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24 **UNITED STATES DISTRICT COURT**
25 **NORTHERN DISTRICT OF CALIFORNIA**

26 JUAN QUINTANILLA VASQUEZ, GABRIELA
27 PERDOMO ORTIZ, and VICTOR HUGO
28 CATALAN MOLINA, and KEVIN CALDERON,
individually and on behalf of all others similarly
situated,

Plaintiffs,

vs.

LIBRE BY NEXUS, INC. and JOHN DOES 1-50,
Defendants.

Case No. 4:17-cv-00755-CW

**[PROPOSED] FINAL APPROVAL
ORDER AND JUDGMENT**

1 On December 9, 2020, this Court heard the unopposed motion for final approval of class action
2 settlement (“Motion”) brought by Plaintiffs Juan Quintanilla Vasquez, Gabriela Perdomo Ortiz, Victor
3 Hugo Catalan Molina, and Kevin Calderon (“Plaintiffs”). The Court reviewed (1) the motion and the
4 supporting papers, including the Settlement Agreement and Release (“Agreement” or “Settlement”); (2)
5 any objections filed with or presented to the Court; (3) Plaintiffs’ and Defendant Libre by Nexus, Inc.’s
6 (“LBN”) (collectively, “the Parties”) responses to any objections; and (4) counsel’s arguments. Based on
7 this review and the findings below, the Court finds good cause to GRANT the Motion.

8 **FINDINGS:**

9 1. Unless otherwise specified, defined terms in the Agreement have the same definition as
10 used in this Final Approval Order and Judgment.

11 2. This Court has jurisdiction over the subject matter of the Agreement with respect to and
12 over all parties to the Agreement, including Plaintiffs and all Settlement Class Members.

13 3. Venue is proper in this judicial district.

14 4. The Court finds the Settlement was entered into in good faith, that it is fair, reasonable,
15 and adequate, and that it satisfies the standards and applicable requirements for final approval of this
16 class action settlement under Federal Rules of Civil Procedures 23(a) and 23(b)(3).

17 5. The Parties adequately performed their obligations to date under the Agreement.

18 6. Defendant LBN and the Settlement Administrator provided notice to the Class
19 Members in compliance with the Agreement, Rule 23, the California and United States Constitutions,
20 and other applicable law. The notice: (a) fully and accurately informed Class Members about the lawsuit
21 and Settlement; (b) provided sufficient information so that the Class Members were able to decide
22 whether to accept the benefits offered, opt out and pursue their own remedies, or object to the
23 proposed Settlement; (c) provided procedures for Class Members to file written objections to the
24 proposed Settlement, appear at the final Fairness Hearing, and state objections to the proposed
25 Settlement; and (d) provided the time, date, and place of the final Fairness Hearing. The Court has
26 afforded a full opportunity to all Settlement Class Members to be heard. Accordingly, the Court
27 determines that all Settlement Class Members, except those who timely excluded themselves from the
28 Settlement Class, are bound by this Final Approval Order and Judgment.

1 7. Within ten (10) days after the filing of the proposed Agreement in this Court, LBN
2 served a notice of the proposed settlement upon the appropriate state official of each State in which a
3 Class member resides and upon the Attorney General of the United States. The Court finds that the
4 notice provided by LBN satisfied the requirements of 28 U.S.C. § 1715(b) and that more than ninety
5 (90) days have elapsed since LBN provided the required notice, as required by 28 U.S.C. § 1715(d).

6 8. An award of \$_____in attorneys' fees and costs to Class Counsel is fair and
7 reasonable in light of the nature of this case, Class Counsel's experience and efforts in prosecuting this
8 Action, and the benefits obtained for the Class.

9 9. An incentive award to Plaintiffs in the amount of \$_____(each) is fair
10 and reasonable in light of Plaintiffs' risks (including financial, professional, and emotional) in
11 commencing this Action as the Class Representatives, the time and effort spent by Plaintiffs in litigating
12 this Action as the Class Representatives, Plaintiffs' full release and waiver of all known and unknown
13 claims, and Plaintiffs' public interest and service.

14 **IT IS HEREBY ORDERED THAT:**

15 1. **Class Members:** For Settlement purposes only, the Court makes final its preliminary
16 certification of the following Settlement Class:

17 **Settlement Class:** All current or former LBN "program participants" and "sponsors"
18 who paid, or caused to be paid on their behalf, a fee to LBN. Excluded from the Class
19 are: (a) individuals for whom LBN or any surety or bond company has paid a treasury
20 invoice or the bond or for whom a demand for payment for breach of a bond has been
made by the U.S. Government which remains outstanding or open; (b) any judge or
magistrate presiding over this action and members of their families; (c) Defendant and its
current or former employees; and (d) all persons who properly execute and file a timely
request for exclusion.

21 The Class is also comprised of three Subclasses, defined as follows:

22 **Current Program Participant Subclass:** All current LBN "program participants" and
23 "sponsors" who paid, or caused to be paid, or caused to be paid on their behalf, a fee to
LBN.

24 **Former and Current Program Participant Payments Subclass:** All former LBN
25 "program participants" who paid, or caused to be paid on their behalf, a "Program
26 Payment" to LBN and all current LBN "program participants" who, within six months
of the "Final Settlement Approval Date" have been issued a Form I-391.

27 **Sponsor Payments Subclass:** All sponsors of members of the Former and Current
28 Program Participants Payments Subclass who paid a fee to LBN, including any initial
payment or set up fee.

1 2. **Binding Effect of Order:** This Order applies to all claims or causes of action settled
2 under the Settlement Agreement, and binds all Class Members, including those who did not properly
3 request exclusion under paragraph____of the Preliminary Approval and Provisional Class Certification
4 Order. This Order does not bind persons who filed timely and valid requests for exclusion. Attached as
5 **Exhibit A** is a list of persons who properly requested to be excluded from the Settlement.

6 3. **Objections Overruled.** The Court has considered and hereby overrules all objections
7 brought to the Court’s attention, whether properly filed or not.

8 4. **No Admission.** Neither this Final Approval Order and Judgment nor the Agreement is
9 an admission or concession by Defendant of the validity of any claims or of any liability or wrongdoing
10 or of any violation of law and not an admission by Plaintiffs that their claims lacked merit.

11 5. **Dismissal.** This Court hereby dismisses this Action with prejudice all claims of Class
12 Representatives and Settlement Class Members against LBN that have been, or could have been, alleged
13 in the Action.

14 6. **Release.** Plaintiffs and all Settlement Class Members who did not properly request
15 exclusion are deemed to have released and discharged LBN from all claims arising out of or relating in
16 any way to any of the legal, factual, or other allegations made in the Action, or any legal theories that
17 could have been raised based on the allegations of the Action, including without limitation allegations
18 made in any version of the complaint filed in the Action and claims released under the Settlement
19 Agreement, as described in the Agreement.

20 7. By operation of this judgment, Plaintiffs, but not Settlement Class Members, also
21 expressly waive any and all claims, rights, or benefits they may have under California Civil Code § 1542
22 and any similar federal or state law, right, rule, or legal principle that may apply. California Civil Code §
23 1542 provides as follows:

24 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
25 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
26 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
27 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
28 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
 OR RELEASED PARTY.

1 8. LBN releases, waives, and forever discharges Plaintiffs and each Member of the
2 Payments Subclasses (“Plaintiff Releasees”) who has fully paid their obligations to LBN and
3 who has not opted out of the Settlement Class from any and all claims it has or may have against the
4 Plaintiff Releasees with respect to any claim for existing Program Payments or fees.

5 9. **Injunction Against Asserting Released Claims.** Class Representatives and the
6 Settlement Class Members, and LBN, having released all claims as described above, are permanently
7 enjoined from commencing or prosecuting any of those claims against the released parties as described
8 above, provided, however, that this injunction shall not apply to individual claims of any Settlement
9 Class Members listed in Exhibit A who properly excluded themselves from the Settlement Class. This
10 injunction is necessary to protect and effectuate the settlement, this Final Approval Order and
11 Judgment, and the Court’s flexibility and authority to effectuate this settlement and to enter judgment
12 when appropriate, and is ordered in aid of the Court’s jurisdiction and to protect its judgments pursuant
13 to 28 U.S.C. § 1651(a).

14 10. **Class Relief.** The Settlement Amount will be used to provide benefits to or on behalf of
15 the Settlement Class as set forth in the Agreement. Payments shall be made according to the schedule
16 set forth in the Agreement.

17 a. **Cash relief.** The Settlement Administrator shall issue a payment to each Former
18 and Current Program Participant Payments Subclass Member and Sponsor Payments Subclass Member
19 in accordance with the Agreement. If there is an amount remaining following the initial distribution such
20 that each recipient would receive at least \$5 in a secondary distribution, then there shall be a secondary
21 distribution, as stated in the Agreement. If any funds are remaining after this second distribution, or if
22 there were an amount less than \$5 per recipient following the initial distribution, those funds shall be
23 paid to the Cy Pres Recipients in accordance with the Agreement.

24 b. **Debt relief.** The remainder of the Settlement Amount, after payment of the cash
25 relief referenced above, Notice and other Administrative Costs, any Incentive Award as set forth herein,
26 and any Fee and Expense Award as set forth herein, will consist of credits to be made to the accounts of
27 current program participants for past due program fees due and owing as of the date the Plaintiffs filed
28 their motion for Preliminary Approval, as set forth in the Agreement.

1 c. **Additional monetary relief.** As set forth in the Agreement, members of the
2 Current Program Participant Subclass will benefit from several financial changes to their contracts with
3 LBN and LBN's business practices. First, Program Participants who make three (3) consecutive monthly
4 payments on time and in full will have their monthly recurring fee reduced by ten percent (10%) [the
5 "Consecutive Payment Discount"]. Program Participants who make an additional three (3) consecutive
6 monthly payments on time and in full (for a total of 6 consecutive on time and in full payments) will
7 have their monthly recurring fee reduced by a further ten percent (10%) from the original fee amount
8 set for each program participant [the "Second Consecutive Payment Discount"] for a total of a twenty
9 percent (20%) discount from their original recurring fee. Second, Program Participants who pay more
10 than \$420 per month in monthly recurring program fees, and pay on time and in full by the first of the
11 month, shall have their payment that month reduced to \$415. Third, LBN will impose a total payment
12 cap for Program Payments, excluding the initial payment and set up fees made by the program
13 participants and/or their sponsors, to an amount not to exceed the face amount of the bond. Fourth,
14 LBN will stop all monthly payments upon termination of immigration proceedings. Fifth, LBN will
15 provide fee waivers of at least \$150,000 per year to Program Participants.

16 d. **Other business practice changes.** LBN will also provide programmatic and
17 other non-monetary benefits to Settlement Class Members through other business practice changes set
18 forth in the Agreement, which include but are not limited to: (1) translating written and verbal contracts
19 and posting them online; (2) providing clear and concise contract terms; (3) using best efforts to ensure
20 meaningful program participant and sponsor review of contracts prior to signing; (4) not making any
21 immigration-related threats; (5) modifying language on criminal prosecution; (5) representing that LBN
22 has no present intent to collect certain debt from program participants or their sponsors; (6) removing
23 GPS monitors in a timely manner for pregnancy or medical necessity, or upon termination of
24 immigration proceedings; (7) not requiring leg-affixed GPS monitors for new program participants with
25 bonds of less than \$7,500 (impacting approximately 19% of program participants); (8) transitioning to
26 technologically upgraded ankle monitors that are less intrusive and do not require program participants
27 to stay in place to charge the monitors, by December 31, 2020 at the latest; and (9) using commercially
28 reasonable efforts to transition away from use of ankle monitors altogether and to instead use wrist

1 bracelet monitors or other similarly less intrusive monitors, such as cellular telephones or periodic
2 check-ins, by December 31, 2021 at the latest. Further details as to these business practices and any
3 exceptions are set forth in the Settlement Agreement.

4 11. **Attorneys' Fees and Costs.** Class Counsel is awarded \$_____total in
5 fees (\$_____) and costs (\$_____) to be paid from the Settlement
6 Amount, but not the Cash Settlement Fund, in accordance with the timeliness set forth in the
7 Settlement Agreement.

8 12. **Incentive Award.** Plaintiffs are each awarded \$_____as a service award
9 to be paid from the Settlement Amount, but not the Cash Settlement Fund, in accordance with the
10 timelines set forth in the Agreement.

11 13. **Settlement Administrator Costs.** The Court approves the payment to the Settlement
12 Administrator in a total amount not to exceed \$_____, to be paid from the Settlement
13 Amount, but not the Cash Settlement Fund, without prejudice to the Parties' ability to agree to pay
14 increased amounts to the Settlement Administrator based on material changes in the assumptions
15 originally used by the Settlement Administrator in setting the cap.

16 14. **Judgment.** The Court finds there is no reason for delay and directs the Clerk to enter
17 judgment in accordance with the terms of this Order as of the date of this order.

18 15. **Court's Jurisdiction.** Without affecting the finality of this Final Approval Order and
19 Judgment, pursuant to the Parties' request, the Court retains jurisdiction over this Action and the Parties
20 until final performance of the Agreement.

21 16. **Status Report.** By no later than_____, 202_, Class Counsel shall file a
22 status report to the Court specifying the total amount paid to Authorized Claimants and the total
23 amount of uncashed checks that will be paid to the approved Cy Pres Recipients.

24
25 **IT IS SO ORDERED.**

26 DATED: _____

27 _____
28 Hon. Claudia Wilken
UNITED STATES DISTRICT JUDGE