

Todd Wodja
v.
Washington State Employees Credit Union

NOTICE OF PENDING CLASS ACTION AND PROPOSED SETTLEMENT

READ THIS NOTICE FULLY AND CAREFULLY; THE PROPOSED SETTLEMENT MAY AFFECT YOUR RIGHTS.

THIS NOTICE RELATES TO A NEGOTIATED SETTLEMENT. NO COURT HAS RULED ON THE CLAIMS THE PLAINTIFF IS ASSERTING AGAINST WSECU.

IF YOU HAD A CHECKING ACCOUNT WITH WASHINGTON STATE EMPLOYEES CREDIT UNION (“WSECU”) AND YOU WERE CHARGED AN OVERDRAFT PRIVILEGE FEE BETWEEN OCTOBER 1, 2009 AND DECEMBER 31, 2016, THEN YOU MAY BE ENTITLED TO A PAYMENT FROM A CLASS ACTION SETTLEMENT

The Superior Court of the State of Washington in and for the County of Pierce has authorized this Notice; it is not a solicitation from a lawyer.

SUMMARY OF YOUR OPTIONS AND THE LEGAL EFFECT OF EACH OPTION	
APPROVE THE SETTLEMENT AND RECEIVE A PAYMENT; YOU NEED NOT DO ANYTHING	Unless you exclude yourself from the settlement (see the next paragraph), then you will receive a check.
EXCLUDE YOURSELF FROM THE SETTLEMENT; RECEIVE NO PAYMENT BUT RELEASE NO CLAIMS	You can choose to exclude yourself from the settlement or “opt out.” This means you choose not to participate in the settlement. You will keep your individual claims against WSECU, but you will not receive a payment. If you want to recover against WSECU, you will have to file a separate lawsuit or claim at your own expense.
OBJECT TO THE SETTLEMENT	You can file an objection with the Court explaining why you believe the Court should reject the settlement. If your objection is overruled by the Court, you <u>will</u> receive a payment and you <u>will not</u> be able to sue WSECU for the claims asserted in this litigation. If the Court agrees with your objection, then the settlement may not be approved.

These rights and options – *and the deadlines to exercise them* – along with the material terms of the settlement are explained in this Notice.

BASIC INFORMATION

1. What is this lawsuit about?

The lawsuit that is being settled is entitled *Todd Wodja v. Washington State Employees Credit Union*, Superior Court of the State of Washington, County of Pierce, Case No. 16-2-12148-4. The case is a “class action.” The “Named Plaintiff,” Todd Wodja filed this lawsuit on behalf of WSECU members who were charged an overdraft privilege fee for non-recurring debit card or ATM transactions at any time from October 1, 2009 through December 31, 2016, and, at the time such fee was imposed, that person had sufficient funds in the ledger balance but not the available balance in his or her account to complete the transaction. This group is called the “Class Members.” The lawsuit asserts claims for breach of contract and other causes of action, and seeks a refund of those overdraft privilege fees. WSECU contends that the overdraft privilege fees it charged were proper and in accordance with the terms of its member account agreements with the Class Members and applicable law which allow WSECU to determine overdrafts based on the available balance in a member’s account. WSECU maintains that this practice was properly disclosed to and agreed on by its members and denies that the charges give rise to claims for damages by Mr. Wodja or any class member.

2. Why did I receive this Notice of this lawsuit?

You received this Notice because WSECU's records indicate that you were charged overdraft privilege fee(s) for a non-recurring debit card or ATM transaction(s) between October 1, 2009 and December 31, 2016, while your available balance was insufficient due to previously authorized transactions, but your ledger balance was sufficient to complete the transaction at issue. The Court directed that this Notice be sent to all Class Members to provide information about the proposed settlement and the options available to the Class Members before the Court decides whether to approve the settlement.

3. Why did the parties settle?

The Named Plaintiff has alleged claims against WSECU, including breach of contract and other claims. WSECU contends that it acted in accordance with the member account agreements and applicable law and denies all of the asserted claims. At this point, the court overseeing the case has not decided who is right. The settlement amount came from the proposal of a retired federal judge who acted as a neutral third party mediator; that proposal was accepted by the Named Plaintiff and the Defendant.

In any lawsuit, there are risks and potential benefits that come with a trial versus settling at an earlier stage. It is the Named Plaintiff's lawyers' job to identify when a proposed settlement offer justifies recommending settling the case instead of continuing to trial. In a class action, these lawyers, known as Class Counsel, make this recommendation to the Named Plaintiff.

The Named Plaintiff is required to act in the best interests of the class as a whole, and in this case, it is his belief, as well as Class Counsel's opinion, that this settlement is in the best interest of all Class Members for at least the following reasons:

There is legal uncertainty about whether a judge or a jury will find that WSECU was contractually and otherwise legally obligated not to assess overdraft privilege fees when the ledger balance was sufficient to pay for a transaction, and even if they were, there is uncertainty about whether the claims are subject to other defenses that might result in no or less recovery to Class Members. Even if the Named Plaintiff were to win at trial, there is no assurance that the Class Members would be awarded more than the current settlement amount and it may take years of litigation before any payments would be made. By settling, the Class Members will avoid these and other risks and the delays associated with continued litigation.

Although WSECU has denied and continues to deny the allegations in the lawsuit, it has concluded that settling the lawsuit now is in the best interest of the credit union and its members. The settlement allows WSECU to avoid the litigation costs that would arise from continuing the case. It also brings closure to the dispute, eliminates uncertainty about the outcome and allows WSECU to remain focused on serving its members.

WHO IS IN THE SETTLEMENT

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

If you received this notice, then WSECU's records indicate that you are a Class Member who is entitled to receive a payment.

YOUR OPTIONS

5. What options do I have with respect to the Settlement?

You have three options: (1) do nothing and automatically participate in the settlement; (2) exclude yourself from the settlement ("opt out" of it) and receive no settlement payment, but reserve your right to pursue your own individual claims; or (3) participate in the settlement but object to it. Each of these options is described in a separate section below.

6. What are the critical deadlines?

To participate in the settlement, you need not do anything; so long as you do not exclude yourself (described in Questions 16 through 18, below), a payment will be made to you by mailing a check to you at the last address on file with WSECU (or any other address you provide).

The deadline for sending a letter to exclude yourself from or opt out of the settlement is May 6, 2018.

The deadline to file an objection with the Court is May 26, 2018.

7. How do I decide which option to choose?

If you do not agree with the settlement and you believe that you could receive more money by pursuing your claims on your own (with or without an attorney that you could hire at your own expense) and you are comfortable with the risk that you might lose your case or get less than you would in this settlement, then you may want to consider opting out.

If you believe the settlement is unreasonable, unfair, or inadequate and the Court should reject the settlement, you can object to the settlement terms. The Court will decide if your objection is valid. If the Court agrees, then the settlement will not be approved and no payments will be made to you or any other Class Member. If your objection (and any other objection) is overruled, and the settlement is approved, then you will still get a payment.

8. What has to happen for the Settlement to be approved?

The Court has to decide that the settlement is fair, reasonable, and adequate before it will approve it. It also must consider any objections to the settlement and decide whether to overrule them. The Court already has given preliminary approval of the settlement, which is why you received this Notice. The Court will make a final decision regarding the settlement at a “Fairness Hearing” or “Final Approval Hearing”, which is currently scheduled for June 22, 2018 at 9:00 am.

THE SETTLEMENT PAYMENT

9. How much is the Settlement?

WSECU has agreed to create a Settlement Fund of \$2,990,000. As discussed separately below, Class Counsel’s attorneys’ fees, litigation costs, a Service Award to the Named Plaintiff, and the costs paid to a third party Claims Administrator to administer the settlement (including mailing this notice) will be paid out of this amount. The remaining amount of the Settlement Fund will be divided among all Class Members based on the amount of eligible overdraft privilege fees they paid.

10. How much of the settlement fund will be used to pay for attorney fees and costs?

Class Counsel has requested that the Court award 33-1/3% (one-third) of the settlement as attorneys’ fees. Class Counsel has also requested that it be reimbursed approximately \$80,000 in litigation costs incurred in prosecuting the case. The Court makes the decision on the request for attorneys’ fees and costs, and will decide the amount of the attorneys’ fees based on a number of factors, including the risk associated with bringing the case on a contingency basis, the amount of time spent on the case, the amount of costs incurred to prosecute the case, the quality of the work, and the outcome of the case.

11. How much of the settlement fund will be used to pay the Named Plaintiff a Service Award?

Class Counsel on behalf of the Named Plaintiff has requested that the Court award him \$5,000 for his role in securing this settlement on behalf of the class. The Court will decide if a Service Award is appropriate and if so, the amount of the award.

12. How much of the settlement fund will be used to pay the Claims Administrator’s expenses?

The Claims Administrator has agreed to cap its expenses at \$71,850.

13. How much of the settlement fund will be used to pay class member claims?

The amount remaining after the payment of Class Counsel’s fees and costs, the Service Award, the Claims Administrator’s fees and taxes accrued on the Settlement Fund will be used to make individual settlement payments to the Class Members. Each Class Member’s payment will vary, depending on how many overdraft privilege fees that Class Member was charged on the transactions at issue in this case.

14. Do I have to do anything if I want to participate in the Settlement?

No. As long as you do not opt out, a check will be mailed to you at the last known address WSECU has for you. If your address has changed, you should provide your current address to the Claims Administrator at the address set forth in Question 16, below.

15. When will I receive my payment?

The Court will hold a Fairness Hearing (explained below in Questions 22-24) on June 22, 2018 at 9:00 am to consider whether the settlement should be approved. If the Court approves the settlement, then payments should be made to class members within about 45 days after that approval. However, if someone objects to the settlement, and the objection is sustained, then there is no settlement. Even if all objections are overruled and the Court approves the settlement, an objector could appeal and it might take months or even years to have the appeal resolved, which would delay any payment.

EXCLUDING YOURSELF FROM THE SETTLEMENT

16. How do I exclude myself from the settlement?

If you do not want to receive a payment, or if you want to keep any right you may have to sue WSECU for the claims alleged in this lawsuit, then you must exclude yourself or “opt out.”

To opt out, you must send a letter to the Claims Administrator that you want to be excluded. Your letter can simply say “I hereby elect to be excluded from the settlement in the *Wodja v. Washington State Employees Credit Union* class action. I understand that this means I will not receive any payment from the settlement.” Be sure to include your name, last four digits of your member number, address, telephone number, and email address. Your exclusion or opt out request must be postmarked by May 6, 2018, and sent to:

Wodja v. Washington State Employees Credit Union Claims Administrator
c/o GCG
P.O. Box 10558
Dublin, Ohio 43017-4521

17. What happens if I opt out of the settlement?

If you opt out of the settlement, you will preserve and not give up any of your rights to sue WSECU for the claims alleged in this case. However, you will not be entitled to receive a payment from this settlement.

18. If I exclude myself, can I obtain a payment?

No. If you exclude yourself, you will not be entitled to a payment.

OBJECTING TO THE SETTLEMENT

19. How do I notify the Court that I do not like the settlement?

You can object to the settlement or any part of it that you do not like **IF** you do not exclude yourself or opt out from the settlement. (Class Members who exclude themselves from the settlement have no right to object to how other Class Members are treated.) To object, you must send a written document to the Court and the Claims Administrator at the address below. Your objection should say that you are a Class Member, that you object to the settlement, and the factual and legal reasons why you object. In your objection, you must include your name, address, telephone number, email address (if applicable) and your signature. You must also state whether you want an opportunity to speak at the Fairness Hearing regarding your objection.

You should use the following form when you send your objection to the Court and the Claims Administrator:

Your Name
Your Address (not a post office box)
Your Telephone Number
Your e-mail address

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF PIERCE

Todd Wodja,
vs.
Washington State Employees Credit Union

Case No. 16-2-12148-4
Objection to Class Settlement by
[Your Name]
Hearing Date: June 22, 2018
Time: 9:00 a.m.
Dept.: 13

[Reason For Your Objection & Whether You Want to Speak at the Fairness Hearing]

Date: _____

[Signature]

All objections must be post-marked no later than May 26, 2018, and must be mailed as follows:

COURT	CLAIMS ADMINSTRATOR
Superior Court of the State of Washington in and for the County of Pierce 930 Tacoma Ave. S. Tacoma, WA 98402	Wodja v. Washington State Employees Credit Union Claims Administrator c/o GCG P.O. Box 10558 Dublin, Ohio 43017-4521

20. What is the difference between objecting and requesting exclusion from the settlement?

Objecting is telling the Court that you do not believe the settlement is fair, reasonable, and adequate for the class, and asking the Court to reject it. You can object only if you do not opt out of the settlement. If you are in the settlement and do not opt out, then you are entitled to a payment if the settlement is approved, but you will release claims you might have against WSECU. Excluding yourself or opting out is telling the Court that you do not want to be part of the settlement, and do not want to receive a payment or release claims you might have against WSECU for the claims alleged in this lawsuit.

21. What happens if I object to the settlement?

If the Court sustains your objection, or the objection of any other Class Member, then there is no settlement. If you object, but the Court overrules your objection and any other objection(s), then you will be part of the settlement.

THE COURT'S FAIRNESS HEARING

22. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval or Fairness Hearing at 9:00 a.m. on June 22, 2018 at the Superior Court of the State of Washington in and for the County of Pierce, Courtroom #315, located at 930 Tacoma Ave. S., Tacoma, Washington 98402. At this hearing, the Court will consider whether the settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court may also decide how much to award Class Counsel for attorneys' fees and expenses and how much the Named Plaintiff should get as a "Service Award" for acting as the class representative.

23. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. You may attend if you desire to do so. If you have submitted an objection, then you may want to attend.

24. May I speak at the hearing?

If you have objected, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must include with your objection, described in Question 19, above, the statement, "I hereby give notice that I intend to appear at the Final Approval Hearing."

IF YOU DO NOTHING

25. What happens if I do nothing at all?

If you do nothing at all, and if the settlement is approved, then you will receive a payment that represents your share of the Settlement Fund net of attorneys' fees, Claims Administrator expenses, and the Named Plaintiff's Service Award. You will be considered a part of the class, and you will give up claims against WSECU for the conduct alleged in this lawsuit. You will not give up any other claims you might have against WSECU that are not part of this lawsuit.

THE LAWYERS REPRESENTING YOU

26. Do I have a lawyer in this case?

The Court ordered that the lawyers and their law firms referred to in this notice as "Class Counsel" will represent you and the other Class Members.

27. Do I have to pay the lawyer for accomplishing this result?

No. Class Counsel will be paid directly from the Settlement Fund.

28. Who determines what the attorneys' fees will be?

The Court will be asked to approve the amount of attorneys' fees at the Fairness Hearing. Class Counsel will file an application for fees and costs and will specify the amount being sought as discussed above. You may review the fee application at www.wsecuoverdraftfeesettlement.com or view a physical copy at the Office of the Clerk of the Superior Court of the State of Washington in and for the County of Pierce, which is located at 930 Tacoma Ave. S., Tacoma, Washington 98402.

GETTING MORE INFORMATION

This Notice only summarizes the proposed settlement. More details are contained in the settlement agreement, which can be viewed/obtained online at www.wsecuoverdraftfeesettlement.com or at the Office of the Clerk of the Superior Court of the State of Washington in and for the County of Pierce, which is located at 930 Tacoma Ave. S., Tacoma, Washington 98402, by asking for the court file containing the Motion For Preliminary approval of Class Settlement (the agreement is attached to the motion).

For additional information about the settlement and/or to obtain copies of the Settlement Agreement, or to change your address for purposes of receiving a payment, you should contact the Claims Administrator as follows:

Wodja v. Washington State Employees Credit Union Claims Administrator
c/o GCG
P.O. Box 10558
Dublin, Ohio 43017-4521

For more information you also can contact the Class Counsel as follows:

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Ontario, CA 91761
Telephone: (909) 557-1250
JKK@McCuneWright.com

Taras Kick
The Kick Law Firm, APC
815 Moraga Drive
Los Angeles, CA 90049
Telephone: (310) 395-2988
Taras@kicklawfirm.com

PLEASE DO NOT CONTACT THE COURT OR ANY REPRESENTATIVE OF WSECU CONCERNING THIS NOTICE OR THE SETTLEMENT