# NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

This Notice concerns a proposed class action settlement ("Settlement") in a lawsuit titled *Brittany Simmons, et al. v. The Maryland Management Company, et al.*, Case No.: 24-C-19-001317, pending in the Circuit Court for Baltimore City, Maryland (the "Lawsuit").

If you rented a place to live from The Maryland Management Company ("MMC") and were sued to collect an alleged debt owed under your lease, you may be eligible for benefits under the Settlement.

<u>A Court Authorized This Notice. This Is Not An Advertisement From A Lawyer.</u> <u>Please Read This Notice Carefully As It Affects Your Legal Rights</u>

- The Plaintiffs in this lawsuit allege that Defendants MMC, Woodbrook LP, Disney Road Limited Partnership LLLP, Wakefield, LLLP, Beacon Services, LLC, Robert L. Sova, Stuart L. Sagal, and Sagal, Filbert, Quasney & Betten, P.A. violated Maryland law by seeking to collect past due rent and other amounts beyond the applicable statute of limitations.
- The Court has allowed the lawsuit to proceed as a class action for the purposes of settlement and the Settlement Class includes:

All individuals who entered into or guaranteed a residential lease with MMC and/or a property owner for which MMC provided property management services and (1) against whom a Consumer Debt Collection Action was filed on or after October 1, 2016 based on a Consumer Debt that accrued more than three years earlier; or (2) against whom a judgment was entered on or after October 1, 2016 based on a Consumer Debt that accrued more than three years earlier; or (2) against whom a judgment was entered on or after October 1, 2016 based on a Consumer Debt that accrued more than three years prior to the filing of the Consumer Debt Collection Action

• The Court also certified a subclass for purposes of settlement. The subclass is referred to as the Payment Subclass and includes:

All members of the Settlement Class who, directly or indirectly, made a payment on a judgment that was entered in a Consumer Debt Collection Action.

- The Court has not made a determination as to the merits of the claims, but Plaintiffs and Defendants have agreed to a settlement that provides the following relief:
  - Vacate judgments against members of the Settlement Class. These judgments total more than \$3.7 million.
  - Dismiss any pending actions against members of the Settlement Class.
  - Create a \$825,000 Settlement Fund that will provide compensation to the Payment Subclass, pay the costs to administer the Settlement, pay any court-approved service awards to class representatives, and pay the attorneys' fees and expenses incurred in the prosecution of this case, and
  - Return all payments received since April 17, 2023 from or on behalf of any member of the Settlement Class in connection with a judgment involved in the Lawsuit.

# Your Legal Rights And Options In This Lawsuit

YOUR LEGAL RIGHTS AND OPTIONS IN THIS CLASS ACTION			
SETTLEMENT CLASS MEMBERS NEED NOT MAKE A CLAIM	If the Court gives final approval to the Settlement and after all potential appeals are exhausted (if any are filed), members of the Settlement Class will be eligible to receive relief under the Settlement (described in Section 7 below) without submitting a claim.		
IF YOU WISH TO BE EXCLUDED FROM THE SETTLEMENT, YOU MUST MAIL A REQUEST FOR EXCLUSION BY NO LATER THAN NOVEMBER 11, 2023	This is the only option that allows you to retain your rights to independently sue Defendants about the claims in this Lawsuit. In order to exclude yourself from the Settlement, you must follow the procedure described below and mail your Request for Exclusion to the Settlement Administrator at: Simmons v MMC, c/o Settlement Administrator P. O. Box 23680 Jacksonville, FL, 32241	The Exclusion Deadline for Requests for Exclusion to be mailed to the Settlement Administrator: <b>NOVEMBER 11, 2023</b>	
IF YOU WISH TO OBJECT TO THE SETTLEMENT, YOU MUST FILE YOUR WRITTEN OBJECTION WITH THE COURT BY NO LATER THAN NOVEMBER 11, 2023	You may write to the Court about why you object to (i.e., don't like) the Settlement and think it should not be approved. You must follow the procedure described below for objecting to the Settlement and file your written objection with the Circuit Court for Baltimore City at Courthouse East, 111 N. Calvert Street, Baltimore, Maryland 21202. You must also mail your written objection to the following attorneys. <u>Notice Counsel for Plaintiffs</u> Peter A. Holland The Holland Law Firm, P.C. 914 Bay Ridge Rd, Ste. 230 Annapolis, MD 21403 <u>Notice Counsel for Defendants</u> Brian L. Moffet Miles & Stockbridge, P.C. 100 Light Street Baltimore, MD 21202	The Objection Deadline for the Filing of Objections with the Court: <b>NOVEMBER 11, 2023</b>	
IF YOU WISH TO ATTEND THE "FINAL APPROVAL HEARING" ON THE SETTLEMENT	The Court will hold a "Final Approval Hearing" to consider the Settlement, Class Counsel's request for attorneys' fees and expenses, and the Class Representatives' request for service awards. You may, but are not required to, speak at the Final Approval Hearing if you have filed a timely written objection with the Court. If you intend to speak at the Final Approval Hearing, you must include your intention to do so in your written objection.	Scheduled Date of Final Approval Hearing: <b>DECEMBER 19, 2023</b>	

These Rights and Options are explained in more detail below.

The Court has preliminarily approved the Settlement and will decide later whether to give final approval to the Settlement. The relief provided to Settlement Class will be provided only if the Court gives final approval to the Settlement and after any appeals, if any are filed, are resolved in favor of the Settlement. **Please be patient**.

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# **BASIC INFORMATION**

1. Why did I get this notice?

Records show that you were a tenant or guarantor on a lease with MMC and that you were sued to collect an alleged debt that accrued more than three years before the debt collection lawsuit was filed against you. You have legal rights and options under the Settlement that you may exercise before the Court enters a final judgment. The Lawsuit is known as *Brittany Simmons et al. v. The Maryland Management Company et al.*, Case No. 24-C-19-001317. Information about the lawsuit is publicly available through the Circuit Court for Baltimore City ("the Court") or through the Maryland Judiciary Case Search website: <a href="https://casesearch.courts.state.md.us.com">https://casesearch.courts.state.md.us.com</a>.

2. What is this lawsuit about?

Plaintiffs in this Lawsuit allege that Defendants violated consumer protection laws with regard to their debt collection activities. Plaintiffs claim that they entered into residential apartment leases with MMC that included a provision that allowed the parties to initiate a lawsuit within 12 years

after the dispute arose. However, claims for collection of past due rent must be filed within 3 years after the date the debt accrued. Plaintiffs allege that they were sued for collection of unpaid rent and other related charges more than 3 years after the end of their leases in violation of Maryland law. In connection with those debt collection actions, judgments were entered against some Plaintiffs, and some Plaintiffs paid money towards those judgments. Defendants have agreed to the Settlement solely to avoid the further expense and inconvenience of further proceedings in the Lawsuit and did so without any admission of wrongdoing or liability. *The Court has not made any judgment or other determination of the liability of Defendants in the Lawsuit and the existence of this settlement does not mean that Defendants are liable.* 

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called Plaintiffs sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The persons they sue are called "Defendants." A court can certify a class for purposes of settling claims in a lawsuit. That is what has happened in this case.

4. Why is there a Settlement?

To avoid the costs and uncertainties of the Lawsuit, Plaintiffs, their attorneys, and Defendants have agreed to resolve the disputed claims in the Lawsuit through a settlement. The Settlement allows for the Settlement Class to receive relief through the benefits provided under the Settlement Agreement (*see* Section 7, below), rather than years from now, if ever, since it is unknown whether Plaintiffs would succeed in the Lawsuit. In granting preliminary approval to the Settlement, the Court has preliminarily determined that the Settlement is fair and reasonable.

#### WHO IS IN THE CLASS

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

The Court has decided that everyone who fits the following description is a Settlement Class Member:

All individuals who entered into or guaranteed a residential lease with MMC and/or a property owner for which MMC provided property management services and (1) against whom a Consumer Debt Collection Action was filed on or after October 1, 2016 based on a Consumer Debt that accrued more than three years earlier; or (2) against whom a judgment was entered on or after October 1, 2016 based on a Consumer Debt that accrued more than three years earlier; or (2) against whom a judgment was entered on or after October 1, 2016 based on a Consumer Debt that accrued more than three years prior to the filing of the Consumer Debt Collection Action.

The Court also decided that a Settlement Class Member who fits this description is also a member of the Payment Subclass:

All members of the Settlement Class who, directly or indirectly, made a payment on a judgment that was entered in a Consumer Debt Collection Action.

6. What should I do if I am still not sure if I am included in the Settlement Class?

If you are still not sure whether you are included, you can get free help by calling or writing to the lawyers in this case at:

Peter A. Holland Emanwel J. Turnbull The Holland Law Firm, P.C. 914 Bay Ridge Rd, Ste. 230

#### THE SETTLEMENT TERMS

#### 7. What relief does the Settlement provide to Settlement Class Members?

The Settlement provides both equitable and monetary benefits:

- Defendants have ceased all active collection efforts on the judgments entered against members of the Settlement Class; if the Settlement is approved, Defendants will permanently cease all collection efforts on these judgments.
- Defendants agree to vacate the judgments entered against Settlement Class members and further agree to the dismissal, with prejudice, of the underlying debt collection lawsuits against all Settlement Class Members. At the time of Settlement, the aggregate value of the judgments that will be vacated exceeded \$3.7 million.
- Defendants will pay the sum of \$825,000 into a Settlement Fund. If the Settlement is approved, the Settlement Fund will be distributed *pro rata* to the members of the Payment Subclass. **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 service awards (***see* **Sections 9 and 10, below).**
- All payments received since April 17, 2023 from or on behalf of any Settlement Class member in connection with a judgment will be returned in full to that Class member.

Any monies that remain unclaimed or undistributed from the Settlement Fund will not be returned to Defendants. Instead, they will be placed in a fund and equally distributed to Maryland Volunteer Lawyers Service and the Maryland Legal Aid Bureau, as 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 - Elijah E. Cummings Courthouse, 111 N. Calvert Street, Baltimore, Maryland 21202, during normal business hours.

8. Who represents the Settlement Class in the Lawsuit?

The Settlement Class is represented by Class Representatives, who are Plaintiffs in the Lawsuit. The appointed Class Representatives are: Brittany Simmons, Cory Scoville, Gregory Smith, Marie Brown, Lorraine Haut, Amanda Kelly, and Matthew DeHaven.

The Court has also appointed Plaintiffs' Counsel to serve as Class Counsel for the Settlement Class. Class Counsel for the Settlement Class are:

Peter A. Holland	Scott C. Borison, Esquire	Phillip R. Robinson
Emanwel J. Turnbull	Borison Firm, LLC	Consumer Law Center LLC
The Holland Law Firm, P.C.	1400 S. Charles St.	8737 Colesville Road, Suite
914 Bay Ridge Rd, Ste. 230	Baltimore MD 21201	308 Silver Spring, MD 20910
Annapolis, MD 21403		

Class Counsel may be contacted as follows: By mail at the addresses above. By telephone to: 410-280-6133. By email to: <u>peter@hollandlawfirm.com</u>.

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want your own lawyer, you may hire one to represent you at your own expense. For example, you can ask him or her to appear in Court for you, if you want someone other than Class Counsel to speak for you. 9. Will the Settlement Class Representatives receive any compensation for their efforts in bringing this Lawsuit?

The Class Representatives will request a service award of up to \$5,000 each, and \$35,000 collectively, for their services and efforts in bringing the Lawsuit. The Court will make the final decision as to the amount to be paid to each of the Class Representatives at or after the Final Approval Hearing (*see* Section 15, below). These payments will be paid from the Settlement Fund before any distribution to the Payment Subclass and will be in addition to any payment that is otherwise available to the Class Representatives.

#### 10. How will Class Counsel be paid?

Class Counsel will ask the Court to give final approval of the Settlement at the Final Approval Hearing and will also ask the Court for an award of attorneys' fees plus expenses in the amount of \$500,000. The Court will make the final decision as to the amounts to be paid to Class Counsel at or after the Final Approval Hearing. This payment will be deducted from the Settlement Fund before any distribution to the Payment Subclass.

11. What do Settlement Class Members give up to obtain relief under the Settlement?

If the Settlement receives final approval, the Court will enter a Final Order dismissing the Lawsuit "with prejudice" (meaning that it cannot be filed again).

The Settlement Agreement provides for MMC to compile a final Class Member List. Upon the entry of the Final Order, the Settlement provides that the Class Representatives, all members of the Settlement Class, as identified on the final Class Member List, who do not timely exclude themselves from the Settlement, and Class Counsel, and all of their respective heirs, executors, personal representatives, successors, and assigns (together "the Releasors"), release, remise, resolve, waive, acquit, and forever discharge Defendants and each of their respective past and present successors, subsidiaries, investors, shareholders, sister and affiliated companies, parent companies, holding companies, divisions and other related entities, corporate predecessors, insurers, reinsurers, assigns, agents, employees, officers, directors, representatives, partners, accountants, auditors, consultants, fiduciaries, principals, heirs, attorneys, vendors, administrators, assigns, and representatives, and/or their agents, representatives, attorneys, vendors, accountants, auditors, consultants, fiduciaries, predecessors, successors, heirs, and assigns, as well as the property owners and/or landlords for which MMC provides or once provided property management services (together "the Releasees") of and from any and all of the Released Claims (as defined below).

"Released Claims" means any and all claims, causes of action, suits, obligations, debts, demands, agreements, promises, liabilities, damages, losses, controversies, costs, expenses, and attorneys' fees of any nature whatsoever, whether based on any federal law, state law, common law, territorial law, foreign law, contract, rule, regulation, any regulatory promulgation (including, but not limited to, any opinion or declaratory ruling), common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, punitive or compensatory, as of the date of the Final Order, that any of the Releasors have, had, and/or may have against any of the Releasees that in any way concern and/or relate to the matters alleged and claims asserted in the Lawsuit and/or claims that could have been alleged therein based on the facts alleged in the complaints filed in the Lawsuit including, without limitation, claims for violation of the Maryland Consumer Debt Collection Act, the Maryland Consumer Protection Act, and/or Subtitle 8 of the Real Property

Article of the Maryland Annotated Code.

### **YOUR OPTIONS**

You must decide whether you want to be included in the Settlement; you must decide this now.

12. What do I do to be included?

To be included in the Settlement, you do not have to do anything. If you do nothing, you will be included in the Settlement Class and will receive the benefits of the Settlement.

#### 13. What if I do not want to be included in the Settlement?

Any member of the Settlement Class has the right to opt-out or exclude themselves from the Settlement by sending a written Request for Exclusion from the Settlement Class to the Settlement Administrator at the following address:

Simmons v MMC, c/o Settlement Administrator P. O. Box 23680 Jacksonville, FL, 32241

Requests for exclusion must be mailed to the Settlement Administrator in a post-marked envelope no later than the Exclusion Deadline of <u>NOVEMBER 11, 2023</u>, and must be signed by the person requesting exclusion from the Settlement Class and any co-tenant(s) and/or guarantor(s) on the lease with MMC. Requests for Exclusion must also include the requestor's full name and current address, the full name and current address of any co-tenant(s) and/or guarantor on their MMC lease and an affirmation, under penalty of perjury, that the requestor seeking to be excluded from the Settlement Class and their co-tenant(s) and/or guarantor(s), if any, wish to opt-out of the Settlement Class and understand that, in doing so, they will not be entitled to any relief under the Settlement.

If you submit a timely and valid Request for Exclusion from the Class, you will not be a part of the Settlement, will not be eligible to receive any relief under the Settlement, will not be bound by the Final Order entered in the Lawsuit, and will not be precluded from suing on the Released Claims at your own expense.

14. How do I tell the Court I do not agree with the Settlement?

At the date, time, and location stated in Section 15 below, the Court will hold a Final Approval Hearing to determine if the Settlement is fair, reasonable, and adequate, and to also consider Class Counsel's request for an award of attorneys' fees and expenses, and service awards to the Class Representatives.

If you have not submitted a timely and valid exclusion request and wish to object to the Settlement, you must file with or mail a written objection ("Objection") by the Objection Deadline of <u>NOVEMBER 11, 2023</u>, to the Circuit Court for Baltimore City, Courthouse East - Elijah E. Cummings Courthouse, 111 N. Calvert Street, Baltimore, Maryland 21202, and also mail a copy to Notice Counsel below:

Notice Counsel for Plaintiffs Peter A. Holland The Holland Law Firm, P.C. 914 Bay Ridge Rd, Ste. 230 Annapolis, MD 21403

Notice Counsel for Defendants Brian L. Moffet Miles & Stockbridge, P.C. 100 Light Street, Baltimore, MD 21202

All Objections must be signed by the person(s) making the objection, or an attorney or legal

guardian authorized to act on their behalf and must set forth in detail each component of the Settlement to which they object, the reasons for each such objection, and any legal authority that they wish the Court to consider in support thereof. Objections must also include (i) the objector's full name and current address; (ii) a statement of whether the objector intends to appear, either in person or through counsel, at the Final Approval Hearing; (iii) if the objector intends to appear through counsel, the counsel's name, address, phone number, and email address; (iv) a list of and copies of all exhibits that the objector may seek to use at the Final Approval Hearing; and (v) a list of any witnesses you intend to call at the Final Approval Hearing, together with a brief summary of each witness' expected testimony.

You may, but need not, submit your written objection through an attorney of your choice. If you do make your objection through an attorney, you will be responsible for your own attorneys' fees and costs.

#### IF YOU DO NOT TIMELY AND PROPERLY MAKE YOUR OBJECTION, YOU WILL BE DEEMED TO HAVE WAIVED ALL OBJECTIONS TO THE SETTLEMENT AND WILL NOT BE ENTITLED TO SPEAK AT THE FINAL APPROVAL HEARING.

You are not required to appear at the Final Approval Hearing. But, if you file and mail a timely objection that complies with this paragraph, you may appear at the Final Approval Hearing, either in person or through an attorney of your own choice hired at your expense, to object to the fairness, reasonableness, or adequacy of the Settlement, or to the award of attorneys' fees, expenses, and costs or to the service awards to the Plaintiffs.

# **GETTING MORE INFORMATION**

15. When and where will the Final Approval Hearing occur?

The Court has preliminarily approved the Settlement and will hold a hearing to decide whether to give final approval to the Settlement. The purpose of the Final Approval Hearing will be for the Court to determine whether the Settlement should be approved as fair, reasonable, adequate, and in the best interests of the Class; to consider the award of attorneys' fees and expenses to Class Counsel; and to consider the request for a service award to the Class Representatives.

The Final Approval Hearing will take place at 2:00 pm on <u>DECEMBER 19, 2023</u> in <u>room 434M</u> of the Circuit Court for Baltimore City, Courthouse West - Elijah E. Cummings Courthouse, 100 N. Calvert Street, Baltimore, Maryland 21202. The Court may elect to hold the Final Approval Hearing by telephone or through some other virtual means at the same time and date. The hearing may be postponed to a different date, time, or location as may be reflected on the online docket for the Lawsuit accessible through Maryland Judiciary Case Search website: <u>https://casesearch.courts.state.md.us.com</u>.

At that hearing, the Court will be available to consider objections concerning the fairness of the Settlement. You may attend, but you do not have to. As described above in Section 14 of this Notice, you may speak at the Final Approval Hearing only if (a) you have timely filed your written objection with the Court and timely mailed your written objection to Notice Counsel for Plaintiffs and Defendants and (b) followed the procedures set forth above for notifying the Court and the parties that you intend to speak at the Final Approval Hearing. If you have requested exclusion from the Settlement, however, you may not speak at the Final Approval Hearing.

16. Are more details available?

If you have any questions concerning the matters dealt with in this notice, please direct your inquiries to the following Class Counsel:

Peter A. Holland, Esquire peter@hollandlawfirm.com The Holland Law Firm, P.C. 914 Bay Ridge Rd., Ste. 230 Annapolis, Maryland 21403 410-280-6133

The pleadings and other records in this case are available and may be examined and copied during regular office hours at the Office of the Clerk, Circuit Court for Baltimore City, Courthouse East, 111 N. Calvert Street, Baltimore, Maryland 21202.

# PLEASE DO NOT TELEPHONE THE CLERK'S OFFICE OR THE JUDGE'S CHAMBERS CONCERNING THIS NOTICE OR THIS CASE.

DATE: <u>SEPTEMBER 27, 2023</u>

By: Order of the Circuit Court for Baltimore City The Honorable Judge <u>John Nugent</u>