

TIMOTHY P. CLAIBORNE, et al.,	*	IN THE
Plaintiffs,	*	CIRCUIT COURT
v.	*	FOR
THE MARYLAND MANAGEMENT COMPANY,	*	BALTIMORE CITY, MARYLAND
Defendant.	*	Case No. 24-C-16-4505
* * * * *	*	* * * * *

ORDER PRELIMINARILY APPROVING SETTLEMENT, CERTIFYING CLASS FOR SETTLEMENT PURPOSES, APPOINTING CLASS COUNSEL AND SETTLEMENT ADMINISTRATOR, AND SETTING SCHEDULE WITH RESPECT TO NOTICE, SETTLEMENT HEARING AND ADMINISTRATION

Upon review of the Motion for Preliminary Approval of the Settlement, and for Approval of the Form, Manner and Administration of Notice (Docket Entry #3000) and to certify this case as a settlement class, it is this 3rd day of February 2017, by the Circuit Court for Baltimore City, hereby, **ORDERED**:

1. The terms of the Agreement, and the Settlement provided for, are preliminarily approved as fair, reasonable and adequate, subject to further consideration at the Final Fairness Hearing described at Paragraph 18 of this Order.
2. The definitions set forth in the Agreement are incorporated by reference into this Order.
3. The Court has subject matter and personal jurisdiction over the Parties, including all Class Members.
4. For purpose of this Settlement and without prejudice to MMC's right to contest class certification in the event that the proposed Settlement is not fully implemented, the Court certifies the following classes ("Class") in accordance with the Agreement, and pursuant to Maryland Rule 2-231 (a) and (b)(3):

All individuals sued by MMC in Maryland state court at any time from October 1, 2007 to September 1, 2016 against whom MMC obtained a judgment for an alleged consumer debt.

Excluded from the Settlement Class are: (i) any individual who now is, or ever has been, an officer of MMC as well as the spouses, parents, siblings and children of all such individuals; (ii) employees of the Court; and (iii) any individual who filed for bankruptcy protection after entry of judgment in favor of MMC and who received a discharge.

5. For the purpose of this preliminary approval and all matters relating to the Settlement of this Action, and without prejudice to MMC'S right to contest the appointment of the Named Plaintiffs as the representatives of the Class and/or the appointment of Class Counsel in the event that the proposed Settlement is not fully implemented, until further order of the Court, the Named Plaintiffs Timothy P. Claiborne and Mieisha J. Alston are appointed as the Representatives of the Class and Representative Plaintiffs' counsel of record are appointed as counsel for the Class ("Class Counsel"). The law firms representing the Class and who shall comprise Class Counsel are: Scott C. Borison, Legg Law Firm, LLP and Peter A. Holland and Emanwel Turnbull of Holland Law Firm PC.

6. The Casey Group is appointed to serve as Settlement Administrator.

7. Pursuant to the terms of paragraph 15 of the Settlement Agreement, MMC is hereby ordered to prepare and provide to Class Counsel and the Settlement Administrator a Class Member List within fourteen (14) business days of the entry of this Order.

8. The Settlement Administrator shall comply with the provisions of the Agreement, maintain the confidentiality of the Class Member List, and shall use the information contained in the Class Member List solely for purposes of implementing this Settlement and for no other purposes whatsoever.

9. Within thirty (30) calendar days of the entry of this Order, pursuant to the procedures detailed in the Agreement, the Settlement Administrator shall provide notice of this Settlement and of the Settlement Hearing to all potential Class Members by mailing to each person identified as a Potential Class Member on the Class Member List a copy of the Notice of Pendency of Class Action, Proposed Settlement and Hearing (the "Class Notice"), substantially in the form attached as Exhibit A to this Order. If any Class Notices are returned because of an incorrect or invalid address, the Settlement Administrator is ordered to take the actions set forth in paragraph 17 of the Agreement.

10. The costs of the notice shall be paid by MMC as set forth in paragraph 18 ("Cost of Administration of Settlement Fund") of the Agreement.

11. Prior to the hearing on Final Approval described in paragraph 18 of this Order, the Settlement Administrator shall file a declaration evidencing compliance with the provisions of this Order concerning the mailing of the Class Notice.

12. Notice to potential Class Members in accordance with the provisions of the Agreement and paragraph 10 of this Order is found to be: (a) the best notice practicable under the circumstances; (b) due and sufficient notice of this Order to all persons affected by and/or entitled to participate in the Settlement; and (c) in full compliance with the notice requirement of Maryland Rule 2-231 and due process to all persons entitled to such notice.

13. Any Class Member wishing to be excluded from the Class shall timely give a written election for exclusion ("Request for Exclusion" or "Opt-Out"), pursuant to paragraph 26 ("Opt-Out Option") of the Agreement, to the Settlement Administrator, postmarked not later than eighty five (85) days after entry of this Order. Requests for exclusion that do not include all required information and/or not transmitted as to the instructions set forth in the Notice will not be

honored. Upon receipt, the Settlement Administrator shall immediately forward a copy of any Request for Exclusion to Class Counsel and to counsel for MMC. Such request shall set forth: the name, address, and telephone number of the Class Member, and contain the words “opt-out,” “exclusion,” or other words clearly indicating the intent not to participate in the Settlement. Requests for exclusion shall be deemed to have been made in each and every capacity in which the person requesting the exclusion is acting. Any Class Member who does not properly and timely request exclusion shall be included in the Class and shall be bound by the determinations of the Court, and any Final Judgment entered in the Action, if this Settlement receives Final Approval from the Court. The specific date and deadline for requesting exclusion by a Class Member shall be set forth in the Class Notice.

14. Within ten (10) business days following the expiration of the last date for requesting exclusion (the “Exclusion Date”) the Settlement Administrator shall:

- (a) Notify in writing MMC’s attorneys the names of Class Members, if any, who request exclusion;
- (b) File with the Court a sworn statement listing all persons who have submitted timely requests for exclusion; and
- (c) Provide copies of all Requests for Exclusion received by it to MMC’s counsel.

The originals of all Requests for Exclusion shall be retained by the Settlement Administrator.

15. In order to be deemed a Class Member entitled to participate in the Settlement as set forth in the Agreement, Class Members need not take any affirmative action. A class member shall only be excluded from the class if the member exercises the opt-out option described in paragraph 26 of the Agreement.

16. All other events contemplated under the Agreement to occur after this Order and before the Final Hearing described in paragraph 18 of this Order shall be governed by the Agreement to the extent not inconsistent with this Order.

17. Memoranda in support of the Settlement, petitions for attorneys' fees and reimbursement of expenses by Representative Plaintiffs' counsel, and requests for incentive awards to the any Representative Plaintiffs shall be filed with the Clerk of the Court not less than 10 days before the final fairness hearing set in paragraph 18 of this Order.

18. A hearing (the "Settlement Hearing") shall be held before the undersigned at 10:00 a.m. on Tuesday, May 30, 2017 in the Circuit Court for Baltimore City to consider the fairness, reasonableness and adequacy of the proposed Settlement, the entry of any final Order or Judgment in the case, petitions for attorneys' fees and for reimbursement of expenses by Representative Plaintiff's counsel, and other related matters. This hearing may be postponed, adjourned or continued by Order of the Court without further notice to the Class.

19. Any Class Member who does not opt out of the Settlement may appear at the Settlement Hearing in person or by counsel, if any appearance is filed and served as provided in the Class Notice, and will be heard to the extent allowed by the Court in support of, or in opposition to, the fairness, reasonableness and adequacy of the proposed Settlement, the entry of any final Order or Judgment in the case, petitions for attorneys' fees and for reimbursement of expenses by Representative Plaintiff's counsel, or other related matters. However, that no person shall be permitted to intervene or otherwise be heard in opposition to the proposed Settlement, and, if approved, the judgment entered, or to the requested award of attorneys' fees and reimbursement of expenses, and no papers or briefs submitted by any person shall be accepted or considered by the Court unless, not later than eight-five (85) days of the mailing of the Notice, such person has:

- (a) filed with the Clerk of the Court a notice of such person's intention to intervene or otherwise appear together with a statement that indicates the basis for such intervention or opposition along with any supporting documentation;
- (b) served copies of such notice, statement and documentation, together with copies of any other papers or briefs that such person files with the Court, either in person or by mail, upon Representative Plaintiff's counsel, and upon MMC's counsel;
- (c) otherwise complied with the Settlement Agreement and Notice for purposes of such hearing.

20. Any Class Member who does not make objection in the manner provided in this Order shall be deemed to have waived such objection and shall be forever foreclosed from making any objection to the fairness or adequacy of the proposed Settlement as incorporated in the Agreement and to the award of attorneys' fees and costs to Class Counsel.

21. If the proposed Settlement is not implemented or if the Settlement is terminated for any reason whatsoever, the Settlement, and all proceedings in connection with the Agreement, including without limitation, all orders entered in connection with the proposed Settlement shall be without prejudice to the rights of the settling parties, and all Orders issued pursuant to this proposed Settlement shall be vacated. In such an event, the Settlement and all negotiations, proceedings and statements made in connection with the proposed Settlement, including without limitation the Agreement, shall be null, void and without effect. No evidence relating to such negotiations, proceedings, documents, or statements shall be used in any manner or for any purpose in any subsequent proceedings in this Action, or in any other proceeding between the settling parties, and

this Action shall revert to its status immediately prior to the execution of the Agreement, including but not limited to its status as a putative class action.

22. The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement. The Court may approve the Settlement with such modifications as may be agreed to by the Parties, if appropriate, without further notice to the Settlement Class.

The Judge's signature appears
on the original document.

ALTHEA M. HANDY
Judge

Notice to Clerk:
Please mail copies to all parties.

TRUE COPY
TEST

Marilyn Bentley

MARILYN BENTLEY, CLERK

EXHIBIT A:
MAILED NOTICE

IN THE CIRCUIT COURT FOR BALTIMORE CITY, MARYLAND

TIMOTHY P. CLAIBORNE,
MIEISHA J. ALSTON,

*

*

v.

Case No. 24-C-16-4505

*

THE MARYLAND MANAGEMENT
COMPANY.

*

* * * * *

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT AND HEARING**

TO: ALL INDIVIDUALS WHO WERE SUED BY THE MARYLAND MANAGEMENT COMPANY IN MARYLAND STATE COURT AT ANY TIME FROM OCTOBER 1, 2007 TO SEPTEMBER 1, 2016 AND AGAINST WHOM THE MARYLAND MANAGEMENT COMPANY OBTAINED A JUDGMENT FOR AN ALLEGED CONSUMER DEBT

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**Please Read This Notice Carefully In Its Entirety
Your Rights May Be Affected By The Settlement
Of This Lawsuit Now Pending In This Court**

BASIC INFORMATION

1. Why was this notice issued?

A court authorized this notice because you have a right to know about a Proposed Settlement of this class action lawsuit and about your options before the Court decides whether to give "final approval" to the Proposed Settlement. This notice explains the lawsuit, the Proposed Settlement, your legal rights, what benefits will be provided, and who will receive them.

This case is currently pending in the Circuit Court for Baltimore City, Maryland and is known as *Timothy P. Claiborne and Mieisha J. Alston v. The Maryland Management Company*, Case No. 24-C-16-4505.

2. What is this lawsuit about?

The lawsuit alleges that The Maryland Management Company (MMC) filed lawsuits, obtained judgments, and otherwise used judicial process to collect debts from Maryland consumers without the required license to do so. MMC has denied all claims and any wrongdoing whatsoever or liability to the Representative Plaintiffs (the individuals who filed the lawsuit) and the potential class members. MMC contends that the Representative Plaintiffs' claims have no merit and that, if the lawsuit were to proceed, it would prevail at trial.

3. Why is this a class action?

The parties have agreed and the Court has ordered that, for settlement purposes only, this lawsuit may be maintained as a class action under Maryland Rule 2-231, subject to final approval at the conclusion of the settlement process. If the Proposed Settlement is not finally approved, or if any party withdraws from the

Proposed Settlement, the lawsuit will return to the same status as before the Settlement Agreement was signed, and the Court will later determine if the case may proceed as a class action.

4. How do I know if I am part of the Proposed Settlement?

The Proposed Settlement includes all individuals who were sued by MMC in Maryland state court between October 1, 2007 and September 1, 2016 and against whom MMC obtained a judgment for an alleged consumer debt in connection with that lawsuit.

You are receiving this Notice because it is believed that you are a member of the Class.

5. Why is there a Proposed Settlement?

The parties arrived at the Proposed Settlement after substantial negotiations and before any of the claims or defenses were tried on the merits, and before the Court determined whether class certification was appropriate. The Proposed Settlement is a compromise of disputed claims and does not mean that any law was violated or that MMC did anything wrong.

THE PROPOSED SETTLEMENT BENEFITS

6. What benefits does the Proposed Settlement provide?

The Proposed Settlement provides both equitable and monetary benefits:

- MMC has declared that as of September 1, 2016, MMC did not initiate any lawsuits in Maryland state courts to collect debts from individuals without a collection agency license and did not continue to collect on judgments that were obtained by MMC without a collection agency license.
- MMC will cease all collection efforts on the judgments entered against the members of the Class;
- MMC agrees to vacate the judgments entered against the members of the Class and agrees to the dismissal of the underlying lawsuits, without prejudice.
- MMC will pay the sum of \$500,000 into a Settlement Fund pursuant to the Settlement Agreement. If the settlement is approved, the Settlement Fund will be used to provide a payment of \$100 to each class member and the balance to be distributed pro rata to the class members who have made payments to MMC in the three year period preceding the filing of the complaint in this action. **All payments due under the Settlement Agreement will be adjusted on a pro-rata basis to pay for court-approved attorneys' fees, expenses of litigation and incentive awards (see Questions 11 and 12).**

Any monies that remain unclaimed or undistributed from the Settlement Fund will not revert back to MMC. Instead, they will be placed in a fund, and thereafter distributed to a non-profit 501(c)(3) organization(s) approved by the Court.

More details are in a document called the Settlement Agreement, which is available for your inspection at the Office of the Clerk, Circuit Court for Baltimore City, Courthouse East, 111 N. Calvert Street, Baltimore, Maryland 21202, during normal business hours.

7. When will the Proposed Settlement go into effect?

The Court will hold a final approval hearing on Tuesday, May 30, 2017 at 10:00 a.m. to decide whether to approve the Proposed Settlement (*see* Question 15). Even if the Court approves the Proposed Settlement, there could be appeals. The time for an appeal varies.

If no appeals are taken, the Effective Date is the date on which the Court approves the Proposed Settlement as final, subject to certain conditions. If an appeal is taken, the Effective Date is the date when all appeals are completed and the Proposed Settlement becomes final.

The Proposed Settlement will go into effect on the Effective Date.

8. What am I giving up as part of the Proposed Settlement?

If you do nothing, you will be part of the Class. That means you cannot sue MMC over the claims settled in this case. It also means that all of the Court's orders, including the release of claims and dismissal of the lawsuit with prejudice (*see* Question 9), will apply to you and legally bind you.

Your interests as a member of the Class will be represented by the Representative Plaintiffs and Class Counsel. You will not be billed for their services. Class Counsel will receive a fee only if the Court approves the Proposed Settlement, and the fee award will be set by the Court and paid from the Settlement Fund created by MMC (*see* Questions 6 and 12).

9. How does the Proposed Settlement affect my rights?

If the Proposed Settlement is finally approved, the Court will enter a judgment dismissing all claims against MMC with prejudice. Under the terms of the Proposed Settlement, you will release MMC with respect to the claims that were raised or could have been raised in the case. This means you cannot seek equitable relief or any type of monetary relief against MMC based on any claim related to or arising out of the debt collection activities alleged in this case. You will be giving up all such claims, whether or not you know about them. The Court's order will apply to you even if you objected or have any other claim, lawsuit, or proceeding pending against MMC. If you have any questions about the release, you should consult with a lawyer.

EXCLUDING YOURSELF FROM THE PROPOSED SETTLEMENT

If you want to keep your right to sue MMC with respect to the debt collection activities alleged in this case, you must take steps to remove yourself from the Proposed Settlement. This is called asking to be excluded from – or “opting out” of – the Class.

10. How do I remove myself from the Proposed Settlement?

If you choose to exclude yourself from the Class, you will not be bound by any order, judgment or settlement of the lawsuit. If you exclude yourself from the Class, you will not receive any benefits from this class action. You will retain and be free to pursue any claim against MMC.

To exclude yourself from the Proposed Settlement, you must mail a letter saying that you want to be excluded from the Class in *Claiborne v. The Maryland Management Company*. You must include your full name, current mailing address, and the letter must be signed by you personally under the penalty of perjury.

Your letter requesting exclusion must postmarked by **[fifty five days (55) days after the date of the mailing of this Notice]**.

Claiborne Class Action
The Casey Group
c/o _____

You cannot exclude yourself on the phone or by email.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

Yes. The Court has appointed Peter A. Holland and Emanwel J. Turnbull of The Holland Law Firm, P.C. and Scott C. Borison of the Legg Law Firm, LLP to represent you and the other Class Members in this case. These attorneys are called Class Counsel.

You will not be charged for Class Counsel's representation. Class Counsel's compensation will be paid from the Settlement Fund. If you want to be represented by another lawyer, you may hire one at your own expense.

12. How will the lawyers be paid? What will the Representative Plaintiffs receive?

Class Counsel will ask the Court to approve attorneys' fees and expenses to be paid from the Settlement Fund. As fees, Class Counsel will ask the Court to award a percentage of the Settlement Fund, not to exceed 40% plus reasonable out-of-pocket expenses. Class Counsel will also ask the Court to approve an incentive award of \$2,500 to be paid to each Representative Plaintiff for the time and resources each have spent helping the lawyers on behalf of the Class. The Court may award less than these amounts. No Class Member will owe or pay anything for attorneys' fees and expenses or the incentive awards.

The Court must approve both the attorneys' fees and costs for Class Counsel and the incentive awards for the Representative Plaintiffs. The Court will conduct a hearing on attorneys' fees and expenses at a later date as part of the process of final approval of the settlement (see Question 15).

OBJECTING TO THE PROPOSED SETTLEMENT

13. How do I tell the Court I don't agree with the Proposed Settlement?

You may object to any part of the Proposed Settlement. To do so, you must file a written objection in the case *Timothy P. Claiborne and Mieisha J. Alston v. The Maryland Management Company*, Case No. 24-C-16-4505. Any objection must set forth your full name, current mailing address and must include: (a) a written statement explaining the reasons for your objection; (b) copies of any papers, briefs, or other documents you want to bring to the Court's attention; (c) any evidence you wish to introduce in support of your objection; and (d) a statement of whether you or your lawyer will ask to appear at the final approval hearing to talk about your objections.

Your objection must be mailed or otherwise delivered to each of the following addresses so that it is received by **[fifty-five (55) days after the date of the mailing of this Notice]**: