

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA  
FRESNO DIVISION**

SUNG GON KANG, on behalf of himself  
and all others similarly situated,

*Plaintiff,*

v.

CREDIT BUREAU CONNECTION, INC.,

*Defendant.*

No. 1:18-cv-01359-SKO

**CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE**

This Class Settlement Agreement and Release (“Settlement Agreement”)<sup>1</sup> is made and entered into by the Parties and their counsel as of May 1, 2023 in the matter captioned *Sung Gon Kang v. Credit Bureau Connection, Inc.*, No. 1:18-cv-01359-SKO (E.D. Cal.), and it is submitted to the Court for approval pursuant to Rule 23 of the Federal Rules of Civil Procedure.

## 1. RECITALS

WHEREAS, on October 2, 2018, Class Representative Sung Gon Kang asserted claims, including the Class Claims, in the United States District Court for the Eastern District of California alleging violations of the FCRA and CCRAA by Defendant Credit Bureau Connection, Inc.;

WHEREAS, by the Class Certification Order, the Court certified a FCRA Class and CCRAA Class of consumers for the purpose of asserting the Class Claims;

WHEREAS, Defendant has revised the procedures that were the subject of the Litigation, namely Defendant no longer uses name-only matching to search the Treasury Department’s Office of Foreign Assets Control’s list of Specially Designated Nationals and Blocked Persons;

WHEREAS, the purpose of this Settlement Agreement is to settle the claims, including the Class Claims, of the Class Representative and Class Members;

WHEREAS, this Settlement Agreement has been reached after the Parties engaged in vigorous litigation, exchanged voluminous discovery, documents, and information, and conducted multiple depositions, and it is the product of sustained, arm’s length settlement negotiations and two (2) formal mediations before Rodney A. Max of Upchurch Watson White and Max Mediation Group;

WHEREAS, the Parties recognize that the outcome of this matter is uncertain, and that a final resolution through the litigation process would require protracted adversarial litigation and appeals and substantial risk and expense; and

WHEREAS, the Parties believe that this Settlement Agreement is fair, reasonable, and adequate in its resolution of the claims brought because it provides for a monetary payment to the members of the Settlement Class in exchange for releases that are tailored to the specific claims made against Defendant;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Settlement Agreement, as well as the good and valuable consideration provided for herein, the Parties hereto agree to a full and complete settlement of the Litigation on the following terms and conditions:

---

<sup>1</sup> Capitalized terms are defined in Section 2, *infra*.

## 2. DEFINITIONS

For the purposes of this Settlement Agreement, including the recitals set forth above, the following terms are defined as follows:

- 2.1. “CAFA Notice” means notice of this settlement to the appropriate federal and state officials, as provided by the Class Action Fairness Act of 2005, 28 U.S.C. § 1715, as further described in Section 4.1.4.
- 2.2. “CCRAA” means the California Consumer Credit Reporting Agencies Act, codified at Cal. Civ. Code §§ 1785.1-1785.36.
- 2.3. “CCRAA Class” means the individuals with CCRAA claims for injunctive relief as defined in paragraph 1(b) of the Class Certification Order, namely “[a]ll individuals about whom Defendant prepared a report that (1) included an OFAC “Hit;” (2) was published to a third party from October 2, 2011 to March 4, 2022; and (3) included a U.S. address (including U.S. Territories) for that individual.”
- 2.4. “Class Certification Order” means this Court’s March 4, 2022 order certifying the CCRAA Class and FCRA Class (ECF No. 121).
- 2.5. “Class Counsel” means the attorneys representing the Class Representative and the Class, namely James A. Francis, John Soumilas, and Jordan M. Sartell of Francis Mailman Soumilas, P.C. and Michael A. Caddell, Cynthia B. Chapman, and Amy E. Tabor of Caddell & Chapman.
- 2.6. “Class Members” means the individuals comprising the CCRAA Class and the FCRA Class. The Class does not include counsel of record (and their respective law firms) for any of the Parties, employees of Defendants, or employees of the federal judiciary.
- 2.7. “Class Notice Plan” means the plan for providing notice of this settlement to the Class under Federal Rules of Civil Procedure, Rule 23(c)(2)(A) and (e)(1), as set forth in Section 4.1.
- 2.8. “Class Claims” means the claims asserted under the FCRA and CCRAA in Counts III and IV of the class action complaint in the Litigation (ECF 1), arising out of the allegations set forth therein.
- 2.9. “Class Representative” means Sung Gon Kang.
- 2.10. “Class Website” or “Settlement Website” means the Internet website to be established by the Settlement Administrator, as part of the Class Notice Plan, as set forth in Section 4.1.3.

- 2.11. “Court” means the United States District Court for the Eastern District of California.
- 2.12. “Defendant” means Credit Bureau Connection, Inc.
- 2.13. “Effective Date” means the date on which the Court’s entry of the Final Judgment and Order and this Court’s order regarding the Fee Petition have both become final because either (i) no appeals of above-referenced orders have been filed and the time provided by Fed. R. App. P. 4(a)(1)(A) has lapsed, or (ii) if one or more timely appeals have been filed, all such appeals are finally resolved, with no possibility of further appellate review, resulting in final judicial approval of this Settlement. For purposes of this definition, the term “appeal” includes writ proceedings.
- 2.14. “Escrow Account” means an interest-bearing account at a financial institution selected by the Settlement Administrator in which the Settlement Fund shall be deposited.
- 2.15. “FCRA” means the federal Fair Credit Reporting Act, codified at 15 U.S.C. §§ 1681-1681x.
- 2.16. “FCRA Class” means the 1,071 individuals with FCRA claims for statutory damages as defined in paragraph 1(a) of the Class Certification Order, namely “[a]ll individuals about whom Defendant prepared a report that (1) included an OFAC ‘Hit;’ (2) was published to a third party from October 2, 2013 to March 4, 2022 and (3) included a U.S. address (including U.S. Territories) for that individual.”
- 2.17. “Fee Petition” means the petition for an award of fees and costs submitted by Class Counsel as provided for in Section 5.3 below.
- 2.18. “Funding Date” means the first business day three (3) days after the Effective Date.
- 2.19. “Final Approval Hearing” is the hearing the Court schedules to make a final determination as to whether this settlement is fair, reasonable, and adequate.
- 2.20. “Final Judgment” or “Final Judgment and Order” means a final judgment and order of dismissal entered by the Court in this Litigation, in the form of Exhibit C hereto, granting final approval of this Settlement Agreement (including addressing Class Counsel’s request for attorneys’ fees, costs, and other expenses and Class Representative’s request for a Service Award), and entering a judgment according to the terms in this Settlement Agreement.

- 2.21. “Litigation” means the matter of *Sung Gon Kang v. Credit Bureau Connection, Inc.*, No. 1:18-cv-01359-SKO, which is pending in the United States District Court for the Eastern District of California.
- 2.22. “Notice” means the notice (in a form substantially similar to that attached as Exhibit A and approved by the Court) that will be sent to the Class, as further described in Section 4.1.2.
- 2.23. “OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.
- 2.24. “Parties” mean the Class Representative, the Class, and the Defendant.
- 2.25. “Preliminary Approval” and “Preliminary Approval Order” mean the Court’s order in the form attached hereto as Exhibit B, preliminarily approving the proposed settlement, approving and directing the Class Notice Plan, and appointing a Settlement Administrator.
- 2.26. “Released Parties” means the Defendant and its respective predecessors, successors, parents, subsidiaries, and affiliates; its past, present, and future officers, directors, employees, agents, and personal representatives; and its past, present, and future principals, trustees, partners, members, owners, shareholders, and unitholders.
- 2.27. “Service Award” means the one-time payment to the Class Representative, for the time and resources that he has put into representing the Class, as further described in Section 5.3.
- 2.28. “Settlement Administrator” means, subject to Court approval, Continental DataLogix, LLC.
- 2.29. “Settlement Agreement” means this Settlement Agreement and Release and its Exhibits.
- 2.30. “Settlement Fund” means the account and financial vehicle that will be used to pay for and/or satisfy the various independent monetary benefits and/or obligations which Defendant has agreed to provide in the settlement, including but not limited to Class Member payments, the Service Award, attorneys’ fees and costs and payments to the Settlement Administrator, as further described in Section 5.

### **3. SCHEDULING OF HEARINGS AND MOTIONS**

#### **3.1. Preliminary Approval**

On or before May 1, 2023, or another date agreed to by the Parties and directed by the Court, Class Counsel shall file with the Court a Motion for Preliminary Approval of the Settlement; Approval and Direction of the Class Notice Plans; and Appointment of the Settlement Administrator. The Motion shall seek entry of an Order, attached as Exhibit B, that would:

- a. preliminarily approve this Settlement Agreement;
- b. approve the proposed Class Notice Plan, including the form of Notice substantially similarly to that attached as Exhibit A; and
- c. appoint the Settlement Administrator.

#### **3.2. Final Approval**

The date of any Final Approval Hearing shall be scheduled for a date no earlier than 120 days after the Court enters the Preliminary Approval Order.

Class Counsel shall file the Final Approval Motion no later than ten (10) days prior to the Final Approval Hearing, or within any other time set by the Court.

The hearing on the Fee Petition shall occur concurrently with the Final Approval Hearing.

### **4. CLASS SETTLEMENT TERMS**

#### **4.1. Class Notice Plan**

##### **4.1.1. Court Appointment and Retention of Settlement Administrator**

At the Preliminary Approval hearing, the Parties will propose that the Court appoint the Settlement Administrator, as defined above. The Settlement Administrator's responsibilities shall include, but are not limited to, giving notice, obtaining new addresses for returned mail, setting up and maintaining a Settlement Website and toll-free telephone number, fielding inquiries about the Settlement Agreement, directing the mailing of payments to Class Members, and any other tasks reasonably required to effectuate Settlement.

The Settlement Administrator will provide monthly updates to counsel for the Parties on the status of the mailing of the Class Notice and the distribution and redemption of payments to Class Members.

#### 4.1.2. Class Notice

Class Representative, Defendant, and the Settlement Administrator have agreed that they will jointly recommend the Notice, substantially in the form attached as Exhibit A, to the Court for approval. Within twenty-one (21) days after Preliminary Approval, the Settlement Administrator will send the Notice via electronic mail to the last known email address, if there is an email address associated with a Class Member.

The Settlement Administrator will also send the Notice to Class Members via U.S. mail, postage prepaid, also requesting either forwarding service or change service to the last known address associated with a Class Member. Prior to mailing, the Settlement Administrator shall utilize the U.S. Postal Office's National Change of Address System.

For up to thirty (30) days following the mailing of the Notice via U.S. Mail, the Settlement Administrator will re-mail the Notice via standard U.S. Mail, postage prepaid, to those Class Members whose notices were returned as undeliverable to the extent an alternative mailing address can be reasonably located. The Settlement Administrator will first attempt to re-mail the Notice to the extent that it received an address change notification from the U.S. Postal Service. If an address change notification form is not provided by the U.S. Postal Service, the Settlement Administrator may attempt to obtain an updated address using reasonable and appropriate methods to locate an updated address.

No later than forty-five (45) days before the Final Approval Hearing, the Settlement Administrator will provide proof of the mailing of the Notice, which Class Counsel shall file with the Court.

Neither the Parties nor the Settlement Administrator will have any further obligation to send notice of the settlement to the Class Members other than the requirements that are outlined in this Agreement.

#### 4.1.3. Settlement Website

The Settlement Administrator also will continue its existing and ongoing ownership and maintenance of the Class Website [www.KangClassAction.com](http://www.KangClassAction.com). The Class Website will post important settlement documents, such as the operative Complaint, the Notice, the Settlement Agreement, and the Preliminary Approval Order. In addition, the Class Website will include a section for frequently asked questions, and procedural information regarding the status of the Court-approval process, such as an announcement when the Final Approval Hearing is scheduled, when the Final Judgment and Order has been entered, when the Effective



Date is expected or has been reached, and when payment will likely be mailed.

The Settlement Administrator will terminate the Class Website either: (1) ninety (90) days after the Effective Date; or (2) fourteen (14) days after the date on which the settlement is terminated or otherwise not approved by the Court.

#### 4.1.4. CAFA Notice

The Defendant shall be responsible for submitting a legally compliant CAFA Notice to the Settlement Administrator. On behalf of the Defendant, the Settlement Administrator will mail, via First Class United States Mail, postage prepaid, the CAFA Notice to the appropriate federal and state officials no later than ten (10) days after the filing of this Settlement Agreement with the Court.

Defendant will prepare and provide a draft cover letter for the CAFA Notice to Class Counsel and the Settlement Administrator five (5) business days before the deadline for mailing such CAFA Notice. The Settlement Administrator shall prepare the exhibits to the cover letter, and identify the recipients of the CAFA Notice.

Within five (5) business days after mailing the CAFA Notice, the Settlement Administrator shall certify to Class Counsel and Defendants' Counsel that the CAFA Notice was mailed and to whom it was mailed.

Within five (5) business days of the time the Settlement Administrator provides the certification in accordance with this section, Defendant's Counsel shall file a certification with the Court that the CAFA Notice has been served and upon whom it has been served.

#### 4.1.5. Costs and Expenses

Within fourteen (14) days after Preliminary Approval, Defendant will advance twenty-five thousand dollars (\$25,000) to the Settlement Administrator to effectuate the Class Notice Plan. Defendant shall receive a full credit for this payment if and when the Settlement Fund is funded, as discussed in Section 5.



#### 4.2. Settlement Consideration

In consideration for the releases and other terms of this Settlement Agreement, and according to the schedule set forth herein, Defendant agrees:

1. to pay \$1,000 (one thousand dollars) to each of the 1,071 FCRA Class Members by way of an automatic payment (i.e. without need for submission of a claim) as outlined in Section 5.4. This amount represents the full amount of statutory damages a consumer can obtain under the FCRA and was negotiated and agreed upon prior to agreement on any other terms.
2. to pay the costs of the Settlement Administrator for the purpose of providing notice to Class Members and settlement administration, which is currently estimated to be \$44,000 (forty-four thousand dollars). To the extent that the costs of the Settlement Administrator exceed this amount, the excess will reduce the amount of the attorneys' fees and costs set forth in subparagraph 4 below;
3. to pay up to, and not object to via a petition from Class Counsel, a Service Award for the Representative Plaintiff an amount not to exceed \$15,000 (fifteen thousand dollars);
4. to pay up to, and not object to via a petition from Class Counsel, an award of attorneys' fees and costs in an amount not to exceed \$1,620,000 (one-million six hundred and twenty thousand dollars).

Under no circumstances will Defendant have any payment obligations pursuant to this Settlement Agreement that exceed the total sum of \$2.75 million (two-million seven hundred and fifty thousand).

#### 4.3. Class Release

##### 4.3.1. Class Members

Upon the Effective Date, and in exchange for the relief described in this Agreement, each Class Member who has not validly excluded himself or herself from the Class, hereby releases and forever discharges the Released Parties from any and all claims, actions, and causes of action, including claims for attorneys' fees, asserted or which could have been asserted as of the Effective Date, that arise out of or relate to the Class Claims.

Subject to the Court's approval, the Class Members shall be bound by the settlement and all their Class Claims shall be dismissed with prejudice

and released as against the Released Parties, even if the Class Member never received actual notice of the settlement prior to the Final Approval Hearing or never cashed a check received.

#### 4.3.2. Class Representative

Upon the Effective Date, and in exchange for the relief described in this Agreement, the Class Representative hereby releases and forever discharges the Released Parties from any and all claims, actions, and causes of action, including claims for attorneys' fees, asserted or which could have been asserted as of the Effective Date, or which now exist or might arise out of any duties or obligations owed by Defendant to Class Representative as of the Effective Date. This release includes all claims, whether known or unknown, asserted or unasserted, which Class Representative may currently have against the Released Parties, or that may arise in the future up to and including the Effective Date.

#### 4.3.3. Waiver of Unknown Claims; General Release

Class Representative and each Class Member further acknowledge that this Agreement is a full and final accord and release of each and every matter specifically and generally referred in Sections 4.3.1 and 4.3.2 above. Class Representative and each Class Member acknowledges that they may hereafter discover facts in addition to or different from those which they now know or believe to be true, but it is their intention to fully and finally and forever settle and release any and all matters, disputes, and differences known or unknown, suspected or unsuspected, which heretofore have existed with or relating to Released Parties with respect to any alleged acts or failures to act on the part of Defendants or the Released Parties specifically and generally referred in Sections 4.3.1 and 4.3.2 above. In furtherance of this intention, the release herein shall be, and will remain, in effect as a full and complete general release notwithstanding the discovery or existence of any such additional or different facts.

#### 4.3.4. Waiver of California Civil Code § 1542

Class Members waive all rights and benefits afforded by California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Class Members, and Class Counsel understand and acknowledge the significance of this waiver of California Civil Code § 1542 and/or of any other applicable federal or state law relating to limitations on releases with respect to the Class Claims.

#### 4.3.5. Binding Release

Upon the Effective Date, no default by any person in the performance of any covenant or obligation under this Settlement Agreement or any order entered in connection with such shall affect the dismissal of the Litigation, the res judicata effect of the Final Judgment and Order, the foregoing releases, or any other provision of the Final Judgment and Order; provided, however, that all other legal and equitable remedies for violation of a court order or breach of this Settlement Agreement shall remain available to all Parties.

#### 4.4. Opting Out of the Class

All Class Members shall be given the opportunity to opt out of this settlement by submitting a “Request for Exclusion.” All Requests for Exclusion must be in writing, sent to the Settlement Administrator and postmarked no later than thirty (30) days before the Final Approval Hearing. To be valid, a Request for Exclusion must be personally signed and must include: (1) the individual’s name, address, and telephone number; and (2) a statement substantially to the effect that: “I request to be excluded from the Class in *Kang v. Credit Bureau Connection, Inc.*”

Notwithstanding the foregoing, no person within the Class, or any person acting on behalf of or in concert or participation with that person, may submit a Request for Exclusion of any other person within the Class.

The Settlement Administrator shall provide copies of the Requests for Exclusion to the Parties no later than three (3) days after they are received by the Settlement Administrator. No later than fourteen (14) days before the Final Approval Hearing, the Settlement Administrator shall provide to Class Counsel (with a copy to Defendant), who shall file it with the Court, a declaration verifying that notice has been provided to the Class as set forth herein and listing all of the valid opt-outs received.

All individuals within the Class who timely submit a valid Request for Exclusion will, subject to Court approval, exclude themselves from the Class and preserve their ability to independently pursue, at their own expense, any individual claims he or she claims to have against Defendant, subject to any further defenses that can be advanced by Defendant. Any such individual within the Class who so opts out will not be bound by further orders or judgments in the Litigation as they relate to the Class. Because the settlement is being reached as a compromise to resolve this litigation, including before a final determination of the merits of any

issue in this case, no individual who opts out of the Class shall be able to invoke the doctrines of res judicata, collateral estoppel, or any state law equivalents to those doctrines in connection with any further litigation against Defendant in connection with the claims asserted by the Class.

#### 4.5. Objections from Class Members

Any Class Member who has not opted-out in accordance with the terms above and who intends to object to this Settlement Agreement must file the objection in writing with the Clerk of Court no later than thirty (30) days prior to the Final Approval Hearing, and must concurrently serve the objection on the Settlement Administrator. The objection must include the following: (1) the Class Member's full name, address and current telephone number; (2) if the individual is represented by counsel, the name and telephone number of counsel, if counsel intends to submit a request for fees and all factual and legal support for that request; (3) all objections and the basis for any such objections stated with specificity, including a statement as to whether the objection applies only to the objector, to a specific subset of the class, or to the entire class; (4) the identity of any witnesses the objector may call to testify; (5) a listing of all exhibits the objector intends to introduce into evidence at the Final Approval Hearing, as well as true and correct copies of such exhibits; and (6) a statement of whether the objector intends to appear at the Final Approval Hearing, either with or without counsel.

The Preliminary Approval Order shall further provide that any Class Member who fails to timely file and serve a written objection pursuant to this Section shall not be permitted to object to the approval of the settlement or this Settlement Agreement and shall be foreclosed from seeking any review of the settlement or the terms of the Settlement Agreement by appeal or other means.

### 5. SETTLEMENT FUND

#### 5.1. Settlement Fund

By the Funding Date, Defendant shall deposit an amount sufficient to cover each of the discrete amounts set forth in Section 4 above, into the Settlement Fund, less the amount provided for in Section 4.1.5. Defendant shall deposit this amount in the Escrow Account.

The Settlement Fund includes all potential amounts awarded by the Court as the total monetary consideration to the Class, inclusive of any and all payment of attorneys' fees, Service Award, costs, administrative fees, notice expenses, and any other expenses described herein.

Defendant shall not be ordered or required to pay any other award or any other fees, costs, or expenses aside from the Settlement Fund as provided for herein.

## 5.2. Settlement Fund Tax Status

The Parties agree to treat the Settlement Fund as being at all times a “qualified settlement fund” within the meaning of Treas. Reg. § 1.468B-1. In addition, the Settlement Administrator shall timely make such elections as necessary or advisable to carry out the provisions of this Subsection, including the “relation back election” (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Settlement Administrator to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

For the purpose of Treasury Regulation § 1.468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the “administrator” shall be the Settlement Administrator. The Settlement Administrator shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treas. Reg. § 1.468B-2(k)). Such returns shall be consistent with this Subsection and in all events shall reflect that all Taxes (including any estimated Taxes, interest or penalties) on the income earned by the Settlement Fund shall be paid out of the respective settlement fund as provided herein.

All (a) Taxes (including any estimated Taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any Taxes or tax detriments that may be imposed upon the Released Parties with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund do not qualify as a “qualified settlement fund” for federal or state income tax purposes (“Taxes”), and (b) expenses and costs incurred in connection with the operation and implementation of this Subsection (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns (“Tax Expenses”)), shall be paid out of the respective settlement fund for which the income was earned or expense or cost incurred; in no event shall the Released Parties have any responsibility for or liability with respect to the Taxes or the Tax Expenses. The Settlement Administrator shall indemnify and hold the Released Parties harmless for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such indemnification). Further, Taxes and Tax Expenses shall be timely paid by the Settlement Administrator out of the Settlement Fund without prior order from the Court, and the Settlement Administrator shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(l)); the Released Parties are

not responsible therefore nor shall they have any liability with respect thereto. The Parties hereto agree to cooperate with the Settlement Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out this Section.

#### 5.3. Attorneys' Fees, Service Award, Costs, and Other Expenses

No later than forty-five (45) days prior to the Final Approval Hearing, and in accordance with Section 4 above, Class Counsel shall make an application to the Court for an award of attorneys' fees and expenses for their representation of the Class in an amount not to exceed \$1,620,000 based upon their lodestar (hours expended multiplied by hourly rates charged in the case) and incurred expenses, which such amount will be paid by Defendant, and not from the amounts payable to Class Members, to which Defendant will not object. The Settlement Administrator will post the application to the Settlement Website within one (1) business day of its filing with the Court. No later than the time Class Counsel files the application above, Class Counsel shall provide to the Settlement Administrator a completed W-9 Form pertaining to Class Counsel.

Within the time specified by Section 3.2 above for filing of the Final Approval Motion, Class Representative shall make an application to the Court for the Court's approval of a Service Award of \$15,000 to be paid from the Settlement Fund, which Defendant agrees not to oppose. No later than the time Class Counsel files the application for the Service Award, Class Counsel shall provide to the Settlement Administrator a properly completed W-9 Form pertaining to the Class Representative.

The Fee Petition is to be considered separately from the Court's consideration of the fairness and reasonableness of this Settlement. The outcome of any proceeding related to the Fee Petition shall not terminate this Agreement or otherwise affect the Court's ruling on the Final Approval Motion.

#### 5.4. Payment Schedule

Attorneys' fees and costs and the Service Award, subject to Court approval, shall be paid in the amount approved by the Court within five (5) days after the Funding Date.

In addition, before commencing distribution to the Class Members, the Settlement Administrator shall determine the funds necessary to cover the remaining costs of notice and administration that the Settlement Administrator has already incurred, and reasonably expects to incur, in completing the Class Notice Plan set forth in this Section. The Settlement Administrator shall submit that estimate to Class Counsel and Defendant's counsel for approval. Once approved, the Settlement Administrator should withhold the estimated amount from further distribution from the Settlement Fund to cover costs of notice and administration.



Each of these costs, expenses, and distributions above should be borne from the Settlement Fund.

Within thirty (30) days after the Funding Date, the Settlement Administrator shall distribute \$1,000 payments out of the Settlement Fund to each Class Member via U.S. mail to the last known address reflected in the Class List or the updated address previously used during the Class Notice Plan set forth in Section 4.1.3. The payment notices accompanying the payment check shall notify the recipients that the checks must be cashed within sixty (60) days from the date on enclosed check and that the enclosed check shall not be valid after that date.

If funds remain in the Escrow Account after the initial round of automatic payments, a second distribution shall be made on a *pro rata* basis to the Class Members who cashed their initial check unless the second distribution would result in a payment of less than \$25 per Class Member taking into account the costs the Settlement Administrator has already incurred and reasonably expects to incur in connection with the second distribution. The payment notices accompanying the second check shall notify the recipients that the checks must be cashed within sixty (60) days from the date on the enclosed check and that the enclosed check shall not be valid after that date.

Funds from checks from the second distribution that are not cashed by the stale date referenced above or that were returned as undeliverable shall revert to the Escrow Account. These remaining funds shall be paid to a *cy pres* recipient agreed upon by the parties and approved by the Court via motion. In event that the parties cannot agree upon a *cy pres* recipient, the parties shall move the Court, and the Court will decide. Any *cy pres* amounts shall be distributed within fifteen (15) days of the Court's order approving the recipient(s).

In no event shall there be any reverter of any agreed unpaid settlement amount or settlement benefit to the Defendant.

## **6. ENTRY OF FINAL JUDGMENT AND ORDER**

The Parties shall jointly seek entry by the Court of a Final Judgment and Order in the form of Exhibit C hereto, which includes the following provisions (among others):

- a. granting final approval of this Settlement Agreement, and directing its implementation pursuant to its terms and conditions;
- b. ruling on the Fee Petition and the Class Representative's application for a Service Award;
- c. discharging and releasing the Released Parties, and each of them, from the claims, including the Class Claims, as provided in Section 4.3;



- d. permanently barring and enjoining all Class Members from instituting, maintaining, or prosecuting, either directly or indirectly, any lawsuit that asserts Class Claims;
- e. directing that the Litigation be dismissed with prejudice and without costs;
- f. stating pursuant to Federal Rules of Civil Procedure, Rule 54(b) that there is no just reason for delay and directing that the Final Judgment and Order is a final, appealable order; and
- g. reserving to the Court continuing and exclusive jurisdiction over the Parties with respect to the Settlement Agreement and the Final Judgment and Order as provided in Section 8.3.

## **7. MODIFICATION BY COURT**

This Agreement, and the Settlement, shall be null and void if the Court requires changes to the Agreement that substantively and materially alter the Parties' rights or duties before approving the Settlement. Provided, however, that the Parties, in their sole discretion, can consent to modify this Agreement, in accordance with Section 8.9 below, to be consistent with any modifications requested or required by the Court.

## **8. MISCELLANEOUS PROVISIONS**

### **8.1. Best Efforts to Obtain Court Approval**

Class Representative and Defendant, and the Parties' counsel, agree to use their best efforts to obtain Court approval of this Settlement Agreement, subject to the provisions of Section 7.

### **8.2. No Admission**

This Settlement Agreement, whether or not it shall become final, and any and all negotiations, communications, and discussions associated with it, shall not be offered or be admissible in evidence in any action or proceeding, except: (1) the hearings necessary to obtain and implement Court approval of this Settlement; (2) any hearing to enforce the terms of this Agreement or any related order in the Litigation; or (3) to enforce the releases set forth in this Agreement.

### **8.3. Court's Jurisdiction**

The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Settlement Agreement. The Court also shall retain

exclusive jurisdiction over any determination of whether a subsequent suit is released by the Settlement Agreement.

#### 8.4. Settlement Notices

Except for the Class Notice Plan, as provided for in Section 4.1 above, all other notices or formal communications under this Settlement Agreement shall be in writing and shall be given, with a copy by email: (1) by hand delivery; (2) by registered or certified mail, return receipt requested, postage pre-paid; or (3) by overnight courier to counsel for the Party to whom notice is directed at the following addresses:

##### Class Representative and the Class:

James A. Francis  
John Soumilas  
Jordan M. Sartell  
FRANCIS MAILMAN SOUMILAS, P.C.  
1600 Market Street, Suite 2510  
Philadelphia, PA 19103  
jfrancis@consumerlawfirm.com  
jsoumilas@consumerlawfirm.com  
jsartell@consumerlawfirm.com

Michael A. Caddell  
Cynthia B. Chapman  
Amy E. Tabor  
CADDELL & CHAPMAN  
P.O. Box 1311  
Monterey, CA 93942  
mac@caddellchapman.com  
cbc@caddellchapman.com  
aet@caddellchapman.com

##### Defendant:

Rachel Rodman  
Cadwalader, Wickersham & Taft LLP  
700 Sixth Street, N.W.  
Washington, DC 20001  
rachel.rodman@cwtt.com

Counsel may designate a change of the person to receive notice or a change of address, from time to time, by giving notice to all Parties in the manner described in this Section.

#### 8.5. Taxes

Class Representatives and Class Counsel shall be responsible for paying all federal, state, and local taxes due on any payments made to them pursuant to the Settlement Agreement.

8.6. Parties' Costs

Except as otherwise provided for herein, Class Representative and the Defendant shall be solely responsible for their own costs and expenses.

8.7. Confidentiality of Discovery Materials and Information

The Parties, their counsel, and any retained or consulting experts in this Litigation, agree that they remain subject to the Court's Stipulated Protective Order, as appropriate.

8.8. Complete Agreement

This Settlement Agreement is the entire, complete agreement of each and every term agreed to by and among Class Representative, Class Counsel, Defendant, the Released Parties, and counsel for Defendant. In entering into this Settlement Agreement, no Party has made or relied on any warranty or representation not specifically set forth herein.

8.9. Waivers, Modifications, and Amendments to Be in Writing

No waiver, modification, or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement and the Settlement, shall be valid or binding unless in writing, signed by or on behalf of all Parties, and then only to the extent set forth in such written waiver, modification, or amendment, subject to any required Court approval. Any failure by any Party to insist upon the strict performance by the other Party or Parties of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

8.10. Governing law

This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of California, without regard to choice of law principles, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law shall govern.

8.11. No claims arising from this Agreement

No person shall have any claim against the Released Parties, Defendant, Defendant's Counsel, the Class Representative, or Class Counsel based on distribution of benefits made substantially in accordance with this Agreement or

any Settlement-related order(s) of the Court, or based on any act or omission of the Settlement Administrator.

#### 8.12. Headings for Convenience Only

The headings in this Settlement Agreement are for the convenience of the reader only and shall not affect the meaning or interpretation thereof.

#### 8.13. Severability

In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, with the exception of the release in Section 4.3 and subject to Section 7, this Agreement shall continue in full force and effect without said provision.

#### 8.14. No Party Is the Drafter

None of the Parties to this Settlement Agreement shall be considered to be the primary drafter of this Settlement Agreement or any provision hereof for the purpose of any rule of interpretation or construction that might cause any provision to be construed against the drafter.

#### 8.15. Binding Effect

This Settlement Agreement shall be binding according to its terms upon, and inure to the benefit of, the Class Representative, the Class, the Defendant, the Released Parties, and their respective successors and assigns.

#### 8.16. Authorization to Enter Settlement Agreement

The individual signing this Settlement Agreement on behalf of the Defendant represents that he or she is fully authorized by the Defendant to enter into, and to execute, this Settlement Agreement on its behalf. Class Counsel represent that they are fully authorized to conduct settlement negotiations with counsel for Defendant on behalf of Class Representative, and to enter into, and to execute, this Settlement Agreement on behalf of the Class, subject to Court approval pursuant to Federal Rules of Civil Procedure, Rule 23(e). The Class Representative enters into and executes this Settlement Agreement on behalf of himself, and as a representative of and on behalf of the Class, subject to Court approval pursuant to Federal Rules of Civil Procedure, Rule 23(e).

#### 8.17. Execution in Counterparts

Class Representative, Class Counsel, Defendant, and Defendant's counsel may execute this Settlement Agreement in counterparts, and the execution of counterparts shall have the same effect as if all Parties had signed the same

instrument. Facsimile, electronic, and scanned signatures shall be considered as valid signatures as of the date signed, although the original signature pages shall thereafter be appended to the Settlement Agreement. This Settlement Agreement shall not be deemed executed until signed by the Class Representative, by Class Counsel, and by counsel for and representatives of Defendant.

SIGNATURES

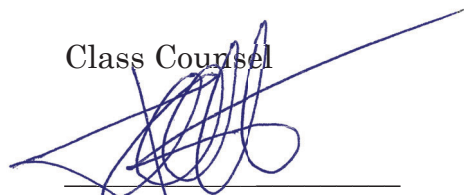
Dated: 05/01/2023

Class Representative

  
Sung Gon Kang

Dated: 05/01/2023

Class Counsel

  
James A. Francis

Dated: \_\_\_\_\_

Credit Bureau Connection, Inc.

\_\_\_\_\_  
David Carner  
CEO, informativ, LLC (f/k/a/ Credit  
Bureau Connection, Inc.)

Dated: \_\_\_\_\_

Counsel for Defendant

\_\_\_\_\_  
Rachel Rodman

instrument. Facsimile, electronic, and scanned signatures shall be considered as valid signatures as of the date signed, although the original signature pages shall thereafter be appended to the Settlement Agreement. This Settlement Agreement shall not be deemed executed until signed by the Class Representative, by Class Counsel, and by counsel for and representatives of Defendant.

**SIGNATURES**

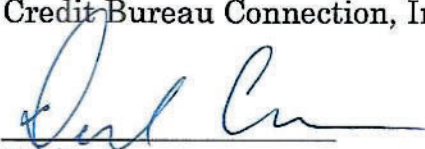
Dated: \_\_\_\_\_ Class Representative

\_\_\_\_\_  
Sung Gon Kang

Dated: \_\_\_\_\_ Class Counsel

\_\_\_\_\_  
James A. Francis

Dated: May 1 2023 \_\_\_\_\_ Credit Bureau Connection, Inc.

  
\_\_\_\_\_  
David Carner  
CEO, informativ, LLC (f/k/a/ Credit  
Bureau Connection, Inc.)

Dated: \_\_\_\_\_ Counsel for Defendant

\_\_\_\_\_  
Rachel Rodman

instrument. Facsimile, electronic, and scanned signatures shall be considered as valid signatures as of the date signed, although the original signature pages shall thereafter be appended to the Settlement Agreement. This Settlement Agreement shall not be deemed executed until signed by the Class Representative, by Class Counsel, and by counsel for and representatives of Defendant.

SIGNATURES

Dated: \_\_\_\_\_ Class Representative

\_\_\_\_\_  
Sung Gon Kang

Dated: \_\_\_\_\_ Class Counsel

\_\_\_\_\_  
James A. Francis

Dated: \_\_\_\_\_ Credit Bureau Connection, Inc.

\_\_\_\_\_  
David Carner  
CEO, informativ, LLC (f/k/a/ Credit  
Bureau Connection, Inc.)

Dated: May 1, 2023 Counsel for Defendant

  
Rachel Rodman



# EXHIBIT A

**UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA**

**SUNG GON KANG**, on behalf of himself and all others  
similarly situated,

*Plaintiff,*

v.

**CREDIT BUREAU CONNECTION, INC.,**

*Defendant.*

No. 1:18-cv-01359-SKO

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

**YOU ARE A MEMBER OF THE FCRA CLASS AND CCRAA CLASS/CCRAA CLASS ONLY**

In September 2022, you received notification that you are a member of a class action lawsuit filed by Sung Gon Kang (“Plaintiff”) against Defendant Credit Bureau Connection, Inc. (“Defendant”). Plaintiff alleged that Defendant violated certain consumer protection laws when it prepared a consumer report about you that contained inaccurate information about someone else on the Treasury Department’s Office of Foreign Assets Control’s list of Specially Designated Nationals and Blocked Persons (“OFAC list”).

Defendant provides automobile dealers with credit reports about potential buyers. You may have been the subject of a credit report provided by Defendant when you purchased or considered purchasing an automobile. Defendant’s records show that it prepared a credit report about you for a third party and that included a “Hit” with someone else on the OFAC list. Plaintiff alleges that Defendant’s matching procedures for people on the OFAC list violate the federal Fair Credit Reporting Act (“FCRA”) and California Consumer Credit Reporting Agencies Act (“CCRAA”).

Defendant contests the claims in the Litigation and denies any and all liability and wrongdoing. The parties have proposed a settlement of this case to the court, which has directed Plaintiff’s attorneys to provide you with this notice and information about your rights concerning the proposed settlement, which are summarized below.

OPTION	EXPLANATION
<b>DO NOTHING</b>	If you are a member of the FCRA Class and do nothing, you will stay in the Class and will receive \$1,000 if the Court approves the proposed settlement. You will also give up the right to sue Defendant individually for the legal claims in this lawsuit.
<b>LEAVE THE LAWSUIT</b>	If you exclude yourself from the Class and leave the lawsuit, you will not receive anything if the Court approves the proposed settlement, but you will keep the right to sue Defendant individually for the same legal claims. If you want to leave the lawsuit, you must send an exclusion request no later than <b>[30 days prior to final approval hearing]</b> . See FAQ No. 5.
<b>OBJECT TO THE SETTLEMENT</b>	If you choose to remain in the Settlement Class, you may write to the Court about why you believe the proposed settlement is unfair or unreasonable according to the directions in FAQ No. 6. You may request to speak to the Court about your objection at the Final Approval Hearing. If the Court overrules your objection and approves the proposed settlement, you will be bound by its terms and will also receive \$1,000 if you are a member of the FCRA Class.

## FREQUENTLY ASKED QUESTIONS

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

In a class action lawsuit, one or more people called “Class Representatives” (in this case, Sung Gon Kang is the Plaintiff and Class Representative) sue on behalf of other people who are alleged to have similar claims. The group of people together is the “Class.” The company Plaintiff sued is called the Defendant. One court resolves all of the issues in the lawsuit for everyone in the Class. The Class will include you unless you choose to exclude yourself from the Class.

The United States District Court for the Eastern District of California certified this lawsuit as a class action for the following two classes:

#### FCRA Class for Statutory Damages

All individuals about whom Defendant prepared a report that (1) included an OFAC “Hit;” (2) was published to a third party from October 2, 2013 to March 4, 2022 and (3) included a U.S. address (including U.S. Territories) for that individual.

#### CCRAA Class for Injunctive Relief

All individuals about whom Defendant prepared a report that (1) included an OFAC “Hit;” (2) was published to a third party from October 2, 2011 to March 4, 2022 and (3) included a U.S. address (including U.S. Territories) for that individual.

You can determine which class(es) you are a member of by looking at the first page of this notice or in the top margin of any page of this notice. You read the Court’s Order Certifying the Class at [www.KangClassAction.com](http://www.KangClassAction.com).

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

This lawsuit alleges that Defendant failed to comply with the FCRA and the CCRAA by using inadequate procedures to associate consumers with other people on the OFAC list, which resulted in Defendant’s erroneously identifying consumers as being on the OFAC list when they are not. The certified class claims are that Defendant’s procedures violated the FCRA and CCRAA by failing to maintain reasonable procedures to assure the “maximum possible accuracy” of the information it associates with consumers. While the Court certified two classes under the FCRA and CCRAA, it ruled that only members of the FCRA Class are entitled to statutory damages from Defendant in this lawsuit.

Plaintiff brought additional claims under the FCRA and the CCRAA for which he did not seek class treatment, including that Defendant misinformed consumers about the contents of their credit reports and failed to tell them about their rights to dispute inaccurate OFAC information and have it corrected.

Defendant denies that it is governed by the FCRA and/or the CCRAA and that it did anything wrong. You can read Plaintiff’s Class Action Complaint and Defendant’s Answer to it at [www.KangClassAction.com](http://www.KangClassAction.com).

### 3. *How much will I receive if I remain in the Class? (FCRA Class members only)*

If you are a member of the FCRA Class and remain in the lawsuit and the Court approves the proposed settlement, you will receive a check for \$1,000 (one thousand dollars) approximately [45 days after final approval]. Members of the CCRAA Class only will not receive any money, but benefit from changes to Defendant’s matching procedures that no longer rely on names only to match people with the OFAC list.

### 4. *Do I have to do anything to receive a payment? (FCRA Class members only)*

No. If the Court approves the proposed settlement, the Settlement Administrator will mail a check to the same address at which members of the FCRA Class received this notice. If you choose to remain in the case, please provide the Settlement Administrator with your updated address and contact information if you move.

### 5. *Why would I ask to be excluded and how can I do it?*

If you have already brought your own case against Defendant for claims arising from a credit report prepared by Defendant between October 2, 2011 and March 4, 2022, and wish to continue pursuing it, you need to ask to be excluded from the Class.

If you exclude yourself from the Class (or “opt-out”) and leave this lawsuit, you will not be legally bound by the Court’s judgments and will not receive any money or benefits from the proposed settlement or otherwise. However, you may be able to sue Defendant on your own. If you exclude yourself to file your own lawsuit against Defendant, you will have to prove your claims and should talk to a lawyer because your claims may be subject to a statute of limitations.

To be excluded from the Class and leave this lawsuit, you must complete and send an Exclusion Request, which can be downloaded from [www.KangClassAction.com](http://www.KangClassAction.com), stating that you want to be excluded from *Kang v. Credit Bureau Connection, Inc.* with your name, address, and signature to:

*Kang v. Credit Bureau Connection, Inc.*, Exclusion Requests  
c/o Settlement Administrator  
P.O. Box 16  
West Point, PA 19486

Your Exclusion Request must be postmarked by **[30 days prior to final approval hearing]**.

**6. How do I tell the Court that I do not like the proposed settlement?**

If you wish to present an objection to the Court, you must do so in a written statement that must include: (1) your full name, mailing address, and current telephone number; (2) whether you are represented by counsel and if so, the name and telephone number of counsel (if counsel intends to submit a request for fees, all factual and legal support for that request must be included); (3) all objections and the basis for any such objections stated with specificity, including a statement as to whether the objection applies only to you, to a specific subset of the Class, or to the entire Class; (4) the identity of any witnesses you may call to testify; (5) a listing of all exhibits you intend to introduce into evidence at the Final Approval Hearing, as well as true and correct copies of such exhibits; and (6) a statement of whether you intend to appear at the Final Approval Hearing, either with or without counsel. Your objection may not be heard unless it is submitted timely or postmarked by **[30 days prior to the final approval hearing]**, and mailed to the Settlement Administrator at:

*Kang v. Credit Bureau Connection, Inc.*, Objections  
c/o Settlement Administrator  
P.O. Box 16  
West Point, PA 19486

The Settlement Administrator will share your objection with Class Counsel and Defendant’s counsel. Your objection will also be filed with the Court. You may not object to the proposed settlement if you submit an Exclusion Request.

**7. Do I have a lawyer in this case?**

The Court appointed the following lawyers to represent you and the Class as “Class Counsel.”

James A. Francis  
John Soumilas  
Jordan M. Sartell  
FRANCIS MAILMAN SOUMILAS, P.C.  
1600 Market Street, Suite 2510  
Philadelphia, PA 19103

Michael A. Caddell  
Cynthia B. Chapman  
Amy E. Tabor  
CADDELL & CHAPMAN  
P.O. Box 1311  
Monterey, CA 93942

These attorneys are experienced in handling similar class action cases. More information about their firms, their practices, and their experience is available at [www.caddellchapman.com](http://www.caddellchapman.com) and [www.consumerlawfirm.com](http://www.consumerlawfirm.com). You do not have to pay any fee to Class Counsel.

**8. Should I get my own lawyer?**

If you remain in this lawsuit, you do not need to hire your own lawyer because Class Counsel has been appointed to represent you and are working on your behalf. If you want to hire your own lawyer, you are free to do so, but you may have to pay them separately. For example, you can ask him or her to appear in Court for you if you want someone other than Class Counsel to speak for you.

9. *How will Class Counsel get paid?*

You will not have to pay any of Class Counsel's legal fees or expenses. The proposed settlement provides that Defendant will not oppose a request from Class Counsel for reasonable attorneys' fees and litigation expenses of up to \$1,620,000 (one million six hundred twenty thousand dollars). Class Counsel will make their request in a separate petition that will be posted on [www.KangClassAction.com](http://www.KangClassAction.com) on or about [45 days prior to final approval hearing]. Defendant will pay Class Counsel whatever amount is approved by the Court.

Class Counsel will also submit a request for a \$15,000 (fifteen thousand dollars) service award for the Plaintiff in recognition of his service to the class and settlement of his remaining claims. The Court may approve this amount or another amount in its discretion.

10. *Has the Court approved the proposed settlement?*

The Court has granted preliminary approval of the proposed settlement and has scheduled a hearing to make a final approval determination after Class members receive this notice. The Court will ultimately consider whether the terms of the proposed settlement are fair, reasonable, and adequate after reviewing Class Counsel's anticipated motion for final approval of the class action settlement, which will be posted on the Settlement Website, [www.KangClassAction.com](http://www.KangClassAction.com), on or about [14 days prior to the final approval hearing].

The Court has scheduled the Final Approval Hearing on \_\_\_\_\_, 2023, at \_\_\_\_:\_\_\_\_ am/pm, in Courtroom 7 of the Robert E. Coyle United States Courthouse located at 2500 Tulare Street, Fresno, California 93721. You are free to attend the Final Approval Hearing, but do not need to.

11. *How do I learn more?*

You may contact Class Counsel by emailing [kang@consumerlawfirm.com](mailto:kang@consumerlawfirm.com), by calling 877-735-8600, or mailing correspondence to the addresses provided in FAQ No. 7, above. The website [www.KangClassAction.com](http://www.KangClassAction.com) also has Class Counsel's contact information, lawsuit documents, the proposed settlement agreement, and an Exclusion Request form.

**DO NOT SEND QUESTIONS ABOUT THIS LAWSUIT TO THE CLERK OF THE COURT, THE JUDGE, OR THE DEFENDANT'S ATTORNEYS BECAUSE THEY ARE NOT PERMITTED TO ANSWER YOU.**

DATE: \_\_\_\_\_.

# EXHIBIT B

Michael A. Caddell (SBN 249469)  
mac@caddellchapman.com  
Cynthia B. Chapman (SBN 164471)  
cbc@caddellchapman.com  
Amy E. Tabor (SBN 297660)  
aet@caddellchapman.com  
CADDELL & CHAPMAN  
P.O. Box 1311  
Monterrey CA 93942  
Tel.: (713) 751-0400  
Fax: (713) 751-0906

*Attorneys for Plaintiff*

*Additional attorneys listed on signature page.*

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA  
FRESNO DIVISION**

SUNG GON KANG, individually and on  
behalf of others similarly situated,

*Plaintiff,*

v.

CREDIT BUREAU CONNECTION,  
INC.,

*Defendant.*

CASE NO. 1:18-cv-01359-SKO

**[PROPOSED] ORDER PRELIMINARILY  
APPROVING CLASS ACTION  
SETTLEMENT AND DIRECTING  
NOTICE**

**THIS MATTER** having come before the Court on Plaintiff's Unopposed Motion for Preliminary Approval of Class Action Settlement and the Court, having reviewed the motion and the Settlement Agreement (the "Agreement")<sup>1</sup> submitted by the Parties, makes the following findings:

1. The Court has considered the proposed settlement of the claims asserted in this matter on behalf of the Class Members.

2. Based upon the Court's review, it appears that the settlement is fair, reasonable, and adequate, and that each of the following is true:

<sup>1</sup> Unless noted, capitalized terms in this Order are defined in the Agreement.



- a. Class Representative, Sung Gon Kang, and Class Counsel have adequately represented the proposed Settlement Class;
- b. the proposed settlement was negotiated at arm's length;
- c. the relief provided for the Settlement Class is adequate, taking into account:
  - i. the costs, risks, and delay of trial and appeal;
  - ii. the effectiveness of the proposed method of providing payments to FCRA Class members; and
  - iii. the terms of the proposed award of attorneys' fees and costs, including timing of payment.
- d. the proposed settlement treats Class Members equitably relative to each other.

3. Based upon the Court's review, it appears that the prerequisites to a class action under FED. R. CIV. P. 23(a) have been satisfied in that:

- a. the Class Members are sufficiently numerous that joinder is impracticable;
- b. the claims of the Class Representative Sung Gon Kang are typical of the other Class Members;
- c. there are questions of law and fact that are common to all Class Members;
- d. the proposed Class Representative will fairly and adequately protect the interests of the Class Members and has retained Class Counsel experienced in consumer class action litigation who have and will continue to adequately represent the Class Members.

4. Based upon the Court's review, it appears that the action is maintainable as a class action under FED. R. CIV. P. 23(b)(3) because (a) a class action is superior to other available methods for the fair and efficient adjudication of this controversy, and (b) questions of fact and law common to the Class Members predominate over any questions affecting only individual members.

1           5.       Therefore, the Court will be likely to be able to approve the proposed settlement  
2 pursuant to FED. R. CIV. P. 23(e)(2), and certify the proposed FCRA Class and CCRAA Class for  
3 purposes of judgment on the proposed settlement.

4           6.       The Court has reviewed the proposed manner of giving notice as set forth in the  
5 Settlement Agreement and finds that the proposal fully satisfies the requirements of FED. R. CIV.  
6 P. 23 and due process, constitutes the best notice practicable under the circumstances, and shall  
7 constitute due and sufficient notice to all persons entitled thereto.

8           **THEREFORE**, the Court orders that:

9           7.       No later than five (5) days of the date of this Order, Defendant shall provide the  
10 Settlement Administrator with updated mailing address information for Settlement Class Members  
11 who did not submit an exclusion request.

12           8.       No later than ten (10) days after the Claims Submission Deadline, the Settlement  
13 Administrator will cause a declaration to be filed with the Court that the notice of the Settlement  
14 was given as required by the Settlement Agreement.

15           9.       The Court will hold a Final Approval Hearing pursuant to FED. R. CIV. P. 23(e) on  
16 \_\_\_\_\_, 2023 (*at least 120 days after entry of preliminary approval order*) in  
17 Courtroom 7 of the Robert E. Coyle United States Courthouse, located at 2500 Tulare Street,  
18 Fresno, CA 93721, at \_\_\_\_\_, .m. for the following purposes:

19               a.       To determine whether the proposed settlement is fair, reasonable and  
20 adequate and should be granted final approval by the Court;

21               b.       To determine whether a final judgment should be entered dismissing the  
22 claims of the Class Members with prejudice, as required by the Settlement Agreement;

23               c.       To consider the application of Class Counsel for an award of attorney's fees  
24 and expenses, and for an individual settlement and service award to the Class  
25 Representative; and

26               d.       To rule upon other such matters as the Court may deem appropriate.

27           10.       A Class Member may object to the Settlement.

1           a.       To exercise this objection right, the Class Member must provide a Notice  
2 of Objection via First Class United State Mail to the Clerk of Court, Class Counsel, and  
3 Defendant's Counsel. The Notice of Objection must be postmarked no later than the thirty  
4 (30) days prior to the Final Approval Hearing.

5           b.       For an objection to be considered by the Court, such objection shall be  
6 personally signed and state:

7                   i.       the Class Member's full name, address and current telephone  
8 number;

9                   ii.      if the individual is represented by counsel, the name and telephone  
10 number of counsel, if counsel intends to submit a request for fees and all factual  
11 and legal support for that request;

12                  iii.     all objections and the basis for any such objections stated with  
13 specificity, including a statement as to whether the objection applies only to the  
14 objector, to a specific subset of the class, or to the entire class;

15                  iv.     the identity of any witnesses the objector may call to testify;

16                  v.     a listing of all exhibits the objector intends to introduce into  
17 evidence at the Final Approval Hearing, as well as true and correct of copies of  
18 such exhibits; and

19                  vi.     a statement of whether the objector intends to appear at the Final  
20 Approval Hearing, either with or without counsel.

21       11.     Any objector wishing to be heard at the Final Approval Hearing must, no later than  
22 ten (10) days before that hearing, file a notice of intent to appear with the Court Clerk's office, and  
23 must provide both Class Counsel and Defendants' Counsel with copies of the notice of intent to  
24 appear.

25       12.     The right to object must be exercised individually by an individual Class Member,  
26 not as a member of a group and, except in the case of a deceased or incapacitated Class Member,  
27 not by the act of another person acting or purporting to act in a representative capacity.

1           13. All briefs, memoranda, petitions, and affidavits to be filed in support of an  
2 individual settlement and service award to the Class Representative and for an award of attorney's  
3 fees and expenses shall be filed no later than forty-five (45) days prior to Final Approval Hearing,  
4 or within another time set by the Court.

5           14. All briefs, memoranda, petitions, and affidavits to be filed in support of final  
6 approval of the Settlement shall be filed no later than ten (10) days prior to the Final Approval  
7 Hearing, or within another time set by the Court.

8           15. The Court retains exclusive jurisdiction over this action to consider all further  
9 matters arising out of or connected with the Settlement Agreement.

10  
11           **IT IS SO ORDERED.**

\_\_\_\_\_  
12 Hon. Sheila K. Oberto  
13 United States Magistrate Judge  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

# EXHIBIT C

Michael A. Caddell (SBN 249469)  
mac@caddellchapman.com  
Cynthia B. Chapman (SBN 164471)  
cbc@caddellchapman.com  
Amy E. Tabor (SBN 297660)  
aet@caddellchapman.com  
CADDELL & CHAPMAN  
P.O. Box 1311  
Monterrey CA 93942  
Tel.: (713) 751-0400  
Fax: (713) 751-0906

*Attorneys for Plaintiff*

*Additional attorneys listed on signature page.*

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA  
FRESNO DIVISION**

SUNG GON KANG, individually and on  
behalf of others similarly situated,

*Plaintiff,*

v.

CREDIT BUREAU CONNECTION,  
INC.,

*Defendant.*

CASE NO. 1:18-cv-01359-SKO

**[PROPOSED] ORDER FINALLY  
APPROVING CLASS ACTION  
SETTLEMENT**

**THIS MATTER** having come before the Court on Plaintiff's Motion for Final Approval of the proposed class action settlement with Defendant Credit Bureau Connection, Inc. ("Defendant"), the Court having considered all papers filed and arguments made with respect to the Settlement, the Court finds that:

1. The classes as defined in the Agreement<sup>1</sup> (the "Settlement Classes") are so numerous that joinder of all members is not practicable, there are questions of law and fact common to the Settlement Classes, the claims of the Class Representative are typical of the claims of the Settlement Classes, and the Class Representative will fairly and adequately protect the

<sup>1</sup> Unless noted, capitalized terms in this Order are defined in the Agreement.

1 interests of the Settlement Classes. Questions of law and fact common to the members of the  
2 Settlement Classes predominate over any questions affecting only individual members, and a class  
3 action is superior to other available methods for the fair and efficient adjudication of the  
4 controversy.

5 2. Notice to the Settlement Classes required by Rule 23(e) of the Federal Rules of  
6 Civil Procedure has been provided in accordance with the Court's Order Preliminarily Approving  
7 Class Action Settlement and Directing Notice, and such Notice has been given in an adequate and  
8 sufficient manner; constitutes the best notice practicable under the circumstances; and satisfies  
9 Rule 23(e) and due process.

10 3. The Defendant has timely filed notification of this settlement with the appropriate  
11 officials pursuant to the Class Action Fairness Act of 2005 ("CAFA"), 28 U.S.C. § 1715. The  
12 Court has reviewed such notification and accompanying materials and finds that the Defendant's  
13 notification complies fully with the applicable requirements of CAFA.

14 4. The Agreement was arrived at as a result of arms-length negotiations conducted in  
15 good faith by counsel for the Parties and is supported by the Class Representative.

16 5. The Class Representative and Class Counsel have adequately represented the  
17 proposed Settlement Classes.

18 6. The relief provided for the Settlement Classes is adequate, taking into account the  
19 costs, risks, and delay of trial and appeal; the effectiveness of the proposed method of providing  
20 payments to members of the Settlement Classes including the method of processing members of  
21 the Settlement Classes' claims, and the terms of the proposed award of attorneys' fees and costs,  
22 including timing of payment.

23 7. The proposed settlement treats members of the Settlement Classes equitably  
24 relative to each other.

25 8. The Parties and each member of the Settlement Classes have irrevocably submitted  
26 to the exclusive jurisdiction of this Court for any suit, action, proceeding, or dispute arising out of  
27 the Agreement.



1           9.       It is in the best interests of the Parties and the members of the Settlement Classes  
2 and consistent with principles of judicial economy that any dispute between any Settlement Class  
3 member (including any dispute as to whether any person is a Settlement Class member) and any  
4 Released Party which in any way relates to the applicability or scope of the Agreement or the Final  
5 Approval Order should be presented exclusively to this Court for resolution by this Court.

6           IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

7           10.       This action is a class action against Defendant on behalf of the Settlement Class.

8           11.       The Agreement submitted by the Parties is finally approved pursuant to Rule 23(e)  
9 of the Federal Rules of Civil Procedure as fair, reasonable, and adequate and in the best interests  
10 of the Settlement Class and the parties are directed to consummate the Agreement in accordance  
11 with its terms.

12           12.       As agreed by the Parties, upon the Effective Date, Defendant and the Released  
13 Parties shall be released from the Class Claims in accordance with the terms of the Agreement.

14           13.       Without affecting the finality of this judgment, the Court hereby reserves and  
15 retains jurisdiction over this settlement, including the administration and consummation of the  
16 settlement. In addition, without affecting the finality of this judgment, the Court retains exclusive  
17 jurisdiction over Defendant and each member of the Settlement Class for any suit, action,  
18 proceeding or dispute arising out of or relating to this Order, the Agreement or the applicability of  
19 the Agreement. Without limiting the generality of the foregoing, any dispute concerning the  
20 Settlement Agreement, including, but not limited to, any suit, action, arbitration or other  
21 proceeding by a Class member in which the provisions of the Settlement Agreement are asserted  
22 as a defense in whole or in part to any claim or cause of action or otherwise raised as an objection,  
23 shall constitute a suit, action or proceeding arising out of or relating to this Order. Solely for  
24 purposes of such suit, action or proceeding, to the fullest extent possible under applicable law,  
25 Plaintiff and all members of the Settlement Classes are hereby deemed to have irrevocably waived  
26 and agreed not to assert, by way of motion, as a defense or otherwise, any claim or objection that  
27  
28

1 they are not subject to the jurisdiction of this Court, or that this Court is, in any way, an improper  
2 venue or an inconvenient forum.

3 14. Upon consideration of Class Counsel's application for fees and reimbursement of  
4 expenses, the Court shall enter a separate Order awarding reasonable fees and expenses in an  
5 amount to be set forth in that Order, to be paid by Defendant in accordance with the terms of the  
6 Agreement.

7 15. Upon consideration of the application for an individual settlement and Service  
8 Award, the Class Representative, Sung Gon Kang, is awarded the sum of fifteen thousand dollars  
9 (\$15,000.00) in consideration of his individual claims against the Defendant and for the valuable  
10 service he has performed for and on behalf of the Settlement Class, to be paid in accordance with  
11 the terms of the Agreement.

12 16. The Court finds, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure,  
13 that there is no just reason for delay, and directs the Clerk to enter final judgment.  
14

15 **IT IS SO ORDERED.**

16 

---

Hon. Sheila K. Oberto  
United States Magistrate Judge  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28