

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

LESLEY VENTURA, an individual, on behalf of herself
and all others similarly situated,

Case No. 03CC17700

Plaintiff,

**NOTICE OF PENDENCY AND PROPOSED
SETTLEMENT OF CLASS ACTION**

vs.

PROVIDIAN NATIONAL BANK; and DOES 1
through 10, inclusive,

Defendants.

TO THE MEMBERS OF THE FOLLOWING CLASS:

“All persons who currently have or have had credit card accounts with Providian National Bank (not including former Washington Mutual accounts or accounts that have been charged off with an outstanding balance) and who, in one or more monthly billing cycles beginning on or after January 1, 2001 and on or before January 1, 2006, were charged an overlimit fee in the following circumstances: (1) the account began the billing cycle below (or at) its assigned credit limit; (2) an annual account fee was charged during the cycle; and (3) the account ended the billing cycle overlimit by an amount that was no greater than the annual fee plus the overlimit fee.”

THIS NOTICE MAY AFFECT YOUR RIGHTS — PLEASE READ IT CAREFULLY

1. Why should I read this notice?

The purpose of this notice is to inform you that there is now pending in this Court a class action entitled Ventura v. Providian National Bank (“Ventura Action”), brought on behalf of all persons who currently have or have had credit card accounts with Defendant (not including former Washington Mutual accounts or accounts that have been charged off with an outstanding balance) and who, in one or more monthly billing cycles beginning on or after January 1, 2001 and on or before January 1, 2006, were charged an overlimit fee in the following circumstances: (1) the account began the billing cycle below (or at) its assigned credit limit; (2) an annual account fee was charged during the cycle; and (3) the account ended the billing cycle overlimit by an amount that was no greater than the annual fee plus the overlimit fee. On February 1, 2006, this Court gave preliminary approval to a settlement of the Ventura action. The purpose of this notice is to describe the settlement to you. You should read this notice to determine whether you wish to participate in the class action settlement.

2. What is this lawsuit about?

This lawsuit concerns Defendant’s practice of charging an annual fee which causes cardmembers to go over their limit and then to be charged an overlimit fee. This situation arose where cardmembers, in one or more monthly billing cycles beginning on or after January 1, 2001 and on or before January 1, 2006, were charged an overlimit fee in the following circumstances: (1) the account began the billing cycle below (or at) its assigned credit limit; (2) an annual account fee was charged during the cycle; and (3) the account ended the billing cycle overlimit by an amount that was no greater than the annual fee plus the overlimit fee.

The First Amended Complaint alleges a claim for breach of contract. Defendant denies any wrongdoing, and has asserted numerous defenses to both liability and damages.

On February 1, 2006, the Orange County Superior Court approved the sending of this Notice of Pendency and Proposed Settlement of Class Action. The Court has set the date of June 30, 2006, at 1:30 p.m. in Department CX-101 of the Orange County Superior Court of the State of California - Civil Complex Center, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701, to have a hearing on whether to finally approve the settlement. You may appear at the hearing if you wish, but you are not required to appear at this hearing in order to accept the benefits of the settlement.

3. What are the terms of the settlement?

The terms of the settlement in this case, preliminarily approved by the Court on February 1, 2006, are as follows:

a. Settlement Fund. Defendant will provide monetary settlement relief in the total amount of one million, nine hundred thousand dollars (\$1,900,000.00). The net settlement fund, after deduction of the costs of notice and administration (including any out of pocket costs incurred by Defendant in providing notice or distributing settlement payments), attorneys’ fees and costs awarded by the Court, and any incentive award ordered by the Court (“Net Settlement Fund”), will be divided equally among those accounts qualified to receive a share of the settlement. Defendant has many defenses to Plaintiff’s claims. This settlement returns a portion of the overlimit fee paid to each cardholder.

Members of the Settlement Class with open accounts and Members of the Settlement Class with closed accounts who have outstanding balances will receive an automatic credit from the Net Settlement Fund in the form of a credit on their credit card account, or a check, at Defendant’s option. Members of the Settlement Class with closed accounts who do not have outstanding balances and for whom Providian has current addresses will receive a check by mail the Class Member’s last known address.

Other Settlement Class Members, including Settlement Class Members with closed accounts who do not have outstanding balances and for whom Providian does not have current addresses, will have to complete a claim form to Class Counsel in order to qualify for a portion of the Net Settlement Fund. You can obtain a claim form by calling 1-888-366-5351. The claim form must be completed and returned by mail to the address listed on the claim form with a postmark date on or before September 15, 2006. If you received this notice by mail then you will receive an automatic refund and do not need to complete a claim form.

b. Attorneys’ Fees. At the final approval hearing, Class Counsel will make an application to the Court for an award of attorneys’ fees in the amount of six hundred thirty three thousand, three hundred thirty-three dollars and thirty-three cents (\$633,333.33), constituting 33 1/3% of the \$1,900,000.00 cash value of the settlement. Class Counsel shall also apply for reimbursement of out of pocket costs.

Defendant will pay attorneys’ fees and costs to Class Counsel in an amount to be set by the Court not to exceed this amount, and will not object to an award of fees and costs in such amount. Defendant will also pay a reasonable and customary incentive award, in an amount awarded by the Court, but not exceeding \$2,500.00, to the named Representative Plaintiff, Lesley Ventura. The attorneys’ fees, costs, and incentive award will be deducted from the Settlement Fund.

Class Counsel believe that this is a fair and reasonable settlement for the Settlement Class.

4. Who represents the Class?

a. Class Representative. Lesley Ventura has been designated as the Representative Plaintiff by the Court.

b. Class Counsel. The Court has appointed the following Class Counsel to represent your interests and those of the Class:

Brian R. Strange, Esq.
Strange & Carpenter
12100 Wilshire Blvd., Suite 1900
Los Angeles, California 90025

Barry L. Kramer, Esq.
Law Offices of Barry L. Kramer
11111 Santa Monica Blvd., Suite 1860
Los Angeles, California 90025

5. How can I exclude myself from the class?

If you do not want to participate in the settlement and wish to exclude yourself from the Class, that is, to "OPT-OUT" of this settlement, then you must submit a letter requesting exclusion to: Brian R. Strange, Esq., Strange & Carpenter, 12100 Wilshire Blvd., Suite 1900, Los Angeles, California 90025, postmarked by no later than June 15, 2006. The request must be signed and must include your name, address, and the last four digits of your credit card account number(s). The request must also state: “I/we request that we be excluded from the settlement in Ventura v. Providian National Bank, Orange County Superior Court Case No. 03CC17700.” If the account is a joint account, it must be signed

by all joint cardholders.

By electing to "OPT-OUT" and be excluded from the settlement (i) you will not share in any distribution of the settlement fund, (ii) you will not be bound by any further orders or judgment entered for or against the Class, and (iii) you will preserve your ability to independently pursue any claims you may have against Defendant by filing your own lawsuit at your own expense.

DO NOT WRITE REQUESTING EXCLUSION IF YOU WISH TO SHARE IN THE SETTLEMENT FUND.

6. What is the effect of the final settlement approval?

The proposed Settlement does not constitute an admission of liability on the part of Defendant. If the Orange County Superior Court grants final approval to the Settlement, the claims of all members of the Settlement Class against Defendant will be dismissed, including all liability, claims, demands, actions, and causes of action which relate to or arise out of this litigation, or out of any other purported act, error or omission that Defendant is alleged or could in the future be alleged to have committed in connection with Defendant's imposition of overlimit fees or late posting of payments. No member of the Class would be permitted to continue to assert any such claim in any other litigation against Defendant.

7. Where do I get additional information?

If you decide to remain a member of the Class and you wish to communicate with or obtain information from Class Counsel, you may do so by writing to counsel at one of the addresses listed in Section 4, above. **PLEASE DO NOT CONTACT THE COURT OR DEFENDANT.** Defendant's customer service representatives will not be authorized to provide you with information about this settlement.

This notice provides only a summary of matters relating to the settlement. You may seek the advice and guidance of your own private attorney at your own expense if you wish.

You may also file an objection with the Court if you do not "opt-out" as described above. You may also intervene and make an appearance with your own attorney at your expense. Any such objection and/or intervention must be filed with the Court, with a copy served on Class Counsel as provided by law, no later than June 15, 2006. For more detailed information, you may review the pleadings, records and other papers on file in this litigation, which may be inspected during regular court hours at the Orange County Superior Court - Civil Complex Center, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701.

Dated: February 1, 2006

By: The Honorable David C. Velasquez,
Orange County Superior Court Judge