

Michael F. Ram. CSB #104805
Email: mram@forthepeople.com
Marie N. Appel, CSB #187483
Email: mappel@forthepeople.com
MORGAN & MORGAN COMPLEX LITIGATION GROUP
711 Van Ness Avenue, Suite 500
San Francisco, California 94102
Telephone: (415) 358-6913
Facsimile: (415) 358-6923

[Additional Counsel Omitted]

Class Counsel

U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

KAREN SOLBERG, NANCY MORIN, and NARISHA
BONAKDAR, on their own behalf and on behalf
of others similarly situated,

Plaintiffs,

v.

VICTIM SERVICES, INC., d/b/a
CorrectiveSolutions, NATIONAL CORRECTIVE
GROUP, INC., d/b/a CorrectiveSolutions,
AMERICAN JUSTICE SOLUTIONS, INC., d/b/a
CorrectiveSolutions, BIRCH GROVE HOLDINGS,
INC., MATS JONSSON and KARL THOMAS
JONSSON,

Defendants.

NO. 3:14-cv-05266-VC

[PROPOSED] FINAL APPROVAL ORDER

Honorable Vince Chhabria

CLASS ACTION

DEMAND FOR TRIAL BY JURY

The Court previously entered an order approving notice to the two certified Classes of a proposed class action settlement between Plaintiffs Karen Solberg, Nancy Morin, and Narisha Bonakdar and Defendants Victim Services, Inc., d/b/a CorrectiveSolutions, National

Corrective Group, Inc., d/b/a CorrectiveSolutions, American Justice Solutions, Inc., d/b/a CorrectiveSolutions, Birch Grove Holdings, Inc., Mats Jonsson, and Karl Thomas Jonsson. The terms of the settlement are set forth in the Settlement Agreement and Release attached as Exhibit 1 to the Declaration of Blythe H. Chandler in support of Plaintiffs' motion for final approval of class action settlement.

The Court has read and considered the Settlement Agreement, the exhibits attached thereto, and the briefing submitted in support of final approval of the settlement and is fully advised. All capitalized terms not otherwise defined in this Order shall have the same meaning as defined in the Settlement Agreement

THEREFORE, THE COURT FINDS AND CONCLUDES AS FOLLOWS:

1. This Court has jurisdiction over the subject matter of this Action and personal jurisdiction over the Parties and the Classes.

2. The Court previously certified the following Classes under Rule 23(b)(3):

FDCPA Class: All persons in California to whom the defendants sent a collection demand in connection with a returned check from whom the defendants attempted to collect or collected money for checks written for personal, family, or household purposes, from December 1, 2013, to May 7, 2015.

UCL Class: All persons in California to whom the defendants sent an initial collection demand in connection with a returned check at any time from September 1, 2011, to May 7, 2015, and who subsequently paid any fees to the defendants in response to that letter.

Dkt. No. 297 at 1, 4.

3. The Court finds that the notice given to Class Members pursuant to the terms of the Settlement Agreement fully and accurately informed Class Members of all material elements of the Settlement and constituted valid, sufficient, and due notice to all Class Members. The notice fully complied with due process, Rule 23 of the Federal Rules of Civil Procedure, and with all other applicable law.

4. Those who timely submitted valid requests for exclusion are excluded from the Classes and are not bound by this Final Approval Order. The individuals who timely excluded themselves either after the Classes were certified or after notice of Settlement are listed on Exhibit A to this Final Approval Order.

5. The settlement requires Defendants' insurers to pay \$1,100,000 into a Settlement Fund that will be used to make payments to all Settlement Class Members who submit timely and valid claims; pay the Settlement Administrator the costs of notice and Settlement Administration Expenses in the amount of \$113,768.68; pay Service Awards in the amount of \$3,000 to each Class Representative; and pay Class Counsel's attorneys' fees in the amount of \$275,000 and litigation costs of \$130,151. The Settlement Fund is non-reversionary.

6. Absent any appeal, the Effective Date of the Settlement will be September 23, 2021. Service Awards to Plaintiffs, administration costs, litigation costs, and all but 10% of the attorneys' fees awarded will be paid by September 27, 2021. Checks will be mailed to all Claimants within twenty-one (21) days after the Effective Date, not later than October 14, 2021. Checks will be valid for 90 days from issuance. The check cashing date will be not later than January 14, 2020.

7. Within 21 days after distribution of the settlement funds (not later than February 4, 2022), Class Counsel will file a Post-Distribution Accounting, as described in the Northern District's Procedural Guidance for Class Action Settlements, to inform the Court about the administration of the settlement. The Post-Distribution Accounting will state when payments were made to Settlement Class Members, the number of Settlement Class Members who were sent payments, the total amount of money paid to Settlement Class Members, the average and median recovery per Settlement Class Member, the largest and smallest amounts paid to Settlement Class Members, the number and value of cashed and uncashed checks, the number of Settlement Class Members who could not be contacted, the

number of objections and opt outs, any significant or recurring concerns communicated by Settlement Class Members to the Settlement Administrator and Class Counsel since final approval, any other issues in settlement administration since final approval, and how any concerns or issues were resolved. If appropriate, Class Counsel and the Settlement Administrator will submit a proposal to the Court regarding the feasibility of a second distribution from the Settlement Fund and any cy pres distribution in the Post-Distribution Accounting. The Settlement Administrator shall post the Post-Distribution Accounting on the Settlement Website.

8. The Court finally approves this Settlement, and finds that it is in all respects fair, reasonable, and adequate and in the best interest of Settlement Class Members. The Parties dispute the validity of the claims in the Action, and their dispute underscores not only the uncertainty of the outcome but also why the Court finds the Settlement Agreement to be fair, reasonable, and adequate. Had they continued to litigate, Class Members risked losing on the merits because their remaining claims turn on the resolution of the unsettled legal question of whether Defendants' fees are authorized by California's Bad Check Diversion Act, Cal. Penal Code § 1001.60 *et seq.*, or any other law. The claims and distribution process is effective and fair, and a claims process is appropriate and necessary as the case involves conduct that occurred more than six years ago and there is no current record of Class Members' contact information. The settlement was negotiated at arms' length with the assistance of Magistrate Judge Beeler. Class Counsel find the settlement to be in the best interest of Class Members. No Class Member objected to the settlement and only two individuals opted out. And none of the "red flags" of potential collusion the Ninth Circuit has identified exist in this case. *In re Bluetooth Headset Prod. Liab. Litig.*, 654 F.3d 935, 947 (9th Cir. 2011). In addition, the Court finds that Plaintiffs and Class Counsel adequately represented the Settlement Class Members. For all these reasons, the Court finds that the uncertainties of continued litigation in both the trial and appellate courts, as well as the

expense associated with it, weigh in favor of approving the settlement. In making this determination, the court has considered the Northern District of California Procedural Guidance for Class Action Settlements, the criteria set forth in Federal Rule of Civil Procedure 23E, and the factors outlined in *In re Bluetooth Headset Prod. Liab. Litig.*, 654 F.3d 935, 946 (9th Cir. 2011), and *Churchill Village, L.L.C. v. General Electric*, 361 F.3d 566, 575-76 (9th Cir. 2004).

9. The Parties, their counsel, and the Settlement Administrator shall fulfill their obligations and duties under the Settlement Agreement.

10. The Settlement Administrator executed the Notice Plan according to the terms of the Settlement Agreement. The notices apprised Class Members of the pendency of the litigation; of all material elements of the proposed settlement, including but not limited to the relief afforded the Class under the Settlement Agreement; of the res judicata effect on Class Members and of their opportunity to object to, comment on, or opt out of, the settlement; of the identity of Class Counsel and Class Counsel's contact information; and of the right to appear at the Final Approval Hearing. The Notice Plan prescribed by the Settlement Agreement was reasonable and provided due and adequate notice of these proceedings and of the matters set forth therein, including the terms of the Settlement Agreement, to all parties entitled to such notice. The notice given to Class Members satisfied the requirements of Federal Rule of Civil Procedure 23 and the requirements of constitutional due process. The Court has afforded a full opportunity to all Class Members to be heard. Accordingly, the Court determines that all Class Members, except those who timely excluded themselves from the Classes, are bound by this Final Approval Order.

11. Within ten days after the filing of the proposed Settlement Agreement in the Court, a notice of the proposed settlement was served upon the appropriate state official of each State in which a Class Member resides and upon the Attorney General of the United States. The Court finds that the notice provided satisfied the requirements of 28 U.S.C.

§ 1715(b) and that more than 90 days have elapsed since the required notice was provided, as required by 28 U.S.C. § 1715(d).

12. The Court approves payment of attorneys' fees in the amount of \$275,000 and reimbursement of litigation costs to Class Counsel in the amount of \$130,151. These amounts shall be paid from the Settlement Fund pursuant to the terms of the Settlement Agreement. The Court finds these amounts to be appropriate and reasonable in light of the work performed by Class Counsel and the benefits obtained by Class Members. The Settlement Administrator shall withhold 10% of the awarded attorneys' fees until after the Post-Distribution Accounting has been filed and the Court has entered an order releasing the remainder of the fees.

13. The Court approves service award payments of \$3,000 for each Class Representative and finds the amount to be reasonable in light of the services performed by the Class Representatives for the Classes. This amount shall be paid from the Settlement Fund in accordance with the terms of the Settlement Agreement.

14. Neither this Final Approval Order nor the Settlement Agreement is an admission or concession by Defendants or any of the other Released Parties of the validity of any claims or of any liability or wrongdoing or of any violation of law. This Final Approval Order and the Settlement Agreement do not constitute a concession and shall not be used as an admission or indication of any wrongdoing, fault or omission by Defendants or any of the other Released Parties or any other person in connection with any transaction, event or occurrence, and neither this Final Approval Order nor the Settlement Agreement nor any related documents in this proceeding, nor any reports or accounts thereof, shall be offered or received in evidence in any civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to consummate or enforce this Final Approval Order, the Settlement Agreement, and all releases given thereunder, or to establish the affirmative defenses of *res judicata* or collateral estoppel barring the pursuit of claims released in the

Settlement Agreement. This Final Approval Order also does not constitute any opinion or position of the Court as to the merits of the claims and defenses related to this Action,

15. The Court dismisses with prejudice this Action, the Released Claims, and the Released Parties, and adjudges that Plaintiffs and Settlement Class Members are deemed to have fully, finally, completely, and forever released, relinquished, and discharged the Released Claims against the Released Parties.

16. If the Effective Date does not occur because this Order is reversed on appeal or for any other reason, the Parties shall be returned to the status quo ex ante, for all litigation purposes, as if no settlement had been negotiated or entered into and thus this Final Approval Order and all other findings or stipulations regarding the settlement shall be automatically void, vacated, and treated as if never filed.

17. The Court retains jurisdiction to consider all further matters arising out of or connected with the settlement, including the implementation, interpretation, and enforcement of the Settlement Agreement.

18. The Court finds that no justifiable reason exists for delaying entry of this Final Approval Order and, good cause appearing, it is expressly directed that this Final Approval Order and separate Judgment be entered as final and appealable and the case dismissed with prejudice.

IT IS SO ORDERED.

DATED this 23 of August, 2021.



VINCE CHHABRIA
United States District Judge

EXHIBIT A – INDIVIDUALS EXCLUDED FROM THE CLASSES

Unique ID	Name	City/State
39570084	James Elton Perry Jr	Fontana, CA
36130506	Henry Gambing	San Francisco, CA
38559248	Brigid Irons	Hidden Valley Lake, CA
22681371	Theresa Dickinson	Alta Loma, CA
40355421	Melanie Coello	Sonoma, CA
3910333	BABYRUTH GAOAT	Stockton, CA
39564580	Arnica Motsinger	Raleigh, CA
36918951	Ionnie Robinson	Tulare, CA
40469573	Jennifer Pacheco	San Francisco, CA
40029388	James Campbell	San Jose, CA
35180874	Gina Relva	Oakland, CA
36064003	Mitchell Garcia	Arroyo Grande, CA
40424789	Juan Morgana	Glendale, CA
40489461	Cecil Coward	Fremont, CA
40227708	Roxana Herrera	Tulare, CA
39348294	Maria Reyes	Indio, CA

CERTIFICATE OF SERVICE

I, Blythe H. Chandler, hereby certify that on August 20, 2021, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification to all registered CM/ECF users:

Michael A. Taitelman, CSB #156254
Email: mtaitelman@ftllp.com
Sean M. Hardy, CSB #266446
Email: smhardy@ftllp.com
FREEDMAN + TAITELMAN, LLP
1801 Century Park West, 5th Floor
Los Angeles, California 90067
Telephone: (310) 201-0005
Facsimile: (310) 201-0045

Attorneys for Defendants

DATED this 20th day of August, 2021.

TERRELL MARSHALL LAW GROUP PLLC

By: /s/ Blythe H. Chandler, admitted pro hac vice
Blythe H. Chandler, admitted *pro hac vice*
Email: bchandler@terrellmarshall.com
936 North 34th Street, Suite 300
Seattle, Washington 98103-8869
Telephone: (206) 816-6603
Facsimile: (206) 319-5450

Class Counsel