

12/2/2024

SAMUEL STOKES,	*	IN THE CIRCUIT COURT FOR
	*	PRINCE GEORGE'S COUNTY
Plaintiff,	*	
	*	Case No. C-16-CV-24-001546
v.	*	
	*	
NOVELPAY, LLC	*	
	*	
Defendant.	*	

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

After review and consideration of the proposed Settlement Agreement (the "Agreement") in this case relating to claims raised by the Plaintiff, Samuel Stokes ("Representative Plaintiff") against Defendant NovelPay, LLC ("NovelPay" or "Defendant"), and upon application of the parties with good cause appearing, THIS COURT FINDS and ORDERS as follows:

1. The terms of the Agreement, and the Settlement provided for therein, are preliminarily approved as fair, reasonable and adequate, subject to further consideration thereof at the Settlement Hearing described at Paragraph 17 of this Order.

2. The definitions set forth in the Agreement are hereby incorporated by reference into this Order.

3. For purpose of this Settlement only and without prejudice to NovelPay's right to contest class certification in the event that the proposed Settlement is not fully implemented, the Court hereby certifies the following class ("Settlement Class") in accordance with the Agreement, and pursuant to Maryland Rule 2-231(b) & (c)(3), subject to further consideration thereof at the Settlement Hearing described at Paragraph 17 of this Order:

All persons who paid a Service Fee to NovelPay in connection with NovelPay's collection of charges arising from residential real property located in Maryland, including rent and community association dues, during the Class Period.

4. The Settlement Class excludes all employees, officers and directors of NovelPay, and all employees of the Court.

5. For settlement purposes only and without prejudice to NovelPay's right to contest class certification in the event that the proposed Settlement is not fully implemented, the Court finds, pursuant to the Agreement, that the prerequisites of Maryland Rule 2-231(b) & (c)(3) have been satisfied. In particular, pursuant to the Agreement, and for Settlement purposes only, the Court finds as to the Settlement Class that:

a. As NovelPay has certified in the Agreement that thousands of persons are Settlement Class members, the Class is so numerous that joinder of all members is impracticable (Md. Rule 2-231(b)(1));

b. There are questions of law or fact common to the Settlement Class, including whether NovelPay's alleged actions constituted conducting a collection agency business under the Maryland Collection Agency Licensing Act, Md. Bus. Reg. § 7-101 *et seq.* and violated the Maryland Consumer Debt Collection Act, Md. Code Ann., Com. Law § 14-201 *et seq.* (Md. Rule 2-231(b)(2)), and whether NovelPay's alleged actions were improper without posting a bond pursuant to N.J.S.A. § 45:18-1;

c. The claims of the Representative Plaintiff are typical of the claims of the Class that Representative Plaintiff seeks to certify, as Representative Plaintiff's claims center on the same facts and legal theories which are central to Settlement Class Members' claims (Md. Rule 2-231(b)(3)); and

d. Representative Plaintiff and his counsel will protect the interests of the Class fairly and adequately, as no conflict of interest between the Representative Plaintiff and the Class has been shown, and he has retained counsel experienced in class action litigation (Md. Rule 2-231(b)(4)).

For settlement purposes only and without prejudice to NovelPay's right to contest class certification in the event that the proposed Settlement is not fully implemented, the Court further finds that the prerequisites of Md. Rule 2-231(c)(3) are met, as:

a. The questions of law or fact common to Settlement Class Members, and which are relevant for Settlement purposes, predominate over the questions affecting only individual Settlement Class Members, because the lawsuit and Agreement concern, for all Settlement Class Members, the application of the same statutes to the same facts, including materially similar transactions for all Settlement Class Members as a part of Defendant's routine business; and

b. Certification of the Class is superior to other available methods for the fair and efficient adjudication of this controversy, because in the absence of class certification, Settlement Class Members would as a practical matter be foreclosed from seeking relief for the relatively small individual claims alleged in this lawsuit.

6. The Court finds that settlement class certification is appropriate after considering (A) the interest of members of the class in individually controlling the prosecution of separate actions, (B) the extent and nature of any litigation concerning the controversy already commenced by members of the class, (C) the desirability or undesirability of concentrating the litigation of the claims in the particular forum, and (D) the difficulties likely to be encountered in the management of a class action. In particular, the Court finds that individual class members do not have an interest in individually controlling the prosecution of separate actions which weighs against class certification, as such individual actions would be impractical; there is no other litigation concerning this controversy already commenced by members of the class; and that the nature of this class certification as for settlement neutralizes any concerns about litigation in a particular forum or the manageability of a contested class action.

7. For the purpose of this preliminary approval and all matters relating to the Settlement of this Action, and without prejudice to Defendant's right to contest the appointment of Representative Plaintiff as the representative 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, Plaintiff Samuel Stokes shall be the Representative of the Class and lead counsel for the Class ("Class Counsel") is Benjamin H. Carney of GORDON, WOLF & CARNEY, CHTD., 11350 McCormick Rd., EP 1 Suite 1000, Hunt Valley, MD 21031.

8. Continental DataLogix, LLC is hereby appointed to serve as Settlement Administrator.

9. The Parties and Settlement Administrator are ordered to carry out the Notice plan described in the Agreement, and, as described in the Agreement, Defendant shall provide the Class List to the Settlement Administrator within thirty (30) calendar days of the date of this Order, and the Settlement Administrator shall disseminate Notice to potential Settlement Class Members within forty-five (45) days of the date this Order is signed.

10. Notice to potential Class Members in accordance with the provisions of the Agreement and this Order is hereby 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.

11. Any Class Member wishing to be excluded from the Class shall mail a request for exclusion (“Request for Exclusion” or “Opt-Out”) to the Settlement Administrator, postmarked not later than forty-five (45) calendar days after the Notice Date. 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 an 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. Upon receipt, the Settlement Administrator shall immediately forward a copy of any Request for Exclusion to Class Counsel and to Defendant. Any Class Member who does not properly and timely request exclusion shall be included in the Class and shall be bound by any Final Judgment entered herein. The specific date and deadline for requesting exclusion by a Class Member shall be set forth in the Notice.

12. Within ten (10) business days following the expiration of the last date for requesting exclusion (the “Exclusion Date”) the Settlement Administrator shall file with the Court a sworn statement listing all persons who have submitted timely requests for exclusion.

13. The Settlement Administrator shall be responsible for the receipt of all Requests for Exclusion and other written communications from Class Members and shall preserve all such communications until administration is complete or further order of the Court. All written communications received from Class Members and all written responses to inquiries by Class Members relating to the Agreement and Settlement shall be available at all reasonable times for inspection and copying by Class Counsel and Defendant, subject to further Order of the Court if issues of privilege or confidentiality arise. Notice to Class Members shall designate the Settlement Administrator as the person to whom Requests for Exclusion shall be sent.

14. In order to be deemed a Class Member entitled to participate in the Settlement as set forth in the Agreement, in the event that the Settlement is effected in accordance with all of the terms and conditions thereof, Class Members need not take any affirmative action, but shall not opt-out of, or request exclusion from the Settlement.

15. All other events contemplated under the Agreement to occur after this Order and before the hearing described in paragraph 17 shall be governed by the Agreement to the extent not inconsistent with this Order.

16. Memoranda in support of the Settlement, petitions for attorneys’ fees and reimbursement of expenses by Representative Plaintiff’s counsel, and requests for any

Representative Plaintiff's incentive awards shall be filed with the Clerk of the Court on or before the Notice Date.

17. A hearing (the "Settlement Hearing") shall be held before the undersigned at 9 a.m. on April 28, 2025 [100 days or more from the date this Order is signed] in the Circuit Court for Prince George's County, 14735 Main Street, Upper Marlboro, Maryland 20772 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.

18. 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. Provided, 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 thereon, 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 (45) days after the Notice Date, 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, including specifically (1) the Settlement Class Member's full name, address and current telephone number; (2) if the individual is represented by counsel, the name and telephone number of counsel, if counsel intends to submit a request for fees and all factual and legal support for that request; (3) all objections and the basis for any such objections stated with specificity, including a statement as to whether the objection applies only to the objector, to a specific subset of the class, or to the entire class; (4) the identity of any witnesses the objector may call to testify; (5) a listing of all exhibits the objector intends to introduce into evidence at the Final Approval Hearing, as well as true and correct copies of such exhibits; and (6) a statement of whether the objector intends to appear at the Final Approval hearing, either with or without counsel; and,
- (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 Defendant's counsel at the following addresses:

To Representative Plaintiff's Counsel:

Benjamin H. Carney
Richard S. Gordon
Gordon, Wolf, Carney CHTD
11350 McCormick Road
Executive Plaza 1, Suite 1000
Hunt Valley, MD 21031
bcarney@gwcfirm.com
rgordon@gwcfirm.com

To Defendant's Counsel:

Elizabeth C. Rinehart
750 E. Pratt Street, Suite 900
Baltimore, MD 21202
lrinehart@venable.com

Mary M. Gardner
600 Massachusetts Avenue, NW
Washington, DC 20001
mmgardner@venable.com

- (c) otherwise complied with the Settlement Agreement and Notice for purposes of such hearing.

Representative Plaintiff, Class Counsel, and/or NovelPay may take discovery regarding any objector, their attorney (if applicable), and the basis for any objection, subject to Court approval. By filing an objection, objectors and their counsel submit to the jurisdiction of the Court for all purposes of this Litigation and Settlement, including but not limited to subpoenas and discovery.

19. Any Class Member who does not make objection in the manner provided in this Order shall not be permitted to object to the approval of the settlement or this Agreement or an award of attorneys' fees or costs by Class Counsel or an incentive award to the Representative Plaintiff and shall be foreclosed from seeking any review of the

Settlement or the terms of the Agreement or an Order approving the Settlement by appeal or other means.

20. 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.

IT IS SO ORDERED.

12/26/2024 2:01:35 PM

Dated: December 26, 2024



Judge, Circuit Court for Prince George's County
William A. Snoddy