

OFFICIAL COURT NOTICE

HARRIET GATCHALIAN, on behalf of herself and all others similarly situated,

Plaintiff,

v.

ATLANTIC RECOVERY SOLUTIONS, LLC, a New York limited liability company; ZACHARIAH YAHIA AGA, individually and in his official capacity; DNF ASSOCIATES, LLC, a Delaware limited liability company; and DOES 1 through 10, inclusive,

Defendants.

UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

Case No. 3:22-cv-04108-JSC
Civil Action

THIS IS TO NOTIFY YOU THAT YOU ARE A CLASS MEMBER IN THE ABOVE CLASS ACTION AND THAT THE PARTIES HAVE REACHED A SETTLEMENT IN THE ABOVE CLASS ACTION.

*The United States District Court for the Northern District of California authorized this Notice.
This is not a bill or a solicitation from a lawyer.*

1. Why Should I Read this Notice?

This Notice is regarding a class action in the United States District Court for the Northern District of California, entitled *Gatchalian v. Atlantic Recovery Solutions, LLC, et al.*, Case No. 3:22-cv-04108-JSC (“Lawsuit”). You have been identified as a member of the Class. This Notice explains the nature of the Lawsuit and informs you of your legal rights and obligations. You should read this Notice to learn what this Lawsuit is about, the settlement arrived at by the parties, your rights, further Court proceedings, and additional information.

2. What is this Lawsuit About?

In 2022, Harriet Gatchalian (“Plaintiff”) filed a class action lawsuit against Atlantic Recovery Solutions, LLC, and various agents (“Defendants”), which is pending in the U.S. District Court for the Northern District of California, alleging violations of the California Rosenthal Fair Debt Collection Practices Act, California Civil Code §§ 1788-1788.33, and the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692-1692p. Plaintiff alleged that Defendants sent unlawful voicemail messages and/or cellular telephone text messages in an attempt to collect a defaulted consumer debt.

On November 16, 2023, the Court certified a class in this case, defined as follows:

All persons with addresses in California to whom Atlantic Recovery Solutions, LLC, sent voicemail messages, and/or cellular telephone text messages, in an attempt to collect a defaulted consumer debt on behalf of DNF Associates, LLC, which was originally owed to Sallie Mae Bank, during the period beginning June 6, 2021, through the date of class certification.

Excluded from the Class are any officers, directors or legal representatives of Defendants, and any judge, justice, or judicial officer presiding over this matter and the members of their immediate families and judicial staff.

There are approximately 297 class members.

YOU HAVE BEEN IDENTIFIED AS A MEMBER OF THIS CLASS.

The Court has ruled that: (1) the Class Action Settlement Agreement is preliminarily approved; (2) this case has been certified as a class action; (3) this notice is to be sent to all members of the Class; (4) the Class, through this notice,

shall be advised of the right to object to the settlement; and (5) you will be bound by the terms and conditions of the settlement.

3. The Settlement

Plaintiff and Defendants agreed to settle this case on the terms below. Defendants deny the allegations in the Complaint, and this settlement is not an admission of liability or wrongdoing by Defendants. Plaintiff believes in the merits of her claims. However, the parties are entering into the settlement to avoid the further expense and inconvenience of litigation.

3a. Potential Recovery

1. Defendant will pay a class fund of \$51,975 as a *pro rata* distribution to the 297 non-named Class Members pursuant to 15 U.S.C. § 1692k(a)(2)(B)(ii) and California Civil Code § 1788.17. Specifically, Defendants will pay Class Members no less than \$175 each. Any money not claimed by the Class Members will be paid to Alexander Community Law Center in San Jose, California, as a *cy pres* fund;
2. Defendants will pay Plaintiff \$2,000 in statutory damages, pursuant to 15 U.S.C. § 1692k(a)(2)(A) and California Civil Code § 1788.17;
3. Defendants will pay Plaintiff \$2,000 as a service award for her services to the Class, as authorized by the Court;
4. Defendants will pay for all costs associated with Class Notice and Class administration;
5. Defendants will pay attorneys' fees and costs to Class Counsel pursuant to 15 U.S.C. § 1692k(a)(3) and California Civil Code § 1788.17, as approved by the Court. The application for approval of attorneys' fees and costs will be made separately, upon noticed motion, and determined at the Final Fairness Hearing, or at the Court's discretion. Class Counsel's attorneys' fees and costs were separately negotiated from, and in addition to, payments to Plaintiff and Class Members.

3b. Release of Claims Against Defendants

If the Court approves the terms of this Class Settlement, you release the Defendants, Atlantic Recovery Solutions, LLC, DNF Associates, LLC, Zachariah Yahia Aga, and all of their respective principals, members, subsidiaries, partners, officers, directors, shareholders, managers, employees, agents, representatives, successors, assigns, attorneys, vendors, and their insurance carriers, from "all claims alleging violation of California Civil Code §§ 1788-1788.33, and/or 15 U.S.C. §§ 1692-1692p, or similar or related claims or causes of action under state or federal law, arising from or relating to voicemail messages, and/or cellular telephone text messages, sent by, or on behalf of, Defendants in the form described in Plaintiff's Complaint, which were sent within the Class Settlement Period."

4. Your Rights

4a. How to Participate as a Member of the Class

If you wish to participate as a member of this Class, you do not need to do anything.

4b. Your Right to Intervene or File an Appearance

You have the right to file an appearance or intervene (participate as a named plaintiff) in this case through your own attorney. However, it is not necessary to appear or intervene in order to receive your share of the recovery. If you want to intervene or appear through your own attorney, you must do so no later than January 9, 2024. Otherwise, you will be represented by Class Counsel at any hearing and all further court proceedings. You will not be charged for representation by Class Counsel.

4c. Your Right to Opt Out of the Settlement

You have the right to opt out of (exclude yourself from) this Settlement. If you wish to opt out, you must mail a written request for exclusion to the Settlement Administrator noted below, or to Class Counsel, postmarked no later than January 9, 2024. In your opt out request, you must include the case name and case number for this action, along with your (a) full name, (b) address, (c) telephone number, and (d) a statement that you wish to be excluded from the Settlement. If you submit a valid request for exclusion, you will neither be bound by the terms of this Settlement, nor

receive any of the benefits of this Settlement.

4d. Your Right to Object to the Settlement

You have the right to object to this Settlement in whole or in part, including, but not limited to, Class Counsel's request for attorney fees and costs, and Plaintiff's request for a service award.¹ Plaintiff and Class Counsel will file Motions seeking attorney fees and costs and the service award at least 35 days prior to the final Fairness Hearing date noted below. If you wish to object to any part of the Settlement, you must mail a written notice of objection to the Court, postmarked no later than January 9, 2024. Alternatively, you may appear at the final approval hearing and object orally without providing any written objection to the Court.

If you object in writing, you must include the case name and case number for this action, along with your (a) full name, (b) address, (c) telephone number, (d) a statement of each objection, (e) a description of the facts and law underlying each objection, (f) a statement noting whether you intend to appear at the Fairness Hearing, (g) a list of all witnesses that you intend to call by live testimony, deposition testimony, or affidavit or declaration testimony, and (h) a list of exhibits that you intend to present at the final Fairness Hearing.

If you do not submit a timely objection, you will be barred from seeking review of the proposed class action settlement by appeal, or otherwise.

5. Further Court Proceedings

The final Fairness Hearing will be held before Judge Jacqueline Scott Corley (Courtroom 8, 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102) on March 14, 2024 at 9:00 a.m. The date and time of the final Fairness Hearing may change without further notice to you. Please check the Settlement website below, or the Court's website at pacer.uscourts.gov to confirm the date has not been changed.

You may attend the Final Fairness hearing remotely via Zoom video conference. If you wish to appear at the Final Fairness hearing remotely, you should go to the Court's website at <https://cand.uscourts.gov/judges/corley-jacqueline-scott-jsc/>. Links are provided in the Public Hearings section.

Judge Corley will decide if the proposed settlement is reasonable, adequate, and fair. If approved, the settlement will be completed and the distributions paid as stated above.

6. Additional Information

For more information about this Notice or the Lawsuit, you may visit the website maintained by the Settlement Administrator, listing key deadlines and providing links to important case documents such as the Notice, preliminary approval order, motions for preliminary and final approval, and attorneys' fees, at: gatchaliansettlement.com.

7. Important Addresses

Gatchalian v Atlantic Settlement

c/o Settlement Administrator
PO Box 23668
Jacksonville, FL 32241-3668

Class Counsel

Consumer Law Center, Inc.
38 West Santa Clara Street
San Jose, CA 95113-1806
408-294-6100
fred.schwinn@sjconsumerlaw.com

U.S. District Court

450 Golden Gate Avenue, Box 36060
San Francisco, CA 94102-3489

You may inspect or copy the papers in this case in the office of the Clerk of the Court, 450 Golden Gate Avenue, San Francisco, CA 94102, or electronically via pacer.uscourts.gov, at your own expense.

PLEASE DO NOT CALL THE COURT OR DEFENDANTS' ATTORNEYS

¹See Section 3a.