IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

TONIA WILLIAMS and BEVERLY DANTZLER, on behalf of themselves and all others similarly situated, *Plaintiff*, v. PHH MORTGAGE CORPORATION d/b/a PHH MORTGAGE SERVICES, *Defendant*.	Civil Action No. 3:25-CV-144-FDW-SCR

PLAINTIFFS' MEMORANDUM IN SUPPORT OF UNOPPOSED MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

I. NATURE OF THE MATTER BEFORE THE COURT

On February 4, 2026, the Court entered an Order Preliminarily Approving a Class Action Settlement, Certifying Classes for Purposes of Settlement, Directing Notice to the Class and Scheduling a Fairness Hearing for June 9, 2026. [DE 46].

In the Court's order preliminarily approving the Settlement[1], the Court found that the Settlement Agreement is sufficiently "fair, reasonable, and adequate" to warrant providing notice of the proposed Settlement Agreement to members of the Classes. *Id*. at 8. The Court also preliminarily determined that the four factors relevant to procedural fairness to weigh in favor of the Settlement. *See In re Jiffy Lube Secs. Litig.*, 927 F.2d 155, 15859 (4th Cir. 1991).

After the Court's Preliminary Approval Order, as discussed in the Declaration of the Settlement Administrator Ryan Aldridge ("*Aldridge Decl*."), notice was sent out to all Potential

[1] Unless otherwise noted, capitalized terms in this motion shall have the same meanings given to them in the Stipulation of Settlement and Release [DE 41-1].

Settlement Class Members. The majority of those Potential Settlement Class Members were sent the Class Notice via electronic mail to the email address of record in Defendant PHH Mortgage Corporation's records, with 81,055 receiving the Email Class Notice and 13,691 receiving Class Notice by mail. In total, out of 95,983 Potential Settlement Class Members, 94,746 received notice of the Settlement. No Settlement Class Members have objected to the Settlement, and just twenty-two (22) have opted out. The lack of opposition to the Settlement supports Plaintiffs' contention that the Settlement it fair, reasonable and adequate to warrant final approval.

As outlined in earlier motions and briefing, Plaintiffs and Class Counsel believe that the proposed Settlement provides fair and reasonable relief to the Settlement Class Members, while appropriately reflecting the expense, inconvenience, risks, and uncertainties of protracted litigation. Plaintiffs and Class Counsel believe that the Settlement Class's best interests dictate that the Settlement receive the Court's final approval, and that Plaintiffs' action then be dismissed with prejudice. Specifically, the Parties request that the Court grant final approval to the Settlement by entering the proposed Final Order and Judgment accompanying this Motion.

II. BACKGROUND

A. Procedural Background

On or about December 18, 2023, Plaintiff Beverly Dantzler filed her action in the United States District Court for the Central District of California. *Dantzler v. PHH*, Case No. 2:23-cv-10562-SRM, Dkt. 1 (C.D. Cal.). Plaintiff Dantzler contended PHH's notice of default letters contained false threats that PHH intended to immediately accelerate and foreclose upon her loan if she did not cure her default, when PHH did not intend and legally could not accelerate and foreclose until her loan became at least 120 days delinquent. Following an amended complaint, on March 12, 2024, PHH moved to dismiss Plaintiff Dantzler's claims on March 26, 2024. *Dantzler*,

No. 2:23-cv-10562-SRM, Dkt. 19. The district court granted that motion in part and denied it in part. *Dantzler v. PHH Mortg. Corp.*, No. 2:23-cv-10562-SRM, 2024 WL 5379405 (C.D. Cal. Dec. 23, 2024).

Subsequently, Plaintiff Williams filed her action against PHH on January 14, 2025, in Mecklenburg County Superior Court ([DE 1-2]). PHH removed the case to this Court, the Western District of North Carolina, Charlotte Division on February 26, 2025. ([DE 1]). Like Plaintiff Dantzler, Plaintiff Williams also contended PHH's notice of default letters contained false threats that PHH intended to immediately accelerate and foreclose upon her loan if she did not cure her default, when PHH did not intend and legally could not accelerate and foreclose until her loan became at least 120 days delinquent. Following Plaintiff Williams amended complaint ([DE 12]), PHH moved to dismiss on April 16, 2025, ([DE 15]), arguing, among other things, that the "least sophisticated consumer" could not reasonably interpret PHH's notice of default letters as a threat of imminent legal action. ([DE 16 at 6]).

On October 7, 2025, the Parties participated in a settlement conference with mediator Marty Van Tassel of Upchurch Watson White & Max, during which the Parties made substantial progress in reaching an agreement in principle, subject to final approval by PHH, on several material terms for a class action settlement. In the weeks that followed, the Parties, assisted by Mr. Van Tassel, continued to negotiate, and ultimately reached agreement on the Settlement, as embodied in the Agreement.

Throughout the litigation, the Parties engaged in extensive discovery in addition to appearing at in-person hearings. A summary of the litigation was included in the Declaration of Scott C. Harris. [DE 42]. The Parties recognized from the outset the possibility that different courts can reach different conclusions on the merits of the claims presented. Indeed, cases involving the

notice of default letters sent by other mortgage servicers have had disparate outcomes. Conversely, the magistrate judge in a related action alleging the same conduct and asserting similar claims recommended that all claims against PHH be dismissed with prejudice. *See Alexander v. PHH Mortg. Corp*., No. 1:25-cv-01006-MHC-WEJ, 2025 WL 2094084 (N.D. Ga. Jun. 5, 2025). A District Judge in another related case also dismissed the case with prejudice. *See Polcare v. PHH Mortg. Corp*., No. 1:24-cv-639-LEK-CFH, 2025 WL 3085653 (N.D.N.Y. Sept. 30, 2025). Plaintiffs appealed both matters (*Alexander* to the District Court; *Polcare* to the Second Circuit Court of Appeals) and both have now been resolved.

B. Terms of the Settlement Agreement.

The Settlement Agreement establishes Settlement Funds collectively totaling $1,500,000, which, for purposes of benefits to the Settlement Class, are broken down into three $500,000.00 Settlement Funds: the FDCPA Settlement Fund, the North Carolina Settlement Fund and the California Settlement Fund. In addition to the Settlement Funds, PHH has agreed to pay the costs of notice and administration of the Settlement up to $200,000.00. The total monetary value of the Settlement is $1,700,000.

The Settlement Funds will be used to pay benefits to the Settlement Class Members, Service Awards, and reasonable Attorneys' Fees and Expenses subject to Court approval. The Parties agreed on the allocation of the Settlement Funds to the Settlement Class and agreed upon the release of liability and terms of the notice program.

On February 4, 2026, the Court preliminarily approved the Settlement and preliminarily certified the three Settlement Classes, defined as:

> **FDCPA Class:** All borrowers on residential mortgage loans secured by mortgaged property in the United States (1) whose mortgage loans were serviced by PHH, (2) to which PHH acquired servicing rights when such loans were 30 or more days delinquent on their loan payment obligations,

> and (3) to whom, according to PHH's records, one or more Notices of Default were sent between December 18, 2022 and December 15, 2025. Excluded from the FDCPA Class are (a) PHH's board members and executive level officers; and (b) the federal district and magistrate judges assigned to this Action, along with persons within the third degree of relationship to them.
>
> **NC Class**: All borrowers on residential mortgage loans secured by mortgaged property in the State of North Carolina whose loans were serviced by PHH, and to whom, according to PHH's records, one or more Notices of Default were sent between January 14, 2021 and December 15, 2025. Excluded from the North Carolina class are (a) PHH's board members and executive level officers; and (b) the federal district and magistrate judges assigned to this Action, along with persons within the third degree of relationship to them..
>
> **CA Class**: All borrowers on residential mortgage loans secured by mortgaged property in the State of California whose loans were serviced by PHH, and to whom, according to PHH's records, one or more Notices of Default were sent between December 18, 2022 and December 15, 2025. Excluded from the California Class are (a) PHH's board members and executive level officers; and (b) the federal district and magistrate judges assigned to this Action, along with persons within the third degree of relationship to them.

[DE 46, p.7].

After payment of the any Attorneys' Fees and Expenses and Service awards, as awarded by the Court, and subject to any Costs of Administration that exceed the $200,000 PHH has agreed to pay: all California Class Loans shall receive an equal allocation of the remaining balance of the California Settlement Fund, payable jointly to all borrowers on each such loan (approximately 20,612 loans meet this definition); all FDCPA Class Loans shall receive an equal allocation of the remaining balance of the FDCPA Settlement Fund, payable jointly to all borrowers on each such loan (approximately 77,517 loans meet this definition); all North Carolina Class Loans shall receive an equal allocation of the remaining balance of the North Carolina Settlement Fund, payable jointly to all borrowers on each such loan (approximately 7,405 loans meet this definition).

Any Class Loan that meets more than one Class Loan definition (i.e., a loan that meets both the FDCPA Class Loan and California Class Loan definitions or a loan that meets both the FDCPA Class Loan and North Carolina Class Loan definitions) shall receive an Individual Allocation from each applicable Settlement Fund. Thus, the net payments to each Settlement Class Member vary depending upon whether the Settlement Class Member is a member of the NC Class, CA Class or the FDCPA Class. Approximately 9,500 of the FDCPA Class loans are also in either the CA Class or NC Class.

The FDCPA Class is nationwide and larger, but relies solely on federal relief, and is therefore inherently limited by the FDCPA's cap on statutory damages of $500,000.00 or 1% of the defendant's net worth, whichever is lower. *See* 15 U.S.C. 1692k *et seq*. Additionally, the FDCPA requires individual class members be "in default" at the time PHH began servicing their loan, creating potential additional defenses for PHH.

North Carolina's state consumer protection statute, the North Carolina Debt Collection Act, N.C.G.S. §§ 75-50 *et seq.* (the "NCDCA") and North Carolina Collection Agency Act, N.C.G.S. § 58-70-15 *et seq*, (NCCAA) provides victims of unfair debt collection with additional remedies under state law. Plaintiffs in North Carolina can recover between $500 - $4000 per violation. The substantially higher recovery of a certified class and at trial for the NC Class, means that the NC Class and lead case will receive substantial benefits under the Settlement Agreement.

The Settlement Fund is substantial in light of the risks and the real threat of actual, and potential, adverse rulings or a dramatic reduction in potential recovery. In sum, the Settlement reached here was hard-earned. Plaintiffs' request for an award of Attorneys' Fees and Expenses and a Service Award is reasonable and reflective of the efforts and success of the case.

Following preliminary approval, the Court directed that notice to be sent to the Potential Settlement Class Members. The notice program included the establishment of an internet website to inform Settlement Class Members of the Settlement, their rights, dates, deadlines, and related information. [DE 46, pp. 12-13]. As a part of the Court's Order, Class Counsel moved for an award of Attorneys' Fees, Expenses and Service Awards on April 6, 2026. [DE 46, p.19; DE 48].

C. Class Notice

Eisner Advisory Group, LLC, the Settlement Administrator, disseminated notice to the Settlement Class pursuant to the notice plan, which included setting up the Settlement Website (https://www.williamsphhsettlement.com/) containing the Class Notices, relevant case documents, and information about deadlines and the rights of the Potential Settlement Class Members. Class Counsel has also fielded inquiries regarding the Settlement from Settlement Class Members. The Court set a deadline of May 5, 2026, by which requests for exclusion from Potential Settlement Class Members had to be received by the Settlement Administrator, which is thirty-five (35) days before the Fairness Hearing, as required by the Agreement. There have been only 22 opt-outs. May 5, 2026 was also the deadline for Settlement Class Members to file objections to the Settlement, but there have been no objections. The fact that no objections have been filed shows that the settlement is fair, reasonable, and should be approved.

III. LEGAL STANDARD

Plaintiffs bring this motion pursuant to Federal Rule of Civil Procedure 23(e), under which a class action may not be settled without approval of the Court. Fed. R. Civ. P. 23(e). The primary concern is the "protection of class members whose rights may not have been given adequate consideration during the settlement negotiations." *In re Jiffy Lube Sec. Litig.*, 927 F.2d 155, 158 (4th Cir. 1991). The Court may "limit its proceedings to whatever is necessary to aid it in reaching

an informed, just and reasoned decision." *Flinn v. FMC Corp.*, 528 F.2d 1169, 1173 (4th Cir. 1975). If the court concludes that the proposed settlement is "fair, reasonable, and adequate," it will give final approval to the settlement. *In re Red Hat, Inc. Sec. Litig.*, 5:04-CV-473-BR(3), 2010 WL 2710517, at *1 (E.D.N.C. June 11, 2010) (citations omitted).[2] The court begins with a "strong initial presumption that the compromise is fair and reasonable." *S.C. Nat. Bank v. Stone*, 139 F.R.D. 335, 339 (D.S.C. 1991).

The Court must make a determination as to the fairness, reasonableness, and adequacy of the settlement terms. Fed. R. Civ. P. 23(e)(2); *Manual for Complex Litigation (Fourth)* ("MCL"), § 21.632 (4th ed. 2004). The approval process involves two steps. At the first, or preliminary approval stage, the Court need only find that the settlement is within "the range of possible approval" and warrants notice being issued to the class. *Horton v. Merrill Lynch, Pierce, Fenner & Smith*, 855 F. Supp. 825, 827 (E.D.N.C. 1994) (citing *In Re Mid-Atlantic Toyota Antitrust Litig.*, 564 F. Supp. 1379, 1384 (D. Md. 1983)). This first step involves both preliminary certification of the class and an initial assessment of the proposed settlement. *Id.*; *see also See Manual for Complex Litigation*, Sec. 30.41 (3d ed. 1995). It is only after a court has preliminarily approved a settlement, and notice has been provided to the Class, that the court makes a final determination of the fairness, adequacy, and reasonableness of a Settlement.

The primary concern for a court in reviewing a proposed class settlement is to ensure that the rights of class members have received sufficient consideration in settlement negotiations. *In re Jiffy Lube Sec. Litig.*, 927 F.2d at 158-59. Approval of a class action settlement is committed to the "sound discretion of the district courts to appraise the reasonableness of particular class-action

[2] Report and recommendation adopted, 5:04-CV-473-BR, 2010 WL 2710446 (E.D.N.C. July 8, 2010).

settlements on a case-by-case basis, in light of the relevant circumstances." *In re MicroStrategy, Inc. Sec. Litig*., 148 F. Supp. 2d 654, 663 (E.D. Va. 2001).

Moreover, as the Fourth Circuit has recognized, courts strongly favor and encourage settlements. *See, e.g., United States v. Manning Coal Corp.*, 977 F.2d 117, 120 (4th Cir. 1992) ("It has long been clear that the law favors settlement."). "This is particularly true in class actions" and other complex matters, where the inherent costs, delays, and risks of continued litigation might otherwise overwhelm any potential benefit the class could hope to obtain. *See, e.g., Six v. LoanCare, LLC*, Case No. 5:21-cv-00451, 2022 WL 16747291, at *3 (S.D. W. Va. Nov. 7, 2022) (slip copy) (quoting *Sullivan v. DB Invs., Inc.*, 667 F.3d 273, 311 (3d Cir. 2011) and citing *In re PaineWebber Ltd. P'ships Litig.*, 147 F.3d 132, 138 (2d Cir. 1998 (noting the "strong judicial policy in factor of settlements, particularly in the class action context")).

Plaintiffs now ask this Court to grant final approval of the proposed Settlement as fair, adequate, and reasonable so that Plaintiffs and Settlement Class Members may begin to appreciate the monetary and non-monetary benefits of the Settlement.

IV. ARGUMENT

A. The Claims Administrator Provided Notice Pursuant to this Court's Preliminary Approval Order and Satisfied Federal Rule of Civil Procedure 23 and Due Process.

To satisfy due process, notice to class members must be the best practicable, and reasonably calculated under the circumstances to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections. Fed. R. Civ. P. 23(e); *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 812 (1985). Notice provided to the class must be sufficient to allow class members "a full and fair opportunity to consider the proposed decree and develop a response." *Mullane v. Central Hanover Bank & Trust Co*., 339 U.S. 306, 315 (1950). While

individual notice should be provided where class members can be located and identified through reasonable effort, notice may also be provided by U.S. Mail, electronic, or other appropriate means. Fed. R. Civ. P. 23(c)(2)(B). Under Rule 23(c)(2)(B), the notice must:

> (i) clearly and concisely state in plain, easily understood language: (i) the nature of the action; (ii) the definition of the class certified; (iii) the class claims, issues, or defenses; (iv) that a class member may enter an appearance through an attorney if the member so desires; (v) that the court will exclude from the class any member who requests exclusion; (vi) the time and manner for requesting exclusion; and (vii) the binding effect of a class judgment on members under Rule 23(c)(3).

Id.

Here, the electronic mail coupled with direct mail notice of proposed Settlement (in postcard format) is the gold standard and is consistent with notice programs approved by other courts. *See, e.g., Domonoske v. Bank of Am., N.A.*, 790 F. Supp. 2d 466, 472 (W.D. Va. 2011) (approving notice where individual direct notice mailed by fourth-class mail and settlement website and toll-free number established); *Smith v. Res-Care, Inc.*, Civil Action No. 3:13-5211, 2015 WL 6479658, at *4 (S.D. W. Va. Oct. 27, 2015) (approving notice where individual direct notice mailed and settlement website and toll-free number established); *Decohen v. Abbasi, LLC*, 299 F.R.D. 469, 479 (D. Md. 2014) (finding direct mail Notice to each class members' last known address—and a second notice if the first was undeliverable—was the best practicable and satisfied notice requirements). The content of the Class Notices adequately informed Settlement Class Members of the nature of the action, the definition of the Settlement Classes, the claims at issue, the ability of a Settlement Class Members to object or exclude themselves, and/or enter an appearance through an attorney, that the Court will exclude any Settlement Class Member who requests exclusion via a valid request for exclusion by the deadline, and the binding effect of final approval and judgment. *See* SA Exs. A-B; DE 45-1. The Class Notices utilized clear and concise

language that is easy to understand, and the Class Notices were organized in a way that allowed Settlement Class Members to easily find any section that they may be looking for. Thus, the Class Notice program was substantively adequate.

Moreover, the Settlement Administrator—with the assistance of the Parties—has taken all necessary measures to ensure notice reached as many of the Settlement Class Members as possible. Direct notice was sent to 100% of the Settlement Class Members, reaching 98.71% of the Settlement Class. *Aldridge Decl*. at ¶ 15. Such notice complies with the program approved by this Court in its Preliminary Approval Order, is consistent with (and well above) notice programs approved in the Fourth Circuit and across the United States, is considered a "high percentage," and is within the "norm." *See* Barbara J. Rothstein & Thomas E. Willging, Fed. Jud. Ctr., "Managing Class Action Litigation: A Pocket Guide or Judges", 27 (3d ed. 2010); *Smith*, Civil Action No. 3:13-5211, 2015 WL 6479658, at *5 (approving a "92.13% effective delivery rate to identified Class Members" as an "acceptable, and event exceptional, rate"); *In re Serzone Prods. Liab. Litig.*, 231 F.R.D. 221, 236 (S.D. W. Va. 2005) (approving publication notice rate of approximately 80% of the U.S. population where Settlement Class Members were exposed to notice an average of 2.6 times throughout notice program).

B. The Settlement Class Should be Finally Certified for Settlement Purposes.

As Plaintiffs set forth at length in their Motion for Preliminary Approval, each of the proposed Settlement Classes satisfies all of the requirements of Rule 23. *See* Fed. R. Civ. P. 23(a), (b)(3). The Court preliminarily certified the Settlement Class in its Preliminary Approval Order. *Prelim. Approval Order* [DE 46]. Nothing has occurred that would change the Court's previous determination that Plaintiffs satisfy the requirements under Rule 23. Fed. R. Civ. P. 23(a), (b)(3). Specifically, the Settlement Class still meets the requirements of numerosity, commonality,

typicality, adequacy of representation, predominance, and superiority under Rule 23(a) and (b)(3). *Id.* Thus, the Court should finally certify the Settlement Class for settlement purposes.

C. The Settlement is Fair, Reasonable, and Adequate and Should Be Approved.

1. The Terms of the Settlement Warrant Final Approval under the Jiffy Lube Test.

To determine final approval, the Fourth Circuit "adopted a bifurcated analysis, separating factors relating to the 'fairness' of the settlement from those relating to its 'adequacy'." *Horton v. Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 855 F. Supp. 825, 828 (E.D.N.C. 1994).[3] Fairness focuses on whether the proposed settlement was the product of good-faith bargaining at arm's length, free from collusion. *Jiffy Lube*, 927 F.2d at 159. Adequacy "focuses on whether the consideration provided to the class members is sufficient." *Beaulieu v. EQ Indus. Servs., Inc.*, No. 5:06-CV-00400BR, 2009 WL 2208131, at *23 (E.D.N.C. July 22, 2009). The proposed settlement is "not to be judged against a hypothetical or speculative measure of what might have been achieved by negotiators" in the best of all possible deals. *Linney v. Cellular Alaska P'ship*, 151 F.3d 1234, 1242 (9th Cir. 1998) (affirming district court's final approval of class settlement).

2. The Settlement Terms Meet the Jiffy Lube Adequacy Requirement.

[3] "In the Fourth Circuit, the Rule 23(e)(2) analysis has been condensed into the two-step *Jiffy Lube* test which examines the fairness and adequacy of the settlement." *Skochin v. Genworth Fin., Inc.*, Civil Action No. 3:19-cv-49, 2020 WL 6697418, at *2 (E.D. Va. 2020) (slip copy); *In re Lumber Liquidators Chinese-Manufactured Flooring Prods., Sales Pracs. & Prods. Liab. Litig.*, 952 F.3d 471, 484 (4th Cir. 2020) ("[B]ecause our factors for assessing class action settlement almost completely overlap with the new Rule 23(e)(2) factors, the outcome … would be the same under both our factors and the Rule's factors."); *see also Yost v. Elon Prop. Mgmt. Co.-Lexford Pools 1/3, LLC*, Civil Action No. ELH-21-1520, 2023 WL 185178, at *4 (D. Md. Jan. 13, 2023) (same) (granting final approval after evaluating adequacy and fairness of settlement under *Jiffy Lube* factors). [I WOULD ADD THE MOST RECENT CASE YOU CAN FIND THAT JIFFY LUBE FACTORS STILL APPLY AFTER AMENDMENT OF RULE 23E]

In analyzing the adequacy of a proposed settlement, the Court should consider the *Jiffy Lube* factors: (1) the relative strength of the case on the merits; (2) any difficulties of proof or strong defenses the plaintiff and class would likely encounter if the case were to go to trial; (3) the expected duration and expense of additional litigation; (4) the solvency of the defendants and the probability of recovery on a litigated judgment; and (5) and the degree of opposition to the proposed settlement. *Beaulieu*, 2009 WL at *26 (citing *Jiffy Lube*, 927 F.2d at 158; *Horton*, 855 F. Supp. at 829–30).

Plaintiffs and Class Counsel are not able to assess the probability of recovery on a litigated judgment, other than to note that different courts reached different conclusions concerning PHH's notice of default letters and that a Magistrate Judge in the Northern District of Georgia and the Northern District of New York reached the conclusion that virtually identical claims challenging PHH's notice of default letters should be dismissed with prejudice. *See supra* at _. In light of these decisions, Plaintiffs and Class Counsel understand that it was uncertain whether or not they would ultimately prevail on the claims asserted in this case.

In addition, the four other factors point strongly toward the proposed Settlement's adequacy. In particular, the degree of opposition to the Settlement (no person objected), points conclusively toward the Settlement's adequacy. While this could not be known in February 2026, when the Court preliminarily approved the Settlement, it now provides bedrock support for final approval.

a. The Relative Strength of the Case on the Merits, the Risks of the Case if the Case Were to Go to Trial, and the Duration and Expense of Additional Litigation Weigh in Favor of Final Approval.

By their very nature, because of the many uncertainties of outcome, difficulties of proof, and lengthy duration, class actions readily lend themselves to compromise. *See S.C. Nat'l Bank v.*

Stone, 749 F. Supp. At 1423 (D. S.C. 1990) (noting that settlement spares litigants the uncertainty, delay, and expense of a trial and appeals while simultaneously reducing the burden on judicial resources). Here, the first three *Jiffy Lube* factors are closely related, and weigh in favor of final approval of the proposed settlement.

The value achieved through the Settlement is guaranteed, where chances of prevailing on the merits are uncertain. While Plaintiffs believe their case is strong, there would be substantial risk in litigating the case. As such, there are numerous substantial hurdles Plaintiffs would have to overcome before the Court might find a trial appropriate, including class certification, and summary judgment. Plaintiff Dantzler had responded to discovery, multiple times, and though Plaintiff Williams had not, she was prepared to do so. The Parties had also been discussing the 30(b)(6) deposition of PHH and Plaintiffs had circulated a deposition notice before settlement was reached. While Plaintiffs believe their claims are strong, success is not guaranteed. Thus, despite Plaintiffs' confidence in the strength of this case, numerous legal issues and factual disputes exist that undermine the certainty of a more favorable outcome for the Settlement Class.

Rather than face this risk and uncertainty, the Settlement allows for Settlement Class Members to obtain benefits within the near future—as opposed to potentially waiting for years—and eliminates the possibility of receiving no benefits whatsoever. *See In re CertainTeed Fiber Cement Siding Litig.*, 303 F.R.D. 199, 216 (E.D. Pa. 2014) ("[I]f the parties were to continue to litigate this case, further proceedings would be complex, expensive and lengthy, with contested issues of law and fact …. That a settlement would eliminate delay and expenses and provide immediate benefit to the class militates in favor of approval.").

Litigating this case to a favorable conclusion will require a considerable amount of time and resources, and weighs in favor of accepting the Settlement now. *See In re AT & T Mobility*

Wireless Data Servs. Sales Litig., 270 F.R.D. 330, 347 (N.D. Ill. 2010) ("Even if Plaintiffs were to succeed on the merits at some future date, a future victory is not as valuable as a present victory. Continued litigation carries with it a decrease in the time value of money, for '[t]o most people, a dollar today is worth a great deal more than a dollar ten years from now.'") (internal citation omitted)).

Here, the monetary relief provided for in the Settlement represents a significant and excellent result for the Settlement Class. After payment of any Attorney's Fees and Expenses and Service Awards, as awarded by the Court, and subject to any Costs of Administration that exceed the $200,000, PHH has agreed to pay $1,500,000, which is $500,000 per Settlement Class. All California Class Loans shall receive an equal allocation of the remaining balance of the California Settlement Fund, payable jointly to all borrowers on each such loan; all FDCPA Class Loans shall receive an equal allocation of the remaining balance of the FDCPA Settlement Fund, payable jointly to all borrowers on each such loan; all North Carolina Class Loans shall receive an equal allocation of the remaining balance of the North Carolina Settlement Fund, payable jointly to all borrowers on each such loan. Based upon all this relief, this is a sizeable recovery for the Settlement Class and represents real, meaningful benefits for Settlement Class Members, which benefits they will achieve now, rather than after a protracted litigation and appeals process (if ever). Accordingly, the first three *Jiffy Lube* factors easily weighs in favor of final approval.

b. The Solvency of PHH on a Litigated Judgment is Neutral and Does Not Preclude Final Approval.

There is no evidence that PHH is in danger of becoming insolvent in the likelihood of a recovery in Plaintiffs' favor on a litigated judgment. Thus, this factor is neutral in the analysis and does not preclude the Court from granting final approval.

c. The Degree of Opposition to the Proposed Settlement.

The reaction of the Settlement Class to the proposed Settlement has been undeniably positive. As of May 26, 2026, out of the $95,983 Settlement Class Members who were sent notice by the Settlement Administrator, only twenty-two (22) opted out of the Settlement. Aldridge Decl. at ¶ 18. Moreover, as of May 26, 2026, Eisner Advisory Group, LLC has received no objections to the Settlement. *Id*. at ¶ 19. This is a *de minimis* number of requests for exclusion, and the lack of opt-outs does not undercut the conclusion that the Settlement satisfies the adequacy requirement. *See Skochin v. Genworth Fin., Inc.*, Civil Action No. 3:19-cv-49, 2020 WL 6697418, at *4 (E.D. Va. 2020) (holding that proposed settlement satisfied adequacy requirement with 191 opt outs and 32 objections out of class of 207). "'It is well established that the absence of a large number of objections to a proposed class action settlement raises a strong presumption that the terms of a proposed class settlement action are favorable to the class members.'" *West v. Continental Automotive, Inc.*, Docket No. 3:16-cv-00502-FDW-DSC, 2018 WL 1146642, at *6 (W.D. N.C. Feb. 5, 2018)) (quoting *National Rural Telecom. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 529 (C.D. Cal. 2004) (collecting cases)). The presumption in favor of final approval applies here with no objection to the Settlement, and a negligible number of opt-outs.

3. *The Settlement Terms Meet the Jiffy Lube Procedural Fairness Requirements.*

The Fourth Circuit has listed four factors that a court should consider in concluding whether a proposed settlement agreement is fair, and reached in good faith and without collusion: (1) the posture of the case at the time it settled; (2) the extent of discovery that had been conducted; (3) the circumstances surrounding the negotiations; and (4) the relevant experience of counsel. *Beaulieu*, 2009 WL at *24 (citing *Jiffy Lube*, 927 F.2d at 158–59; *Horton*, 855 F. Supp. at 828).

"A proposed class action settlement is considered presumptively fair where there is no evidence of collusion and the parties, through capable counsel, have engaged in arms' length negotiations." *Harris v. McCrackin*, C.A. Nos. 2:03–3845–23, 2:03–3943–23, 2:04–2314–23, 2006 WL 1897038, at *5 (D. S.C. July 10, 2006); *see also ADESSO Homeowners' Ass'n v. Holder Properties, Inc.*, Case No. 3:16-cv-710-JFA, 2017 WL 11272589, at *8 (D. S.C. May 23, 2017) ("[A] proposed class action settlement is considered presumptively fair where there is no evidence of collusion and the parties, through capable counsel, have engaged in arms' length negotiations."). This presumption is applicable here.

Here, the posture of the case at the time of settlement was the beginning of discovery, though discovery was ongoing for Plaintiff Dantzler in California. This is a favorable time for settlement, as the Parties can direct their resources towards a possible settlement, as opposed to lengthy and expensive formal discovery and protracted litigation. The Settlement is the result of protracted and intense, arm's-length negotiations between highly experienced attorneys who are familiar with class action litigation—and debt collection actions in particular—and with the legal and factual issues in these cases. *See* Harris Decl. [DE 42] and Firm Resumes attached thereto as Exhibits 1 and 2. Before discussing potential settlement, the Parties completed an extensive investigation of the case and in *Dantzler*, had already exchanged formal discovery and were preparing to depose Defendant—both of which helped them to fully understand the strengths and weaknesses of their claims and defenses and the risks of continued litigation. *Id.* ¶¶ 41, 43-50. The Parties then decided to mediate the case. *Id*. at ¶51. Following their mediation session with Marty Van Tassel, the Parties continued negotiating back and forth for weeks before reaching the particular terms of the Settlement Agreement and associated exhibits. *Id.* ¶¶53-54. Throughout all negotiations, Class Counsel and counsel for PHH fought hard for the interests of their respective clients, as evidenced

by the motion practice in this case. Negotiations were at arms-length, and there is no evidence of collusion.

Accordingly, the Settlement satisfies the *Jiffy Lube* test for fairness and adequacy, and the Settlement should therefore be finally approved by the Court.

V. CONCLUSION

For the above reasons, Plaintiffs respectfully request this Court grant their Motion for Final Approval of the Class Action Settlement, finally certify the Settlement Class, and determine that the Notice met the requirements of Rule 23(c)(2)(B) and due process.

Respectfully submitted, May 26, 2026.

BRYSON HARRIS SUCIU & DEMAY, PLLC

/s/ Scott C. Harris
Scott C. Harris, N.C. Bar No.: 35328
900 W. Morgan Street
Raleigh, North Carolina 27603
Telephone: (919) 600-5000
Fax: (919) 600-5035
sharris@brysonpllc.com

MAGINNIS HOWARD

Edward H. Maginnis, N.C. Bar No.: 3917
Karl S. Gwaltney, N.C. Bar No. 45118
7706 Six Forks Road, Suite 101
Raleigh, North Carolina 27615
Telephone: 919-526-0450
Fax: 919-882-8763
emaginnis@carolinalaw.com
kgwaltney@carolinalaw.com

Attorneys for Plaintiffs and the Classes

CERTIFICATE OF SERVICE

I hereby certify that on May 26, 2026 I electronically filed the foregoing document with the Clerk of Court using the CM/ECF system which will send notification of the filing to all parties of record.

/s/ Scott C. Harris
Scott C. Harris