

THE HONORABLE RICARDO S. MARTINEZ

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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON**

EUGENE MANNACIO, on behalf of himself
and all others similarly situated,

Plaintiff,

vs.

SOVEREIGN LENDING GROUP
INCORPORATED,

Defendant.

Case No. 3:22-cv-05498-RSM

**CLASS ACTION SETTLEMENT
AGREEMENT**

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1 **PREAMBLE**

2 It is hereby stipulated and agreed by and among the undersigned Parties (defined below),
3 subject to the approval of the Court, that the settlement of this Action (defined below) shall be
4 effectuated pursuant to the terms and conditions set forth in this Settlement Agreement and Release
5 (the “Agreement” or “Settlement Agreement”).

6 **RECITALS**

7 The following recitals are incorporated by reference and are considered part of the
8 Settlement Agreement:

9 **A.** On November 29, 2021, plaintiff Eugene Mannacio (“Plaintiff”) filed a putative
10 class action complaint (the “Complaint”) in the United States District Court for the Northern
11 District of California against Sovereign Lending Group Incorporated (“Sovereign Lending” or
12 “Defendant,” and together with Plaintiff, the “Parties”) – *Mannacio v. Sovereign Lending Group*
13 *Incorporated*, No. 21-cv-9193 (N.D. CA.). That action was subsequently transferred to the
14 Western District of Washington and given the civil action number 22-cv-05498 (“the Action”).
15 The Complaint alleged that Sovereign Lending violated the Telephone Consumer Protection Act,
16 47 U.S.C. § 227 (the “TCPA”) by, *inter alia*, placing unsolicited telemarketing calls to Plaintiff
17 and members of the putative class on residential telephone numbers.

18 **B.** Sovereign Lending disputes Plaintiff’s allegations in his Complaint and maintains
19 that it complied with the TCPA and all applicable laws. The Parties are entering into this
20 Agreement to avoid the risk and expense of further litigation, to resolve all disputes that have
21 arisen between them, and to settle any and all claims that do or may exist in the past, present, or
22 future.

23 **C.** This Settlement Agreement is the result of good faith, arm’s-length settlement
24 negotiations that took place only after the Parties engaged in formal discovery. The Parties have
25 exchanged information through discovery, have participated in mediation under the guidance of
26 mediator Judge S. James Otero (Ret.) from JAMS, and have had a full and fair opportunity to
27 evaluate the strengths and weaknesses of their respective positions.

1 **1.5 Claim Form.** The document Settlement Class Members submit to request payment
2 pursuant to this Agreement. The Claim Forms submitted to the Court for approval must be
3 substantially in the form of those attached as Exhibits 3-4.

4 **1.6 Class List.** The database that Settlement Class Counsel provides, subject to
5 approval from Sovereign Lending, to the Settlement Administrator, which includes, among other
6 things, the phone number(s) of Settlement Class Members.

7 **1.7 Class Period.** From November 29, 2017 through the date of Preliminary Approval.

8 **1.8 Court.** United States District Court, Western District of Washington.

9 **1.9 Cy Pres Recipients.** Electronic Privacy Information Center.

10 **1.10 Distribution Plan.** The plan, set forth in Section 3, for distributing the Settlement
11 Fund.

12 **1.11 Sovereign Lending’s Counsel.** Mintz, Levin, Cohn, Ferris, Glosky and Popeo,
13 P.C.

14 **1.12 Effective Date.** The first date after which the following events and conditions have
15 occurred: (a) the Court enters a Final Approval Order and Final Judgment; and (b) the Final
16 Approval Order and Final Judgment becomes final in that the time for appeal or writ has expired
17 or, if any appeal and/or petition for review is taken and the settlement is affirmed, the time period
18 during which further petition for hearing, appeal, or writ of certiorari can be taken has expired. If
19 the Final Approval Order and Final Judgment is set aside, materially modified, or overturned by
20 the trial court or on appeal, and is not fully reinstated on further appeal, this Agreement will be
21 terminated and cancelled and the Parties will be returned to their positions *status quo ante* with
22 respect to the Action as if this Agreement had not been entered into.

23 **1.13 Fees, Costs, and Expenses Award.** The amount of attorneys’ fees and
24 reimbursement of costs and expenses awarded to Settlement Class Counsel by the Court from the
25 Settlement Fund.

26 **1.14 Fairness Hearing or Final Approval Hearing.** The hearing held by the Court to
27 consider evidence and argument for the purpose of determining whether to enter the Final

1 Approval Order and Final Judgment, and evaluating the Fees, Costs and Expenses Award and
2 request for an award of Service Payment to Plaintiff.

3 **1.15 Final Approval Order.** The order finally certifying the Settlement Class, and
4 approving the settlement as fair, reasonable, and adequate, substantially in the form attached as
5 Exhibit 6.

6 **1.16 Individual Allocated Payment Amount.** Defined by mathematical formula in the
7 Distribution Plan. The checks sent to Authorized Claimants shall be in that Authorized Claimant's
8 Individual Allocated Payment Amount.

9 **1.17 Initial Payments.** The sum of the following amounts: Service Payment, and any
10 Fees, Costs, and Expenses Award, and any fees and costs of the Settlement Administrator due to
11 be paid from the Settlement Fund pursuant to Section 2.1.

12 **1.18 Long-Form Notice.** The long-form version of the notice of the settlement that is
13 to be provided on the Settlement Website. The Long-Form Notice submitted to the Court for
14 approval must be substantially in the form attached as Exhibit 2.

15 **1.19 Opt-Out Form.** The document Settlement Class Members submit to request to be
16 excluded from this Agreement. The Opt-Out Form submitted to the Court for approval must be
17 substantially in the form attached as Exhibit 5.

18 **1.20 Net Settlement Fund.** The Settlement Fund, reduced by the Initial Payments.

19 **1.21 Postcard Notice.** The summary notice of the settlement that is mailed to
20 Settlement Class Members pursuant to Section 4, providing the URL of the Settlement Website
21 and contact information for the Settlement Administrator. The Postcard Notice submitted to the
22 Court for approval must be substantially in the form attached as Exhibit 3.

23 **1.22 Preliminary Approval Order.** The Order of Preliminary Approval of Settlement
24 to be entered by the Court substantially in the form attached as Exhibit 1.

25 **1.23 Released Claims.** Any and all claims, causes of action, suits, obligations, debts,
26 demands, agreements, promises, liabilities, damages, losses, controversies, costs, expenses, and
27 attorneys' fees of any nature whatsoever, whether based on any federal law, state law, common law,

1 territorial law, foreign law, contract, rule, regulation, any regulatory promulgation (including, but
2 not limited to, any opinion or declaratory ruling), common law or equity, whether known or
3 unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or
4 contingent, liquidated or unliquidated, punitive or compensatory, as of the date of the Preliminary
5 Approval Order, that arise out of or relate in any way to the Released Parties' use of any telephone,
6 cell phone, calling or dialing software or platforms to contact or attempt to contact Settlement Class
7 Members. This release expressly includes, but is not limited to, all claims under the Telephone
8 Consumer Protection Act, 47 U.S.C. § 227. The Released Claims include any and all claims that
9 were brought or could have been brought in the Action.

10 **1.24 Released Parties.** Sovereign Lending and each of its respective past, present, and
11 future parents, successors, assigns, subsidiaries, affiliated companies and corporations, and each of
12 their respective past, present, and future directors, officers, members, managers, employees, general
13 partners, limited partners, principals, agents, insurers, reinsurers, shareholders, attorneys, advisors,
14 representatives, predecessors, successors, divisions, joint ventures, assigns, or related entities, and
15 those working on behalf of each of them, and each of their respective executors, successors, assigns,
16 and legal representatives. The release of any third parties is limited to any actions taken on behalf
17 of Sovereign Lending.

18 **1.25 Releasing Parties.** Plaintiff and all other Settlement Class Members, and their
19 respective assigns, heirs, executors, administrators, successors, and agents, and all those who claim
20 through them or who assert claims (or could assert claims) on their behalf.

21 **1.26 Response Deadline.** The date by which a Settlement Class Member must submit
22 a Claim Form, object to this Agreement, or submit an Opt-Out Form to the Settlement
23 Administrator. The Response Deadline shall be ninety (90) days after entry of the Preliminary
24 Approval Order.

25 **1.27 Service Payment.** One-time payment to Plaintiff as set forth in Section 2.1.3.

26 **1.28 Settlement Administrator.** Subject to Court approval, Kroll Settlement
27 Administration.

1 **1.29 Settlement Class or Class.** All persons or entities within the United States to
2 whom Defendant or a third party acting on its behalf: (a) made one or more telephone calls,
3 including while the call recipient's number was on the National Do Not Call Registry; and/or (b)
4 made one or more calls after asking Defendant or a third party acting on Defendant's behalf to
5 stop calling when that telephone number was obtained by the Defendant from The Money Source
6 Inc.

7 **1.30 Settlement Class Counsel.** Paronich Law, P.C.; Turke & Straus LLP.

8 **1.31 Settlement Class Member(s) or Class Member(s).** All persons or entities who
9 fall within the Settlement Class.

10 **1.32 Settlement Fund.** Sovereign Lending agrees to pay five hundred thousand dollars
11 (\$500,000) to create a non-reversionary, capped Settlement Fund. The Settlement Fund shall
12 represent the maximum payment to be paid by Sovereign Lending and will be used to pay all
13 approved initial payments, claims, costs of administration, and permitted attorneys' fees, costs
14 and/or service awards. In no event will Sovereign Lending be required to pay more than the capped
15 Settlement Fund.

16 **1.33 Settlement Website.** A website created and maintained by the Settlement
17 Administrator for the purpose of providing the Settlement Class with notice of the proposed
18 settlement. This website will allow Settlement Class Members to submit Claim Forms and Opt-
19 Out Forms as set forth in this Agreement.

20 **1.34 Unknown Claims.** Claims that the Releasing Parties do not know or suspect to
21 exist in their favor at the time of their granting a release, which if known by them might have
22 affected their settlement of the Action. With respect to any and all Released Claims against any
23 and all Released Parties, the Parties stipulate and agree that each Releasing Party shall have
24 expressly waived the provisions, rights, and benefits of Cal. Civ. Code § 1542 or any federal, state,
25 or foreign law, rule, regulation, or common-law doctrine that is similar, comparable, equivalent,
26 or identical to, or that has the effect in whole or part of, Section 1542 of the California Civil Code,
27 which provides:

1 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
2 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
3 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
4 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
5 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
6 **DEBTOR OR RELEASED PARTY.**

7 Each of the Releasing Parties shall be deemed to have acknowledged, and by operation of the Final
8 Approval Order and Final Judgment acknowledges, that he/she/it is aware that he/she/it may
9 hereafter discover facts other than or different from those that they know or believe to be true with
10 respect to the subject matter of the Released Claims, but it is his/her/its intention to, and each of
11 them shall be deemed upon the Effective Date to have, waived and fully, finally, and forever settled
12 and released any and all Released Claims, whether known or unknown, suspected or unsuspected,
13 asserted or unasserted, contingent or non-contingent, whether or not concealed or hidden, without
14 regard to the subsequent discovery or existence of such different or additional facts.

15 **2. SETTLEMENT CONSIDERATION (BENEFITS AND RELEASE OF CLAIMS)**

16 **2.1 Settlement Fund.**

17 **2.1.1 Payment of the Settlement Fund.** On or before seven (7) calendar days
18 after entry of the Preliminary Approval Order, the Settlement Administrator shall provide
19 Sovereign Lending with a Form W-9 and payment instructions to facilitate the electronic transfer
20 of funds. On or before fourteen (14) business days after entry of the Preliminary Approval Order,
21 Sovereign Lending shall pay to the Settlement Administrator the amount estimated by the
22 Settlement Administrator to cover the cost of providing notice to the Settlement Class and
23 administering the Claims process. On or before twenty-one (21) calendar days after the Effective
24 Date, Sovereign Lending shall provide the remainder of the Settlement Fund to the Settlement
25 Administrator that was not already provided to the Settlement Administrator pursuant to the
26 preceding sentence. Sovereign Lending shall not have the obligation to segregate the funds
27 comprising the Settlement Fund from its other assets, and if Sovereign Lending retains and/or

1 exercises authority or control over the funds comprising the Settlement Fund after entry of the
2 Preliminary Approval Order, it shall do so in conformity with its obligations under this Agreement,
3 applicable state and federal law, and Court order(s).

4 **2.1.2 Settlement Class Member Benefits.** Settlement Class Members shall be
5 eligible to receive monetary benefits from the Net Settlement Fund in accordance with the
6 Distribution Plan.

7 **2.1.3 Service Payment.** Plaintiff may apply to the Court for an award of Service
8 Payment of \$10,000 and Sovereign Lending reserves the right to respond to such request as it
9 deems appropriate. Any Service Payment awarded by the Court shall be paid by the Settlement
10 Administrator from the Settlement Fund. The finality or effectiveness of the settlement will not
11 be dependent on the Court awarding Plaintiff any particular amount on their Service Payment.

12 **2.1.4 Settlement Class Counsel's Fees, Costs, and Expenses.** Settlement Class
13 Counsel may make a reasonable request for fees, costs, and expenses to the Court, not to exceed
14 one-third of the Settlement Fund and a separate application for their expenses incurred in litigating
15 this matter. Sovereign Lending reserves the right to respond to such fee request as it deems
16 appropriate. Any attorneys' fees, costs, and expenses awarded by the Court shall be paid by the
17 Settlement Administrator from the Settlement Fund. The finality or effectiveness of the settlement
18 will not be dependent on the Court awarding Settlement Class Counsel any particular amount on
19 their Fees, Costs, and Expenses Award.

20 **2.1.5 Settlement Administrator and Notice and Administrative Costs.** Notice
21 and administrative costs (e.g., providing notice under the Class Action Fairness Act, establishing
22 a settlement website, reverse name and address lookups, providing notice by mail, claim
23 processing, settlement payment processing, contact center services) shall be paid from the
24 Settlement Fund, or in the event such costs and expenses are incurred but the Effective Date does
25 not occur, shall be paid by Sovereign Lending. In no event shall the total amount of the settlement
26 (\$500,000) increase; if such costs and expenses are incurred and paid by Sovereign Lending, their
27

1 amount shall be credited to Sovereign Lending and will reduce the total amount that Sovereign
2 Lending is required to provide in order to fund the settlement.

3 **2.2 Releases.**

4 **2.2.1 Release of Settlement Class Claims.** The Parties intend that this
5 Agreement will fully and finally dispose of the Action and any and all Released Claims against
6 the Released Parties. As of the Effective Date, each Releasing Party will be deemed to have
7 completely released and forever discharged the Released Parties, and each of them, from and for
8 any and all Released Claims.

9 **3. DISTRIBUTION PLAN**

10 **3.1 Initial Payments.** Except as otherwise provided, on or before thirty (30) calendar
11 days after the Effective Date, the Settlement Administrator shall deduct all Initial Payments from
12 the Settlement Fund and deliver them to the appropriate individuals or entities entitled to them, in
13 accordance with the terms of the Agreement and the Court's Final Approval Order and Final
14 Judgment.

15 **3.1.1 Additional Instructions Regarding Service Payment.** Plaintiff shall
16 provide the Settlement Administrator his relevant Form W-9 and instructions for payment. The
17 Settlement Administrator shall have no obligation to forward to Plaintiff the Service Payment until
18 it receives the Form W-9 and payment instructions.

19 **3.1.2 Additional Instructions Regarding Fees, Costs, and Expenses Award.**
20 Settlement Class Counsel shall provide the Settlement Administrator the relevant Form W-9 and
21 any instructions for payment. The Settlement Administrator shall have no obligation to pay
22 forward the Fees, Costs, and Expenses Award until it receives the Form W-9 (or Form W-9s, if
23 applicable) and payment instructions.

24 **3.1.3 Additional Instructions for Individual Allocated Payment Amounts.**
25 Settlement Class Members will be asked to provide either a taxpayer identification or a social
26 security number if they are receiving \$600 or more in an Individual Allocated Payment Amount
27 due to Internal Revenue Service reporting requirements. The Settlement Administrator will issue

1 a written notice to Settlement Class Members who will receive a payment of \$600 or more as
2 Individual Allocated Payment Amounts, once the allocation of Individual Allocated Payment
3 Amounts is determined following Final Approval. If no taxpayer identification or social security
4 number is timely provided, payment of the Individual Allocated Payment Amount may be subject
5 to backup withholding as required by Internal Revenue Service regulations.

6 **3.2 Authorized Claimant Settlement Award Calculations.** The awards to
7 Authorized Claimants shall be calculated and apportioned as follows:

8 **3.2.1** A Settlement Class Member is eligible to claim a pro rata share of the Net
9 Settlement Fund provided they become an Authorized Claimant by submitting a timely and valid
10 Claim Form and their telephone number is on the Class List.

11 **3.2.2** The Settlement Administrator shall calculate the total number of Authorized
12 Claimants. The Net Settlement Fund shall be divided by the Total Number of Authorized
13 Claimants. The resulting figure is the “Individual Allocated Payment Amount” (i.e., the pro rata
14 share to which the Authorized Claimant is entitled).

15 **3.3 Distribution of Authorized Claimant Awards.** The Claim Form shall allow
16 Settlement Class Members to elect between receiving an award by check or electronically
17 (including by Automated Clearing House (“ACH,” a/k/a direct deposit)), PayPal, and any other
18 electronic payment format recommended by the Settlement Administrator and agreed upon by the
19 Parties). For those Authorized Claimants who requested an award by check, their Individual
20 Allocated Payment Amounts shall be mailed as a check by the Settlement Administrator within
21 forty-five (45) calendar days following the Effective Date. To those Authorized Claimants who
22 requested the award to be transmitted by electronic means, a transfer reflecting their Individual
23 Allocated Payment Amounts shall be transmitted to the Authorized Claimant between forty-five
24 (45) and fifty (50) calendar days after the Effective Date.

25 **3.4 Address Verification / Returned Checks.** Prior to mailing checks under this
26 settlement, the Settlement Administrator shall attempt to update the last known addresses of
27 Authorized Claimants through the National Change of Address database. No skip-tracing shall be

1 done as to any checks that are returned by the postal service with no forwarding address.
2 Authorized Claimants' checks returned with a forwarding address shall be re-mailed to the new
3 address within seven (7) calendar days.

4 **3.5 Uncashed Settlement Checks.** Any checks issued under this settlement shall be
5 negotiable for ninety (90) calendar days. Individual checks that have not been negotiated within
6 ninety (90) calendar days after issuance, if any, shall be void, and the underlying funds shall be
7 paid by the Settlement Administrator to the Cy Pres Recipients.

8 **3.6 Failed Electronic Transmission of Funds.** Settlement Class Members who elect
9 that their Individual Allocated Payment Amount be transmitted to themselves via electronic means,
10 but fail to provide sufficient or correct information to permit such transfer, shall, after a reasonable
11 attempt to resolve any such payment issues, relinquish their right to payment pursuant to the
12 Agreement. Funds that were unable to be transferred to the Authorized Claimants electronically
13 shall be paid by the Settlement Administrator to the Cy Pres Recipients.

14 **3.7 Second Eligible Payment.** Prior to the Cy Pres payment, Settlement Class
15 Members who received an eligible payment pursuant to the Agreement will receive a second pro
16 rata payment to the extent such a payment is economically feasible (e.g., more than \$5.00) (the
17 "Second Eligible Payment").

18 **3.8 Cy Pres Distribution.** Any remaining funds will be paid to the Cy Pres Recipients
19 under this Agreement within thirty (30) days following the Second Eligible Payment.

20 **3.9 No Claims Related to Distribution Calculations.** No person or entity shall have
21 any claim against Sovereign Lending, Sovereign Lending's Counsel, Plaintiff, the Settlement
22 Class Members, Settlement Class Counsel, or any Settlement Administrator based on distributions
23 and payments made in accordance with this Agreement.

24 **4. CLASS NOTIFICATION PROCEDURES**

25 **4.1 CAFA Notice.** Within ten (10) calendar days after this Agreement is filed with the
26 Court, Sovereign Lending, through the Settlement Administrator, shall serve upon relevant
27 government officials notice of the proposed settlement in accordance with 28 U.S.C. § 1715. The

1 Settlement Administrator shall thereafter complete a declaration attesting to the completion of
2 notice pursuant to 28 U.S.C. § 1715 such that it can be filed with the Court in advance of the
3 hearing on Plaintiff's motion for entry of the Preliminary Approval Order.

4 **4.2 Class List.** Unless otherwise ordered by the Court, within fourteen (14) calendar
5 days after entry of the Preliminary Approval Order, Settlement Class Counsel shall provide the
6 Settlement Administrator the Class List. There are 19,648 class members.

7 **4.3 Settlement Website.** Unless otherwise ordered by the Court, within thirty (30)
8 calendar days after entry of the Preliminary Approval Order, the Settlement Administrator will
9 activate the Settlement Website. The Settlement Website shall be designed and constructed to
10 accept electronic Claim Form and Opt-Out Form submission. To help protect against fraudulent
11 submissions, the Settlement Administrator may use CAPTCHA for each electronic form
12 submission. Additionally, the Settlement Administrator shall post on the Settlement Website: (a)
13 the operative Complaint, (b) the Agreement, (c) the Preliminary Approval Order, (d) the Long-
14 Form Notice, (e) a downloadable (i.e., PDF) Claim Form, and (f) within three (3) Court days after
15 it is filed, Settlement Class Counsel's motion for a Fees, Costs, and Expenses Award. The
16 Settlement Website will be active until the last date Authorized Claimants have to negotiate any
17 checks sent pursuant to Section 3.

18 **4.4 Notice to Class Members.**

19 **4.4.1 Postal Appends.** For each Settlement Class Member for whom no address
20 was included in the Class List, the Settlement Administrator shall perform a postal address appends
21 through at least two commercially available databases in an attempt to identify a postal address for
22 such Settlement Class Member.

23 **4.4.2 Postcard Notice.** Unless otherwise ordered by the Court, on or before thirty
24 (30) calendar days after entry of the Preliminary Approval Order, the Settlement Administrator
25 shall send Postcard Notice (attached hereto as Exhibit 3) to Settlement Class Members. Prior to
26 mailing the Postcard Notice under this settlement, the Settlement Administrator shall attempt to
27

1 update the last known addresses of the Class Members through the National Change of Address
2 database.

3 **4.5 Inquiries from Settlement Class Members.** The Settlement Administrator will
4 establish an email account and P.O. Box to which Settlement Class Members may submit questions
5 regarding the settlement. The Settlement Administrator will monitor the email account and P.O.
6 Box and respond promptly to inquiries received from Settlement Class Members. Additionally,
7 no later than thirty (30) calendar days after entry of the Preliminary Approval Order, the Settlement
8 Administrator shall establish a toll-free telephone number that Settlement Class Members can call
9 and listen to a set of mutually agreed Frequently Asked Questions and corresponding answers or
10 obtain the unique identifier assigned by the Settlement Administrator to each Settlement Class
11 Member.

12 **5. CLAIMS SUBMISSION AND VALIDATION PROCESS**

13 **5.1 Claim Process for Settlement Class Members.** To be eligible to receive an award
14 under this Agreement, subject to the Claims review process, Settlement Class Members must
15 accurately and timely complete and submit a Claim Form and deliver that form to the Settlement
16 Administrator. Only one Claim Form may be submitted per Settlement Class Member.

17 **5.2 Claim Form Submission Deadline.** Claim Forms must be submitted by the
18 Response Deadline. If submitted electronically (through the Settlement Website or by email),
19 Claim Forms must be received on or before the Response Deadline by 11:59 p.m. PST. If
20 submitted by postal mail, the date of the postmark on the envelope containing the Claim Form
21 shall be the exclusive means used to determine whether Claim Form has been timely submitted.
22 In the event a postmark is illegible, the date of mailing shall be deemed to be three (3) days prior
23 to the date that the Settlement Administrator received a copy of the Claim Form.

24 **5.3 Claims Review Process.**

25 **5.3.1 Review of Claims.** The Settlement Administrator shall review all
26 submitted Claim Forms within a reasonable time for completeness, validity, accuracy, and
27 timeliness, and may contact any Claimant to request additional information and documentation to

1 determine the validity of any Claim. In addition, the Settlement Administrator may verify that:
2 (1) the information set forth in a submitted Claim Form is accurate; and (2) the Claimant is a
3 Settlement Class Member. To be considered an “Authorized Claimant,” a Claimant must submit
4 a valid, complete, and timely Claim Form and be on the Class List. Claim Forms that do not meet
5 the submission requirements shall be rejected. The Class List provided by Settlement Class
6 Counsel will be entitled to a rebuttable presumption of accuracy.

7 **5.3.2 Deficient Claims.** Prior to rejection of a Claim Form, the Settlement
8 Administrator shall communicate with the Claimant in an effort to remedy curable deficiencies in
9 the Claim Form submitted, except in instances where (i) the Claim is untimely, or (ii) the Claimant
10 does not appear on the Class List.

11 **5.3.3 Manner of Communicating Deficiency.** If the Claim Form at issue was
12 submitted electronically, the Class Member shall be notified by email to the original email address
13 used. If the Claim Form at issue was submitted by mail, the Class Member shall be notified by
14 the email address on the Claim Form, unless the Class Member did not provide one, in which case
15 mail to the original postal address shall be used.

16 **5.4 Settlement Administrator Interim Reports.** Beginning one week after the
17 deadline to provide notices to Class Members under Section 4, the Settlement Administrator shall
18 provide weekly reports to Sovereign Lending’s Counsel and Settlement Class Counsel concerning
19 the Claim Forms received during the prior week and the amount claimed to date. The report shall
20 also identify the number of valid requests for exclusions received (*see* Section 6.2, *infra*) and
21 transmit any received objections (*see* Section 6.1, *infra*) to counsel.

22 **5.5 Claims Accounting.** No later than fourteen (14) calendar days before the filing
23 date for Plaintiff’s motion in support of the Final Approval Order and Final Judgment, the
24 Settlement Administrator will serve upon Settlement Class Counsel and Sovereign Lending’s
25 Counsel a report indicating, among other things, the number of timely and valid Claim Forms that
26 were submitted and total number of telephone numbers.

27

1 **6. OBJECTIONS AND REQUESTS FOR EXCLUSION**

2 **6.1 Objections.** Any Settlement Class Member who has not submitted a timely written
3 request for exclusion through submission of an Opt-Out Form and who wishes to object to the
4 fairness, reasonableness, or adequacy of the Settlement Agreement, the Fees, Costs, and Expenses
5 Award, or the Service Payment must comply with the following requirements. Objections may be
6 submitted to the Settlement Administrator by email, or to either the Settlement Administrator or
7 the Court by postal mail. If an objection is timely submitted by postal mail, the Settlement Class
8 Member must pay for postage.

9 **6.1.1 Content of Objections.** All objections and supporting papers must be in
10 writing and must: (a) clearly identify the case name and number; (b) include the full name and the
11 unique identification number for the Settlement Class Member assigned by the Settlement
12 Administrator; (c) include the address, telephone number, and email address (optional) of the
13 objecting Settlement Class Member; (d) include the full name, address, telephone number, and
14 email address of the objector's counsel, and the state bar(s) to which counsel is admitted (if the
15 objector is represented by counsel); and (e) provide a detailed explanation stating the specific
16 reasons for the objection, including any legal and factual support and any evidence in support of
17 the objection. The objection will not be valid if it only objects to the lawsuit's appropriateness or
18 merits; this is not intended to limit various other reasons for which an objection may be valid.

19 **6.1.2 Deadline for Objections.** Objections must be submitted by the Response
20 Deadline. If submitted by email, objections must be received on or before the Response Deadline
21 by 11:59 p.m. PST. If submitted by postal mail, objections must be postmarked by the Response
22 Deadline. The date of the postmark on the envelope containing the written statement objecting to
23 the Settlement shall be the exclusive means used to determine whether an objection has been timely
24 submitted. In the event a postmark is illegible, the date of mailing shall be deemed to be three (3)
25 days prior to the date that the Settlement Administrator received a copy of the objection.

26 **6.1.3 Failure to Object.** Settlement Class Members who fail to submit timely
27 written objections in the manner specified above shall be deemed to have waived any objections

1 and shall be forever barred from making any objection to the Agreement and the proposed
2 settlement by appearing at the Final Approval Hearing, appeal, collateral attack, or otherwise.

3 **6.1.4 Attendance at Final Approval Hearing.** Any Class Member who timely
4 submits a written objection has the option to appear and request to be heard at the Final Approval
5 Hearing, either in person or through personal counsel. However, Settlement Class Members (with
6 or without their attorneys) intending to make an appearance at the Final Approval Hearing must
7 include on a timely and valid objection a statement substantially similar to “Notice of Intention to
8 Appear.” Only Settlement Class Members who submit timely objections including Notices of
9 Intention to Appear may speak at the Final Approval Hearing. If a Settlement Class Member
10 makes an objection through an attorney, the Settlement Class Member will be responsible for his
11 or her personal attorney’s fees and costs.

12 **6.2 Requests for Exclusion.** This Settlement Agreement will not bind Settlement
13 Class Members who timely and validly request to be excluded (also known as opting-out) from
14 the settlement. Individual requests for exclusion may be submitted to the Settlement Administrator
15 electronically (through the Settlement Website) or by postal mail, but if submitted by postal mail,
16 each Settlement Class Member must pay for postage. No mass opt-outs are allowed.

17 **6.2.1 Contents of a Request for Exclusion.** All requests for exclusion must be
18 in writing and must: (a) clearly identify the case name and number; (b) include the full name and
19 the unique identification number for the Settlement Class Member assigned by the Settlement
20 Administrator; (c) include the address, telephone number, and email address (optional) of the
21 Settlement Class Member seeking exclusion; (d) contain a statement that the requestor does not
22 wish to participate in the settlement; and (e) be signed personally by the Settlement Class Member.
23 The Settlement Website shall contain a copy of an Opt-Out Form, substantially in the form attached
24 as Exhibit 5, that Settlement Class Members may (but are not required to) use to request exclusion
25 from the settlement.

26 **6.2.2 Deadline to Request Exclusion.** To be excluded from the settlement, the
27 request for exclusion must be submitted by the Response Deadline. If submitted electronically

1 (through the Settlement Website), the request for exclusion must be received no later than 11:59
2 p.m. PST on or before the Response Deadline. If submitted by postal mail, the request for
3 exclusion must be date-and-time-stamped, or postmarked, no later than the Response Deadline. In
4 the event a postmark is illegible, the date of mailing shall be deemed to be three (3) days prior to
5 the date that the Settlement Administrator received a copy of the request for exclusion.

6 **6.2.3 Effect of Requesting Exclusion.** Any person or entity who falls within the
7 definition of the Settlement Class and who validly and timely requests exclusion from the
8 Settlement Class shall not be a Settlement Class Member; shall not be bound by the Settlement
9 Agreement; shall not be bound by any judgment entered in the Action; shall not be eligible to make
10 a Claim for any benefit under the terms of the Settlement Agreement; and shall not be entitled to
11 submit an objection to the settlement. However, if a Settlement Class Member submits a Claim
12 Form and request for exclusion, the request for exclusion shall be invalid and the Settlement Class
13 Member shall remain a member of the Settlement Class.

14 **6.2.4 Exclusion List.** No later than fourteen (14) calendar days after the
15 Response Deadline, the Settlement Administrator shall provide Settlement Class Counsel and
16 Sovereign Lending's Counsel with a list of all persons and entities who have timely and validly
17 excluded themselves from the settlement. The exclusion list shall be filed with the Court as part
18 of Plaintiff's motion for entry of the Final Approval Order and Final Judgment. In the event the
19 total number of exclusions exceeds 10% of the telephone numbers in the Class List, Sovereign
20 Lending shall have the right, at its sole discretion, to terminate this Agreement and return the
21 parties to the status quo upon written notice given within fourteen (14) calendar days after the
22 Settlement Administrator provides Settlement Class Counsel and Sovereign Lending's Counsel
23 with the list of all persons and entities who have timely and validly excluded themselves from the
24 settlement.

1 **7. COURT APPROVAL PROCEDURES**

2 **7.1 Provisional Class Certification and Preliminary Approval Order.**

3 **7.1.1 Settlement Class.** For settlement purposes only, the Parties agree that
4 Plaintiff will move for certification of the Settlement Class pursuant to Fed. R. Civ. P. 23(b)(3)
5 within fourteen (14) calendar days following the execution of this Agreement. Sovereign Lending
6 agrees not to contest certification of the Settlement Class but specifically disputes that a class
7 would otherwise be manageable in this action and denies that a litigation class properly could be
8 certified on the claims asserted in the Action. However, solely for purposes of avoiding the expense
9 and inconvenience of further litigation, Defendant does not oppose and hereby agrees to
10 certification of the Settlement Class for settlement purposes only, pursuant to Fed. R. Civ. P.
11 23(b)(3).

12 **7.1.2 Preliminary Settlement Approval.** Contemporaneously with his motion
13 for provisional certification of the Settlement Class, Plaintiff shall move the Court for a
14 Preliminary Approval Order substantially in the form attached as Exhibit 1 and setting the Final
15 Approval Hearing at least one hundred and thirty-five (135) calendar days after entry of the
16 Preliminary Approval Order.

17 **7.1.3 Sovereign Lending's Brief.** Sovereign Lending shall be permitted, but not
18 required, to file its own brief or statement of non-opposition in support of the Preliminary Approval
19 Order.

20 **7.2 Final Approval Hearing and Final Judgment.**

21 **7.2.1 Settlement Class Counsel's Motion for Fees, Costs, and Expenses**
22 **Award and Service Payment.** At least twenty-one (21) calendar days before the Response
23 Deadline, Settlement Class Counsel shall file with the Court: (a) their motion in support of a Fees,
24 Costs, and Expenses Award; and (b) any applications by Plaintiff for award of a Service Payment.

25 **7.2.2 Declarations In Support of Final Approval.** No later than twenty-eight
26 (28) calendar days before the Final Approval Hearing, the Settlement Administrator will provide
27 to Settlement Class Counsel a sworn declaration verifying that notice was provided to Settlement

1 Class Members. In addition, the Settlement Administrator's declaration shall include information
2 regarding the persons who have requested exclusion from the Settlement Class and any objections
3 sent to the Settlement Administrator.

4 **7.2.3 Motion for Final Settlement Approval.** At least twenty-one (21) calendar
5 days before the Final Approval Hearing, Plaintiff will request that the Court enter the Final
6 Approval Order substantially in the forms attached as Exhibit 6.

7 **7.2.4 Sovereign Lending's Brief.** Sovereign Lending shall be permitted, but not
8 required, to file its own brief or statement of non-opposition in support of the Final Approval Order
9 and Final Judgment.

10 **7.3 Modifications Suggested by the Court.** If the Court suggests any modifications
11 to the Agreement or conditions to entry of the Preliminary Approval Order, Final Approval Order,
12 or Final Judgment, the Parties shall, working in good faith and consistent with the Agreement,
13 endeavor to cure any such deficiencies identified by the Court.

14 **8. CONTINGENCIES; TERMINATION**

15 **8.1 Decertification of the Settlement Class If Settlement Not Approved.** If the
16 Court does not enter the Final Approval Order and Final Judgment without material modification,
17 or if the Final Approval Order and Final Judgment is reversed in whole or in part on appeal, or if
18 the Effective Date does not occur, certification of the Settlement Class will be vacated, and the
19 Parties will be returned to their positions *status quo ante* with respect to the Action as if this
20 Agreement had not been entered into. In the event that the Final Approval Order and Final
21 Judgment or Effective Date is not achieved, (a) any court orders preliminarily or finally approving
22 the certification of any class contemplated by the Agreement and any other orders entered pursuant
23 to the Agreement shall be null, void, and vacated and shall not be used or cited thereafter by any
24 person or entity in support of claims or defenses or in support of or in opposition to a class
25 certification motion; and (b) this Agreement will become null and void, and the fact of this
26 Agreement, that Sovereign Lending did not oppose the certification of any class under the
27 Agreement, or that the Court approved the certification of a Settlement Class, shall not be used or

1 cited thereafter by any person or entity, including but not limited to in any contested proceeding
2 relating to the certification of any class or relating to enforcement of arbitration agreements and
3 class-action waivers. Additionally, this Agreement, any negotiations or proceedings related to it,
4 the implementation of it, and any papers submitted in support of the motions for approval of it
5 cannot be construed as, or deemed to be, evidence of any admission or concession by any of the
6 Parties regarding liability, damages, or the appropriateness of class treatment, and are not to be
7 offered or received in evidence in any action or proceeding for any purpose whatsoever.

8 **8.2 Contingencies.** This Agreement shall be deemed terminated and cancelled, and
9 shall have no further force and effect whatsoever, if: (a) there is no Effective Date; (b) the Court
10 fails to enter a Preliminary Approval Order substantially in the form attached as Exhibit 1; or (c)
11 the Court fails to enter Final Approval Order substantially in the form of those attached as Exhibit
12 6.

13 **8.3 Effect of Termination.** In the event that this Agreement is voided, terminated, or
14 cancelled, or fails to become effective for any reason whatsoever, then the Parties shall be deemed
15 to have reverted to their respective statuses as of the date and time immediately prior to the
16 execution of this Agreement, and they shall proceed in all respects as if this Agreement, its
17 exhibits, and any related agreements or orders had never been executed or entered. Without
18 limiting the foregoing of the other agreements between the Parties in this Agreement, but rather
19 for the sake of clarity, the Parties expressly agree that this Agreement, the settlement and mediation
20 discussions leading to this Agreement, any materials shared in connection with mediation,
21 settlement discussions and this Agreement, and any proceeding related to this Agreement shall not
22 be construed as a waiver by Sovereign Lending of any claim, defense, or argument.

23 **9. ADDITIONAL PROVISIONS, REPRESENTATIONS, AND WARRANTIES**

24 **9.1 Entire Agreement.** This Agreement contains the entire agreement between the
25 Parties and supersedes all prior understandings, agreements, or writings regarding the subject
26 matter of this Agreement.

1 **9.2 No Admissions of Liability.** This Agreement does not constitute, is not intended
2 to constitute, and will not under any circumstances be deemed to constitute, an admission of
3 wrongdoing or liability by any Party, such wrongdoing and liability being expressly denied and no
4 final adjudication having been made. The Parties have entered into the Agreement solely as a
5 compromise of all claims for the purpose of concluding the disputes between them, and the
6 Agreement may not be used by any third party against any Party. Pursuant to Federal Rule of
7 Evidence 408, and any similar state rule, the entering into and carrying out of the Agreement, and
8 any negotiations or proceedings related to it, shall not be construed as, or deemed evidence of, an
9 admission or concession by any of the Parties or a waiver of any applicable statute of limitations,
10 and shall not be offered or received into evidence in any action or proceeding against any Party in
11 any court, administrative agency, or other tribunal for any purpose whatsoever.

12 **9.3 Bar to Future Suits.** Upon entry of the Final Approval Order and Final Judgment
13 (see Exhibit 6), Plaintiff and other Settlement Class Members shall be enjoined from prosecuting
14 any claim they have released in the preceding paragraphs in any proceeding against any of the
15 Released Parties or based on any actions taken by any of the Released Parties that are authorized
16 or required by this Agreement or by the Final Approval Order and Final Judgment. It is further
17 agreed that the settlement may be pleaded as a complete defense to any action instituted that is
18 inconsistent with this Agreement.

19 **9.4 Agreement Binding on Successors in Interest.** This Agreement shall be binding
20 on and inure to the benefit of the respective heirs, successors, and assigns of the Parties.

21 **9.5 Best Efforts.** Plaintiff and Sovereign Lending agree that the terms of the
22 Agreement reflect a good-faith settlement of disputed claims. They consider the settlement
23 effected by this Agreement to be fair and reasonable and will use their best efforts to seek
24 preliminary approval and, if granted, final approval of the Agreement by the Court, including in
25 responding to any objectors, intervenors, or other persons or entities seeking to preclude entry of
26 the Final Approval Order and Final Judgment and, if the settlement is granted final approval, to
27 effectuate the settlement's terms. They each represent and warrant that they have not, nor will

1 they (a) attempt to void this Agreement in any way, or (b) solicit, encourage, or assist in any
2 fashion any effort by any person (natural or legal) to object to the settlement under this Agreement.

3 **9.6 Additional Duties of the Settlement Administrator.** In addition to its duties
4 identified above, the Settlement Administrator shall comply with all tax reporting obligations such
5 as issuing any necessary United States Internal Revenue Service 1099 Forms, including but not
6 limited to obtaining any necessary information from Settlement Class Counsel, Plaintiff, and
7 Authorized Claimants for tax reporting purposes. The Settlement Administrator shall ensure that
8 the information that it receives from the Parties and Settlement Class Members is secured and
9 managed in such a way as to protect the security and confidentiality of the information from third
10 parties. The Settlement Administrator shall also perform any other duties necessary to administer
11 the settlement and/or to which the Parties otherwise agree in writing.

12 **9.7 Taxes.** Any person or entity that receives a distribution from the Settlement Fund
13 shall be solely responsible for any taxes or tax-related expenses owed or incurred by that person
14 or entity by reason of that distribution. Such taxes and tax-related expenses shall not be paid from
15 the Settlement Fund. In no event shall Sovereign Lending or any of the other Released Parties
16 have any responsibility or liability for taxes or tax-related expenses arising in connection with the
17 payment or distribution of the Settlement Fund to Plaintiff, Settlement Class Members, Settlement
18 Class Counsel, or any other person or entity.

19 **9.8 Amendment or Modification.** This Agreement may be amended or modified only
20 by a written instrument signed by all Parties or their successors in interest or their duly authorized
21 representatives.

22 **9.9 Headings and Formatting of Definitions.** The various headings used in this
23 Agreement are solely for the convenience of the Parties and shall not be used to interpret this
24 Settlement Agreement. Similarly, bolding and italicizing of definitional words and phrases is
25 solely for the Parties' convenience and may not be used to interpret this Settlement Agreement.
26 The headings and the formatting of the text in the definitions do not define, limit, extend, or
27 describe the Parties' intent or the scope of this Settlement Agreement.

1 **9.10 Notices.** Any communication, verification, or notice sent by any Party in
2 connection with this Agreement shall be sent by email and overnight mail as follows:

3 **To Plaintiff:**

4 Anthony Paronich
5 Paronich Law, P.C.
6 350 Lincoln Street, Suite 2400
7 Hingham, MA 02043
8 Telephone: (617) 485-0018
9 Email: anthony@paronichlaw.com

3 **To Sovereign Lending:**

4 Esteban Morales
5 Mintz, Levin, Cohn, Ferris,
6 Glovsky and Popeo, P.C.
7 2049 Century Park E #300
8 Los Angeles, CA 90067
9 Telephone: (310) 226-7841
10 Email: Emorales@mintz.com

11 **9.11 Time Periods.** The time periods and dates described in this Agreement with
12 respect to the giving of notices and hearings are subject to Court approval and modification by the
13 Court or by written stipulation of Settlement Class Counsel and Sovereign Lending’s Counsel.

14 **9.12 Governing Law.** This Agreement is intended to and shall be governed by the laws
15 of the State of Washington without regard to its choice of law principles.

16 **9.13 No Construction Against Drafter.** This Agreement shall be deemed to have been
17 drafted by the Parties, and any rule that a document shall be interpreted against the drafter shall
18 not apply to this Agreement.

19 **9.14 Execution Date.** This Settlement Agreement shall be deemed executed upon the
20 last date of execution by all of the undersigned.

21 **9.15 Execution in Counterparts.** This Agreement shall become effective upon its
22 execution by all of the Parties. The signatories may execute this Agreement in counterparts. Each
23 counterpart shall be deemed to be an original, and execution of counterparts shall have the same
24 force and effect as if all signatories had signed the same instrument.

25 **9.16 Signatures.** Each person executing this Agreement warrants that such person has
26 the full authority to do so. Signatures sent in pdf format by email will constitute sufficient
27 execution of this Agreement.

9.17 Continuing Jurisdiction. The Court shall retain jurisdiction to enforce this
Agreement’s terms and the Final Approval Order and Final Judgment.

1
2 IN WITNESS WHEREOF, the Parties hereby accep. and agree to the Agreement, as
3 reflected by their signatures below.

4
5 Dated: 08 / 01 / 2023



6
7 Eugene Mannacio

8
9 Dated: 08/04/2023



10
11 Anthony Paronich, Counsel for Plaintiff and the
12 Settlement Class

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14 Dated: 8/02/2023


Sovereign Lending Group Incorporated

EXHIBIT 1
[PROPOSED] PRELIMINARY APPROVAL ORDER

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

EUGENE MANNACIO, on behalf of himself
and all others similarly situated,

Case No. 3:22-cv-05498-RSM

Plaintiff,

vs.

SOVEREIGN LENDING GROUP
INCORPORATED,

Defendant.

[PROPOSED] PRELIMINARY APPROVAL ORDER

This Court has reviewed the motion for preliminary approval of class settlement filed in this Action, including the Settlement Agreement and Release (“Settlement Agreement”).¹ Based on this review and the findings below, the Court finds good cause to grant the motion.

FINDINGS:

¹ Capitalized terms in this Order, unless otherwise defined, have the same definitions as those terms in the Settlement Agreement.

1 **1.** The Court hereby preliminarily approves the Settlement Agreement and the terms
2 and conditions of settlement set forth therein, subject to further consideration at the Final Approval
3 Hearing.

4 **2.** The Court has conducted a preliminary assessment of the fairness, reasonableness,
5 and adequacy of the Agreement and hereby finds that the settlement falls within the range of
6 reasonableness meriting possible final approval. The Court therefore preliminarily approves the
7 proposed settlement as set forth in the Settlement Agreement.

8 **3.** The Long-Form Notice, Postcard Notice, Claim Form, and Opt-Out Form (all
9 attached to the Settlement Agreement), and their manner of transmission, comply with Rule 23
10 and due process because the notices and forms are reasonably calculated to adequately apprise
11 class members of (i) the pending lawsuit, (ii) the proposed settlement, and (iii) their rights,
12 including the right to either participate in the settlement, exclude themselves from the settlement,
13 or object to the settlement.

14 **4.** For settlement purposes only, the Class is so numerous that joinder of all Class
15 Members is impracticable.

16 **5.** For settlement purposes only, Plaintiff Eugene Mannacio's ("Plaintiff") claims are
17 typical of the Settlement Class' claims.

18 **6.** For settlement purposes only, there are questions of law and fact common to the
19 Settlement Class which predominate over any questions affecting only individual Settlement Class
20 Members.

21 **7.** For settlement purposes only, class certification is superior to other available
22 methods for the fair and efficient adjudication of the controversy.

23 **IT IS ORDERED THAT:**

24 **8. Settlement Approval.** The Settlement Agreement, including the Long-Form
25 Notice, Postcard Notice and Claim Form, Electronic Claim Form, and Opt-Out Form attached to
26 the Settlement Agreement as Exhibits 2-5 are preliminarily approved.

1 **9. Appointment of the Settlement Administrator and the Provision of Class**
2 **Notice.** Kroll Settlement Administration is appointed as the Settlement Administrator. The
3 Settlement Administrator will notify Class Members of the settlement in the manner specified
4 under Section 4 of the Settlement Agreement.

5 **10. Claim for a Settlement Award.** Class Members who want to receive an award
6 under the Settlement Agreement must accurately complete and deliver a Claim Form to the
7 Settlement Administrator no later than ninety (90) calendar days after the entry of this Order.

8 **11. Objection to Settlement.** Any Class Member who has not submitted a timely
9 written exclusion request pursuant to paragraph 13 below and who wishes to object to the fairness,
10 reasonableness, or adequacy of the Settlement Agreement, the Fees, Costs, and Expenses Award,
11 or the Service Payment must deliver written objections to the Settlement Administrator (by postal
12 mail or email) or the Court no later than ninety (90) calendar days after the entry of this Order.
13 Written objections must: (a) clearly identify the case name and number; (b) include the full name
14 and the unique identification number for the Settlement Class Member assigned by the Settlement
15 Administrator; (c) include the address, telephone number, and email address (optional) of the
16 objecting Settlement Class Member; (d) include the full name, address, telephone number, and
17 email address of the objector’s counsel, and the state bar(s) to which counsel is admitted (if the
18 objector is represented by counsel); and (e) provide a detailed explanation stating the specific
19 reasons for the objection, including any legal and factual support and any evidence in support of
20 the objection. Any Class Member who timely submits a written objection, as described in this
21 paragraph, has the option to appear at the Final Approval Hearing, either in person or through
22 personal counsel, to object to the fairness, reasonableness, or adequacy of the Settlement
23 Agreement or the proposed settlement, the Service Payment, or to the Fees, Costs, and Expenses
24 Award. However, Settlement Class Members (with or without their attorneys) intending to make
25 an appearance at the Final Approval Hearing must include on a timely and valid objection a
26 statement substantially similar to “Notice of Intention to Appear.” Only Settlement Class
27 Members who submit timely objections including Notices of Intention to Appear may speak at the

1 Final Approval Hearing. If a Settlement Class Member makes an objection through an attorney,
2 the Settlement Class Member will be responsible for his or her personal attorney's fees and costs.
3 The objection will not be valid if it only objects to the lawsuit's appropriateness or merits.

4 **12. Failure to Object to Settlement.** Settlement Class Members who fail to object to
5 the Settlement Agreement in the manner specified above will: (1) be deemed to have waived their
6 right to object to the Settlement Agreement; (2) be foreclosed from objecting (whether by a
7 subsequent objection, intervention, appeal, or any other process) to the Settlement Agreement; and
8 (3) not be entitled to speak at the Final Approval Hearing.

9 **13. Requesting Exclusion.** Settlement Class Members may elect not to be part of the
10 Class and not to be bound by this Settlement Agreement. Individual requests for exclusion may
11 be submitted to the Settlement Administrator electronically (through the Settlement Website) or
12 by postal mail, but if submitted by postal mail, each Settlement Class Member must pay for
13 postage. No mass opt-outs are allowed. All requests for exclusion must be in writing and must:
14 (a) clearly identify the case name and number; (b) include the full name and the unique
15 identification number for the Settlement Class Member assigned by the Settlement Administrator;
16 (c) include the address, telephone number, and email address (optional) of the Settlement Class
17 Member seeking exclusion; (d) contain a statement that the requestor does not wish to participate
18 in the settlement; and (e) be signed personally by the Settlement Class Member. A request for
19 exclusion must be submitted no later than ninety (90) calendar days after entry of this Order.

20 **14. Provisional Certification.** The Settlement Class is provisionally certified as a
21 class of: all persons or entities within the United States to whom Defendant Sovereign Lending
22 Group Incorporated ("Defendant" or "Sovereign Lending") or a third party acting on its behalf:
23 (a) made one or more telephone calls, including while the call recipient's number was on the
24 National Do Not Call Registry; and/or (b) made one or more calls after asking Defendant or a third
25 party acting on Defendant's behalf to stop calling when that telephone number was obtained by
26 the Defendant from The Money Source Inc.

1 **15. Conditional Appointment of Class Representative and Class Counsel.** Plaintiff
2 is conditionally certified as the class representative to implement the Parties' settlement in
3 accordance with the Settlement Agreement. The law firms of Paronich Law, P.C. and Turke &
4 Strauss LLP are conditionally appointed as Settlement Class Counsel. Plaintiff and Settlement
5 Class Counsel must fairly and adequately protect the Settlement Class's interests.

6 **16. Stay of Other Proceedings.** The Court hereby orders that any actions or
7 proceedings in any court in the United States involving any Released Claims asserted by any
8 Releasing Parties, except any matters necessary to implement, advance, or further the approval of
9 the Settlement Agreement are stayed pending the Final Approval Hearing and issuance of any
10 Final Order and Judgment.

11 **17. Termination.** If the Settlement Agreement terminates for any reason, the
12 following will occur: (a) class certification will be automatically vacated; (b) Plaintiff and
13 Settlement Class Counsel will stop functioning as the class representative and class counsel,
14 respectively, except to the extent previously appointed by the Court; and (c) this Action will revert
15 to its previous status in all respects as it existed immediately before the Parties executed the
16 Settlement Agreement, other than as to payments made to, or owed for work already incurred by,
17 the Settlement Administrator. Neither the settlement nor this Order will waive or otherwise impact
18 the Parties' rights or arguments.

19 **18. No Admissions.** Nothing in this Order is, or may be construed as, an admission or
20 concession on any point of fact or law by or against any Party.

21 **19. Stay of Dates and Deadlines.** All discovery and pretrial proceedings and deadlines
22 are stayed and suspended until further notice from the Court, except for such actions as are
23 necessary to implement the Settlement Agreement and this Order.

24 **20. Modifications.** Counsel for the Parties are hereby authorized to utilize all
25 reasonable procedures in connection with the administration of the settlement which are not
26 materially inconsistent with either this Order or the terms of the Agreement. The Parties may
27 further modify the Settlement Agreement prior to the Final Approval Hearing so long as such

1 modifications do not materially change the terms of the settlement provided therein. The Court
 2 may approve the Settlement Agreement with such modifications as may be agreed to by the Parties,
 3 if appropriate, without further notice to Settlement Class Members.

4 **21. Final Approval Hearing.** On _____ (month) ____ (day), 2023, at
 5 _____, this Court will hold a Fairness Hearing to determine whether the Settlement
 6 Agreement should be finally approved as fair, reasonable, and adequate. Plaintiff's motion in
 7 support of the Final Approval Order and Final Judgment shall be filed on or before twenty one
 8 (21) calendar days before the Final Approval Hearing. Any brief Sovereign Lending may choose
 9 to file shall be filed on or before seven (7) calendar days before the Final Approval Hearing. This
 10 Court may order the Fairness Hearing to be postponed, adjourned, or continued. If that occurs, the
 11 updated hearing date shall be posted on the Settlement Website, but other than the website posting,
 12 the Parties will not be required to provide any additional notice to Settlement Class Members.

13 **22. Summary Timeline.** The Agreement and this Order provide for the following
 14 timeline dates and deadlines related to the provision of notice and the Final Approval Hearing:

15	Last day for Settlement Class Counsel to provide the Settlement Administrator the Class List	On or before 14 days after entry of this Order
16		
17	Last day for the Settlement Administrator to publish the Settlement Website and begin operating a toll-free telephone line, email address, and P.O. Box to accept inquiries from Settlement Class Members	On or before 30 days after entry of this Order
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22	Settlement Administrator provides Notice to Settlement Class Members	On or before 30 days after entry of this Order
23		
24	Last day for Settlement Class Counsel to file motion in support of Fees, Costs, and Expenses Award and apply for Service Payment	On or before 69 days after entry of this Order
25		
26		
27	Last day for Settlement Class Members to file Claim Forms, object,	On or before 90 days after entry of this Order

1 2 3 4	or request exclusion from the Settlement Class	
5 6	Last day for Settlement Class Counsel to file motion in support of Final Approval	On or before 21 days before Final Approval Hearing
7 8	Last day for Sovereign Lending to file optional brief in support of Settlement	On or before 7 days before Final Approval Hearing

9 SO ORDERED this ___ day of _____, 2023.

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THE HONORABLE RICARDO S. MARTINEZ
UNITED STATES DISTRICT COURT

**EXHIBIT 2
LONG-FORM NOTICE**

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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON**

EUGENE MANNACIO, on behalf of himself
and all others similarly situated,

Case No. 3:22-cv-05498-RSM

Plaintiff,

vs.

SOVEREIGN LENDING GROUP
INCORPORATED,

Defendant.

NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

TO: All persons in the United States who received calls from Sovereign Lending Group between November 29, 2017 through the **date of preliminary approval, including while they were on the National Do Not Call Registry or despite making a request that the caller stop calling.**

IF YOU ARE A MEMBER OF THIS CLASS OF PERSONS, YOU SHOULD READ THIS NOTICE CAREFULLY BECAUSE IT MAY AFFECT YOUR LEGAL RIGHTS AND OBLIGATIONS.

A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.

- A settlement (“Settlement”) has been proposed in the class action lawsuit referenced above pending in the United States District Court for the Western District of Washington (“Action”). You may be a class member in the proposed Settlement and may be entitled to participate in the proposed Settlement.

- The United States District Court for the Western District of Washington has ordered the issuance of this notice in this Action. Sovereign Lending Group Incorporated (“Defendant” or “Sovereign Lending”) denies it did anything wrong and has defended itself throughout the lawsuit. The Court has not decided who is right. Both sides have agreed to settle the dispute to avoid burdensome and costly litigation.
- If the Court gives final approval to the Settlement, Sovereign Lending will create a fund of \$500,000. If you submit a valid Claim Form, you may be eligible to obtain a share from this fund in the amount of approximately \$75-150 depending on the number of claims that are submitted. The value of a Settlement Class Member’s individual award will depend upon the number of Settlement Class Members who file valid Claim Forms.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM	This is the only way to get an award under the Settlement. Visit the Settlement website located at www.[xxxx].com to obtain a Claim Form.	Deadline: [Month] [Day], [Year]
EXCLUDE YOURSELF	If you exclude yourself from the Settlement, you will not receive an award under the Settlement. Excluding yourself is the only option that allows you to bring or maintain your own lawsuit regarding the allegations in the Action ever again.	Deadline: [Month] [Day], [Year]
OBJECT	You may write to the Court about why you object to (i.e., don’t like) the Settlement and think it shouldn’t be approved. Submitting an objection does not exclude you from the Settlement.	Deadline: [Month] [Day], [Year]
GO TO THE “FAIRNESS HEARING”	The Court will hold a “Fairness Hearing” to consider the Settlement, the request for attorneys’ fees and costs of the lawyers who brought the Action, and the Representative Plaintiff’s request for service awards for bringing the Action. You may, but are not required to, speak at the Fairness Hearing about any objection you submitted to the Settlement. If you intend to speak at the Fairness Hearing, you must also submit a “Notice of Intention to Appear” to the Court and the parties’ attorneys, indicating your intent to do so.	Hearing Date: [Month] [Day], [Year] Time: [XX:XX] [am/pm]

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

DO NOTHING	You will not receive a Settlement award under the Settlement. You will also give up your right to object to the Settlement, and you will be not be able to be part of any other lawsuit about the legal claims in this case.	N/A
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- These rights and options—**and the deadlines to exercise them**—are explained in more detail below.
- The Court in charge of this Action has preliminarily approved the Settlement and must decide whether to give final approval to the Settlement. The relief provided to Settlement Class Members will be provided only if the Court gives final approval to the Settlement and, if there are any appeals, after the appeals are resolved in favor of the Settlement. *Please be patient.*

WHAT THIS NOTICE CONTAINS

BACKGROUND INFORMATION ##

1. Why did I get this notice?
2. What is this lawsuit about?
3. Why is this a class action?
4. Why is there a Settlement?
5. How do I know if I am part of the Settlement?
6. I’m still not sure if I am included.

THE PROPOSED SETTLEMENT ##

7. What relief does the Settlement provide to the Class Members?

HOW TO REQUEST AN AWARD UNDER THE SETTLEMENT – SUBMITTING A CLAIM FORM ##

8. How can I get a Settlement award?
9. When will I get a Settlement award?

THE LAWYERS IN THIS CASE AND THE PLAINTIFF ##

10. Do I have a lawyer in this case?
11. How will the lawyers be paid?
12. Will the Plaintiff receive any compensation for their efforts in bringing this Action?

DISMISSAL OF ACTION AND RELEASE OF ALL CLAIMS ##

13. What am I giving up to obtain relief under the Settlement?

HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT ##

14. How do I exclude myself from the Settlement?

1 HOW TO OBJECT TO THE SETTLEMENT ##

- 15. How do I tell the Court that I disagree with the Settlement?
- 16. What is the difference between excluding myself and objecting to the Settlement?

3 FAIRNESS HEARING..... ##

- 17. What is the Fairness Hearing?
- 18. When and where is the Fairness Hearing?
- 19. May I speak at the hearing?

6 ADDITIONAL INFORMATION..... ##

- 20. How do I get more information?
- 21. What if my address or other information has changed or changes after I submit a Claim Form?

12 **BACKGROUND INFORMATION**

14 **1. Why did I get this notice?**

15 You received this Notice because a Settlement has been reached in this Action and you may be a
16 Class Member. If you are a member of the Settlement Class, you may be eligible for the relief detailed
17 below.

18 This Notice explains the nature of the Action, the general terms of the proposed Settlement, and
19 your legal rights and obligations. To obtain more information about the Settlement, including
20 information about how you can see a copy of the Settlement Agreement (which defines certain
21 capitalized terms used in this Notice), see Section 20 below.

21 **2. What is this lawsuit about?**

22 An individual (the “Plaintiff”) filed a lawsuit against Sovereign Lending on behalf of himself and
23 all others similarly situated. The lawsuit alleges and the Plaintiff claims that Sovereign Lending
24 violated the Telephone Consumer Protection Act, 47 U.S.C. § 227 (the “TCPA”) by, *inter alia*,
25 placing unsolicited calls to Plaintiff and members of the putative class on telephone numbers they
26 had registered on the National Do Not Call Registry and after recipients asked not to be called.

27 Sovereign Lending denies each and every one of the allegations of unlawful conduct, any
wrongdoing, and any liability whatsoever, and no court or other entity has made any judgment or
other determination of any liability. Sovereign Lending further denies that any Class Member is

entitled to any relief and, other than for settlement purposes, that this Action is appropriate for certification as a class action. **The issuance of this Notice is not an expression of the Court’s opinion on the merits or the lack of merits of the Plaintiff’s claims in the Action.** For information about how to learn about what has happened in the Action to date, please see Section 20 below.

3. Why is this a class action?

In a class action lawsuit, one or more people sue on behalf of other people who allegedly have similar claims. For purposes of this proposed Settlement, one court will resolve the issues for all Settlement Class Members. The company sued in this case, Sovereign Lending, is called the Defendant.

4. Why is there a Settlement?

Plaintiff has made claims against Sovereign Lending. Sovereign Lending denies that it has done anything wrong or illegal and admits no liability. The Court has not decided that the Plaintiff or Sovereign Lending should win this Action. Instead, both sides agreed to a Settlement. That way, they avoid the cost of a trial, and the Settlement Class Members will receive relief now rather than years from now, if at all.

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

The Court has decided that everyone who fits this description is a Class Member for purposes of the proposed Settlement: All persons or entities within the United States to whom Defendant or a third party acting on its behalf: (a) made one or more telephone calls, including while the call recipient’s number was on the National Do Not Call Registry; and/or (b) made one or more calls after asking Defendant or a third party acting on Defendant’s behalf to stop calling when that telephone number was obtained by the Defendant from The Money Source Inc.

6. I’m still not sure if I am included.

If you are still not sure whether you are included in the Settlement Class, you can write or call the Settlement Administrator for free help. The Settlement Administrator’s contact information is below.

Sovereign Lending TCPA Settlement
 c/o _____
 [Address]
 [City] [State], [Zip Code]
 1-8XX-XXX-XXXX
 Email: [xxxx]@[xxxx].com

THE PROPOSED SETTLEMENT

7. What relief does the Settlement provide to the Class Members?

Sovereign Lending has created a Settlement Fund of \$500,000 which will be used to pay the Claims of Settlement Class Members, Settlement Class Counsel’s Fees, Costs, and Expenses Award (see Section 11 below), Plaintiff’s Service Payment (see Section 12 below), and compensation for the Settlement Administrator for providing notice to the Settlement Class and administering the Settlement.

If you are a Settlement Class Member, you are eligible to receive a pro rata share of the Settlement Fund by timely and validly submitting a Claim Form.

**HOW TO REQUEST AN AWARD UNDER THE SETTLEMENT –
SUBMITTING A CLAIM FORM**

8. How can I get a Settlement Award?

To qualify for a Settlement award, you must send in a Claim Form. A Claim Form is available by clicking [HERE](#) or on the Internet at the website [www.\[xxxx\].com](http://www.[xxxx].com). The Claim Form may be submitted electronically or by postal mail. Read the instructions carefully, fill out the form, and postmark it by [Month] [Day], [Year] or submit it online on or before 11:59 p.m. (Pacific) on [Month] [Day], [Year].

9. When will I get a Settlement award?

As described in Sections 17 and 18, the Court will hold a hearing on [Month] [Day], [Year] at [time] to decide whether to approve the Settlement. If the Court approves the Settlement, after that, there may be appeals. It’s always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. You can check on the progress of the case on the website dedicated to the Settlement at [www.\[xxxx\].com](http://www.[xxxx].com). Please be patient.

THE LAWYERS IN THIS CASE AND THE PLAINTIFF

10. Do I have a lawyer in this case?

The Court has ordered that the law firms of Paronich Law, P.C. and Turke & Strauss LLP (“Settlement Class Counsel”) will represent the interests of all Settlement Class Members. You will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

11. How will the lawyers be paid?

1 Settlement Class Counsel will petition the Court to receive a Fees, Costs, and Expenses Award
 2 up to \$XXX(total). The Court will make the final decision as to the amount to be paid to the
 3 attorneys for their fees and costs. You will not be required to separately pay any attorneys' fees
 4 or costs to the Settlement Class Counsel.

5 **12. Will the Plaintiff receive any compensation for their efforts in bringing this**
 6 **Action?**

7 The Plaintiff will request a Service Payment of up to \$10,000 for his services as class
 8 representative and his efforts in bringing the Action. The Court will make the final decision as
 9 to the amount to be paid to the Plaintiff.

10 **DISMISSAL OF ACTION AND RELEASE OF ALL CLAIMS**

11 **13. What am I giving up to obtain relief under the Settlement?**

12 If the Court approves the proposed Settlement, you will be releasing your claims against
 13 Sovereign Lending and the other entities allegedly involved in the calls at issue unless you have
 14 excluded yourself from the Settlement. This generally means that you will not be able to file or
 15 pursue a lawsuit against Sovereign Lending or be part of any other lawsuit against Sovereign
 16 Lending asserting claims that were or could have been asserted in the Action. The Settlement
 17 Agreement, available on the Internet at the website [www.\[xxxx\].com](http://www.[xxxx].com) contains the full terms of
 18 the release.

19 **HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT**

20 **14. How do I exclude myself from the Settlement?**

21 You may exclude yourself from the Class and the Settlement. You can submit a request for
 22 exclusion to the Settlement Administrator electronically (through the Settlement Website) or by
 23 postal mail. If you want to be excluded, you must either complete the Opt-Out Form available
 24 on the Settlement Website located at [www.\[xxxx\].com](http://www.[xxxx].com), or write the Settlement Administrator
 25 stating: (a) the name and case number of the action – “Mannacio v. Sovereign Lending Group
 26 Inc. W.D. Wa. Case No. 3:22-cv-5498”; (b) the full name and the unique identification number
 27 for the Settlement Class Member assigned by the Settlement Administrator; (c) the address,
 telephone number, and email address (optional) of the Settlement Class Member seeking
 exclusion; (d) that the requestor does not wish to participate in the Settlement; and (e) be signed
 personally by you. If you are not using the Opt-Out Form on the Settlement Website, the
 request for exclusion must be sent to the Settlement Administrator at:

Sovereign Lending TCPA Settlement
 c/o _____
 [Address]

[City] [State], [Zip Code]
[www.\[xxxx\].com](http://www.[xxxx].com)

Your request for exclusion must be submitted electronically or be postmarked no later than [Month] [Day], [Year] at 11:59 pm (Pacific). If you submit your request for exclusion by postal mail, you are responsible for your postage.

If you validly and timely request exclusion from the Settlement Class, you will be excluded from the Settlement Class, you will not be bound by the Settlement Agreement or the judgment entered in the Action, you will not be eligible to make a Claim for any benefit under the terms of the Settlement Agreement, you will not be entitled to submit an objection to the Settlement, and you will not be precluded from prosecuting any timely, individual claim against Sovereign Lending based on the conduct complained of in the Action.

HOW TO OBJECT TO THE SETTLEMENT

15. How do I tell the Court that I disagree with the Settlement?

At the date, time, and location stated in Section 18 below, the Court will hold a Fairness Hearing to determine if the Settlement is fair, reasonable, and adequate, and to also consider the attorneys who initiated the Action’s request for a Fees, Costs, and Expenses Award, and a Service Payment to the Plaintiff.

If you wish to object to the fairness, reasonableness, or adequacy of the Settlement Agreement or the proposed Settlement, you must write to the Court and must: (a) clearly identify the case name and number – “Mannacio v. Sovereign Lending Group Inc., W.D. Wa. Case No. 3:22-cv-5498”; (b) include the full name and the unique identification number for the Settlement Class Member assigned by the Settlement Administrator; (c) include the address, telephone number, and email address (optional) of the objecting Settlement Class Member; (d) include the full name, address, telephone number, and email address of the objector’s counsel, and the state bar(s) to which counsel is admitted (if the objector is represented by counsel); and (e) provide a detailed explanation stating the specific reasons for the objection, including any legal and factual support and any evidence in support of the objection. The objection will not be valid if it only objects to the lawsuit’s appropriateness or merits. Objections may be submitted to the Settlement Administrator electronically by email or by postal mail. The Settlement Administrator will then have the objections submitted to the Court. Or you may submit the objections directly to the Court. If an objection is submitted by postal mail, the Settlement Class Member must pay for postage. The Settlement Administrator’s contact information is below.

Sovereign Lending TCPA Settlement
c/o _____
[Address]
[City] [State], [Zip Code]
[www.\[xxxx\].com](http://www.[xxxx].com)

1 The mailing address to the Court is:

2 Clerk of the Court
3 United States District Court Western District of Washington
4 700 Stewart Street, Suite 2310
5 Seattle, WA 98101

6 The objection must be submitted electronically or be postmarked no later than [Month] [Day],
7 [Year] at 11:59 pm (Pacific). You may, but need not, submit your objection through counsel of
8 your choice. If you do make your objection through an attorney, you will be responsible for
9 your personal attorney’s fees and costs.

10 **IF YOU DO NOT TIMELY MAKE AN OBJECTION, YOU WILL BE DEEMED TO**
11 **HAVE WAIVED ALL OBJECTIONS AND WILL NOT BE ENTITLED TO SPEAK AT**
12 **THE FAIRNESS HEARING.**

13 If you submit a written objection, you have the option to appear and request to be heard at the
14 Fairness Hearing, either in person or through personal counsel. You are not required, however,
15 to appear. However, if you, or your attorney, intend to make an appearance at the Fairness
16 Hearing, you must include on your timely and valid objection a statement substantially similar
17 to “Notice of Intention to Appear.” Only those who submit timely objections including Notices
18 of Intention to Appear may speak at the Fairness Hearing. If you make an objection through an
19 attorney, you will be responsible for your attorney’s fees and costs.

20 **16. What is the difference between excluding myself and objecting to the Settlement?**

21 Objecting is simply telling the Court that you disagree with something about the Settlement.
22 You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court
23 that you don’t want to be part of the Settlement Class. If you exclude yourself, you have no
24 basis to object because the Settlement no longer affects you.

25 **FAIRNESS HEARING**

26 **17. What is the Fairness Hearing?**

27 The Court has preliminarily approved the Settlement and will hold a hearing to decide whether
to give final approval to the Settlement. The purpose of the Fairness Hearing will be for the
Court to determine whether the Settlement should be approved as fair, reasonable, adequate,
and in the best interests of the Settlement Class; to consider the Fees, Costs, and Expenses
Award to the attorneys who initiated the Action; and to consider the request for a Service
Payment to the Plaintiff.

1 **18. When and where is the Fairness Hearing?**

2 On [Month] [Day], [Year] at [time], a hearing will be held on the fairness of the proposed
3 Settlement. At the hearing, the Court will be available to hear any objections and arguments
4 concerning the proposed Settlement's fairness. The hearing will take place before the
5 Honorable Ricardo S. Martinez, United States District Court Western District of Washington,
6 700 Stewart Street, Suite 13134, Seattle, WA 98101 on [Month] [Day], [Year], at ____am/pm.
7 The hearing may be postponed to a different date or time or location without notice. Please
8 check [www.\[xxxx\].com](http://www.[xxxx].com) for any updates about the Settlement generally or the Fairness Hearing
9 specifically. If the date or time of the Fairness Hearing changes, an update to the Settlement
10 Website will be the only way you will be informed of the change.

11 **19. May I speak at the hearing?**

12 At that hearing, the Court will be available to hear any objections and arguments concerning the
13 fairness of the Settlement. You may attend, but you do not have to. As described above in
14 Section 15, you may speak at the Fairness Hearing only if (a) you have timely submitted an
15 objection, and (b) you have timely and validly provided a Notice of Intent to Appear. If you
16 have requested exclusion from the Settlement, however, you may not speak at the Fairness
17 Hearing.

18 **ADDITIONAL INFORMATION**

19 **20. How do I get more information?**

20 To see a copy of the Settlement Agreement, the Court's Preliminary Approval Order, the
21 application for a Fees, Costs, and Expenses Award, and the operative Complaint filed in the
22 Action, please visit the Settlement Website located at: [www.\[xxxx\].com](http://www.[xxxx].com). Alternatively, you
23 may contact the Settlement Administrator at the email address [\[xxxx\]@\[xxxx\].com](mailto:[xxxx]@[xxxx].com) or the U.S.
24 postal (mailing) address: [Address] [City], [State], [Zip Code]. You may also obtain
25 information by calling 1-8XX-XXX-XXXX.

26 This description of this Action is general and does not cover all of the issues and proceedings
27 that have occurred. In order to see the complete file, you should visit www.pacer.gov or the
28 Clerk's office at the United States District Court Western District of Washington,
29 700 Stewart Street, Suite 2310, Seattle, WA 98101. The Clerk will tell you how to obtain the
30 file for inspection and copying at your own expense.

31 **21. What if my address or other information has changed or changes after I submit a
32 Claim Form?**

1 It is your responsibility to inform the Settlement Administrator of your updated information. You
2 may do so at the address below:

3 *Sovereign Lending TCPA Settlement*

c/o _____

[Address]

4 [City] [State], [Zip Code]

5 1-8XX-XXX-XXXX

Email: [xxxx]@[xxxx].com

6 * * * *

7 **DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE**
8 **LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE.**

**EXHIBIT 3
POSTCARD NOTICE AND CLAIM FORM**

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A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.

All persons in the United States who received a calls from Sovereign Lending Group between November 29, 2017 through **DATE, including while they were on the National Do Not Call Registry or despite making a request that the caller stop calling.**

Why did I get this notice? A settlement (“Settlement”) has been proposed in a class action lawsuit pending in the U.S. District Court for the Western District of Washington titled “*Mannacio v. Sovereign Lending Group, Incorporated.*, Case No. 22-cv-5498” (“Action”). According to available records, you might be a “Settlement Class Member.” The purpose of this notice is to inform you of the Action and the Settlement so that you may decide what steps to take in relation to it.

Sovereign Lending TCPA Settlement
Settlement Administrator
c/o **INSERT**

Postal Service: Please do not mark bar code
Notice ID #: «NoticeID»

«First1» «Last1»
«CO»
«Addr2»
«Addr1»
«City», «St» «Zip»
«Country»

First-Class
Mail
US Postage
Paid
Permit #__

What is the Action about?

The Action was filed against Sovereign Lending Group Incorporated (“Sovereign Lending” or “Defendant”) alleging that Sovereign Lending made unsolicited telephone solicitation calls promoting their goods and services in violation of the Telephone Consumer Protection Act. The Defendant denies wrongdoing and liability, and both sides disagree on how much, if anything, the Class could have recovered after trial. **The Court has not decided which side is right. But both sides have agreed to settle the Action and provide certain benefits to Settlement Class Members in order to avoid the costs, risks, and uncertainties of continued litigation.**

Am I a Settlement Class Member?

You are a “Settlement Class Member” if Sovereign Lending or a third party acting on its behalf: (a) made one or more telephone calls to you, including while your number was on the National Do Not Call Registry; and/or (b) made one or more calls after you asked Defendant or a third party acting on Defendant’s behalf to stop calling when your telephone number was obtained by the Defendant from The Money Source Inc. The period of the Settlement Class is from November 29, 2017 through **date of preliminary approval**

What relief does the Settlement provide?

The Settlement provides \$500,000 exclusively to pay (1) claims of eligible Settlement Class Members; (2) a Fees, Costs, and Expenses Award to Settlement Class Counsel; (3) a Service Payment to Plaintiff; and (4) costs of Settlement administration and notice. If you are a Settlement Class Member, you are eligible to receive a pro rata share of the Settlement. It is presently estimated that Settlement Class Members who timely and validly file a claim may receive approximately \$75-150. This amount may change, as it depends on the number of timely and valid claims submitted by Settlement Class Members. **To receive a Settlement award, you must timely complete and submit a valid Claim Form.** A Claim Form is also available at [INSERT]. The deadline to submit a Claim Form is [Month] [Day], [Year]. If you elect to complete a Claim Form, your class member identification number is: [SAMPLE12345].

What are my other options?

If you don’t want to be legally bound by the Settlement, you must exclude yourself by [Month] [Day], [Year], or you won’t be able to sue the Defendant or others involved with the calls at issue about the legal claims in the Action ever again. If you stay in the Settlement, you may object to it by [Month] [Day], [Year]. The detailed notice available at www.[xxxx].com describes the claims you will be releasing if you do not request exclusion and explains how to request exclusion or to object. The Court will hold a hearing on [Month] [Day], [Year] at [time] to consider whether to approve the Settlement and a request by the Settlement Class Counsel for up to \$ _____ for a Fees, Costs, and Expenses Award, and a request by Plaintiff for a Service Payment of \$10,000 to Mr. Mannacio for his services as class representatives and their efforts in bringing the Action. You may ask to appear at the hearing, but you don’t have to.

More information?

For complete information about the Settlement, to view the Settlement Agreement, related court documents, and Claim Forms, and to learn more about how to exercise your various options under the Settlement, visit [INSERT] or call [INSERT]. You may also write to the Settlement Administrator at the email address [INSERT] or the postal address [INSERT].

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SOVEREIGN LENDING TCPA SETTLEMENT CLAIM FORM

To be effective as a Claim under the proposed settlement, this form must be completed, signed, and sent, as outlined above, no later than [Month] [Day], [Year]. If this form is not postmarked or received by this date, you will remain a member of the Settlement Class but will not receive any payment from the Settlement.

Claimant Identification

Claimant Name (Required): _____ Claimant Identification Number (Required): _____

* Your Claimant Identification Number was on the notice of the Settlement you received. If you do not have your Claimant Identification Number, call or email the Settlement Administrator for assistance at [INSERT] or [INSERT].

Current Contact Information

Street Address (Required): _____ City, State and ZIP Code (Required): _____

Preferred Phone Number: (____) _____ – _____ Email Address (Required): _____

* Settlement payments will be digitally sent to you via email. Please ensure you provide a current, valid email address. If the email address included with your submission becomes invalid for any reason, it is your responsibility to provide accurate contact information to the Settlement Administrator. When you receive the email notifying you of your payment, you will be provided with a number of digital payment options such as PayPal or a digital debit card to immediately receive your payment. You will also have the option to request a paper check at that time.

Confirmation of Class Membership

Telephone Number(s) at which you received calls related to Sovereign Lending: (____) _____ – _____

- This telephone number belonged to me at some point between November 29, 2017 through **date of preliminary approval**: Yes ___ No ___

I agree that, by submitting this Claim Form, the information in this Claim Form is true and correct to the best of my knowledge.

NO POSTAGE
NECESSARY
IF MAILED IN
THE UNITED
STATES

Sovereign Lending TCPA Settlement
Settlement Administrator
c/o **INSERT**

**Exhibit 4
Electronic Claim Form**

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This Form must be received by the Settlement Administrator no later than [Month] [Day], [Year].

This Claim Form may be submitted in one of two ways:

1. Electronically through [INSERT].
2. Mail to: Sovereign Lending TCPA Settlement, c/o [INSERT].

To be effective as a Claim under the proposed settlement, this form must be completed, signed, and sent, as outlined above, **no later than [Month] [Day], [Year]**. If this form is not postmarked or received by this date, you will remain a member of the Settlement Class but will not receive any payment from the Settlement.

Claimant Identification

Claimant Name (Required): _____

Claimant Identification Number (Required): _____

* Your Claimant Identification Number was on the notice of the Settlement you received.

If you do not have your Claimant Identification Number, call or email the Settlement Administrator for assistance at [INSERT] or [INSERT].

Current Contact Information

Street Address (Required): _____

City, State and ZIP Code (Required): _____

Preferred Phone Number: (____) _____ - _____

Email Address (Required): _____

* Settlement payments will be digitally sent to you via email. Please ensure you provide a current, valid email address. If the email address included with your submission becomes invalid for any reason, it is your responsibility to provide accurate contact information to the Settlement Administrator. When you receive the email notifying you of your payment, you will be provided with a number of digital payment options such as PayPal or a digital debit card to immediately receive your payment. You will also have the option to request a paper check at that time.

Confirmation of Class Membership

1 Telephone Number(s) at which you received calls related to Sovereign Lending: (____)

2 _____ - _____

3 This telephone number belonged to me at some point between November 29, 2017 and
4 **date of preliminary approval**

5 I agree that, by submitting this Claim Form, the information in this Claim Form is true
6 and correct to the best of my knowledge. I am aware that I can obtain a copy of the full
7 notice and Settlement Agreement at www.[xxxx].com or by writing the Settlement
8 Administrator at the email address [INSERT] or the postal address Sovereign Lending
9 TCPA Settlement, c/o [INSERT]. Checking this box constitutes my electronic signature
10 on the date of its submission.
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**EXHIBIT 5
OPT-OUT FORM**

OPT-OUT FORM

Sovereign Lending TCPA Settlement

Only use this Form if you want to request exclusion from (i.e., opt-out of) the proposed settlement class. For more information on the proposed settlement, please visit [www.\[xxx\].com](http://www.[xxx].com).

Section I - Instructions

This form must be received by the Settlement Administrator no later than [Month] [Day], [Year].

This Opt-Out Form may be submitted in one of three ways:

1. Electronically through [www.\[xxx\].com](http://www.[xxx].com).
2. Via email to [\[xxx\]@\[xxx\].com](mailto:[xxx]@[xxx].com). Please fill out the enclosed pages, scan the document in its entirety, and include the Form as an attachment.
3. Mail to: *Sovereign Lending TCPA Settlement, c/o* ____, [Address], [City] [State], [Zip Code].

To be effective as an opt-out from the proposed settlement, this form must be completed, signed, and sent, as outlined above, **no later than [Month] [Day], [Year] 11:59 p.m. (Pacific)**. If this form is not postmarked or received by this date, you will remain a member of the Settlement Class.

Opting out of the Settlement Class is not the same as objecting to the Settlement Agreement.

If you request exclusion from the Settlement Class prior to [Month] [Day], [Year], you will not be bound by the terms of the Settlement Agreement, will not recover an amount based on the Settlement Agreement, and therefore cannot argue that the Settlement Agreement should not be approved. More information about objecting to the Settlement is available at [www.\[xxx\].com](http://www.[xxx].com).

Section II - Settlement Class Member Information

Claimant Name (Required):

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Claimant Identification Number (Required):

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* Your claimant identification number was on the notice of the Settlement you received by postal mail. If you do not have your claimant identification number, call or email the Settlement Administrator for assistance at 1-8XX-XXX-XXXX or [\[xxx\]@\[xxx\].com](mailto:[xxx]@[xxx].com).

**EXHIBIT 6
PROPOSED FINAL APPROVAL ORDER**

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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON**

EUGENE MANNACIO, on behalf of himself
and all others similarly situated,

Case No. 3:22-cv-05498-RSM

Plaintiff,

vs.

SOVEREIGN LENDING GROUP
INCORPORATED,

Defendant.

[PROPOSED] FINAL APPROVAL ORDER

On _____ (month) ____ (day), 2023, this Court heard the motion for final approval of the class action settlement and for entry of judgment filed by Plaintiff.² This Court reviewed: (a) the motion and the supporting papers, including the Settlement Agreement and Release (“Settlement Agreement”); (b) any objections filed with or presented to the Court; (c) the Parties’ responses to any objections; and (d) counsel’s arguments. Based on this review and the findings below, the Court found good cause to grant the motion.

² Capitalized terms in this Order, unless otherwise defined, have the same definitions as those terms in the Settlement Agreement.

FINDINGS:

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2 **1.** Upon review of the record, the Court hereby finds that the Settlement Agreement
3 is, in all respects, fair, adequate, and reasonable and therefore approves it. Among other matters
4 considered, the Court took into account: (a) the complexity of Plaintiff’s theory of liability; (b) the
5 arguments raised by Sovereign Lending Group Incorporated (“Sovereign Lending”) in its
6 pleadings and throughout the litigation that could potentially preclude or reduce the recovery by
7 Settlement Class Members; (c) delays in any award to the Settlement Class that would occur due
8 to further litigation and appellate proceedings; (d) the amount of discovery that has occurred; (e)
9 the relief provided to the Settlement Class; (f) the recommendation of the Settlement Agreement
10 by counsel for the Parties; and (g) the low number of objectors to the Settlement Agreement,
11 demonstrating that the Settlement Class has a positive reaction to the proposed settlement.

12 **2.** The Court also finds that extensive arm’s-length negotiations have taken place, in
13 good faith, between Settlement Class Counsel and Sovereign Lending’s Counsel resulting in the
14 Settlement Agreement. These negotiations were presided over by an experienced mediator.

15 **3.** The Settlement Agreement provides substantial value to the Settlement Class in the
16 form of cash payments.

17 **4.** Notice was provided to Class Members in compliance with Section 4 of the
18 Settlement Agreement, due process, and Rule 23 of the Federal Rules of Civil Procedure. The
19 notice: (i) fully and accurately informed Settlement Class Members about the lawsuit and
20 settlement; (ii) provided sufficient information so that Settlement Class Members could decide
21 whether to accept the benefits offered, opt-out and pursue their own remedies, or object to the
22 settlement; (iii) provided procedures for Class Members to file written objections to the proposed
23 settlement, to appear at the hearing, and to state objections to the proposed settlement; and (iv)
24 provided the time, date, and place of the final fairness hearing.

1 **5.** Sovereign Lending filed a copy of the notice it gave on [Month] [Date], [Year]
2 pursuant to 28 U.S.C. § 1715(b), and the notice complies with the requirements of 28 U.S.C.
3 § 1715(b).

4 **6.** Plaintiff and Settlement Class Counsel have fairly and adequately protected the
5 Settlement Class’s interests, and the Parties have adequately performed their obligations under the
6 Settlement Agreement.

7 **7.** For settlement purposes only, there are questions of law and fact common to the
8 Settlement Class which predominate over any questions affecting only individual Settlement Class
9 Members.

10 **8.** For settlement purposes only, class certification is superior to other available
11 methods for the fair and efficient adjudication of the controversy.

12 **9.** For the reasons stated in the Preliminary Approval Order, and having found nothing
13 in any submitted objections that would disturb these previous findings, this Court finds and
14 determines that the proposed Class, as defined below, meets all of the legal requirements for class
15 certification, for settlement purposes only, under Federal Rule of Civil Procedure 23 (a) and (b)(3).

16 **10.** An award of \$ _____ for a Fees, Costs, and Expenses Award to
17 Settlement Class Counsel is fair and reasonable in light of the nature of this case, Settlement Class
18 Counsel’s experience and efforts in prosecuting this Action, and the benefits obtained for the
19 Settlement Class.
20

21 **11.** A Service Payment to Plaintiff of \$ _____ is fair and reasonable
22 in light of: (a) Plaintiff’s risks (including financial, professional, and emotional) in commencing
23 this Action; (b) the time and effort spent by Plaintiff in litigating this Action; and (c) Plaintiff’s
24 public interest service.
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1 **12.** Reimbursement of \$ _____ to the Settlement Administrator is fair
2 and reasonable to compensate it for the provision of notice to the Settlement Class and
3 administering the Settlement.

4 **IT IS ORDERED THAT:**

5 **13. Class Members.** The Settlement Class is certified as a class of All persons or
6 entities within the United States to whom Defendant or a third party acting on its behalf: (a) made
7 one or more telephone calls, including while the call recipient's number was on the National Do
8 Not Call Registry; and/or (b) made one or more calls after asking Defendant or a third party acting
9 on Defendant's behalf to stop calling when that telephone number was obtained by the Defendant
10 from The Money Source Inc.

12 **14. Binding Effect of Order.** This Order applies to all claims or causes of action
13 settled under the Settlement Agreement and binds all Settlement Class Members, including those
14 who did not properly request exclusion under paragraph 13 of the Preliminary Approval Order.
15 This Order does not bind persons who filed timely and valid requests for exclusion. Attached as
16 Exhibit A is a list of persons who properly requested to be excluded from the settlement

18 **15. Release.** Plaintiff and all Settlement Class Members who did not properly request
19 exclusion are: (1) deemed to have released and discharged Sovereign Lending from all claims
20 arising out of or asserted in the Action and all claims released under the Settlement Agreement;
21 and (2) barred and permanently enjoined from asserting, instituting, or prosecuting, either directly
22 or indirectly, these claims. The full terms of the release described in this paragraph are set forth
23 in Sections 1.23-1.25 and 2.2.1 of the Settlement Agreement and are specifically incorporated
24 herein by this reference.
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1 **16. Class Relief.** Sovereign Lending is directed to provide the Settlement Fund to the
2 Settlement Administrator according to the terms and timeline stated in the Settlement Agreement.
3 The Settlement Administrator is further directed to issue payments to each Settlement Class
4 Member who submitted a valid and timely Claim Form (i.e., each Authorized Claimant) according
5 to the terms and timeline stated in the Settlement Agreement.

6 **17. Cy Pres Distribution.** Pursuant to Paragraphs 3.5, 3.6, and 3.8 of the Settlement
7 Agreement, any unpaid portion of the Settlement Fund shall be paid to _____.

8 **18. Miscellaneous.** No person or entity shall have any claim against Sovereign
9 Lending, Sovereign Lending’s Counsel, Plaintiff, the Settlement Class Members, Settlement Class
10 Counsel, or the Settlement Administrator based on distributions and payments made in accordance
11 with the Agreement.
12

13 **19. Court’s Jurisdiction.** Pursuant to the Parties’ request, the Court will retain
14 jurisdiction over this Action and the Parties for all purposes related to this settlement.
15

16 SO ORDERED this ____ day of _____, 2023.
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18
19 THE HONORABLE RICARDO S. MARTINEZ
20 UNITED STATES DISTRICT COURT
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