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September 25, 2012

**Via email: rwick@cov.com**

Robert Wick, Esq.  
COVINGTON & BURLING, LLP  
1201 Pennsylvania Avenue NW  
Washington, D.C. 20004-2401

**Re: *Your Letter re Kardonick v. JP Morgan Chase & Co., et al.***

Dear Mr. Wick:

We are in receipt of your September 20, 2012 letter regarding the above-described matter. Please accept this letter as a rejection of your proposal and request. As you probably know, your colleagues took a similar position on behalf of Capital One Bank, and they summarily lost. We have attached the order from *Spinelli v. Capital One Bank, N.A.*, Case No. 8:08-cv-00132 (M.D. Fla., Tampa, 8/22/2012), for your reference.

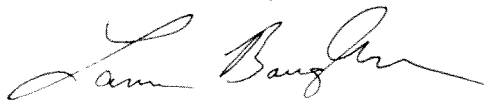
As the district court in *Spinelli* held, a consumer class action release does not apply to enforcement actions by state attorneys general. There, as in *Kardonick*, the class was circumscribed to account holders. The state attorneys general who we represent are not suing in their capacities as account holders. Nor are their enforcement actions raising claims that account holders had the authority to raise, much less release, in a class settlement. Thus, they are not bound by the class release.

Moreover, the Florida court rejected Capital One's arguments despite the fact that the language of the *Spinelli* settlement agreement and order, unlike the *Kadronick* settlement agreement and order, *expressly* purported to bar claims by state attorneys general. The vague reference to "representatives" in the *Kardonick* settlement agreement and order makes Chase's position simply untenable.

If you intend to file a motion, please be forewarned that we deem such a motion frivolous, and reserve our rights to seek sanctions and attorneys' fees.

Sincerely,

BARON & BUDD, P.C.



Laura J. Baughman

LJB/abw  
Enclosure/attachment  
Cc: Richard M. Golomb, Esq.