

**OFFICE OF ATTORNEY GENERAL
SOLE SOURCE PROCUREMENT JUSTIFICATION FORM**

Requesting Office	OAG - Bureau of Consumer Protection		
Vendor Name	Continental DataLogix LLC	SAP Vendor No	558501
Brief Description of Service	Settlement Administration Services		
Estimated Amount	\$18,965.00		
Requesting Office Approval	<i>John M. Abel/jsl</i>	Date	<i>9/9/24</i>
Director of HR and Office Services	<i>Shari L. McHaw</i>	Date	9/9/2024
Legal Review		Date	9/9/2024

Please check all that apply:

- The service is only available, or must be obtained from a single contractor.
- A Federal or State statute or Federal Regulation exempts the service from the competitive procedure.
- It is clearly not feasible to award the contract for services on a competitive basis.**
- The services are to be provided by attorneys or litigation consultants.
- The services are to be provided by expert witnesses.
- The services involve the repair, modification or calibration of equipment and they are to be performed by the manufacturer of the equipment or by the manufacturer's authorized dealer, provided the contracting officer determines that bidding is not appropriate under the circumstances.
- The contract for services is in the best interest of the Commonwealth.

Justification:

On Oct. 23, 2017, *Think Finance, LLC* and certain affiliated entities commenced Chapter 11 Bankruptcy proceedings in the United States Bankruptcy Court for the Northern District of Texas. *See generally In re: Think Finance, LLC, et al.*, No. 17-33964 (HDH) (Bankr., N.D. Tex). The OAG subsequently entered an appearance on behalf of: (1) the Commonwealth of Pennsylvania on behalf of the interests of consumers; (2) PA consumers who were members of a Nationwide Consumer Borrower Settlement Class—both of which were identified as creditors in the proceedings. The result of those bankruptcy proceedings were a Chapter 11 Plan of Reorganization that was approved by the Bankruptcy Court on December 5, 2019. As pertinent here, the Approved Plan called for distributions to the Nationwide Consumer Borrower Settlement Class—of which the Pennsylvania consumers were a subset.

At various points during that Bankruptcy case, the Bankruptcy Trustee retained third-party settlement administrators to provide Class Action Administration Services. As pertinent here, Class Counsel and the Think Finance Litigation Trustee hired Continental DataLogix to handle the administration of the “Elevate” portion of the Chapter 11 Plan due to Continental DataLogix’ institutional knowledge of the loan data, the prior settlement payments made, and the specific nature of the type of settlement. That prior engagement of Continental DataLogix was for a capped fee of \$500,000.00, plus postage and based upon a scope of work for an aggregate class comprised of 1,037,091 members—of which 395,000 were anticipated to be eligible for distribution checks (~ \$1.27/Eligible Class Member). The funds for the Nationwide Consumer Borrower Settlement Class which were to be distributed by Continental DataLogix but which remained undistributed after that settlement phase were to be paid, as pertinent here, “50% to the Pennsylvania AG for further distribution to members in Pennsylvania[.]” See *In re: Think Finance, LLC, et al.*, No. 17-33964, ECF Doc. 1671 at 94 (Bankr., N.D. Tex) (*re*: “Fractional, Undeliverable and Unclaimed Distributions”). The OAG has received those funds and now seeks to undertake “further distribution to members in Pennsylvania.”

The OAG’s existing complement does not have the requisite experienced staff capable of efficiently administering the requisite check distribution services. OAG thus seeks to retain services of a Third-Party Settlement Administrator to handle the administration and distribution of those settlement funds. Given the complexity of the bankruptcy proceedings to date, the OAG has determined that it is clearly not feasible to award this contract for services on a competitive basis. While multiple vendors may be capable of providing the necessary services, only one vendor—Continental DataLogix LLC—has an existing familiarity with the provisions and requirements of the Approved Plan; the infrastructure which would enable the costs of distribution to be minimized and the payments to Eligible recipients to be maximized. Consequently, the OAG intends to award a Sole Source Contract to Continental DataLogix LLC for the provision of Settlement Administration Services as being justified under 62 Pa.C.S.A. § 515(a)(4).