

AMENDED SETTLEMENT AGREEMENT

This Amended Settlement Agreement (the “Agreement”) is made by and between plaintiffs Alfredo M. Lopez (“Lopez”) and Lauren R. Greene (together, “Plaintiffs”), on their own behalf and on behalf of the Settlement Class as defined herein, and defendants American Express Bank, FSB and American Express Centurion Bank (together, “Defendants”). Plaintiffs and Defendants are referred to collectively as the “Parties” or individually as a “Party.”

I. RECITALS

The following recitals are material terms of this Agreement. This Agreement is made with reference to and in contemplation of the following facts and circumstances:

A. On October 8, 2009, Plaintiffs filed the original complaint against Defendants in the matter entitled Lopez, et al. v. American Express Bank, FSB, et al., Central District of California Case No. CV 09-07335 SJO (MANx), asserting claims against Defendants for violation of the Truth in Lending Act, 15 U.S.C. § 1601 et seq. (“TILA”), and for breach of the covenant of good faith and fair dealing based on changes made to the “fixed” interest rate on Lopez’s American Express credit card account. On January 8, 2010, Defendants filed a motion to compel arbitration and to stay the action. On January 27, 2010, Plaintiffs filed an amended complaint, asserting additional claims against Defendants for violation of California’s Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 et seq. (the “UCL”), and violation of California’s Consumers Legal Remedies Act, Cal. Civ. Code § 1750 et seq. (the “CLRA”). On February 22, 2010, Defendants filed a motion to dismiss the second, third and fourth causes of action of the amended complaint. On June 2, 2010, the Court entered an order denying the motion to compel. On July 2, 2010, the Court entered an order granting in part and denying in part the motion to dismiss. On September 17, 2010, the Court entered an order granting in part and denying in part Defendants’ motion to reconsider Defendants’ motion to compel. On October 6, 2010, Defendants appealed from the Court’s order granting in part and denying in part Defendants’ motion to reconsider and the Court’s order denying the motion to compel. The

appeal is currently pending before the Ninth Circuit in Lopez, et al. v. American Express Bank, FSB, et al., Docket No. 10-56599.

B. Defendants vigorously deny all claims asserted against them in the action, deny all allegations of wrongdoing and liability, deny all material allegations of the complaints filed by Plaintiffs and assert that they have numerous defenses as to both liability and damages.

Defendants nevertheless desire to settle the action on the terms set forth herein solely for the purpose of avoiding the burden, expense, risk and uncertainty of continuing these proceedings.

C. The Parties, through their respective counsel, engaged in multiple mediation sessions before the Honorable Edward A. Infante (Ret.) in an attempt to resolve the action. This Agreement resulted from and is the product of hours of meetings, negotiation and analysis by counsel knowledgeable and experienced in class action litigation.

D. On August 20, 2014, Plaintiffs sought preliminary approval of this class action settlement. The hearing was held on September 22, 2014. The Court declined to preliminarily approve the settlement, without prejudice, giving the Parties time to address the Court's concerns and renew the motion. The Parties now believe they have addressed the Court's concerns with this Amended Settlement Agreement and intend upon seeking preliminary approval.

E. The Parties understand, acknowledge and agree that the execution of this Agreement constitutes the settlement and compromise of disputed claims. This Agreement is inadmissible as evidence against any party except to enforce the terms of the Agreement and is not an admission of wrongdoing or liability on the part of any party to this Agreement.

F. The settlement contemplated by this Agreement is subject to preliminary and final approval by the Court, as set forth herein. This Agreement is intended by the Parties to fully, finally and forever resolve, discharge and settle the Released Claims (as defined herein), upon and subject to the terms and conditions hereof.

II. DEFINITIONS

A. As used in this Agreement, capitalized terms have the meanings specified below:

1. “Action” means Lopez, et al. v. American Express Bank, FSB, et al., Central District of California Case No. CV 09-7335 SJO (MANx).
2. “Basic Cardmember” means the Basic Cardmember on a Settlement Class Member’s account as defined in the Cardmember Agreement for the account.
3. “Claim Deadline” means the last day of the Claim Period.
4. “Claim Form” means the claim form to be submitted by Class Members, the Parties’ proposed form of which for the printed form is attached hereto as Exhibit F. Forms submitted electronically shall be modified so that they may be signed and submitted electronically.
5. “Claim Period” means the period of time in which a Class Member may submit a Claim Form to be eligible to receive a payment as part of the settlement. The last day of the Claim Period will be one hundred ninety-five (195) days after the date of Preliminary Approval.
6. “Class Counsel” means the attorneys and law firms listed on the signature page of this Settlement Agreement representing Plaintiffs and the Settlement Class.
7. “Class Notice” means all types of notice that will be provided to the Settlement Class pursuant to this Agreement, including the Postcard Notice, Internet Notice, Statement Notice and Email Notice.
8. “Company” means the Company, if any, on a Settlement Class Member’s account as defined in the Cardmember Agreement for the account.
9. “Court” means the United States District Court for the Central District of California.
10. “Cy Pres Distribution” means the cy pres charitable amount that will be distributed in connection with the settlement.
11. “Distribution Date” means thirty (30) days after the Settlement Amount, less any award of Class Counsel’s attorneys’ fees and costs, any incentive awards and any

Eligible Claims paid via account credit, is delivered to the Settlement Administrator.

12. “Effective Date” means seven (7) days after Final Judgment.

13. “Eligible Settlement Class Member” means a Settlement Class Member who has not opted out of the Settlement Class, is a Basic Cardmember, has submitted a valid and timely Claim Form and is entitled to receive payment of the Claim Amount, as set forth herein.

14. “Eligible Claim” means a payment to be made to an Eligible Settlement Class Member.

15. “Email Notice” means the individual notice that will be provided pursuant to paragraph 4 of section III.C, the Parties’ proposed form of which is attached hereto as Exhibit E.

16. “Final Approval Hearing” means the hearing at or after which the Court will make a final decision whether to approve the settlement set forth in this Agreement as fair, reasonable and adequate.

17. “Final Approval Order” means the order to be submitted to the Court in connection with the Final Approval Hearing, the Parties’ proposed form of which is attached hereto as Exhibit G.

18. “Final Judgment” means the later of: (a) thirty-one (31) days after the Final Approval Order and Judgment (or, as applicable, the order awarding attorneys’ fees and costs) are entered if no document is filed within that time seeking appeal, review, rehearing, reconsideration or any other action regarding the orders or the time to appeal; or (b) if any document is filed within that time seeking appeal, review, rehearing, reconsideration or any other action regarding the orders or the time to appeal, then fourteen (14) days after the date upon which all appellate and/or other proceedings resulting from the document have been finally terminated and the orders are affirmed in such a manner as to permit no further judicial action.

19. “Internet Notice” means the full-length form of notice that will be made available for download pursuant to paragraph 6 of section III.C, the Parties’ proposed form of

which is attached hereto as Exhibit C.

20. “Judgment” means the judgment dismissing the Action with prejudice upon entry of the Final Approval Order.

21. “Lead Class Counsel” means Marc R. Stanley and Matthew Zevin of the Stanley Law Group and Michael Braun of Braun Law Group, P.C.

22. “Postcard Notice” means the individual notice that will be provided pursuant to paragraph 5 of section III.C, the Parties’ proposed form of which is attached hereto as Exhibit B.

23. “Preliminary Approval Order” means the order to be submitted to the Court in connection with the preliminary approval hearing on the settlement, the Parties’ proposed form of which is attached hereto as Exhibit A.

24. “Released Claims” means, as to Settlement Class Members, the releases identified in paragraphs 1, 3 and 4 of section III.I and, as to Plaintiff, the releases identified in paragraphs 2 through 4 of section III.I.

25. “Released Parties” means the parties released in section III.I.

26. “Settlement Administrator” means Epiq Systems or another third-party settlement administrator selected by Defendants and approved by Class Counsel, whose approval shall not be unreasonably withheld.

27. “Settlement Amount” means the total amount that Defendants agree to pay in complete and final settlement of the Action, consisting of: (a) the Claim Amount times the number of Eligible Claims; (b) Settlement Costs; and (c) any award of Class Counsel’s attorneys’ fees and expenses and approved class representative incentive awards. Under no circumstances will Defendants be required to pay an amount in excess of the Maximum Settlement Amount.

(a) “Base Claim Amount” means thirty-two dollars and fifty cents (\$32.50).

(b) “Claim Amount” means the Base Claim Amount, subject to the

following adjustments:

(i) If Settlement Costs are at least five hundred thousand dollars (\$500,000) and the number of Eligible Claims times the Base Claim Amount is less than three million five hundred thousand dollars (\$3,500,000), the Claim Amount shall be equal to three million five hundred thousand dollars (\$3,500,000) divided by the number of Eligible Claims;

(ii) If Settlement Costs are less than five hundred thousand dollars (\$500,000) and Settlement Costs plus the number of Eligible Claims times the Base Claim Amount is less than four million dollars (\$4,000,000), the Claim Amount shall be equal to four million dollars (\$4,000,000) less the Settlement Costs, divided by the number of Eligible Claims;

(iii) If the Claim Amount (as calculated above) times the number of Eligible Claims would exceed the Maximum Net Settlement Amount, the Claim Amount shall be equal to the Maximum Net Settlement Amount divided by the number of Eligible Claims.

(c) “Maximum Net Settlement Amount” means the Maximum Settlement Amount less Settlement Costs, any award of Class Counsel’s attorneys’ fees and costs and any incentive awards.

(d) “Maximum Settlement Amount” means six million dollars (\$6,000,000).

28. “Settlement Class” means: All persons or entities in the United States who: (a) had a consumer or small-business American Express credit card or charge card account with American Express Centurion Bank or American Express Bank, FSB; and (b) had a fixed annual percentage rate for purchases on the account that was increased or changed to a variable rate at any time between October 1, 2005 and December 31, 2010; or (c) had a fixed annual percentage rate for purchases on the account and were provided notice of an increase in the fixed

rate or a change from the fixed rate to a variable rate at any time between October 1, 2005 and December 31, 2010.

29. “Settlement Class Member” means a person or entity in the Settlement Class.

30. “Settlement Costs” means: (a) Class Notice costs (including costs of any additional notice ordered by the Court); and (b) settlement administration costs, including, among other things, the cost of printing and mailing settlement payments, the cost of printing and mailing notices and/or Claim Forms specifically requested by Class Members, the cost of maintaining a post office box for receiving Claim Forms and opt-out requests and any other costs incurred by the Settlement Administrator in connection with the administration of the settlement. Settlement Costs will be paid from the Settlement Fund.

31. “Settlement Fund” means the fund to be established by the Settlement Administrator to make all payments pursuant to the settlement other than any award of Class Counsel’s attorneys’ fees and costs and any incentive awards.

32. “Statement Notice” means the individual notice that will be provided pursuant to paragraph 3 of section III.C, the Parties’ proposed form of which is attached hereto as Exhibit D.

B. Capitalized terms used in this Agreement but not defined above shall have the meaning ascribed to them in this Agreement, including the attached Exhibits.

III. TERMS OF SETTLEMENT

A. Amendment Of The Complaint: On August 28, 2014, Plaintiffs filed a Second Amended Complaint asserting claims on behalf of the Settlement Class. The Second Amended Complaint included claims on behalf of the Settlement Class based on changing fixed annual percentage rates to higher fixed annual percentage rates and changing fixed annual percentage rates to variable rates.

B. Conditional Certification Of Settlement Class: Solely for the purposes of

settlement, providing Class Notice and implementing this Agreement, the Parties agree to conditional certification of the Settlement Class, as defined above, which shall be certified for settlement purposes only.

C. Preliminary Approval And Class Notice:

1. Preliminary Approval: On or after ten (10) days following execution of this Agreement by all Parties, Plaintiffs will move the Court for entry of the Preliminary Approval Order, which shall specifically include provisions that: (a) deem the Second Amended Complaint filed, served and controverted as of the date of the Preliminary Approval Order; (b) preliminarily approve the settlement reflected herein as fair, adequate and reasonable, and within the reasonable range of possible final approval; (c) conditionally certify the Settlement Class for settlement purposes only and appoint Class Counsel as counsel for the Settlement Class for settlement purposes only; (d) approve the forms of Class Notice and find that the notice program set forth herein constitutes the best notice practicable under the circumstances, is due and sufficient notice to the Settlement Class and fully satisfies the requirements of due process and Federal Rule of Civil Procedure 23; (e) direct that notice be provided to the Settlement Class, in accordance with the settlement; (f) establish a procedure for Settlement Class Members to object to the settlement or exclude themselves from the Settlement Class, and set a date one hundred ninety-five (195) days following entry of the Preliminary Approval Order, after which no one shall be allowed to object to the settlement or exclude himself or herself from the Settlement Class or seek to intervene in the Action; (g) approve the Claim Form and the claims submission process described herein; (h) pending final determination of whether the settlement should be approved, bar all Settlement Class Members, directly, on a representative basis or in any other capacity from commencing or prosecuting against any of the Released Parties any action, arbitration or proceeding in any court, arbitration forum or other tribunal asserting any of the Released Claims; (i) pending final determination of whether the settlement should be approved, stay all proceedings in the Action except those related to the effectuation of the settlement; and

(j) schedule a hearing on final approval of the settlement, which shall be no less than thirty-five (35) days after the opt-out and objection deadline.

2. Timing Of Class Notice: Class Notice shall be provided within one hundred fifty (150) days following the Court's entry of the Preliminary Approval Order and shall be in the forms approved by the Court.

3. Statement Notice: Defendants will provide individual notice to all Settlement Class Members who are current card members to whom Defendants mail or make electronically available a periodic statement in the month (or billing period) in which the mailing or electronic delivery will occur. Notice will be made by a statement message included on the statement. If mailed, the Statement Notice shall be mailed to the then-current address reflected in Defendants' computerized account records. If mailed and the address is invalid, Defendants shall engage in a single round of skip-tracing (which may consist of either a National Change of Address search or an examination of the returned item for an alternate address provided by the Post Office) and attempt a second delivery by mail if an alternate address is identified. For Settlement Class Members who are current cardmembers but are not provided a periodic statement in the month (or billing period) in which the mailing or electronic delivery will occur (for example, cardmembers who do not carry a balance), notice shall be provided through the Statement Notice via a solo mailing or through a Postcard Notice as described below.

4. Email Notice: Defendants or the Settlement Administrator will provide individual notice to Settlement Class members who are non-current cardmembers and for whom Defendants have a valid email address (as reflected in Defendants' computerized account records) via e-mail. The Email Notice shall be e-mailed to the then-current address reflected in Defendants' computerized account records.

5. Postcard Notice: Defendants or the Settlement Administrator will provide individual notice to Settlement Class members to whom Defendants and the Settlement Administrator do not provide Statement Notice or Email Notice, or whose Email Notice is not

delivered due to an undeliverable address, by mailing the Postcard Notice to the then-current address reflected in Defendants' computerized account records. If the address is invalid, Defendants or the Settlement Administrator will engage in a single round of skip tracing and attempt a second delivery by mail if an alternate address is identified.

6. Internet Notice: On or before the date that Statement Notice, Email Notice or Postcard Notice is first provided, Defendants or the Settlement Administrator will establish a settlement web page (which shall be distinct from and not linked to any websites belonging to Defendants) which will publish, and make available for download, a full-length, downloadable form of the Settlement Agreement, Internet Notice and Claim Form. In addition, the website will have the capacity for electronic completion and submission of claim forms. The domain name of the website shall be selected by Defendants and approved by Class Counsel. The settlement web page shall remain active at least until the date of the Final Approval Hearing and one hundred twenty (120) days after the end of the Claim Period.

7. Returned Mail: The requirement to provide Class Notice within one hundred fifty (150) days following the Court's entry of the Preliminary Approval Order shall not apply to a second delivery by mail if a Statement Notice or Postcard Notice is returned due to an invalid address.

D. Opt-Out Right/Termination:

1. Settlement Class Members will possess the right to opt out by sending a written request to a designated address within one hundred ninety-five (195) days after entry of the Preliminary Approval Order. Exclusion requests must: (i) be signed by the Basic Cardmember; (ii) include the Basic Cardmember's full name, address and account number(s); and (iii) include a clear indication of a desire to opt-out of the settlement such as: "I/we request to be excluded from the class settlement in Lopez, et al. v. American Express Bank, FSB, et al., C.D. Cal. Case No. CV 09-7335 SJO (MANx)." For any Settlement Class Member who has more than one account, the exclusion request must specify each separate account. No request for

exclusion will be valid unless all of the information described above is included. For small business cardmembers, a request for exclusion by a Basic Cardmember shall be treated as a request for exclusion by the Basic Cardmember and the Company. The Settlement Administrator shall retain a copy of all requests for exclusion and shall provide a copy of any such requests to Class Counsel with the account number(s) redacted. Class Counsel will keep any such opt-out information confidential and use it only for purposes of determining whether a Settlement Class Member has properly opted out.

2. All Settlement Class Members who do not opt out in accordance with the terms set forth herein will be bound by all determinations and judgments in the Action. If the number of Settlement Class Members who opt out exceeds 2% of those who are provided with notice (Statement Notice, Email Notice or Postcard Notice), then Defendants in their sole discretion will have the right to terminate the settlement within fourteen (14) days after the opt-out deadline. In the event that the settlement is terminated pursuant to this provision, the Parties will be returned to the *status quo ante* as if no settlement had been negotiated or entered into.

E. Objections To The Settlement:

1. Any Settlement Class Member who has not previously opted out in accordance with the terms of this Agreement may appear at the Final Approval Hearing to argue that the proposed settlement should not be approved and/or to oppose the application of Class Counsel for an award of attorneys' fees and the incentive award to Plaintiffs.

2. In order to be heard at the hearing, the Settlement Class member must make any objection in writing and file it with the Court not later than one hundred ninety-five (195) days after entry of the Preliminary Approval Order. The objection must also be mailed to each of the following, postmarked not later than the last day to file the objection: (i) Class Counsel – Marc R. Stanley, Stanley Law Group, 6116 N. Central Expressway, Suite 1500, Dallas, TX 75206; and (ii) counsel for Defendants -- Julia B. Strickland, Stroock & Stroock & Lavan LLP, 2029 Century Park East, 16th Floor, Los Angeles, CA 90067.

3. If the number of Settlement Class Members who object exceeds 1% of those who are provided with notice (Statement Notice, Email Notice or Postcard Notice), then Defendants in their sole discretion will have the right to terminate the settlement within fourteen (14) days after the objection deadline. In the event that the settlement is terminated pursuant to this provision, the Parties will be returned to the *status quo ante* as if no settlement had been negotiated or entered into.

F. Settlement Relief:

1. Monetary Consideration: In complete and final settlement of the Action, Defendants agree to pay a Settlement Amount of not less than four million dollars (\$4,000,000) and not greater than six million dollars (\$6,000,000).

2. Defendants shall determine the Settlement Amount pursuant to the terms of this Settlement Agreement and deliver such amount to the Settlement Administrator, less any award of Class Counsel's attorneys' fees and costs, any incentive awards and any Eligible Claims paid via account credit, within sixty (60) days or two complete billing cycles (whichever is later) after the Effective Date. Such amount shall be used by the Administrator to establish the Settlement Fund. Except for interest that accrues on the Settlement Amount held by the Settlement Administrator if the Settlement Administrator places such funds in an interest-bearing account, no interest shall accrue on any amounts to be paid by Defendants or the Settlement Administrator pursuant to the settlement.

3. Claims-Made Awards To Eligible Settlement Class Members: Settlement payments shall be made from the Settlement Fund to Eligible Settlement Class Members on a claims-made basis. Each account for which a valid and timely claim is made will be eligible to receive the Claim Amount.

4. Conditions for Claiming Settlement Payments: To obtain an award, the Basic Cardmember on a Settlement Class Member's account must submit a valid and timely Claim Form, as follows:

(a) The Claim Form shall require the Basic Cardmember to provide his or her name, address and American Express account number (if not already pre-printed and if known to the Basic Cardmember). The Claim Form also shall require the Basic Cardmember to certify to the best of the Class Member's knowledge that he or she: (i) held an American Express credit card account with a fixed interest rate that was changed to a higher rate (including a higher variable rate) for reasons other than delinquency or default; (ii) did not understand that the rate could be changed; and (iii) did not receive a full or partial refund of the finance charges and/or a reduction in the interest rate.

(b) Defendants shall have the right, at their sole discretion, to verify all claims before disbursing payments. In addition to the right to deny claims that are not valid (e.g., because a claim form has not been completed, a claim is untimely or duplicative or because the claim does not fall within the class definition), Defendants shall also have the right to deny claims if Defendants have a good-faith belief that such claims are improper or fraudulent.

(c) Claims submitted by a Settlement Class Member who did not have an existing balance at the time of the rate change will not be eligible.

(d) Claims submitted by a Settlement Class Member who received a full or partial refund of the finance charges and/or a reduction in the interest rate will not be eligible.

(e) Claims submitted by a Settlement Class Member with respect to an account that was in delinquency or default at the time of the rate change will not be eligible.

(f) Claims submitted by a Settlement Class Member who has any American Express account that has been written off or charged off by Defendants for any reason will not be eligible.

(g) Only one valid claim will be honored per account, regardless of the number of rate increases or the number of times any additional finance charges were assessed or paid.

5. Attribution of Statutory Damages: Plaintiff and Class Counsel, on behalf of all Settlement Class Members, agree that \$500,000 of the Settlement Amount shall consist, and constitute full payment, of statutory damages pursuant to 15 U.S.C. § 1640(a)(2)(B), such that no further statutory damages may be awarded against any Released Parties in any class action or series of class actions within the meaning of 15 U.S.C. § 1640(a)(2)(B) and/or with respect to any Released Claims.

6. Cy Pres Distribution: Any amounts remaining in the Settlement Fund following the payment of valid claims, Settlement Costs and any award of Class Counsel's attorneys' fees and costs and any incentive awards, including any amounts attributable to returned checks and checks not cashed within one hundred twenty (120) days following the Distribution Date, shall be distributed on behalf of the Settlement Class on a cy pres basis to Consumer Federation of America's America Saves campaign, or to another mutually agreeable recipient, which in either case shall be subject to approval by the Court. The Cy Pres Distribution may not be used for advocacy or religious purposes or in connection with any legal matters involving Defendants or any of their parents, subsidiaries or affiliates, and the names of Defendants and/or the names of their affiliates, subsidiaries or parents, may not be used by the recipient(s) absent prior written approval of Defendants. The cy pres recipient(s) must agree in writing to such terms and must promptly provide, upon request, information reasonably requested for payment, including, without limitation, tax identification information. Payment of the Cy Pres Distribution shall be made no later than one hundred fifty (150) days following the Distribution Date.

7. Attorneys' Fees And Costs: Defendants agree not to oppose an application by Class Counsel for attorneys' fees not to exceed one million five hundred thousand dollars (\$1,500,000) and costs in an amount not to exceed one hundred thousand dollars (\$100,000), subject to the Court's approval. Defendants will pay to Lead Class Counsel such attorneys' fees and costs, or such lesser amounts ordered by the Court, from the Settlement Amount fourteen

(14) days after the Effective Date. Lead Class Counsel may thereafter allocate the attorneys' fees and costs among Class Counsel in a manner in which they in good faith believe reflects the contributions of such counsel to the initiation, prosecution, and resolution of the Action; Defendants take no position as to how such allocations may be made. No interest will accrue on such amounts at any time. The settlement is not conditioned upon the Court's approval of the fees or costs sought by Class Counsel.

8. Incentive Payment To Plaintiff: Defendants agree not to oppose an application by Plaintiffs for incentive payments, subject to the Court's approval, up to an amount of five thousand dollars (\$5,000) to each of Plaintiffs. Such incentive payment shall be paid from the Settlement Amount at the time of the payment for attorneys' fees and costs. Court approval of the incentive payment, or its amount, is not a condition of the settlement. No interest will accrue on such amount at any time.

G. Final Approval: Following the provision of Class Notice and expiration of the time for opt outs and objections as set forth herein, Plaintiffs shall promptly request that the Court enter the Final Approval Order, which shall specifically include provisions that: (a) finally approve the settlement as fair, reasonable and adequate and in the best interests of the Settlement Class; (b) find that the Class Notice as given was the best notice practicable under the circumstances, is due and sufficient notice to the Settlement Class and fully satisfies the requirements of due process and Federal Rule of Civil Procedure 23; (c) approve the plan of distribution of the settlement relief; (d) finally certify the Settlement Class; (e) confirm that Plaintiff and the Settlement Class Members (except those who have obtained proper and timely exclusion from the Settlement Class) have released all Released Claims and are permanently barred and enjoined from asserting, commencing, prosecuting or continuing any of the Released Claims against the Released Parties; and (f) dismiss the Action with prejudice, subject to the Court's retaining jurisdiction over the enforcement of the terms of this Agreement. The Final Approval Order and Judgment may also contain provisions for the award of Class Counsel's

attorneys' fees and costs and any incentive awards, as set forth herein.

H. Claims Administration:

1. Claim Period: In order to be deemed timely, Claim Forms must be submitted electronically or postmarked by the Claim Deadline. Claim Forms shall be submitted electronically or by mail to a designated post office box. Claim Forms received with a postmark dated after the Claim Deadline, or received without a legible postmark more than seven (7) days after the Claim Deadline, will not be honored, even if such Claim Forms otherwise would be valid. Claim Forms sent to an address other than the designated post office box will not be honored.

2. Denial Of Claim Forms: Claim Forms will be subject to verification by Defendants and/or the Settlement Administrator for thirty (30) days after the last day of the Claim Period. Defendants and/or the Settlement Administrator will provide notice of denials to Class Counsel within thirty (30) days after the last day of the Claim Period. Class Counsel will have fourteen (14) days after receiving a claims report from Defendants and/or the Settlement Administrator to dispute any denied claims. Denied claims that are not disputed will remain denied. The Parties will attempt in good faith to resolve any disputed denied claims and, should they fail to resolve any dispute, Class Counsel may seek judicial resolution before the Court of any denied claims within twenty (20) days after receiving the claims report; otherwise, the claims will remain denied.

3. Settlement Payments

(a) Account Credits: Not more than thirty (30) days after the end of the Claim Period, the Settlement Administrator shall provide Defendants with a compilation of Eligible Settlement Class Members and Eligible Claims. Within sixty (60) days or two complete billing cycles (whichever is later) after the Effective Date, Defendants shall issue account credits in the amount of the Claim Amount to such Eligible Settlement Class Members who are current cardmembers and shall provide the Settlement Administrator with a list of those Eligible

Settlement Class Members whose Eligible Claims are paid via account credit.

(b) Mailing of Settlement Checks: On or before the Distribution Date, the Settlement Administrator shall mail, by first class mail, a check to each Eligible Settlement Class Member for each Eligible Claim that is not paid via account credit. Checks will be mailed to the address listed on the Claim Form. No more than one round of skip tracing or re-mailing of returned mail will be required. Checks will be valid for one hundred twenty (120) days from the date of issuance. The Settlement Administrator may issue replacement checks provided that the amounts of any checks that remain uncashed more than one hundred twenty (120) days after the Distribution Date will be included in the Cy Pres Fund.

I. Releases

1. Settlement Class Release. Upon the date that the Judgment becomes Final, each and all Settlement Class Members and their respective heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors in interest, assigns and any authorized users of their accounts will be deemed to have fully released and forever discharged Defendants and each and all of their present, former and future direct and indirect parent companies, affiliates, subsidiaries, agents, successors, predecessors in interest and/or any financial institutions, corporations, trusts, or other entities that may hold or have held any interest in any account or any receivables relating to any account, or any receivables or group of receivables, or any interest in the operation or ownership of Defendants, and all of the aforementioned's respective officers, directors, employees, attorneys, shareholders, agents, vendors (including processing facilities) and assigns, from any and all rights, duties, obligations, claims, actions, causes of action or liabilities, whether arising under local, state or federal law (including without limitation under any state consumer-protection and/or unfair and deceptive practices acts, the Truth in Lending Act, 15 U.S.C. § 1601 et seq., and Regulation Z, 12 C.F.R. pt. 1026), whether by Constitution, statute, contract, common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or

contingent, liquidated or unliquidated, as of the date of Final Judgment in the Action: (1) that arise out of or relate to the allegations, causes of actions and facts that were asserted in the Action; or (2) that arise out of or relate in any way to the administration of the settlement. The foregoing release does not waive rights of any Settlement Class Members to dispute amounts owed on individual accounts or to seek legal recourse for any other matters related to their accounts other than those that arise out of or relate to the allegations, causes of actions and facts that were asserted in the Action or that arise out of or relate in any way to the administration of the settlement.

2. Individual Release By Plaintiffs. Upon the date that the Judgment becomes Final, Plaintiffs and their heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors in interest, assigns and any authorized users of their account will fully release and forever discharge Defendants and each and all of their present, former and future direct and indirect parent companies, affiliates, subsidiaries, agents, successors, predecessors in interest and/or any financial institutions, corporations, trusts, or other entities that may hold or have held any interest in any account or any receivables relating to any account, or any receivables or group of receivables, or any interest in the operation or ownership of Defendants, and all of the aforementioned's respective officers, directors, employees, attorneys, shareholders, agents, vendors (including processing facilities) and assigns, from any and all rights, duties, obligations, claims, actions, causes of action or liabilities, whether arising under local, state or federal law (including without limitation under any state consumer-protection and/or unfair and deceptive practices acts, the Truth in Lending Act, 15 U.S.C. § 1601 et seq., and Regulation Z, 12 C.F.R. pt. 1026), whether by Constitution, statute, contract, common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, as of the date of Final Judgment in the Action, without limitation.

3. Without limiting the foregoing, the Released Claims specifically extend to

claims that Plaintiffs and the Settlement Class Members do not know or suspect to exist in their favor at the time that the settlement, and the releases contained therein, becomes effective. This paragraph constitutes a waiver of all provisions, rights, and benefits of all state or common-law rules limiting the release of known or unknown claims, including without limitation as to any other applicable law, section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

4. Plaintiffs understand and acknowledge, and each member of the Settlement Class shall be deemed to understand and acknowledge, the significance of the waiver of California Civil Code section 1542 and/or of any other applicable law relating to limitations on releases. In connection with such waiver and relinquishment, Plaintiffs acknowledge, and all members of the Settlement Class shall be deemed to acknowledge, that they are aware that they may hereafter discover facts in addition to, or different from, those facts which they now know or believe to be true with respect to the subject matter of the settlement, but that it is their intention to release fully, finally and forever all Released Claims, and in furtherance of such intention, the release of the Released Claims will be and remain in effect notwithstanding the discovery or existence of any such additional or different facts.

J. No Publicity Beyond Notice Procedures: Neither Class Counsel nor Plaintiffs will issue press releases or make other public statements regarding the settlement beyond referring to what is available in the public record unless Defendants agree to such press releases or public statements in advance. Neither Class Counsel nor Plaintiffs will make a statement of any kind to any third party regarding the settlement prior to applying for preliminary approval. The Parties may make public statements to the Court as necessary to obtain preliminary or final approval of the settlement. This subsection shall not prohibit Class Counsel from communicating with any Settlement Class Member regarding the Action or the settlement; provided, however, that Class

Counsel will not disclose information that is not a part of the public record.

K. Stay/Bar Of Other Proceedings: All proceedings in the Action will be stayed following preliminary approval of the settlement, except as may be necessary to implement the settlement or comply with the terms of the settlement. Pending determination of whether the settlement should be granted final approval, the parties agree not to pursue in the Action any claims or defenses otherwise available to them in the Action, and no Settlement Class Member, either directly, on a representative basis or in any other capacity, will commence or prosecute against any of the Released Persons any action or proceeding asserting any of the Released Claims.

L. Confidentiality: It is agreed that, within thirty (30) days after conclusion of all proceedings in the Actions and all appeals therefrom, the originals and all copies of all confidential or highly confidential documents and/or information subject to all confidentiality agreements and any protective orders in the Action shall be returned to the designating party or destroyed.

M. Notices: Any communication, verification, or notice sent by any Party in connection with this Settlement Agreement shall be effected by overnight delivery as follows:

To Plaintiff and Class Counsel:

Marc R. Stanley
Stanley Law Group
6116 N. Central Expressway
Suite 1500
Dallas, TX 75206
Facsimile (214) 443-0358

To Defendants:

Julia B. Strickland
Stroock & Stroock & Lavan LLP
2029 Century Park East, 16th Floor
Los Angeles, CA 90067-3086
Facsimile: (310) 556-5959

and

Head of Litigation – General Counsel’s Office
American Express Company
49th Floor
200 Vesey Street
New York, NY 10285

N. General Matters

1. No Admission of Liability: It is expressly declared that Defendants deny any liability for the wrongdoings alleged in the Action and is settling solely to avoid the cost and inconvenience of litigation.

2. Settlement Conditioned Upon Approval: The settlement reflected by this Agreement is expressly conditioned on obtaining the Preliminary Approval Order, Final Approval Order and Judgment without material modification by the Court. In the event of failure to obtain any of the required provisions of such orders, including but not limited to the denial of any motion seeking preliminary or final approval, this Agreement will become null and void and all parties will return, without prejudice, to the *status quo ante* as of the date of this Agreement as if this Agreement had not been entered into. In such event, certification of the Settlement Class will be void; no doctrine of waiver, estoppel or preclusion shall be asserted in any litigated certification proceedings in the Actions; and this Agreement and its existence shall be inadmissible to establish any fact relevant to class certification or any alleged liability of Defendants for the matters alleged in the Actions or for any other purpose.

3. Effect of Settlement: Neither the settlement, nor any act performed or document executed pursuant to or in furtherance of the settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of the Released Parties; (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of the Released Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal; or (c) is or may be deemed to be a waiver of Defendants’ right to seek to enforce any arbitration provision in other cases or against Settlement Class Members who opt out of the settlement. The

Released Parties may file the settlement agreement and/or the judgment in any action or proceeding that may be brought against them in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

4. Evidentiary Preclusion: In the event that the settlement is not approved as presented, or Defendants withdraw from the settlement as set forth herein, the Parties agree that neither the settlement terms nor any publicly disseminated information regarding the settlement, including, without limitation, the Postcard, Statement, Email or Internet Notice, court filings, orders and public statements, may be used as evidence for any purpose whatsoever. In addition, neither the fact of, nor any documents relating to, Defendants' withdrawal from the settlement, any failure of the Court to approve the settlement and/or any objections or interventions may be used as evidence for any purpose whatsoever.

5. Parties Authorized to Enter into Settlement Agreement: The individual(s) executing this Agreement on behalf of a Party represent and warrant that he, she, or it is fully authorized to execute this Agreement on such party's behalf and to carry out the obligations provided for therein. Each person executing this Agreement on behalf of a Party covenants, warrants and represents that he or she is and has been fully authorized to do so by such Party. Each Party represents and warrants that he, she, or it intends to be bound fully by the terms of this Agreement.

6. Signatures: The Parties and their counsel may sign separate copies of this Agreement, which together will constitute one agreement. In addition, signatures sent in an electronic format by email or by facsimile constitute sufficient execution of the Agreement.

7. Best Efforts: The Parties agree to cooperate in preparing and reviewing the documents and performing all other acts contemplated herein in a timely manner. Class Counsel and Defendants consider the settlement described herein to be fair and reasonable and

will use their best efforts to seek approval of the settlement by the Court, including by responding to any objectors, intervenors or other persons or entities seeking to preclude entry of the Final Judgment, and, if the settlement is granted final approval, to effectuate the settlement's terms. Notwithstanding the foregoing, Defendants will not object to, but shall have no obligation to join in, any motions for preliminary or final approval.

8. Time Periods: The time periods and dates described in this Agreement with respect to the giving of Class Notice and hearings will be subject to Court approval and modification by the Court or by written stipulation of counsel.

9. Governing Law: This Agreement shall be governed by the laws of the State of California, without regard to its conflict-of-law principles.

10. No Construction Against Drafter: This Agreement is deemed to have been drafted by all Parties, and any rule that a document shall be interpreted against the drafter will not apply to this Agreement.

11. Agreement Binding on Successors in Interest: This Agreement is binding on and shall inure to the benefit of the respective heirs, successors, and assigns of the Parties.

12. Execution in Counterparts: This Agreement is effective upon its execution by all Parties. The Parties may execute the Agreement in counterparts. Each counterpart shall be deemed to be an original, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

13. Entire Agreement: This Agreement contains the entire agreement between the Parties and supersedes all prior understandings, agreements, or writings regarding the subject matter of this Agreement. This Agreement may be amended or modified only by a written instrument signed by all Parties or their successors in interest or their duly authorized representatives.

O. Miscellaneous Provisions

1. Each and every exhibit to this Agreement is incorporated herein by this

reference as though fully set forth herein.

2. The waiver by one party of any breach of this Agreement by any other Party shall not be deemed a waiver, by that Party or by any other Party, of any other prior or subsequent breach of this Agreement.

3. Each Party to this Agreement warrants that he, she or it is acting upon his, her or its independent judgment and upon the advice of his, her or its own counsel and not in reliance upon any warranty or representation, express or implied, of any nature or kind by any other Party, other than the warranties and representations expressly made in this Agreement.

4. This Agreement has been carefully read by each of the Parties, or their responsible officers thereof, and its contents are known and understood by each of the Parties. This Agreement is signed freely by each party executing it.

5. No party to this Agreement has heretofore assigned, transferred or granted, or purported to assign, transfer or grant, any of the claims, demands, or cause or causes of action disposed of by this Agreement.

6. In the event any one or more of the provisions contained in this Agreement shall for any reason be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalid, illegal or unenforceable provision shall be ineffective (unless such provision is deemed material to the settlement) but shall not in any way invalidate or otherwise affect any other provision.

7. The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed:

{Signature Pages Follow}

DATED: _____, 2015

Alfredo M. Lopez

DATED: _____, 2015

Lauren R. Greene

DATED: _____, 2015

AMERICAN EXPRESS BANK, FSB

By: _____

Its: _____

DATED: _____, 2015

AMERICAN EXPRESS CENTURION BANK

By: _____

Its: _____

Approved as to form and content:

DATED: _____, 2015

BRAUN LAW GROUP PC
MICHAEL D. BRAUN

By: _____

Michael D. Braun

DATED: _____, 2015

STANLEY LAW GROUP
MARC R. STANLEY
MARTIN WOODWARD

By: _____

Marc R. Stanley

DATED: _____, 2015

LAW OFFICE OF ANDREW KIERSTEAD
ANDREW S. KIERSTEAD

By: _____
Andrew S. Kierstead

DATED: _____, 2015

LAW OFFICES OF PETER N. WASYLYK
PETER N. WASYLYK

By: _____
Peter N. Wasylyk

DATED: _____, 2015

LAW OFFICE OF JOHN KOENIG
JOHN KOENIG

By: _____
John Koenig

Attorneys for Plaintiffs

Approved as to form:

DATED: _____, 2015

STROOCK & STROOCK & LAVAN LLP
JULIA B. STRICKLAND
DAVID W. MOON

By: _____
David W. Moon

*Attorneys for Defendants
American Express Bank, FSB and
American Express Centurion Bank*

EXHIBITS

- A. Preliminary Approval Order
- B. Postcard Notice
- C. Internet Notice
- D. Statement Notice
- E. Email Notice
- F. Claim Form
- G. Final Approval Order

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

ALFREDO M. LOPEZ, et al.,
Plaintiffs,
v.
AMERICAN EXPRESS BANK, FSB, et al.,
Defendants.

) Case No. CV09-7335 SJO (MANx)
) [The Honorable S. James Otero]
) **[PROPOSED] ORDER**
) **PRELIMINARILY APPROVING**
) **CLASS ACTION SETTLEMENT**
) **AND CONDITIONALLY**
) **CERTIFYING SETTLEMENT**
) **CLASS AND APPOINTING CLASS**
) **COUNSEL**

1 WHEREAS, the parties to this Action, plaintiffs Alfredo M. Lopez and Lauren
2 R. Greene (together, "Plaintiffs") and defendants American Express Bank, FSB and
3 American Express Centurion Bank (together, "American Express"), have agreed,
4 subject to Court approval following notice to the proposed Settlement Class (as
5 described below) and a hearing, to settle this Action upon the terms and conditions set
6 forth in the Settlement Agreement lodged with this Court; and

7 WHEREAS, for purposes of this Order, capitalized terms shall have the
8 meaning ascribed to them in the Settlement Agreement;

9 NOW, THEREFORE, based upon this Court's review of the Settlement
10 Agreement and all of the files, records and proceedings herein, and it appearing to the
11 Court, upon preliminary examination, that the Settlement Agreement and settlement
12 appear fair, reasonable, and adequate, and within the range of possible approval, and
13 that a hearing should and will be held after notice to the Settlement Class to confirm
14 that the Settlement Agreement and settlement are fair, reasonable and adequate and to
15 determine whether the settlement should be approved and final judgment entered in
16 this Action based upon the Settlement Agreement;

17 IT IS HEREBY ORDERED THAT:

18 1. The Settlement Agreement, including all exhibits thereto, is preliminarily
19 approved as fair, reasonable and adequate and within the range of possible approval.
20 The Court finds that: (a) the Settlement Agreement resulted from extensive arm's
21 length negotiations; and (b) the Settlement Agreement is sufficient to warrant notice
22 thereof to Settlement Class Members and a full hearing on the approval of the
23 Settlement.

24 2. Pursuant to Federal Rule of Civil Procedure 23(a), 23(b)(3), 23(c) and
25 23(e), the Court conditionally certifies, for settlement purposes only, the following
26 Settlement Class:

27 All persons or entities in the United States who: (a) had a consumer or
28 small-business American Express credit card or charge card account with

1 American Express Centurion Bank or American Express Bank, FSB; and
2 (b) had a fixed annual percentage rate for purchases on the account that
3 was increased or changed to a variable rate at any time between October
4 1, 2005 and December 31, 2010; or (c) had a fixed annual percentage
5 rate for purchases on the account and were provided notice of an
6 increase in the fixed rate or a change from the fixed rate to a variable rate
7 at any time between October 1, 2005 and December 31, 2010.

8 3. In connection with this conditional certification, the Court makes the
9 following preliminary findings:

10 (a) The members of the Settlement Class appear to be so numerous
11 that joinder of all members is impracticable;

12 (b) There appear to be questions of law or fact common to the
13 Settlement Class for purposes of determining whether this settlement should be
14 approved;

15 (c) The claims of Plaintiffs appear to be typical of the claims being
16 resolved through the proposed settlement;

17 (d) Plaintiffs appear to be capable of fairly and adequately protecting
18 the interests of the Settlement Class Members in connection with the proposed
19 settlement;

20 (e) For purposes of determining whether the settlement is fair,
21 reasonable and adequate, common questions of law and fact appear to predominate
22 over questions affecting only individual Settlement Class Members. Accordingly, the
23 Settlement Class appears to be sufficiently cohesive to warrant settlement by
24 representation;

25 (f) For purposes of settlement, certification of the Settlement Class
26 appears to be superior to other available methods for the fair and efficient settlement
27 of the claims of the Settlement Class Members.

28 4. Plaintiffs are designated as class representatives for the Settlement Class.

1 5. The Court appoints Marc R. Stanley, Martin Woodward, and Matthew J.
2 Zevin, Stanley Law Group, Michael D. Braun, Braun Law Group PC, Andrew S.
3 Kierstead, Law Office of Andrew Kierstead, Peter N. Wasylyk, Law Offices of Peter
4 N. Wasylyk, and John Koenig, Law Office of John Koenig, as counsel for the
5 Settlement Class. The Court appoints Marc R. Stanley and Matthew J. Zevin, Stanley
6 Law Group, and Michael D. Braun, Braun Law Group PC, as Lead Class Counsel.
7 The Court finds that counsel are competent and capable of exercising all
8 responsibilities as Class Counsel and Lead Class Counsel.

9 6. A final approval hearing (the “Settlement Hearing”) shall be held before
10 the Honorable S. James Otero, Courtroom 1, United States District Court for the
11 Central District of California, 312 North Spring Street, Los Angeles, California
12 90012, on _____[date], at _____[time], to consider the fairness,
13 reasonableness and adequacy of the proposed settlement, any request for attorneys’
14 fees and costs (the “Fee Application”) and for incentive awards and any other related
15 matters. The Settlement Hearing may be postponed, adjourned, or continued by order
16 of the Court without further notice to the Settlement Class. After the Settlement
17 Hearing, the Court may enter a settlement order and final judgment in accordance
18 with the Settlement Agreement that will adjudicate the rights of the Settlement Class
19 Members with respect to the claims being settled.

20 7. Class Notice shall be provided within one hundred fifty (150) days
21 following entry of this Order.

22 (a) American Express will provide individual notice to all Settlement
23 Class Members who are current card members to whom American Express mails or
24 makes electronically available a periodic statement in the month (or billing period) in
25 which the mailing or electronic delivery will occur. Notice will be made by a
26 statement message included on the statement. If mailed, the Statement Notice shall be
27 mailed to the then-current address reflected in American Express’s computerized
28 account records. If mailed and the address is invalid, American Express shall engage

1 in a single round of skip-tracing and attempt a second delivery by mail if an alternate
2 address is identified. For Settlement Class Members who are current cardmembers
3 but are not provided a periodic statement in the month (or billing period) in which the
4 mailing or electronic delivery will occur (for example, cardmembers who do not carry
5 a balance), notice shall be provided through the Statement Notice via a solo mailing
6 or through a Postcard Notice as described below.

7 (b) American Express or the Settlement Administrator will provide
8 individual notice to Settlement Class members who are non-current cardmembers and
9 for whom American Express has a valid e-mail address (as reflected in American
10 Express's computerized account records) via e-mail. The Email Notice shall be
11 emailed to the then-current address, if any, reflected in American Express's
12 computerized account records.

13 (c) American Express or the Settlement Administrator will provide
14 individual notice to Settlement Class members to whom American Express and the
15 Settlement Administrator do not provide Statement Notice or Email Notice, or whose
16 Email Notice is not delivered due to an undeliverable address, by mailing the Postcard
17 Notice to the then-current address reflected in American Express's computerized
18 account records. If the address is invalid, American Express or the Settlement
19 Administrator will engage in a single round of skip-tracing and attempt a second
20 delivery by mail if an alternate address is identified.

21 (d) On or before the date that Statement Notice, Email Notice or
22 Postcard Notice is first provided, American Express or the Settlement Administrator
23 will establish a settlement web page (which shall be distinct from and not linked to
24 any websites belonging to American Express) which will publish, and make available
25 for download, a full-length, downloadable form of the Settlement Agreement, Internet
26 Notice and Claim Form. In addition, the website will have the capacity for electronic
27 completion and submission of claim forms. The domain name of the website shall be
28 selected by American Express and approved by Class Counsel. The settlement web

1 page will be established within one hundred twenty (120) days after the entry of this
2 Order and before the Statement Notice is mailed and shall remain active at least until
3 the date of the Final Approval Hearing and one hundred twenty (120) days after the
4 end of the Claim Period.

5 8. The Court finds that the foregoing program of class notice and the
6 manner of its dissemination is the best practicable notice under the circumstances and
7 is reasonably calculated, under all the circumstances, to apprise Settlement Class
8 Members of the pendency of this Action and their right to object to or exclude
9 themselves from the Settlement Class. The Court further finds that the class notice
10 program is reasonable, that it constitutes due, adequate and sufficient notice to all
11 persons entitled to receive notice and that it meets the requirements of due process
12 and Federal Rule of Civil Procedure 23.

13 9. The Claim Form and the claims submission process described in the
14 Settlement Agreement are hereby approved.

15 10. Plaintiffs' proposed Second Amended Complaint is deemed filed, served
16 and controverted as of the date of this Order.

17 11. Exclusions from the Settlement Class:

18 (a) Any Settlement Class Member wishing to be excluded from the
19 Settlement Class shall mail a request for exclusion ("Request for Exclusion" or "Opt-
20 Out Form") to the Settlement Administrator, postmarked no later than one hundred
21 ninety-five (195) days after entry of this Order. Exclusion requests must: (i) be
22 signed by the Basic Cardmember; (ii) include the Basic Cardmember's full name,
23 address and account number(s); and (iii) include the following statement: "I/we
24 request to be excluded from the class settlement in Lopez, et al. v. American Express
25 Bank, FSB, et al., C.D. Cal. Case No. CV 09-7335 SJO (MANx)." For any
26 Settlement Class Member who has more than one account, the exclusion request must
27 specify each separate account. No request for exclusion will be valid unless all of the
28 information described above is included. For small business cardmembers, a request

1 for exclusion by a Basic Cardmember shall be treated as a request for exclusion by the
2 Basic Cardmember and the Company.

3 (b) All Settlement Class Members who do not opt out in accordance
4 with the terms set forth herein will be bound by all determinations and judgments in
5 the Action.

6 12. Objections and Appearances:

7 (a) Any potential member of the Settlement Class who has not timely
8 submitted a written request for exclusion from the Settlement Class, and thus is a
9 Settlement Class Member, may object to the fairness, reasonableness or adequacy of
10 the settlement or the Fee Application. Settlement Class Members may do so either on
11 their own or through counsel hired at their own expense. Any Settlement Class
12 Member who wishes to object to the settlement or the Fee Application must, no later
13 than one hundred ninety-five (195) days after entry of this Order, file a written
14 objection with the Court. The objection must also be mailed to each of the following,
15 postmarked no later than the last day to file the objection: (i) Class Counsel – Marc R.
16 Stanley, Stanley Law Group, 6116 N. Central Expressway, Suite 1500, Dallas, TX
17 75206; and (ii) counsel for American Express -- Julia B. Strickland, Stroock &
18 Stroock & Lavan LLP, 2029 Century Park East, 16th Floor, Los Angeles, CA 90067.

19 (b) Any Settlement Class Member who timely files and serves a written
20 objection may also appear at the Settlement Hearing, either in person or through
21 counsel hired at the Settlement Class Member's expense, to object to the fairness,
22 reasonableness or adequacy of the settlement or the Fee Application. Settlement
23 Class Members or their counsel intending to appear at the Settlement Hearing must
24 file with the Court and serve on Class Counsel and American Express' counsel at the
25 addresses listed above, no later than one hundred ninety-five (195) days after entry of
26 this Order, a notice of intention to appear setting forth: (i) the name and address of the
27 Settlement Class Member (and, if applicable, the name, address and telephone
28 number of the Settlement Class Member's attorney); and (ii) the objection, including

1 any papers in support thereof. Any Settlement Class Member who does not timely
2 file and serve a written objection and the notice of intention to appear by the objection
3 deadline, shall not be permitted to object or appear at the Settlement Hearing and shall
4 be bound by all proceedings, orders and judgments of the Court.

5 13. Any responses to objections to the settlement, any responses to requests
6 for intervention and any other papers in support of the settlement shall be filed with
7 the Court no later than fifteen (15) days prior to the Settlement Hearing.

8 14. Plaintiffs shall file any request for attorneys' fees and costs and for
9 incentive awards no later than one hundred fifty (150) days after entry of this Order.

10 15. In the event the Settlement Agreement is not approved by the Court, or
11 for any reason the parties fail to obtain a Final Judgment as contemplated in the
12 Settlement Agreement, or the Settlement Agreement is terminated pursuant to its
13 terms for any reason, then the following shall apply:

14 (a) All orders and findings entered in connection with the Settlement
15 Agreement shall become null and void and have no further force and effect, shall not
16 be used or referred to for any purposes whatsoever, and shall not be admissible or
17 discoverable in any other proceeding;

18 (b) The conditional certification of the Settlement Class pursuant to
19 this Order shall be vacated automatically and void; no doctrine of waiver, estoppel or
20 preclusion shall be asserted in any litigated certification proceedings in the Action;
21 and the Settlement Agreement and its existence shall be inadmissible to establish any
22 fact relevant to class certification or any alleged liability of American Express for the
23 matters alleged in the Action or for any other purpose;

24 (c) Nothing contained in this Order is, or may be construed as, any
25 admission or concession by or against American Express or Plaintiffs on any point of
26 fact or law; and

27 (d) Neither the settlement terms nor any publicly disseminated
28 information regarding the settlement, including, without limitation, the class notices,

1 court filings, orders and public statements, may be used as evidence for any purpose
2 whatsoever. In addition, neither the fact of, nor any documents relating to, American
3 Express's withdrawal from the settlement, any failure of the Court to approve the
4 settlement and/or any objections or interventions may be used as evidence for any
5 purpose whatsoever.

6 16. All proceedings in the Action are stayed until further order of the Court,
7 except as may be necessary to implement the terms of the settlement. Pending final
8 determination of whether the settlement should be approved, neither Plaintiffs nor any
9 Settlement Class Member, either directly, representatively or in any other capacity,
10 shall commence or prosecute against any of the Released Parties any action or
11 proceeding in any court or tribunal asserting any of the Released Claims.

12 **IT IS SO ORDERED.**

13
14 Dated:

15 _____
16 The Honorable S. James Otero
17 United States District Judge
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Exhibit B – Postcard Notice

LEGAL NOTICE

If you had an American Express card issued by American Express Centurion Bank or American Express Bank, FSB with a fixed interest rate and you received notice of an increase in the rate or a change to a variable rate between October 1, 2005 and December 31, 2010, this Notice describes your rights and potential benefits from a class action settlement.

This Notice may affect your legal rights. Please read it carefully.

What is this settlement about? The proposed settlement resolves a case in which the plaintiffs allege that the interest rate on credit and charge cards issued by American Express with a fixed interest rate could not be increased or changed to a variable rate unless the account was delinquent or in default. American Express denies these allegations.

Who is in the settlement class? You are in the settlement class if you were an American Express cardmember in the United States with a consumer or small-business card issued by American Express with a fixed annual percentage rate for purchases and you received notice that the rate would increase or be changed to a variable rate at any time between October 1, 2005 and December 31, 2010.

What are the terms of the settlement? American Express will pay up to \$6 million to cover: (1) cash payments to eligible settlement class members of up to \$4 million and not less than \$3.5 million in total; (2) plaintiffs' attorneys' fees and costs up to \$1.6 million; (3) service awards to plaintiffs up to \$5,000 each; and (4) notice and administration costs. Plaintiffs estimate that eligible settlement class members will receive a cash award of approximately \$32.50 per eligible claim.

How do I request a payment? You are eligible to submit a claim for payment unless your account did not have an existing balance or was delinquent or in default at the time of the rate

change, or if any American Express account in your name has been written off or charged off, or if you have already received a refund or rate reduction. You may submit a claim at www._____.com or call 1-XXX-XXX-XXXX to request a paper claim form. Claims must be submitted by [DATE].

What are my other options? If you don't want to be legally bound by the settlement, you must exclude yourself by [DATE] or you will not be able to pursue claims against American Express in the future. If you stay in the settlement, you may object to the settlement by [DATE].

The Court will hold a hearing in this case (*Lopez v. American Express Bank, FSB*, Case No. CV 09-07335 (C.D. Cal.)), on [DATE] to consider whether to approve the settlement and plaintiffs' request for attorneys' fees and costs and service awards. You may appear at the hearing but don't have to.

This Notice is a summary only. Additional information, including on how to exclude yourself or object, is available at www._____.com. You may also contact the Settlement Administrator toll-free at 1-XXX-XXX-XXXX or by writing at [ADDRESS OF SETTLEMENT ADMINISTRATOR].

Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

United States District Court for the Central District of California

If you had an American Express card issued by American Express Centurion Bank or American Express Bank, FSB with a fixed interest rate and you received notice of an increase in the rate or a change to a variable rate between October 1, 2005 and December 31, 2010, this Notice describes your rights and potential benefits from a class action settlement.

A federal court authorized this Notice. This is not a solicitation from a lawyer.

- This Notice summarizes a proposed class-action settlement of claims brought against American Express Centurion Bank and American Express Bank, FSB (“American Express”). This Notice does not apply to you if your American Express card was issued by another bank.
- The proposed settlement (the “Settlement”) resolves claims that the interest rate on credit and charge cards issued by American Express with a fixed interest rate could not be increased or changed to a variable interest rate unless the account was delinquent or in default.
- You are part of the Settlement and may be eligible to submit a Claim for a cash payment if you were an American Express cardmember in the United States with a consumer or small-business card issued by American Express with a fixed annual percentage rate that was increased or changed to a variable rate at any time between October 1, 2005 and December 31, 2010.
- You also are part of the Settlement if you received notice of such an increase or change but your account did not have an existing balance or was delinquent or in default at the time of the rate change, or if any American Express account in your name has been written off or charged off, or if you have already received a refund or rate reduction, although you will not be eligible to submit a Claim for a cash payment.
- **Your rights and options, and the deadlines to exercise them, are explained in this Notice. Your legal rights are affected whether you act or don’t act. Read this Notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Submit a Claim Form	If you are eligible (as described in Question 6 below), you may submit a Claim Form to receive a cash settlement payment.
Do Nothing	If you do nothing, you will not receive a settlement payment and will give up your rights to sue American Express separately.
Exclude Yourself or “Opt Out” of the Settlement	If you ask to be excluded, you will not receive a payment. This option allows you to pursue your own claims against American Express in the future.
Object	Write to the Court about why you do not like the Settlement.
Go to a Hearing	Ask to speak in Court about the fairness of the Settlement.

- The Court still has to decide whether to approve the Settlement. Settlement payments will be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

Questions? Call X-XXX-XXX-XXXX or visit www._____.com
 Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

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- 4. Why is there a Settlement?3

WHO IS IN THE SETTLEMENT

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Questions? Call X-XXX-XXX-XXXX or visit www._____.com
Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

BASIC INFORMATION

1. What is the purpose of this Notice?

The purpose of this Notice is to inform you that a proposed Settlement has been reached in the class action lawsuit entitled *Lopez, et al. v. American Express Bank, FSB, et al.*, United States District Court for the Central District of California Case No. CV 09-07335 SJO (MANx).

Because your rights will be affected by this Settlement, it is extremely important that you read this Notice carefully. This Notice summarizes the Settlement and your rights under it.

2. What does it mean if I got an email or postcard about this Settlement? What if I saw something in a newspaper or online about this Settlement?

If you received an email or postcard describing this Settlement, that is because you may be part of the Settlement Class.

If you saw something in a newspaper or online about the Settlement, you still may be part of the Settlement Class. (See Question 5 below for more information.)

3. What is this class action lawsuit about?

A class action is a lawsuit in which the claims and rights of many people are decided in a single court proceeding. Representative Plaintiffs, also known as “Class Representatives,” assert claims on behalf of the entire class.

Here, the Class Representatives claim that the interest rate on credit and charge cards issued by American Express with a fixed interest rate could not be increased or changed to a variable interest rate unless the account was delinquent or in default. The Class Representatives assert claims against Defendants for violation of the federal Truth in Lending Act, violation of California’s Unfair Competition Law, violation of California’s Consumers Legal Remedies Act and breach of the covenant of good faith and fair dealing.

The Court has provisionally certified the lawsuit as a class action for settlement purposes only (the “Settlement Class”). American Express denies that it did anything wrong and denies that this case would be certified as a class action in litigation.

4. Why is there a Settlement?

The Court has not decided in favor of the Class Representatives or American Express. Both sides agreed to a settlement to avoid the expense and distraction of litigation. The Class Representatives and the lawyers representing the Settlement Class (“Class Counsel”) think the Settlement is fair and recommend it for all persons in the Settlement Class.

Questions? Call X-XXX-XXX-XXXX or visit www._____.com
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WHO IS IN THE SETTLEMENT

5. How do I know if I am part of the Settlement?

You are in the Settlement Class if you fit the following description:

All persons or entities in the United States who: (a) had a consumer or small-business American Express credit card or charge card account with American Express Centurion Bank or American Express Bank, FSB; and (b) had a fixed annual percentage rate for purchases on the account that was increased or changed to a variable rate at any time between October 1, 2005 and December 31, 2010; or (c) had a fixed annual percentage rate for purchases on the account and were provided notice of an increase in the fixed rate or a change from the fixed rate to a variable rate at any time between October 1, 2005 and December 31, 2010.

You are not part of the Settlement Class if your American Express card was issued by a bank other than American Express Centurion Bank or American Express Bank, FSB.

You may exclude yourself from the Settlement Class by following the procedures described under Question 10. A person who fits the Settlement Class description and does not exclude himself or herself is a “Settlement Class Member.”

If you have questions about whether you are part of the Settlement Class, you may call 1-XXX-XXX-XXXX or visit www._____.com for more information.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What benefits does the Settlement provide?

Settlement Fund. American Express will pay up to \$6,000,000 into a fund (the “Settlement Fund”), which will cover: (1) cash payments of up to \$4,000,000 and not less than \$3,500,000 in total to eligible persons in the Settlement Class who submit timely and valid Claim Forms; (2) an award of attorneys’ fees and expenses to Class Counsel in an amount up to \$1,600,000, as approved by the Court; (3) service awards to the Class Representatives in an amount up to \$5,000 each, as approved by the Court; and (4) the costs of providing notice to the Settlement Class and administering the Settlement. Any funds that remain unpaid 120 days following the Distribution Date (as defined in the Settlement) will be donated to _____.

Cash Payments. You are entitled to submit a Claim for a cash payment if you are a Settlement Class Member and all of the following are true:

- You are the Basic Cardmember on the account (not an Additional Cardmember).
- Your fixed interest rate was changed to a variable rate or was increased to a higher rate for reasons other than delinquency or default.
- Your account had an existing balance at the time of the rate change.

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- Your account was not delinquent or in default at the time of the rate change.
- Before you received notice of the rate change, you believed that the fixed interest rate could not be changed to a variable rate or increased to a higher fixed rate if the account was not delinquent or in default.
- You did not receive a full or partial refund of interest resulting from the rate change.
- You did not ask for and receive a reduction of the new rate.
- You have never had an American Express account that was written off or charged off.

If all of these are true, you may follow the procedures described under Question 8 below to submit a Claim Form.

No Portion of the Settlement Fund Will Return to American Express. Any amount remaining in the Settlement Fund after paying all valid and timely Claims to Settlement Class Members, attorneys' fees and costs to Class Counsel, service awards to the Class Representatives and the costs of providing notice to Settlement Class Members and administering the Settlement will be donated to _____ . No portion of the Settlement Fund will return to American Express.

THE AMOUNT OF YOUR PAYMENT AND HOW YOU GET IT

7. How much will my cash payment be?

The amount of your cash payment ("Claim Amount") depends on how many valid and timely Claims ("Eligible Claims") are submitted by Settlement Class Members and how much it costs to provide notice to the Settlement Class and to administer the Settlement ("Settlement Costs").

The Class Representatives estimate that each eligible Settlement Class Member will receive a cash award of approximately \$32.50 per Eligible Claim. **This is an estimate only. The final cash payment amount will depend on the total number of Eligible Claims and the Settlement Costs.**

The Claim Amount will be determined as follows:

- The Base Claim Amount (as defined in the Settlement) is \$32.50.
- If Settlement Costs are at least \$500,000 and the number of Eligible Claims times the Base Claim Amount is less than \$3,500,000, the Claim Amount will be \$3,500,000 divided by the number of Eligible Claims.
- If Settlement Costs are less than \$500,000 and Settlement Costs plus the number of Eligible Claims times the Base Claim Amount is less than \$4,000,000, the Claim

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Amount will be \$4,000,000, less the Settlement Costs, divided by the number of Eligible Claims;

- If the Claim Amount (as calculated above) times the number of Eligible Claims plus Settlement Costs, any award of Class Counsel’s attorneys’ fees and costs and any service awards would exceed \$6,000,000, the Claim Amount will be \$6,000,000 less Settlement Costs and any award of Class Counsel’s attorneys’ fees and costs and service awards, divided by the number of Eligible Claims.

8. How do I get my payment?

To receive a payment, you must submit a Claim Form by [DATE]. You may submit a Claim Form by going to the Settlement Website at www._____.com and following the instructions. You may also request a paper copy of the Claim Form by calling the Settlement Administrator toll-free at 1-XXX-XXX-XXXX. Claim Forms sent by mail must be postmarked by [DATE] and mailed to:

[ADDRESS OF SETTLEMENT ADMINISTRATOR]

The Court will hold a hearing on [DATE] to decide whether to approve the Settlement. If the Settlement is approved, appeals may still follow. It is always uncertain whether these appeals can be resolved, and resolving them can take more than a year. Please be patient.

If your American Express account is still open when payments are made, you will receive payment through a credit to your account. If your American Express account is no longer open, or if for some other reason you do not receive an account credit, you will be mailed a check.

9. What am I giving up to get a payment or stay in the Settlement Class?

Unless you exclude yourself, you will stay in the Settlement Class and you will be a Settlement Class Member. That means that you cannot sue, continue to sue or be part of any other lawsuit against American Express involving claims that are subject to the Settlement, including claims arising out of or related to the allegations against American Express in this case or that arise out of or relate to the administration of the Settlement. It also means that all of the Court’s orders will apply to you and legally bind you.

The Settlement Agreement (available at www._____.com) specifically describes the claims you are releasing (“Released Claims” or “Release”) in detail, so read it carefully. [The Release provides, in part:

Upon the date that the Judgment becomes Final, each and all Settlement Class Members and their respective heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors in interest, assigns and any authorized users of their accounts will be deemed to have fully released and forever discharged Defendants and each and all of their present, former and future direct and indirect parent companies, affiliates, subsidiaries, agents, successors, predecessors in interest and/or any financial institutions, corporations, trusts, or other entities that

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may hold or have held any interest in any account or any receivables relating to any account, or any receivables or group of receivables, or any interest in the operation or ownership of Defendants, and all of the aforementioned's respective officers, directors, employees, attorneys, shareholders, agents, vendors (including processing facilities) and assigns, from any and all rights, duties, obligations, claims, actions, causes of action or liabilities, whether arising under local, state or federal law (including without limitation under any state consumer-protection and/or unfair and deceptive practices acts, the Truth in Lending Act, 15 U.S.C. § 1601 et seq., and Regulation Z, 12 C.F.R. pt. 1026), whether by Constitution, statute, contract, common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, as of the date of Final Judgment in the Action: (1) that arise out of or relate to the allegations, causes of actions and facts that were asserted in the Action; or (2) that arise out of or relate in any way to the administration of the settlement. The foregoing release does not waive rights of any Settlement Class Members to dispute amounts owed on individual accounts or to seek legal recourse for any other matters related to their accounts other than those that arise out of or relate to the allegations, causes of actions and facts that were asserted in the Action or that arise out of or relate in any way to the administration of the settlement.

Without limiting the foregoing, the Released Claims specifically extend to claims that Plaintiffs and the Settlement Class Members do not know or suspect to exist in their favor at the time that the settlement, and the releases contained therein, becomes effective. This paragraph constitutes a waiver of all provisions, rights, and benefits of all state or common-law rules limiting the release of known or unknown claims, including without limitation as to any other applicable law, section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.]

If you have any questions about the Release or what it means, you can also talk to Class Counsel, listed under Question 11, for free, or you can, at your own expense, talk to your own lawyer.

The Release does not apply to persons in the Settlement Class who timely exclude themselves from the Settlement.

Questions? Call X-XXX-XXX-XXXX or visit www._____.com
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EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want to receive benefits from this Settlement, and you want to keep the right to sue or continue to sue American Express on your own about the Released Claims under the Settlement, then you must take steps to exclude yourself from the Settlement.

10. How do I exclude myself from the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail saying that you want to be excluded. The letter must include the Basic Cardmember's full name, address, telephone number and American Express account number(s), and it must be signed by the Basic Cardmember. You must also include the following statement: "I/we request to be excluded from the class settlement in Lopez, et al. v. American Express Bank, FSB, et al., C.D. Cal. Case No. CV 09-7335 SJO (MANx)."

For any Settlement Class Member who has more than one account, the exclusion request must specify each separate account. No request for exclusion will be valid unless all of the information described above is included. For small business cardmembers, a request for exclusion by a Basic Cardmember will be treated as a request for exclusion by the Basic Cardmember and the Company.

You must mail your signed exclusion request postmarked no later than [DATE] to:

[ADDRESS OF SETTLEMENT ADMINISTRATOR]

If you ask to be excluded, you will not get any payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) American Express in the future.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court appointed the following attorneys and firms to represent you and the Settlement Class as Lead Class Counsel:

Marc R. Stanley Stanley Law Group 6116 N. Central Expressway, Suite 1500, Dallas, TX 75206	Michael D. Braun Braun Law Group, P.C. 10680 Pico Blvd., Ste 280 Los Angeles, CA 90064
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You will not be charged for these lawyers' services. If you want to be represented by your own lawyer, you may hire one at your own expense.

12. How will Class Counsel and the Class Representatives be paid?

Class Counsel will ask the Court to approve attorneys' fees and costs awards of up to a total of \$1,600,000. This payment will compensate Class Counsel for investigating the facts, litigating the

Questions? Call X-XXX-XXX-XXXX or visit www._____.com
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case and concluding the Settlement. Class Counsel will also request service awards of \$5,000 each for the two Representative Plaintiffs to compensate them for their time and effort.

The Court may award less than the amounts requested by Class Counsel and the Representative Plaintiffs. You may object to Class Counsel’s application for attorneys’ fees and costs and/or the service awards. For more information about making an objection, see Question 13 below.

OBJECTING TO THE SETTLEMENT

13. How do I tell the Court that I do not think the Settlement is fair?

You can tell the Court that you don’t agree with the Settlement or some part of it. If you are a Settlement Class Member, you can object to the Settlement and state reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the proposed Settlement in *Lopez, et al. v. American Express Bank, FSB, et al.*, United States District Court for the Central District of California Case No. CV 09-07335 SJO (MANx).

Your objection to the Settlement must be filed no later than [DATE] with the Court:

Court: Clerk of the Court
U.S. District Court for the Central District of California
312 N. Spring Street, Room G-19, Civil Intake Section
Los Angeles, CA 90012-4701

Re: *Lopez, et al. v. American Express Bank, FSB, et al.*
Case No. CV 09-07335 SJO (MANx)

Your objection must also be mailed to both Class Counsel and American Express’s counsel, as set forth below, **postmarked no later than [DATE]**:

Class Counsel: Marc R. Stanley
Stanley Law Group
6116 N. Central Expressway, Suite 1500,
Dallas, TX 75206

American Express’s Counsel: Julia B. Strickland
Stroock & Stroock & Lavan LLP
2029 Century Park East, 16th Floor
Los Angeles, CA 90067-3086

Questions? Call X-XXX-XXX-XXXX or visit www._____.com
Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

THE FINAL APPROVAL HEARING

14. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing (the “Final Approval Hearing”) to decide whether to approve the Settlement, including the amount of attorneys’ fees and costs to be paid to Class Counsel and the amount of service awards to be paid to the Class Representatives. This Final Approval Hearing will be held at [TIME] on [DATE] at the before the Honorable S. James Otero, in Courtroom 1 of the United States District Court for the Central District of California, located at 312 North Spring Street, Los Angeles, California 90012.

The Final Approval Hearing may be moved to a different date or time without additional notice, so it is a good idea to check the Settlement Website for updates.

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable and adequate and whether to award attorneys’ fees and costs and service awards as described above, and in what amounts. If there are objections, the Court will consider them. At or after the Final Approval Hearing, the Court will decide whether to approve the Settlement. The parties do not know how long it will take the Court to issue its decision. It is not necessary for you to appear at the Final Approval Hearing, but you may attend at your own expense.

15. May I speak at the Final Approval Hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must file a Notice of Intent to Appear at the Final Approval Hearing with the Court and mail it to all of the parties, at the addresses set out under Question 13. It must be filed and postmarked no later than [DATE].

IF YOU DO NOTHING

16. What happens if I do nothing at all?

If you are a Settlement Class Member and do nothing, you will not receive a cash payment after the Court approves the Settlement and any appeals are resolved. You will also be bound by the Settlement. In order to receive a payment, you must submit a Claim Form. Unless you exclude yourself, you won’t be able to start a lawsuit, continue with a lawsuit or be part of any other lawsuit against American Express about the issues in this case, and all the decisions and judgments by the Court in this case will bind you, as will the Release.

GETTING MORE INFORMATION

17. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may review the Settlement Agreement on the Settlement Website at www._____.com, where you will also find answers to common questions about

Questions? Call X-XXX-XXX-XXXX or visit www._____.com

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the Settlement and other information to help you determine whether you are part of the Settlement Class and whether you are eligible for a payment. You may request a mailed copy of the Settlement Agreement by calling the Settlement Administrator toll-free at 1-XXX-XXX-XXXX.

DO NOT CALL OR WRITE TO THE CLERK OF THE COURT FOR ADDITIONAL INFORMATION ABOUT THE SETTLEMENT. DO NOT CONTACT AMERICAN EXPRESS ABOUT THE SETTLEMENT. TELEPHONE REPRESENTATIVES ARE NOT AUTHORIZED TO CHANGE THE TERMS OF THE SETTLEMENT OR THIS NOTICE.

Questions? Call X-XXX-XXX-XXXX or visit www._____.com
Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

LEGAL NOTICE

If you had an American Express card issued by American Express Centurion Bank or American Express Bank, FSB with a fixed interest rate and you received notice of an increase in the rate or a change to a variable rate between October 1, 2005 and December 31, 2010, this Notice describes your rights and potential benefits from a class action settlement.

THIS NOTICE MAY AFFECT YOUR LEGAL RIGHTS. PLEASE READ IT CAREFULLY.

This Notice summarizes a proposed class-action settlement of claims brought against American Express Centurion Bank and American Express Bank, FSB (“American Express”). This Notice does not apply to you if your American Express card was issued by another bank.

The proposed settlement (the “Settlement”) resolves claims that the interest rate on credit and charge cards issued by American Express with a fixed interest rate could not be increased or changed to a variable interest rate unless the account was delinquent or in default.

You are part of the Settlement and may be eligible to submit a Claim for a cash payment if you were an American Express cardmember in the United States with a consumer or small-business card issued by American Express with a fixed annual percentage rate that was increased or changed to a variable rate at any time between October 1, 2005 and December 31, 2010.

You also are part of the Settlement if you received notice of such an increase or change but your account did not have an existing balance or was delinquent or in default at the time of the rate change, or if any American Express account in your name has been written off or charged off, or if you have already received a refund or rate reduction, although you will not be eligible to submit a Claim for a cash payment.

What is this settlement about? The proposed settlement resolves a case in which the plaintiffs allege that the interest rate on credit and charge cards issued by American Express with a fixed interest rate could not be increased or changed to a variable rate unless the account was delinquent or in default. American Express denies these allegations.

Who is in the settlement class? You are in the settlement class if you were an American Express cardmember in the United States with a consumer

or small-business card issued by American Express with a fixed annual percentage rate for purchases and you received notice that the rate would increase or be changed to a variable rate at any time between October 1, 2005 and December 31, 2010.

What are the terms of the settlement?

American Express will pay up to \$6 million to cover: (1) cash payments to eligible settlement class members of up to \$4 million and not less than \$3.5 million in total; (2) plaintiffs’ attorneys’ fees and costs up to \$1.6 million; (3) service awards to plaintiffs up to \$5,000 each; and (4) notice and administration costs. Plaintiffs estimate that eligible settlement class members will receive a cash award of approximately \$32.50 per eligible claim.

How do I request a payment?

You are eligible to submit a claim for payment unless your account did not have an existing balance or was delinquent or in default at the time of the rate change, or if any American Express account in your name has been written off or charged off, or if you have already received a refund or rate reduction. You may submit a claim at www._____.com or call 1-XXX-XXX-XXXX to request a paper claim form. Claims must be submitted by [DATE].

What are my other options?

If you don’t want to be legally bound by the settlement, you must exclude yourself by [DATE] or you will not be able to pursue claims against American Express in the future. If you stay in the settlement, you may object to the settlement by [DATE].

How do I exclude myself from the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail saying that you want to be excluded. The letter must include the Basic Cardmember’s full name, address, telephone number and American Express account number(s), and it must be signed by the Basic

Cardmember. You must also include the following statement: "I/we request to be excluded from the class settlement in Lopez v. American Express Bank, FSB, C.D. Cal. Case No. CV 09-7335 SJO (MANx)." For any Settlement Class Member who has more than one account, the exclusion request must specify each separate account. No request for exclusion will be valid unless all of the information described above is included. For small business cardmembers, a request for exclusion by a Basic Cardmember will be treated as a request for exclusion by the Basic Cardmember and the Company. You must mail your signed exclusion request postmarked no later than [DATE] to: [ADDRESS OF SETTLEMENT ADMINISTRATOR]. If you ask to be excluded, you will not get any payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) American Express in the future.

How do I tell the Court that I do not think the Settlement is fair? You can tell the Court that you don't agree with the Settlement or some part of it. If you are a Settlement Class Member, you can object to the Settlement and state reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the proposed Settlement no later than [DATE]. For instructions for submitting an objection, go to the Settlement Website at www._____.com.

What am I giving up to get a payment or stay in the Settlement Class? Unless you exclude yourself, you will stay in the Settlement Class and you will be a Settlement Class Member. That means that you cannot sue, continue to sue or be part of any other lawsuit against American Express involving claims that are subject to the Settlement, including claims arising out of or related to the allegations against American Express in this case or that arise out of or relate to the administration of the Settlement. It also means that all of the Court's orders will apply to you and legally bind you. The Settlement Agreement (available at www._____.com) specifically describes the claims you are releasing in detail.

When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing (the "Final Approval Hearing") to decide whether to approve the Settlement, including the amount of attorneys' fees and costs to be paid to Class Counsel and the amount of service awards to be paid to the Class

Representatives. This Final Approval Hearing will be held at [TIME] on [DATE] at the before the Honorable S. James Otero, in Courtroom 1 of the United States District Court for the Central District of California, located at 312 North Spring Street, Los Angeles, California 90012. The Final Approval Hearing may be moved to a different date or time without additional notice, so it is a good idea to check the Settlement Website for updates. At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable and adequate and whether to award attorneys' fees and costs and service awards as described above, and in what amounts. If there are objections, the Court will consider them. At or after the Final Approval Hearing, the Court will decide whether to approve the Settlement. The parties do not know how long it will take the Court to issue its decision. It is not necessary for you to appear at the Final Approval Hearing, but you may attend at your own expense.

How can I get additional information? This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may review the Settlement Agreement on the Settlement Website at www._____.com, where you will also find answers to common questions about the Settlement and other information to help you determine whether you are part of the Settlement Class and whether you are eligible for a payment. You may request a mailed copy of the Settlement Agreement by calling the Settlement Administrator toll-free at 1-XXX-XXX-XXXX.

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This Notice summarizes a proposed class-action settlement of claims brought against American Express Centurion Bank and American Express Bank, FSB (“American Express”). This Notice does not apply to you if your American Express card was issued by another bank.

The proposed settlement (the “Settlement”) resolves claims that the interest rate on credit and charge cards issued by American Express with a fixed interest rate could not be increased or changed to a variable interest rate unless the account was delinquent or in default.

You are part of the Settlement and may be eligible to submit a Claim for a cash payment if you were an American Express cardmember in the United States with a consumer or small-business card issued by American Express with a fixed annual percentage rate that was increased or changed to a variable rate at any time between October 1, 2005 and December 31, 2010.

You also are part of the Settlement if you received notice of such an increase or change but your account did not have an existing balance or was delinquent or in default at the time of the rate change, or if any American Express account in your name has been written off or charged off, or if you have already received a refund or rate reduction, although you will not be eligible to submit a Claim for a cash payment.

What is this settlement about? The proposed settlement resolves a case in which the plaintiffs allege that the interest rate on credit and charge cards issued by American Express with a fixed interest rate could not be increased or changed to a variable rate unless the account was delinquent or in default. American Express denies these allegations.

Who is in the settlement class? You are in the settlement class if you were an American Express cardmember in the United States with a consumer or small-business card issued by American Express with a fixed annual percentage rate for purchases and you received notice that the rate

would increase or be changed to a variable rate at any time between October 1, 2005 and December 31, 2010.

What are the terms of the settlement? American Express will pay up to \$6 million to cover: (1) cash payments to eligible settlement class members of up to \$4 million and not less than \$3.5 million in total; (2) plaintiffs’ attorneys’ fees and costs up to \$1.6 million; (3) service awards to plaintiffs up to \$5,000 each; and (4) notice and administration costs. Plaintiffs estimate that eligible settlement class members will receive a cash award of approximately \$32.50 per eligible claim.

How do I request a payment? You are eligible to submit a claim for payment unless your account did not have an existing balance or was delinquent or in default at the time of the rate change, or if any American Express account in your name has been written off or charged off, or if you have already received a refund or rate reduction. You may submit a claim at www._____.com or call 1-XXX-XXX-XXXX to request a paper claim form. Claims must be submitted by [DATE].

What are my other options? If you don’t want to be legally bound by the settlement, you must exclude yourself by [DATE] or you will not be able to pursue claims against American Express in the future. If you stay in the settlement, you may object to the settlement by [DATE].

How do I exclude myself from the Settlement? To exclude yourself from the Settlement, you must send a letter by mail saying that you want to be excluded. The letter must include the Basic Cardmember’s full name, address, telephone number and American Express account number(s), and it must be signed by the Basic Cardmember. You must also include the following statement: “I/we request to be excluded from the class settlement in Lopez v. American Express Bank, FSB, C.D. Cal. Case No. CV 09-7335 SJO (MANx).” For any Settlement Class Member who has more than one account, the exclusion request

must specify each separate account. No request for exclusion will be valid unless all of the information described above is included. For small business cardmembers, a request for exclusion by a Basic Cardmember will be treated as a request for exclusion by the Basic Cardmember and the Company. You must mail your signed exclusion request postmarked no later than [DATE] to: [ADDRESS OF SETTLEMENT ADMINISTRATOR]. If you ask to be excluded, you will not get any payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) American Express in the future.

How do I tell the Court that I do not think the Settlement is fair? You can tell the Court that you don't agree with the Settlement or some part of it. If you are a Settlement Class Member, you can object to the Settlement and state reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the proposed Settlement no later than [DATE]. For instructions for submitting an objection, go to the Settlement Website at www._____.com.

What am I giving up to get a payment or stay in the Settlement Class? Unless you exclude yourself, you will stay in the Settlement Class and you will be a Settlement Class Member. That means that you cannot sue, continue to sue or be part of any other lawsuit against American Express involving claims that are subject to the Settlement, including claims arising out of or related to the allegations against American Express in this case or that arise out of or relate to the administration of the Settlement. It also means that all of the Court's orders will apply to you and legally bind you. The Settlement Agreement (available at www._____.com) specifically describes the claims you are releasing in detail.

14. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing (the "Final Approval Hearing") to decide whether to approve the Settlement, including the amount of attorneys' fees and costs to be paid to Class Counsel and the amount of service awards to be paid to the Class Representatives. This Final Approval Hearing will be held at [TIME] on [DATE] at the before the Honorable S. James Otero, in Courtroom 1 of the United States District Court for the Central District of California, located at 312 North Spring Street, Los Angeles, California 90012. The Final Approval

Hearing may be moved to a different date or time without additional notice, so it is a good idea to check the Settlement Website for updates. At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable and adequate and whether to award attorneys' fees and costs and service awards as described above, and in what amounts. If there are objections, the Court will consider them. At or after the Final Approval Hearing, the Court will decide whether to approve the Settlement. The parties do not know how long it will take the Court to issue its decision. It is not necessary for you to appear at the Final Approval Hearing, but you may attend at your own expense.

How can I get additional information? This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may review the Settlement Agreement on the Settlement Website at www._____.com, where you will also find answers to common questions about the Settlement and other information to help you determine whether you are part of the Settlement Class and whether you are eligible for a payment. You may request a mailed copy of the Settlement Agreement by calling the Settlement Administrator toll-free at 1-XXX-XXX-XXXX.

DO NOT CALL OR WRITE TO THE CLERK OF THE COURT FOR ADDITIONAL INFORMATION ABOUT THE SETTLEMENT. DO NOT CONTACT AMERICAN EXPRESS ABOUT THE SETTLEMENT. TELEPHONE REPRESENTATIVES ARE NOT AUTHORIZED TO CHANGE THE TERMS OF THE SETTLEMENT OR THIS NOTICE.

Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

Exhibit F – Claim Form

CLAIM FORM

Lopez v. American Express Bank, FSB, et al.

United States District Court for the Central District of California, Case No. CV 09-07335 SJO (MANx)

TO BE ELIGIBLE FOR A SETTLEMENT PAYMENT, YOU MUST FOLLOW ALL OF THE INSTRUCTIONS IN THIS CLAIM FORM AND PROVIDE ALL OF THE INFORMATION REQUESTED BELOW. FAILURE TO PROVIDE ALL OF THE REQUESTED INFORMATION WILL RESULT IN YOUR CLAIM BEING REJECTED. ONLY ONE CLAIM FORM MAY BE SUBMITTED PER ACCOUNT.

YOU MUST MAIL YOUR COMPLETED CLAIM FORM TO THE ADDRESS LISTED BELOW SO THAT IT IS POSTMARKED ON OR BEFORE [LAST DAY TO SUBMIT CLAIM FORMS]. MAILED CLAIM FORMS POSTMARKED AFTER THE DEADLINE WILL BE REJECTED. CLAIM FORMS SUBMITTED TO ANY LOCATION OTHER THAN TO THE ADDRESS LISTED BELOW WILL NOT BE CONSIDERED.

1. Provide your name and address:

Claimant's Name (First, Middle, Last)

Current Street Address and Number

City State Zip Code

2. Provide the last 5 digits of your American Express account number:

Last 5 Digits of American Express Account Number

3. Sign this form. By signing below, you are confirming that each of the following statements is true:

Between May 5, 2002 and [DATE OF PRELIMINARY APPROVAL], I held an American Express credit card account with a fixed interest rate that was changed to a higher fixed rate or a higher variable rate when my account was not delinquent or in default. Before I received notice of the rate change, I believed that the fixed interest rate could not be changed to a variable rate or increased if the account was not delinquent or in default. I did not receive a full or partial refund of the interest charged at the higher rate or a reduction in the interest rate.

I understand that I will not be eligible to receive a payment if I did not have an existing balance at the time of the rate change or if any American Express account in my name has been written off or charged off at any time for any reason.

I swear or affirm that all information I have provided on this Claim Form is true and correct, to the best of my knowledge.

Dated: _____
(Sign here)

4. Return your COMPLETED Claim Form to:

Lopez Claim Form, PO Box [BOX NUMBER], [CITY], [STATE & ZIP]

THIS ADDRESS SHOULD ONLY BE USED TO REQUEST CLAIM FORMS OR SUBMIT COMPLETED FORMS. ANY OTHER QUESTIONS OR REQUESTS FOR INFORMATION SENT TO THIS ADDRESS WILL NOT BE RESPONDED TO. IF YOU HAVE ANY QUESTIONS REGARDING THE NOTICE OR THIS CLAIM FORM, WRITE TO CLASS COUNSEL: Marc R. Stanley, Stanley Law Group, 6116 N. Central Expressway, Suite 1500, Dallas, TX 75206.

DO NOT CONTACT AMERICAN EXPRESS OR THE COURT. AMERICAN EXPRESS TELEPHONE REPRESENTATIVES ARE NOT AUTHORIZED TO CHANGE THE TERMS OF THIS CLAIM FORM OR THE NOTICE.

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

ALFREDO M. LOPEZ, et al.,

Plaintiffs,

v.

AMERICAN EXPRESS BANK, FSB, et al.,

Defendants.

) Case No. CV09-7335 SJO (MANx)

) [The Honorable S. James Otero]

) **[PROPOSED] FINAL APPROVAL
ORDER AND JUDGMENT**

Exhibit G – Proposed Final Approval Order

1 Upon review and consideration of the Settlement Agreement by and between
2 plaintiffs Alfredo M. Lopez and Lauren R. Greene (together, “Plaintiffs”) and
3 defendants American Express Bank, FSB and American Express Centurion Bank
4 (together, “American Express”) and the memoranda and arguments of counsel,

5 IT IS HEREBY ORDERED, ADJUDGED and DECREED as follows:

6 1. Pursuant to Federal Rule of Civil Procedure 23(e), the settlement of this
7 Action, as embodied in the terms of the Settlement Agreement, is hereby finally
8 approved as a fair, reasonable and adequate settlement of this case in light of the
9 factual, legal, practical and procedural considerations raised. The definitions and
10 provisions of the Settlement Agreement are hereby incorporated as though fully set
11 forth herein. For purposes of this Order and Judgment, capitalized terms shall have
12 the meaning ascribed to them in the Settlement Agreement.

13 2. This Court has jurisdiction over the subject matter of the Settlement
14 Agreement with respect to and over all parties to the Settlement Agreement, including
15 all members of the Settlement Class.

16 3. The Court hereby approves the settlement, including the plan of
17 distribution of the settlement relief, and finds that the settlement is, in all respects,
18 fair, reasonable and adequate to the Settlement Class Members, within the authority of
19 the parties and the result of extensive arm’s-length negotiations.

20 4. Pursuant to Federal Rule of Civil Procedure 23(a), 23(b)(3), 23(c) and
21 23(e), the Court certifies, for settlement purposes only, the following Settlement
22 Class:

23 All persons or entities in the United States who: (a) had a consumer or
24 small-business American Express credit card or charge card account with
25 American Express Centurion Bank or American Express Bank, FSB; and
26 (b) had a fixed annual percentage rate for purchases on the account that
27 was increased or changed to a variable rate at any time between October
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Exhibit G – Proposed Final Approval Order

1 1, 2005 and December 31, 2010; or (c) had a fixed annual percentage
2 rate for purchases on the account and were provided notice of an increase
3 in the fixed rate or a change from the fixed rate to a variable rate at any
4 time between October 1, 2005 and December 31, 2010.

5 5. This Order and Judgment does not constitute an expression by the Court
6 of any opinion, position or determination as to the merit or lack of merit of any of the
7 claims or defenses of Plaintiffs, the Settlement Class Members or American Express.
8 Neither this Order and Judgment nor the Settlement Agreement is an admission or
9 indication by American Express of the validity of any claims in this Action or of any
10 liability or wrongdoing or of any violation of law. This Order and Judgment and the
11 Settlement Agreement do not constitute a concession and shall not be used as an
12 admission or indication of any wrongdoing, fault or omission by American Express or
13 any other person in connection with any transaction, event or occurrence, and neither
14 this Order and Judgment nor the Settlement Agreement nor any related documents in
15 this proceeding nor any reports or accounts thereof shall be offered or received in
16 evidence in any civil, criminal or administrative action or proceeding, other than such
17 proceedings as may be necessary to consummate or enforce this Order and Judgment,
18 the Settlement Agreement and all releases given thereunder, or to establish the
19 affirmative defenses of res judicata or collateral estoppel.

20 6. The Court hereby dismisses this Action with prejudice as to Plaintiffs
21 and all Settlement Class Members except those who have timely and properly
22 excluded themselves from the Settlement Class. Exhibit A, attached hereto, sets forth
23 the names of those individuals who have timely and properly excluded themselves
24 from the Settlement Class.

25 7. Each Class Member shall be bound by the Settlement Agreement,
26 including the releases in the Settlement Agreement, which is hereby incorporated by
27 reference and becomes part of the final judgment in this Action.

Exhibit G – Proposed Final Approval Order

1 A general release does not extend to claims which the creditor does not know
2 or suspect to exist in his or her favor at the time of executing the release, which
3 if known by him or her must have materially affected his or her settlement with
4 the debtor.

5 Plaintiffs understand and acknowledge, and each member of the Settlement Class
6 shall be deemed to understand and acknowledge, the significance of the waiver of
7 California Civil Code section 1542 and/or of any other applicable law relating to
8 limitations on releases. In connection with such waiver and relinquishment, Plaintiffs
9 acknowledge, and all members of the Settlement Class shall be deemed to
10 acknowledge, that they are aware that they may hereafter discover facts in addition to,
11 or different from, those facts which they now know or believe to be true with respect
12 to the subject matter of the settlement, but that it is their intention to release fully,
13 finally and forever all Released Claims, and in furtherance of such intention, the
14 release of the Released Claims will be and remain in effect notwithstanding the
15 discovery or existence of any such additional or different facts.

16 9. The Court finds that the program of Class Notice set forth in the
17 Settlement Agreement and preliminarily approved by the Court was the best notice
18 practicable under the circumstances and was directed to Settlement Class Members in
19 accordance with the Court’s Order Preliminarily Approving Settlement. The Class
20 Notice provided due and adequate notice of these proceedings and of the matters set
21 forth therein, including the Settlement Agreement, to all Settlement Class Members
22 entitled to such notice and satisfied the requirements of Federal Rule of Civil
23 Procedure 23 and the requirements of constitutional due process.

24 10. The Court appoints Alfredo M. Lopez and Lauren R. Greene as class
25 representatives of the Settlement Class and finds that they each meet the requirements
26 of Federal Rule of Civil Procedure 23.

Exhibit G – Proposed Final Approval Order

1 15. The Court approves Class Counsel’s application for \$_____ in
2 attorneys’ fees and costs [fees not to exceed \$1,500,000 and costs not to exceed
3 \$100,000].

4 16. The Court approves incentive awards for Alfredo M. Lopez in the
5 amount of \$_____ and Lauren R. Greene in the amount of \$ _____
6 [incentive awards not to exceed \$5,000 to each of Plaintiffs].

7 17. The Parties shall carry out their respective obligations under the
8 Settlement Agreement.

9 **IT IS SO ORDERED.**

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11 Dated:

The Honorable S. James Otero
United States District Judge

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