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Union Bank Must Face Group Lawsuit in Overdraft Fee Case, U.S. Judge Says

By Laurence Viele Davidson and Susannah Nesmith - Jul 14, 2011

UnionBanCal Corp. customers may sue as a group over the bank's overdraft-fee policy, a judge ruled in certifying the first class-action case in litigation against dozens of banks, according to lawyers in the case.

The courtroom ruling by U.S. District Judge James Lawrence King yesterday in Miami may affect hundreds of thousands of customers of the San Francisco-based bank. He also said customers can't pursue a racketeering claim against the bank, which does business as Union Bank NA and is a unit of [Mitsubishi UFJ Financial Group Inc. \(8306\)](#)

Customers are suing 30 banks, claiming they illegally charged excessive overdraft fees, said Aaron Podhurst, the lead plaintiffs' attorney. The cases were consolidated before King for the pretrial collection of evidence.

"In many respects, these banks are similarly situated and the classes are similarly situated," Podhurst said in an interview. "This indicates he's going to certify for these other banks."

[Bank of America Corp. \(BAC\)](#), the biggest U.S. bank, in February agreed to pay \$410 million without admitting liability to settle allegations against it. Institutions including [Citigroup Inc. \(C\)](#), [JPMorgan Chase & Co. \(JPM\)](#) and [Wells Fargo & Co. \(WFC\)](#) are defendants in related lawsuits.

John Sullivan, lead attorney for Union Bank, confirmed that King said in court that he would certify class-action case. He referred other questions to the bank. A bank spokesperson didn't immediately return a call seeking comment.

The case is In Re Checking Account Overdraft Litigation, 09-cv-02036, U.S. District Court, Southern District of [Florida](#) (Miami).

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