

**SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION**

SONYA O. CARR, on behalf of herself and
all others similarly situated,

Plaintiff,

v.

**TRANSIT EMPLOYEES FEDERAL
CREDIT UNION**,

Defendant.

Civil Action No. 2017 CA 008613 B
Judge John M. Campbell
Next Court Date: August 16, 2019
Event: Status Hearing

ORAL HEARING REQUESTED
per Super. Ct. R. Civ. P. 12-(f)

**ORDER GRANTING
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

This matter is before the Court on a joint Consent Motion by Plaintiff, Sonya O. Carr (“Plaintiff” or “Class Representative”), and Defendant Transit Employees Federal Credit Union (“Defendant” or “TEFCU”) (collectively the “Parties”), for Preliminary Approval of Class Action Settlement. The Parties have submitted a Settlement Agreement and Release (the “Agreement”) that the Court has reviewed, and finds is just and proper and should be approved.

Based upon the Agreement, the record and exhibits therein, and it appearing to the Court that upon preliminary examination, that the proposed settlement is fair, reasonable, and adequate, and that a hearing on the matter should and will be held, after notice to the Settlement Class Members, to confirm that the proposed settlement is fair, reasonable, and adequate, and to determine whether a Final Order and Judgment should be entered in this Lawsuit:

It is hereby ORDERED:

1. The Court finds that it has jurisdiction over the subject matter of the Lawsuit and over all settling parties hereto.

2. Settlement Class Members — Pursuant to Superior Court Rule of Civil Procedure 23(b)(3), the Lawsuit is hereby preliminarily certified, for settlement purposes only, as a class action on behalf of the following Class of plaintiffs (hereinafter referred to as the “Settlement Class Members”) with respect to the following claims asserted in the Lawsuit:

Settlement Class: All persons (1) are or were a party to a secured auto loan agreement with TEFCU by which TEFCU provided financing for the purpose of a motor vehicle from a dealer for personal use; (2) which vehicle TEFCU repossessed during the time period extending from January 5, 2015 to the present; (3) to whom TEFCU sent a redemption letter that either listed a repossession or storage fees in excess of that permitted by 16 DMCR § 342.2 or listed an incorrect vehicle storage address in violation of 16 DCMR § 341.1(e); and (4) who have not properly and timely opted out of the Settlement.

There are approximately fifty-four (54) Settlement Class Members identified by TEFCU in the Settlement Class and 110 alleged violations of the provisions of the D.C. Municipal Regulations.

3. Class Representatives and Class Counsel Appointment — Pursuant to Superior Court Rule of Civil Procedure 23, the Court preliminarily certifies Plaintiff Sonya O. Carr as the Class Representative. The Court preliminarily approves Plaintiff’s Counsel, Migliaccio & Rathod LLP, as Class Counsel.

4. Preliminary Class Certification — The Court preliminarily finds that the Lawsuit satisfies the applicable prerequisites for class action treatment under Superior Court Rule of Civil Procedure 23, namely:

- a. The Settlement Class Members are so numerous that joinder of all of them in the Lawsuit is reasonably impracticable;
- b. There are questions of law and fact common to the Settlement Class Members, which predominate over any individual questions;

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- c. The claims of the Plaintiff are typical of the claims of the Settlement Class Members;
 - d. The Plaintiff and Class Counsel have fairly and adequately represented and protected the interests of all of the Settlement Class Members; and
 - e. Class treatment of these claims will be efficient and manageable, thereby achieving an appreciable measure of judicial economy, and a class action is superior to the other available methods for a fair and efficient adjudication of this controversy.

5. The Court preliminarily finds that the settlement of the Lawsuit, on the terms and conditions set forth in the Agreement, is in all respects fundamentally fair, reasonable, adequate and in the best interest of the Settlement Class Members, especially in light of the benefits to the Settlement Class Members, the strength of the Plaintiff's case, the complexity, expense, and probable duration of further litigation, the risk and delay inherent in possible appeals, the risk of collecting any judgment obtained on behalf of the class, and the limited amount of any potential total recovery for the class.

6. The Non-Party Class Action Administrator — Pursuant to the terms of the Agreement, TEFCU will retain RG/2 Claims Administration, a non-party administrator (the "Settlement Administrator") to assist in the administration of the settlement and the notification to Settlement Class Members. TEFCU shall be responsible for all costs and expense for the Settlement Administrator, which shall be paid in accordance with the terms of the Agreement. The Settlement Administrator shall be responsible for mailing the approved class action notices and settlement checks to the Settlement Class Members.

7. Notice – The Court approves the form and substance of the written notice of class action settlement (“Class Notice”), attached to the Agreement as Exhibit A. The proposed form and method for notifying the Settlement Class Members of the settlement and its terms and conditions satisfy the requirements of Superior Court Rule of Civil Procedure 23(c)(2)(B) and due process, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons and entities entitled to the notice. The Court finds the proposed notice is clearly designed to advise the Settlement Class Members of their rights. In accordance with the Agreement, the Settlement Administrator shall cause the completed notices to be mailed to the Settlement Class Members as expeditiously as possible, but no later than ten (10) days after the Court’s entry of this Order.

8. Objections and Opt-Outs

- a. Attendance at the Fairness Hearing is not necessary. Settlement Class Members need not appear at the hearing or take any other action to indicate their approval of the proposed Class Action Settlement. In the event that this Court grants Final Approval of this Class Action Settlement, the Final Order and Judgment, whether favorable or not, shall include all Settlement Class Members who do not request exclusion.
- b. However, each Class Member wishing to be heard at the Fairness Hearing or otherwise object to the Settlement may enter an appearance through counsel and must mail Defendant’s Counsel, with a copy for Class Counsel, a signed, written submission (1) indicating his or her intention to object, (2) stating the name (“*Carr v. Transit Employees Federal Credit Union*”) and docket number (Civil Action No.) of this case, as well as his or her (a) full name, (b) address, (c) telephone number, and (d) email address (if available), (3) setting forth each objection and the basis thereof, and (4) indicating

whether he or she intends to appear at the Fairness Hearing. **All such submissions must be filed with the Court and served on Class Counsel and Defendant's counsel no later than sixty (60) days after entry of this Order.**

- c. Similarly, each Class Member wishing to exclude him- or herself from the proposed Class Action Settlement must indicate as much in a signed writing ("Opt-Out Request") provided to the Settlement Administrator per the terms of the Class Notice specifically stating that he or she wants to be excluded from the Settlement Class(es) and stating the Class Member's (a) full name, (b) address, (c) telephone number, and (d) email address (if available). **All Opt-Out Requests must be postmarked no later than sixty (60) days after entry of this Order:**

9. Submissions by the Parties, including memoranda in support of the proposed settlement and responses to any objections, shall be filed with the Court no later than seven (7) days prior to the Fairness Hearing.

10. The Agreement and this Order shall be null and void if any of the following occur:

- a. the Court refuses to approve this Settlement or any material part of it permanently;
- b. the Court requires a notice program in addition to or substantially different from that set forth in the Agreement;
- c. the Court orders TEFCU to pay attorney's fees with respect to the litigation, other than as provided herein;
- d. the Court orders TEFCU to pay, with respect to the litigation, any amount above the contribution to the Settlement Funds, other than as provided in the Agreement;
- e. the Court declines to enter the Judgment in any material respect;

- f. more than ten (10) Putative Settlement Class Members Opt-Out of any Settlement Class;
or
- g. the Judgment is reversed, vacated, or modified in any material respect by the District of Columbia Court of Appeals, the United States Supreme Court, or adverse action being taken by any other trial court or appellate court in any jurisdiction.

11. If the Agreement and/or this Order are voided per Paragraph 12 of this Order, then the Agreement shall be of no force and effect and the Parties' rights and defenses shall be restored, without prejudice, to their respective positions as if the Agreement had never been executed and this Order never entered.

12. Fairness Hearing and Final Approval — the Court shall conduct a hearing (the "Fairness Hearing") on [DATE], 2019, at the Courthouse in the Superior Court of the District of Columbia, Courtroom, commencing at [TIME], to review and rule upon the following issues:

- a. Whether this action satisfies the applicable prerequisites for class action treatment for settlement purposes under Superior Court Rule of Civil Procedure 23;
- b. Whether the proposed settlement is fundamentally fair, reasonable, adequate, and in the best interest of the Settlement Class Members and should be approved by the Court;
- c. Whether the Final Order and Judgment, as provided under the Agreement, should be entered, dismissing the Lawsuit with prejudice and releasing the Released Claims against the Released Parties; and
- d. To discuss and review other issues as the Court deems appropriate.

The Fairness Hearing may be postponed, adjourned, transferred, or continued without further notice to the Settlement Class Members.

13. Distribution of Class Funds — In the event that this Court grants an Order of Final Approval, the Settlement Administrator shall issue the Payment checks to Settlement Class Members within thirty (30) days of the Effective Date. However, no checks will be mailed to Settlement Class Members for whom the Settlement Administrator was unable to obtain a valid mailing address and for whom the Class Notice was returned as undeliverable with no forwarding address. Each mailed check shall become void ninety (90) days after issuance. Any checks not cashed, or funds not disbursed pursuant to this paragraph shall be deposited with the District of Columbia Office of the Chief Financial Officer Unclaimed Property Unit.

14. Modification of Credit Reporting — Any Tradeline Deletion Eligible Class Member who does not opt-out of the Settlement may request a deletion of the three major credit bureau's tradelines associated with his or her auto loan account with TEFCU by submitting a written request to the Settlement Administrator. **All such submissions must be postmarked no later than ninety (90) days after entry of this Order.**

15. Injunctive Relief - Prior to the Court's Final Approval of the Class Action Settlement, TEFCU shall confirm that it has modified its repossession practices and procedures to ensure the following:

- TEFCU will no longer send customers who are residents of the District of Columbia redemption letters seeking repossession fees or daily storage charges that exceed the statutory maximums set out in DCMR § 342.2 (i.e., \$100 for repossession of a vehicle, and \$3 for daily storage of a repossessed vehicle);
- TEFCU will create a process to ensure that redemption letters state the correct storage address of repossessed vehicles; TEFCU will use commercially reasonable efforts to require that its third-party vehicle location and repossession vendor,

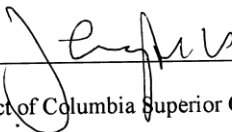
Roquemore Holdings, LLC d/b/a Roquemore & Roquemore (“Roquemore”), or any such similarly situated vendor, ensure compliance with 16 DCMR § 341.5 by towing companies that Roquemore hires to repossess and store automobiles serving as collateral for TEFCU auto loans to residents of the District of Columbia;

- TEFCU will ensure that no further collection action will be taken on any deficiency judgments for Settlement Class Members; and
- For a period of three years from entry of the Final Order, the Court will maintain jurisdiction to enforce the Settlement so that Settlement Class Members may bring to the Court’s attention any violation of this Agreement.

16. The Court retains continuing and exclusive jurisdiction over the action to consider all further matters arising out of or connected with the settlement, including the administration and enforcement of the Agreement.

It is so ORDERED.

August 13, 2019
Date: [MONTH][DATE], [YEAR]

By: 

Judge
District of Columbia Superior Court Judge