

EXHIBIT 1

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

WILLIAM SOTO, DOMINGO TOLENTINO,
AND LUIS VIRUET, individually and on behalf of
all persons similarly situated,

Plaintiffs,

-against-

HOUSLANGER & ASSOCIATES, PLLC, TODD
HOUSLANGER, and BRYAN BRYKS,

Defendants.

No. 19 Civ. 6691 (RPK)(SJB)

**STIPULATION OF SETTLEMENT AND RELEASE AS TO ALL CLAIMS
AGAINST ALL DEFENDANTS**

This Joint Stipulation of Settlement and Release (the “Agreement” or “Settlement Agreement”) is entered into by and between Named Plaintiffs William Soto, Domingo Tolentino, and Luis Viruet, individually and on behalf of the putative Class Members they seek to represent (collectively, the “Plaintiffs”), and defendants Houslanger and Associates, PLLC, Todd E. Houslanger and Bryan Bryks, Esq. (collectively, the “Defendants”) (collectively with Named Plaintiffs, the “Parties”).

RECITALS

WHEREAS, on April 18, 2019, Eduardo Burkett, Guillaume Foss, Virginia Ortiz filed a putative class action against Defendants Houslanger & Associates, PLLC, Todd Houslanger, and Bryan Bryks captioned *Burkett v. Houslanger & Associates, PLLC, et al.*, No. 19 Civ. 2285 (E.D.N.Y.) (the “Burkett Action”);

WHEREAS, on June 20, 2019, Defendants tendered Offers of Judgment with no admissions of liability to Eduardo Burkett, Guillaume Foss and Virginia Ortiz in the Burkett Action and on June 29, 2019 Eduardo Burkett, Guillaume Foss and Virginia Ortiz accepted the Offers of Judgment; and on October 10, 2019, judgment was entered in favor of Plaintiffs Eduardo Burkett, Guillaume Foss and Virginia Ortiz for \$10,000 each, plus attorneys' fees and costs

WHEREAS on October 10, 2019, Defendants tendered an Offer of Judgment with no admission of liability to Lakesha Kingdom in the Burkett Action and on October 24, 2019, Lakesha Kingdom accepted the Offer of Judgment; and on October 28, 2019, Judgment was entered in favor of Plaintiff Lakesha Kingdom for \$10,000 each, plus attorneys' fees and costs;

WHEREAS, on October 24, 2019, Plaintiffs moved to add Jenifer Dupres, William Soto, Domingo Tolentino, and Luis Viruet as putative class representatives in the Burkett Action, over Defendants' objections;

WHEREAS, on November 26, 2019, the Court denied leave to amend the complaint in the Burkett Action to substitute Plaintiffs Jenifer Dupres, William Soto, Domingo Tolentino, and Luis Viruet as putative class representatives;

WHEREAS, on that same day, November 26, 2019, Plaintiffs Jenifer Dupres, William Soto, Domingo Tolentino, and Luis Viruet filed the above-captioned action ("the Action") on behalf of themselves and similarly situated individuals against Defendants, asserting the same class-wide claims as in the Burkett Action;

WHEREAS, Plaintiffs Jenifer Dupres, William Soto, Domingo Tolentino, and Luis Viruet alleged that the Defendants violated the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. §§ 1601 *et seq.*, New York General Business Law § 349, and New York Judiciary

Law § 487, in executing on assigned judgments and opposing consumers' efforts to challenge those executions;

WHEREAS, on September 29, 2021, Defendants' Motion to Dismiss was granted as to Plaintiff Jenifer Dupres, but denied in all other respects;

WHEREAS, the Parties have engaged in extensive discovery, including production of documents compelled by the Court by Order dated June 9, 2021;

WHEREAS, the Parties have engaged in extensive settlement discussions and arm's-length negotiations, and have reached an agreement on the class-wide settlement outlined below;

WHEREAS, the purpose of this Agreement is to settle fully and finally all Released Claims (as defined below) between the Class Members and Defendants, including all claims asserted in the Action; and

WHEREAS, Plaintiffs' Counsel thoroughly analyzed and evaluated the merits of the claims made against Defendants in the Action, and based on their analysis and evaluation of a number of factors, and recognizing the substantial risks of litigation and collection, and in light of the delay attendant to litigation, Plaintiffs' Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate and that this Agreement is in the best interests of the Named Plaintiffs and the Class Members; and

WHEREAS, Defendants deny all the allegations made in the Action but nonetheless, without admitting or conceding any liability or damages whatsoever, have agreed to settle the Action on the terms and conditions set forth in this Agreement to avoid the burden, expense, and uncertainty of continuing litigation; and

WHEREAS, there have been no findings of any liability or wrongdoing by Defendants in the Action;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among Plaintiffs William Soto, Domingo Tolentino, and Luis Viruet and Defendants Houslanger & Associates, PLLC, Todd Houslanger, and Bryan Bryks that, subject to Court approval, in consideration for the mutual promises and covenants set forth in this Agreement as well as the good and valuable consideration provided for herein, the Parties hereto agree to a full and complete settlement of the Action on the following terms and conditions, subject to and upon entry by the Court of a Final Approval Order and the occurrence of the Final Settlement Date, the Action shall be settled and compromised upon the terms and conditions contained in this Agreement.

I. DEFINITIONS

The following capitalized terms have the meanings set forth below:

- A. “Administration Expenses” means all of the fees, costs, disbursements, and expenses charged or incurred by the Class Administrator in implementing and administering the Settlement Agreement, including but not limited to, the fees, costs, disbursements, and expenses associated with Notice, processing all claims made by Settlement Class Members, and the distribution of Settlement Class Member Awards.
- B. “Allocation Plan” means the plan selected by Plaintiffs by which Settlement Class Member Awards will be distributed, subject to the Court’s approval.
- C. “Approved Attorneys’ Fees” means Class Counsel’s attorneys’ fees, costs of litigation and expenses approved by the Court in connection with this Settlement Agreement.
- D. “Assigned Judgment” means any judgment with respect to “consumer debt” (as those terms are defined in 15 U.S.C. §1692a(3) and (5)) that has been sold or otherwise transferred to an entity or individual other than the original plaintiff that initially secured the judgment in court.
- E. “Claim Form” means the form that Class Members may submit to make a claim for a Settlement Class Member Award.
- F. “Class” means:

All individuals against whom Houslanger & Associates, PLLC, Todd Houslanger, or Bryan Bryks, on or after April 19, 2016, have issued an Execution on an Assigned Judgment obtained in New York City Civil Court.

- G. “Class Administrator” means a third-party administrator selected by Plaintiffs to provide Class Notice and to administer the Claims process and this Settlement Agreement, subject to the Court’s approval.
- H. “Class Counsel” means the New York Legal Assistance Group.
- I. “Class Member(s)” means, unless otherwise specified, members of the Class.
- J. “Class Member Judgments” means all New York City Civil Court Assigned Judgments on which Houslanger & Associates, PLLC, Todd Houslanger, or Bryan Bryks executed on or after April 19, 2016.
- K. “Class Notice” or “Notice” means the Notice required to be given to Class Members pursuant to Rule 23 of the Federal Rules of Civil Procedure.
- L. “Class Representative” means the individual or individuals who, subject to the Court’s approval, represent the Settlement Class Members pursuant to Rule 23 of the Federal Rules of Civil Procedure.
- M. “Class Settlement Account” means an account to be maintained by the Class Administrator from which the Administration Expenses, Approved Attorneys’ Fees, Service Awards, and Settlement Class Member Awards will be paid.
- N. “Collection” means collecting on a judgment, whether through legal proceedings, negotiation, or other means, including, but not limited to, sending dunning letters, initiating a new Execution, collecting on any ongoing Execution, soliciting a repayment or settlement agreement, and accepting any payments made pursuant to any settlement or repayment agreement or otherwise made voluntarily, or attempting to do any of the above, or drafting documents designed to do any of the above for use by a third party.
- O. “Current Judgment Creditor” means Gemini Equities, LLC, Credigy Receivables, Inc., CDR Equities, LLC, Gotham Collection Services Corp., CDR Equities, LLC/ Windsearch, Inc., Aquarius Capital, LLC, Virgo Capital, LLC, Libra Equities, LLC, and Asta Finance Acquisition, Inc. and Asta Funding Inc., and their subsidiaries or affiliates, including, but not limited to, Palisades Collection, LLC and Palisades Acquisition XVI.
- P. “Defendants” means Houslanger & Associates, PLLC, Todd Houslanger, and Bryan Bryks.
- Q. “Defendants’ Counsel” shall mean Kaufman, Dolowich & Voluck, LLP.

- R. “Execution” means any effort to collect on a judgment via income execution, property execution, bank restraint, bank levy or other similar means.
- S. “Final Approval Order” means the Order of the Court finally approving the settlement as meeting the requirements of Federal Rule of Civil Procedure 23.
- T. “Final Settlement Date” means the date on which the Final Approval Order becomes “final”:
 - (a) If no objections to the Settlement Agreement are filed, or if any objections are filed and voluntarily withdrawn prior to the entry of the Final Approval Order, the date of the entry of Final Approval Order; or
 - (b) If any objections are filed and not voluntarily withdrawn prior to the entry of the Final Approval Order, the later of:
 - (i) the expiration of the time to file or notice any appeal from the Final Approval Order; or
 - (ii) the date of final affirmance of the Final Approval Order in any appeals therefrom.
- U. “Judgment Creditor” means any person or entity that has owned or will own any Class Member Judgment, and their alter egos and affiliates, including but not limited to the Current Judgment Creditors.
- V. “Named Plaintiffs” means William Soto, Domingo Tolentino, and Luis Viruet.
- W. “New York City Civil Court” means the branches of the Civil Court of the City of New York located in the five boroughs of New York City.
- X. “Objection, Exclusion, and Claim Submission Deadline” means the date by which Class Members’ objections to this Settlement Agreement, Requests for Exclusion from the Class, and Claim Forms must be sent to the Class Administrator.
- Y. “Parties” means the Named Plaintiffs and the Defendants.
- Z. “Plaintiffs” means the Named Plaintiffs and the Class Members.
- AA. “Preliminary Approval Order” means the order granting preliminary approval of this Settlement Agreement.
- BB. “Request For Exclusion” means the written communication that must be made with the Class Administrator and postmarked on or before the Objection, Exclusion, and Claim Submission Deadline by a Class Member who requests to be excluded from the Settlement Class.

- CC. “Released Claims” means all claims that are subject to the provisions of Paragraphs V.A, V.B, and V.C of this Agreement.
- DD. “Settlement Agreement” or “Agreement” means this Stipulation of Settlement and the agreement between the Parties embodied herein, including any subsequent written amendments to this Stipulation of Settlement.
- EE. “Settlement Class” and “Settlement Class Member(s)” mean all members of the Class except any person who files a valid and timely Request for Exclusion.
- FF. “Settlement Class Member Award(s)” means the monetary relief obtained by Settlement Class Members pursuant to Section III(A) of this Agreement.

II. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY

A. Solely for purposes of this Settlement Agreement, the Parties agree to certification of a class under both Fed. R. Civ. P. 23(b)(2) and 23(b)(3) consisting of:

All individuals against whom Houslanger & Associates, PLLC, Todd Houslanger, or Bryan Bryks, on or after April 19, 2016, have issued an Execution on an Assigned Judgment obtained in New York City Civil Court.

B. Subject to Court approval, the Parties agree to the appointment of the Named Plaintiffs as the Class Representatives.

C. Subject to Court approval, the Parties agree to the appointment of the New York Legal Assistance Group as class counsel.

III. RELIEF TO THE CLASS

A. Monetary Relief

1. Defendants agree to pay, or cause to be paid, the “Settlement Amount,” which shall consist of One Hundred Fifty-Five Thousand Dollars (\$155,000). The Settlement Amount shall be used to pay Settlement Class Member Awards, Service Awards, Approved Attorneys’ Fees, and Administration Expenses, as well as any *cy pres* award and any additional distributions as expressly contemplated in this Agreement and approved by the Court.

2. Within twenty one (21) days following the full execution of this Settlement Agreement, Defendants will transfer or cause to be transferred the Settlement Amount to Defendants' Counsel, to be held in escrow pending preliminary approval of the settlement.

3. Within thirty (30) days following the Court's entry of the Preliminary Approval Order, Defendants' Counsel, through the Class Administrator, will deposit or cause to be deposited the Settlement Amount into the Class Settlement Account.

4. Settlement Class Member Awards will be distributed to all Settlement Class Members who have submitted approved Claim Forms pursuant to the terms of this Agreement and pursuant to such Allocation Plan as the Court approves. Class Counsel may apply to the Court for reasonable modifications to the Allocation Plan in the interest of fairness to the Settlement Class Members.

5. The Named Plaintiffs may file applications for Service Awards, to be paid from the Settlement Amount, of up to Five Thousand Dollars (\$5,000) at the Fairness Hearing. The Service Awards, if approved by the Court, shall be paid pursuant to the provisions of the Allocation Plan and Final Approval Order.

6. Along with Class Counsel's motion for final approval, Class Counsel may petition the Court for approval of an award of reasonable attorneys' fees costs, and expenses incurred in prosecuting the Class's claims against the Defendants. Any award of reasonable attorneys' fees costs, and expenses shall come solely from the Settlement Amount.

7. To the extent that funds remain in the Class Settlement Account after the initial distribution of Settlement Class Member Awards, Service Awards, and Administration Expenses, and Approved Attorneys' Fees, the Class Administrator and Class Counsel shall

together determine whether to make any further distributions consistent with the Allocation Plan, after considering whether such distribution is practical and feasible in light of the amount that remains in the Class Settlement Account and the estimated costs of any such distribution. If further distributions are not economically feasible, the remainder shall, subject to Court approval, be given as a *cy pres* award to a not-for-profit organization that benefits individuals adversely affected by consumer debt collection practices. Under no circumstances will any of the Settlement Amount revert to Defendants.

8. Plaintiffs' agreement to these terms is expressly premised upon the truthfulness, accuracy and completeness of the following financial statements, documents, and representations regarding Defendants' financial position provided by Defendants' Counsel to Class Counsel on May 31, 2022 (email with financial information); June 1, 2022 (call regarding financial information and insurance information); June 2, 2022 (email with insurance information); June 3, 2022 (email with financial information); and June 13, 2022 (email with insurance information).

9. If, upon motion by Plaintiffs made prior to the Final Settlement Date, the Court finds that any Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial representations identified above, Plaintiffs may terminate this Settlement Agreement. Plaintiffs reserve the right to move the Court for appropriate relief if, after the Final Settlement Date, Plaintiffs find that any Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial representations identified above, and Defendants reserve the right to oppose such a motion.

B. Interim Relief and Notice of Settlement

1. Beginning 7 days after the Settlement Agreement is signed by all Parties, Defendants Houslanger & Associates, PLLC and Todd Houslanger will not issue, serve, or initiate any new Executions (including income executions, property executions, restraining notices, or information subpoenas) on any Class Member Judgments.

2. Beginning 7 days after the Settlement Agreement is signed by all Parties, Defendants Houslanger & Associates, PLLC and Todd Houslanger will not engage in any Collection, or any action in furtherance of Collection, on any Class Member Judgment via any Collection method that is not already in effect for that Judgment as of the date of the full execution of the Settlement Agreement. For the avoidance of doubt, continuing to accept payments via a pending Execution or via a pending repayment agreement or receiving voluntary payments or payoffs related to Class Member Judgments that are not in response to any Collection effort initiated after the Settlement Agreement is signed, are manners of Collection that are not prohibited by this paragraph.

3. No later than 30 days after the Settlement Agreement is signed by all Parties, Defendant Houslanger & Associates, PLLC will provide notice to all Current Judgment Creditors stating that starting on the date that is 60 days after the date of the Settlement Agreement is signed by all Parties, Defendants Houslanger & Associates, PLLC and Todd Houslanger will no longer engage in any Collection or accept any payment on any Class Member Judgment, including, but not limited to, that H&A and Todd Houslanger will no longer continue to execute, or accept payment, on any Class Member Judgments where Class Members are currently making payments pursuant to an ongoing Execution, and that H&A and Todd Houslanger will not accept any payments on Class Member Judgments made pursuant to a settlement or repayment agreement.

4. No later than 60 days after the Settlement Agreement is signed by all Parties, Defendant Houslanger & Associates, PLLC will advise and direct any sheriff or marshal with a pending Execution for any Class Member Judgment that, if the marshal/sheriff has not been notified of a consent to change attorney regarding continued Execution on any Class Member Judgment placed with the marshal or sheriff by Houslanger & Associates, PLLC, that the marshal/sheriff is to return any funds received to the source of those funds. The letter shall be substantially similar to the following, and shall include a list of all Executions placed with that marshal/sheriff:

Our law firm, Houslanger & Associates, PLLC, has either initiated or substituted in as the creditors' attorney in the above/below-referenced execution through your office.

I am writing to notify you that, as of [60 days from settlement agreement signing], Houslanger & Associates, PLLC will no longer be handling this matter on behalf of the judgment creditor. As of [60 days from settlement agreement signing], we will no longer be accepting funds in connection with this execution. If you have not previously received a consent to change attorney with respect to this matter, please return any funds that come into your office on this execution after [60 days from settlement agreement signing], to the source from which you received same or to the defendant and kindly notify us.

Sincerely,

All communications with the marshal/sheriff shall be consistent with the obligation set forth in this Section.

C. Permanent Cessation of Collection on Class Member Judgments

1. Effective 60 days after this Settlement Agreement is signed by all Parties, Defendants will permanently cease all Collection on all Class Member Judgments.
2. In the event any Class Member makes any payment to any Defendant after 60 days following when the Settlement Agreement is signed by all Parties, Defendants shall return such payment to the Class Member within ten days of receipt.

3. For the avoidance of doubt, the permanent cessation in paragraph III.C.1 means that Defendants will not initiate any new Executions, collect on any ongoing Executions, accept any payments made pursuant to any settlement or repayment agreement or otherwise made voluntarily, or otherwise collect or take any steps to collect any funds pursuant to any Class Member Judgment. This prohibition on Defendants applies regardless of whether any Class Member Judgment is transferred or sold to a different Judgment Creditor. This prohibition also means that Defendants will not serve or file any court documents in furtherance of Execution or other Collection with respect to any Class Member Judgments, nor will Defendants appear (in their own name or through any per diem services acting on their behalf) for any court appearances to further the Execution or other Collection of any Class Member Judgments.

4. However, Defendants may serve or file court papers related to Class Member Judgments that are not in furtherance of Collection, such as a satisfaction or partial satisfaction of judgment, consent to change to attorney form, vacatur of judgment, or notices of dismissal/discontinuance, and may appear in response to a court order directing their appearance or to advise a court that the matter is no longer being handled by Defendants.

5. Plaintiffs expressly acknowledge that Defendants' agreement to cease Collection for Class Member Judgments does not mean that the underlying debt is invalid, unenforceable or extinguished, or that execution by entities other than Defendants cannot continue or that Judgment Creditors will not continue collection efforts previously initiated by Defendants, either through another attorney or by themselves.

6. This Settlement Agreement shall not be construed to prohibit Defendants from maintaining client relationships, privileged attorney client communications, communicating

with any Sheriff as to the change of attorney or client representative, assisting in any client-directed transfer of representations or client files and related data, providing disclosure when required by law, subpoena, court order, or the like, or in regard to non-“consumer debt” matters or to appear in response to a court order directing their appearance or to advise a court that the Class Member Judgment is no longer being handled by Defendants.

7. Defendants agree that, in all communications with Class Members regarding Class Member Judgments, Defendants will use language that is consistent with the terms of this Settlement Agreement.

8. Upon the Final Settlement Date, Defendants may resume Collection against any Class Member who has been excluded from the Settlement in accordance with Paragraph IV(D) of this Agreement.

D. Additional Cessation of Collection on Assigned Judgments

1. Effective sixty (60) days following when the Settlement Agreement is signed by all Parties, Defendants Houslanger & Associates, PLLC and Todd Houslanger will permanently cease all Collection on all Assigned Judgments that were entered by New York City Civil Court prior to August 1, 2012.

2. For a period of three years from the date the Settlement Agreement is signed by all Parties, Defendants Houslanger & Associates, PLLC and Todd Houslanger will cease all Collection on all other New York City Civil Court Assigned Judgments that have been or will be owned by any Current Judgment Creditor, regardless of the date of entry.

3. For the avoidance of doubt, the prohibitions in paragraphs III.D.1 and III.D.2 mean that Houslanger & Associates, PLLC and Todd Houslanger will cease Collection on all applicable Assigned Judgments for which they have already accepted representation and will not accept new representation with respect to any applicable Assigned Judgments in the

future. While these prohibitions will remain applicable to Mr. Houslanger should he elect to seek employment with a law firm/business/other entity (a “Future Employer”), these prohibitions will not be imputed to the Future Employer or to any other individuals at such Future Employer.

4. The prohibitions in paragraphs III.D.1 and III.D.2 shall not apply to any Assigned Judgment for which Houslanger & Associates, PLLC and/or Todd Houslanger served as the attorney of record in the underlying court proceedings prior to the entry of the judgment (i.e., Houslanger & Associates, PLLC and/or Todd Houslanger represented the state court plaintiff in obtaining a judgment).

E. Changed Business Practices

1. For a period of three years commencing 60 days after the Settlement Agreement is signed by all Parties, Defendant Houslanger & Associates, PLLC will, before executing on any Assigned Judgment entered by a New York City Civil Court, mail or otherwise provide any consumer debtor with: (a) a 15 U.S.C. § 1692g validation notice (which may be a model validation notice that is consistent with the then existing laws and regulations of the federal government or New York State or New York City); and (b) notice that Houslanger & Associates, PLLC is the current law firm attempting to collect on the Assigned Judgment.

2. For a period of three years commencing 60 days after the Settlement Agreement is signed by all Parties, Defendants Houslanger & Associates, PLLC and Todd Houslanger will, before executing on any Assigned Judgment entered by a New York City Civil Court, obtain (a) a copy of the judgment; and (b) the affidavit of service. In the event the affidavit of service has been destroyed or is otherwise unavailable in the New York City Civil Court Clerk’s Office file, Defendants Houslanger & Associates, PLLC and Todd Houslanger will

document their attempt to obtain the affidavit of service. In the event the judgment has been destroyed or is otherwise unavailable in the New York City Civil Court Clerk's Office file, Defendants Houslanger & Associates, PLLC and Todd Houslanger will document their attempt to obtain the judgment and may utilize a transcript of judgment in lieu of the judgment.

F. Certifications Regarding Cessation of Collection and Changed Business Practices

1. No later than fourteen days prior to the deadline to submit papers in support of Final Approval of this Settlement, or sixty-seven days after this Settlement Agreement is signed by all Parties (whichever even occurs later in time), Todd Houslanger shall provide a written certification to Class Counsel that: (1) he has conducted a review of relevant Houslanger & Associates, PLLC systems and records, as well as his own records; (2) that all Collection on Class Member Judgments by Houslanger & Associates, PLLC and Todd Houslanger has ceased; (3) that all Collection by Houslanger & Associates, PLLC and Todd Houslanger on any New York City Civil Court Assigned Judgment that has been or is owned by any Current Judgment Creditor, regardless of the date of entry, has ceased; (4) that all Collection by Houslanger & Associates, PLLC and Todd Houslanger on any Assigned Judgment that was entered by New York City Civil Court after August 1, 2012 has ceased; (5) that Houslanger & Associates, PLLC has implemented policies to ensure compliance with its obligations to cease Collection as provided in this Settlement Agreement; and (6) that Houslanger & Associates, PLLC has complied with its obligations in Paragraph III.C.2 to provide refunds to Class Members.

IV. CLASS SETTLEMENT PROCEDURE

A. Preliminary Approval

1. The Parties consent to the jurisdiction of Magistrate Judge Sanket Bulsara over preliminary and final approval of the Settlement Agreement.

2. Class Counsel will submit the fully executed Settlement Agreement to the Court and move for entry of the Preliminary Approval Order no later than 30 days following the full execution of this agreement.

B. Class Settlement Administration

1. Class Counsel will select and, subject to Defendants' Counsel's approval, retain a Class Administrator to help implement this Settlement Agreement. The Court shall appoint the Class Administrator in the Preliminary Approval Order.

2. All Administration Expenses shall be paid from the Class Settlement Account.

3. Defendants shall cooperate with Class Counsel and the Class Administrator in the administration of this Settlement Agreement in order to effectuate its terms, including using its best efforts to provide timely, accurate information necessary to contact and calculate payments to Settlement Class Members, including any information provided below in Paragraph IV.C.

4. In the event of a dispute by a Settlement Class Member regarding the calculation of or eligibility for their Settlement Class Member Award, the Class Administrator shall promptly report the nature of the dispute to Class Counsel, who will work in good faith with the Class Administrator in an effort to resolve the dispute. If Class Counsel and the Class Administrator cannot resolve the dispute, the Parties shall bring the dispute to the Court's attention for resolution.

C. Data.

1. Defendants agree to cooperate with Class Counsel by providing additional Class Member data and information that they or the Class Administrator reasonably request in

order to effectuate this Settlement Agreement, until the Settlement Agreement has received final approval by the Court.

D. Notice, Objections, and Requests for Exclusion

1. Subject to the requirements of the Preliminary Approval Order or any other Order of the Court, Class Counsel will, at least sixty days prior to the Objection, Exclusion, and Claim Submission Deadline, cause the Class Administrator to provide Class Notices to all Class Members. A copy of the Claim Form and/or a link to an electronic claim form will be sent along with the Class Notices. Defendants' Counsel shall be provided with the proposed Notice and Claim Form (or a specimen or template of the Claim Form) and any documents that will be publicly available, either electronically or otherwise, or published by Class Counsel or the Class Administrator. If Defendants' Counsel objects to any such document within three business days of being provided that document, Defendants' Counsel's approval of same shall be required prior to distribution or publication. The foregoing documents shall not contain any disparaging remarks or comments which place Defendants in a negative light.

2. Any Class Member who wishes to be excluded from the Settlement Class must deliver a Request for Exclusion to the Class Administrator pursuant to the requirements set forth in the Preliminary Approval Order or any other order of the Court. The Class Administrator shall provide the Parties with a written report identifying the names of every Class Member who has submitted a timely Request for Exclusion. Such report shall be delivered to Class Counsel and Defendants' Counsel within two business days after the Objection, Exclusion, and Claim Submission Deadline. Class Members may withdraw Requests for Exclusion at any time prior to entry of the Final Approval Order.

3. Any Class Member who wishes to object to the fairness, reasonableness or adequacy of this Settlement Agreement or any of its terms may do so as set forth in the

Preliminary Approval Order or any other order of the Court. The Class Administrator shall report all Class Member objections to Class Counsel and Defendants' counsel within two business days of receipt.

E. Fairness Hearing

1. At the time Class Counsel submits this Settlement Agreement to the Court, they shall request that the Court schedule a Fairness Hearing. The Parties agree that the Fairness Hearing should occur at least 90 days after the Court enters the Preliminary Approval Order. The Parties agree that the Court may order a Fairness Hearing to be held by videoconference or teleconference, if the Court deems such method appropriate.

2. On the date set by the Court for the Fairness Hearing, the Parties shall jointly request the Court to review any petitions to intervene as well as any proper and timely objections to the Settlement Agreement and to conduct such other proceedings as the Court may deem appropriate under the circumstances. At the Fairness Hearing, the Parties shall request the Court to enter the Final Approval Order.

V. RELEASES

A. Upon the Final Settlement Date, the Class Representatives release the Defendants as well as their past and present partners, associates, principals, shareholders, directors, officers, members, attorneys, employees, agents, representatives, parents, subsidiaries, affiliates, divisions, predecessors or successors, partnerships or corporations, heirs, executors, administrators, successors, assigns and insurers (except Judgment Creditors, as provided *infra* in Paragraph V.D) from any and all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever in law, admiralty or equity, that the Class Representatives have, may have, or might

have, as against Defendants, arising out of or related to the Class Member Judgments or the claims asserted in this Action, existing up until and including the Final Settlement Date.

B. Upon the Final Settlement Date, the Settlement Class Members release the Defendants as well as their past and present partners, associates, principals, shareholders, directors, officers, members, attorneys, employees, agents, representatives, parents, subsidiaries, affiliates, divisions, predecessors or successors, partnerships or corporations, heirs, executors, administrators, successors, assigns and insurers (except Judgment Creditors, as provided *infra* in Paragraph V.D) from any and all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever in law, admiralty or equity, that the Settlement Class Member(s) have, may have, or might have, as against Defendants, arising out of or related to the Class Member Judgments or the claims asserted in this Action, existing up until the Final Settlement Date.

C. As of the Final Settlement Date, Defendants shall be deemed to have forever released and discharged the Settlement Class Members from any claims that Defendants have or may have against Settlement Class Members, arising out of or related to the Class Member Judgments or the claims asserted in this Action.

D. For the avoidance of doubt, nothing in this Settlement Agreement shall release any claim by any Settlement Class Member against any Judgment Creditor; this Settlement Agreement specifically preserves all Settlement Class Members' claims against all Judgment Creditors, including claims to vacate any Class Member Judgment. Likewise, nothing in this Settlement Agreement shall release any claim by any Judgment Creditor against any Class Representative or Settlement Class Member; this Settlement Agreement specifically preserves all

Judgment Creditors' claims against the Class Representatives and Settlement Class Members, including any attempt to enforce or collect on the Class Member Judgments.

E. The Parties do not release, waive, or discharge claims to enforce any provision of this Agreement.

VI. RETENTION OF JURISDICTION AND METHOD OF RAISING DISPUTES

A. Any action arising under or to enforce this Settlement Agreement, the Preliminary Approval Order or the Final Approval Order, shall be commenced and maintained only in this Court and the Court retains continuing and exclusive jurisdiction to adjudicate all issues relating to this Settlement Agreement.

B. In the event that Plaintiffs assert that Defendants have breached any aspect of this Stipulation, Plaintiffs shall provide Defendants with written notice in accordance with Paragraph VIII.H. No later than thirty days following Plaintiffs' notice to Defendants, the parties shall confer to resolve the issue raised in the notice. If the parties are unable to resolve the issue within sixty days after the notice, or such time thereafter as is mutually agreed upon, then any party may seek judicial intervention, including enforcement of the provisions of this Stipulation.

VII. ADDITIONAL TERMS

A. It is hereby understood and agreed that this Settlement Agreement is the compromise of disputed claims and is not to be construed or interpreted in any way as an admission of liability on the part of Defendants, such liability and/or responsibility being expressly denied. The Parties agree that there have been no findings of fact or law by the Court of any improper or illegal conduct by Defendants and there have been no determinations as to any alleged wrongdoing or liability of Defendants.

B. The Named Plaintiffs and Defendants agree, represent, and warrant that they will never, either orally or in writing, make derogatory, untrue statements about each other.

C. After the Settlement Agreement is signed by all Parties, Class Counsel will, in writing, notify the New York State Department of Financial Services (DFS) of this Settlement Agreement and set forth that Plaintiffs are satisfied with the outcome and terms of the settlement and therefore withdraw any prior complaints. Class Counsel shall provide a copy of said writing to Defendants' Counsel for their review and comment prior to the final execution of this settlement agreement.

D. Defendant Bryan Bryks represents that he has not engaged in work as a "debt collector" as that term is defined in 15 U.S.C. §1692a since leaving Houslanger & Associates, PLLC in 2019.

VIII. GENERAL MATTERS AND RESERVATIONS

A. This Settlement Agreement sets forth the entire agreement among the Parties with respect to its subject matter.

B. This Settlement Agreement shall be governed by and interpreted according to the laws of the State of New York.

C. Upon entry of an order by the Court that invalidates or disapproves the Settlement Agreement, or which alters any material term of this Settlement Agreement without the Parties' consent, Defendants and/or the Named Plaintiffs shall have the right to terminate the Settlement Agreement, and the Settlement Agreement thereafter shall have no further force and effect with respect to any Party in this Action.

D. In the event that the Court conditions its preliminary or final approval of the Settlement Agreement on any changes to the Settlement Agreement, the Parties shall in good faith consider such changes and consent to them if they do not materially alter the obligation of the Parties.

E. In the event the Settlement Agreement is terminated, this Settlement Agreement and all negotiations, proceedings, documents prepared and statements made in connection with this Settlement Agreement shall be without prejudice to any Party and shall not be admissible into evidence, 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 shall not be used in any manner for any purpose, and all Parties to this Action shall stand in the same position as if this Settlement Agreement had not been negotiated, made or filed with the Court.

F. If a bankruptcy case is commenced as to any of the Defendants under Title 11 of the United States Code, or a trustee, receiver or conservator is appointed under United States bankruptcy law for any Defendant, and if a final order and/or judgment of a court of competent jurisdiction is entered determining that the transfer of the Settlement Amount (or any portion of it) to the Class Settlement Account is a voidable preference or fraudulent transfer, and if any funds in the Class Settlement Account are actually clawed back by the debtor's estate and become unavailable before the initial distribution of the Settlement Amount has been made to Class Members, then this Settlement Agreement may be terminated at the sole option and discretion of Class Counsel as to any such Defendant.

G. All matters not specifically covered by the provisions of this Settlement Agreement shall be resolved by agreement of Class Counsel and counsel for the Defendants, or if they cannot agree, by order of the Court, unless the dispute relates to a material change to the Settlement Agreement which gives rise to a right of any Party to void and cancel the Settlement Agreement.

H. Any notices given by one Party to another in connection with this Settlement Agreement shall be provided by e-mail as follows (or at such other e-mail address as may be provided by a Party):

If to Defendants, then to:

Brett A. Scher
bscher@kdvlaw.com
Adam Marshall
amarshall@kdvlaw.com

If to the Named Plaintiffs, then to:

Danielle F. Tarantolo
dtarantolo@nylag.org
Jessica Ranucci
jranucci@nylag.org

I. This Settlement Agreement may be signed in counterparts, each of which shall constitute a duplicate original. Execution by facsimile or by electronically transmitted signature shall be fully and legally binding.

Agreed to as of this 17th day of June, 2022

**NEW YORK LEGAL ASSISTANCE GROUP
LISA RIVERA, ESQ.**

By: 

Danielle Tarantolo, of counsel

Jessica Ranucci, of counsel

100 Pearl Street, 19th Floor

New York, NY 10004

Telephone: (212) 613-5000


Email: dtarantolo@nylag.org

Email: jranucci@nylag.org

Attorneys for Named Plaintiffs and Class Members

Agreed to as of this 20th day of June, 2022

KAUFMAN DOLOWICH VOLUCK, LLP

By: 

Brett A. Scher

Adam Marshall

135 Crossways Park Drive, Suite 201

Woodbury, New York 11797

Telephone: (516) 681-1100

Facsimile: (516) 681-1101

Email: bscher@kdvlaw.com

Email: amarshall@kdvlaw.com

Attorneys for Defendants