

# Exhibit 1

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Alexandria Division**

NOVLETT MCKAY, <i>et al.</i> ,	:	
	:	
Plaintiffs,	:	
	:	
v.	:	Case No. 1:25-cv-00520-WBP
	:	
COLUMBIA DEBT RECOVERY, LLC	:	
d/b/a GENESIS,	:	
	:	
Defendant.	:	
	:	

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**SETTLEMENT AGREEMENT & RELEASE**

This Settlement Agreement and Release (“Settlement Agreement”) is made and entered into by the Parties, in the above-captioned matter, pending in the United States District Court for the Eastern District of Virginia, and is subject to Court approval pursuant to Rule 23 of the Federal Rules of Civil Procedure.

**RECITALS**

WHEREAS, on March 25, 2025, Plaintiffs Novlett McKay, Lauren Anderson, and Mohammed Zekraoui (“Plaintiffs”) filed their complaint (“Complaint”) against Columbia Debt Recovery, LLC d/b/a Genesis (“Defendant” or “Genesis”), alleging that Defendant violated the Fair Debt Collection Practices Act, 15 U.S.C. § 1692f (“FDCPA”) by collecting and attempting to collect interest that were not owed under the Plaintiffs’ and putative class members’ leases or applicable law.

WHEREAS Plaintiffs further alleged on an individual basis that Defendant violated the FDCPA, 15 U.S.C. §§ 1692f and 1692e, by seeking to collect and collecting other fees and debts from Plaintiffs related to the same lease agreements.

WHEREAS Defendant denies each and every one of the allegations of wrongful conduct and damages made in the Complaint, has asserted numerous defenses to Plaintiffs' claims, disclaims any wrongdoing or liability whatsoever, and denies that this matter satisfies the requirements to be tried as a class action under Rule 23 of the Federal Rules of Civil Procedure.

WHEREAS Plaintiffs will file an Amended Complaint for settlement purposes only to add Nicole Sherman and modify the class definition in the Complaint for settlement purposes only.

WHEREAS this Settlement Agreement has been reached after the Parties exchanged discovery, documents, testimony, and information relevant to Plaintiffs' claims, and it is the product of sustained, arms'-length settlement negotiations, including settlement conferences before the Court.

WHEREAS Plaintiffs and Defendant recognize that the outcome of this matter is uncertain, and that a final resolution through the litigation process would require protracted adversarial litigation, and appeals, substantial risk and expense, the distraction and diversion of Defendant's personnel and resources, and Plaintiffs and Defendant have agreed to resolve this matter as a settlement class action according to the terms of this Settlement Agreement.

WHEREAS the Parties believe that this Settlement Agreement is fair, reasonable, and adequate in resolving the litigation because it (1) provides for certification of the Settlement Class, even though the Court has not yet determined whether Plaintiffs' claims could properly be brought as a class action, and Defendant maintains that certification of any class for trial purposes would not be proper under Fed. R. Civ. P. 23; (2) provides for a refund of all interest paid by the Settlement Class through the date of the Agreement; (3) provides for automatic monetary payments to the Settlement Class Members (defined below); (4) provides that Defendant will request deletion of any reporting to the credit-reporting agencies about the class members' debts that are subject to

this Agreement and will not report such debts to any credit-reporting agencies in the future; (5) provides for injunctive relief to prevent the assessment of interest on residential tenant debts in Maryland or Virginia unless explicitly allowed by contract or change in applicable law or interpretation of applicable law, with such injunctive relief to remain in effect for a period of three years; provided, however, that if during the relevant period, Defendant believes that there has been a change in the law that would permit it to collect interest on Maryland or Virginia lease agreements, it shall file a Notice with the Court informing the Court, Class Counsel, and Class Representatives of such change, with a copy of documentation of same; and (6) provides this relief to the Settlement Class in exchange for releases tailored to the specific claims made in this case.

NOW THEREFORE, without any admission or concession on the part of any Party of lack of merit to any claim or defense put forth in this Litigation, it is hereby stipulated and agreed by the undersigned that this matter and all claims of the Settlement Class be settled, compromised, and dismissed on the merits and with prejudice, subject to Court approval, on the terms and conditions set forth herein.

The recitals above are true and accurate and are incorporated as part of this Settlement Agreement.

### **DEFINITIONS**

For the purposes of this Settlement Agreement, including the Recitals above, the following terms have the following meanings:

1.1. “Actual Damages Amount” means \$37,387.00, which is the total amount from which all Actual Damages Settlement Class Members will be paid a refund of the amount of interest that they paid or that was paid on their behalf to Defendant for a Settlement Class Account, as provided for herein.

1.2. “Actual Damages Settlement Class Members” means the Settlement Class Members for whom interest was paid to Defendant during the Class Period and as identified in the list of Settlement Class Accounts.

1.3. “Agreement” or “Settlement” means this Settlement Agreement.

1.4. “Class Counsel” means Kelly Guzzo PLC.

1.5. “Class List” or “List” mean the list of Settlement Class Members, including individuals who may ultimately opt-out, that will be generated by Defendant as described below.

1.6. “Class Notice” means the notice that will be provided pursuant to Paragraphs 3.2.2, attached hereto as **Exhibit A**, subject to Court approval, which the Settlement Administrator will mail, via U.S. mail, to each Settlement Class Member on the Class List.

1.7. “Class Representatives” means Novlett McKay and Nicole Sherman.

1.8. “Complaint” means the Complaint filed on March 25, 2025 or the Amended Complaint that will be filed for settlement purposes only as referenced in paragraph 6.3.

1.9. “Court” means the United States District for the Eastern District of Virginia where this litigation is pending.

1.10. “Defendant” or “Genesis” means Columbia Debt Recovery, LLC d/b/a Genesis;

1.11. “Effective Date” means the date that the Final Judgment becomes final for all purposes because either (i) the Court has entered the Final Approval Order and there were no objections; (ii) an objection was filed, the Court has entered the Final Approval Order notwithstanding any objection, no appeal has been filed in accordance with Fed. R. App. P. 4(a), and the time within which an appeal may be noticed and filed has lapsed; or (iii) if a timely appeal has been filed, the appeal is finally resolved, with no possibility of further appellate or other review, resulting in final judicial approval of this Settlement.

1.12. “Final Judgment and Order” or “Final Judgment” means the Court’s order granting final approval of this Settlement, which shall be proposed in a format substantially similar to the order attached as **Exhibit C**.

1.13. “Litigation” means the case styled as *McKay v. Columbia Debt Recovery, LLC*, No. 1:25-cv-520-LMB-WBP (E.D. Va.).

1.14. “Settlement Amount” means \$200,000, which is the total amount from which all Settlement Class Members will be paid with respect to the settlement obtained on behalf of the Settlement Class, including the Actual Damages Amount, pro rata statutory damages, notice and administration costs, and any service awards and attorneys’ fees and costs awarded by the Court. Other than the Settlement Amount, no additional amounts shall be due from Defendant under this Agreement.

1.15. “Settlement Fund” means the fund that the Settlement Administrator will establish to receive the Settlement Amount. The Settlement Administrator will maintain the fund as a Qualified Settlement Fund for federal tax purposes pursuant to Treas. Reg. § 1.468B-1. The Settlement Administrator, on behalf of the Settlement Class, shall be responsible for all administrative, accounting and tax compliance activities in connection with the Settlement Fund, including any filing necessary to obtain Qualified Settlement Fund status pursuant to Treas. Reg. § 1.468B-1. Defendant shall provide to the Settlement Administrator any documentation reasonably requested to facilitate the obtaining of Qualified Settlement Fund status. The Settlement Fund will either not accrue interest or, if interest accrues, all interest must be paid into the Settlement Fund itself.

1.16. “Statutory Damages Amount” means the amount remaining in the Settlement Fund after deduction of the Actual Damages Amount, settlement and administration costs, Service Awards

to the Class Representatives, and attorney's fees and costs awarded by the Court. The Statutory Damages Amount shall be distributed to the Settlement Class Members in accordance with Paragraph 4.5.

1.17. "Opt-Out & Objections Deadline" means the date the Court establishes as the deadline by which any Settlement Class Members must mail and postmark a written notice of their intent to opt out of the Settlement, and by which objections to the preliminarily approved Settlement must be postmarked and mailed, or otherwise filed with the Court, with copies provided to Parties' counsel. The Parties shall jointly request that this date be sixty (60) days from the initial dissemination of notice.

1.18. "Parties" means Class Representatives and Defendant.

1.19. "Preliminary Approval" means the Court's order substantially similar to the form attached hereto as **Exhibit B**, certifying the proposed Settlement Class, for settlement purposes only, preliminarily approving the proposed Settlement as fair, reasonable and adequate, approving and directing the distribution of notices, appointing Settlement Administrator, and appointing Class Counsel.

1.20. "Released Parties" means the Defendant, its parents, former parents, successors, subsidiaries, affiliates, officers, directors, employees, attorneys, insurers, agents, and assigns. "Released Parties" explicitly does not include Experian, Equifax, TransUnion, or any landlord or property management company with respect to the Settlement Class Members' lease agreements from which the subject debts allegedly arose.

1.21. "Service Award" means the one-time payment to the Class Representatives, for the time and resources that they put into representing the Settlement Class, as set forth in Paragraph 4.4 and approved by the Court.

1.22. “Settlement Administrator” means American Legal Claim Services, the third-party settlement administrator who will mail the Class Notice, send the notice required by the Class Action Fairness Act (28 U.S.C. § 1715) (if Defendant elects to use the Administrator for that purpose), establish the Settlement Website, maintain the Class List, receive and track opt-outs and objections, and if finally approved, mail payments to Settlement Class Members.

1.23. “Settlement Class” means the class proposed to be certified for settlement purposes only as part of this Agreement, defined as:

All persons who were parties to a Maryland or Virginia lease who were contacted by Genesis for payment of interest from March 25, 2024 to August 1, 2025.

1.24. “Settlement Class Members” means all members of the Settlement Class, including guarantors and persons who paid interest during the Class Period.

1.25. Settlement Website means the internet website to be established by the Settlement Administrator, as discussed in Paragraph 3.2.3.

1.26. “Class Period” means March 25, 2024 to August 1, 2025.

1.27. “Settlement Class Accounts” means the collection account maintained by Defendant corresponding to the Maryland or Virginia lease of the Settlement Class Members who were contacted by Genesis for payment of interest during the Class Period.

### **PRELIMINARY APPROVAL**

2.1. **Preliminary Approval Order.** By no later than August 29, 2025, Class Representatives shall file with the Court a motion for Preliminary Approval of the proposed Settlement. The motion must seek entry of an order (in a form substantially similar to Exhibit B) that would, for settlement purposes only:

- a) preliminarily approve this Settlement Agreement;

- b) certify a conditional settlement class under Federal Rule of Civil Procedure, Rule 23(b)(3), composed of the Settlement Class Members;
- c) appoint Class Representatives and Class Counsel to represent the Settlement Class;
- d) approve the proposed Class Notice plan; and
- e) appoint the Settlement Administrator.

2.2. **Class Certification for Settlement Purposes Only.** Defendant contends that this Litigation, and the respective class alleged therein, could not be certified as a class action under Federal Rule of Civil Procedure 23 for trial purposes. Nothing in this Settlement Agreement may be construed as an admission by Defendant that this Litigation or any similar case is amenable to class certification for trial purposes. Furthermore, nothing in this Settlement Agreement prevents Defendant from opposing class certification or seeking de-certification of the Settlement Class if final approval of this Settlement Agreement is not obtained, or not upheld on appeal, including review by the United States Supreme Court, for any reason, or if any of the conditions exist that permit Defendant to terminate this Settlement Agreement in accordance with the terms below.

### **SETTLEMENT CLASS**

3.1. **Class Definition.** For purposes of settlement only, and upon the express terms and conditions set forth in this Settlement Agreement, the Parties agree to seek certification of the Settlement Class as defined in Paragraph 1.23 above. The Settlement Class does not include Defendant's officers, directors, and employees, Parties' counsel, any judge overseeing or considering the approval of the Settlement, together with members of their immediate family and

any judicial staff. There are an estimated 28,251 Settlement Class Members through August 1, 2025.

**3.2. Notice Plan.**

**3.2.1. Class List.** Within fourteen (14) days after entry of the Preliminary Approval Order, Defendant shall provide the Class List to Class Counsel and the Settlement Administrator. The Class List will include which Settlement Class Members are also Actual Damages Settlement Class Members and list of Settlement Class Accounts and the interest that was paid by or on behalf of Actual Damages Settlement Class Members in connection with their respective Settlement Class Account. The Class List will also include the most recent name, email address (if available) and last known mailing address as provided and/or updated to Defendant for each Settlement Class Member that has been maintained by Defendant in the ordinary course of its business. The Settlement Administrator shall update these addresses via the USPS National Change of Address system, or any other appropriate database regularly used by the Settlement Administrator for updating mailing addresses, prior to mailing the Class Notice.

**3.2.2. Class Notice.** The Settlement Administrator shall send Class Notice, substantially in the form attached hereto as Exhibit A or as modified by the Court with the consent of all Parties, will be sent via electronic mail (email) to Settlement Class Members within thirty (30) days after the date of entry of the Preliminary Approval Order at the most recent email address shown in the Defendant's electronic records, as maintained in the ordinary course of business. For Class Members whose email notice results in a bounce-back email, their Class Notice will be mailed to the Class Member once the address is reviewed once through the NCOA, or any other postal address verification database that the Administrator deems proper, prior to mailing. Returned Class Notices will be re-mailed if they are returned within 20 days of the postmark date of the Class

Notice and contain a forwarding address. No further e-mailed or mailed notice shall be required except as otherwise expressly provided herein. No later than twenty-one (21) days before the Final Approval Hearing in this Litigation, the Settlement Administrator shall file proof of the mailing of the Class Notice with the Court.

The Class Notice explains to the Settlement Class Members their rights to receive automatic payment from the Settlement Amount or to opt out of or object to the Settlement, and the deadlines by which to exercise those rights. The notice will also provide class members with an estimate of the (i) the amount of Statutory Damages Payment that would be paid to them, and (ii) their share of the cash payment that would be paid on their respective Settlement Class Account, which would be payable to them pro rata with any other Settlement Class Members on the same Settlement Class Account as a result of this Settlement. The notice will also summarize the benefits provided in the form of tradeline deletion of debts indicated on their respective Settlement Class Account, an agreement that Defendant will not report their respective Settlement Class Account to credit-reporting agencies in the future, and the claims to be released if the Class Member does not opt out. The mailed Class Notice will also direct Settlement Class Members to the Settlement Website for further information.

**3.2.3. Settlement Website.** The Settlement Administrator shall create and maintain the Settlement Website to be activated no later than five (5) days prior to the mailing of the Class Notice described above. The Settlement Administrator's responsibilities include securing an appropriate URL on which the Parties mutually agree. The Settlement Website will host important settlement documents, such as the Complaint, the Class Notice (substantially in the form attached as Exhibit A), the Settlement Agreement, and the Preliminary Approval Order. In addition, the Settlement Website will include procedural information regarding the status of the Court-approval

process, such as an announcement regarding when the Final Approval Hearing is scheduled, when the Final Judgment and Order has been entered, when the Effective Date is expected or has been reached, and when payments likely will be mailed.

The Settlement Administrator will terminate the Settlement Website either: (1) one hundred and eighty (180) days after the Effective Date; or (2) thirty (30) days after the date on which the Settlement is terminated or otherwise not approved by a court.

**3.2.4. Costs and Expenses.** The Settlement Administrator shall receive all costs necessary to effectuate the Settlement Class Notice Plan and the administration of the Settlement from the Settlement Fund, as set forth below.

**3.2.5. Class Action Fairness Act (“CAFA”) Notice.** Defendant shall serve notice of the settlement that meets the requirements of CAFA, 28 U.S.C. § 1715, on the appropriate federal and state officials not later than ten (10) days after the filing of this Settlement Agreement with the Court. Before the Court’s Final Approval Hearing, Defendant shall file with the Court a certification of the date upon which the CAFA Notice was served.

**3.2.6. Opt-Outs.** All individuals on the Class List may opt out of the Settlement Class by submitting a valid request for exclusion. All opt-outs must be submitted by mail, in writing, addressed to the Settlement Administrator. The postmark deadline for requests for exclusion is sixty (60) days from the initial mailing of Class Notice. To be valid, the written request must state: “I do not want to be part of the Settlement Class in *McKay v. Columbia Debt Recovery*,” or contain words to that effect. It must be signed and include the name of the individual on the Class List making the request, along with name, address, and phone number.

The Settlement Administrator shall provide copies of opt-outs received to the Parties no later than three (3) days after they are received by the Settlement Administrator. No later than

fourteen (14) days before the Final Approval Hearing, the Settlement Administrator shall provide to Class Counsel, who shall file it with the Court, a declaration verifying that notice has been provided to the Settlement Class as set forth herein and listing all of the valid opt-outs received.

All individuals on the Class List who timely submit a valid opt-out will exclude themselves from the Settlement Class and preserve their ability to independently pursue, at their own expense, any individual, non-class, non-representative claims he or she claims to have against Defendant. Any such individual on the Class List who so opts out will not be bound by further orders or judgments in the Litigation as they relate to the Settlement Class. In the event of ambiguity as to whether someone has requested to be excluded, the individual shall be deemed not to have requested exclusion pursuant to this Section. No person who has opted out of the Settlement Class may object to any part of this Settlement Agreement.

For the avoidance of doubt, nothing in this Agreement shall be construed to shorten or extend any applicable statutory limitations period for any claims arising out of or relating to the contract, including for any individual who opts out of the Settlement Class. All such statutory limitations periods shall be determined in accordance with applicable law, as if this Agreement had not been entered into.

**3.2.7. Objections.** All Settlement Class Members who do not opt-out in accordance with the terms above and who intend to object to the Settlement must file the objection with the Court, and serve copies on counsel for the Parties, no later than sixty (60) days following the initial mailing of Class Notice. The objection must include the following: (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; (6) a statement of whether the objector intends to appear at the Final Approval Hearing, either with or without counsel; and (7) the objector's signature and a notation that it is for "*McKay v. Columbia Debt Recovery*, Civil Action No. 1:25-cv-520 (E.D. Va.)."

Any Settlement Class Member who fails to timely file and serve a written objection pursuant to this Paragraph may not object to the approval of the Settlement or this Settlement Agreement and will be foreclosed from seeking any review of the Settlement or the terms of the Settlement Agreement by appeal or other means.

#### **SETTLEMENT CONSIDERATION**

4.1. **Monetary Relief.** Defendant shall deposit the Settlement Amount into the Settlement Fund within ten (10) days of the Effective Date. As set out in Paragraph 4.5, the Settlement Administrator will distribute the Actual Damages Amount and Statutory Damages Amount to Settlement Class Members, excluding valid opt-outs, upon final approval of the Settlement.

4.2. **Prospective Relief.**

(a) Within ten (10) days of the Effective Date, Defendant agrees that it will submit a request to any credit-reporting agency to which it is reporting any of the Settlement Class Members' collection accounts (i.e., those accounts identified on the list of Settlement Class Accounts) which reported a Maryland or Virginia lease debt during the class period and request that the tradeline be deleted. Defendant further agrees that it will not report any of the Settlement Class Members' relevant collection accounts

(i.e. only those accounts falling with the definition of the Settlement Class Accounts) to any credit-reporting agency in the future.

(b) As of the execution of this Agreement, Defendant further agrees that for a period of three (3) years from the Effective Date, it will no longer attempt to collect or collect interest on any account arising from a Maryland or Virginia lease agreement, unless:

1. expressly allowed by contract; or
2. permitted due to a change of law, clarification of law, or interpretation of law as evidenced by a reported or unreported written opinion, statute, or regulation that would permit the collection of interest on Maryland or Virginia lease agreements.

If during the relevant period, Defendant believes that there has been a change in the law that would permit it to collect interest on Maryland or Virginia lease agreements, it shall file a Notice with the Court informing the Court, Class Counsel, and Class Representatives of such change, with a copy of documentation of same. Within fourteen (14) days of the filing of such Notice, Class Representatives shall have the right to file an objection to such change. Each Party agrees that the Court's decision on the requested modifications/amendments shall be binding .

Nothing in this provision shall prevent Class Representatives from seeking judicial enforcement of this Agreement if they believe Defendant has incorrectly interpreted or applied a purported change in law.

4.3. **Settlement Class Release.** Upon the Effective Date, each Settlement Class Member, on behalf of themselves and their respective spouses, heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors, assigns, and all those acting or purporting to act on their behalf, acknowledge full satisfaction of, and shall be conclusively deemed to have

fully, finally, and forever settled, released, and discharged all the Released Parties of and from all claims for actual and statutory damages for the collection or attempted collection of interest under federal law, including as a violation of 15 U.S.C. § 1692f(1) and any state law equivalents (“Released Claims”). Subject to the Court’s approval, the Settlement Class Members are bound by this Settlement Agreement and their claims at issue in the case will be dismissed with prejudice and released as against the Released Parties, even if they never received actual notice of the Settlement prior to the hearing for final approval of the Settlement.

The Release does not include claims that the Settlement Class Members have or may have against Equifax, Experian, Trans Union, or any landlord or property management company.

4.4. **Attorneys’ Fees, Service Awards, Costs, and Other Expenses.** No later than forty-five (45) days prior to the Final Approval Hearing, Class Counsel shall make an application to the Court for an award of attorneys’ fees, costs, and other expenses for their representation of the Settlement Class not to exceed one third of the Settlement Fund. This application will be posted to the Settlement Website within one day of filing with the Court.

Defendant agrees not to oppose or object to the application by Class Counsel for attorneys’ fees, costs, and other expenses in an amount under the terms of the preceding paragraph. The award shall include all fees, costs, and other expenses for all attorneys, Settlement Administrator (and their employees, consultants, experts, and other agents) who performed work in connection with the Litigation of the claims on behalf of the Settlement Class Members. Any attorneys’ fees and costs that the Court awards will be owed and paid from the Settlement Amount within ten (10) days of the Effective Date.

No later than forty-five (45) days prior to the Final Approval Hearing, Class Representatives shall make an application to the Court for approval of a Service Award of \$5,000

to each Class Representative, for a total of \$10,000. Defendant shall not oppose a Service Award of \$5,000 for each Class Representative. Any Service Award approved by the Court will be paid from the Settlement Amount. The Settlement Administrator shall be responsible for mailing the Service Award to each Class Representative on the same timetable established in Paragraph 4.5.

The applications for attorneys' fees and a Service Award, and any and all matters related thereto, are not part of the Settlement Agreement, and the Court should consider them separately from the Court's consideration of the fairness, reasonableness and adequacy of the Settlement Agreement. Class Representatives and Class Counsel acknowledge that this Settlement Agreement is not conditioned on the Court's approval of attorneys' fees or a Service Award in the requested amounts or in any amount whatsoever. The Court's ruling on the application or applications for such amounts will not operate to terminate or cancel the Settlement Agreement.

**4.5. Payment Schedule.** Within ten (10) days of the receipt of the Settlement Amount from Defendant, the Settlement Administrator will allocate the Settlement Amount from the Settlement Fund as follows:

- (a)** Actual Damages Settlement Class Members who did not submit a valid opt-out will receive their pro rata share of amount that was paid by them or on their behalf to Defendant on their Settlement Class Account, which aggregate amount shall be divided and paid on a pro rata basis to all persons listed on such Settlement Class Account (i.e. the "Actual Damages Payment"). To reduce expenses, the Settlement Administrator can send Actual Damages Settlement Class Members one check that includes both their Actual Damages Payment and Statutory Damages Payment.

(b) The Settlement Administrator shall then pay itself the cost of notice and administration and shall pay the Service Awards and the attorney's fees and costs awarded by the Court, if any, from the remaining Settlement Amount.

(c) After deducting the amounts in subparagraph (b), all Settlement Class Members who did not submit a valid opt-out will receive a pro rata share of the Statutory Damages Amount (i.e., the "Statutory Damages Payment").

The Settlement Administrator will mail the payments to Settlement Class Members by U.S. mail. The payment notices accompanying the payment check will notify the recipients that the checks must be cashed within ninety (90) days from the date on the payment notice (the "stale date") and that the enclosed check will not be valid after that date.

The Settlement Administrator shall direct any funds that remain in the Settlement Fund after the stale date to Housing Opportunities Made Equal as *cy pres* recipient.

### **ENTRY OF FINAL JUDGMENT AND ORDER**

5.1. The Parties shall jointly seek entry by the Court of a Final Judgment and Order in the form of **Exhibit C** hereto, which includes the following provisions (among others):

- a) granting final approval of this Settlement Agreement, and directing its implementation pursuant to its terms and conditions;
- b) enjoining the Defendant from seeking to collect interest from consumers with a Virginia or Maryland lease unless the contract expressly provides for collection of interest, or if such collection is provided for upon a change of law, clarification of law, or interpretation of law as provided for under Section 4.2(b), to the extent of such substantive change of law, clarification or law or interpretation of law;
- c) ruling on Class Counsel's applications for attorneys' fees, costs, and other expenses;

- d) discharging with prejudice and releasing the Released Parties, and each of them, from the Settlement Class Released Claims;
- e) permanently barring and enjoining all Settlement Class Members from instituting, maintaining, or prosecuting, either directly or indirectly, any lawsuit that asserts Released Claims;
- f) directing that the Litigation be dismissed with prejudice and without costs;
- g) stating pursuant to Federal Rules of Civil Procedure, Rule 54(b) that there is no just reason for delay and directing that the Final Judgment and Order is a final, appealable order; and
- h) reserving to the Court continuing and exclusive jurisdiction over the Parties with respect to the Settlement Agreement and the Final Judgment and Order as provided below.

#### **MISCELLANEOUS PROVISIONS**

6.1. **Termination.** Defendant's willingness to settle this Litigation on a class-action basis and to agree to the accompanying certification of the Settlement Class is dependent upon achieving finality in this Litigation and the desire to avoid the expense of this and other litigation. Consequently, Defendant may terminate this Settlement Agreement, declare it null and void, and have no further obligations under this Settlement Agreement to Class Representatives or Settlement Class Members if any of the following conditions subsequent occurs: (a) the Parties fail to obtain and maintain preliminary approval of the proposed Settlement; (b) more than five percent of the individuals on the Class List opt-out of the proposed Settlement; (c) the Court fails to enter a final order consistent with the provisions of this Settlement Agreement; (d) the settlement of the Settlement Class is not upheld on appeal, including review by the United States Supreme Court; (e) the Effective Date does not occur for any reason, including but not limited to the entry

of an order by any court that would require either material modification or termination of the Settlement Agreement; or (f) Plaintiff or Class Counsel commit a material breach of the Settlement Agreement before entry of the Final Judgment and Order.

The failure of the Court or any appellate court to approve in full the request by Class Counsel for attorneys' fees, costs, and other expenses would not be grounds for Plaintiff, Defendant, the Settlement Class, or Class Counsel to cancel or terminate this Settlement Agreement. The failure of the Court or any appellate court to approve in full the request of Plaintiff for her Service Award would not be grounds to terminate this Settlement Agreement.

If the Settlement Agreement is not finally approved, is not upheld on appeal, or is otherwise terminated for any reason before the Effective Date, then the Court shall decertify the Settlement Class; the Settlement Agreement and all negotiations, proceedings, and documents prepared, and statements made in connection therewith, will be without prejudice to any Party and may not be deemed or construed to be an admission or confession by any Party of any fact, matter, or proposition of law; and all Parties would stand in the same procedural position as if the Settlement Agreement had not been negotiated, made, or filed with the Court.

6.2. **Best Efforts to Obtain Court Approval.** Class Representatives and Defendant, and the Parties' counsel, agree to use their best efforts to obtain Court approval of this Settlement Agreement.

6.3. **Amended Complaint.** Class Representatives and Defendant, and the Parties' counsel, agree to seek to amend the Complaint in the Litigation to effectuate the terms of this Agreement, including adding Ms. Sherman as a plaintiff and class representative, and removing Ms. Anderson and Mr. Zekraoui from the class claim, while maintaining their individual claims, which have been separately resolved.

6.4. **Court's Jurisdiction.** The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Settlement Agreement. The Court also shall retain exclusive jurisdiction: (1) over any subsequent claim against Defendant related to a Settlement Class Member's Released Claims; and (2) over any determination of whether a subsequent lawsuit is released by the Settlement Agreement. Any such subsequent lawsuit against Defendant necessarily raises the threshold issue of whether the plaintiff in such suit is a member of the Settlement Class in this Litigation such that his or her subsequent suit is prohibited under the terms of this Settlement Agreement.

6.5. **Settlement Notices.** Except for the Notice Plan, as provided for above, all other notices or formal communications under this Settlement Agreement must be in writing and given: (1) by hand delivery; (2) by registered or certified mail, return receipt requested, postage pre-paid; or (3) by overnight courier to counsel for the Party to whom notice is directed at the following addresses:

For Plaintiff and the Settlement Class:

Kristi Cahoon Kelly  
KELLY GUZZO, PLC  
3925 Chain Bridge Road, Suite 202  
Fairfax, VA 22030

For Defendant:

Bizhan Beiramee  
BEIRAMEE LAW GROUP, P.C.  
7508 Wisconsin Avenue, Second Floor  
Bethesda, MD 20814 and

Columbia Debt Recovery, LLC d/b/a Gensis  
c/o Kenneth Balcerzak, Esquire  
16605 N. 28<sup>th</sup> Avenue  
Phoenix, AZ 85053

Counsel may designate a change of the person to receive notice or a change of address, from time to time, by giving notice to all Parties in the manner described in this Section.

6.6. **Construction.** None of the Parties to this Settlement Agreement are the primary drafter of this Settlement Agreement or any provision hereof for the purpose of any rule of interpretation or construction that might cause any provision to be construed against the drafter.

Except as otherwise stated herein, each substantive term of this Agreement is a material term that the Parties have relied upon in making this Agreement. If the Court does not approve any substantive term, or if the Court effects a material change to the Agreement then the entire Agreement will be, at the Parties' discretion, void and unenforceable. Where this Agreement states that a term is not material, then the Court's refusal to approve that term leaves all the other terms of the Agreement in effect. Before declaring any provision of this Agreement invalid, the Parties intend that the Court first attempt to construe the provision to the fullest extent possible so as to render all provisions of this Agreement enforceable.

This Agreement includes the terms set forth in each attached exhibit. Each exhibit to this Agreement is an integral part of it.

The headings within this Agreement appear for the convenience of reference only and do not affect the construction or interpretation of any part of this Agreement.

This Settlement Agreement may not be modified except by a writing executed by all the Parties.

6.7. **Execution in Counterparts.** Class Representatives, Class Counsel, Defendant, and Defendant's counsel may execute this Settlement Agreement in counterparts, and the execution of counterparts shall have the same effect as if all Parties had signed the same instrument.

A Party may sign and deliver this Agreement by signing on the designated signature block and transmitting that signature page via facsimile or as an attachment to an email to counsel for

the other Party. Any such signature shall be deemed an original for purposes of this Agreement and will be binding upon the Party who transmits the signature page.

This Settlement Agreement shall not be deemed executed until signed by Class Representatives, by all Class Counsel, and by counsel for and representatives of Defendant. The signatories hereto represent that they are fully authorized to bind the Parties to all terms of this Agreement. The Parties agree that the Settlement Class Members are so numerous that it is impossible or impractical to have each Class Member execute this Agreement. This Agreement may be executed on behalf of the Settlement Class Members by the Class Representatives.

[Signatures on Following Page]

\_\_\_\_\_  
Novlett McKay

Date: \_\_\_\_\_

By: \_\_\_\_\_  
On behalf of Columbia Debt Recovery, LLC

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Nicole Sherman

Date: \_\_\_\_\_

By  /s/ Kristi C. Kelly  
Kristi C. Kelly, VSB #72791  
Andrew J. Guzzo, VSB #82170  
Casey S. Nash, VSB #84261  
J. Patrick McNichol, VSB #92699  
Matthew G. Rosendahl, VSB #93738  
KELLY GUZZO, PLC  
3925 Chain Bridge, Suite 202  
Fairfax, VA 22030  
Telephone: (703) 424-7572  
Facsimile: (703) 591-0167  
Email: kkelly@kellyguzzo.com  
Email: casey@kellyguzzo.com  
Email: pat@kellyguzzo.com  
Email: matt@kellyguzzo.com

*Counsel for Class Representatives and the Class*

By \_\_\_\_\_  
Bizhan Beiramee, VSB #50918  
BEIRAMEE LAW GROUP, P.C.  
7508 Wisconsin Avenue, Second Floor  
Bethesda, MD 20814  
Telephone: (301) 547-3805  
Facsimile: (703) 483-9599  
bbeiramee@beiramee.com

*Counsel for Defendant Columbia Debt Recovery, LLC d/b/a Genesis*



Novlett McKay

Date: August 22, 2025

Nicole Sherman

Date: \_\_\_\_\_

By: \_\_\_\_\_  
On behalf of Columbia Debt Recovery, LLC

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By \_\_\_\_\_  
Kristi C. Kelly, VSB #72791  
Andrew J. Guzzo, VSB #82170  
Casey S. Nash, VSB #84261  
J. Patrick McNichol, VSB #92699  
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Email: [casey@kellyguzzo.com](mailto:casey@kellyguzzo.com)  
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Email: [matt@kellyguzzo.com](mailto:matt@kellyguzzo.com)

*Counsel for Class Representatives and the Class*

By \_\_\_\_\_  
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Telephone: (301) 547-3805  
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[bbeiramee@beiramee.com](mailto:bbeiramee@beiramee.com)

*Counsel for Defendant Columbia Debt Recovery, LLC d/b/a Genesis*

\_\_\_\_\_  
Novlett McKay

Date: \_\_\_\_\_

*nk*

\_\_\_\_\_  
Nicole Sherman

Date: 22/08/2025

By: \_\_\_\_\_  
On behalf of Columbia Debt Recovery, LLC

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By \_\_\_\_\_  
Kristi C. Kelly, VSB #72791  
Andrew J. Guzzo, VSB #82170  
Casey S. Nash, VSB #84261  
J. Patrick McNichol, VSB #92699  
Matthew G. Rosendahl, VSB #93738  
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Email: [casey@kellyguzzo.com](mailto:casey@kellyguzzo.com)  
Email: [pat@kellyguzzo.com](mailto:pat@kellyguzzo.com)  
Email: [matt@kellyguzzo.com](mailto:matt@kellyguzzo.com)

*Counsel for Class Representatives and the Class*

By \_\_\_\_\_  
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[bbeiramee@beiramee.com](mailto:bbeiramee@beiramee.com)

*Counsel for Defendant Columbia Debt Recovery, LLC d/b/a Genesis*

# Exhibit A



United States District Court for Eastern District of Virginia

*McKay v. Columbia Debt Recovery, LLC d/b/a Genesis.*

Case No. 1:25-cv-520

## **Class Action Settlement Notice**

*Authorized by the U.S. District Court*

---

### **A proposed class action settlement may affect your rights.**

You are not being sued.

This notice explains the Settlement, the Settlement Class, and your legal rights and options.

Please read the entire notice carefully.

You should:

1. Read this notice.
2. If you do not want to remain in the Class, submit an opt-out request by **[DATE]**.

Important things to know:

- If you remain in the Settlement Class and the Court approves the Settlement, you will receive a monetary payment.
- If you take no action, you will still be bound the Settlement and its releases.
- You can learn more at: [www.\[ \].com](http://www.[ ].com).

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**About This Notice**

**Why did I get a notice?**

If you are receiving this Notice, you have been identified as a potential member of the Settlement Class in this lawsuit. Specifically, Defendant Columbia Debt Recovery’s (also known as Genesis) records indicate it collected or attempted to collect interest from you under a Maryland or Virginia-based lease, and Plaintiffs allege that the lease and applicable state law did not allow the collection of that interest. As a Settlement Class Member, you are eligible to receive a payment as part of this class action Settlement, as well as the additional credit reporting relief described below.

What is a class action lawsuit?

A class action is a lawsuit in which one or more people sue on behalf of a larger group, called the Class.

This Notice describes your rights. Please review it carefully.

**What do I do next?**

**Your Legal Rights & Options:**

<b>DO NOTHING</b>	If you do nothing, you will receive a settlement payment and the Defendant will delete the credit reporting of the debt it was seeking to collect along with the other relief described in this Notice. You will be bound by the Court’s decisions regarding the Settlement. You will not be able to pursue any potential claims against the Defendant that have been released as part of the Settlement. Review the full release at <a href="http://www.[x].com">www.[x].com</a> .
<b>EXCLUDE YOURSELF FROM THE SETTLEMENT</b>	You can opt out of the Settlement if you want to maintain any legal rights you may have against Defendant. <i>But if you opt out, you will not receive a settlement payment or other relief provided under the Settlement if the Court grants final approval.</i> To opt out from the Settlement, you must send a written request addressed to the Settlement Administrator and state that you wish to be excluded from the Settlement and include the information discussed in more detail in this Notice. The opt-out deadline is <a href="#">[date]</a> .
<b>OBJECT TO THE SETTLEMENT</b>	You have the right to write to the Court to object to the Settlement if you believe it is unfair. You would remain a part of the Class and be bound by the Court’s decisions regarding the Settlement. The objection deadline is <a href="#">[date]</a> .

Read on to understand the specifics of the Settlement and what each choice would mean for you. The Court still has to decide whether to grant final approval of the Settlement. Payments will be made if the Court approves the Settlement and after any appeals are resolved.

**What are the most important dates?**

The Court has scheduled a final approval hearing for [\[date\]](#). If there are no appeals, checks will be

Questions? Please visit [www.\[xx\].com](http://www.[xx].com) for more information.  
Para una notificación en Español, llamar o visitar nuestro sitio web.

sent approximately 35 days after the Court finally approves the Settlement. Your deadline to opt out of the Settlement, or to object to the Settlement, is [date].

### **Learning About the Lawsuit and the Settlement**

#### **What is this Lawsuit About?**

Plaintiffs Novlett McKay and Nicole Sherman (“Plaintiffs”) filed a class action lawsuit in federal court against Columbia Debt Recovery, doing business as Genesis (“Defendant” or “Genesis”) alleging that Defendant violated the Fair Debt Collection Practices Act (“FDCPA”) by representing to Plaintiff and other class members that they owed interest under leases which Plaintiff asserts could not be charged.

Defendant denies it did anything wrong or violated any laws.

The Court has not decided that Defendant violated the FDCPA. Nor has the Court made any determination that this lawsuit should proceed as a class action, as opposed to an individual claim brought by Plaintiffs. This Notice should not be interpreted as an expression of the Court’s opinion on which side is right or wrong. If the parties had not reached a settlement, Defendant would have vigorously defended the lawsuit and asked for a ruling in its favor.

Within the Settlement, you are a member of the “Settlement Class.” The Settlement Class is all persons who were parties to a Maryland or Virginia lease who were contacted by Genesis for payment of interest from March 25, 2024, to August 1, 2025.

**This lawsuit does not release any claims that you may have against your landlord or property manager for the subject leases, or against any credit reporting agency (e.g., Trans Union, Equifax, or Experian) to which the subject debts may have been reported. If you have questions about your rights and obligations, you can contact Class Counsel at (804) 415-8848 or [questions@kellyguzzo.com](mailto:questions@kellyguzzo.com).**

#### **What Can I Get Out of the Settlement?**

**Cash Payments.** A \$200,000 Settlement Fund will be used to make cash payments to the Class.

If the Settlement is approved in full, the Settlement Fund will be used to first pay the amount of interest, if any, each Settlement Class Member actually paid to Genesis.

Any Settlement Class Member who paid Genesis money for interest will receive a full refund of those amounts.

In addition, every Settlement Class Member will receive equal payments from the Statutory Damages Amount, after deducting the costs of notice and administration of the settlement, any service award to each Plaintiff, and attorney’s fees and costs awarded by the Court. Depending on the final number of Settlement Class Members who do not opt out, the total estimated payment you will receive is approximately [to be entered by administrator].

**Cessation of Credit Reporting.** Defendant has also agreed to request deletion of any reporting of the Settlement Class Members’ applicable collection accounts (that is subject to settlement) to any consumer-reporting agencies related to the reporting of a Maryland or Virginia lease between March 25, 2024 and August 1, 2025. Defendant has also agreed not to report such accounts to any

Questions? Please visit [www.\[xx\].com](http://www.[xx].com) for more information.  
Para una notificación en Español, llamar o visitar nuestro sitio web.

credit-reporting agencies in the future.

**Who Are the Attorneys Representing the Class and How Will They be Paid?**

The Court has approved lawyers to represent the Settlement Class (“Class Counsel”). If you prefer to hire your own attorney to represent you in this case, you may do so at your own expense. The attorneys who have been appointed by the Court to represent the Settlement Class are:

Kristi C. Kelly  
Andrew J. Guzzo  
Casey S. Nash  
J. Patrick McNichol  
Matthew G. Rosendahl  
Kelly Guzzo PLC  
3925 Chain Bridge, Suite 202  
Fairfax, VA 22030

Subject to Court approval, Class Counsel will seek attorneys’ fees and costs of no more than one third of the Settlement Fund. This amount will be paid from the \$200,000 Settlement Fund. Class Counsel will also seek a service award in an amount not to exceed \$5,000 to be paid to each Plaintiff for her services in representing the Settlement Class. The attorneys’ fees, costs, service award, and settlement administration expenses will be paid from the \$200,000 Settlement Fund.

[Continue to Next Page]

**Deciding What You Want to Do**

**What Are My Options?**

You have three options. You can (1) do nothing, (2) exclude yourself (in other words, “opt out”) from the Settlement, or (3) object to the Settlement.

This chart shows the consequences of selecting each option:

	<b>Do nothing</b>	<b>Opt Out of the Class</b>	<b>Object to the Settlement</b>
<b>Am I bound by the terms of the Class if I...</b>	Yes	No	Yes
<b>Will I be able to receive money in the Settlement if I ...</b>	Yes	No	Yes

Your options and rights are explained in the following sections, along with the steps you must take if you wish to opt out or object.

**Staying in the Class**

**What Are the Consequences of Doing Nothing?**

If you do nothing, you will remain in the Settlement Class and be bound by the Court’s orders. You will also receive an automatic payment as described above and the debt will be removed from your credit report following approval by the Court of the Settlement.

You will not be able to pursue claims against Defendant that are covered by the Settlement’s release. All the Court’s decisions regarding the Settlement will apply to you and you will be bound by any judgment entered.

**Opting Out**

**What Happens if I Opt Out of The Class?**

If you exclude yourself from the Class, you will not receive any money from the Settlement. You will not be bound by any of the Court’s orders regarding the Class, or any judgment or release entered regarding the Class. You will retain any legal rights you may have against Defendant.

You will be responsible for the fees and costs of any services provided by your own lawyer.

**How Do I Opt Out?**

If you wish to be excluded (or “opt out” of the class), you must mail a written request for exclusion addressed to the Settlement Administrator at [address]. Your request for exclusion must be in writing, signed by you, and postmarked on or before [date]. The request must state: “I do not want to be part of the Settlement Class in *McKay v. Columbia Debt Recovery*.” The request must also be dated and include your name, address, and telephone number. If you have a new address, please

also inform the Administrator of the new address so they can update the appropriate records. If you exclude yourself, you are not eligible to receive a payment.

### **Objecting to the Settlement**

#### **What Happens if I Object to the Settlement?**

If you object according to the steps below, the Court will consider your objection. If it overrules your objection and approves the Settlement, you will be bound by the Court's decision, and you will remain a part of the Class and receive a payment.

#### **How Do I Object to the Settlement?**

You may object to all or part of the Settlement if you think it is not fair, reasonable and/or adequate. To object, you must file with the Court, and send copies to the parties' counsel, a written explanation of the reasons you think that the Court should not approve the Settlement. Be sure to sign the letter and include your name, address, and current phone number, and the basis of your objection including any documentation, and include a notation that it is for "*McKay v. Columbia Debt Recovery, LLC*, Civil Action No. 1:25-cv-520 (E.D. Va.)." The deadline to file an objection is [date]. If you are represented by counsel in your objection, include that attorney's information.

### **Additional Information**

#### **When and Where Will the Court Decide Whether to Approve the Settlement?**

The Court will hold a final approval hearing on [redacted], at [redacted].m. before the Honorable William B. Porter, in the United States District Court for the Eastern District of Virginia, Albert V. Bryan U.S. Courthouse, 401 Courthouse Square, Alexandria, Virginia 22314. At the final approval hearing, the Court will consider whether the proposed Settlement is fair, reasonable, and adequate. The Court will also hear objections to the Settlement, if any. We do not know how long the Court will take to make its decision after the hearing. In addition, the hearing may be continued at any time by the Court without further notice to you. You should check the website [www.\[xx\].com](http://www.[xx].com) after [redacted], to confirm the hearing date, the court approval process, and the Effective Date of the Settlement.

You do not have to appear at the final approval hearing to be eligible to receive a monetary payout. If the Court approves the Settlement, the Court's judgment as to the Settlement Class will be binding on all Settlement Class Members who do not validly exclude themselves.

#### **Where Can I Get Additional Information?**

This notice is only a summary of the proposed settlement. You can review more details about the proposed settlement and access additional documents, including the Complaint and the full Settlement Agreement, at the Settlement Website ([www.\[xx\].com](http://www.[xx].com)).

You can also call Class Counsel at 804-415-8848 or email [questions@kellyguzzo.com](mailto:questions@kellyguzzo.com) for questions about the Settlement.

# Exhibit B

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Alexandria Division**

NOVLETT MCKAY, <i>et al.</i> ,	:	
	:	
Plaintiffs,	:	
	:	
v.	:	Case No. 1:25-cv-00520-WBP
	:	
COLUMBIA DEBT RECOVERY, LLC	:	
d/b/a GENESIS,	:	
	:	
Defendant.	:	
	:	

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**ORDER PRELIMINARILY APPROVING  
SETTLEMENT AND DIRECTING NOTICE TO CLASS**

The Court, having reviewed the Settlement Agreement entered by the Parties, hereby orders that:

1. The Court has considered the proposed settlement of the class claims asserted in the above-captioned action on behalf of the proposed Settlement Class defined as:<sup>1</sup>

All persons who were parties to a Maryland or Virginia lease who were contacted by Genesis for payment of interest from March 25, 2024, to August 1, 2025.

2. The Settlement Agreement filed by the Parties appears, upon preliminary review, to be fair, reasonable, and adequate to the Settlement Class. Accordingly, the proposed settlement therein is preliminary approved, pending a Final Approval Hearing, as provided for herein.

3. The prerequisites to a class action under Fed. R. Civ. P. 23(a) have been preliminarily satisfied, for settlement purposes only, in that:

a. The Settlement Class comprises approximately 28,225 members;

---

<sup>1</sup> Defined terms used in this Order have the same meaning provided in the Settlement Agreement.

- b. The claims of the Class Representatives are typical of those of the other members of the Settlement Class;
  - c. There are questions of fact and law that are common to all members of the Settlement Class; and
  - d. The Class Representatives will fairly and adequately protect the interests of the Settlement Class and has retained Class Counsel experienced in consumer class action litigation who have, and will continue to, adequately represent the Settlement Class.
4. For settlement purposes only, the Court finds that this action is preliminarily maintainable as a class action under Fed. R. Civ. P. 23(b)(3) because (1) a class action is a fair and efficient adjudication of this controversy; and (2) questions of fact and law common to the members of the Settlement Class predominate over any questions affecting only individual members.
5. If the Settlement Agreement is not finally approved, is not upheld on appeal, or is otherwise terminated for any reason before the Effective Date, the Settlement Class shall be decertified, the Settlement Agreement and all negotiations, proceedings, and documents prepared, and statements made in connection therewith, shall be without prejudice to any Party and shall not be deemed or construed to be an admission or confession by any Party of any fact, matter, or proposition of law; and all Parties shall stand in the same procedural position as if the Settlement Agreement had not been negotiated, made, or filed with the Court. In that event, this Order shall not have any precedential effect with respect to a litigated class certification motion.
6. The Court appoints Novlett McKay and Nicole Sherman as Class Representatives. The Court also appoints Kristi C. Kelly, Andrew J. Guzzo, Casey S. Nash, J. Patrick McNichol,

and Matthew Rosendahl of Kelly Guzzo PLC as counsel for the Class (“Class Counsel”). The Court also approves American Legal Claim Services as the Settlement Administrator.

7. The Court will hold a Final Approval Hearing pursuant to Fed. R. Civ. P. 23(e) on \_\_\_\_\_, 2025, at \_\_\_\_ .m. (*at least 120 days after entry of this Order*) at the United States District Court for the Eastern District of Virginia, Albert V. Bryan U.S. Courthouse, 401 Courthouse Square, Alexandria, Virginia 22314, for the following purposes:

- a. To determine whether the proposed settlement is fair, reasonable, and adequate and should be granted final approval by the Court;
- b. To determine whether a final judgment should be entered dismissing the claims of the Settlement Class with prejudice, as required by the Settlement Agreement;
- c. To consider the application of Class Counsel for an award of attorneys’ fees, costs, and for a service award to the Class Representatives; and
- d. To rule upon other such matters as the Court may deem appropriate.

8. Defendant is to provide the Class List, and the Settlement Administrator is to implement the Notice Plan, in accordance with the Settlement Agreement’s terms and timelines. Pursuant to the Settlement Agreement, the Administrator will provide a declaration to be filed with the Court attesting to the implementation of the Notice Plan prior to the Final Approval Hearing. To the extent the Parties or Settlement Administrator determine that ministerial changes to the Notice Plan are necessary before disseminating notice to the Settlement Class Members, they may make such changes without further application to the Court.

9. The Court finds the Notice Plan to fully satisfy the requirements of Fed. R. Civ. P. 23 and due process, constitutes the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

10. If a Settlement Class Member chooses to opt out of the Class, such Class Member is required to submit a written request for exclusion to the Settlement Administrator by mail, postmarked on or before the date specified in the Class Notice, which shall be no later than sixty (60) days following the initial mailing of the Class Notice. The request must state “I do not want to be part of the Settlement Class in *McKay v. Columbia Debt Recovery*” or words to that effect, and must be signed, dated, and include the individual’s name, address, and phone number. A Settlement Class Member who timely submits an opt-out using the procedure identified above shall be excluded from the Settlement Class for any and all purposes. Following the deadline, the Settlement Administrator shall prepare a declaration listing all of the valid opt-outs received and shall provide the declaration and list to Class Counsel, who will then report the names appearing on this list to the Court before the Final Approval Hearing.

11. A Settlement Class Member who does not timely submit a request for exclusion shall be bound by all subsequent proceedings, orders, and judgments in this action.

12. Any Settlement Class Member who wishes for any objection to be considered, must file a written notice of objection to be postmarked within sixty (60) days after the date of initial mailing of the Class Notice. The objection must include the following: (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; (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; (6) a statement of whether the objector intends to appear at the Final Approval Hearing, either with or

without counsel; and (7) the objector's signature and a notation that it is for "*McKay v. Columbia Debt Recovery, LLC*, Civil Action No. 1:25-cv-520 (E.D. Va.)."

13. Any Settlement Class Member who fails to timely file and serve a written objection pursuant to the terms of this Order and the Settlement Agreement shall not be permitted to object to the approval of the settlement or the Settlement Agreement and shall be foreclosed from seeking any review of the settlement or the terms of the Settlement Agreement by appeal or other means.

14. All briefs, memoranda, petitions and affidavits to be filed in support of final approval, for an individual award to the Class Representative and for an award of attorney's fees and costs shall be filed not later than forty-five (45) days before the Final Approval Hearing.

15. Neither this Order nor the Settlement Agreement shall be construed or used as an admission or concession by or against the Defendant or any of the Released Parties of any fault, omission, liability, or wrongdoing, or the validity of any of the Released Claims. This Order is not a finding of the validity or invalidity of any claims in this lawsuit or a determination of any wrongdoing by the Defendant or any of the Released Parties. The preliminary approval of the Settlement Agreement does not constitute any opinion, position, or determination of this Court, one way or the other, as to the merits of the claims and defenses of Plaintiff, the Settlement Class Members, or the Defendant.

16. The Court retains exclusive jurisdiction over this action to consider all further matters arising out of or connected with the Settlement Agreement.

It is so ORDERED.

Date: \_\_\_\_\_

# Exhibit C

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Alexandria Division**

NOVLETT MCKAY, <i>et al.</i> ,	:	
	:	
Plaintiffs,	:	
	:	
v.	:	Case No. 1:25-cv-00520-WBP
	:	
COLUMBIA DEBT RECOVERY, LLC	:	
d/b/a GENESIS,	:	
	:	
Defendant.	:	
	:	

---

**FINAL APPROVAL ORDER**

This matter comes before the Court on Plaintiffs’ Motion for Final Approval of the proposed class action settlement with Defendant Columbia Debt Recovery, LLC d/b/a Genesis (“Defendant”). Having considered all papers filed and arguments made with respect to the Settlement, and having provisionally certified a Settlement Class, the Court hereby FINDS that:

1. On \_\_\_\_\_, the Court held a Final Approval Hearing, at which time the parties were afforded the opportunity to be heard in support of or in opposition to the Settlement.
2. Certification for settlement purposes of the Settlement Class, as defined by the Settlement Agreement and the Preliminary Approval Order, is appropriate pursuant to Rule 23(a), and (b) of the Federal Rules of Civil Procedure.
3. Notice to the Settlement Class required by Fed. R. Civ. P. 23(e) has been provided in accordance with the Settlement Agreement and the Preliminary Approval Order. Such notice has been given in an adequate and sufficient manner, constitutes the best notice practicable under the circumstances, and satisfies Fed. R. Civ. P. 23(e) and due process.
4. Defendant has timely filed notification of this settlement with the appropriate officials pursuant to the Class Action Fairness Act (“CAFA”), 28 U.S.C. § 1715. The Court has

reviewed Defendant's notice of compliance and finds that Defendant's notice complies with the application requirements of CAFA.

5. The Settlement Agreement was arrived at as a result of arms' length negotiations conducted in good faith by counsel for the Parties, and is supported by the Parties.

6. The Settlement, as set forth in the Settlement Agreement, is fair, reasonable, and adequate to the members of the Settlement Class, in light of the complexity, expense, and duration of litigation, and the risks involved in establishing liability, damages, and in maintaining the class action through trial and appeal.

7. The relief provided in the settlement constitutes fair value given in exchange for the release of claims.

8. The list of individuals attached to the Settlement Administrator's Declaration filed \_\_\_\_\_ are determined to have validly excluded themselves from the Settlement Class in accordance with the provisions of the settlement and the Preliminary Approval Order.

9. There were no timely objections to Settlement.

10. The Parties and each Class Member have irrevocably submitted to the exclusive jurisdiction of this Court for any suit, action, proceeding, or dispute arising out of the Settlement Agreement.

11. It is in the best interests of the Parties and the Settlement Class Members and consistent with principles of judicial economy that any dispute between any Settlement Class Member (including any dispute as to whether any person is a Settlement Class Member) and any Released Party, which in any way relates to the applicability or scope of the Settlement Agreement or the Final Approval Order, should be presented exclusively to this Court for resolution.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

12. This action is a class action against Defendant Columbia Debt Recovery, LLC d/b/a Genesis on behalf of a class of consumers that has been defined as follows:

All persons who were parties to a Maryland or Virginia lease who were contacted by Genesis for payment of interest from March 25, 2024, to August 1, 2025.

The Settlement Class does not include Defendant's officers, directors, and employees; Defendant's attorneys; Parties' counsel; any Judge overseeing or considering the approval of the Settlement, together with members of their immediate family and any judicial staff, and those who validly excluded themselves from the Settlement Class as noted above.

13. The Settlement Agreement submitted by the Parties for the Settlement Class is finally approved pursuant to Rule 23(e) of the Federal Rules of Civil Procedure as fair, reasonable, and adequate and in the best interests of the Settlement Class. The Settlement Agreement shall therefore be deemed incorporated herein and the proposed settlement is finally approved and shall be consummated in accordance with the terms and provisions thereof, except as amended or clarified by any subsequent order issued by this Court.

14. This action is hereby dismissed on the merits, with prejudice and without costs.

15. As agreed by the Parties in the Settlement Agreement, upon the Effective Date, the Released Parties shall be released and discharged in accordance with the Settlement Agreement.

16. Each Settlement Class Member is permanently barred and enjoined from instituting, maintaining, or prosecuting, either directly or indirectly, any lawsuit that asserts Released Claims against the Released Parties.<sup>1</sup>

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<sup>1</sup> Defined terms used in this Order have the same meaning provided in the Settlement Agreement.

17. Within ten (10) days of the Effective Date, Defendant shall submit a request to any credit-reporting agency to which it is reporting any of the Settlement Class Members' Settlement Class Accounts related to the reporting of a Maryland or Virginia lease during the class period and request that the tradeline be deleted. Defendant further agrees that it will not report such debts to any credit-reporting agency in the future.

18. As of the Effective Date, Defendant will no longer attempt to collect or collect interest on any account arising from a Maryland or Virginia lease agreement, unless expressly allowed by contract, for a period of three years. If during the relevant period, Defendant believes that there has been a change in the law that would permit it to collect interest on Maryland or Virginia lease agreements, it shall file a Notice with the Court informing the Court, Class Counsel, and Class Representatives of such change, with a copy of documentation of same. Within fourteen (14) days of the filing of such Notice, Class Representatives shall have the right to file an objection to such change. Each Party agrees that the Court's decision on the requested modifications/amendments shall be binding.

19. Without affecting the finality of this judgment, the Court hereby reserves and retains jurisdiction over this Settlement, including the administration and consummation of the Settlement. In addition, without affecting the finality of this judgment, the Court retains exclusive jurisdiction over Defendant and each Settlement Class Member for any suit, action, proceeding or dispute arising out of or relating to this Order, the Settlement Agreement or the applicability of the Settlement Agreement. Without limiting the generality of the foregoing, any dispute concerning the Settlement Agreement, including, but not limited to, any suit, action, arbitration or other proceeding by a Settlement Class Member in which the provisions of the Settlement Agreement are asserted as a defense in whole or in part to any claim or cause of action or otherwise raised as

an objection, shall constitute a suit, action or proceeding arising out of or relating to this Order. Solely for purposes of such suit, action or proceeding, to the fullest extent possible under applicable law, the parties hereto and all members of the Settlement Class are hereby deemed to have irrevocably waived and agreed not to assert, by way of motion, as a defense or otherwise, any claim or objection that they are not subject to the jurisdiction of this Court, or that this Court is, in any way, an improper venue or an inconvenient forum.

20. Upon consideration of Class Counsel's application for fees and costs, the Court awards \$\_\_\_\_\_ as reasonable attorneys' fees and reimbursement for reasonable out-of-pocket expenses, to be paid from the Settlement Fund.

21. Upon consideration of the application for an individual service award, each Class Representative is awarded the sum of \$\_\_\_\_\_ to be paid from the Settlement Fund, in consideration for the service each has performed for and on behalf of the Settlement Class.

22. The Parties' distribution plan of payments to the Settlement Class Members as detailed in the Settlement Agreement is approved for implementation. Should funds remain after all distributions are made, and the check negotiation period provided for in the Settlement Agreement has passed, the Parties' chosen *cypres*, Housing Opportunities Made Equal is approved for receiving such balance.

23. The Court finds, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, that there is no just reason for delay, and directs the Clerk to enter final judgment.

It is so ORDERED.

Date: \_\_\_\_\_