

CLASS SETTLEMENT AND RELEASE AGREEMENT

It is hereby agreed by and among the undersigned Parties (defined below), subject to the approval of the Court pursuant to Rule 3.769 of the California Rules of Court, and California Code of Civil Procedure section 877.6, that settlement of this Action shall be effectuated pursuant to the terms and conditions set forth in this Class Settlement and Release Agreement (the “Agreement”).

1. PARTIES

This Agreement is made and entered into by and between Plaintiff Peggy Irene Leedeman (“Plaintiff” or “Class Representative”), acting individually and as representatives of the Class, as defined herein (the “Class” or “Class Members”) and Defendant Midland Credit Management, Inc. (“Defendant” or “Midland”) (individually, a “Party,” and collectively the “Parties”) for the purpose of resolving by compromise and settlement all claims, controversies and alleged liabilities arising out of the disputes as set forth below.

2. RECITALS

2.1 On September 12, 2019, Plaintiff filed an action *Peggy Irene Leedeman v. Midland Credit Management, Inc.*, Santa Clara County Superior Court Action No. 19CV354554 the “Action”. Thereafter, on or about February 25, 2021, Plaintiff filed a First Amended Class Action Complaint, the operative complaint in the Action (the “Complaint”).

2.2 On August 22, 2022, the Court certified a class defined as follows:

All persons with addresses in California to whom MIDLAND CREDIT MANAGEMENT, INC., sent, or caused to be sent, an initial written communication in the form of Exhibits “1” and “2” to the First Amended Class Action Complaint for Statutory Damages herein in an attempt to collect a charged-off consumer debt originally

owed to Capital One Bank (USA), N.A., which was sold or resold to MIDLAND CREDIT MANAGEMENT, INC, on or after January 1, 2014, which were not returned as undeliverable by the U.S. Post Office during the period one year prior to the date of filing this action through the date of class certification.

2.3 On September 21, 2023, legal notice postcards were duly distributed by first-class mail to the Class.

2.4 The Parties have engaged in lengthy settlement negotiations and two separate mediations before the Honorable Robert D. McGuiness (Ret.).

2.5 As stated in more detail in Section 17 of this Agreement, Midland does not in any way acknowledge, admit to or concede any of the allegations made in the Complaint, and expressly disclaims any fault or liability, or any charges of wrongdoing that have been or could have been asserted in the Complaint, and maintains that it has a number of meritorious defenses to the claims. Nothing contained in this Agreement shall be used or construed as an admission of liability.

2.6 Notwithstanding the above, the Parties recognize the risk and uncertainties inherent in litigation, including the costs and burdens associated with prosecuting and defending this class action, the costs and burdens of appeals, and the uncertain nature of litigation outcomes. Accordingly, the Parties believe that settlement is in their best interests.

2.7 This Agreement shall not be offered or received into evidence in any action or proceeding in any court or other forum as an admission or concession of liability or wrongdoing of any nature other than to enforce the terms of this Agreement.

3. **DEFINITIONS**

As used in this Agreement, the following terms shall have the meanings set forth below:

3.1 **“Action”** means Santa Clara County Superior Court Case No. 19CV354554, entitled *Peggy Irene Leedeman v. Midland Credit Management, Inc.*

3.2 **“Class”** means the class previously certified by the Court as fully set forth in Section 2.1, consisting of, prior to confirmation of any exclusions, 36,635 members who meet the Class definition. The Class members are identified on the Class List previously provided to Class Counsel. Any information on the Class List is solely for the purpose of providing Notice to the Class and informing Class Members about their rights further to this Settlement, shall be kept in strict confidence, shall not be disclosed to any third party other than the Parties to this Agreement and their counsel if necessary to effectuate the terms of the Agreement or the administration process, shall be used for no other cases, and shall be used for no other purpose.

3.3 **“Class Counsel”** means Consumer Law Center, Inc.

3.4 **“Class List”** means the confidential list produced by Midland consisting of the names, addresses and telephone numbers of the 36,635 Class Members.

3.5 **“Class Member(s)”** means any Person who falls within the definition of the Class.

3.6 **“Class Period”** means the period from September 12, 2018 through August 22, 2022.

3.7 **“Class Representative”** means Peggy Irene Leedeman.

3.8 **“Costs of Notice and Administration”** means costs and expenses reasonably and actually incurred by the Settlement Administrator or other third party in sending out Notice, holding and disbursing funds, and performing administrative functions related to the Settlement.

3.9 **“Court”** means the Superior Court of the State of California for the County of Santa Clara.

3.10 **“Cy Pres Recipient”** means the organization that the Parties agree to, and that the Court finds appropriate, to receive any funds from uncashed Settlement Checks and the unclaimed Class Recovery. Subject to the Court’s approval, the Parties intend to propose East Bay Community Law Center in Berkeley; Housing and Economic Rights Advocates in Oakland; and Community Legal Services in East Palo Alto, as equal *cy pres* recipients.

3.11 **“Effective Date”** means the first business day after which all of the following events have occurred: (a) the Court has entered the Preliminary Approval order as set forth in Section 3.27 of this Agreement; (b) the Court has entered the Final Approval Order and Judgment as set forth in Section 3.15 of the Agreement; and (c) the Final Approval Order and Judgment has become Final as defined in 3.13 of this Agreement.

3.12 **“Fee and Expense Application”** means the written motion or application by which Class Counsel requests that the Court award them fees and/or expenses.

3.13 **“Final”** with respect to the Final Approval Order and Judgment (as defined in Section 3.15), means that such order has been entered on the docket in the Action, and, if any objection has been made to the settlement, (a) the time to appeal from such order has expired and no appeal by any objector has been timely filed; (b) if such an appeal has been filed, it has been finally resolved and has resulted in an affirmance of the Final Approval Order and Judgment; or (c) this Court, following the resolution of the appeal, on remand, enters a further order or orders approving the settlement on the terms set forth herein, and either no further appeal is timely taken from such order(s) or any such appeal results in affirmance of such order(s). If no Class Member has objected to the Settlement and moved to intervene in the Action

for purposes of appeal, “Final” shall mean 10 days after entry of the Final Approval Order and Judgment.

3.14 **“Final Approval Hearing”** means the hearing at which the Court shall: (a) determine whether to grant final approval to this Settlement Agreement; and (b) consider any timely objections to this Settlement and all responses to objections by the Parties.

3.15 **“Final Approval Order and Judgment”** means an order in which the Court grants final approval of this Settlement Agreement and authorizes the entry of a final judgment.

3.16 **“Funding Date”** means no later than 30 days after the Effective Date.

3.17 **“Long Form Notice”** means the long form notice to be made available on the Settlement Website, describing the terms of this Settlement Agreement and containing information on how to opt-out and/or object, substantially in the form of Exhibit A hereto.

3.18 **“Midland”** means Midland Credit Management, Inc.

3.19 **“Midland’s Counsel”** or **“Defendant’s Counsel”** means Solomon Ward Seidenwurm & Smith, LLP.

3.20 **“Notice”** means the Court-approved form of notice of this proposed Settlement Agreement and Final Approval Hearing, which is consistent with the requirements of due process, and which is to be provided substantially in the manner set forth in this Agreement and the exhibits thereto, including Long Form Notice, Short Form/Postcard Notice, and the Settlement Website.

3.21 **“Notice Plan”** means and refers to the plan to disseminate Notice of the Settlement Agreement to the Class that comports with due process.

3.22 **“Notice Completion”** means the date that the Settlement Administrator completed dissemination of the Notice described in Section 8.

3.23 **“Objection Deadline”** means the date by which any Persons who fall within the definition of “Class” must submit any objections to the Settlement Agreement and shall be set for a date 60 days following commencement of the Notice Plan.

3.24 **“Opt-Out Deadline”** means the date by which any Persons who fall within the definition of “Class” must submit any opt-outs to the Settlement Agreement and shall be set for a date 60 days following commencement of the Notice Plan.

3.25 **“Party” or “Parties”** mean Midland, Peggy Irene Leedeman, and each Class Member.

3.26 **“Person” or “Persons”** means any natural person, firm, corporation, unincorporated association, partnership or other form of legal entity or government body, including its agents and representatives.

3.27 **“Preliminary Approval Order”** means the order in which the Court grants its preliminary approval to this Settlement Agreement and authorizes dissemination of Notice to the Class Members.

3.28 **“Released Parties”** means Midland; all Midland’s acquired entities, predecessors, successors, divisions, assigns, affiliates, parent companies, and subsidiaries (collectively, “Affiliates”), all of their past or present predecessors, successors, direct or indirect parents, subsidiaries, associates, affiliates, assigns, employers, employees, shareholders, owners, members, trustees, administrators, executors, managers, representatives, principals, agents, consultants, independent contractors, insurers, reinsurers, directors, managing directors, officers, partners, attorneys, accountants, financial and other advisors, investment bankers, underwriters, shareholders, lenders, auditors, investment advisors, legal representatives, successors in interest, assigns, franchisees and persons, firms, trusts, and corporations (each

solely in their respective capacity as such).

3.29 **“Released Claims”** means any and all claims, debts, liabilities, obligations, costs, expenses, attorneys’ fees, damages, rights or equitable, legal or administrative relief, of any basis or source, whether known or unknown, actually alleged or that could have been alleged, based upon, or arising from, or relating to, allegations asserted or that could have been asserted in the First Amended Class Action Complaint for Statutory Damages filed in the Action.

3.30 **“All Parties”** shall mean Midland, (all Midland’s acquired entities, predecessors, successors, divisions, assigns, affiliates, parent companies, and subsidiaries (collectively, “Affiliates”), all of their past or present predecessors, successors, direct or indirect parents, subsidiaries, associates, affiliates, assigns, employers, employees, shareholders, owners, members, trustees, administrators, executors, managers, representatives, principals, agents, consultants, independent contractors, insurers, reinsurers, directors, managing directors, officers, partners, attorneys, accountants, financial and other advisors, investment bankers, underwriters, shareholders, lenders, auditors, investment advisors, legal representatives, successors in interest, assigns, franchisees and persons, firms, trusts, and corporations (each solely in their respective capacity as such)), on the one hand, and Peggy Irene Leedeman and each Class Member, on the other.

3.31 **“Opt-Out Request”** means a request by a Class Member to opt out of the Settlement submitted pursuant to the instructions set forth in the Notice.

3.32 **“Settlement Administrator”** means CPT Group, Inc. If CPT Group, Inc. is unable to perform this function, Midland, in its sole and absolute discretion, shall select another settlement administrator.

3.33 **“Settlement Agreement,” “Settlement,” or “Agreement”** means this Settlement

Agreement.

3.34 “**Settlement Check**” means the negotiable checks or digital payments to be sent to those Class Members who do not opt-out of the Settlement.

3.35 “**Settlement Website**” means the website to be created by the Settlement Administrator containing full details and information about the Settlement, including this Agreement, the Preliminary Approval Order, and the Long Form Notice.

3.36 “**Short Form/Postcard Notice**” means written notice of the settlement in the form attached hereto as Exhibit B, to be sent in a postcard format, summarizing the terms of the Settlement and advising Persons who fall within the definition of the Class of their options in opting-out and/or objecting to the Settlement.

3.37 “**Settlement Fund**” means the fund described in Section 4.1.

3.38 All references to days shall be interpreted to mean calendar days, unless otherwise noted. When a deadline or date falls on a weekend or a legal Court holiday, the deadline or date shall be extended to the next business day that is not a weekend or legal Court holiday.

3.39 All references to “his,” “her,” and similar terms are intended to be gender-neutral and apply equally to Persons who are businesses, organizations, or other non-natural Persons.

3.40 Other terms are defined in the text of this Settlement Agreement and shall have the meaning given to those terms in the text. It shall be the intent of the Parties in connection with all documents related to the Settlement that defined terms as used in other documents shall have the meaning given to them in this Settlement Agreement, unless otherwise specified.

4. CLASS RELIEF AND SETTLEMENT FUND

In consideration of a full, complete, and final settlement of the Released Claims and entry of Final Judgment by the Court, the Parties agree to the following:

4.1 No later than the Funding Date, Midland shall pay the following to the Settlement Administrator (the “Settlement Fund”): (i) \$318,000 (the “Class Recovery”) distributed pro rata to the Class Members; (ii) \$6,000 to be approved by the Court as a service award to the Class Representative; (iii) the Costs of Notice and Administration, which CPT reasonably estimates to be \$87,000, consistent with the quote provided by CPT on or about March 27, 2025; and (iv) attorneys’ fees and costs in an amount to be approved by the Court but not greater than \$260,000. In the event that this Settlement Agreement is not finally approved or otherwise terminates, any payments made to the Settlement Administrator by Midland, that have not been spent shall, within ten (10) business days, be returned by the Settlement Administrator to Midland in the manner that Midland directs.

4.2 Subject to the terms and conditions of this Agreement, Class Members shall qualify for payment from the Settlement Fund unless they timely opt-out of the Settlement.

4.3 Each Class Member who does not opt-out of the Settlement shall receive a pro rata portion of the Class Recovery. Any amounts of the Class Recovery not disbursed to a Class Member shall be distributed by the Settlement Administrator to the *Cy Pres* Recipient approved by the Court and agreed to by the Parties within 90 days after issuance of the Class Recovery to Class Members. Each Class Member shall receive one (1) payment, irrespective of the number of letters sent to any given Class Member. Any Class Member who timely opts-out of the Settlement, as shown by postmark or other identifiable date of transmission, shall receive no monetary payment from the Settlement Fund. All Class Members will be informed that checks containing payments must be cashed within 90 days of issuance or else the check will be void and they will have no further right or entitlement to any payment under the terms of this Settlement. In no event shall a second disbursement or distribution of the Class Recovery to the

Class be required by this Agreement.

4.4 Notwithstanding any judgment, principle, common law rule or statute, there shall be no interest accrued, owing, or paid by Midland on Settlement Checks, the Settlement Fund, or on any other benefit available (or potentially available) under this Agreement.

4.5 The Settlement Fund shall be established through the deposit by Midland into an account maintained by the Settlement Administrator. The Settlement Administrator shall disburse funds pursuant to orders of the Court and shall not disburse funds earlier than the Effective Date.

4.6 The Court shall retain continuing jurisdiction over the Settlement Fund sufficient to satisfy the requirements of 26 C.F.R. § 1.468B-1. The Settlement Administrator shall at all times seek to have the Settlement Fund treated as a “qualified settlement fund” as that term is defined in 26 C.F.R. § 1.468B-1. The Settlement Administrator shall cause any taxes composed on the earnings of the Settlement Fund, if any, to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Settlement Fund under applicable tax laws. The Settlement Administrator shall be the “administrator” of the Settlement Fund pursuant to 26 C.F.R. § 1.468B-2(k)(3). In no event shall Midland or any of the other Released Parties have any responsibility or liability for taxes or tax-related expenses arising in connection with the payment or distribution of the Settlement Fund to Class Representative, Class Counsel, Class Members, the *Cy Pres* Representative, or any other person.

5. DISBURSEMENT OF THE CLASS RECOVERY

5.1 Each Class Member who does not opt-out of the settlement shall be mailed a check or receive a digital payment equivalent to his/her pro rata share of the Class Recovery as set forth in Section 4.3.

6. SETTLEMENT ADMINISTRATION

6.1 Subject to the Court's approval, CPT Group, Inc. shall perform the duties of the Settlement Administrator as described in this Agreement. The Settlement Administrator shall, under the supervision of the Court, undertake the dissemination of Notice and distribution of the monetary relief provided by this Agreement, as well as any other duties specified in this Agreement. The Settlement Administrator will field calls and correspondence from Class Members and disburse amounts from the Settlement Fund. The Settlement Administrator shall maintain reasonably detailed records of its activities under this Agreement. The Settlement Administrator shall provide reports and other information to the Court as it may require. Should the Court request, the Parties, in conjunction with the Settlement Administrator, shall submit a report to the Court summarizing the work performed by the Settlement Administrator.

6.2 The Settlement Administrator shall administer the Settlement in a cost-effective and timely manner. Without limiting any of its other obligations as stated herein, the Settlement Administrator shall be responsible for mailing the class notice, as defined below, administration of the Settlement Fund, and providing all other related support, reporting and administration as further stated in this Agreement.

6.3 Midland will, if necessary, coordinate with the Settlement Administrator to provide the last known address and social security number of each of the Class Members, if known and reasonably available. Because the information about potential Class Members that will be provided to the Settlement Administrator will consist of confidential, non-public personal information, and other protected information, such information shall be deemed "Confidential," and shall be used only for the purpose of administering this Settlement.

6.4 W-9 Forms. The Settlement Administrator shall complete and provide to

Midland any W-9 forms as to the Settlement Fund necessary for Midland to implement this Settlement.

7. PRELIMINARY APPROVAL MOTION

7.1 Plaintiff will submit to the Court a Joint Motion for Preliminary Approval of Class Settlement no later than 60 days after full execution of this Agreement. The Preliminary Approval Motion will request that the Court enter a Preliminary Approval Order that:

- (a) Finds preliminarily that the Agreement is fair, reasonable and adequate to the Class;
- (b) Sets a schedule for proceedings with respect to a Final Approval Hearing to
 - (1) determine whether to grant final approval to this Settlement Agreement;
 - (2) consider any timely objections to this Settlement and the Parties' responses to such objections; and
 - (3) rule on the applications for the Class Representative's service award and for payment of attorneys' fees and costs expenses.
- (c) Approves the form notice to be provided to the members of the Class in the same or substantially the same form as Exhibit A attached hereto, approves a postcard notice in the same or substantially the same form as Exhibit B, requests that the Court permit the Parties to direct the Settlement Administrator to send Notice as set forth in this Agreement, and permits the distribution of the Notice described below to be disseminated to the Class; and
- (d) Sets forth the proposed plan of allocation to the Class.

8. NOTICE TO CLASS MEMBERS

8.1 If the Court grants the Preliminary Approval Motion, within 30 days of entry of the Preliminary Approval Order, the Class Administrator will issue Short Form/Postcard Notice

to each Class Member via first class mail. Prior to issuing Notice, the Settlement Administrator will use a reverse look-up service and/or any other reasonable methods to identify and/or update current mailing addresses for Class Members.

8.2 If any Short Form/Postcard Notice sent under this Section is returned by the Postal Service as undeliverable, the Settlement Administrator shall re-mail the Short Form/Postcard Notice once to the forwarding address, if any, provided by the Postal Service on the face of the returned mail. Other than as set forth in this paragraph, neither the Parties nor the Settlement Administrator shall have any other obligation to re-mail the Short Form/Postcard Notice.

8.3 The Settlement Administrator shall have discretion to format the Short Form/Postcard Notice in a reasonable manner to minimize mailing or administrative costs. Before the Short Form/Postcard Notices or any other communication to Class Members are mailed, Class Counsel and Counsel for Defendant shall first be provided with a proof copy of all forms of Notice (including what the items will look like in their final form), and shall have the right to inspect the same for compliance with the Settlement Agreement and with any orders by the Court.

8.4 The Settlement Administrator shall have discretion, with the consent and at the direction of Class Counsel and Counsel for Midland, to send any reminder notices to Class Members during the notice period. Before any reminder notice is mailed, Class Counsel and Counsel for Defendant shall first be provided with a proof copy of all forms (including what the items will look like in their final form), and shall have the right to inspect the same for compliance with the Settlement Agreement and with any orders by the Court.

8.5 The Class Administrator shall create the Settlement Website that includes the

Long Form Notice, the operative complaint, the Preliminary Approval Order, this Settlement Agreement, and any other relevant documents to be made available on a dedicated Settlement Website, the website name/URL for which is to be agreed upon by the Parties, to be administered by the Settlement Administrator. When available, the Settlement Administrator shall make available on the Settlement Website Class Counsel's application for a fee award and any motion seeking approval of any service award as well as the Final Approval Order. Any other content proposed to be included or displayed on the Settlement Website shall be approved in advance by Defendant's Counsel. Such approvals shall not be unreasonably withheld.

8.6 Within 30 days after entry of the Preliminary Approval Order, the Settlement Administrator shall set up a toll-free telephone number that will provide automated information about the Settlement, the Class Members' rights and important deadlines. That telephone number shall be maintained until the Opt-Out Deadline/Objection Deadline. After that time, and through the date the Final Approval Order is entered, a recording will advise any caller to the toll-free telephone number that the Opt-Out Deadline/Objection Deadline has passed and that details regarding the Settlement may be reviewed on the Settlement Website.

8.7 The Class Administrator may, if approved by the Parties, communicate with Class Members to seek cures or clarification of any submissions or to remind Class Members of pertinent deadlines.

8.8 It shall be the responsibility of the Class Counsel to respond to all substantive inquiries from Class Members with respect to this Settlement. Class Counsel must provide notice to Midland's counsel of all objections to Class Settlement.

8.9 Opt-out requests shall be returned or submitted to the Settlement Administrator

via U.S. Mail or via submission through the Settlement Website by the Opt-Out Deadline/Objection Deadline or be forever barred.

8.10 The Parties agree that compliance with the procedures described in this Section is the best notice practicable in the circumstances and shall constitute due and sufficient notice to the Class of the terms of the Settlement Agreement, and the Final Approval Hearing, and shall satisfy the requirements of the California Rules of Court, the California Code of Civil Procedure, the Constitution of the State of California, the United States Constitution, and any other applicable law. The Court shall have the authority to amend this notice plan.

9. OPT-OUTS

9.1 Any Class Member who wishes to exclude himself/herself from the settlement embodied in this Agreement must mail a written request for exclusion to the Settlement Administrator, or to Class Counsel, postmarked no later than the Opt-Out Deadline.

9.2 Through his or her request, a Class Member must include the case name and case number for this action, along with his or her (a) full name, (b) address, and (c) a statement that he or she wishes to be excluded from the class action settlement.

9.3 Any Class Member who submits a valid request for exclusion will neither be bound by the terms of this Agreement, nor receive any of the benefits of this Agreement.

9.4 The Parties, by way of the Settlement Administrator, will provide a list of the names of any Class Member who submitted a timely exclusion, after the deadline for exclusions passes.

10. OBJECTIONS

10.1 Any Class Member may comment in support of, or in opposition to, the Settlement at his or her own expense; provided, however, that all comments and/or objections must be in writing and mailed or hand-delivered to the Clerk of the Court and the Settlement

Administrator and postmarked or delivered by no later than the Objection Deadline. Objections may be filed by counsel for a Class Member, retained at the Class Member's expense, though any such counsel must file an appearance in the Action.

10.2 Each objection must:

- (a) set forth the Class Member's full name, address, and telephone number;
- (b) contain the Class Member's original signature or the signature of counsel for the Class Member;
- (c) state that the Class Member objects to the Settlement, in whole or in part;
- (d) set forth the complete legal and factual bases for the objection, including citations to relevant authorities;
- (e) provide copies of any documents that the Class Member wishes to submit in support of his/her position; and
- (f) state whether the objecting Class Member intends on appearing at the Final Approval Hearing either *pro se* or through counsel (and, if by counsel, identifying such counsel by name and contact information) and whether the objecting Class Member plans on offering testimony at the Final Approval Hearing.

10.3 An objector is not required to attend the Final Approval Hearing. However, any Class Member who objects may appear at the Final Approval Hearing, either in person or through an attorney hired at his or her own expense, to object to the fairness, reasonableness, or adequacy of this Agreement or the underlying settlement. A Class Member or his or her attorney who wishes to speak at the Final Approval Hearing must so state in his or her written objection or submit a separate notice of intention to appear to the Clerk of Court no later than the Objection Deadline. No Class Member shall be permitted to raise matters at the Final Approval Hearing

that the Class Member could have raised in a written objection but failed to do so.

10.4 Any Class Member who fails to timely submit a written objection with the Court shall not be permitted to object to this Settlement Agreement at the Final Approval Hearing, shall be foreclosed from seeking any review of this Agreement by appeal or other means, and shall be deemed to have waived his or her objections and be forever barred from making any such objections in the Action or any other related action or proceeding.

10.5 At least 14 days prior to the Final Approval Hearing, the Settlement Administrator shall notify Class Counsel and Midland's counsel of any persons who have sent the Administrator objections to the Class Settlement or opted out of the Class, and shall provide Midland's counsel, Plaintiff's counsel, and the Court with copies of all objections, notices of opt-out, and supporting documentation. In the event that more than three percent (3%) of the Class Members timely file Opt-Out Requests, as detailed in Section 13 below, Midland may, in its sole discretion, declare this Agreement, including all releases contained within this Agreement, null and void. In that event, the Action shall proceed as though no settlement had been negotiated or achieved.

11. FINAL APPROVAL MOTION AND ORDER

11.1 The Parties will request that the Court schedule a Final Approval Hearing after the Objection Deadline.

11.2 Class Counsel shall file their petition for a fee award and service award no later than 30 days prior to the Objection Deadline.

11.3 If the Settlement Agreement is preliminarily approved by the Court, and all other conditions precedent to the Settlement have been satisfied, then Plaintiff shall file a Motion for

Final Approval asking, *inter alia*, that the Court enter a Final Approval Order and Judgment, with Plaintiff filing a memorandum of points and authorities in support of the motion. Either Party may file a memorandum addressing any objection to the Settlement that has been submitted. Any request by Midland for entry of the Final Approval Order and Judgment, or failure to object to Plaintiff's request for entry of the Final Approval Order and Judgment, shall not be an admission or concession by Midland as to any matter pertaining to Plaintiff's claims or the Action.

11.4 Plaintiff shall file with the Court (1) a motion in support of final settlement approval at least 30 days before the date of the Final Approval Hearing; and (2) a response to any objections at least five days before the hearing. The Final Approval Motion will request that the Court approve the Settlement and enter a Final Order and Judgment that will, among other things:

- (a) Adjudge and approve in all respects the settlement of this Action on the terms described in this Agreement;
- (b) Include all relief to be provided as part of this Settlement; and
- (c) Retain jurisdiction of all matters relating to the interpretation and enforcement of the Settlement and this Agreement.

11.5 No more than 14 days prior to the Final Approval Hearing, the Settlement Administrator shall file with the Court and serve on counsel for all Parties a declaration stating that the Notice required by the Agreement has been completed in accordance with the terms of the Preliminary Approval Order.

11.6 This Agreement is subject to and conditioned upon the issuance by the Court of a Final Order and Judgment, which grants final approval of this Agreement in accordance with

applicable jurisprudence, and provides the relief specified below, which relief shall be subject to the terms and conditions of this Agreement and the Parties; performance of their continuing rights and obligations hereunder. Such Final Order and Judgment shall:

(a) Enter judgment consistent with California Rule of Court 3.769(h) including a provision for the retention of the Court's jurisdiction over the Parties to enforce the terms of the judgment;

(b) Release each Released Party from the Released Claims which any Parties have, had, or may have in the future, against such Released Party;

(c) Determine that this Agreement is entered into in good faith, is reasonable, fair and adequate, and is in the best interest of the Class;

(d) Preserve the Court's continuing and exclusive jurisdiction over the Parties to this Agreement, including Midland and all Class Members, to administer, supervise, construe and enforce this Agreement in accordance with its terms for the mutual benefit of the Parties, but without affecting the finality of the Judgment;

(e) Require the Settlement Administrator to maintain the Settlement Fund pursuant to the specific terms set forth in Section 6 of the Parties' Settlement Agreement; and

(f) Permit the Settlement Administrator to make ministerial, non-substantive changes to the implementation of the Settlement without requiring Court Approval, where necessary for ease of administration.

11.7 At the Final Approval Hearing, the Court will consider and determine whether the provisions of this Agreement should be finally approved as fair, reasonable, and adequate, whether any objections to the Agreement should be overruled, whether the requested fee award and the requested service award should be approved, and whether a judgment finally

approving the Settlement Agreement should be entered.

11.8 The fact that the Court may require non-substantive changes in the Final Approval Order will not invalidate this Agreement or the Settlement. If the Court does not enter a Final Approval Order consistent with the terms of this Agreement which becomes a final and non-appealable order, then this Agreement shall be null and void.

11.9 Midland's failure to oppose Plaintiff's request for entry of a Preliminary Approval Order and/or a Final Approval Order shall not constitute an admission by Midland as to any matter.

12. DISAPPROVAL, CANCELLATION, TERMINATION, OR NULLIFICATION OF SETTLEMENT AGREEMENT

12.1 Except as otherwise provided herein, if either (1) the Court, by a final ruling not subject to reconsideration, appellate review, or other further proceedings seeking judicial approval of this Settlement Agreement, denies preliminary approval or final approval of this Settlement Agreement, or (2) the Final Approval Order and Judgment does not become Final, then each Party shall have the right to terminate this Settlement Agreement. If a Party elects to terminate this Agreement under this paragraph, that Party must provide written notice ("Termination Notice") to the other Party's counsel within thirty (30) days of the occurrence of the condition permitting termination. Termination Notice shall be provided by hand delivery or first-class mail to the Party's counsel.

12.2 If this Settlement Agreement is terminated pursuant to its terms, then: (1) this Settlement Agreement shall be rendered null and void; (2) this Settlement Agreement and all negotiations and proceedings relating hereto shall be of no force or effect, and without prejudice to the rights of the Parties, and (3) all Parties shall be deemed to have reverted to their respective

status in the Action as of the date and time immediately preceding the execution of this Settlement Agreement and, except as otherwise expressly provided, the Parties shall stand in the same position and shall proceed in all respects as if this Settlement Agreement and any related orders had never been executed, entered into, or filed, and the Settlement Administrator shall return to Midland all amounts remaining in this Settlement Fund.

12.3 In the event that the Court or any appellate court enters an order altering this Agreement in a way that materially and adversely effects any of the Parties, within thirty (30) days from the date the Court or appellate court enters such an order, the affected Party or Parties may terminate this Agreement by giving written notice of its intent to do so to the opposing Party's counsel. Should the Parties disagree whether the change is "material" or has an "adverse effect", the Parties agree to submit the issue to the Honorable Robert D. McGuiness (Ret.) for resolution.

13. RIGHT TO DECLARE AGREEMENT NULL AND VOID

In the event that more than three percent (3%) of the Class Members timely file Opt-Out Requests, Midland may, within thirty (30) days after notice of the same pursuant to Section 9 of the Agreement, in Midland's sole discretion, declare this Agreement, including all releases contained within this Agreement, null and void. In that event, the Action shall proceed as though no settlement had been negotiated or achieved.

14. PAYMENT OF ATTORNEYS' FEES, EXPENSES AND CLASS SERVICE AWARD

14.1 Class Counsel shall apply to the Court for an award of attorneys' fees and reimbursement of expenses in an amount not to exceed \$260,000. Defendants will not object to Class Counsel's request to seek an amount up to \$260,000. Any Class Member or Party may

object, at the Final Approval Hearing, to the amount requested.

14.2 The Class Representative will make an application for a service award in an amount not to exceed \$6,000. Midland will not oppose such an application.

14.3 Any order or proceedings relating to the amount of attorneys' fees or expenses, or the Class Representative's service award shall not operate to modify, reverse, terminate, or cancel the Settlement Agreement, affect the Releases provided for in the Settlement Agreement, or affect whether the Final Approval Order and Judgment are Final. Except as otherwise provided herein, each Party shall bear its own attorneys' fees and costs.

15. PAYMENT OF SETTLEMENT AMOUNT

15.1 Subject to the terms and conditions of this Settlement Agreement, after the Funding Date, the Settlement Administrator shall make the following disbursements from the Settlement Fund in this order:

(a) Pay all taxes and tax-related expenses, if any or, at the Settlement Administrator's discretion, it shall reserve the amount of the Settlement Fund sufficient to pay taxes and tax-related expenses;

(b) Pay to the Class Representative any service award ordered by this Court;

(c) Pay to Class Counsel any fee award ordered by the Court;

(d) Mail Settlement Checks or issue digital payments to all Class Members who did not timely opt-out of the Settlement;

(e) Pay the Costs of Notice and Administration to the Settlement Administrator; and

(f) Pay any remaining amounts in the Settlement Fund to the *Cy Pres*

Recipient.

15.2 The Settlement Checks shall be mailed to the addresses in which the Settlement Administrator sent the notice or to an alternative address provided by Class Member, by the Opt-Out/Objection Deadline, if any.

15.3 All Settlement Checks issued under this section shall be void if not negotiated within 90 days of their date of issue and shall contain a disclosure to that effect.

15.4 The Settlement Administrator's and the Parties' respective obligations with respect to the distribution of Settlement Checks, the Settlement Administration Costs, any fee award, any service award, and the amount of unclaimed and uncashed Settlement Checks, if any, shall be performed reasonably and in good faith. So long as such obligations are performed in good faith, the Parties and the Settlement Administrator shall not be liable for erroneous, improper, or inaccurate distribution, and the Release and any judgment shall be effective on the Effective Date.

16. FINAL REPORT OF DISTRIBUTION OF SETTLEMENT AMOUNT

Six months after the Effective Date, or 30 days after the distribution of the Settlement Amount is completed, whichever is later, Class Counsel shall file a report with the Court, and serve a copy on Midland's counsel, detailing the distribution of the Settlement Amount. At least ten (10) business days prior to filing such report with the Court, Class Counsel shall provide Midland's counsel with a copy of the report for advance review and approval.

17. NO ADMISSION OF LIABILITY; NON-USE

17.1 Midland has agreed to the terms of this Agreement to end all controversy between itself, and Plaintiff and the Class Members, and to avoid the burden and expense of litigation, without in any way acknowledging fault or liability. Nothing herein shall constitute an admission

by Midland that the Action was properly brought on a class or representative basis other than for settlement purposes. Midland denies any liability or wrongdoing of any kind associated with the alleged claims in the Action. Midland has denied and continues to deny each and every material factual allegation and all claims asserted against it in the Action. Nothing herein shall constitute an admission by Midland of wrongdoing or liability, or of the truth of any allegations in the Action. The settlement of the Action, the negotiation and execution of this Agreement, and all acts performed or documents executed pursuant to or in furtherance of the Settlement are not and shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of Midland, or as a concession by Midland as to the truth of any of the allegations in the Action, or the veracity of any claim for relief or defense, or as an admission regarding any other matter in the Action.

17.2 This Agreement, whether or not consummated, and any proceedings taken pursuant to it:

(a) shall not be offered or received against Midland or any other Released Party as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by Midland or any other Released Party concerning the truth of any fact alleged by the Plaintiff or the validity of any claim that was or could have been asserted against Midland or any Released Party in the Actions or in any litigation, or of any liability, fault, misconduct or wrongdoing of any kind of Midland or any Released Party;

(b) shall not be offered or received against Midland or any Released Party as evidence of a presumption, concession or admission of any liability, fault, misconduct or wrongdoing by Midland or the Released Parties, or against the Plaintiff or any Class Member as evidence of any infirmity in the claims of the Plaintiff or the other Class Members;

(c) shall not be offered or received against Midland or any Released Party, or against the Plaintiff or any other Class Members, as evidence of a presumption, concession or admission concerning any liability, fault, misconduct or wrongdoing of any kind, or in any way referred to for any other reason as against Midland or any Released Party, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Agreement; except, if this Agreement is approved by the Court, then Midland or any other Released Party may refer to it to effectuate the protection from liability granted them by this Agreement;

(d) shall not be construed against Midland or any Released Party, or against the Plaintiff or any other Class Members as an admission, concession, or presumption that the consideration to be given by this Agreement represents the amount which could be or would have been recovered after trial; and

(e) shall not be construed against the Plaintiff or any Class Member as an admission, concession, or presumption that any of their claims are without merit or that damages recoverable in this Action would not have exceeded the Settlement Fund.

18. RELEASE

To effectuate the Parties' desire to fully, finally, and forever settle, compromise, and discharge the instant litigation by way of compromise rather than by way of further litigation, the Parties agree to the following release:

18.1 In addition to the effect of any Final Judgment entered in accordance with this Agreement, on and as of the Effective Date, and without any further action by the Court or any party to this Agreement, except for the ability to enforce this agreement, All Parties, including Class Members, shall be deemed to have released each other from the Released Claims.

18.2 By way of clarification, this Settlement Agreement may be pled as a full and complete defense to any Released Claims that may be instituted, filed, prosecuted, or attempted. All Parties covenant that they will not institute or prosecute against each other, any action, suit or other proceeding based in whole or in part upon any of the Released Claims.

18.3 All Parties, and each of them, covenant and agree that this Settlement Agreement may be used as a basis for a temporary restraining order, preliminary injunction and permanent injunction against any breach of this Agreement. As of the Effective Date, All Parties will be forever barred and enjoined from prosecuting any action asserting any and/or all Released Claims. All Parties judicially admit hereby for all purposes that time is of the essence as to all terms and conditions of the Settlement Agreement and that damages for a breach of this Settlement Agreement would be inadequate.

19. MISCELLANEOUS PROVISIONS

19.1 **No Assignment.** Each Party represents, covenants and warrants that he, she or it has not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, cause of action, or rights that he or she herein releases.

19.2 **Captions And Interpretations.** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof. Each term of this Agreement is contractual and not merely a recital.

19.3 **Construction.** The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms'-length negotiations between the Parties with the assistance of a neutral, third-party mediator, and this Agreement shall not be construed

in favor of or against any Party by reason of the extent to which any Party (or his, her, or its counsel) participated in the drafting of this Agreement. The Parties specifically acknowledge, agree, and admit this Agreement, along with all related drafts, motions, pleadings, conversations, negotiations, correspondence, orders or other documents shall be considered a compromise under the California Rules of Evidence, or any other equivalent or similar rule of evidence, and shall not (a) constitute, be construed, be offered, or received into evidence as an admission of the validity of any claim or defense, or the truth of any fact alleged or other allegation in the Action or any other pending or subsequently filed action, or any of the wrongdoing, fault, violation of law, or liability of any kind on the part of any Party or (b) to be used to establish a waiver of any defense or right, or to establish or contest jurisdiction or venue. This Agreement is not a concession or admissions and shall not be used as an admission or indication with respect to any claim of fault, concession or omission against any of the Parties regardless of whether the Agreement is finally approved.

19.4 **Counterparts.** This Agreement, and any amendments hereto, may be executed in any number of counterparts, and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument.

19.5 **Governing Law.** Construction and interpretation of the Agreement shall be determined in accordance with the law of the State of California, irrespective of the choice of law principles of the State of California or any other state.

19.6 **Integration Clause.** This Agreement contains the entire understanding of the Parties in respect of the subject matter contained herein. There are no promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other

than those expressly set forth in this Agreement. This Agreement supersedes all prior agreements and understandings among the Parties with respect to the settlement of the Action. This Agreement may not be changed, altered, or modified, except in a writing signed by the Parties and approved by the Court. This Agreement may not be discharged except by performance in accordance with its terms, or by a writing signed by the Parties.

19.7 Modification of Agreement and Dispute Resolution. Before this Settlement Agreement is finally approved by the Court, the Parties agree, subject to the approval of the Court where required, that reasonable changes may be made to this Agreement by the consent of both Parties for the limited purposes of addressing any Notice of Administration provisions or similar other nonmaterial changes. The Parties further agree that there is a threshold requirement that any such changes must: (1) be reasonable; (2) not negatively change the benefits provided to Class Members; or (3) contradict any Order of the Court, including Notice deadline set by the Court.

19.8 Jurisdiction. The Court shall retain jurisdiction, after entry of the Final Approval Order, with respect to enforcement of the terms of this Settlement, and all Parties and Class Members submit to the exclusive jurisdiction of the Court with respect to the enforcement of this Settlement and any dispute with respect thereto.

19.9 No Collateral Attack. This Agreement shall not be subject to collateral attack by any Class Member at any time on or after the Effective Date. Such prohibited collateral attacks shall include that the payment to a Class Member was improperly calculated and/or that a Class Member failed to receive timely notice of the Settlement Agreement.

19.10 Parties' Authority. The signatories hereto hereby represent that they are fully authorized to enter into this Agreement and bind the Parties to the terms and conditions hereof.

Pursuant to the Court's Preliminary and Final Approval Orders, Class Counsel, on behalf of the Class Representatives, shall be expressly authorized to take all appropriate actions required or permitted to be taken by the Class pursuant to this Settlement Agreement to effectuate its terms.

19.11 **Receipt Of Advice of Counsel.** The Parties acknowledge, agree, and specifically warrant to each other that they have read this Settlement Agreement, have received legal advice with respect to the advisability of entering into this Settlement, and fully understand its legal effect.

19.12 **Waiver Of Compliance.** Any failure by any Party to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

19.13 **Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions if the Parties and their counsel elect by written stipulation to be filed with the Court within 30 days to proceed as if such invalid, illegal, or unenforceable provisions had never been included in this Agreement.

19.14 **Full and Final Settlement.** Each party agrees that the Action is being voluntarily settled after consultation with experienced legal counsel of their choosing and that terms of the Agreement were negotiated at arm's length and in good faith. It is the intent and purposed of the Agreement to achieve a full and final settlement of the Release Claims. To effectuate that purpose, the Parties agree to cooperate with one another and with the Settlement Administrator

and use their best efforts to obtain Court approval of the Settlement and Settlement Agreement.

19.15 **Confidential Material.** The Parties shall continue to abide by the Stipulation and Protective Order agreed to and entered by the Court on June 3, 2020, as it relates to the use, maintenance and destruction of materials produced pursuant to the Stipulation and Protective Order.

19.16 **Binding Nature.** This Settlement Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties.

19.17 **Claims Against Settlement Benefits.** In the event a third party, such as a bankruptcy trustee, former spouse, or other third party has or claims to have a claim against any payment made to a Class Member, it is the responsibility of the Class Member to resolve such a claim or to transmit the funds to such third party.

19.18 **Execution of Documents.** The Parties shall execute all documents and perform all acts necessary and proper to effectuate the terms of this Settlement Agreement.

19.19 **Exhibits.** The exhibits to this Settlement Agreement are an integral and material part of this Settlement Agreement and are hereby incorporated and made a part of this Settlement Agreement.

19.20 **Class Member Signatures.** It is agreed that, because the Class is so numerous, it is impractical to have each Class Member execute this Settlement Agreement. The Notice will advise all Class Members and/or their representatives of the binding nature of the Releases and of this Settlement Agreement such Notice shall have the same force and effect as if each Class Member executed this Settlement Agreement.

19.21 **Limitation of Use.** Neither this Settlement Agreement nor any related documents filed or created in connection with this Settlement Agreement shall be admissible in evidence in


any proceeding, except as necessary to approve, interpret or enforce this Settlement Agreement.

19.22 **Press Releases.** Neither Party may issue a public statement regarding the Action or the Settlement, without the prior written consent of the other Party. For purposes of this paragraph, “public statement” means any communication in or to the public, whether written or oral, regarding the Action or the Settlement other than a communication about information that is a matter of public record (i.e., found in publicly filed court documents). Neither Party may make any statement suggesting that the Defendant has been found to have violated any law by virtue of this agreement, or that the settlement amounts to an admission of liability. Neither Party may make any statement disparaging the other Party..

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement effective as of the last date written below.

MIDLAND CREDIT MANAGEMENT, INC.


By: 
Ryan Bell (Sep 22, 2025 15:29:51 PDT)

Name: Ryan Bell

Title: President

Date: 09-22-2025

PEGGY IRENE LEEDEMAN



ID TuHkxFFhtCjp7fHZIGQdvrog

Date: 9/17/2025

APPROVED AS TO FORM:


ID Z9XoYpZEddyMh9EkzDsvB7w5

Fred W. Schwinn
Raeon R. Roulston
Matthew C. Salmonsens
Attorneys for PLAINTIFF
PEGGY IRENE LEEDEMAN



Thomas F. Landers
Mei-Ying Imanaka
Attorneys for DEFENDANT
MIDLAND CREDIT MANAGEMENT, INC.

Exhibit A

Long Form Notice to be Posted Online

)	
Peggy Irene Leedeman, <i>on behalf of</i>)	
<i>herself and all others similarly situated,</i>)	
)	
Plaintiff,)	
)	
v.)	Case No. 19CV354554
)	
Midland Credit Management, Inc.,)	
)	
Defendant.)	
)	

A Settlement Agreement has been reached in a class action lawsuit alleging that Midland Credit Management, Inc. (“Midland” or “MCM”) violated California’s Fair Debt Buying Practices Act (“CFDBPA”), Civil Code § 1788.52(d)(1) by sending a first written communication that (1) did not provide the true name of the debt buyer, and (2) was printed in less than 12-point type. Midland does not in any way acknowledge, admit to or concede any of the allegations made in the lawsuit, and expressly disclaims any fault or liability, or any charges of wrongdoing that have been or could have been asserted in the lawsuit, and maintains that it has a number of meritorious defenses to the claims. MCM’s records show that you may be a class member under the Settlement Agreement reached in the case.

The Parties have agreed to a Settlement, which includes payment to Class Members, as well as payment for certain attorney's fees, costs, any incentive award to the Class Representative (Peggy Leedeman) and settlement administration costs. You may be entitled to receive a pro rata (proportional) share of the Class Recovery (\$318,000). The final cash payment will depend on the total number of Class Members who participate in the settlement. Your legal rights are affected whether you act or don't act, so please read this notice carefully.

YOUR OPTIONS	
Option 1: Do Nothing	Do nothing. You don't have to do anything to participate in the Settlement and to be eligible for a pro rata share from the Class Recovery. As a participating Class Member, you will give up your right to assert any rights against MCM and the Released Parties arising from the letter sent to you.
Option 2: Objection Deadline: [TBD]	Object to the terms of the Settlement Agreement. You may object to the terms of the Settlement Agreement and have your objections heard at the Fairness Hearing.
Option 3: Opt-Out Deadline: [TBD]	Opt-out of the Settlement Agreement. If you wish to exclude yourself from the settlement, you may opt-out of the Settlement Agreement. To opt-out of the settlement, you must mail a written request for exclusion to the Settlement Administrator, or to Class Counsel, postmarked no later than the Opt-Out Deadline. In your request to opt-out, you must include the case name and case number for this action, along with your (a) full name, (b) address, and (c) a statement that you wish to be excluded from the settlement.

1. What is this lawsuit about?

In the lawsuit, the Plaintiffs allege that MCM violated California's Fair Debt Buying Practices Act ("CFDBPA"), Civil Code § 1788.52(d)(1) by sending a first written communication that (1) did not provide the true name of the debt buyer, and (2) was printed in less than 12-point type. MCM denies any wrongdoing, and denies that it violated the CFDBPA or any other law. Both sides have agreed to settle the lawsuit to avoid the cost, delay, and uncertainty of further litigation.

You can read Plaintiff's First Amended Class Action Complaint, the Settlement Agreement, other case documents www.mcm.com

2. Why is this a class action?

In a class action, a Class Representative sues on behalf of a group (or a "Class") of people. Here, the Class Representative sued on behalf of people who have similar claims regarding an allegedly noncompliant initial written communication.

3. Why is there a settlement?

To avoid the cost, risk, and delay of litigation, the Parties reached a settlement agreement as to Plaintiff and the Class claims.

4. How do I know if I am a part of the settlement?

The Court has certified a Class consisting of all people who meet the following definition:

All persons with addresses in California to whom MIDLAND CREDIT MANAGEMENT, INC., sent, or caused to be sent, an initial written communication in the form of Exhibits "1" and "2" to the First Amended Class Action Complaint for Statutory Damages herein in an attempt to collect a charged-off consumer debt originally owed to Capital One Bank (USA), N.A., which was sold or resold to MIDLAND CREDIT MANAGEMENT, INC, on or after January 1, 2014, which were not returned as undeliverable by the U.S. Post Office during the period one year prior to the date of filing this action through the date of class certification.

5. How do I recover?

You don't have to do anything to participate in the Settlement and to be eligible for a pro rata share from the Class Recovery. As a participating Class Member, you will give up your right to assert any rights against MCM and the Released Parties arising from the letter sent to you.

6. What am I giving up to receive these benefits?

By staying in the Class, all of the Court's orders will apply to you, and you give a "release" for any claims arising from the letter sent to you. A release means you cannot sue or be part of any other lawsuit against MCM and the Released Parties about the claims or issues in this lawsuit and you will be bound by the Settlement Agreement.

7. How much will the Class Representative receive?

The Class Representative will receive her portion of the settlement as a Class Member and an incentive award for having pursued this action. Any incentive payment is subject to Court approval. The Class Representative may request an Incentive Award of up to \$6,000. This is a separate amount from the Class Recovery described above.

8. Do I have a lawyer in this case?

To represent the class, the Court has appointed attorneys with the law firm of Consumer Law Center, Inc. as “Class Counsel.”

Class Counsel will request an award for attorney’s fees and reimbursement of expenses of not greater than \$260,000. This is a separate amount from the Class Recovery described above. Any attorney’s fees and expenses award is subject to Court approval. You may hire your own attorney, but only at your own expense.

9. How do I object?

Any Settlement Class Member may object to the Settlement. In order to exercise this right, you must submit your objection to the Court by the Objection Deadline. Your objection must set forth the Settlement Class Member’s full name, current address, and telephone number; contain the Settlement Class Member’s original signature or the signature of counsel for the Settlement Class Member; (iii) state that the Settlement Class Member objects to the Settlement, in whole or in part; (iv) set forth the complete legal and factual bases for the Objection; (v) provide copies of any documents that the Settlement Class Member wishes to submit in support of his/her position; and (vi) state whether the objecting Settlement Class Member intends on appearing at the Final Approval Hearing either *pro se* or through counsel and whether the objecting Settlement Class Member plans on offering testimony at the Final Approval Hearing. Any Class Member that fails to do object in the manner set forth herein shall be foreclosed from making such objection or opposition, by appeal, collateral attack, or otherwise and shall be bound by all of the terms of this Settlement upon Final Approval and by all proceedings, orders and judgments, including but not limited to the Release in the Action.

Objections must be submitted to the Clerk of the Court, and delivered or postmarked no later than

_____.

The Court’s address is: *Clerk of the Court, 191 N. First Street, San Jose, CA 95113.*

The Fairness Hearing

The Court will hold a fairness hearing on _____, 2026 in Santa Clara Superior Court, 191 N. First Street, San Jose, CA 95113. The purpose of the hearing will be for the Court to determine whether the proposed settlement is fair, reasonable, and adequate and in the best interests of the Class and to rule on applications for compensation for Class Counsel and an incentive award for the Class Representatives. At that hearing, the Court may address timely submitted objections and arguments concerning the fairness of the proposed settlement.

YOU ARE **NOT** REQUIRED TO ATTEND THIS HEARING TO BENEFIT FROM THIS SETTLEMENT. The hearing may be postponed to a later date without notice.

FOR MORE INFORMATION

Additional information and documents, including case documents, are available at www.SETTLEMENTWEBSITE.com, or you can call [] [] [].

Exhibit B

Short Form/Post Card Notice

NOTICE FROM THE
SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SANTA CLARA
(not a lawyer solicitation)

A Settlement Agreement has been reached in a class action lawsuit alleging that Midland Credit Management, Inc. ("Midland" or "MCM") violated California's Fair Debt Buying Practices Act ("CFDBPA"), Civil Code § 1788.52(d)(1) by sending a first written communication that (1) did not provide the true name of the debt buyer, and (2) was printed in less than 12-point type. Midland denies any wrongdoing, and denies that it violated any law. MCM's records show that you may be a class member and may be entitled to payment under the Settlement Agreement reached in the case.

The Parties have agreed to a Settlement, which includes a Class Recovery of \$318,000 to Class Members. Separately, funds have been allocated towards attorney's fees, costs, an incentive award to the Class Representative, and settlement administration costs. Each Class Member is entitled to a pro rata (proportional) share of the Class Recovery. The final cash payment for Class Members will depend on the total number of participating Class Members. Your legal rights are affected whether you act or don't, so please read this notice carefully.

This Postcard Notice contains limited information about the Settlement. For more information, visit SETTLEMENTWEBSITE.com

P-4899-9867-9654.5:87025-261

|||Admin Address|||



Postal Service: Please Do Not Mark or Cover Barcode

[FIRST1] [LAST1]
[BUSINESSNAME]
[ADDR1] [ADDR2]
[CITY] [ST] [ZIP]

Peggy Irene Leedeman v. Midland Credit Management, Inc., 19CV354554 – Santa Clara Superior Court
THIS CARD PROVIDES LIMITED INFORMATION ABOUT THE SETTLEMENT.
VISIT www.settlementwebsite.com FOR MORE INFORMATION

In the lawsuit, the Plaintiff alleges that MCM violated California's Fair Debt Buying Practices Act ("CFDBPA"), Civil Code § 1788.52(d)(1) by sending a first written communication that (1) did not provide the true name of the debt buyer, and (2) was printed in less than 12-point type. Midland denies any wrongdoing, and denies that it violated the CFDBPA or any other law. The Parties have agreed to settle the lawsuit to avoid the cost, delay, and uncertainty of further litigation. You can read Plaintiff's First Amended Class Action Complaint, the Settlement Agreement, other case documents, and submit a claim form at www.settlementwebsite.com.

Who's Included in the Settlement Class? All persons with addresses in California to whom Midland Credit Management, Inc. sent, or caused to be sent, an initial written communication in the form of Exhibits "1" and "2" to the First Amended Class Action Complaint for Statutory Damages herein in an attempt to collect a charged-off consumer debt originally owed to Capital One Bank (USA), N.A., which was sold or resold to MIDLAND CREDIT MANAGEMENT, INC. on or after January 1, 2014, which were not returned as undeliverable by the U.S. Post Office during the period one year prior to the date of filing this action through the date of class certification.

What Can You Get? Class Members who participate in the settlement are entitled to a pro rata share from the Class Recovery (\$318,000). The final cash payment will depend on the total number of participating Class Members. The Settlement is explained in detail in the full notice and in the Settlement Agreement available at www.settlementwebsite.com.

How to Get Money? You don't have to do anything to participate in the Settlement and to be eligible for a pro rata share from the Class Recovery. As a participating Class Member, you will give up your right to assert any rights arising from the letter sent to you against MCM and the Released Parties.

Your Other Rights. You may object to the Settlement by **DATE**. The full notice, located at the website listed below, explains how to object to the Settlement. The Court will hold a hearing in this case on **DATE** at **TIME** p.m. to consider whether to approve the Settlement, allocation of the Settlement Fund, a request for an incentive award of up to \$6,000 for the named Class Representative and a request by the lawyers representing all Class Members for fees and for reimbursement of expenses for litigating the case of up to \$260,000. This is a separate amount from the Class Recovery described above. You may attend the hearing and ask to be heard by the Court, but you do not have to. **If you do not take any action, you will be legally bound by the Settlement and any orders or judgments entered in the Action, and will fully, finally, and forever give up any rights to prosecute Released Claims.**

For more information or a Claim Form, call 800-xxx-xxxx or visit www.settlementwebsite.com.
Do not contact the Court, MCM, or MCM's counsel with questions.

P:4899-9867-9654.5:87025-261