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8 UNITED STATES DISTRICT COURT
9 EASTERN DISTRICT OF CALIFORNIA

10 EFRAIN MUNOZ, *et al.*,
11 Individually, and On Behalf of All
12 Others Similarly Situated,

13 Plaintiffs,

14 v.

15 PHH CORP., PHH MORTGAGE
16 CORP., PHH HOME LOANS, LLC.
17 and ATRIUM INSURANCE CORP.,

18 Defendants.
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No. 1:08-cv-00759 MMB-BAM

**FINAL APPROVAL ORDER
AND JUDGMENT**

Dept: Ctrm 10 (13th fl.)

Judge: Hon. M. Miller Baker

1 WHEREAS, the above-captioned class action is pending in this Court
2 (“Action”);

3 WHEREAS, (a) Plaintiffs Efrain Munoz, Leona Lovette, Stefanie
4 Melani, John Hoffman, and Daniel Maga, II (collectively, “Plaintiffs”) on
5 behalf of themselves and the Court-certified Class, and (b) Defendants
6 PHH Corp., PHH Mortgage Corp., PHH Home Loans, LLC, and Atrium
7 Insurance Corp. (collectively, “Defendants”) (together with Plaintiffs, the
8 “Parties”) have entered into the Class Action Settlement Agreement dated
9 July 11, 2025 (“Settlement Agreement”), that provides for a complete
10 dismissal with prejudice of the claims asserted against Defendants in the
11 Action on the terms and conditions set forth in the Settlement Agreement,
12 subject to the approval of this Court (“Settlement”);

13 WHEREAS, unless otherwise defined in this Final Approval Order,
14 the capitalized terms herein shall have the same meanings as they have in
15 the Settlement Agreement;

16 WHEREAS, by Order dated August 11, 2025 (ECF 615) (“Preliminary
17 Approval Order”), this Court: (a) found, pursuant to Rule 23(e)(1)(B) of the
18 Federal Rules of Civil Procedure, that it would likely be able to approve the
19 Settlement as fair, reasonable, and adequate under Rule 23(e)(2); (b)
20 ordered that notice of the proposed Settlement be provided to potential
21 members of the Class; (c) provided Class Members with the opportunity to
22 exclude themselves from the Class, to object to the proposed Settlement; and
23 (d) scheduled a hearing regarding final approval of the Settlement;

24 WHEREAS, by Order dated August 11, 2025 (ECF 615), the Court
25 also provisionally certified the following class under Federal Rule of Civil
26 Procedure 23(b)(3) and 23(e): All persons who obtained residential
27 mortgage loans originated and/or acquired by PHH and/or its affiliates on
28 or after January 1, 2007, through December 31, 2009, and, in connection

1 therewith, purchased private mortgage insurance and whose loans were
2 included within PHH's captive mortgage reinsurance agreements.);¹

3 WHEREAS, pursuant to the Court's Order dated August 11, 2025
4 (ECF 615), notice was disseminated to potential members of the
5 Settlement Class to notify them of, among other things: (a) the nature of
6 the action; (b) the definition of the Settlement Class; (c) the class claims
7 and issues; (d) Settlement Class Members' right to enter an appearance
8 through counsel if desired; (e) the necessity of submitting a timely claim
9 via a valid claim form to be eligible to receive compensation under the
10 Settlement; (f) the time and manner for submitting a claim form; (g) that
11 the Court will exclude from the Settlement Class any member who timely
12 and validly requests such; (h) the time and manner for requesting
13 exclusion; and (i) the binding effect of a class judgment on Settlement Class
14 members under Rule 23(c)(3);

15 WHEREAS, due and adequate notice has been given to the Class;

16 WHEREAS, the Court conducted a hearing on December 17, 2025
17 ("Final Fairness Hearing") to consider, among other things (a) whether the
18 terms and conditions of the Settlement are fair, reasonable, and adequate
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21 ¹ Excluded from the Settlement Class are: (a) Defendants' officers, directors,
22 and employees; (b) Defendants' affiliates and affiliates' officers, directors, and
23 employees; (c) Defendants' future, present, and former direct and indirect parents,
24 subsidiaries, divisions, affiliates, predecessors, successors, and assigns, and their
25 future, present, and former directors, officers, employees, managers, servants,
26 principals, agents, insurers, reinsurers, shareholders, investors, attorneys,
27 advisors, consultants, representatives, partners, joint venturers, divisions,
28 predecessors, successors, assigns, and agents thereof; (d) all persons who have
previously excluded themselves from the certified class (*see* ECF. 230, 288, 314);
and (e) any person otherwise in the Settlement Class who timely and properly
excludes themselves from the Settlement Class as provided in the Settlement
Agreement and class notices.

1 to the Class, and should therefore be approved; and (b) whether a judgment
2 should be entered dismissing the Action with prejudice as against
3 Defendants; and

4 WHEREAS, the Court having reviewed and considered the Settlement
5 Agreement, all papers filed and proceedings held herein in connection with
6 the Settlement, all oral and written comments received regarding the
7 Settlement, and the record in the Action, and good cause
8 appearing therefor;

9 NOW THEREFORE, IT IS HEREBY ORDERED:

10 1. **Jurisdiction** – The Court has jurisdiction over the subject matter
11 of the Action, and all matters relating to the Settlement, as well as personal
12 jurisdiction over all of the Parties and each of the Class Members.

13 2. **Incorporation of Settlement Documents** – This Final Approval
14 Order incorporates and makes a part hereof: (a) the Settlement Agreement
15 filed with the Court on July 31, 2025; and (b) the Long- Form Notice,
16 Summary Notice, and Claim Form, all of which were filed with the Court on
17 the same day.

18 3. **Notice** – The Court finds that the Notice Plan: (a) was
19 implemented in accordance with the Preliminary Approval Order; (b)
20 constituted the best notice practicable under the circumstances; (c)
21 constituted notice that was reasonably calculated, under the circumstances,
22 to apprise Settlement Class Members of (i) the effect of the proposed
23 Settlement (including the releases to be provided thereunder); (ii) Class
24 Counsel's motion for attorneys' fees, litigation expenses, and class
25 representative service awards; (iii) their right to object to any aspect of the
26 Settlement and/or Class Counsel's motion for attorneys' fees, litigation
27 expenses, and class representative service awards; (iv) their right to exclude
28 themselves from the Class; and (v) their right to appear at the Final

1 Fairness Hearing; (d) constituted due, adequate, and sufficient notice to all
2 individuals and entities entitled to receive notice of the proposed
3 Settlement; and (e) satisfied the requirements of Rule 23 of the Federal
4 Rules of Civil Procedure, the United States Constitution (including the Due
5 Process Clause), and all other applicable law and rules. No Class Member
6 is relieved from the terms of the Settlement, including the releases provided
7 for therein, based upon the contention or proof that such Class Member
8 failed to receive actual or adequate notice. A full opportunity has been
9 offered to Settlement Class Members to object to the proposed Settlement
10 and to participate in the hearing thereon. Thus, it is hereby determined that
11 all Settlement Class Members are bound by this Final Approval Order,
12 except those individuals who submitted a single request for exclusion,
13 dated November 28, 2025, which is expressly accepted as provided in
14 Paragraph 8 below.

15 4. **CAFA Notice** - The Court finds that the notice requirements set
16 forth in the Class Action Fairness Act of 2005, 28 U.S.C. § 1715, have been
17 satisfied.

18 5. **Objections** – There are no objections to the Settlement.

19 6. **Final Settlement Approval and Dismissal of Claims** – Pursuant
20 to, and in accordance with, Rule 23(e)(2) of the Federal Rules of Civil
21 Procedure, this Court hereby fully and finally approves the Settlement set
22 forth in the Settlement Agreement in all respects (including, without
23 limitation, the Settlement Relief, the releases provided for therein, and the
24 dismissal with prejudice of the claims asserted against Defendants in the
25 Action), and finds that the Settlement is, in all respects, fair, reasonable and
26 adequate, and in the best interests of the Class. Specifically, the Court finds
27 that (a) Plaintiffs and Class Counsel have adequately represented the Class;
28 (b) the Settlement was negotiated by the Parties at arm's length; (c) the

1 relief provided for the Class under the Settlement is adequate taking into
2 account the costs, risks, and delay of trial and appeal, the proposed means
3 of distributing the Settlement Relief to the Class, and the proposed
4 attorneys' fee award; and (d) the Settlement treats members of the Class
5 equitably relative to each other. The Parties are directed to implement,
6 perform, and consummate the Settlement in accordance with the terms and
7 provisions contained in the Settlement Agreement.

8 7. The Action and all of the claims asserted against Defendants in
9 the Action by Plaintiffs and the other members of the Class are hereby
10 dismissed with prejudice as to Defendants. The Parties shall bear their own
11 costs and expenses, except as otherwise expressly provided in the
12 Settlement Agreement.

13 8. **Binding Effect** – The terms of the Settlement Agreement and of
14 this Final Approval Order shall be forever binding on the Parties and all
15 other members of the Class (regardless of whether or not any individual
16 Class Member submits a claim), as well as their respective successors and
17 assigns. The sole request for exclusion, dated November 28, 2025, on behalf
18 of two co-borrowers on a single Class Member loan and submitted to the
19 Settlement Administrator on that date, is accepted and the individuals
20 named therein are excluded from the Class pursuant to the request and
21 are not bound by the terms of the Settlement Agreement or this Final
22 Approval Order. Any further request for exclusion received after the date of
23 this Order is hereby rejected.

24 9. **Release** – The releases set forth in the Settlement Agreement,
25 together with any definitions contained in the Settlement Agreement
26 relating thereto, are expressly incorporated herein. The releases are
27 effective as of the Effective Date. Accordingly, this Court orders that: subject
28 to paragraph 10 below, upon the Effective Date of the Settlement

1 Agreement, the Settlement Class Releasors shall release, forever discharge,
2 will not in any manner pursue this Action, and shall be forever barred from
3 asserting, instituting, or maintaining against the Released Persons, any
4 and all Released Claims, as defined in § 3 of the Settlement Agreement. This
5 release shall not apply to the individuals whose request for exclusion is
6 identified as accepted in Paragraph 8 above.

7 10. Notwithstanding paragraph 9 above, nothing in this Final
8 Approval Order shall bar any action by any of the Parties to enforce or
9 effectuate the terms of the Settlement Agreement or this Final Approval
10 Order.

11 11. **No Admissions** – This Final Approval Order, the Settlement
12 Agreement, the Settlement, all documents, orders, and other evidence
13 relating to the Settlement, the fact of their existence, any of their terms, any
14 press release or other statement or report by the Parties or by others
15 concerning this Final Approval Order, the Settlement Agreement, the
16 Settlement, their existence, or their terms, any negotiations, proceedings,
17 acts performed, or documents drafted or executed pursuant to or in
18 furtherance of the Settlement Agreement or the Settlement shall not be
19 offered or received as evidence, nor shall they be deemed to be, used as,
20 construed as, or constitute a presumption, concession, admission, or
21 evidence of (a) the validity of any Released Claims or of any liability,
22 culpability, negligence, or wrongdoing on the part of the Released Persons;
23 (b) any fact alleged, any defense asserted or any fault by the Released
24 Persons; (c) the propriety of certifying a litigation class or any decision by
25 any court regarding the certification of a class; and/or (d) whether the
26 consideration to be given in the Settlement Agreement represents the relief
27 that could or would have been obtained through trial in the Action in any
28 trial, civil, criminal, administrative, or other proceeding of the Action or any

1 other action or proceeding in any court, administrative agency, or other
2 tribunal. Defendants and the other Released Persons shall have the right to
3 file the Settlement Agreement and/or the Final Approval Order in any
4 action that may be brought against them in order to support a defense or
5 counterclaim based on principles of res judicata, collateral estoppel, release,
6 good-faith settlement, judgment bar, reduction, or any other theory of claim
7 preclusion or issue preclusion or similar defense or counterclaim.

8 12. **Retention of Jurisdiction** – Without affecting the finality of this
9 Final Approval Order in any way, this Court retains continuing and
10 exclusive jurisdiction over: (a) the Parties for purposes of the
11 administration, interpretation, implementation, and enforcement of the
12 Settlement and payment of the Settlement Relief; (b) any motion for
13 attorneys' fees, litigation expenses, or class representative service awards
14 by Class Counsel in the Action; and (c) members of the Class for all matters
15 relating to the Action.

16 13. A separate order shall be entered regarding approval of the
17 motion of Class Counsel for attorneys' fees, litigation expenses, and class
18 representative service. Such order shall in no way affect or delay the finality
19 of this Final Approval Order and shall not affect or delay the Effective Date
20 of the Settlement.

21 14. **Modification of the Agreement of Settlement** – Without further
22 approval from the Court, the Parties are hereby authorized to agree to and
23 adopt such amendments or modifications of the Settlement Agreement or
24 any exhibits attached thereto to effectuate the Settlement that: (a) are not
25 materially inconsistent with this Final Approval Order; and (b) do not
26 materially limit the rights of Settlement Class Members in connection with
27 the Settlement. Without further order of the Court, the Parties may agree
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to reasonable extensions of time to carry out any provisions of the Settlement.

15. **Termination of Settlement** – If the Settlement is terminated as provided in the Settlement Agreement or the Effective Date of the Settlement otherwise fails to occur, this Final Approval Order shall be vacated, rendered null and void, and be of no further force and effect, except as otherwise provided by the Settlement Agreement, and this Final Approval Order shall be without prejudice to the rights of Plaintiffs, the other members of the Class, and Defendants, and the Parties shall be restored to their respective positions immediately preceding execution of the Settlement Agreement, and any intervening Court rulings or decisions shall be vacated, as provided in the Settlement Agreement.

16. **Entry of Final Judgment** – There is no just reason to delay the entry of this Final Approval Order and immediate entry by the Clerk of the Court is expressly directed.

IT IS SO ORDERED.

Dated: December 19, 2025

/s/ M. Miller Baker
HON. M. MILLER BAKER²

² Judge of the United States Court of International Trade, sitting by designation.