

1 **EXHIBIT 1**
2 **[PROPOSED] PRELIMINARY APPROVAL ORDER**

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

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

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

12 Plaintiff,

13 vs.

14 SOVEREIGN LENDING GROUP
15 INCORPORATED,

16 Defendant.
17

18 **[PROPOSED] PRELIMINARY APPROVAL ORDER**

19 This Court has reviewed the motion for preliminary approval of class settlement filed in
20 this Action, including the Settlement Agreement and Release (“Settlement Agreement”).¹ Based
21 on this review and the findings below, the Court finds good cause to grant the motion.
22

23 **FINDINGS:**
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27 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 16 to provide the Settlement Administrator the Class List	On or before 14 days after entry of this Order
17 Last day for the Settlement 18 Administrator to publish the Settlement Website and begin 19 operating a toll-free telephone line, 20 email address, and P.O. Box to accept 21 inquiries from Settlement Class Members	On or before 30 days after entry of this Order
22 Settlement Administrator provides 23 Notice to Settlement Class Members	On or before 30 days after entry of this Order
24 Last day for Settlement Class Counsel 25 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
26 Last day for Settlement Class 27 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