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2 UNITED STATES DISTRICT COURT
3 WESTERN DISTRICT OF WASHINGTON
4 AT TACOMA
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6 AMRISH RAJAGOPALAN, MARIE
7 JOHNSON-PEREDO, ROBERT
8 HEWSON, DONTE CHEEKS,
9 DEBORAH HORTON, RICHARD
10 PIERCE, ERMA SUE CLYATT,
11 ROBERT JOYCE, AMY JOYCE,
12 ARTHUR FULLER, DAWN MEADE,
13 WAHAB EKUNSUMI, KAREN HEA,
14 and ALEX CASIANO on behalf of
15 themselves and all others similarly
16 situated,

17 Plaintiffs,

18 v.

19 MERACORD, LLC,

20 Defendant.
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NO. 12-CV-05657-BHS

**ORDER GRANTING PLAINTIFFS'
MOTION FOR CLASS
CERTIFICATION**

1 This matter comes before the Court on Plaintiffs' Motion for Class Certification
2 ("Motion"), filed March 10, 2015.

3 Upon consideration of the foregoing Motion, the papers submitted in support and
4 opposition thereto, and good cause appearing, IT IS HEREBY ORDERED that:

5 Plaintiffs' Motion is GRANTED. Pursuant to Federal Rule of Civil Procedure 23, the Court
6 certifies a Class consisting of all persons in a Surety State who established an account with
7 Meracord, LLC (formerly NoteWorld) or any subsidiary thereof from which Meracord processed
8 any payments related to debt settlement, including MARS, within the Bond Period of their state of
9 residence.

10 Surety States and respective Bond Periods are defined as follows:

Surety States	Bond Periods
Alaska	August 5, 2009–Present
Alabama	July 24, 2009–Present
Arkansas	July 31, 2010–Present
Arizona	November 29, 2008–Present
California	April 15, 2012–Present
Colorado	August 6, 2008–Present
Connecticut	November 1, 2007–Present
Washington D.C.	October 19, 2009–Present
Delaware	September 21, 2009–Present
Florida	February 1, 2009–Present
Georgia	January 12, 2009–Present
Hawaii	July 9, 2009–Present
Iowa	March 1, 2009–Present
Idaho	August 3, 2009–Present
Illinois	October 27, 2010–Present
Indiana	February 5, 2009–Present
Kansas	July 15, 2009–Present
Kentucky	October 19, 2009–Present

1	Louisiana	March 20, 2009–Present
2	Maryland	January 1, 2009–Present
3	Maine	July 24, 2009–Present
4	Michigan	December 31, 2010–Present
5	Minnesota	February 13, 2009–Present
6	Missouri	October 10, 2010–Present
7	Mississippi	May 5, 2009–Present
8	North Carolina	March 5, 2009–Present
9	North Dakota	September 21, 2009–Present
10	Nebraska	May 29, 2009–Present
11	New Hampshire	November 30, 2008–Present
12	New Jersey	November 30, 2008–Present
13	Nevada	May 5, 2009–Present
14	New York	July 1, 2009–Present
15	Ohio	April 1, 2009–Present
16	Oklahoma	March 23, 2009–Present
17	Pennsylvania	June 27, 2008–Present
18	Rhode Island	June 23, 2009–Present
19	South Dakota	August 5, 2009–Present
20	Tennessee	September 22, 2010–Present
21	Texas	October 3, 2007–Present
22	Virginia	August 27, 2009–Present
23	Vermont	September 21, 2009–Present
24	Washington	September 29, 2008–Present
25	Wisconsin	June 3, 2009–Present
26	West Virginia	March 20, 2009–Present
	Wyoming	October 22, 2009–Present

Excluded from the Class are Defendant, its officers and directors, members of their immediate families and their legal representatives, heirs, successors, or assigns, and any entity in which any of the above have or had a controlling interest.

1 Also excluded are (1) Meracord customers in Washington state whose debt
2 settlement accounts were opened between July 26, 2007, and October 18, 2011 (those within the
3 Class Period covered by the settlement in *Wheeler v. NoteWorld*, 2:10-cv-00202-LRS (E.D.
4 Wash.)); (2) Meracord customers in Georgia whose debt settlement accounts were opened
5 between July 26, 2007, and July 28, 2011 (those within the Class Period covered by the settlement
6 in *Morefield v. NoteWorld*, Case No. 1:10-CV-00117 (S.D. Ga.)); and (3) Meracord customers
7 who signed agreements with Debt Shield as their Front DRC, and whose accounts were opened
8 between July 26, 2007, and September 25, 2013 (those within the Class Period covered by the
9 settlement in *Haile v. Debt Shield*, Case No. 2:08-CV-04295-SOW (W.D. Mo.)).

10 The Court finds that (1) the Class is so numerous that joinder of all members is
11 impracticable; (2) there are questions of law or fact that are common to the Class; (3) the claims of
12 the Class Representatives are typical of the claims of the Class; and (4) the Class Representatives
13 will fairly and adequately protect the interests of the class.

14 The Court finds that Washington law should apply nationwide, and that Plaintiffs have
15 demonstrated that Defendant has sufficient contacts with the state of Washington under *Phillips*
16 *Petroleum Co. v. Shutts*, 472 U.S. 797, 821-822 (1985).

17 The Court appoints Plaintiffs Amrish Rajagopalan, Marie Johnson-Peredo, Robert Hewson,
18 Donte Cheeks, Deborah Horton, Richard Pierce, Erma Sue Clyatt, Robert Joyce, Amy Joyce,
19 Arthur Fuller, Dawn Meade, Wahab Ekunsumi, Karen Hea, and Alex Casiano as Class
20 Representatives. The Court also appoints the law firms of Hagens Berman Sobol Shapiro LLP and
21 The Paynter Law Firm PLLC as Class Counsel pursuant to Federal Rule of Civil Procedure 23(g).

22 The Court finds that certification is appropriate under Rule 23(b)(1) because there are
23 limited and insufficient funds available to compensate the Class. Specifically, the Court finds that
24 any damages award to the Class will far exceed any remaining assets of Meracord and far exceed
25 available surety bonds issued in favor of Meracord. All the available funds will be devoted to
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1 compensating Class members, less allowances for costs and attorneys' fees. Certification will
2 ensure that all similarly situated Class members are treated equitably.

3 Pursuant to Rule 23(c)(2)(A), the Court exercises its discretion to direct notice. Given that
4 Defendant has reported that the customer database provided to Plaintiffs contains email addresses
5 for approximately 75% of the customer accounts, and given that Plaintiffs' counsel also maintain a
6 database of additional customers who have contacted them, the Court finds that the most efficient
7 and cost effective notice under the circumstances is email notice by Class Counsel to all valid
8 email addresses found in the customer databases. That notice shall be substantially in the form of
9 Exhibit A to this Order, and shall be sent out within 30 days of this Order.

10 IT IS SO ORDERED.

11 Dated: May 14, 2015

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15 BENJAMIN H. SETTLE
16 United States District Judge

17 **Presented By:**

18 HAGENS BERMAN SOBOL SHAPIRO LLP

19
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21 By: /s/ Thomas E. Loeser

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EXHIBIT A

SUBJECT: Important Notice from the United States District Court for the District of Washington about a
Class Action

If you were a customer of MERACORD, LLC (formerly NOTEWORLD, LLC) who signed up for Meracord's payment processing services as part of a DEBT RELIEF PROGRAM, you may be affected by a recent legal decision.

What is this about?

Starting in 2011, Meracord was sued by former customers ("Plaintiffs") who alleged that Meracord, along with a number of debt-relief companies, engaged in a fraudulent scheme to charge excessive and illegal fees. The Plaintiffs alleged that Meracord's actions violated the Washington Debt Adjusting Act, the Washington Consumer Protection Act, and other laws.

For a copy of the most recent Complaint in the lawsuit, [click here](#).

The lawsuit was a "class action" on behalf of all customers who signed up for Meracord's services as part of any debt relief program, including any program designed to settle, reduce, modify, or eliminate debts (whether that debt was in the form of a credit card, charge card, student loan, mortgage, or other form).

The Court recently certified a Class in this lawsuit, which means that any legal result of the lawsuit will affect not only the Plaintiffs, but all members of the Class.

Who's included in the Class?

You are included in the Class if you are a resident of a "Surety State," and Meracord processed any payments for you related to a debt relief program, as long as at least one of those payments was withdrawn during the "Bond Period" listed for that state. To see a list of Surety States and their applicable Bond Periods, [click here](#).

Will I get money from this lawsuit?

Meracord is out of business and has almost no assets. However, Meracord was required to obtain surety bonds in many states when it became licensed as a money transmitter, and those surety bonds could be a possible source of funds to compensate Class members. Plaintiffs are seeking a "default judgment" against Meracord. Assuming that the default judgment is awarded, Plaintiffs intend to recover as much as possible from the surety bonds. There is, however, no guarantee that any Class members will get compensation from the lawsuit, and even the full amount of the bonds will not be enough to fully compensate Meracord's customers for the fees they paid.

How can I get more information?

For more information about this lawsuit, you can visit the following website:
www.meracordclassaction.com

Who is Representing Me in This Lawsuit?

The Court has appointed two law firms to represent the Class: The Paynter Law Firm PLLC and Hagens Berman Sobol & Shapiro LLP. To contact either firm visit www.paynterlawfirm.com or www.hbsslaw.com.