

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
(Southern Division)**

SHARNESE HALL, <i>et al.</i>	:	
On Her Own Behalf and on Behalf of	:	
All Others Similarly Situated,	:	
	:	
Plaintiff,	:	
v.	:	Civil Action No. 8:22-cv-00996-PJM
	:	
HWS, LLC t/a	:	
HENRY’S WRECKER SERVICE, <i>et al.</i>	:	
	:	
Defendants.	:	

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**SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is entered into on this 31<sup>st</sup> day of December, 2024 by Representative Plaintiff Sharnese Hall (the “Representative Plaintiff” or “Hall”) (acting individually and on behalf of the Class defined below), and Defendants: (1) HWS, LLC; (2) Henry’s Wrecker Service Company of Fairfax County, Inc.; (3) Fred Scheler, Richard Barakat, and Joshua Welk; and (4) Wheaton Metro Residential Holdings, LLC and Foulger-Pratt Residential, LLC (for ease of reference, all Defendants are collectively referred to as “Henry’s,” “Defendants” or the “Henry’s Defendants”), by and through their undersigned counsel, in the class action *Hall, et al. v. HWS, LLC t/a Henry’s Wrecker Service, et al.*, Civil Action No. 8:22-cv-00996-PJM (filed March 23, 2022) (the “Action”), which is pending in the United States District Court for the District of Maryland.

**I. Recitals**

1. This litigation was filed in the Circuit Court for Montgomery County, Maryland, on March 23, 2022, against HWS, LLC and Henry’s Wrecker Service Company of Fairfax County, Inc. (collectively “the HWS Towing Defendants”) by Plaintiff Sharnese Hall and on behalf of a class of consumers who allege that the HWS Towing Defendants violated numerous statutory and common law duties when it

undertook the trespass towing of their vehicles from privately owned Parking Lots located in Montgomery County.

2. On April 22, 2022, the HWS Towing Defendants removed the Action to the United States District Court for the District of Maryland, pursuant to 28 U.S.C. §1446, based upon 28 U.S.C. §1332(a) (diversity jurisdiction). The Federal Court, pursuant to Order dated June 12, 2024 (ECF No. 92), acknowledged that the Court had jurisdiction under the Class Action Fairness Act of 2005, 28 U.S.C. §1332(d).

3. On May 9, 2022, Plaintiff filed an amended complaint (Dkt. no. 14) adding Wheaton Metro Residential Holdings, LLC and Foulger-Pratt Residential, LLC as additional Defendants in the Action based on the investigation and discovery undertaken by Class Counsel.

4. On July 21, 2023, after a period of extensive discovery and investigation, Plaintiff filed a second amended complaint (ECF No. 45) adding Fred Scheler , Richard Barakat and Joshua Welk (collectively the “Management Defendants”) as additional Defendants in their individual capacities.

5. In the Action, Plaintiff alleges that the HWS Towing Defendants and the Management Defendants – acting under contracts with Parking Lot Owners, Managers and/or Agents throughout Montgomery County – violated duties set forth in Maryland’s Towing or Removal of Vehicles from Parking Lots Law (Md. Code Ann., Transp. §21-10A-01 *et seq.* (the “Maryland Towing Act”)) (Count I), Montgomery County’s Tow Ordinances (Montgomery County Code, § 30C-1, *et seq.* (the “MC Tow Law”))(Count II), the Maryland Consumer Protection Act (Md. Code Ann., Com. Law §§ 13-101, *et seq.*)(Count III) and the Maryland Consumer Debt Collection Act (Md. Code Ann., Com. Law §§ 14-201, *et seq.*)(Count IV), by uniformly and consistently requiring payment for the tow as a condition for recovery of the vehicle by the owner and, according to the Second Amended Complaint, by asserting a possessory or statutory lien over the

vehicle. In addition, the Second Amended Complaint requests a Declaratory Judgment (Count V) and also alleges that the Defendants are liable for Conversion – Civil Theft (Count VI).

6. Following more than a year of discovery – which included depositions, interrogatories and document production – on July 21, 2023, Plaintiff filed a Motion for Certification of the Plaintiff Class (ECF no. 46), asking the Court to certify a class of consumers, pursuant to *Fed.R.Civ.P.* 23(b)(3), whose vehicles had been trespass towed by the HWS Towing Defendants in Montgomery County.

7. On February 16, 2024, the HWS Towing Defendants filed a comprehensive Motion to Dismiss the Second Amended Complaint, or in the alternative for Summary Judgment (ECF No. 75). The Motion, *inter alia*, asked the Court to hold that the towing companies' actions were permitted and lawful under the Maryland Towing Act and MC Tow Law, and, further, that all of the other causes of action failed as a matter of law.

8. Contemporaneous with HWS Towing Defendants' Motion to Dismiss, on February 16, 2024, the Management Defendants also filed a comprehensive Motion to Dismiss the Second Amended Complaint, or in the alternative for Summary Judgment (ECF No. 76). The Management Defendants' Motion similarly asked the Court to hold that the Management Defendants' actions were permitted and lawful under the Maryland Towing Act and MC Tow Law, and, further, that all of the other causes of action failed as a matter of law. The Management Defendants also asked the Court to find that the Management Defendants could not be held liable in their individual capacity.

9. On March 31, 2024, Plaintiff opposed both Motions to Dismiss (ECF No. 79) and at the time that the parties reached a resolution of this Action, Defendants' Motions to Dismiss were scheduled for a hearing on October 16, 2024.

10. The Parties have engaged in protracted litigation that included extensive discovery, numerous depositions and significant motions practice. The Parties have conducted research and filed motions in respect of the applicable law relating to the claims, defenses and class issues in this Action. In addition, counsel for Plaintiff have reviewed documentation provided by regulatory agencies (and other documents) relevant to the issues raised in the Complaint, spoken with scores of other potential claimants, conducted extensive informal discovery and will take additional discovery on issues pertinent to this Agreement and the composition of the Class List.

11. The Parties also conducted extensive face-to-face discussions over seven (7) separate mediation sessions that took place in 2023 and 2024. These were lengthy, arduous and intense arms-length negotiations, which involved the extensive efforts, involvement, and oversight of the Honorable James R. Eyer (Ret.) as mediator.

12. The Parties recognize and acknowledge the benefits of this Agreement. For their part, Class Counsel have taken into account the uncertain outcome and risk of the litigation, as well as the difficulties and delays inherent in such litigation and the likelihood of protracted appeals. Class Counsel have, therefore, determined that the Agreement on behalf of the Class defined below is fair and reasonable and in the best interest of the Class.

13. Defendants have denied and continue to deny all liability or claims of improper conduct asserted by Representative Plaintiff Hall and/or the putative class members. However, Defendants recognize the costs and risks associated with a trial and believe that this Agreement is in their best interest and appropriate. The Parties to this Agreement agree that nothing in this Settlement Agreement, nor any of its terms or provisions, nor entry of judgement, nor any document or exhibit referred to, authorizes anyone in any other proceeding to use this Agreement as evidence of the validity of any of the underlying claims or allegations, which are otherwise denied and disputed, or

authorizes anyone in any other proceeding to use this Agreement as an admission by or against the Henry's Defendants of any fault, wrongdoing, or concession of liability whatsoever.

14. As part of this Agreement, as set forth in more detail below, Henry's is responsible for producing at its own expense, data, in an electronically readable format (designated by the Settlement Administrator), sufficient for the Settlement Administrator to identify the members of the Settlement Class between March 23, 2019 and December 31, 2023. Henry's has also agreed to cooperate with the Settlement Administrator and Plaintiff's Counsel, and provide all additional reasonably available information reasonably necessary for the administration of the settlement.

15. Plaintiffs have recommended and Defendants have consented that the Court appoint Strategic Claims Services, Inc. of Media, Pennsylvania as the Settlement Administrator (hereinafter the "Settlement Administrator"). The Settlement Administrator is responsible to report both to the Court and to the parties as more fully set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the promises and representations, covenants and releases contained herein and for other good and valuable consideration, the receipt and sufficiency of which the Parties now acknowledge, the undersigned Parties stipulate and agree that all claims of the Representative Plaintiff and Class Members against all Defendants shall be finally settled, discharged, and resolved on the terms and conditions set forth below:

## **II. Definitions**

16. As used in this Settlement Agreement, including in the Recitals stated above, and in the Notice, the following terms shall have the defined meanings set forth below. Where appropriate, terms used in the singular shall be deemed to include the plural and vice versa.

- (a) “Representative Plaintiff” shall mean Sharnese Hall.
- (b) “Class” and “Class Members” shall mean only those persons included within the class defined in Paragraph 17, below, and who are on the Class Member List.
- (c) “Settling Defendants” shall mean Henry’s as defined above, including all named Defendants.
- (d) “Court” shall mean the United States District Court for the District of Maryland, Southern Division.
- (e) “Settlement Payment” shall mean the sum which is being paid by the HWS Towing Defendants and Management Defendants on behalf of the Settling Defendants to settle this Action – namely, a non-reversionary Three Million Dollars and 00/100 (**\$3,000,000<sup>00</sup>**) – together with all accrued interest attributed thereto or earned thereon (accrued after payment by the Settling Defendants).
- (f) “Effective Date” means the earliest of: (i) the date of final approval of the Settlement, if no Class Member objects to or intervenes in the Settlement; (ii) thirty (30) days after the date the Court finally approves the Settlement, if a Class Member objects to the Settlement but no appeal by a Class Member is filed; (iii) the date of the final affirmance on appeal; or (iv) the final dismissal of any appeal.
- (g) “Person” means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government, or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

(h) “Pending Litigation” or “Action” shall mean *Hall, et al. v. HWS, LLC t/a Henry’s Wrecker Service, et al.*, Civil Action No. 8:22-cv-00996-PJM, which was filed in the Circuit Court for Montgomery County, Maryland and removed to the United States District Court.

(i) “Released Persons” means each Defendant in this case, as well as all parking lot owners who contracted with the HWS Defendants’ for the provision of trespass towing services during the timeframe of the Class.

(j) “Releasing Parties” shall mean the Representative Plaintiff and Settlement Class Members

(k) “Plaintiffs’ Released Claims” means and includes all claims that share an “identical factual predicate” with claims alleged in this case as addressed in *McAdams v. Robinson*, 26 F.4th 149 (4th Cir. 2022).

(l) “Class Member List” shall mean the list of class members compiled in accordance with the procedure set forth in Paragraph 26 below.

(m) “Class Counsel” or “Counsel for Plaintiff” means Richard S. Gordon and Benjamin H. Carney of Gordon, Wolf & Carney, Chtd. “Lead Class Counsel” shall mean Richard S. Gordon of Gordon, Wolf & Carney, Chtd.

(n) “Preliminary Approval Order” means the Order, preliminarily approving the Settlement, certifying the Class and approving the notices to Class Members.

(o) “Preliminary Approval Date” means the date the Court enters the Preliminary Approval Order.

(p) “Class Period” shall mean March 23, 2019 through and including December 31, 2023.

(q) “Final Approval Date” means the date that the Final Approval Order is signed by the Court, approving the Settlement, certifying the Class, and authorizing distributions of the Common Fund Escrow.

(r) “Final Approval Hearing” means the hearing at which the Court will determine whether the proposed Settlement is fair, reasonable, and adequate, and whether it should be given final approval by the Court.

(s) “Notice” means the Notice of the Class Action Settlement to be provided to the Plaintiff Class as provided herein below, and the “Date of Notice” means the date upon which Notice is mailed following preliminary approval of the settlement.

(t) “Settlement Administrator” means Strategic Claims Services, Inc. located in Media, Pennsylvania (“SCS”), subject to Court approval.

(u) “Settlement Class Member” and “Settlement Class” means and includes all persons identified on the Class Member List who fall within the Class definition set forth in Paragraph 17 below, and who do not timely and validly exclude themselves from the Class Settlement as provided for in the Settlement Agreement.

(v) The “Term Sheet” refers to the Term Sheet entered into by Counsel for the Representative Plaintiff’s and the Defendants on or about October 18, 2024.

(w) As used in this Agreement, the plural of any defined term includes the singular thereof and vice versa, except where the context requires otherwise.

(x) Other terms are defined in the text of this Agreement and shall have the meaning accorded those terms in such text.



### III. Certification of Plaintiff Class and Class Benefits

17. **Class.** Plaintiff and the Settling Defendants hereby stipulate and agree that this case is certifiable and maintainable as a class action under *Fed.R.Civ.P.* 23(b)(3) as follows:

All consumers on the class list compiled in this case whose vehicles, between March 23, 2019 and December 31, 2023, were non-consensually/trespass towed by Henry's Wrecker Service from a private Parking Lot in Montgomery County, Maryland, where Henry's charged or was paid a fee.

The Henry's Defendants have reviewed their records and represent that the above defined Class includes no more than 38,000 Settlement Class Members to the best of the Henry's Defendants' knowledge. Plaintiff specifically relies upon this representation in entering into this Settlement Agreement.

18. **Common Fund.**

(a) **Payment by Defendants.** Subject to the approval and further Orders of the Court, the HWS Towing Defendants and Management Defendants on behalf of Settling Defendants agree to pay a non-reversionary Three Million Dollars and 00/100 (\$3,000,000<sup>00</sup>) to settle the Pending Litigation.

(b) **Deposit of Common Fund.** Ten (10) days after Preliminary Approval, or by January 15, 2025, whichever is later, the Settling Defendants shall deposit the non-reversionary Settlement Payment (\$3,000,000<sup>00</sup>) into an interest-bearing account at Fulton Bank (the "Common Fund"), in accordance with the terms and conditions set forth herein. Unless the Court fails to grant preliminary or final approval to the Settlement, no portion of the Common Fund shall be returned to or inure to the benefit of the Settling Defendants.

19. **Claims Process and Distribution of Common Fund.**

(a) **Submission of Claim Form.** For purposes of recovering a share of the Common Fund, individuals on the Class Member List shall be required to

submit either an electronic or paper Claim Form: (i) providing their name, address and valid email address; and (ii) affirming that the individual is a consumer (that is, that the vehicle that was towed by the HWS Defendants, was purchased, acquired or driven for personal, family, household or agricultural purposes). To facilitate this process, the Settlement Administrator shall secure and establish the website [www.HenrysTowingSettlement.com](http://www.HenrysTowingSettlement.com). A copy of the Claim Form is attached to this Agreement as **Exhibit A**.

(b) **Timing for Submitting Claims Forms.** Class Members may submit Claims Forms beginning as soon as the Notice is mailed to the Class in accordance with the procedures set forth in Paragraphs 27-32, below. The deadline for submitting the Claim Form shall be sixty (60) days following the Effective Date of this Agreement.

(c) **Review of Claims Forms by the Settlement Administrator.** Each Claim form submitted shall be reviewed promptly for completeness and compliance by the Settlement Administrator. All Claims Forms approved by the Settlement Administrator shall entitle the Class Member to receive a distribution from the Common Fund as described below. If the Settlement Administrator rejects a Claim Form, for any reason, the Settlement Administrator shall contact the individual submitting the Claim Form, in writing, advising them of the reason(s) for the rejection or deficiency. Unless the individual is determined not to be a consumer, the Settlement Administrator shall afford the individual an opportunity to cure the defect in the Claim Form.

(d) **Distribution Formula.** Subject to any adjustments that may be necessary, and the approval of the Court, each Class Member whose Claim Form is approved by the Settlement Administrator shall receive a payment from the Common Fund, after payment of Court approved attorney's fees and costs

pursuant to Paragraph 22 and Costs of Administration pursuant to Paragraph 26(E), of approximately \$150<sup>00</sup>-\$300<sup>00</sup>. However, if, because of the number of Claim Forms submitted the aggregate Settlement Payments to the Class Members would exceed the amount available in the Common Fund, then, in such event, the Settlement Administrator shall reduce the Payments to Class Members from the Common Fund accordingly. In turn, if the aggregate Settlement Payments to Class Members who submitted valid Claim Forms would not exhaust the Common Fund, then, in such event, the Settlement Administrator shall increase payments to Class Members from the Common Fund accordingly.

(e) **Method of Distribution.** Payment for each Class member shall be in the form of a check drawn on the Common Fund, and issued by the Settlement Administrator, which shall be made payable to “[Name of Settlement Class Member(s)].”

(f) The Common Fund shall not be required to make multiple payments to co-borrowers who are entitled to relief under this Agreement on account of the same tow, but in such cases, shall make only one payment, for each tow, jointly to all such co-borrowers.

(g) Each check issued pursuant to this Agreement shall be void if not negotiated within one hundred and twenty (120) days after its date of issue (“Void Date”), and shall contain a legend to such effect. Checks that are not negotiated by the Void Date shall not be reissued unless otherwise ordered by the Court.

(h) All payments that are unclaimed by Class Members, including, all returned Settlement Checks, all undeliverable checks and all Settlement Checks not cashed by the Void Date, shall revert to the Common Fund, and be distributed to the *Cy Pres* Recipient as described in Paragraph 20.

20. **Cy Pres.** The Parties have agreed that a *cy pres* fund will be created that includes any residue of the Settlement Fund remaining for any reason, including Settlement Checks that are not negotiated or are returned and remain undeliverable after a date set by the Court. Subject to Court approval, all funds remaining in the Common Fund 120 days after Settlement Checks are mailed to Class Members, shall be donated to the University of Maryland, Francis King Carey School of Law for the endowment of the Michael Millemann Professorship in Consumer Protection Law. Within one hundred and forty (140) days after the Settlement Checks are mailed to the Class Members under Paragraph 19 of this Agreement, the Settlement Administrator shall forward the funds payable to the *cy pres* recipient by wire transfer to the Trust Account of Gordon, Wolf & Carney, Chtd. Class counsel shall promptly remit the funds to the *cy pres* recipient.

21. **Incentive Payments to Representative Plaintiff**

(a) Class Counsel will file and the Defendants agree not oppose or comment on a motion that the Court approve an incentive payment for the Representative Plaintiff, Sharnese Hall, of \$15,000<sup>00</sup>.

(b) The \$15,000<sup>00</sup> incentive fee shall be paid by the HWS Towing Defendants and Management Defendants on behalf of Settling Defendants in addition to the Three Million (\$3,000,000<sup>00</sup>) Dollar non-reversionary Settlement Payment to the Common Fund payment required by Paragraph 18, above. The incentive fee shall be deposited into an interest-bearing account at Fulton Bank within 10 days of Preliminary Approval.

(c) No later than ten (10) calendar days after the Effective Date, the incentive fee payable to the Representative Plaintiff shall be forwarded by the Settlement Administrator by wire transfer to the escrow account of Gordon, Wolf & Carney, Chtd.

**22. Class Counsel's Attorneys' Fees and Costs.**

(a) Class Counsels' attorney's fees will be paid from the Common Fund in such amount as may be allowed and approved by the Court. Defendants agree not to object to or comment on the Plaintiff's request for an amount up to one-third (33 1/3%) of the Common Fund as attorney's fees in this matter plus litigation expenses (collectively be referred to as "Class Counsel's Attorneys' Fees and Costs"). Payment of the Class Counsels' Attorneys' Fees and Costs shall be forwarded by the Settlement Administrator by wire transfer to the escrow account of Gordon, Wolf & Carney, Chtd. no later than ten (10) calendar days after the Effective Date.

(b) In no event will Henry's be responsible for attorney's fees or costs apart from the payment of the Common Fund amount, except as ordered by the Court.

**IV. Preliminary Approval**

23. Within five (5) business days after the Parties have executed this Settlement Agreement, the Parties will jointly move the Court to enter the Preliminary Approval Order to certify the Settlement Class under *Fed.R.Civ.P.* 23(b)(3) and to preliminarily approve the Settlement Agreement. The Parties will file a Motion consistent with *Fed.R.Civ.P.* 23(e) requesting that the Court preliminarily approve the settlement and submit the proposed Preliminary Approval Order attached hereto as **Exhibit B.**

24. All Parties and counsel will use their best efforts to cause the Court to give preliminary approval to this Settlement Agreement as promptly and efficiently as possible and to take all steps contemplated by the Settlement Agreement to effectuate the settlement on the stated terms and conditions. The Representative Plaintiff and Class Counsel agree to recommend the settlement contained in this Settlement

Agreement as being in the best interests of the Plaintiff Class as a whole under the circumstances.

25. **Final Approval Hearing.** The Parties will request that the Court set a hearing date for Final Approval of the Settlement no sooner than one hundred (100) calendar days from the date the parties file the joint motion for preliminary approval.

#### **V. Compiling the Class Member List**

26. **Production of Data Necessary to Identify the Settlement Class Members.** Henry's shall make a good faith effort to identify names, contact information and other data necessary for the Settlement Administrator to compile a list of all individuals who meet the Class Definition set forth in Paragraph 17, above.

A. **Henry's Produces the Data Regarding the Class.** Henry's shall take responsibility for, and shall produce at its own expense, data, in an electronically readable format (designated by the Settlement Administrator), sufficient for the Settlement Administrator to identify the members of the Settlement Class. At a minimum, for each trespass tow between March 23, 2019 and December 31, 2023, no later than fifteen (15) calendar days after entry of Preliminary Approval, Henry's shall provide the Settlement Administrator and Plaintiff's Counsel the following data – name, address (if available), phone number (if available) and email address (if available), date of tow, VIN number of vehicle, license plate and state of vehicle, and the amount paid for the tow to the extent that information is in Henry's possession, custody and/or control. Henry's also shall cooperate with the Settlement Administrator and Plaintiff's Counsel, and provide all additional information reasonably necessary for the administration of the settlement.

B. Along with the data necessary to compile the Class Member List, Henry's shall also provide Class Counsel a detailed affidavit describing, in detail, the methodology utilized for compiling the data.

C. **The Settlement Administrator Identifies the List of Individuals to Receive Notice.** Using the data supplied by Henry's (as described in Paragraph 26(A) above), the Settlement Administrator shall compile the Class Member List, consistent with the definition, utilizing Accurant, Westlaw, MVA records, postal records and/or other similar information services. In the event that the Settlement Administrator determines that it needs a Court Order to comply with the privacy and other requirements of the Driver's Privacy Protection Act of 1994, 18 U.S.C. § 2721, Plaintiff and Henry's agree to file cooperatively and on an expedited basis, a joint motion with the Court seeking such an Order. Before the list is finalized, the Settlement Administrator shall remove from the Class Member List all businesses and/or commercial entities. The Class Member List shall be utilized to send notice consistent with Part VI, below.

D. **Additional Information Regarding Class Members.** Should an issue arise concerning the accuracy of the information on the Class Member List, such as addresses or other information necessary for the Settlement Administrator to contact individuals on the Class Member List to provide them with Notice or their respective Settlement Payments, and the Settlement Administrator requires clarification or additional information, Defendants agree to provide the Settlement Administrator with such clarification or information, if available, within five (5) business days of any such request. To the extent feasible and available, such information shall be provided in a format, manner and protocol as requested by the Settlement Administrator.

E. **Costs of Administration.** All costs and expenses of the Settlement Administrator reasonably necessary to compile the Class Member List, to provide notice to the Settlement Class and to pay to the Settlement Class, shall be borne by the Common Fund. Defendants shall have no liability to pay the administrative expenses, except as set forth in Paragraphs 26 (A), (B) and (D), herein.

## **VI. Giving Notice to the Class**

27. Within the timeframe set forth in the Preliminary Approval Order, the Settlement Administrator will mail to all persons on the Class Member List, via U.S. Mail via first class delivery, a copy of a Postcard Notice in content substantially the same as set forth in **Exhibit C**. The Parties agree that **Exhibit C** is calculated and adequate to inform the Plaintiff Class of the terms of the Settlement and notify the Class of the opportunity to participate in or opt-out of the Settlement.

28. The Postcard Notice shall include access to the website located at *www.HenrysTowingSettlement.com* (“Settlement Website”), which will contain information and documents relating to the Action and resulting Settlement. The Settlement Website will also contain information on how to submit a Claim, the ability to submit a claim and information on how the Settlement Class Member may contact the Settlement Administrator. In addition, individuals on the Class Member List may request that a Long Form Notice, further describing the Settlement and their legal rights, be sent to them by U.S. mail. The Long Form Notice, which also will be posted on the Settlement Website, is attached as **Exhibit D**.

29. Prior to the Date of mailing the Postcard Notice, the Settlement Administrator shall update the addresses of the Plaintiff Class using the U.S. Postal Service’s National Change of Address (“NCOA”) database. The Settlement Administrator shall use the address obtained through the NCOA database if different



from that in the Henry's records. The front of the Postcard Notice shall be in the form proposed by the Settlement Administrator and include on its face a text box advising Class members: "THIS IS NOT JUNK MAIL. THIS POSTCARD PROVIDES IMPORTANT INFORMATION ABOUT YOUR LEGAL RIGHTS IN CONNECTION WITH A CLASS ACTION SETTLEMENT."

30. If a Postcard Notice is returned with a new forwarding address provided by the U.S. Postal Service, the Settlement Administrator will reissue the Notice to the new forwarding address. If a Notice is returned as undeliverable and there is no forwarding address, the Settlement Administrator will update the address using a web-based service, such as LEXIS, to obtain a corrected address, and, if a different address is obtained by such search, a second notice shall be sent. If a second notice is sent and returned undeliverable, no further notice will be sent by the Settlement Administrator.

31. At least ten (10) calendar days in advance of the Final Approval Hearing, the Settlement Administrator shall file with the Court and serve upon Class Counsel and Counsel for the Settling Defendants an affidavit setting forth the manner in which it complied with the production of the Class Notice to the Class.

32. For a period of one hundred and eighty (180) calendar days after the Effective Date, the Settlement Administrator shall maintain a post office box address to receive inquiries with respect to the Settlement.

33. **Cooperation.** The Defendants and Class Counsel shall cooperate with the Settlement Administrator to the extent reasonably necessary to assist and facilitate the Settlement Administrator in carrying out its duties and responsibilities. The Defendants and Class Counsel also shall reasonably cooperate with each other so that both sides may adequately monitor all aspects of this Agreement.

## **VII. Exclusion Requests**

34. Members of the Plaintiff Class may elect to opt out of or be excluded from this Settlement Agreement, relinquishing their rights to benefits hereunder. Consistent with Paragraph 27 herein, the right to opt out or be excluded shall be described in the Notice as approved by the Court. Persons who wish to opt out or be excluded must send to the Settlement Administrator, within forty-five (45) days after the Date of Notice (the “Opt-Out Deadline”), a writing stating their intent to opt-out of the settlement. Any request for exclusion must be postmarked on or before the Opt Out Deadline, or if not postmarked, received by the Settlement Administrator on or before the Opt Out Deadline. The Settlement Administrator shall provide Class Counsel and Defendants on a timely basis via e-mail a copy of all Opt Out Notices. Class Counsel shall provide the Settlement Administrator and Defendants timely basis via e-mail a copy of all Opt Out Notices. Persons who fit the definition of the Class who fail to submit a valid and timely request for exclusion containing all necessary information shall be bound by all terms of the Settlement Agreement and the Final Judgment.

35. Any person within the Plaintiff Class who submits a valid and timely request for exclusion shall be deemed to have waived any rights or benefits under this Settlement Agreement.

## **VIII. Conditions of Settlement**

36. After entry of the Preliminary Approval Order, and expiration of the time for filing of objections, Plaintiff shall seek entry by the Court of a Final Judgment, following a Fairness Hearing, that includes provisions:

- a. Granting final approval of this Settlement Agreement, and directing its implementation pursuant to its terms and provisions;

b. Ruling on a motion to approve an incentive fee to the Representative Plaintiff and on Class Counsel's application for attorneys' fees, costs, and other expenses;

c. Discharging and releasing the Released Persons from the Released Claims as provided in Paragraphs 16 (i) and (k) herein;

d. Directing that the Action be dismissed with prejudice upon the entry of a final, non-appealable judgment by the Court approving the settlement; and

e. Reserving to the Court continuing and exclusive jurisdiction over the Parties with respect to the interpretation, effectuation, implementation and enforcement of this Settlement Agreement, the Consent Decree and the Final Judgment.

37. The Parties agree that no party to this Settlement Agreement, other than absent class members, may object to the final approval of the settlement. If any Party to this Settlement Agreement submits an objection, or any document or paper that can be interpreted in any way as an objection, the Court may strike such document from the record and award attorney's fees and costs against the Party filing same.

38. **Full and Final Settlement Between the Class and Defendants.** It is the intent and purpose of this Agreement to affect a full and final settlement of all the Representative Plaintiff and the Plaintiff Class' claims in the Pending Litigation against the Settling Defendants. In order to effectuate that purpose, the Representative Plaintiff and the Settling Defendants agree to cooperate and use their best efforts to obtain Court approval of the settlement in an expeditious manner.

39. **Approval By Court.** This Settlement Agreement is subject to final approval by the Court. If the Court does not approve this Settlement Agreement and enter the Final Judgment requested herein, or if the Court enters the orders provided

for herein but said orders are modified by the Court or reversed or materially modified upon appellate review, then this Settlement Agreement shall be canceled and terminated unless counsel for all settling parties, within ten (10) days from the receipt of a ruling or written notice of circumstances giving rise to termination, agree in writing to proceed with this Settlement Agreement.

40. **Termination of Agreement by Parties.** This Agreement shall only be terminable at the option of any Party: (a) if the Court fails to approve the Settlement; (b) if more than ten percent (10%) of Class members successfully opt out of this Settlement Agreement pursuant to Paragraph 34; (c) if the Court materially modifies (or proposes to materially modify) this Agreement in order to approve the Settlement; or (d) upon the mutual written agreement. Any dispute as to the materiality of any modification or proposed modification of this Agreement by the Court shall be resolved by the Court, except that Plaintiff and the Settling Defendants agree that any ruling by the Federal Court on the motions provided for in Paragraphs 21 and 22, above, shall not be considered material for purposes of this Paragraph.

41. **Effect of Termination of Agreement.** If this Agreement is terminated or canceled as set forth herein, all of the Parties hereto shall be deemed to have reverted to their respective status as of October 14, 2024, and they shall proceed in all respects as if this Agreement had not been negotiated and executed and the related Orders had not been entered, preserving in that event all of their respective claims and defenses in this case.

42. The Settling Defendants' performance of their obligations under this Settlement Agreement will entitle them to the full and complete benefits of this Settlement Agreement.

## **IX. Releases**

43. **All Releases.** Upon the Effective Date and without any further action by the Court or by any Party to this Settlement Agreement, Representative Plaintiff and the Settlement Class Members, for good and sufficient consideration, the receipt and adequacy of which is acknowledged, shall be deemed to, and shall in fact, have remised, released and forever discharged any and all Released Claims (as defined in Paragraph 16(k)), which they, or any of them, had or has or may in the future have or claim to have against the Released Persons (as defined in Paragraph 16(i)).

## **X. Miscellaneous Provisions**

44. Defendants and the Representative Plaintiff agree that the Court shall maintain jurisdiction over the implementation and interpretation of this Agreement, which shall be interpreted under Maryland law.

45. Prior to Final Approval, any dispute arises under this Settlement Agreement that Class Counsel and Counsel for the Defendants are unable to resolve, including but not limited to the interpretation or meaning of any term in this Agreement, shall be resolved first, through mediation with the Honorable James R. Eyler (ret.). Absent a resolution, Judge Eyler shall resolve the dispute and his decision shall be final and non-appealable.

46. **Best Efforts.** The Representative Plaintiff and Defendants and their respective Counsel, agree to cooperate, support and use their best efforts to obtain Court approval of each and every provision and term of this Agreement in an expeditious manner.

47. **Amendments.** This Agreement may be amended or modified only by a written instrument signed by Class Counsel and Counsel Defendants.

48. **Entire Agreement.** This Agreement constitutes the entire Agreement of the Representative Plaintiff, on the one hand and Defendants, on the other, and no

representations, warranties or inducements have been made from the Representative Plaintiff to Defendants, or vice versa, concerning this Agreement or its exhibits other than the representations, warranties, and covenants contained and memorialized in such documents.

49. **Authority of Class Counsel.** Class Counsel, on behalf of the Plaintiff Class, are expressly authorized to take all appropriate actions required or permitted to be taken by the Class pursuant to this Agreement to effectuate its terms, and are also expressly authorized to enter into any modifications or amendments to this Agreement on behalf of the Class.

50. **Counterparts.** This Agreement may be executed in one or more counterparts. All executed counterparts shall be deemed to be one and the same instrument. Counsel for the parties hereto shall exchange among themselves original executed counterparts and a complete set of original executed counterparts shall be filed with the United States District Court for the District of Maryland in connection with the motion to approve the settlement. This Agreement may be executed by means of electronic or other signature, and electronic/PDF signatures shall be deemed sufficient.

51. **Binding Nature.** This Agreement shall be binding upon and inure to the benefit of the settling Parties hereto and their present, former and future respective heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors-in-interest, assigns, employees, and insurers.

52. **Construction of the Agreement.** The Parties agree that no Party shall be deemed to have drafted this Agreement.

53. **Applicable Law.** All the terms of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Maryland and applicable federal law.

54. **Jurisdiction.** The Parties hereto submit to the jurisdiction of the Court for the purpose of implementing the settlement embodied in this Agreement.

55. **Headings.** The headings contained in the Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

56. **No Rescission on Grounds of Mistake.** The Parties acknowledge that they have made their own investigations of the matters covered by the Agreement to the extent they have deemed it necessary to do so. Therefore, the Parties agree that they will not seek to set aside any part of the Agreement on the grounds of mistake. Furthermore, the Parties understand, agree, and expressly assume the risk that any fact not recited, contained, or embodied in the Agreement may turn out hereinafter to be other than, different from, or contrary to the facts now known to them, or believed by them to be true, and further agree the Agreement shall be effective in all respects notwithstanding, and shall not be subject to termination, modification, or rescission by reason of, any such difference in facts.

57. **Competency; Independent Counsel.** Each Party to this Agreement represents and warrants that he, she, or it is competent to enter into this Agreement and in doing so is acting upon his, her, or its independent judgment and upon the advice of his, her, or its own counsel and not in reliance upon any warranty or representation, express or implied, or any nature or kind by any other party, other than the warranties and representations expressly set forth in this Settlement Agreement itself.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by authorized individuals, as of the day and year written below.

Date: December 31, 2024

FOR THE REPRESENTATIVE PLAINTIFF  
AND THE CLASS:

FOR DEFENDANTS:

/s/ Richard S. Gordon

By: Richard S. Gordon  
Lead Counsel for the Class



By: Name Fred Scheler  
HWS, LLC



By: Name Fred Scheler  
Henry's Wrecker Service  
Company of Fairfax County, Inc.



Fred Scheler

Richard Barakat  
Richard Barakat (Jan 8, 2025 12:24 EST)

Richard Barakat



Joshua Welk  
Josh Welk (Jan 8, 2025 11:54 CST)

Joshua Welk

By: Name \_\_\_\_\_  
Wheaton Metro Residential  
Holdings, LLC

By: Name \_\_\_\_\_  
Foulger-Pratt Residential, LLC













# Henry's Settlement Agreement.FINAL.12-31-2024


Final Audit Report

2025-01-08

Created:	2025-01-08
By:	Richard Barakat (Rich.r.barakat@fullguardcapital.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAHHqsvu-mAiytzch9SDcHr-n88tv2gUjOv

## "Henry's Settlement Agreement.FINAL.12-31-2024" History

-  Document created by Rich Barakat (Rich.r.barakat@fullguardcapital.com)  
2025-01-08 - 5:22:50 PM GMT
-  Document emailed to Fred Scheler (fred\_s@henryswrecker.com) for signature  
2025-01-08 - 5:22:55 PM GMT
-  Document emailed to Josh Welk (josh.t.welk@fullguardcapital.com) for signature  
2025-01-08 - 5:22:55 PM GMT
-  Document emailed to Rich Barakat (Rich.r.barakat@fullguardcapital.com) for signature  
2025-01-08 - 5:22:55 PM GMT
-  Email viewed by Rich Barakat (Rich.r.barakat@fullguardcapital.com)  
2025-01-08 - 5:23:22 PM GMT
-  Signer Rich Barakat (Rich.r.barakat@fullguardcapital.com) entered name at signing as Richard Barakat  
2025-01-08 - 5:24:09 PM GMT
-  Document e-signed by Richard Barakat (Rich.r.barakat@fullguardcapital.com)  
Signature Date: 2025-01-08 - 5:24:11 PM GMT - Time Source: server
-  Email viewed by Josh Welk (josh.t.welk@fullguardcapital.com)  
2025-01-08 - 5:41:49 PM GMT
-  Document e-signed by Josh Welk (josh.t.welk@fullguardcapital.com)  
Signature Date: 2025-01-08 - 5:54:17 PM GMT - Time Source: server
-  Email viewed by Fred Scheler (fred\_s@henryswrecker.com)  
2025-01-08 - 7:03:21 PM GMT

 Document e-signed by Fred Scheler (fred\_s@henryswrecker.com)

Signature Date: 2025-01-08 - 7:03:57 PM GMT - Time Source: server

 Agreement completed.

2025-01-08 - 7:03:57 PM GMT

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by authorized individuals, as of the day and year written below.

Date: December 31, 2024

FOR THE REPRESENTATIVE PLAINTIFF  
AND THE CLASS:

FOR DEFENDANTS:

/s/ Richard S. Gordon

By: Richard S. Gordon  
Lead Counsel for the Class

By: Name \_\_\_\_\_  
HWS, LLC

By: Name \_\_\_\_\_  
Henry's Wrecker Service  
Company of Fairfax County, Inc.

\_\_\_\_\_  
Fred Scheler

\_\_\_\_\_  
Richard Barakat

\_\_\_\_\_  
Joshua Welk

  
Demetri Datch Jan 2, 2025 09:05 EST  
By: Name: Demetri Datch  
Wheaton Metro Residential  
Holdings, LLC

  
Demetri Datch Jan 2, 2025 09:05 EST  
By: Name: Demetri Datch  
Foulger-Pratt Residential, LLC






# Henry's Settlement Agreement.FINAL.12-31-2024 (002)

Final Audit Report

2025-01-02

Created:	2025-01-02
By:	Anna Landon (alandon@foulgerpratt.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAGI4zOOHASI1ePxCJSQecMXrwKRMXHxT

## "Henry's Settlement Agreement.FINAL.12-31-2024 (002)" History

-  Document created by Anna Landon (alandon@foulgerpratt.com)  
2025-01-02 - 2:03:35 PM GMT
-  Document emailed to Demetri Datch (ddatch@Foulgerpratt.com) for signature  
2025-01-02 - 2:03:39 PM GMT
-  Email viewed by Demetri Datch (ddatch@Foulgerpratt.com)  
2025-01-02 - 2:05:04 PM GMT
-  Document e-signed by Demetri Datch (ddatch@Foulgerpratt.com)  
Signature Date: 2025-01-02 - 2:05:25 PM GMT - Time Source: server
-  Agreement completed.  
2025-01-02 - 2:05:25 PM GMT