

**IN THE UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

RHONDA HENDERSON, et al., on  
behalf of themselves and all others  
similarly situated,

Plaintiffs,

v.

VISION PROPERTY  
MANAGEMENT, LLC, et al.,

Defendants.

Case No. 20-cv-12649

Hon. Shalina D. Kumar

Mag. Judge David R. Grand

CLASS ACTION

**ORDER GRANTING PRELIMINARY APPROVAL OF SETTLEMENT  
PURSUANT TO FED. R. CIV. P. 23(e)(1), CERTIFYING CLASSES FOR  
SETTLEMENT PURPOSES, AND PERMITTING NOTICE TO THE  
CLASSES**

WHEREAS, the above-captioned action is pending before this Court (the “Litigation”);

WHEREAS, Plaintiffs Rhonda Henderson, Roberta Faulks, Rachel Church, Teaha Jackson, and Chelsea Pobur, individually and on behalf of others similarly situated (“Plaintiffs” or “Named Plaintiffs”), filed an Unopposed Motion to Certify the Classes for Settlement Purposes and Direct Notice of Settlement to the Classes (ECF No. 264) pursuant to Federal Rule of Civil Procedure 23(e), requesting entry of an order preliminarily approving the Settlement of this Litigation and fully

resolving the instant action against Defendants ACM Vision V, LLC (“ACMV”); Inmost Partners; DSAAgent, LLC; Statebridge Company, LLC (“Statebridge”); DS Agent, LLC; JY First Co. Ltd.; DSV SPV 1 LLC, DSV SPV 2 LLC, DSV SPV 3 LLC (collectively the “DSV” Defendants); FTE Networks, Inc., US Home Rentals, LLC (“USHR”), Kaja Holdings, LLC, Kaja Holdings II, LLC, MI Seven, LLC, IN Seven, LLC, RVFM 4 Series, Boom SC, Alan Investments III, LLC, and HOMI Holdings, LLC (collectively the “FTE” Defendants) (individually and collectively the “Settling Defendants”), as well as Atalaya Capital Management LP (“Atalaya”); Kookmin Bank (“Kookmin”), and Samsung Securities, Co. Ltd., (“Samsung”) (Kookmin and Samsung are referred to collectively as the “Issuer Noteholders”);<sup>1</sup>

WHEREAS the Parties have reached an agreement set forth in the Settlement Agreement (ECF No. 264-2),<sup>2</sup> which sets forth the terms and conditions for a proposed Settlement of the Litigation between the Settling Defendants and Plaintiffs

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<sup>1</sup> The Issuer Noteholders have contested the Court’s exercise of personal jurisdiction over them in this Litigation. This Settlement Agreement does not indicate any assent to personal jurisdiction by the Issuer Noteholders.

Neither JY First Co. Ltd. nor DSAgent, LLC are parties to the Litigation.

<sup>2</sup> This Order incorporates by reference the definitions in the Settlement Agreement and all capitalized terms used herein shall have the same meanings as set forth in the Settlement Agreement (ECF No. 264-2), unless otherwise stated.

and for dismissal of the Litigation with prejudice upon, and subject to, the terms and conditions set forth therein;

WHEREAS, the Parties have consented to the entry of this Order;

WHEREAS, unless otherwise defined, all terms used herein have the same meanings as set forth in the Settlement Agreement; and

WHEREAS, the Court has read and considered: (1) the motion for preliminary approval of the Settlement, and the papers filed and arguments made in connection therewith, and (2) the Settlement Agreement and the Exhibits;

IT IS HEREBY ORDERED:

1. The Court has reviewed the Plaintiffs' unopposed motion, the Settlement Agreement (ECF No. 264-2), and all exhibits attached thereto, and does hereby preliminarily approve the Settlement Agreement as fair, reasonable, and adequate, subject to further consideration at the Final Approval Hearing described below.

2. Pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure and for purposes of this settlement only, the classes are conditionally certified, and this Litigation is hereby preliminary certified as a class action on behalf of two classes. Class Members in this Litigation are all persons who entered into a Lease with Option to Purchase contract in the State of Michigan from January 1, 2013 through December 31, 2019, that was facilitated by, arranged by, made by, assigned to, or in which the subject property was owned at any time by any of the Defendants

in the Litigation. The first class conditionally certified is the LOP Occupant Class and is defined as all Class Members, or their heirs, who entered into an LOP in the State of Michigan that has been assigned to or originated from DSV or the FTE Defendants and who are in possession or control of property that is subject to such LOP as of the Settlement Effective Date, and which property is an Occupied Property. For the avoidance of doubt, LOP Occupants does not include any person who had an LOP and exercised the purchase option, whether through seller financing, third party financing, or cash. The second class conditionally certified is the Non-Occupant Class Members and is defined as all Class Members who are not LOP Occupant Class Members.

3. The Court preliminarily finds, for the purposes of settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all members is impracticable; (b) there are questions of law and fact common to the Class Members; (c) the claims and/or defenses of the Plaintiffs will fairly and adequately protect the interests of all Class Members; (d) there are common issues of law and fact that predominate over individual ones; and (e) a class action is superior to other methods for the fair and efficient adjudication of the Litigation.

4. Pursuant to Rule 23(a)(4) of the Federal Rules of Civil Procedure, for purposes of settlement only, the Court preliminarily finds that Plaintiffs and Plaintiffs' Counsel have fairly and adequately represented the interests of the Class Members and will fairly and adequately protect the interests of the class moving forward.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs Rhonda Henderson, Roberta Faulks, Rachel Church, Teaha Jackson, and Chelsea Pobur are preliminarily certified as Class Representatives and Plaintiffs' Counsel, attorneys from the ACLU of Michigan, Michigan Poverty Law Program, National Consumer Law Center, and NAACP Legal Defense Fund, are preliminarily certified as Class Counsel.

6. The Court preliminarily finds that the proposed Settlement Agreement should be approved as: (i) it is the result of serious, extensive arm's length and non-collusive negotiations between experienced counsel; (ii) it falls within a range of reasonableness warranting final approval; (iii) it has no obvious deficiencies; and (iv) it warrants notice of the proposed Settlement Agreement to the Class Members and further consideration of the Settlement at the Final Approval Hearing described below.

7. Pursuant to Rule 23(e), the Court approves the form, substance and requirements of the Class Notices as modified in ECF No. 266. The Class Notices

are reasonably calculated, under all the circumstances to apprise interested parties of the pendency of the Litigation and affords them an opportunity to present their objections.

8. A hearing shall be held before this Court on **Thursday February 27, 2025 at 1:00 p.m.** (the “Final Approval Hearing”), at the United States District Court for the Eastern District of Michigan, Southern Division, Federal Building and U.S. Courthouse, 600 Church Street, Courtroom 127, Flint, Michigan 48502, to: (a) determine whether the proposed Settlement Agreement resolving the Litigation on the terms and conditions provided for in the agreement is fair, reasonable, and adequate to the Class Members and should be approved by the Court; (b) determine whether a Final Approval Order as outlined in Sections 1.14, 4.4, and 5.1 of the Settlement Agreement should be entered, dismissing the Complaint with prejudice, and without costs to Atalaya and the Issuer Noteholders, (c) hear any objections by Class Members to the Settlement Agreement, and (d) consider such other matters the Court deems appropriate. The Court may adjourn or change the date and time of the Final Approval Hearing without further notice to the Class Members, and may approve the proposed Settlement Agreement with such modifications as the Parties may agree to, if appropriate, without further notice to the Class Members.

9. The firm of American Legal Claims Services (the “Settlement Administrator”) will serve as the claims administrator and administer the notice

procedure as well as the processing of claims as set forth in the Settlement Agreement.

10. Class Counsel sent the Settlement Administrator a list of current and former tenants of Michigan LOP's (the "Class List"). The Settlement Administrator will cause copies of the Class Notices to be distributed to the Class List by e-mail (where available) and first-class United States Mail within fourteen days of the entry of this Order. These methods constitute the best notice practicable under the circumstances, and constitute, due and sufficient notice of the pendency of the proposed Settlement Agreement and the Final Approval Hearing to all persons entitled to notice in full compliance with due process under the U.S. Constitution, Michigan Constitution and state law.

11. Plaintiffs may disseminate the Class Notices or Settlement Agreement by other means (including social media, basic website postings, TV news, and radio) as set forth in Section 6.12 of the Settlement Agreement.

12. All fees, costs, and expenses incurred in identifying and notifying Class Members shall be paid from the Attorney's Fees and Costs Fund.

13. All Class Members shall be bound by all determinations and judgment in the Litigation concerning the Settlement Agreement (including, but not limited to, the releases provided for therein) whether favorable or unfavorable to the Class

Member, except a Class Member who submits a valid opt-out statement as set forth in Section 4.2 of the Settlement Agreement.

14. Any Class Member sent a Notice shall have until sixty days after the date on which the Settlement Administrator first mails the notices to Class Members, to object or opt out of the Settlement Agreement pursuant to instructions set forth in Sections 4.2 and 4.3 of the Settlement Agreement.

15. LOP Non-Occupant Class Members who wish to participate in the Settlement Agreement shall complete and submit a claim form attached to the Class Notice to the Settlement Administrator no later than sixty days from the date on which the Settlement Administrator first mails the notices to Class Members. The Settlement Administrator shall issue payment to each Non-Occupant Class Member that timely submits a valid claim form, and who has not opted out of the Settlement Agreement, an equal pro rata share of the available Net Settlement Fund within thirty days after receiving the final payment from DSV into the Qualified Settlement Fund.

16. LOP Occupant Settlement Class Members who wish to participate in the Settlement Agreement shall complete and submit an election form within sixty days of the Settlement Effective Date to the Settlement Administrator electing either the Payoff Option or the Cash for Keys option.



17. LOP Occupant Settlement Class Members who do not elect either the Payoff Option or the Cash for Keys Option will be deemed to have elected one of the options in accordance with Section 3.3(E) in the Settlement Agreement.

18. Notwithstanding the foregoing, Class Counsel shall have discretion (but not the obligation) to accept late-submitted claim or election forms for processing by the Settlement Administrator so long as distribution of the Qualified Settlement Fund is not materially delayed thereby. No person shall have any claim against Plaintiffs, Class Counsel or the Settlement Administrator by reason of the decision to exercise such discretion whether to accept late-submitted claims. This paragraph does not alter or revise the provisions in paragraphs 20 and 23 below.

19. Any uncashed checks as of the Settlement Payment Expiration Date as set forth in Section 3.1(E) of the Settlement Agreement shall be awarded to Michigan Legal Services (MLS).

20. Any Class Member who wishes to exclude himself, herself, themselves, or itself from the Settlement Agreement must opt-out by mailing via first class United States Mail, postage prepaid, or submit electronically, a written, signed statement to the Settlement Administrator that states their name, address, email address(es) and telephone number(s) and that states, "I opt out of the Settling Defendants Settlement" or an alternative, unambiguous statement indicating an intent to opt out of the

Settlement, no later than sixty days after the Settlement Administrator first mails the approved class notices to Class Members.

21. Any Class Member may enter an appearance in the Litigation, at his, her, their, or its own expense, individually or through counsel of their choice. If any Class Member does not enter an appearance, they will be represented by Class Counsel.

22. In preparation of the declaration that the Settlement Administrator will submit as part of the Final Approval Motion, the Settlement Administrator will send a list of the names of all individuals who timely submitted opt-out statements to Class Counsel and Settling Defendants' Counsel. The final list will be submitted by Class Counsel, with redaction of any personal identifying information, along with the declaration of the Settlement Administrator, as an exhibit to the Final Approval Motion.

23. Any Class Member who or which does not request exclusion from the Settlement may appear at the Final Approval Hearing and object if he, she, they, or it has any reason why the proposed Settlement of the Litigation should not be approved as fair, reasonable and adequate, why a final order should not be entered, or why the Litigation should not be certified as a class for settlement purposes, provided that any such Class Members files objections and copies of any papers and briefs by first class United States mail, postage prepaid, or be submitted electronically, and be received

by the Settlement Administrator no later than sixty days after the Settlement Administrator first mails the approved class notices to Class Members. Any Class Member who does not make their objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the proposed Settlement as incorporated in the Settlement Agreement. Attendance at the Final Approval Hearing is not necessary. However, Class Members wishing to be heard orally in opposition to the Settlement or class certification for settlement purposes, are required to indicate in their written objection their intention to appear at the hearing and the identity of any witnesses they may call to testify and copies of any exhibits they intend to introduce into evidence at the Final Approval Hearing. Class Members do not need to appear at the Final Approval Hearing to indicate their approval.

24. The Settlement Administrator will stamp the date received on the original and send copies of each objection to Class Counsel and the Settling Defendants' Counsel as soon as they are received. The final list will be submitted by Plaintiffs, with redactions of any personal identifying information, along with the declaration of the Settlement Administrator attached to the Final Approval Motion. The Parties may file with the Court written responses to any filed objections no later than three days before the Final Approval Hearing.

25. The Final Approval Motion and all papers in support of the Settlement shall be filed and served no later than **Thursday January 23, 2025** (a date that is thirty-five days prior to the Final Approval Hearing). Any opposition papers thereto shall be filed and served no later than **Thursday February 6, 2025** (a date that is twenty-one days prior to the Final Approval Hearing), and any reply papers shall be filed and served no later than **Thursday February 20, 2025** (a date that is seven days prior to the Final Approval Hearing).

26. In the event the Court does not enter a Final Approval Order in accordance with the Settlement Agreement, or if the Final Approval Order is set aside on appeal, or if Settlement Class is not certified, the Litigation will proceed as if no settlement had been attempted.

27. This Order and the Settlement Agreement, any of the negotiations, discussions, proceedings connected with them, and any act performed or document executed pursuant to or in furtherance of the Settlement Agreement or this Order, may not be construed as an admission or concession by the Settling Defendants of the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any kind. The Class Members, Plaintiffs, Defendants, and Class Counsel, and each of their counsel may file the Settlement Agreement and/or this Order, and/or the Final Approval Order, in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*,

collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

28. All proceedings in the Litigation are stayed until further order of this Court, except as may be necessary to implement the Settlement or comply with the terms therein.

29. The Court retains jurisdiction over the interpretation and implementation of the Settlement Agreement as well as any and all matters arising out of, or related to, the interpretation or implementation of the Settlement Agreement and the Settlement contemplated thereby.

30. If the Settlement Agreement fails to become effective as defined in the Settlement Agreement or is terminated, then, in any such event, the Settlement Agreement, including any amendment(s) thereto (except as expressly provided by the Settlement Agreement and this Order) shall be null and void, and of no further force or effect, and without prejudice to any Party, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*. In any such event, the Parties shall be deemed to have reverted to their respective litigation positions as of October 30, 2024.

IT IS SO ORDERED.

s/Shalina D. Kumar  
THE HONORABLE SHALINA D. KUMAR  
UNITED STATES DISTRICT JUDGE

DATED: November 27, 2024