

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

SYLVIA VARGA, individually, and on
behalf of all others similarly situated,

Plaintiffs,

v.

AMERICAN AIRLINES FEDERAL
CREDIT UNION, and DOES 1-100,

Defendants.

CASE NO.: 2:20-CV-04380-DSF-KS

**ORDER ON MOTION FOR
PRELIMINARY APPROVAL OF
PROPOSED SETTLEMENT**

The Court, having considered the Motion for Preliminary Approval of Proposed Settlement, and all supporting documents, and the Settlement Agreement and Release (the Settlement Agreement), orders as follows:

1. The Defined Terms in this order shall have the same meaning given such terms in the Settlement Agreement.
2. The Court finds, on a preliminary basis, that the class, as defined in the Settlement Agreement (Settlement Class), meets all the requirements for certification of a settlement class under the Federal Rules of Civil Procedure and applicable case law. Accordingly, the Court provisionally certifies the Settlement Class, which is composed of the following classes:

The “Retry NSF Fee Class,” which is defined as, “those members of Defendant who were charged Retry NSF Fees between May 14, 2016 and February 29, 2020.” “Retry NSF Fee(s)” is defined as, “the fee that Defendant charges on the second or third time (or subsequent times) a third party submits an item in an attempt to collect on a check (including an electronic check) or ACH payment item after the first attempt at payment was rejected because the member’s account had an insufficient available balance.”

The “APPSN Fee Class,” which is defined as, “those members of Defendant who were charged APPSN Fees between May 14, 2016 and October 8, 2020.” “APPSN Fee(s)” is defined as, “the fee(s) that Defendant charges on certain Point of Sale debit card transactions where there was a sufficient available balance at the time the transaction was authorized, but an insufficient available balance at the time the transaction was presented to Defendant for payment and posted to a member’s account.”

3. The Court provisionally appoints Sylvia Varga as the Class Representative of the Settlement Class.
4. The Court appoints KCC Class Action Services, LLC to be the Claims Administrator under the terms of the Settlement Agreement.
5. For purposes of the Settlement Agreement, the Court further provisionally finds that counsel for the Settlement Class, Taras Kick of The Kick Law Firm, APC, and Jeffrey Kaliel of Kaliel Gold PLLC are qualified, experienced, and skilled attorneys capable of adequately representing the settlement class, and

they are provisionally approved as Class Counsel. The Court has insufficient information concerning the other counsel to make a preliminary finding at this time.

6. This certification of a preliminary Settlement Class is for settlement purposes only and shall not constitute, nor be construed as, an admission on the part of the defendant in this action that any other proposed or certified class action is appropriate for class treatment pursuant to the Federal Rules of Civil Procedure or any similar statute, rule, or common law. The entry of this order is without prejudice to the rights of the defendant to oppose class certification in this action, should the settlement not be approved or not be implemented for any reason, or to terminate the Settlement Agreement, as provided therein.

7. The Court provisionally, and solely for purposes of this settlement, finds that the members of the Settlement Class are so numerous that joinder of all members would be impracticable, that the litigation and proposed settlement raise issues of law and fact common to the claims of the Class Members, and these common issues predominate over any issues affecting only individual members of the Settlement Class, that the claims of Sylvia Varga (the Named Plaintiff) are typical of the claims of the Settlement Class, that in prosecuting this Action and negotiating and entering into the Settlement Agreement, the Named Plaintiff and her counsel have fairly and adequately protected the interests of the Settlement Class and will adequately represent the Settlement Class in connection with the settlement, and that a class action is superior to other methods available for adjudicating the controversy.

8. The Court has reviewed the Settlement Agreement and the Email and Postcard Notice and Long Form Notice (together, the Notice) (Exhibits 1 and 2 to the Settlement Agreement as revised) and finds that the settlement memorialized therein falls within the range of reasonableness and potential for final approval, thereby meeting the requirements for preliminary approval, and that the Notice should go out to the Settlement Class in the manner described in the Settlement

Agreement. The settlement appears to be reasonable in light of the risk inherent in continuing with litigation. The Court also notes that the settlement is a non-reversionary one where no money will be returned to the defendant. The Court also notes that the settlement was the product of an arm's length negotiation involving experienced counsel.

9. The Court finds that the methods of providing notice prescribed in the Settlement Agreement meet the requirements of the Federal Rules of Civil Procedure and due process, are the best notice practicable under the circumstances, shall constitute due and sufficient notice to all persons entitled thereto, and complies with the requirements of the Constitution of the United States, and all other applicable laws.

10. For the purposes stated and defined in the Settlement Agreement, the Court sets the following dates and deadlines:

The Claims Administrator Sends Notice and Website Goes Live	September 24, 2021
The Last Day to Opt-Out	October 25, 2021
The Motion for Final Approval and Attorneys' Fees Filed with the Court	November 1, 2021
Last Day to Object	November 16, 2021
Last Day to File Responses to Objections and Class Counsel's and Defendant's Replies in Support of the Motion for Final Approval and Attorneys' Fees	November 29, 2021
Final Approval Hearing	December 13, 2021 at 1:30 p.m. or such later date as the Court's schedule permits
The Claim Administrators Filing of the Final Report	Thirty Days After the Time to Cash Checks has Expired

11. The Court approves and adopts the procedures, deadlines, and manner governing all requests to be excluded from the Class, or for objecting to the proposed settlement, as provided for in the Settlement Agreement.

12. All costs incurred in connection with providing notice and settlement administration services to the class Members shall be paid from the Settlement Fund.

13. If the settlement is not approved or consummated for any reason whatsoever, the Settlement Agreement and all proceedings in connection therewith shall terminate without prejudice to the status quo ante and rights of the parties to the action as they existed prior to the date of the execution of the Settlement Agreement, except as otherwise provided in the Settlement Agreement.

IT IS SO ORDERED.

Date: August 17, 2021



Honorable Dale S. Fischer
UNITED STATES DISTRICT JUDGE