

THE HONORABLE LEROY MCCULLOUGH
Department 32
Noted for Consideration: March 31, 2023
Without Oral Argument

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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
COUNTY OF KING

PCA ACQUISITIONS V, LLC,

Plaintiff,

v.

TERI R KIMMONSSTRUCK, AND DOES 1-10,

Defendant.

NO. 22-2-08801-0 SEA

**DECLARATION OF BLYTHE H. CHANDLER
IN SUPPORT OF COUNTER-PLAINTIFF'S
UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL**

and

TERI R. KIMMONS-STRUCK,

Counter-Plaintiff,

v.

PCA ACQUISITIONS V, LLC,

Counter-Defendant,

and

LIPPMAN RECUPERO, LLC,

Third-Party Defendant.

1 **A. Background and experience**

2 1. I am a member of the law firm of Terrell Marshall Law Group PLLC, and counsel
3 of record for the tenants in this matter. I am admitted to practice before this Court and am a
4 member in good standing of the Washington State Bar Association. I am over the age of 18,
5 have knowledge of the facts set forth herein, and am competent to testify.

6 2. Terrell Marshall is a law firm in Seattle, Washington, that focuses on complex
7 civil and commercial litigation with an emphasis on consumer protection, product defect, civil
8 rights, and wage and hour cases. Terrell Marshall has been appointed lead or co-lead counsel
9 representing multi-state and nationwide classes in state and federal court in Washington and
10 throughout the United States. Since its founding in 2008, the attorneys at Terrell Marshall have
11 represented scores of classes, tried class actions in state and federal court, and obtained
12 hundreds of millions of dollars in monetary relief to workers, consumers, and other individuals.

13 3. I joined Terrell Marshall in 2014 and became a member in 2018. I practice
14 complex litigation with a focus on prosecution of consumer class actions. I have been appointed
15 class counsel in cases challenging a wide range of unfair or deceptive practices, including debt
16 collection practices. In 2010, I received my J.D. from the University of Washington School of
17 Law with high honors, Order of the Coif. I served as Chief Articles Editor for the Washington Law
18 Review. Before joining Terrell Marshall, I served as a law clerk to the Honorable Betty B.
19 Fletcher, Senior United States Circuit Judge for the Ninth Circuit Court of Appeals, and to the
20 Honorable John C. Coughenour, Senior United States District Judge for the Western District of
21 Washington. I also served as a judicial extern to the Honorable Robert S. Lasnik, United States
22 District Judge for the Western District of Washington. I co-authored chapters of the Consumer
23 Protection Deskbook published by the Washington State Association for Justice (WSAJ) and
24 have spoken on topics including use of experts and personal jurisdiction in class actions. I am a
25 member of the Washington Employment Lawyers Association (WELA) Amicus Committee and
26 currently co-chair WSJA's Consumer Protection Section. I was named to the 2020 Rising Star List
27 by Washington Super Lawyers.

1 4. Eden Nordby joined Terrell Marshall as an associate in 2021. Ms. Nordby
2 concentrates her practice on complex civil litigation, including consumer protection, and wage
3 and hour class actions. Ms. Nordby also litigates commercial disputes and matters involving
4 trusts and estates. Ms. Nordby received her J.D. from the University of Washington in 2021.
5 During law school Ms. Nordby served as Executive Managing Editor of the Washington Journal
6 of Environmental Law and Policy. She received the WSBA Labor & Employment Section 2019
7 Summer Grant for her public service work and commitment to labor and employment issues.
8 Ms. Nordby is trained as a mediator and has successfully mediated a number of individual civil
9 matters through the UW School of Law Mediation Clinic. Before joining the firm as an attorney,
10 Ms. Nordby was a senior paralegal at Terrell Marshall from the time the firm opened in 2008
11 until starting law school in 2018.

12 **B. Other cases litigated by Terrell Marshall**

13 5. Examples of class actions that Terrell Marshall has litigated to successful
14 completion on behalf of consumers include:

- 15 a. *Fealy v. Sound Credit Union*—filed in 2020 on behalf of
16 Washington members of Sound Credit Union who were
17 overcharged for collateral protection insurance. The Pierce
18 County Superior Court granted final approval of the \$750,000
19 settlement on September 16, 2022.
- 20 b. *Strong v. Numerica Credit Union*—Filed in 2017 on behalf of
21 Washington members who received form deficiency balance
22 notices that did not comply with UCC disclosure requirements.
23 The Yakima County Superior Court approved the settlement,
24 which included a \$1.1 million dollar settlement fund and more
25 than \$8 million dollars in debt relief, on February 20, 2022.
- 26 c. *Hoffman v. Hearing Help Express, Inc.*—Filed in 2019 on behalf of
27 consumers who received telemarketing calls on their cellular and
residential telephones without their prior express consent. The
Western District of Washington granted final approval of the \$1.3
million settlement on January 5, 2022.
- d. *Marical v. Boeing Employees' Credit Union*—Filed in 2019 on behalf
of Washington BECU members who were charged improper
overdraft and NSF Fees. The King County Superior Court granted
final approval of a settlement that provided injunctive relief and a
\$6 million settlement fund on September 27, 2021.

- 1 e. *Solberg v. Victim Services, Inc., et al.*— Filed in 2014 on behalf of
2 California consumers who received false, misleading, and
3 deceptive debt collection letters printed on the letter head of
4 county prosecuting attorneys. The Northern District of California
5 granted final approval of the \$1.1 million settlement on August
6 23, 2021.
- 7 f. *Carrillo v. Wells Fargo Bank, N.A.*—Filed in 2018 on behalf of
8 borrowers who allege Wells Fargo charged them interest rates on
9 residential loans that were higher than the rates disclosed in the
10 bank’s buydown agreements and closing disclosures. The Eastern
11 District of New York granted Final Approval of a \$7 million
12 settlement on August 19, 2021.
- 13 g. *Gold v. Lumber Liquidators, Inc.*—Filed in 2014 on behalf of a class
14 of consumers who purchased defective flooring. The Northern
15 District of California granted final approval of the settlement,
16 valued at up to \$30 million, on October 22, 2020.
- 17 h. *Gambles v. Sterling Infosystems, Inc.*—Filed in 2015 on behalf of a
18 nationwide class of consumers who were affected by Sterling’s
19 inclusion of outdated adverse information on consumer reports.
20 The Southern District of New York granted final approval to a \$15
21 million class settlement on September 23, 2020.
- 22 i. *Diel v. Salal Credit Union*—Filed in 2019 on behalf of Washington
23 customers of a credit union that were charged overdraft and NSF
24 fees when their account balance should have covered the
25 transactions. The King County Superior Court granted final
26 approval of a \$650,000 settlement on August 28, 2020.
- 27 j. *Long v. First Resolution Investment Corp.*—Filed in 2018 on behalf
of Washington consumers against whom a debt buyer and its
collection agency law firm obtained judgments when the debt
buyer was not licensed as a collection agency. The King County
Superior Court granted final approval of a settlement providing
over \$20 million in debt relief and a \$600,000 settlement fund on
August 28, 2020.
- k. *Rosario v. Starbucks*—Filed in 2016 on behalf of job applicants
who were affected by Starbucks' failure to provide notice before
taking adverse action. On July 15, 2020, the Northern District of
Georgia granted final approval of a settlement providing class
members up to \$8 million in benefits.
- l. *Van Fleet v. Trion Worlds, Inc.*—Filed in 2015 on behalf of a
nationwide class of online video game players deprived of a
promised discount on purchases of virtual goods and who
participated in an alleged illegal lottery. The San Mateo County
Superior Court granted final approval of a \$420,000 settlement on
June 1, 2020.
- m. *Miller v. P.S.C., Inc.*—Filed in 2017 on behalf of Washington
consumers who alleged P.S.C. filed lawsuits against them using
unlawful debt collection forms. The Western District of
Washington granted final approval of a settlement that provided

1 injunctive relief and a \$1.52 million settlement fund on January
2 10, 2020.

- 3 n. *Dougherty v. Barrett Business Services, Inc.*—Filed in 2016 on
4 behalf of job applicants who were affected by BBSI’s failure to
5 provide required disclosures before procuring criminal
6 background reports. The Clark County Superior Court granted final
7 approval of the \$1.5 million settlement on November 8, 2019.
- 8 o. *Borecki v. Raymours Furniture Co., Inc.*—Filed in 2017 on behalf of
9 consumers who received spam text messages on their cellular
10 telephones without their prior express consent. The Southern
11 District of New York granted final approval of the \$4.25 million
12 settlement on September 10, 2019.
- 13 p. *Abante Rooter & Plumbing, Inc. v. Alarm.com Inc.*—Filed in 2015
14 on behalf of consumers who received solicitation calls on their
15 cellular and residential telephones without their prior express
16 consent. The Northern District of California granted final approval
17 of the \$28 million settlement on August 15, 2019.
- 18 q. *Leo v. Appfolio, Inc.*—Filed in 2017 on behalf of consumers who
19 were affected by Appfolio’s matching procedures that resulted in
20 incorrect information being included on consumer reports and
21 Appfolio’s failure to provide consumers with required information
22 about the sources any inaccuracies. The Western District of
23 Washington granted final approval of the \$4.5 million settlement
24 on July 18, 2019.
- 25 r. *Snyder v. Ocwen Loan Servicing, LLC*—Filed in 2014 on behalf of
26 consumers who received automated collection calls on their
27 cellular telephones without their prior express consent. The
Northern District of Illinois granted final approval of the \$21.5
million settlement on May 14, 2019.
- s. *Melito v. American Eagle Outfitters, Inc.*—Filed in 2014 on behalf
of consumers who received spam text messages on their cellular
telephones without their prior express consent. The Southern
District of New York granted final approval of the \$14.5 million
settlement on September 11, 2017, which the Second Circuit
affirmed on April 30, 2019.
- t. *Abante Rooter & Plumbing, Inc. v. Pivotal Payments Inc.*— Filed in
2016 on behalf of consumers that received automated solicitation
telephone calls to their cell phones without their prior express
consent. The Northern District of California granted final approval
of the \$9 million settlement on October 15, 2018.
- u. *Bowen v. CSO Financial, Inc.*—Filed in 2017 on behalf of
consumers in Washington who received unfair and deceptive debt
collection notices that included threats of criminal prosecution.
The Western District of Washington granted final approval of a
settlement that provided injunctive relief and \$345,000 on July
10, 2018.

- 1 v. *Terrell v. Costco Wholesale Corp.*—Filed in 2016 on behalf of
2 applicants and employees who were affected by Costco’s failure
3 to provide required disclosures before procuring criminal
4 background reports. The King County Superior Court granted final
5 approval of the \$2.49 million settlement on June 15, 2018.
- 6 w. *In re Monitronics International, Inc. Telephone Consumer
7 Protection Act Litigation*—Filed in 2011 on behalf consumers who
8 received automated, prerecorded solicitation calls on their
9 residential and telephones without their prior express consent.
10 Terrell Marshall served as co-lead counsel in the multidistrict
11 litigation. The Northern District of West Virginia granted final
12 approval of the \$28 million settlement on June 12, 2018.
- 13 x. *Dibb v. AllianceOne Receivables Management, Inc.*—Filed in 2014
14 on behalf of Washington consumers who received unfair and
15 deceptive debt collection notices that included threats of criminal
16 prosecution. The Western District of Washington granted final
17 approval of the \$1.9 million settlement on July 31, 2017.
- 18 y. *Booth v. Appstack, Inc.*—Filed in 2013 on behalf of small
19 businesses that received prerecorded calls using an automatic
20 dialing system on cellular telephone lines without their prior
21 consent. The court certified the class, denied a motion to
22 decertify, denied the defendants’ motion for summary judgment
23 and granted partial summary judgment for the class. The case
24 settled on the eve of trial and the court granted final approval of
25 the \$975,000 settlement on January 11, 2017.
- 26 z. *Cavnar v. BounceBack, Inc.*—Filed in 2014 on behalf of
27 Washington consumers who received false, misleading, and
deceptive debt collection letters printed on the letterhead of
county prosecuting attorneys. The Eastern District of Washington
granted final approval of the \$530,000 settlement on September
15, 2016.
- aa. *Wilkins v. HSBC Bank Nevada, N.A.*—Filed in 2014 on behalf of
individuals who received prerecorded calls using an automatic
dialing system without their prior consent. The Northern District
of Illinois granted final approval of the \$39.9 million settlement on
March 17, 2015.
- bb. *In re Capital One Telephone Consumer Protection Act Litigation*—
Filed in 2012 on behalf of consumers who received automated,
prerecorded collection calls on their cellular telephones without
their prior express consent. Terrell Marshall served as co-lead
counsel in the multidistrict litigation. The Northern District of
Illinois granted final approval of the \$75 million settlement on
February 23, 2015.

1 **C. The prosecution of this action**

2 6. Attached hereto as Exhibit 1 is a true and correct copy of the May 20, 2022
3 Second Amended Answer, Affirmative Defenses and Counterclaims and Third-Party Class Action
4 Complaint.

5 7. Terrell Marshall and the Northwest Consumer Law Center have invested dozens
6 of hours into the investigation, litigation, and settlement of this matter.

7 8. In addition to a pre-filing investigation, Ms. Kimmons-Struck took informal
8 discovery from Lippman and PCA (collectively the debt collectors) and served interrogatories
9 and requests for production. After the debt collectors served an offer of judgment, the parties
10 agreed that the debt collectors could respond informally to the requests with information
11 about the number of members of the proposed class and proposed class members' alleged
12 damages.

13 9. The informal discovery produced by the debt collectors showed that Lippman
14 sent collection letters to approximately 94 consumers in Washington, filed lawsuits against
15 approximately 42 Washington consumers, and collected \$1,117.07 that was applied to amounts
16 other than principal, before obtaining a license. Discovery also showed that Lippman's net
17 worth for purposes of calculating statutory damages under the Fair Debt Collection Practices
18 Act was minimal.

19 10. Given the relatively small size of the proposed class, all parties agreed that early
20 resolution made sense to avoid further waste of resources on litigation expenses.

21 11. The parties' settlement negotiations were adversarial and at arms' length at all
22 times. A true and correct copy of the Settlement Agreement is attached as Exhibit 2.

23 12. Ms. Kimmons-Struck and the debt collectors are each confident in the strength
24 of their respective cases, but recognize the significant costs associated with seeing this lawsuit
25 through class certification, summary judgment motions, and trial. Class certification is always a
26 hard-fought motion and it presents some challenges in this case because of the multiple injuries
27 at issue. If the Court denied Ms. Kimmons-Struck's motion for class certification, the other

1 Settlement Class Members would be left without relief. Ms. Kimmons-Struck is also cognizant of
2 the risks inherent in any trial and any subsequent appeal. The settlement, meanwhile, provides
3 prompt and certain relief for the class. Settlement Class Members will receive approximately
4 \$125 *in addition* to any amounts they paid that were not applied to principal.

5 13. The settlement is a particularly excellent result in light of the economic realities
6 of the case, which are that the costs of continued litigation would quickly have swamped any
7 amount that could be recovered for the Class.

8 **D. Service award**

9 14. Class Counsel are requesting Court approval of a Service Award of \$1,000 for
10 Counter-Plaintiff Teri Kimmons-Struck to compensate her for the time she dedicated to this
11 litigation and the risk she undertook in stepping forward as a representative of the Class. Ms.
12 Kimmons-Struck diligently fulfilled her duties as class representative, including assisting counsel
13 with the investigation and ongoing litigation. Ms. Kimmons-Struck's support of the Settlement
14 is not conditioned on any payment of service awards.

15 **E. Class Counsel's fees and litigation costs**

16 15. Since the beginning of this case, Terrell Marshall has worked with no guarantee
17 of being compensated for its time and efforts. Payment of Terrell Marshall's fees has always
18 been contingent on successfully obtaining relief for the Class Representatives and proposed
19 class members. As a result, there was a substantial risk of non-payment, particularly in light of
20 the challenges inherent in this type of case. Work on this case has necessarily been to the
21 exclusion of work on other matters that likely would have generated fees. Terrell Marshall also
22 agreed to advance all costs of this litigation.

23 16. Attorneys and staff members at my firm devoted more than 56 hours to
24 investigating, litigating, and settling this case. There is still work to perform. Class Counsel will
25 oversee settlement administration, respond to class member inquiries, prepare the motion for
26 final approval and responses to any objections, attend the final approval hearing, and if

27

1 approved, manage distributions to class members. The Settlement is not contingent on
2 approval of either the requested attorneys' fees or service awards.

3 17. I request compensation at an hourly rate of \$495 for my work as the partner
4 managing this case. Ms. Nordby's requested hourly rate is \$325.

5 18. Class Counsel have extensive experience litigating and settling similar claims
6 against unlicensed debt collectors to those alleged in this case. Attached as Exhibit 4 is a true
7 and correct copy of the Final Approval Order and Judgment entered in *Long v. First Resolution*
8 *Investment Corp.*, King County Superior Court No. 19-2-11281-6 SEA, Sub No. 172 (Filed August
9 28, 2020).

10 19. Terrell Marshall sets its rates for attorneys based on a variety of factors,
11 including the education, experience, reputation, and ability of each attorney. The rates charged
12 by Terrell Marshall are consistent with those charged by other attorneys who practice in this
13 subject matter.

14 20. Terrell Marshall keeps contemporaneous time records. A true and correct copy
15 of detailed time records for Terrell Marshall showing the work Ms. Nordby and I performed on
16 this case are attached as Exhibit 3.

17 21. Terrell Marshall has incurred \$242.49 in litigation expenses in this matter, but is
18 not seeking a separate award of costs.

19 I declare under penalty of perjury under the laws of the State of Washington that the
20 foregoing is true and correct.

21 EXECUTED this 28th day of March, 2023.

22 By: /s/ Blythe H. Chandler, WSBA #43387
23 Blythe H. Chandler, WSBA #43387

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Exhibit 1

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KING COUNTY DISTRICT COURT
STATE OF WASHINGTON
WEST DIVISION, SEATTLE COURTHOUSE

PCA ACQUISITIONS V, LLC,

Plaintiff,

v.

TERI R KIMMONSSTRUCK, AND DOES 1-10,

Defendant.

NO. 21CIV41925KCX

**DEFENDANT’S SECOND AMENDED
ANSWER, AFFIRMATIVE DEFENSES AND
COUNTERCLAIMS AND THIRD-PARTY
CLASS ACTION COMPLAINT**

and

TERI R. KIMMONS-STRUCK, on behalf of
herself and all others similarly-situated,

Counter-Plaintiff,

v.

PCA ACQUISITIONS V, LLC d/b/a INVENIO
FINANCIAL,

Counter-Defendant,

and

LIPPMAN RECUPERO, LLC,

Third-Party Defendant.



1 Teri Kimmons-Struck (“Ms. Kimmons-Struck”), by and through the undersigned
2 attorneys, responds to Plaintiff PCA Acquisitions V, LLC (“PCA”)’s Complaint as follows:

3 **I. ANSWER**

4 1.1 Defendant lacks sufficient information to admit or deny Paragraph 1 of the
5 Complaint and therefore denies.

6 1.2 Defendant lacks sufficient information to admit or deny Paragraph 2 of the
7 Complaint and therefore denies.

8 1.3 Defendant lacks sufficient information to admit or deny Paragraph 3 of the
9 Complaint and therefore denies.

10 1.4 Defendant lacks sufficient information to admit or deny Paragraph 4 of the
11 Complaint and therefore denies.

12 1.5 Defendant admits that she had a Capital One credit card account. Defendant
13 lacks sufficient information to admit or deny the remainder of the allegations in Paragraph 5 of
14 the Complaint and therefore denies.

15 1.6 Defendant lacks sufficient information to admit or deny Paragraph 6 of the
16 Complaint and therefore denies.

17 1.7 Defendant lacks sufficient information to admit or deny Paragraph 7 of the
18 Complaint and therefore denies.

19 1.8 Defendant lacks sufficient information to admit or deny Paragraph 8 of the
20 Complaint and therefore denies.

21 1.9 Defendant lacks sufficient information to admit or deny Paragraph 9 of the
22 Complaint and therefore denies.

23 1.10 Defendant lacks sufficient information to admit or deny Paragraph 10 of the
24 Complaint and therefore denies.

25 1.11 Defendant lacks sufficient information to admit or deny Paragraph 11 of the
26 Complaint and therefore denies.

1 1.12 Defendant lacks sufficient information to admit or deny Paragraph 12 of the
2 Complaint and therefore denies.

3 1.13 Defendant lacks sufficient information to admit or deny Paragraph 13 of the
4 Complaint and therefore denies.

5 1.14 Defendant lacks sufficient information to admit or deny Paragraph 14 of the
6 Complaint and therefore denies.

7 1.15 Defendant denies that Plaintiff is entitled to the judgment requested in its prayer
8 for relief.

9 **II. AFFIRMATIVE DEFENSES**

10 By way of further answer and as affirmative defenses to Plaintiff's Complaint, Defendant
11 alleges as follows:

12 2.1 Plaintiff has failed to state a claim upon which relief may be granted as the
13 alleged facts are not sufficient to support a claim for breach of contract, and where the
14 elements of an action sounding in tort are not presented.

15 2.2 Plaintiff lacks standing to bring this Complaint.

16 2.3 Plaintiff has failed to produce a written assignment instrument. Plaintiff cannot
17 prove that it is the real party in interest. As a result, Plaintiff does not have the authority to
18 maintain this lawsuit.

19 2.4 Defendant disputes the balance as alleged.

20 2.5 Plaintiff cannot prove that it suffered any damages as a result of the alleged
21 breach of contract.

22 2.6 Plaintiff's claims are unenforceable by doctrine of waiver.

23 2.7 Plaintiff's claims are unenforceable by the doctrine of estoppel.

24 2.8 Defendant is entitled to an offset of Plaintiff's claims.

25 2.9 Plaintiff's claims are subject to setoff.

26 2.10 Plaintiff's claims are barred under the doctrine of unjust enrichment.

27 2.11 Plaintiff brings its claims with unclean hands and is therefore entitled to nothing.

1 2.12 Plaintiff failed to comply with the requirements of RCW 19.16.260(1) and
2 therefore is not entitled to relief.

3 **III. COUNTERCLAIMS AND CLASS ACTION COMPLAINT**

4 Ms. Kimmons-Struck, on behalf of herself and all others similarly-situated, brings
5 counterclaims for violation of Washington’s Consumer Protection Act (“CPA”) and Washington’s
6 Collection Agency Act (“WCAA”) against Plaintiff/Counterclaim Defendant PCA and crossclaims
7 for violation of the CPA and WCAA against Third Party Defendant Lippman Recuperero, LLC
8 (“Lippman”).

9 **PARTIES**

10 3.1 Defendant/Counterclaim Plaintiff Teri Kimmons-Struck (“Ms. Kimmons-Struck”)
11 is an individual residing in King County, Washington who is a “debtor” as defined by the WCAA,
12 RCW 19.16.100(8), a “person” as defined by the CPA, RCW 19.86.010(1), and a “consumer” as
13 defined by the federal Fair Debt Collection Practices Act (“FDCPA”).

14 3.2 PCA Acquisitions V, LLC d/b/a Invenio Financial (“PCA”) is a Delaware limited
15 liability corporation, which directly or indirectly engages in soliciting claims for collection,
16 regularly attempts to collect third party debts and claims, uses instrumentalities of interstate
17 commerce or the mails in business, the principal purpose of which is the collection of debts,
18 operates in Washington State, and holds a Washington State Collection Agency License. Upon
19 information and belief, PCA is engaged in the business of purchasing delinquent or charged off
20 claims for collection purposes.

21 3.3 PCA is therefore a “collection agency,” a “licensee,” and a “debt buyer” as
22 defined by the WCAA, RCW 19.16.100(4), (7), (10), a “person” as defined by the CPA, and a
23 “debt collector” as defined by the FDCPA and PCA acted as such at all times relevant to this
24 Complaint.

25 3.4 Third Party Defendant Lippman Recuperero, LLC is an Arizona limited liability
26 company which regularly attempts to collect third party debts and claims; uses
27 instrumentalities of interstate commerce or the mails in business, the principal purpose of

1 which is the collection of debts; and operates in Washington State but did not hold a
2 Washington State Collection Agency License until March 3, 2022.

3 3.5 Lippman is therefore a “collection agency” as defined by the WCAA, RCW
4 19.16.100(4), a “person” as defined by the CPA, RCW 19.86.010(1), and a “debt collector” as
5 defined by the FDCPA, and Lippman acted as such at all times relevant to this Complaint.

6 3.6 When Lippman collects or attempts to collect debts referred to it by PCA, it is
7 acting as PCA’s agent. On information and belief, PCA knows the collection methods and
8 procedures used by Lippman, that it has, and had at all relevant times the right to control the
9 collection activities of Lippman, and that it exercises that right as it deems necessary.

10 3.7 All of PCA’s and Lippman’s debt purchasing and collection activities in
11 Washington State are governed by the WCAA and the FDCPA.

12 **JURISDICTION AND VENUE**

13 3.8 Jurisdiction and Venue in King County District Court are appropriate where the
14 acts at issue and described herein or some part thereof occurred in King County, Washington,
15 and where the injury to Ms. Kimmons-Struck or some part thereof occurred in King County,
16 Washington, and where Lippman and PCA have engaged in substantial business contacts in King
17 County, Washington, and Lippman and PCA have already submitted to this jurisdiction by
18 attempting to collect a debt/claim in this jurisdiction, and where Ms. Kimmons-Struck prays for
19 injunctive relief. RCW 4.12.020; 4.12.025; 4.28.180; 4.28.185; and 7.40.010.

20 **STATEMENT OF FACTS**

21 **A. Washington’s Collection Agency Act prohibits certain debt collection practices.**

22 3.9 “The business of debt collection affects the public interest, and debt collection
23 agencies are subject to strict regulation to ensure they deal fairly and honestly with alleged
24 debtors.” *Panag v. Farmers Ins. Co. of Wash.*, 166 Wn.2d 27, 54, 204 P.3d 885 (2009).

25 3.10 Washington’s Collection Agency Act requires collection agencies to obtain a
26 license, follow certain internal procedures, and adhere to a code of conduct. RCW 19.16.110;
27 RCW 19.16.250; *Gray v. Suttell & Assocs.*, 181 Wn.2d 329, 334, 334 P.3d 14 (2014).

1 3.11 Since its inception, the WCAA has prohibited licensed collection agencies from
2 aiding or abetting “any unlicensed person to engage in business as a collection agency in this
3 state.” RCW 19.16.250(1).

4 3.12 The WCAA prohibits a collection agency from threatening to take legal action
5 against an alleged debtor that it cannot legally take at the time the threat is made. RCW
6 19.16.250(16).

7 3.13 Under the WCAA, no collection agency or out-of-state collection agency may
8 bring or maintain an action in any court of this state involving the collection of its own claim or
9 a claim of any third party without alleging and, except where judgment is to be entered by
10 default, proving that the agency is duly licensed. RCW 19.16.260(1)(a).

11 3.14 The WCAA prohibits a debt buyer from “bring[ing] any legal action against a
12 debtor without attaching to the complaint a copy of the contract or other writing evidencing
13 the original debt that contains the signature of the debtor, or ... if the claim is based on a credit
14 card debt for which a signed writing evidencing the original debt does not exist, a copy of the
15 most recent monthly statement recording a purchase transaction, payment or other extension
16 of credit.” RCW 19.16.260(2)(a).

17 3.15 The WCAA prohibits a collection agency from “serv[ing] a debtor with a
18 summons and complaint unless the summons and complaint have been filed with the court and
19 bear the case number assigned by the court.” RCW 19.16.250(27).

20 3.16 A violation of the WCAA is a *per se* unfair or deceptive act or practice occurring
21 in trade or commerce under the Washington Consumer Protection Act, chapter 19.86 RCW.
22 RCW 19.16.440.

23 3.17 Once a collection agency has violated any provision of section 250 of the WCAA,
24 that agency is thereafter prohibited from collecting any amount above the principal amount
25 owed, including fees, costs, and interests. RCW 19.16.450; *Fireside Bank v. Askins*, 195 Wn.2d
26 365, 377 (2020) (explaining that once a violation of RCW 19.16.250 has occurred, “the creditor
27

1 may only collect the amount of the original claim or obligation” (internal quotation marks
2 omitted)).

3 **B. Lippman, as PCA’s agent, acted as a collection agency without a license.**

4 3.18 PCA purchases large portfolios of charged-off debt accounts—written off by the
5 original creditor—for pennies on the dollar.

6 3.19 Lippman was not licensed to operate as a collection agency in Washington until
7 March 3, 2022.

8 3.20 Lippman, at the direction of PCA, initiated at least 120 lawsuits in Washington
9 courts seeking to collect on the claims of Washington consumers, including Ms. Kimmons-
10 Struck, while it was unlicensed.

11 3.21 Lippman’s collection activities on PCA’s behalf while Lippman was unlicensed are
12 unlawful because, without a license, it is prohibited from operating as a collection agency,
13 including filing or maintaining lawsuits in Washington courts to collect on the claims of
14 Washington consumers. *Gray*, 181 Wn.2d at 340-42.

15 3.22 Lippman and PCA know or have reason to know that collection agencies and
16 debt buyers must be licensed prior to purchasing and seeking to collect on the claims of
17 Washington consumers.

18 3.23 Lippman and PCA know or have reason to know that their unlawful conduct in
19 violation of the WCAA prohibits them from ever collecting amounts in excess of the principal
20 balance of the claims of Washington consumers purchased by PCA serving as a basis for the
21 lawsuits filed by Lippman while it was unlicensed.

22 **C. Defendant and Counterclaim Plaintiff Teri Kimmons-Struck.**

23 3.24 In 2016, Ms. Kimmons-Struck opened a Walmart credit card, and for several
24 years, her payments did not exceed \$40 per month.

25 3.25 In 2019, Ms. Kimmons-Struck fell behind on her credit card payment after she
26 received a notice that her credit card payments would increase to about \$300 a month. She was
27 unable to afford the increased payment as she lives on a fixed income as a disabled senior.

1 3.26 Ms. Kimmons-Struck notified her creditors that she was unable to make the
2 payments and that her income was exempt from garnishment. Ms. Kimmons-Struck did not
3 hear from anyone about this debt until she received a letter from Lippman dated June 7, 2021.

4 3.27 The letter dated June 7, 2021 stated that Lippman represented “current creditor
5 PCA ACQUISITIONS V, LLC” regarding a Mastercard Worldcard account. The letter demanded
6 that Ms. Kimmons-Struck pay \$7,181.70.

7 3.28 Having never heard of Lippman or PCA, on July 19, 2021, Ms. Kimmons-Struck
8 sent back a certified letter to Lippman requesting validation of the debt including the date of
9 the last payment and original account number. Ms. Kimmons-Struck paid \$4.15 in postage to
10 send the certified letter.

11 3.29 On August 3, 2021, Lippman sent Ms. Kimmons-Struck a letter stating that the
12 current balance of the account was \$7,181.70 and attached additional documents including a
13 purported assignment agreement and credit card statement.

14 3.30 On January 3, 2022, Lippman and PCA served Ms. Kimmons-Struck with a
15 summons and complaint filed in King County District Court seeking collection of the alleged
16 Capital One account. The summons and complaint served upon Ms. Kimmons-Struck did not
17 contain the actual case number of this matter.

18 3.31 The complaint served on Ms. Kimmons-Struck did not attach the documentation
19 required by RCW 19.16.260(2)(a).

20 CLASS ALLEGATIONS

21 3.32 **Class Definition:** Pursuant to CR 23, Ms. Kimmons-Struck brings her claims as a
22 class action on behalf of the Class defined as follows:

23 **Lawsuit Class:** All persons from whom Lippman and PCA collected
24 or attempted to collect, directly or indirectly, at any time since May
25 20, 2018 on a claim underlying a lawsuit initiated in a Washington
state court prior to March 3, 2022.

26 **Letter Class:** All persons to whom Lippman sent a letter at a
27 Washington address at any time from May 20, 2018 to March 3,
2022 attempting to collect, directly or indirectly, on an alleged
claim on behalf of PCA.

1 **FDCPA Lawsuit Subclass:** All persons from whom Lippman and PCA
2 collected or attempted to collect, directly or indirectly, at any time
since May 20, 2021 on a claim underlying a lawsuit initiated in a
Washington state court prior to March 3, 2022.

3 **FDCPA Letter Subclass:** All persons to whom Lippman sent a letter
4 at a Washington address at any time from May 20, 2021 to March
5 3, 2022 attempting to collect, directly or indirectly, on an alleged
claim on behalf of PCA.

6 3.33 **Numerosity:** On information and belief there are approximately 120 people in
7 the Classes.

8 3.34 **Commonality:** There exist questions of law and fact common to Ms. Kimmons-
9 Struck and the proposed Classes, including but not limited to:

10 a. Whether Lippman and PCA have a common practice of seeking to collect
11 and collecting on claims of Washington consumers before Lippman was licensed to operate as a
collection agency;

12 b. Whether PCA aided and abetted Lippman's engagement in business as a
13 collection agency while Lippman was not licensed in violation of RCW 19.16.250(1);

14 c. Whether Lippman had a common practice of sending letters to
15 Washington consumers attempting to collect claims on behalf of PCA before Lippman was
16 licensed to operate as a collection agency;

17 d. Whether Lippman and PCA have a common practice of failing to attach
18 the documentation required by RCW 19.16.260(2)(a) to complaints filed against Washington
19 consumers in Washington state courts;

20 e. Whether Lippman and PCA have a common practice of failing to include
21 the actual case number assigned by the courts on summonses and complaints served on
22 Washington consumers as required by RCW 19.16.250(27);

23 f. Whether Lippman and PCA's violations of the WCAA constitute *per se*
24 violations of the CPA;

25 g. Whether Lippman's and PCA's debt collection practices violated the
26 FDCPA; and
27

1 h. The nature and extent of Class-wide injury and the measure of
2 compensation for such injury.

3 3.35 **Typicality:** Ms. Kimmons-Struck's claims are typical of the claims of the Classes.
4 They arise out of a common course of conduct by Lippman and PCA and are based on the same
5 legal and remedial theories. The debt collection practices to which Ms. Kimmons-Struck was
6 subjected are materially identical to the debt collection practices Lippman and PCA utilized in
7 collecting or attempting to collect alleged debts from proposed class members. Lippman and
8 PCA routinely solicited and purchased charged-off debt portfolios and filed cases against Ms.
9 Kimmons-Struck and members of the Classes prior to obtaining a collection agency license, and
10 in doing so violated other provisions of the WCAA during the Class periods.

11 3.36 **Adequacy of Representation:** Ms. Kimmons-Struck is an appropriate
12 representative party for the Classes and will fairly and adequately protect the interests of the
13 Class. Ms. Kimmons-Struck understands and is willing to undertake the responsibilities of acting
14 in a representative capacity on behalf of the proposed Classes. Ms. Kimmons-Struck will fairly
15 and adequately protect the interests of the Classes and has no interests that directly conflict
16 with the interests of the Classes. Ms. Kimmons-Struck has retained competent and capable
17 attorneys who are experienced trial lawyers with significant experience in complex and class
18 action litigation, including consumer class actions. Ms. Kimmons-Struck and her counsel are
19 committed to prosecuting this action vigorously on behalf of the Classes and have the financial
20 resources to do so.

21 3.37 **Predominance:** Lippman and PCA have a standard practice of collecting or
22 seeking to collect on claims of Washington consumers by filing lawsuits in Washington state
23 courts prior to becoming licensed as a collection agency and violating other provisions of the
24 WCAA in doing so. The common issues arising from this conduct predominate over any
25 individual issues. Adjudication of these common issues in a single action has important and
26 desirable advantages of judicial economy.

1 3.42 The WCAA defines “Collection Agency” as “any person directly or indirectly
2 engaged in soliciting claims for collection, or collecting or attempting to collect claims owed or
3 due or asserted to be owed or due another person...” and “a debt buyer as defined in this
4 section.” RCW 19.16.100(4).

5 3.43 Lippman and PCA are “collection agencies” within the meaning of the WCAA as
6 they are directly or indirectly engaged in soliciting claims for collection, or collecting or
7 attempting to collect claims owed or due or asserted to be owed or due another person, and
8 “persons” within the meaning of the CPA, RCW 19.86.010(1).

9 3.44 RCW 19.16.110 provides that “[n]o person shall act...as a collection agency or
10 out-of-state collection agency...without first having applied for and obtained a license from the
11 director.”

12 3.45 Lippman did not hold a license to operate as a collection agency in Washington
13 State until March 3, 2022.

14 3.46 Lippman violated RCW 19.16.110 when it acted as a collection agency by
15 attempting to collect debts from Ms. Kimmons-Struck and Class members without a license as
16 required by RCW 19.16.110.

17 3.47 PCA aided and abetted Lippman’s operation as an unlicensed collection agency
18 in the state of Washington in violation of RCW 19.16.250(1) by directing Lippman to collect
19 alleged debts owed to PCA by Washington consumers.

20 3.48 PCA is vicariously liable for the collection activities of its agent, Lippman,
21 including the unlawful filing of lawsuits against Washington consumers seeking to collect claims
22 on behalf of PCA while Lippman was unlicensed, as well as other violations of the WCAA.

23 3.49 Before Lippman was licensed to operate as a debt collector, Lippman sent
24 collection letters to Ms. Kimmons-Struck and Class members on behalf of PCA in an attempt to
25 collect alleged debts owed to PCA by Washington consumers, in violation of RCW 19.16.110.

26 3.50 Lippman and PCA served a summons and complaint upon Ms. Kimmons-Struck
27 and Class members without the actual case number as required by RCW 19.16.250(27).

1 3.51 Lippman and PCA brought and maintained legal actions against Ms. Kimmons-
2 Struck and Class members but failed to allege and prove that PCA is licensed under RCW 19.16
3 *et seq* as required by RCW 19.16.260(1)(a)-(b).

4 3.52 Lippman and PCA brought and maintained legal actions against Ms. Kimmons-
5 Struck and Class members without attaching to the complaints the documentation required by
6 RCW 19.16.260(2).

7 3.53 A violation of RCW 19.16.110 and the commission of a practice prohibited under
8 RCW 19.16.250 or RCW 19.16.260 are *per se* unfair acts or practices occurring in trade or
9 commerce under the CPA. RCW 19.16.440. Lippman and PCA’s debt collection activity, including
10 acts they take in litigation against Washington consumers, occurs in trade or commerce.
11 *Evergreen Collectors v. Holt*, 60 Wn. App. 151, 155-56 (1991).

12 3.54 If a “licensee” violates any provision of RCW 19.16.250, neither it nor any other
13 party, including the original creditor shall ever be entitled to any amount over the principal
14 amount of the debt. RCW 19.16.450.

15 3.55 Lippman and PCA’s *per se* violations of the CPA have impacted the public interest
16 because they have injured Ms. Kimmons-Struck and dozens of other persons and have the
17 capacity to injure dozens more. RCW 19.86.093. Indeed, the Washington Supreme Court has
18 explicitly held that “[t]he business of debt collection affects the public interest, and debt
19 collection agencies are subject to strict regulation to ensure they deal fairly and honestly with
20 alleged debtors.” *Panag*, 166 Wn.2d at 54.

21 3.56 The acts or practices complained of herein are ongoing or have a substantial
22 likelihood of being repeated.

23 3.57 As a direct and proximate result of Lippman and PCA’s *per se* violations of the
24 CPA, Ms. Kimmons-Struck and Class members suffered injury to their business or property and
25 lost money, including but not limited to the costs associated with investigating the validity of
26 purported debts. Accordingly, Ms. Kimmons-Struck and Class members are entitled to legal
27

1 relief against Lippman and PCA, including actual damages, treble damages, attorneys' fees, and
2 costs pursuant to RCW 19.86.090.

3 3.58 Lippman and PCA's conduct is uniform as to all members of the Classes. Lippman
4 and PCA have acted or refused to act on grounds that apply generally to the Classes, so that
5 final injunctive or declaratory relief is appropriate with respect to the Classes as a whole. Ms.
6 Kimmons-Struck requests entry of an order dismissing any actions against Washington
7 consumers seeking to collect a debt purchased by PCA filed while Lippman was unlicensed;
8 vacating any judgments obtained against the Classes prior to Lippman obtaining a license to
9 operate as a collection agency; or reducing those judgments to principal balance less any
10 amount already collected by Lippman and PCA and prohibiting collection of amounts above
11 principal on the claims underlying the judgments.

12 3.59 Ms. Kimmons-Struck and the Classes are also entitled to equitable relief as the
13 Court deems appropriate, including, but not limited to, disgorgement for the benefit of Class
14 members of all or part of the ill-gotten gains Lippman and PCA received from their unlawful
15 scheme.

16 **SECOND CAUSE OF ACTION**

17 **NON-PER SE UNFAIR OR DECEPTIVE BUSINESS PRACTICES IN** 18 **VIOLATION OF WASHINGTON CONSUMER PROTECTION ACT**

19 **(As to Lippman and PCA)**

20 3.60 Ms. Kimmons-Struck re-alleges and incorporates by reference the allegations set
21 forth in all of the paragraphs of this Complaint as though fully set forth herein.

22 3.61 Ms. Kimmons-Struck and Class members are "persons" within the meaning of
23 the CPA, RCW 19.86.010(1).

24 3.62 Lippman and PCA are "persons" within the meaning of the CPA, RCW
25 19.86.010(1), and conduct "trade" and "commerce" within the meaning of the CPA, RCW
26 19.86.010(2).

27

1 3.63 PCA aided and abetted Lippman’s operation as an unlicensed collection agency
2 in the state of Washington in violation of RCW 19.16.250(1).

3 3.64 PCA is vicariously liable for the collection activities of its agent, Lippman,
4 including the unlawful filing of lawsuits against Washington consumers seeking to collect claims
5 on behalf of PCA while Lippman was unlicensed, as well as other unfair or deceptive acts or
6 practices.

7 3.65 PCA and Lippman’s entire course of conduct as described throughout this
8 Complaint is unfair or deceptive within the meaning of the CPA, RCW 19.86.010, *et seq.*

9 3.66 Lippman and PCA engaged in unfair or deceptive acts or practices in the conduct
10 of their business by the conduct set forth above. These unfair or deceptive acts or practices
11 include the following:

12 a. Initiating and maintaining legal actions against Ms. Kimmons-Struck and
13 Class members in Washington state courts while Lippman was not licensed to operate as a
14 collection agency in Washington;

15 b. Serving a summons and complaint upon Ms. Kimmons-Struck and Class
16 members without the case number as required by RCW 19.16.250(27).

17 c. Initiating and maintaining legal actions against Ms. Kimmons-Struck and
18 Class members but failing to allege and prove that PCA is licensed under RCW 19.16 *et seq* as
19 required by RCW 19.16.260(1)(a)-(b).

20 d. Initiating and maintaining legal actions against Ms. Kimmons-Struck and
21 Class members without attaching to the complaint the documentation required by RCW
22 19.16.260(2).

23 e. Sending collection letters to Ms. Kimmons-Struck and Class members on
24 behalf of PCA seeking to collect alleged debts owed to PCA by Washington consumers while
25 Lippman was unlicensed, in violation of RCW 19.16.110.

26 3.67 Lippman and PCA’s unfair or deceptive acts or practices have repeatedly
27 occurred in trade or commerce within the meaning of the CPA, RCW 19.86.010(2) and RCW

1 19.86.020, and were and are capable of deceiving a substantial portion of the public. All of
2 Lippman and PCA's debt collection activity, including litigation against Washington consumers,
3 occurs in trade or commerce. RCW 19.16.440; *Evergreen Collectors v. Holt*, 60 Wn. App. 151,
4 155-56 (1991).

5 3.68 The acts complained of herein are ongoing or have a substantial likelihood of
6 being repeated.

7 3.69 Lippman and PCA's systematic practices are unfair because these acts or
8 practices: (1) cause substantial financial injury to Ms. Kimmons-Struck and Class members; (2)
9 are not outweighed by any countervailing benefits to consumers or competitors; and (3) are not
10 reasonably avoidable by consumers.

11 3.70 Lippman and PCA's systematic practices are unfair because the acts or practices
12 are immoral, unethical, oppressive, or unscrupulous.

13 3.71 Lippman and PCA's practices are unfair because they offend public policy as
14 established by statutes or the common law.

15 3.72 Lippman and PCA's unfair or deceptive acts or practices have impacted the
16 public interest because they have injured Ms. Kimmons-Struck and dozens of other persons and
17 have the capacity to injure dozens more. The Washington Supreme Court has explicitly held
18 that "[t]he business of debt collection affects the public interest, and debt collection agencies
19 are subject to strict regulation to ensure they deal fairly and honestly with alleged debtors."
20 *Panag*, 166 Wn.2d at 54.

21 3.73 As a direct and proximate result of Lippman and PCA's unfair or deceptive acts or
22 practices, Ms. Kimmons-Struck and Class members suffered injury to their business or property
23 and lost money, including but not limited to the costs associated with investigating the validity
24 of purported debts. Accordingly, Ms. Kimmons-Struck and Class members are entitled to legal
25 relief against Lippman and PCA, including actual damages, treble damages, attorneys' fees, and
26 costs and such further relief as the Court may deem proper.

1 3.83 Ms. Kimmons-Struck is a “consumer” within the meaning of the FDCPA because
2 Lippman and PCA alleged that she is obligated to pay a debt related to a credit card agreement.
3 15 U.S.C. § 1692a(3).

4 3.84 Lippman and PCA are “debt collectors” within the meaning of the FDCPA
5 because they use the mails in their business the principal purpose of which is the collection of
6 debts, and because they regularly collect or attempt to collect, directly or indirectly, debts
7 owed or due another. 15 U.S.C. § 1692a(6).

8 3.85 The money that Lippman and PCA alleged Plaintiff and the Class members owe
9 are debts under the FDCPA because they are alleged obligations to pay money arising out of
10 transactions that were primarily for personal, family, or household purposes. 15 U.S.C. §
11 1692a(5).

12 3.86 As alleged above, Lippman violated the WCAA by sending collection letters and
13 filing and maintaining lawsuits against Washington consumers in an attempt to collect claims
14 on behalf of PCA while Lippman was not licensed as a collection agency in Washington and
15 violated other provisions of the WCAA in doing so.

16 3.87 PCA is vicariously liable for the collection activities of its agent, Lippman,
17 including the unlawful filing of lawsuits against Washington consumers seeking to collect claims
18 on behalf of PCA while Lippman was unlicensed, as well as other violations of the WCAA and
19 unfair or deceptive acts or practices.

20 3.88 Lippman violated 15 U.S.C. § 1692f(1) by collecting or attempting to collect debts
21 it was not legally permitted to collect by virtue of its being unlicensed to operate as a debt
22 collector in Washington prior to March 3, 2022.

23 3.89 Lippman violated 15 U.S.C. § 1692e(2)(A) by making false representations
24 regarding the character, amount, or legal status of the debts that it collected or attempted to
25 collect on behalf of PCA while Lippman was unlicensed, including but not limited to false
26 representations that it was legally permitted to engage in debt collection activities within
27 Washington state prior to March 3, 2022.

1 3.90 Lippman violated 15 U.S.C. § 1692e(10) by collecting or attempting to collect
2 debts on behalf of PCA using false representations or deceptive means, including but not
3 limited to false representations that it was legally permitted to engage in debt collection
4 activities within Washington state prior to March 3, 2022.

5 3.91 Lippman violated 15 U.S.C. § 1692f by collecting or attempting to collect debts
6 on behalf of PCA using unfair or unconscionable means, including but not limited to operating
7 as a debt collector in Washington state while Lippman was unlicensed.

8 3.92 Plaintiff is entitled to legal relief against Lippman and PCA, including recovery of
9 actual damages, statutory damages, attorneys' fees, costs, and such further relief as the Court
10 may deem just and proper.

11 **PRAYER FOR RELIEF**

12 WHEREFORE, Teri Kimmons-Struck prays that the proposed Classes be certified under
13 Civil Rule 23 and that she and her counsel be appointed to represent the Classes and judgment
14 be entered against Counterclaim and Third-Party Defendants Lippman and PCA:

15 1. For injunctive and declaratory relief:

- 16 a. declaring Lippman and PCA's debt collection practices described in this
17 complaint to be unlawful;
- 18 b. vacating any judgments Lippman and PCA obtain against Class members;
- 19 c. prohibiting Lippman and PCA from collecting amounts above principal on
20 collection judgments obtained prior to Lippman becoming licensed as a
21 collection agency;
- 22 d. prohibiting Lippman and PCA, or any other person from attempting to
23 collect more than the amount of the underlying alleged debt from Ms.
24 Kimmons-Struck and Class members;

25 2. For an award to Ms. Kimmons-Struck and Class members of actual damages,
26 treble damages, pre-judgment interest, costs, and attorneys' fees under RCW 19.86.090;

1 CERTIFICATE OF SERVICE

2 I, Blythe H. Chandler, hereby certify that on May 20, 2022, I electronically filed the
3 foregoing with the Clerk of the Court.

4 David W. Lippman, WSBA #50371
5 Email: david.lippman@lippmanreed.com
6 LIPPMAN RECUPERO, LLC
7 1325 N. Wilmot Road, Suite 300
8 Tucson, Arizona 85172
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17 *Attorneys for Third-Party Defendant*
18 *Lippman Recupero, LLC*

19 DATED this 20th day of May, 2022.

20 TERRELL MARSHALL LAW GROUP PLLC

21 By: /s/ Blythe H. Chandler, WSBA #43387
22 Blythe H. Chandler, WSBA #43387
23 Email: bchandler@terrellmarshall.com
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Attorneys for Defendant/Counter-Plaintiff

Exhibit 2

SETTLEMENT AGREEMENT & RELEASE

This Settlement Agreement and Release (the “Settlement Agreement”) is entered into by and between Teri Kimmons-Struck (“Counter-Plaintiff”), for herself and the Settlement Class Members (as defined below), and Counter-Defendants PCA Acquisitions V, LLC (“PCA”) and Lippman Recupero, LLC (“Lippman”) (collectively, “Counter-Defendants”). Counter-Plaintiff and Counter-Defendants are referred to collectively in this Settlement Agreement as the “Parties.”

I. RECITALS

This Settlement Agreement is made with reference to and in contemplation of the following facts and circumstances:

1. On May 20, 2022, Counter-Plaintiff filed counterclaims and class action allegations in this matter, captioned *PCA Acquisitions V, LLC v. Kimmons-Struck* No. 22-2-08801-01 SEA, and removed the action from King County District Court to King County Superior Court (the “Action”).

2. Counter-Plaintiff alleges that Counter-Defendants violated the Washington Collection Agency Act, RCW 19.16, *et seq.* (“CAA”), and the Washington Consumer Protection Act, RCW 19.86.010, *et seq.* (“CPA”), by obtaining judgments in PCA’s name and sending collection letters from Lippman during times when Lippman was not licensed as a collection agency in the state of Washington.

3. The Parties and their counsel have conducted investigations of the facts and law underlying the claims asserted in this Action. The Parties and their counsel have conducted informal written discovery. The Parties and their counsel have also conducted a thorough assessment of the strengths and weaknesses of their respective cases.

4. Subject to the Court’s approval as required by Civil Rule 23, this Settlement Agreement will fully and forever resolve, discharge, and release all rights and claims of Counter-Defendants against Counter-Plaintiff, and all claims of Counter-Plaintiff and the Settlement Class Members (as defined below) against Counter-Defendants. Counter-Defendants agree to permanent injunctive relief as specified below, and to establish a settlement fund in the amount of \$15,000 to be distributed to Counter-Plaintiff and the Settlement Class Members for their alleged damages. Counter-Defendants will separately pay Counter-Plaintiffs’ reasonable attorneys’ fees and costs in the amount of \$26,000.00.

5. Counter-Plaintiff and her counsel have concluded, based upon their investigation and thorough assessment, and taking into account Counter-Defendants’ claims and defenses, the expense and time necessary to continue to litigate the Action through trial, the risks and costs associated with any further proceedings and potential appeals, the uncertainties of proving the claims asserted in the Action, and the substantial benefits to be received pursuant to this Settlement Agreement, that a settlement with Counter-Defendants and the terms of this

Settlement Agreement are fair and reasonable, as well as in the best interest of Counter-Plaintiff and the Settlement Class Members.

THEREFORE, the Parties hereby stipulate and agree that, in consideration of the agreements, promises, and covenants set forth in this Settlement Agreement, and subject to approval of the Court, the Action shall be completely, fully, and finally settled and dismissed with prejudice as follows:

II. DEFINITIONS

In addition to the terms defined in other Sections of this Settlement Agreement, the following defined terms apply to this Settlement Agreement and its exhibits:

1. “Accounts” means the Settlement Class Members’ Accounts that are at issue in this Action.
2. “Class Counsel” means the law firms of Terrell Marshall Law Group, PLLC and Northwest Consumer Law Center.
3. “Class Member(s)” means all persons (1) from whom Lippman on behalf of PCA collected or attempted to collect, directly or indirectly, at any time since May 20, 2018 on a claim underlying a lawsuit initiated in a Washington state court prior to March 3, 2022, or (2) to whom Lippman sent a letter at a Washington address at any time from May 20, 2021 to March 3, 2022 attempting to collect, directly or indirectly, on an alleged claim on behalf of PCA.
4. “Court” means the King County Superior Court for the State of Washington.
5. “Effective Date” means the fifth day after the later of the following events:
 - a. The final disposition of any appeals from or review of the Final Approval Order; or
 - b. In the case of no appeal or review being filed, expiration of the applicable period of appeal.
6. “Final Approval Hearing” means the hearing held by the Court to determine whether to finally approve the Settlement and the service award amount requested by Counter-Plaintiff, and Class Counsel’s requested fees and expenses.
7. “Final Approval Order” means the order that the Court enters after finally approving the Settlement.
8. “Objection Deadline” means 45 calendar days from the Settlement Notice Date.

9. "Opt-Out Deadline" means 45 calendar days from the Settlement Notice Date.
10. "Notice" means the notice that will be provided pursuant to Section VII of this Settlement Agreement, substantially in the same form as Exhibit A.
11. "Preliminary Approval Order" means the order that the Court enters upon preliminarily approving the Settlement.
12. "Settlement" means the settlement contemplated by this Settlement Agreement.
13. "Settlement Payments" means cash payments that may be available to eligible Settlement Class Members.
14. "Settlement Class Member(s)" means all Class Members included on the list provided by Counter-Defendants to Class Counsel for purposes of providing Notice in this matter who do not request to be excluded from this Settlement by the Opt-Out Deadline.
15. "Settlement Notice Date" means the date the Settlement Notices are sent pursuant to the Notice Plan.

III. SETTLEMENT CONSIDERATION

1. Settlement Fund. Counter-Defendants shall pay \$15,000 into a Settlement Fund to be maintained in Class Counsel's attorney trust account, plus the reasonable attorneys' fees and costs awarded by the Court, in full and complete satisfaction of all financial obligations under this Settlement. The Settlement Fund shall be allocated to Settlement Payments, a service award to Counter-Plaintiff, and costs of administering the settlement. The attorneys' fees and costs approved by the Court shall be paid to Class Counsel. The Settlement Fund shall be non-reversionary. If the Court awards anything less than the amounts requested for a service award and settlement administration costs, then the difference shall be allocated to Settlement Payments.

2. Settlement Payments to Settlement Class Members. Each Settlement Class Member who made payments to Counter-Defendants that were allocated to amounts other than principal ("interest payments") shall receive the amount of that payment. All other Settlement Class Members shall receive an equal share of the amount remaining in the Settlement Fund after interest payments, any service award, and administration costs are deducted. The parties shall cooperate to ensure that the Class Counsel has the data needed to calculate the Settlement Payment amounts. Class Counsel shall mail Settlement Payment checks by first class mail within 30 days after the Effective Date. Settlement Class Members will not be required to submit claims in order to receive a Settlement Payment. Checks will be valid for 120 days from the date on the check.

3. Payment. On the first business day after the Effective Date, Counter-Defendants will pay the Class Counsel the full amount of the Settlement Fund (\$15,000). Counter-Defendants will pay Class Counsel a total of \$26,000 for their reasonable attorneys' fees and costs by wire transfer or transfers to Class Counsel's trust account, pursuant to the schedule set forth in Section IV.2.

4. Prospective Relief. As additional consideration, Counter-Defendants shall not collect or attempt to collect on Settlement Class Members' Accounts any amounts above principal. Counter-Defendants shall convey this restriction to any person or entity who may purchase or obtain Settlement Class Members' Accounts in the future.

IV. SERVICE AWARD TO COUNTER-PLAINTIFF AND ATTORNEYS' FEES AND EXPENSES

1. Payment to Counter-Plaintiff. Counter-Plaintiff may move the Court for a service award in the amount of \$1,000, for her time and effort in connection with this Action. Class Counsel shall issue the service award from the Settlement Fund within five (5) days after the Effective Date.

2. Litigation Expenses and Attorneys' Fees. Class Counsel will be paid a total of \$26,000 for their reasonable attorneys' fees and expenses to be paid separate from the Settlement Fund, pursuant to the following schedule: \$13,000 to be paid within 5 days after the Effective Date and the balance of \$13,000 to be paid 30 days after the first attorneys' fees payment.

3. Unclaimed Settlement Funds. Settlement Payment checks that are not cashed within 120 days after the date on the check shall be voided.

4. Cy pres Award. Any undistributed amounts remaining in the Settlement Fund after the check-cashing period described in the preceding paragraph shall be paid to the Legal Foundation of Washington.

V. ADMINISTRATION AND NOTICE

1. Payment of Administration and Notice. All costs of administering this Settlement will be paid from the Settlement Fund.

2. Notice Plan. Within 14 days after issuance of the Preliminary Approval Order, Counter-Defendants shall provide to Class Counsel a list of all class members, their contact information, the date(s) on which Counter-Defendant Lippman sent them collection letters and/or obtained judgments against them, and the amounts paid by class members and not allocated to principal. Class Counsel shall provide notice within 30 days after the issuance of the Preliminary Approval Order, Class Counsel will send the Notice through U.S. mail to the most recent address for each Class Member reflected in Counter-Defendants' list. Counter-Plaintiff may terminate this agreement within 5 business days after receipt of the class list if it is

materially inconsistent with Counter-Defendants' representations about the number of class members or amounts of interest payments.

VI. OPT-OUT PROCESS

1. **Opt-Out Requirements.** Class Members may exclude themselves from the Settlement by advising Class Counsel in writing no later than the Opt-Out Deadline that they do not want to be a Settlement Class Member. All such writings must include the name and address of the individual opting out and be postmarked no later than the Opt-Out Deadline. Class Members who exclude themselves in writing by the Opt-Out deadline shall not be Settlement Class Members and shall not be bound by this Settlement Agreement, its release of claims, or the judgments of the Court in this Action.

2. **Retention of Opt-Outs.** Class Counsel will retain a copy of all opt-out requests and will provide copies to the Counter-Defendants' counsel.

VII. OBJECTIONS

1. **Right to Object.** Any Settlement Class Member who desires to object to the fairness of this Settlement must file a written objection with the Court by the Objection Deadline. The written objection must provide the objector's name, address, and telephone number, and the reason(s) for the objection.

2. **Right to Appear at Final Approval Hearing.** Any Settlement Class Member who objects may appear at the Final Approval Hearing, including through an attorney hired at the objector's expense. Such objectors or their attorneys intending to appear at the Final Approval Hearing should file a notice of appearance with the Court no later than ten (10) days before the Final Approval Hearing. Any Settlement Class Member who fails to comply with the provisions herein shall waive and forfeit any and all rights to appear or object separately and shall be bound by the terms of this Settlement and the orders and judgments of this Court.

VIII. FINAL APPROVAL

1. **Motion for Final Approval Order.** After completion of the Notice Plan and the expiration of the Opt-Out and Objection Deadlines, and no later than 14 days before the Final Approval Hearing, Class Counsel shall move the Court to enter the Final Approval Order. Class Counsel shall file a memorandum addressing any valid objections, and Counter-Defendants' counsel may, but is not required to, file an additional memorandum in response.

2. **Final Approval Order.** This Settlement Agreement is subject to and conditioned upon the issuance by the Court of a Final Approval Order that grants approval of this Settlement and:

- a. Finds that the notice under the Notice Plan satisfies the requirements of Due Process and CR 23;

- b. Finds that the Settlement Agreement is fair, reasonable, and adequate to the Settlement Class Members;
- c. Finds that Counter-Plaintiff and Class Counsel have adequately represented the Settlement Class Members;
- d. Finds that each Settlement Class Member shall be bound to this Settlement Agreement, including the release in Section XI;
- e. Approves this Settlement;
- f. Dismisses on the merits with prejudice all claims of the Settlement Class Members asserted in this Action; and
- g. Retains jurisdiction of all matters relating to the administration, implementation, interpretation, and enforcement of this Settlement.

IX. RELEASE OF CLAIMS

1. Releases. As of the Effective Date, Counter-Plaintiff and each Settlement Class Member and their respective heirs, estates, trusts, agents, and successors, resolve, relinquish, and discharge forever Counter-Defendants from all claims based on the identical factual predicate in Counter-Plaintiff's Second Amended Answer and Counterclaims, including claims for violation of Washington's Collection Agency Act or Consumer Protection Act. Counter-Plaintiff Kimmons-Struck and her respective heirs, estates, trusts, agents, and successors, additionally resolve, relinquish, and discharge forever all claims existing as of the date this agreement is fully executed, whether known or unknown, against Counter-Defendants and any person(s) acting on behalf of or through Counter-Defendants. Counter-Defendants release, resolve, relinquish, and discharge forever all claims against Counter-Plaintiff Kimmons-Struck relating to the Capital One account ending in 8739 and agree to dismissal of Counter-Defendants' claims against Ms. Kimmons-Struck with prejudice.

X. NO ADMISSION OF LIABILITY

1. Denial of Liability. Counter-Defendants deny any liability or wrongdoing of any kind in connection with the claims alleged in this Action. Nothing in this Settlement Agreement or the acts performed in furtherance of this Settlement Agreement shall constitute an admission by Counter-Defendants of wrongdoing or liability in this Action.

2. Evidence Rule 408. Pursuant to Washington Evidence Rule 408, this Settlement Agreement and any related documents filed or created in connection with this Settlement Agreement shall be inadmissible as evidence in any proceeding, except as necessary to approve, interpret, or enforce this Settlement Agreement.

XI. GENERAL PROVISIONS

1. Entire Agreement. This Settlement Agreement and its exhibits constitute the entire agreement between the Parties.
2. Jurisdiction. The Court shall retain continuing and exclusive jurisdiction over the Parties to this Settlement Agreement, including the Settlement Class Members, and the administration and enforcement of this Settlement Agreement.
3. No Construction Against Drafter. This Settlement Agreement will be deemed to have been drafted by the Parties, and any rule that a document shall be interpreted against the drafter will not apply.
4. No Oral Modifications. This Settlement Agreement may not be amended or modified in any manner except by a writing signed by the Parties and approved by the Court.
5. Agreement Binding on Successors in Interest. This Settlement Agreement is binding on and shall inure to the benefit of the respective heirs, successors, and assigns of the Parties.
6. Resolution of Disputes. Any disputes regarding the administration of this Settlement Agreement that the Parties cannot resolve after good faith efforts will be decided by the Court.
7. Mutual Cooperation. The Parties agree to reasonably cooperate with each other to accomplish the terms of this Settlement Agreement, including (but not limited to) execution of the supporting documents, and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement.
8. Execution in Counterparts. This Settlement Agreement may be executed in any number of counterparts, and by scanned and/or facsimile signatures, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
9. Choice of Law. Any proceedings to enforce or construe the Settlement or the Settlement Agreement shall be governed by Washington law.
10. Notices. All notices to counsel provided herein shall be sent by electronic mail with a hard copy sent by overnight mail to:

As to Counter-Plaintiff and Settlement Class Members:

TERRELL MARSHALL LAW GROUP PLLC
Beth E. Terrell
Email: bterrell@terrellmarshall.com

Blythe H. Chandler
Email: bchandler@terrellmarshall.com
936 North 34th Street, Suite 300
Seattle, Washington 98103-8869
Telephone: (206) 816-6603
NORTHWEST CONSUMER LAW CENTER
Amanda Martin
Email: amanda@nwclc.org
936 North 34th Street, Suite 300
Seattle, Washington 98103-8869
Telephone: (206) 805-0989

As to Defendant PCA ACQUISITIONS V, LLC:

TROUTMAN PEPPER
Leah S. Strickland
Email: leah.strickland@troutman.com
222 Central Park Avenue, Suite 2000
Virginia Beach, Virginia 23462
Telephone: (757) 687-7511

As to Defendant LIPPMAN RECUPERO, LLC:

SAVITT BRUCE & WILLEY LLP
Duncan E. Manville, WSBA #30304
Email: dmanville@sbwllp.com
1425 Fourth Avenue, Suite 800
Seattle, Washington 98101-2272
Telephone: (206) 749-0500

IN WITNESS HEREOF the undersigned, being duly authorized, have caused this Agreement to be executed on the dates shown below.

TERI KIMMONS-STRUCK

By: Teri R. Kimmons-Struck
Counter-Plaintiff

3/8/2023
Date

PCA ACQUISITIONS V, LLC

By: _____
Counter-Defendant

Date

Blythe H. Chandler
Email: bchandler@terrellmarshall.com
936 North 34th Street, Suite 300
Seattle, Washington 98103-8869
Telephone: (206) 816-6603
NORTHWEST CONSUMER LAW CENTER
Amanda Martin
Email: amanda@nwclc.org
936 North 34th Street, Suite 300
Seattle, Washington 98103-8869
Telephone: (206) 805-0989

As to Defendant PCA ACQUISITIONS V, LLC:

TROUTMAN PEPPER
Leah S. Strickland
Email: leah.strickland@troutman.com
222 Central Park Avenue, Suite 2000
Virginia Beach, Virginia 23462
Telephone: (757) 687-7511

As to Defendant LIPPMAN RECUPERO, LLC:

SAVITT BRUCE & WILLEY LLP
Duncan E. Manville, WSBA #30304
Email: dmanville@sbwllp.com
1425 Fourth Avenue, Suite 800
Seattle, Washington 98101-2272
Telephone: (206) 749-0500

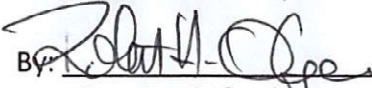
IN WITNESS HEREOF the undersigned, being duly authorized, have caused this Agreement to be executed on the dates shown below.

TERI KIMMONS-STRUCK

By: _____
Counter-Plaintiff

Date

PCA ACQUISITIONS V, LLC

By:  _____
Counter-Defendant

3/10/2023
Date

Its: SVP Compliance/General Counsel

LIPPMAN RECUPERO, LLC

By: David Lippman
Counter-Defendant

03/08/23
Date

- Exhibit A -

Terrell | Marshall Law Group PLLC

936 N 34th Street, Suite 300
Seattle, WA 98103
Return Service Requested

COURT AUTHORIZED LEGAL NOTICE
THIS IS NOT A COLLECTION NOTICE OR AN ATTEMPT
TO COLLECT A DEBT

A settlement has been reached in the class action lawsuit *PCA Acquisitions V, LLC v. Teri R. Kimmons-Struck, et al.*, King County Superior Court Case No. 22-2-08801-0 SEA. The class representative alleges that debt buyer PCA Acquisitions V, LLC (“PCA”) and collection agency Lippman Recupero, LLC (“Lippman”) violated the Washington Collection Agency Act and Washington Consumer Protection Act. Lippman and PCA deny the Counter-Plaintiff’s claims. The Court has not decided who is right.

You are receiving this notice because records show that Lippman filed a lawsuit against you or mailed you a collection letter, or both, before it obtained a collection agency license. You may be entitled to money or other benefits from this settlement.

If you do not exclude yourself, you will be entitled to a payment that is estimated to be \$ [ADD].

«First1» «Last1»

«CO»

«Addr2»

«Addr1»

«City», «St» «Zip»

«Country»

Who is a Class Member? You may be a class member if Lippman filed a lawsuit against you seeking to collect a debt allegedly owed to PCA at any time from May 20, 2018 to March 3, 2022, or sent you a collection letter on debts allegedly owed to PCA at any time from May 20, 2021 to March 3, 2022.

Settlement Terms: The settlement requires Lippman and PCA to stop collecting amounts above the principal of the debt that PCA claims you owe that Lippman collected or attempted to collect during the relevant time periods. The Settlement requires Lippman and PCA to establish a \$15,000 Settlement Fund. This Settlement Fund will be used to pay settlement awards to eligible class members, a service award to the class representative of up to \$1,000, and the costs of settlement administration. The settlement requires Lippman and PCA to separately pay class counsel's attorneys' fees and costs of \$26,000.

Please visit www.XXXXX.com, call 1-888-349-7023, or email classactions@terrellmarshall.com to learn more.

YOUR RIGHTS AND OPTIONS

Do Nothing: You will be a member of the class and will be entitled to all benefits under the settlement, including the estimated payment amount printed on the front of this card. You will receive a payment at the address where you received this Notice and you will be bound by the Court's decisions. You will lose the right to sue Lippman and PCA regarding any issues relating to this action.

Opt Out: You may exclude yourself from the lawsuit and keep your right to sue Lippman and PCA on your own by sending a written request for exclusion to class counsel postmarked by [XXX](#), 2023. If you exclude yourself, you will not receive a payment or any other benefits under the settlement. If you do not exclude yourself, you give up your right to sue regarding the settled claims. More information about opting out is available at www.XXXXX.com.

Object: If you do not exclude yourself, you can comment on or object to the proposed settlement. Written objections must be signed, include your name and address, and the name of any attorney representing you, and provide the reasons for the objection. Objections must be filed with the Court by [XXX](#), 2023. More information about making an objection is available at www.XXXXX.com.

Attend the Final Approval Hearing. The hearing to decide whether the settlement should be approved is on [XXX](#), 2023 at [X:XX](#) a.m. at the King County Superior Court, 516 Third Avenue, Seattle, WA 98104. You may appear at the Final Approval Hearing to tell the Court what you think about the Settlement but you are not required to appear. The Court may change the date or time of the hearing. Check the settlement website for updates.

KING COUNTY SUPERIOR COURT

PCA Acquisitions V, LLC et al., v. Teri Kimmons-Struck

Case No. 22-2-08801-0 SEA

If Lippman Recupero, LLC filed a lawsuit against you on behalf of PCA Acquisitions V, LLC before March 3, 2022, or sent you a collection letter at a Washington address at any time from May 20, 2021 to March 3, 2022 attempting to collect on a debt you allegedly owe to PCA Acquisitions V, LLC, you may be entitled to benefits from a class action settlement.

A Washington state court authorized this notice.

This is not a solicitation from a lawyer and it is not a lawsuit against you. This is not an attempt to collect a debt.

- Lippman Recupero, LLC (“Lippman”) and PCA Acquisitions V, LLC (“PCA”) have agreed to establish a settlement fund of \$15,000 from which eligible persons will receive cash awards. The fund will also be used to pay settlement administration expenses and a service award.
- All class members for whom class counsel has a deliverable address are eligible to receive a payment from the settlement fund. If you think you may be part of the class but you did not receive a postcard notice in the mail, contact class counsel to update your address.
- The settlement resolves a lawsuit over whether Lippman and PCA violated the Washington Collection Agency Act, the Washington Consumer Protection Act, and the Fair Debt Collection Practices Act by Lippman filing collection lawsuits against Washington consumers or sending them collection letters before Lippman obtained a collection agency license from the state of Washington.
- Lippman and PCA do not admit to any wrongdoing and continue to deny the allegations in the case. The two sides disagree on whether the class would have been certified and whether the Class Representative would have won at trial.
- The Court presiding over the case has issued an order granting preliminary approval of the settlement and granting provisional certification of the settlement class. The Court will decide whether the proposed settlement should be approved.
- Court-appointed lawyers for the class (“class counsel”) will ask the Court to approve a payment of \$26,000 for attorneys’ fees and expenses to be paid by Lippman and PCA separately from the settlement fund.
- Your estimated share of the settlement fund, if you do not exclude yourself, is included on the postcard notice sent to you. Please note, the amount included in the postcard notice is an estimate. The final amount may be different. Your legal rights are affected by whether you act or not. Please read this notice carefully.

- **Questions?** Read on, view the full Settlement Agreement [here](#), call 1-855-349-7023 toll free or email classactions@terrellmarshall.com.

Your Legal Rights and Options in This Lawsuit	
Do Nothing	<p>Stay in this lawsuit. Be eligible for settlement benefits. Give up certain rights.</p> <p>By doing nothing, you keep the possibility of getting money or benefits that come from the settlement, but you give up any rights to sue Lippman and/or PCA separately about the same or similar legal claims.</p>
Exclude yourself by DATE.	<p>Get out of this lawsuit. Get no benefits from it. Keep rights to sue.</p> <p>If you exclude yourself, you will not be eligible to receive any money or other benefits that come from the settlement and you may not object. This is the only option that allows you to be part of any other lawsuit against Lippman and/or PCA about the legal claims in this case.</p>
Object by DATE.	<p>Stay in this lawsuit. File a written objection to the settlement with the Court.</p> <p>If you disagree with any portion of the Settlement Agreement, you may file a written objection with the Court, which will be considered at the final approval hearing. If you want your objection considered by the Court, you may not exclude yourself from the settlement. If the settlement is approved, you will be bound by the Settlement Agreement and you give up rights to sue Lippman and/or PCA separately about the same or similar legal claims in this lawsuit, but you will still be eligible to receive money or benefits that come from the settlement.</p>
Attend a hearing on DATE.	<p>Attend the final approval hearing and ask the Court to speak.</p> <p>If you do not exclude yourself, you may ask to speak to the Court about the fairness of the settlement.</p>

1. What is this website about and why should I read it?

The purpose of this website is to let you know that a proposed settlement has been reached in the class action lawsuit entitled *PCA Acquisitions V, LLC v. Teri R. Kimmons-Struck, et al.*, Case No. 22-2-08801-0 SEA. Judge LeRoy McCullough of the Superior Court of the State of Washington for King County has preliminarily approved the proposed settlement. You have legal rights and options that you may act on before the Court decides whether to grant final approval of the proposed settlement. Because your rights will be affected by this settlement, it is important that you read the information on this website carefully.

2. Why did I get a postcard Notice?

Lippman or PCA's records show that Lippman collected or attempted to collect from you amounts that you allegedly owe to PCA (1) by filing a lawsuit against you in a Washington state court before March 3, 2022; or (2) by sending you a collection letter from May 20, 2021 to March 3, 2022.

3. What is this lawsuit about?

In a class action a person called a "Class Representative" (in this case Teri Kimmons-Struck), sues on behalf of people who have similar claims. All these people are a class or class members. One court resolves the issues for all class members, except those who exclude themselves from the class.

The Class Representative challenged Lippman's attempts to collect on debts class members allegedly owed to PCA before Lippman obtained a Washington collection agency license. The Class Representative alleges that Lippman's and PCA's conduct violated the Washington Collection Agency Act, the Washington Consumer Protection Act, and the Fair Debt Collection Practices Act.

Lippman and PCA deny the Class Representative's claims.

THE SETTLEMENT

4. Why is there a settlement?

The Court did not decide in favor any person in the lawsuit. Instead, both sides agreed to a settlement. This avoids the cost of a trial, and the people affected will benefit from the settlement. The Class Representative and her attorneys think the settlement is best for all class members under the circumstances. Lippman and PCA have not admitted fault or that they violated any laws.

WHO IS IN THE SETTLEMENT?

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

You are a class member if Lippman collected or attempted to collect from you a debt allegedly owed to PCA:

1. by filing a lawsuit against you in a Washington state court before March 3, 2022; or
2. by sending a collection letter to your Washington address between May 20, 2021 and March 3, 2022.

The class does not include any persons who validly request exclusion from the settlement, as described under Question 11.

If you have questions about whether you are a part of the class, you may call 1-855-349-7023.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the settlement provide?

The settlement requires Lippman and PCA to establish a settlement fund in the amount of \$15,000. The Settlement Fund will first be used to pay a Class Representative service award of up to \$1,000, and settlement administration costs. The remainder will be used to make cash payments first to return money to each settlement class member who paid money to Lippman that were allocated to amounts other than principal, and then in equal shares to all settlement class members for whom class counsel has a deliverable address.

The settlement also requires Lippman and PCA to cease attempts to collect amounts above principal for the settlement class members' accounts at issue in this case.

7. Will I receive a payment and how much will it be?

Your share of the settlement's cash payment will depend on whether you paid money to Lippman that was allocated to amounts other than principal.

Your estimated share of the Settlement Fund, if you do not exclude yourself, is included on the postcard notice sent to you. Your estimated share of the Settlement Fund may increase or decrease depending on factors such as, but not limited to, the outcome of any challenge by class members to the settlement, the number of class members for whom class counsel has a deliverable address, and the number of class members who effectively exclude themselves from the settlement.

If you have questions about whether you are entitled to a payment under the settlement, you may call 1-855-349-7023.

If you request to be excluded from the settlement, you will not receive any payment or other benefits from the settlement.

HOW YOU GET A PAYMENT

8. How can I get a payment?

If you received a postcard notice, you will automatically receive that benefit. You do not need to submit a claim form or contact anyone. If you did not receive a postcard notice but believe you are in the class, you must call 1-855-349-7023.

9. When will I get my payment?

The Court will hold a hearing on [REDACTED], to decide whether to approve the settlement. If the hearing date changes, this website will be updated. If the Court approves the settlement, the parties will then have to wait up to 30 days to see whether there is an appeal. An appeal can take up to a year or more to resolve. In the event of an appeal, information about the appeal's progress will be posted on this website.

If there is no appeal, class counsel expect the payments to be sent out within 65 days of the Court's approval of the settlement.

10. What am I giving up to receive a benefit?

Unless you exclude yourself, you will be part of the class. That means you may not sue, continue to sue, or be part of any other lawsuit against Lippman or PCA regarding claims that are the same or similar to the ones in this lawsuit. It also means that all of the Court's orders will apply to you and legally bind you.

The Settlement Agreement (available [here](#)) describes the claims you are releasing (the "Released Claims") and against whom you are releasing claims (the "Released Parties") in detail, so read it carefully. To summarize, the Release includes claims that arise out of Lippman having filed lawsuits against consumers in PCA's name or sent collection letters to Washington addresses seeking to collect amounts allegedly owed to PCA before Lippman obtained a Washington collection agency license. If you are currently involved in a lawsuit against PCA Acquisitions V, LLC or Lippman Recupero LLC, or contemplating filing a lawsuit against one of those entities, you should consult with your own attorney to determine whether you need to opt out of this settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement, but you want to keep the right to sue or continue to sue Lippman or PCA in a different case, then you must remove yourself from the class. This is called excluding yourself – or is sometimes referred to as “opting out” of the settlement.

11. How do I exclude myself from the settlement?

To exclude yourself from the settlement, you must send a written letter to class counsel at the address below that includes your name and address and must be postmarked no later than XXXXXX.

Exclusion requests must be mailed to:

Terrell Marshall Law Group
PCA v. Kimmons-Struck class action
936 N. 34th Street, Suite 300
Seattle, WA 98103

You cannot exclude yourself on the phone, by fax, or by email. If you ask to be excluded, you will not get any payment or debt relief, and you cannot object to the settlement. You will not be legally bound by anything that happens in the lawsuit. You may be able to sue (or continue to sue) Lippman and/or PCA in the future.

12. If I don't exclude myself, can I sue Lippman Recupero, LLC or PCA Acquisitions V, LLC for the same thing later?

No. Unless you exclude yourself, you give up any right to sue PCA Acquisitions V, LLC or Lippman Recupero, LLC, for the claims that this settlement resolves. If you already have a lawsuit relating to these companies' debt collection practices, you should speak to your lawyer in that case immediately. You may need to exclude yourself from this class to continue your own lawsuit. The exclusion deadline is XXXXXXXX, 2023.

13. If I exclude myself, can I get anything from this settlement?

No. You will not receive any monetary benefits if you exclude yourself and additional settlement benefits described in section 6 will not apply to you.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

The Court has decided that Terrell Marshall Law Group PLLC and Northwest Consumer Law Center are qualified to represent you and all class members. Together, these lawyers are called “class counsel.”

More information about Terrell Marshall Law Group PLLC and Northwest Consumer Law Center, their practices, and their experience is available www.terrellmarshall.com and www.nwclc.org.

You will not be separately charged for these lawyers; they will be compensated for their time and reimbursed for their costs in a separate payment from Lippman and PCA in amounts approved by the Court. If you want your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Class counsel will ask the Court to approve payment of up to \$26,000 to them for attorneys' fees and expenses. This payment will pay class counsel for investigating the facts, litigating the case, and negotiating the settlement. Class counsel will request a service award of \$1,000 from the settlement fund for the Class Representative to compensate her for her time and effort representing the Class. Class counsel's complete request for fees, costs, and a service award to the Class Representative are posted on this website in the preliminary approval motion. The Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

16. How do I object to the settlement?

If you are a class member and you do not exclude yourself from the class, you can object to the settlement if you don't like any part of it. You may give reasons why you think the Court should not approve it. The Court will consider your views. The Court cannot change the terms of the settlement. The Court can only approve or deny the settlement.

To object, you must file your objection by mailing a written letter to the Court at the address provided below. The letter must include:

- (1) the following case name and number: *PCA Acquisitions V, LLC v. Kimmons-Struck* No. 22-2-08801-0 SEA;
- (2) your name;
- (3) your current address;
- (4) your telephone number;
- (5) any reason why you think the Court should not approve the settlement; and
- (6) the name of the lawyer representing you (if there is one).

The objection must be postmarked no later than [REDACTED]. If the settlement is approved, you will still be eligible to receive a payment under the settlement.

Objections to the settlement must be filed with the Court by mailing your letter to:
King County Courthouse
Clerk's Office

516 Third Avenue, Room E-609
Seattle, WA 98104

17. What is the difference between objecting and excluding myself from the settlement?

Objecting simply means telling the Court that you don't like something about the settlement. You can object only if you stay in the class. Excluding yourself from the settlement is telling the Court that you don't want to be part of the class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

18. When and where will the Court hold a hearing on the fairness of the settlement?

The Court will hold a final approval hearing at [redacted] on [redacted] at the King County Courthouse, 516 Third Avenue, Seattle, WA 98104. The purpose of this hearing is for the Court to determine whether the settlement is fair, reasonable, adequate, and in the best interest of the class. At the hearing, the Court will hear any objections and arguments concerning the fairness of the proposed settlement, including those related to the amount requested by class counsel for attorneys' fees and expenses and the service award to the Class Representative. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

Note: The date and time of the fairness hearing are subject to change by Court order. Any changes will be posted on this website.

19. Do I have to come to the hearing?

No. Class counsel will answer any questions the Court may have. You are welcome to come to the hearing at your own expense. If you send an objection you don't have to come to the Court to talk about it. As long as your written objection was filed or mailed on time, and meets the other criteria described in the Settlement Agreement, the Court will consider it. You may also pay a lawyer to attend, but you don't have to.

20. May I speak at the hearing?

If you do not exclude yourself from the class, you may ask the Court for permission to speak at the hearing about any part of the Settlement Agreement. If you filed an objection (see Question 16 above) and intend to appear at the hearing, you should state your intention to do so in your objection. To speak, write that you will do so in your objection or send a letter saying that it is your "Notice of

Intention to Appear” in *PCA Acquisitions V, LLC v. Kimmons-Struck*, No. 22-2-08801-0 SEA. Be sure to include your name, address, telephone number, that you are a class member, and your signature. Your Notice of Intention to Appear should be received at the address in Question 16, no later than 10 days before the hearing date, **XXXXX**, 2023. You can call 1-855-349-7023 toll free or write to class counsel at classactions@terrellmarshall.com for more information about how to appear. You cannot speak at the hearing if you exclude yourself.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do nothing, you will be a member of the class and you will be eligible to receive settlement benefits.

GETTING MORE INFORMATION

22. Are there more details about the settlement?

This website summarizes the proposed settlement. More details are in the Settlement Agreement. You may review the Settlement Agreement [here](#). You can also get a copy of the Settlement Agreement by writing to class counsel at the address below.

23. How do I get more information?

First review all the information on this website. If you still have questions, you can call 1-855-349-7023 toll free; or write to class counsel at classactions@terrellmarshall.com or

Terrell Marshall Law Group
PCA v. Kimmons-Struck class action
936 N. 34th Street, Suite 300
Seattle, WA 98103

PLEASE DO NOT CONTACT THE COURT, THE JUDGE, OR COUNTER-DEFENDANTS PCA OR LIPPMAN WITH QUESTIONS ABOUT THE SETTLEMENT.

Exhibit 3

Terrell Marshall Law Group PLLC
Lippman Recupero Class Action

Date	Initials	Narrative	Units	Rate	Value
3/17/2022	BHC	New matter and conflict check [.2]. Worked on joint prosecution agreement and client representation agreement [.5].	0.7	\$ 495.00	\$ 346.50
3/21/2022	BHC	Exchanged emails with co-counsel regarding JPA and client representation agreement [.2]; discussed new matter with Ms. Nordby [.2].	0.4	\$ 495.00	\$ 198.00
4/8/2022	BHC	Meeting with co-counsel regarding case management and drafting counterclaims [.5].	0.5	\$ 495.00	\$ 247.50
4/14/2022	EBN	Worked on second amended answer and class action complaint.	3.5	\$ 325.00	\$ 1,137.50
4/15/2022	EBN	Worked on second amended answer and class action complaint.	6.5	\$ 325.00	\$ 2,112.50
4/18/2022	BHC	Worked on Second Amended complaint and counterclaims.	1	\$ 495.00	\$ 495.00
4/19/2022	EBN	Worked on factual research for amended answer and class action counterclaims; revised same.	4	\$ 325.00	\$ 1,300.00
4/21/2022	BHC	Worked on second amended answer and counterclaims [1].	1	\$ 495.00	\$ 495.00
5/3/2022	EBN	Worked on revising amended answer and class action complaint.	1	\$ 325.00	\$ 325.00
5/4/2022	EBN	Worked on revising amended answer and class action complaint.	1	\$ 325.00	\$ 325.00
5/4/2022	BHC	Worked on amended answer and counterclaims.	0.5	\$ 495.00	\$ 247.50
5/5/2022	EBN	Worked on amended answer and complaint; forwarded same to co-counsel.	0.5	\$ 325.00	\$ 162.50
5/17/2022	EBN	Worked on legal research regarding removal of matter to superior court; reviewed and analyzed sample pleadings for removal; email correspondence regarding same.	2	\$ 325.00	\$ 650.00
5/18/2022	EBN	Worked on petition for removal to superior court and notice of same; email correspondence regarding same.	2.5	\$ 325.00	\$ 812.50
5/19/2022	EBN	Email correspondence regarding finalizing second amended answer and petition for removal.	0.4	\$ 325.00	\$ 130.00
5/20/2022	EBN	Worked on issues regarding filing second amended answer; email correspondence to co-counsel regarding same.	2	\$ 325.00	\$ 650.00
5/25/2022	EBN	Email correspondence regarding docketing issues.	0.2	\$ 325.00	\$ 65.00
6/2/2022	EBN	Email correspondence to co-counsel regarding possible motion for leave to amend.	0.2	\$ 325.00	\$ 65.00
6/3/2022	EBN	Worked on legal research regarding failure to seek leave from court before filing amended pleading; reviewed and analyzed court rules regarding amending pleadings; email correspondence to co-counsel regarding same.	1	\$ 325.00	\$ 325.00
6/6/2022	BHC	Exchanged emails with co-counsel regarding case management [.2].	0.2	\$ 495.00	\$ 99.00

Terrell Marshall Law Group PLLC
Lippman Recupero Class Action

Date	Initials	Narrative	Units	Rate	Value
6/9/2022	BHC	Worked on issues related to petition for removal from district court [.2].	0.2	\$ 495.00	\$ 99.00
6/9/2022	EBN	Worked on issues regarding filing petition for removal to superior court.	0.7	\$ 325.00	\$ 227.50
6/10/2022	EBN	Worked on praecipe to attach pleading to petition for removal; worked on notice of petition for removal; worked on declarations of service; coordinated filings in superior and district court matters.	2.5	\$ 325.00	\$ 812.50
6/10/2022	BHC	Discussed issues related to consent to filing second amended answer and counterclaims and removal to superior court with co-counsel [.3].	0.3	\$ 495.00	\$ 148.50
7/26/2022	BHC	Video conference with co-counsel regarding case management [.4].	0.4	\$ 495.00	\$ 198.00
7/26/2022	EBN	Personal conference with Ms. Martin and Ms. Chandler regarding strategy for discovery and case schedule.	0.4	\$ 325.00	\$ 130.00
8/2/2022	EBN	Worked on first set of discovery requests to PCA.	3	\$ 325.00	\$ 975.00
8/3/2022	EBN	Worked on discovery requests to PCA and Lippman Recupero.	3	\$ 325.00	\$ 975.00
8/4/2022	BHC	Worked on discovery requests to PCA and Lippman Recupero [1]. Read and analyzed Defendants' Rule 68 offer; discussed same with co-counsel [.4].	1.4	\$ 495.00	\$ 693.00
8/4/2022	EBN	Revised discovery requests; forwarded same to co-counsel.	3	\$ 325.00	\$ 975.00
8/8/2022	BHC	Drafted ER 408 letter to defense counsel responding to offer of judgment [.9]; worked on Plaintiff's first set of discovery requests to each defendant [.5]. Emails to all counsel serving discovery requests and letter responding to offer of judgment [.4].	1.8	\$ 495.00	\$ 891.00
8/8/2022	EBN	Worked on discovery requests to PCA and Lippman Recupero; email correspondence regarding same [1]; reviewed and revised letter to opposing counsel regarding offer of judgment [.2].	1.2	\$ 325.00	\$ 390.00
8/9/2022	BHC	Research regarding offers of judgment to class representatives [.2].	0.2	\$ 495.00	\$ 99.00
8/10/2022	BHC	Telephone conference with Mr. Manville regarding defendants' offer of judgment [.1]; email to co-counsel regarding same [.1].	0.2	\$ 495.00	\$ 99.00
8/12/2022	BHC	Exchanged emails with Mr. Manville regarding offer of judgment [.2].	0.2	\$ 495.00	\$ 99.00
9/2/2022	BHC	Telephone call with Mr. Manville regarding deadlines and potential resolution [.4].	0.4	\$ 495.00	\$ 198.00
9/6/2022	BHC	Email to Mr. Manville confirming agreements on discovery and potential settlement negotiations [.2].	0.2	\$ 495.00	\$ 99.00
9/9/2022	BHC	Email to co-counsel regarding message from Mr. Manville [.5]; responded to Mr. Manville [.1]. Email to Mr. Manville explaining reasons class data relevant to settlement negotiation [.2].	0.8	\$ 495.00	\$ 396.00

Terrell Marshall Law Group PLLC
Lippman Recupero Class Action

Date	Initials	Narrative	Units	Rate	Value
9/16/2022	BHC	Email to Mr. Manville confirming agreement to treat net worth information as confidential [.1].	0.1	\$ 495.00	\$ 49.50
9/28/2022	EBN	Meeting with co-counsel regarding settlement demand strategy.	0.5	\$ 325.00	\$ 162.50
9/29/2022	BHC	Email to Mr. Manville regarding class information questions [.3].	0.3	\$ 495.00	\$ 148.50
10/6/2022	BHC	Telephone call from Ms. Strickland regarding PCA request for extension on discovery [.2]; email confirming same [.1].	0.3	\$ 495.00	\$ 148.50
10/21/2022	BHC	Telephone call from Ms. Strickland regarding request for extension and informal discovery responses; email confirming same [.2].	0.2	\$ 495.00	\$ 99.00
10/24/2022	BHC	Email to Ms. Strickland confirming agreement on confidentiality [.1].	0.1	\$ 495.00	\$ 49.50
10/28/2022	BHC	Analyzed discovery responses and settlement posture.	0.1	\$ 495.00	\$ 49.50
11/2/2022	BHC	Email to Ms. Strickland regarding net worth information [.1]. Analyzed information produced by defendants for settlement purposes [1.2].	1.3	\$ 495.00	\$ 643.50
12/5/2022	BHC	Prepared for video conference with Ms. Martin regarding settlement strategy [.4]; video conference with Ms. Martin regarding settlement strategy [.2]; discussed same with Ms. Terrell [.2].	0.8	\$ 495.00	\$ 396.00
12/6/2022	BHC	Drafted settlement agreement [2.3]. Drafted letter to defense counsel regarding proposed settlement [1.2].	3.5	\$ 495.00	\$ 1,732.50
12/7/2022	BHC	Finalized settlement offer letter and draft settlement agreement [.4]; sent same to defense counsel [.1].	0.5	\$ 495.00	\$ 247.50
12/21/2022	BHC	Exchanged emails with defense counsel regarding settlement offer [.1].	0.1	\$ 495.00	\$ 49.50
		Total	56.8		\$ 21,469.00

Exhibit 4

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IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR COUNTY OF KING

MONTY LONG and DONALD GARCIA, on behalf
of themselves and all others similarly situated,

Plaintiffs,

vs.

FIRST RESOLUTION INVESTMENT CORPORATION,
a Nevada corporation, and GORDON AYLWORTH
& TAMI, P.C., an Oregon professional
corporation,

Defendants.

NO. 19-2-11281-6 SEA

FINAL APPROVAL ORDER AND JUDGMENT

The Court, having considered Plaintiffs’ Motion for Final Approval of Class Action Settlement between Monty Long and Donald Garcia (“Plaintiffs”) and First Resolution Investment Corporation and Gordon Aylworth & Tami, P.C., (“Defendants”) in the above-captioned matter (the “Action”), the Class Action Settlement Agreement and Release entered into between Plaintiffs and Defendants (“Settlement”), Plaintiffs’ Motion for an Award of Attorneys’ Fees, Costs, and Class Representative Service Awards, and the lack of objections received regarding the proposed Settlement, the record in this the Action, the submissions and arguments presented by counsel, and, having held a Final Approval Hearing on August 28, 2020, finds that:

1 1. Unless defined herein, all capitalized terms in this Final Approval Order shall
2 have the same meanings as set forth in the Settlement.

3 2. The Court has jurisdiction over the subject matter of the Action and over the
4 settling parties, including the Settlement Class Members.

5 3. On March 24, 2020, the Court preliminarily approved the Settlement and
6 certified, for settlement purposes, the Class as defined in the Settlement.

7 4. Pursuant to the Court's Preliminary Approval Order, the Postcard Notice was
8 distributed to the Class by First Class mail. The Court hereby finds and concludes that the
9 Postcard Notice was disseminated to members of the settlement Class in accordance with the
10 terms set forth in the Settlement and in compliance with the Court's Preliminary Approval
11 Order. The Court further finds and concludes that the Postcard Notice, and the distribution
12 procedures set forth in the Settlement fully satisfy CR 23(c)(2) and the requirements of due
13 process, were the best notice practicable under the circumstances, provided individual notice
14 to all members of the Class who could be identified through reasonable effort, provided an
15 opportunity for the Class Members to object or exclude themselves from the Settlement, and
16 support the Court's exercise of jurisdiction over the Settlement Class Members as
17 contemplated in the Settlement and this Final Approval Order.

18 5. The Settlement Class Members were given an opportunity to object to the
19 Settlement. No Settlement Class Members objected to the Settlement or requested exclusion
20 from the Settlement.

21 6. The Settlement was arrived at as a result of arms' length negotiations conducted
22 in good faith by experienced attorneys familiar with the legal and factual issues of this case.

23 7. The Settlement is fair, reasonable, adequate, and in the best interests of the
24 Settlement Class in light of the complexity, expense, and duration of litigation, as well as the
25 risk involved in establishing liability and damages and in maintaining the class action through
26 trial and appeal.

27

1 8. The consideration provided by the Settlement constitutes fair value given in
2 exchange for the release of the Settlement Class Members' Released Claims against the
3 Released Parties. The Court finds that the consideration provided to the Settlement Class
4 Members is reasonable, considering the facts and circumstances of the claims and affirmative
5 defenses asserted in the action, and the potential risks and likelihood of success of pursuing
6 trial on the merits.

7 **IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:**

8 9. The Settlement is finally approved as fair, reasonable, adequate, just, and in
9 compliance with all applicable requirements of the applicable laws, and in the best interest of
10 the Settlement Class. The Settlement Agreement, which shall be deemed incorporated herein,
11 and all terms the Settlement are finally approved and shall be consummated in accordance with
12 the terms and provisions thereof, except as amended by any subsequent order issued by the
13 Court.

14 10. Defendants shall pay the Settlement Fund amount of \$600,000, provide debt
15 relief to all Settlement Class Members, file satisfactions of judgment in the lawsuits FRIC filed
16 against Settlement Class Members, and request deletion of any tradelines related to Settlement
17 Class Members, in accord with the schedule required under the Settlement Agreement.

18 11. Pursuant to CR 23(b)(3), the Action is hereby certified, for settlement purposes
19 only, as a class action on behalf of the following Settlement Class Members: all persons from
20 whom FRIC collected or attempted to collect, directly or indirectly, at any time since April 25,
21 2015, amounts owed (1) pursuant to a judgment FRIC obtained in a Washington state court
22 prior to February 24, 2014; or (2) pursuant to a judgment John P. Plovie obtained and sought to
23 collect on FRIC's behalf in a Washington state court after February 24, 2014.

24 12. Pursuant to CR 23, the Court appoints Plaintiffs Monty Long and Donald Garcia
25 as the Class Representatives and appoints Terrell Marshall Law Group PLLC and Leonard Law as
26 Class Counsel.

1 13. For settlement purposes only, the Court finds that the Action satisfies the
2 applicable prerequisites for class action treatment under CR 23(a) and (b)(3), namely:

- 3 • The Class is so numerous that joinder of all members is impracticable;
- 4 • There are questions of law and fact common to the Class Members;
- 5 • The claims of the Class Representatives are typical of the claims of the
6 Settlement Class Members;
- 7 • The Class Representatives and Class Counsel have fairly and adequately
8 represented and protected the interests of all the Settlement Class
9 Members;
- 10 • Common issues predominate over any individualized issues; and
- 11 • A class action is superior to thousands of individual actions.

12 14. The Plaintiffs, Settlement Class Members, and their successors and assigns have
13 released claims pursuant to the release contained in the Settlement. The Released Claims are
14 compromised, settled, released, discharged, and dismissed with prejudice by virtue of these
15 proceedings and this Final Approval Order.

16 15. To the extent permitted by law and without affecting the other provisions of this
17 Final Approval Order, this Final Approval Order is intended by the parties and the Court to be
18 *res judicata* and to prohibit and preclude any prior, concurrent, or subsequent litigation
19 brought individually, or in the name of, or otherwise on behalf of, Plaintiffs or any Settlement
20 Class Member with respect to the Settlement Class Member Released Claims based upon the
21 same alleged facts.

22 16. The Court hereby retains continuing and exclusive jurisdiction over the parties
23 and all matters relating to the Action or Settlement, including the administration,
24 interpretation, construction, effectuation, enforcement, and consummation of the Settlement,
25 including its injunctive provisions, and this Final Approval Order. This Final Approval Order
26 finally disposes of all claims and is appealable.

27

1 17. This Final Approval Order is not, and shall not be construed as, an admission by
2 Defendants of any liability or wrongdoing in this or in any other proceeding.

3 18. The Court approves Class Counsel's application for \$200,000 in attorneys' fees
4 and \$13,633 in costs. This amount reflected actual costs incurred and an attorneys' fee award
5 of one-third of the Settlement Fund.

6 19. The Settlement created a common fund for the benefit of Class Members.
7 Accordingly, the Court finds that the percentage of the fund method is the appropriate method
8 to use in determining the appropriate fee award in this case. *Bowles v. Wash. Dep't of Ret. Sys.*,
9 121 Wn.2d 52, 72, 847 P.2d 440 (1993).

10 20. Class Counsel obtained an excellent result for the Settlement Class. Class
11 Counsel's work lead to the creation of a \$600,000 common fund. In addition, the Settlement
12 provides \$20 million in debt relief to the Settlement Class Members.

13 21. An attorneys' fee award equal to one-third of a common fund is appropriate in
14 consumer protection class action cases. *Terrell v. Costco Wholesale Corp.*, No. 16-2-19140-1-
15 SEA (King Cnty. Sup. Ct. June 19, 2018); *Dougherty v. Barrett Business Services Inc.*, No. 17-2-
16 05619-1 (Clark Cnty. Sup. Ct. Nov. 8, 2019); *Strong v. Numerica Credit Union*, No. 17-2-01406-39
17 (Yakima Cnty. Sup. Ct. Feb. 14, 2020).

18 22. The Court has considered the factors set forth in Washington Rule of
19 Professional Conduct 1.5(a) in concluding that the requested fee is reasonable. Specifically:

- 20 a. The case raised novel and difficult questions of law, which demanded litigators
21 with the skill and experience of Class Counsel.
- 22 b. Class Counsel's work on this matter precluded work on other matters.
- 23 c. A one-third fee in contingency cases is customary in this county.
- 24 d. The excellent results obtained, and the amount of time involved support the
25 award.

26 23. The Court approves service awards to the Class Representatives in the amount of
27 \$5,000 each, to be paid from the Settlement Fund.

1 Presented by:

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3
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King County Superior Court
Judicial Electronic Signature Page

Case Number: 19-2-11281-6
Case Title: LONG ET ANO vs FIRST RESOLUTION INVESTMENT
CORPORATION ET AL
Document Title: ORDER RE APPROVING FEES AND FINAL SETTLEMENT

Signed by: Ken Schubert
Date: 8/28/2020 4:27:47 PM



Judge/Commissioner: Ken Schubert

This document is signed in accordance with the provisions in GR 30.

Certificate Hash: 20DA9CAD30E9A356B2B090778A254A4188865BEC
Certificate effective date: 11/13/2018 11:21:11 AM
Certificate expiry date: 11/13/2023 11:21:11 AM
Certificate Issued by: C=US, E=kcscefiling@kingcounty.gov, OU=KCDJA,
O=KCDJA, CN="Ken Schubert:
EPj/VAvS5hGqrSf3AFk6yQ=="