this manner.

8. Pursuant to Paragraph VIII.E of the Stipulation, on or about March 29, 2011 HR&S completed the process of designing and implementing a website to provide information about the settlement to the class, to provide and to accept online claims, and to provide the following case-related documents: the Amended Consolidated Class Action Complaint, the Preliminary Approval Order, Class Counsel's Petition for an Award of Fees and Expenses, the Proposed Final Approval Order, the Stipulation, the Notice, the Long-Form Notice and the Publication Notice; and answers to frequently-asked-questions ("FAQ").

9. Pursuant to Paragraph VIII.F of the Stipulation, HR&S opened and maintained P.O. Box 280, Philadelphia, PA 19102-0280 for the purpose of receiving all written correspondence from Class Members, including requests for the Long-Form Notice and/or the Hard-Copy Claim Form. Additionally, HR&S established a toll-free telephone number with recorded FAQs and live operator service for the purpose of answering inquiries from Class Members and receiving requests for the Long-Form Notice and/or the Hard-Copy Claim Form. Through August 24, 2011, we received 25,603 calls, letters and e-mails requesting a copy of the Notice/Claim Forms. Copies of the long form Notice and Claim Form package were mailed in response to the requests.

10. Through August 24, 2011, the settlement website has been visited 336,054 times. In addition, class members have made 61,932 calls to the toll-free number to listen to the recorded message and 12,459 of those callers selected the option and spoke with an operator.

11. Through August 24, 2011, HR&S has received a total of 3,862 requests for exclusion. A listing of the names and addresses of the requestors is included as Exhibit C. Of these 3,862 requests, a total of 3,834 are timely-filed and are listed in the date order received on pages 1-64 of the listing. A total of 28 are late-filed and are listed in the date order received, along with the date received, on page 65 of the listing.

12. Through August 24, 2011, HR&S has received a total of 233,695 claim forms. The allocation between claim forms filed electronically and via mail or facsimile are:

	<u>Timely-Filed</u>	<u>Late-Filed</u>
Electronic	221,552	1,604
Paper	<u>8,926</u>	<u>1,613</u>
<u>Total</u>	<u>230,478</u>	<u>3,217</u>

13. The valid, timely-filed claims received have been allocated into the three categories outlined in the Plan of Administration and Distribution². Category 1 claims are Class Members who made a claim for payment protection benefits and had their claim denied, and whose payment will be calculated at 4 times the Category 3 payment. Category 2 claims are Class Members who state they have been billed and/or enrolled in a Chase Payment Protection Product without their knowledge or consent and fall under one of the exclusions listed in the Cardmember Agreement, and whose payment will be calculated at 2 times the Category 3 payment. Category 3 claims are Class Members who submitted a valid, timely claim form but do not fall in either of the first two categories, are not completely satisfied with the Chase Payment Protection Product(s) in which they were enrolled at some point during the class period, and whose payment is at the amount calculated based on the funds available and the number of claims filed by Category. The estimated payments below are based on the gross settlement funds. The invalid, timely-filed claims received have been allocated into categories based on the issue with their claim, as explained below. The allocation of claims is:

	<u>Number</u>	<u>Accounts</u>	<u>Estimated Payment</u>
<u>Valid, Timely-filed Claims:</u>			
Category 1:	10,953	12,689	\$ 2,808,652.00
Category 2:	73,402	81,648	9,036,207.00
Category 3:	<u>128,899</u>	<u>147,374</u>	<u>8,155,141.00</u>
<u>Valid Totals:</u>	<u>213,254</u>	<u>241,711</u>	<u>\$20,000,000.00</u>

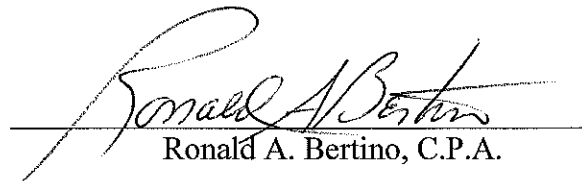
² The Plan of Administration and Distribution was submitted to the Court in December 20, 2010 as Exhibit I of the Stipulation and Agreement of Class Action Settlement.

	<u>Number</u>	<u>Accounts</u>
<u>Invalid, Timely-filed Claims:</u>		
No Affected Accounts Noted:	16,894	16,894
No Answer to Question #4:	84	87
No Signature:	2	2
Multiple Reasons:	<u>244</u>	<u>244</u>
<u>Invalid Totals:</u>	<u>17,224</u>	<u>17,227</u>
 <u>Grand Total:</u>	 <u>230,478</u>	

We will correspond with any claimant with a deficient claim in an attempt to clear the deficiency. Additionally, as noted in paragraph 12 above, we have thus far received a total of 3,217 claims subsequent to the filing deadline. These are not included in the above allocation chart. The actual distribution numbers will be based on a pro-rata of the funds available (“Net Settlement Funds”) after payment of settlement notice and administration costs, attorneys’ fees and expenses and any settlement class representative awards. The above chart also does not take into consideration which accounts will have the distribution amount applied against a charge off amount. This determination will be made once the final amounts are calculated.

14. The figures presented in this declaration are the results of the administration services completed to date.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief. Executed on August 25, 2011.


 Ronald A. Bertino, C.P.A.