

Notice of Proposed Class Action Settlement & Final Fairness Hearing

Walker v. Cutolo Law Firm, LLC

Superior Court of New Jersey, Law Division, Middlesex County

Docket No. MID-L-007498-11

This notice is authorized by the Superior Court of New Jersey.
This is not a solicitation. Do not be alarmed. You are **NOT** being sued.

If you received correspondence from the Cutolo Law Firm, LLC seeking to collect a debt, you may be entitled to payment under a proposed class action settlement.

This notice is to inform you of a proposed class action settlement in a lawsuit against the Cutolo Law Firm, LLC (“CLF”), alleging that initial collection letters sent by CLF violated the Fair Debt Collection Practices Act (15 U.S.C. §1692 *et seq.*), a federal law.

Under the proposed settlement, certain consumers who received initial collection letters from CLF (“Settlement Class Members”) will each receive approximately \$7.90 in cash. This notice was sent to you because you were identified as a Settlement Class Member.

This notice summarizes the claims made in the lawsuit, describes the proposed settlement and informs you of your rights.

Your legal rights are affected whether or not you act. Please read this notice carefully.

YOUR LEGAL RIGHTS & OPTIONS REGARDING THE PROPOSED SETTLEMENT

Do nothing:	<i>Remain in the Settlement Class. You will not be able to bring any other claims against CLF for issues arising from or relating to the legal claims in this case.</i>
Exclude yourself (opt out):	<i>Get no payment. Excluding yourself (opting out) is the only option that allows you to ever be part of any other lawsuit against CLF regarding the legal claims in this case.</i>
Object:	<i>Write to the Court about why you think the proposed settlement is not fair.</i>
Go to a hearing:	<i>Ask to speak in Court about the proposed settlement's fairness.</i>

These options—and the deadlines to exercise them—are explained further in this notice.

The Court in charge of this case still has to decide whether or not to approve the settlement. Payments will be made only if the Court approves the proposed settlement and only after any appeals are resolved. Therefore, please be patient.

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BASIC INFORMATION

1. WHAT IS A CLASS ACTION AND WHO IS INVOLVED?

In a class action lawsuit, a person (“Class Representative”) sues on behalf of others who have the same claims. People with the same claims are called “Class Members”, or collectively, a “Class”. Because everyone in the Class has the same claims against the party being sued, one court can resolve the issues for everyone in the Class, except those who choose to exclude themselves from the Class. In this case, Michael Walker is the Class Representative.

2. WHAT IS THIS LAWSUIT ABOUT?

Mr. Walker filed a lawsuit against the Cutolo Law Firm, LLC (“CLF”) alleging that CLF used language in its initial collection letters that violated the Fair Debt Collection Practices Act (15 U.S.C. §1692 *et seq.*), a federal law (the “FDCPA”).

Specifically, Mr. Walker alleged that CLF’s initial collection letters: misrepresented that an attorney was involved in the process of reviewing the underlying facts and the drafting and sending of the letters; misrepresented that the letters were from an attorney; misrepresented that attorney’s fees were due and/or misrepresented the amount due; misstated the time period that alleged debtors had to respond to the letters; and contradicted or overshadowed the alleged debtors’ rights under the FDCPA.

CLF has denied all allegations in the lawsuit and maintains that it did nothing wrong.

3. WHY DID I GET THIS NOTICE?

You received this Notice because CLF’s records show that you received an initial collection letter from CLF containing the same or similar language as the initial collection letter received by Mr. Walker.

4. WHY IS THERE A SETTLEMENT?

The Class Representative and CLF agreed to a settlement in order to avoid the expense of a trial and possible appeals, and to ensure that the affected individuals will receive compensation. The Class Representative and the attorneys appointed by the Court to serve as Class Counsel believe that the proposed settlement is in the best interest of all Class Members. By settling this lawsuit, CLF does not admit any wrongdoing.

5. WHO IS IN THE SETTLEMENT CLASS?

The “Settlement Class” includes all persons who received an initial collection letter from CLF that contained the same or similar language as the initial collection letter received by Mr. Walker (“Settlement Class Members”).

The Settlement Class specifically excludes any judges and/or mediators presiding over the litigation and any member of their immediate families, as well as any officers, employees, agents or directors of CLF and any member of their immediate families.

CLF has confirmed that there are 615 Settlement Class Members, not including the Settlement Class Representative.

6. HAS THE COURT DECIDED WHO IS RIGHT?

No. The Court has not yet made any determination as to which party is right.

7. WHO REPRESENTS THE SETTLEMENT CLASS IN THIS CASE?

The proposed settlement provides that Andrew R. Wolf, Esq., Henry P. Wolfe, Esq. and Daniel I. Rubin, Esq. of The Wolf Law Firm LLC are qualified to represent all Settlement Class Members, and that the Court should appoint them as “Class Counsel”.

These attorneys are experienced in representing class members in class action lawsuits and class action settlements. You will not be charged for the services they provide on behalf of the Settlement Class. You may choose to have your own attorney represent you in this matter; however, if you want to be represented by your own attorney, you will be responsible for paying his/her fees. Class Counsel’s contact information is as follows:

The Wolf Law Firm LLC
1520 U.S. Highway 130, Suite 101
North Brunswick, New Jersey 08902
Telephone: (732) 798-8055 Facsimile: (732) 545-1030
E-mail: info@wolflawfirm.net

THE TERMS OF THE PROPOSED SETTLEMENT

8. WHAT IS THE PROPOSED SETTLEMENT?

In exchange for releasing certain claims against CLF (see Question 9 below for a description of the released claims), all Settlement Class Members will receive the settlement benefits described below.

Payments to Settlement Class Members

To resolve claims of all Settlement Class Members, CLF agreed to pay the maximum relief available to consumers under the FDCPA, which is a total of 1.00% of CLF's net worth. Based upon CLF's net worth of \$486,000 as of 2011, CLF will pay a total of approximately \$4,860 to the Settlement Class as a whole.

Assuming the Court approves the proposed settlement at the Final Fairness Hearing, within 14 days after that final approval, CLF will deposit \$4,860 into an interest-bearing bank account established and maintained by the Settlement Administrator (the "Settlement Fund"), from which payments will be issued to Settlement Class Members.

If all Settlement Class Members remain in the Settlement Class, each Settlement Class Member other than the Settlement Class Representative is expected to receive a relief check for approximately \$7.90. Ultimately, the amount that each Settlement Class Member receives will depend upon the total size of the Settlement Class, and will be determined by dividing the amount CLF deposits into the Settlement Fund by the total number of Settlement Class Members, reduced to the nearest whole one cent.

Relief checks will be mailed to Settlement Class Members within 21 days after the Court issues a final approval of the proposed settlement, and checks will expire 125 days after the date they are mailed.

Additional Settlement Benefits

The proposed settlement also includes the following terms:

CLF Will Pay All Costs of Administering the Final Settlement

CLF will pay all costs and expenses associated with administering the final settlement, including the Settlement Administrator's fees and costs.

CLF Will Pay \$3,000 to the Settlement Class Representative

CLF will make a cash payment of \$3,000 to Mr. Walker to resolve his individual claims against CLF and also in recognition of his efforts on behalf of the Settlement Class.

CLF Will Donate the Remaining Balance of the Settlement Fund

If a relief check sent to a Settlement Class Member is returned to the Settlement Administrator as undeliverable, is not cashed prior to its expiration date or there is a balance left over in the Settlement Fund, then within 30 days of the last relief check's expiration date, the total amount of those items will be paid to Central Jersey Legal Services as a *cy pres* award and without any restrictions on use. (A *cy pres* award to a charity is similar to a donation and is how leftover monies in a class action settlement fund are often distributed.) None of the remaining balance will be returned to CLF.

CLF Will Pay Class Counsel's Fees and Expenses

CLF agreed to pay Class Counsel's fees and costs as the Court may award; however the parties have not agreed upon the amount of Class Counsel's fees and costs. Class Counsel will file an application with the Court seeking attorneys' fees and costs for time spent and costs incurred through the date of the Final Fairness Hearing, and intends to initially seek approximately \$60,000 in fees and costs. If needed, Class Counsel will file supplemental fee application(s) for any time spent and costs incurred beyond that date. CLF may contest the amounts sought by Class Counsel, but not that Class Counsel is entitled to fees. The fee award to Class Counsel will be in addition to the settlement benefits to the Settlement Class and CLF's payment of any attorneys' fees and costs will not reduce the benefits to the Settlement Class.

9. WHAT CLAIMS AM I RELEASING IF I REMAIN IN THE SETTLEMENT CLASS?

If the Court approves this proposed settlement at the Final Fairness Hearing, then each Settlement Class Member will release CLF, as well as CLF's past and present partners, members, officers, directors, shareholders, employees, agents, successors and assigns from any and all actions, causes of action, suits, claims, defenses, covenants, controversies, agreements, promises, damages, judgments, demands, liabilities and obligations in law or in equity that the Settlement Class, as defined herein, asserted or could have asserted as a result of, arising out of, or in connection with the practices described in the Complaint in this action, but only as they relate to claims concerning any alleged violations of the FDCPA. **Those who exclude themselves from (opt out of) the Settlement Class will not be releasing any claims against CLF.**

YOUR RIGHTS REGARDING THE PROPOSED SETTLEMENT

10. HOW DO I PARTICIPATE IN THE FINAL SETTLEMENT?

You do not have to do anything to receive benefits under the final settlement. You will automatically remain a Settlement Class Member unless you exclude yourself (opt out).

11. HOW CAN I EXCLUDE MYSELF FROM (OPT OUT OF) THE SETTLEMENT CLASS?

If you want to be excluded (opt out), you must notify the Settlement Administrator in writing. **Your written request must contain your printed name and address, and it must state: "I do not want to be part of the Settlement Class in Walker v. Cutolo Law Firm, LLC, Docket No. MID-L-007498-11."** You must also sign your request.

Your request must be addressed to the Settlement Administrator:

Walker v. Cutolo Law Firm, LLC Settlement Administrator
c/o Strategic Claims Services, Inc.
600 North Jackson Street, Suite 3
Media, Pennsylvania 19063

To be excluded from (opt out of) the Settlement Class your written request must be received by the Settlement Administrator no later than 5:00PM on October 31, 2013. If your request is received by the Settlement Administrator after 5:00PM on October 31, 2013 your request will be considered untimely and you will continue to be a member of the Settlement Class.

If your request to exclude yourself (opt out) is timely, you will no longer have no rights under the proposed or final settlement. This means you will receive no further notifications and you will not be entitled to share in any relief that may be awarded by the Court. If you exclude yourself (opt out) you will not release any claims and will not be bound by any final judgment in this matter.

12. WHAT IF I OBJECT TO THE TERMS OF THE PROPOSED SETTLEMENT?

Any Settlement Class Member may appear in person or through an attorney at the Final Fairness Hearing in order to oppose the fairness, reasonableness, and adequacy of the proposed settlement to the extent allowed by the Court, including the payment of Class Counsel's fees, reimbursement of expenses and costs and the Settlement Class Representative incentive award.

In order to oppose any of the proposed settlement's terms, you must send **written** notice to the Court that includes: a statement of each objection being made; a description of the facts and legal basis for each objection; a statement of whether you intend to appear at the Final Fairness Hearing; a list of witnesses whom you may call by live testimony, oral deposition testimony or affidavit during the Final Fairness Hearing; and a list of exhibits that you may offer during the Final Fairness Hearing, along with copies of all of the exhibits. **You must also provide a copy of that notice to Class Counsel as well as the attorneys representing CLF in the case. All documents must contain a reference to Walker v. Cutolo Law Firm, LLC, Docket No. MID-L-007498-11.**

Any Settlement Class Member who does not object in the manner provided above shall be deemed to have waived his/her objection and shall be foreclosed from opposing the fairness, reasonableness, or adequacy of the proposed settlement or payment of Class Counsel's fees and expenses or payment of the Settlement Class Representative incentive award.

Any written objection made by a Settlement Class Member **must** be sent to:

The Court

Deputy Clerk of the Court
Superior Court of New Jersey
Middlesex County Courthouse
Second Floor Tower, P.O. Box 2633
New Brunswick, New Jersey 08903-2633

Class Counsel

The Wolf Law Firm LLC
Attn: Walker v. Cutolo Law Firm LLC
1520 U.S. Highway 130, Suite 101
North Brunswick, New Jersey 08902

CLF's Attorneys

Giordano Halleran & Ciesla PC
Attn: Walker v. Cutolo Law Firm
LLC
125 Half Mile Road, Suite 300
Red Bank, New Jersey 07701

Your written objection and supporting documentation must be received by the Court, Class Counsel and CLF's attorneys no later than 5:00PM on November 18, 2013.

13. IS THERE A DIFFERENCE BETWEEN EXCLUDING MYSELF FROM (OPTING OUT OF) THE SETTLEMENT CLASS AND OBJECTING TO THE SETTLEMENT?

Yes. By objecting you are telling the Court that you will remain in the Settlement Class, but that you disagree with the proposed settlement. **You can object only if you remain in the Settlement Class and you may not object first and exclude yourself (opt out) later.**

Excluding yourself (opting out) is telling the Court that you do not want to be part of the Settlement Class and do not wish to participate in the proposed settlement. **If you exclude yourself (opt out), you cannot object.** Once you exclude yourself from (opt-out of) the Settlement Class, the case no longer affects you.

14. WHAT WILL HAPPEN AT THE FINAL FAIRNESS HEARING?

At the Final Fairness Hearing, the Court will decide whether or not the proposed settlement is fair, reasonable and adequate, and also whether or not payment of the Settlement Class Representative incentive award should be approved. If there are objections, the Court may consider them. The Court will also decide, either at the Final Fairness Hearing or at a subsequent hearing, whether or not payment of Class Counsel's fees and reimbursement of Class Counsel's expenses and costs should be approved.

The Final Fairness Hearing is presently scheduled for 9:00 a.m. on December 5, 2013, before the Honorable Heidi W. Currier, J.S.C. in Courtroom 401 at the Middlesex County Courthouse, which is located at 56 Paterson Street, New Brunswick, New Jersey, 08903.

Unless you wish to object to the proposed settlement, you are not required to attend the Final Fairness Hearing. You are welcome to attend at your own expense. The Court may adjourn the Final Fairness Hearing without further written notice to Settlement Class Members.

ADDITIONAL INFORMATION

15. WHERE CAN I GET MORE DETAILS ABOUT THE CASE?

Do not contact the Court for legal questions or advice.

You may obtain copies of the Complaint and other documents filed in this lawsuit during regular business hours from the Civil Records Office of the Superior Court of New Jersey in Middlesex County. You will need to provide the name of the lawsuit and the docket number: *Walker v. Cutolo Law Firm, LLC*, Docket No. MID-L-007498-11.

You may also contact Class Counsel at the mailing address, telephone number or e-mail address listed under Question 7 above.

16. WHAT IF MY ADDRESS OR PHONE NUMBER CHANGES?

If your address or phone number has changed, or changes in the future, you should send your new address and telephone number to the Settlement Administrator at the address listed in the answer to Question 11 above. You may also contact the Settlement Administrator by calling (866) 274-4004 or sending an e-mail to info@strategicclaims.net.

SO ORDERED by the Superior Court of New Jersey, Law Division, Middlesex County.

s/ Honorable Heidi W. Currier, J.S.C.