

## NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FAIRNESS HEARING

*Mayfield v. Asta Funding, Inc., et. al.*, No. 14 Civ. 2591

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UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

**Do not worry! This is not a demand for money.**

**You are not being sued.**

***You may be able to get [\$ \_\_\_] and possibly as much as [\$ \_\_\_] from a class action settlement.***

To get a payment, you must send in a **Claim Form** by **March 20, 2018**.

- **Please read this Notice carefully! Your legal rights are affected whether you act or do nothing.**
- You are getting this Notice because we believe that you were sued in New York City Civil Court by Palisades Collection, which was being represented by the law firm Pressler & Pressler, to collect an AT&T Wireless debt, and that you paid money toward that debt.
- This Notice tells you about a proposed Settlement in a case against Palisades Collection, Pressler & Pressler, and others (called the “Defendants”). This case is about whether the Defendants acted in unlawful ways in suing people in New York City Civil Court to collect on AT&T Wireless debts. The Defendants deny that they did anything wrong or violated any laws.
- The Settlement must still be approved by the Court. If it is approved, you and people like you will get the following benefits:
  - *Money.* The Defendants have agreed to pay \$3.9 million into a Settlement Fund, which represents a settlement award. If you submit a Claim Form by March 20, 2018, you might be able to get some money from the Fund.
  - *No More Collections.* Pressler & Pressler has closed its files on all AT&T Wireless debts and transferred those debts back to Palisades Collection. Palisades Collection has agreed to stop collecting on the AT&T Wireless debts that these New York City Civil Court lawsuits were about, and on any judgments they got in these lawsuits. Pressler & Pressler is no longer involved with the lawsuits. There will also be efforts by the lawyers representing the eligible Class Members to work with the New York courts to try to cancel the judgments in these lawsuits. If you have questions about this process, please call the Class Administrator or specified representative only.
- While the Court decides whether or not to approve the Settlement, the Defendants are *not* collecting on these AT&T Wireless debts or these judgments. If you are now making payments on these debts or judgments, **you should stop and you will not be penalized or punished in any way.**
- If you have questions about this Notice or the Settlement, please **do not** call Pressler & Pressler or Palisades Collection. Instead, you should direct any questions to:
  - » Go to [www.palisadespresslersettlement.com](http://www.palisadespresslersettlement.com)
  - or*
  - » Call (866) 742-4955

To receive a payment, you must send a **Claim Form** by **March 20, 2018**.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>		
<b>You May</b>		<b>Due Date</b>
<b>Submit a Claim Form</b>	<b><u>Submitting a Claim Form is the only way for you to get money from the Settlement.</u></b> If you send a Claim Form and the Settlement is approved, we will determine whether you are eligible to receive money and how much. The Defendants will stop collecting on your AT&T Wireless debt, and there will be efforts to get any judgment entered against you on the debt in New York City Civil Court canceled. <b><i>But</i></b> you will not be able to sue Defendants on your own about their collection of your AT&T Wireless debt.	<b>By: March 20, 2018</b>
<b>Opt Out</b>	<b><u>If you opt out of this case, you will not get any money from the Settlement; Defendants can keep collecting on any AT&amp;T Wireless debts they think you owe; and there will not be efforts to get any judgment against you canceled.</u></b> <i>But</i> , you will be able to sue the Defendants on your own, at your own expense, about their collection of your AT&T Wireless debt. If you want to “opt out,” you must say so in writing by March 20, 2018.	<b>By: March 20, 2018</b>
<b>Object to Settlement</b>	<b><u>If you object to the proposed Settlement, you may tell the Court what you do not like about it. Even if you object, you can also send a Claim Form as long as you do not opt out.</u></b> You must submit a Claim Form if you want to get money.	<b>By: March 20, 2018</b>
<b>Do Nothing</b>	<b><u>If you do nothing, you will not get any money from the Settlement, and you give up all your rights to sue Defendants on your own about their collection of your AT&amp;T Wireless debt.</u></b> <i>But</i> , the Defendants will stop collecting on your AT&T Wireless debt, and there will be efforts to get any judgment entered against you on the debt in New York City Civil Court canceled.	<b>None</b>

## **MORE INFORMATION ABOUT THE CASE**

### **1. What is this lawsuit about?**

This case was brought as a Class Action by individuals, also known as “Named Plaintiffs,” who sued on behalf of a large group of people with similar claims, called the “Class.” The Class Members in this case include you and everyone who was sued in New York City Civil Court by Palisades Collection, which was being represented by the law firm of Pressler & Pressler, to collect on AT&T Wireless debts.

The Defendants in this case are Palisades Collection LLC, Asta Funding, Inc., Pressler & Pressler LLP, and some of those companies’ employees.

The case is about whether Defendants acted in improper ways in suing the Class Members in New York City Civil Court to collect on AT&T Wireless debts, from around 2005 to 2007. Specifically, the Plaintiffs claim that:

- Defendants filed debt collection lawsuits against people without having or being able to get evidence that would prove the people owed these debts;
- Defendants filed lawsuits without having lawyers review the lawsuits carefully enough;
- Pressler & Pressler told the courts that they had notified the people they sued about the lawsuits, but the process server companies hired by Pressler to notify the people had not done so;
- Defendants filed court papers containing statements that Plaintiffs say were untrue, in order to get judgments against people who didn't appear in court; and
- Defendants used the judgments to collect money from people by garnishing their wages, freezing their bank accounts, and persuading them to pay money voluntarily.

Plaintiffs say these actions violated the Federal Fair Debt Collection Practices Act, the Federal Racketeer Influenced and Corrupt Organizations Act, New York General Business Law § 349, and (for Pressler & Pressler) New York Judiciary Law § 487. There are no findings by the Court that Defendants did any of these things.

Defendants deny that they did anything wrong or violated any laws, dispute that any facts exist to support the Plaintiffs' claims, and maintain that:

- Defendants filed debt collection lawsuits against people with sufficient evidence proving that the people owed these debts;
- Defendants filed lawsuits after meaningful attorney review;
- Consistent with the customary practice in New York, Pressler hired process server companies that in turn were responsible for hiring and training and managing their own individually licensed process server employees to serve the summonses and complaints;
- Defendants filed accurate statements with the courts to procure valid default judgments; and
- Defendants properly sought to enforce valid judgments through post-judgment enforcement measures allowed under New York law.

## **2. What is happening with the case now?**

The Court has not decided that either Plaintiffs or Defendants are right. Both Plaintiffs and Defendants believe they would win if there were a trial in the case, but trials take a long time and cost a lot of money. So instead of having a trial, Plaintiffs and Defendants agreed to this Settlement. The Named Plaintiffs and their attorneys think the Settlement is best for all Class Members. Now you have a chance to tell the Court what you think about the proposed Settlement, because you are a member of the Class.

Right now, the lawyers are *proposing* the Settlement. After hearing from people like you, the Court will decide whether to *approve* the Settlement.

While the Court decides whether or not to approve the Settlement, Defendants have agreed to stop collecting on the AT&T Wireless debts that they sued Class Members about, and to stop collecting on any judgments against Class Members in those lawsuits. If you are now making payments on these debts or judgments, you should stop and you will not be penalized or punished in any way.

## ABOUT THE SETTLEMENT

### 3. If the Settlement is approved, what would I get?

**Money:** Defendants will pay \$3,900,000 into a Settlement Fund, most of which will be paid to eligible Class Members who send Claim Forms on time. This fund represents a settlement award. Some money will be used to pay for administering the Settlement (like sending this Notice), and a total of \$19,000 will be given to the seven Named Plaintiffs to pay them for their time, effort, and service to the Class in bringing this lawsuit.

**No More Collections:** Pressler & Pressler has closed its files on all AT&T Wireless debts and transferred those debts back to Palisades Collections. Palisades Collections will permanently stop collecting the AT&T Wireless debts that they sued the Class Members about in New York City Civil Court, and permanently stop collecting on any judgments they got against Class Members in these lawsuits. Pressler & Pressler is no longer involved with the AT&T debts at all. Defendants will stop collecting on your debt or judgment whether or not you send a Claim Form.

**Possibility to Cancel (“Vacate”) Judgments:** The lawyers representing the Class (“Class Counsel”) will work with the New York courts to try to have the New York City Civil Court judgments canceled (“vacated”). If that is successful, these judgments will no longer exist. Any judgment against you would not show up any more in public records or on your credit history, and if it did, you could get the credit reporting agencies to remove it. Plaintiffs will try to get your judgment canceled whether or not you send a Claim Form. **If you don’t want us to try to cancel (vacate) a judgment entered against you, you must opt out of the Settlement. If you opt out and try to get your judgment vacated on your own, it is impossible to predict what the outcome will be.**<sup>1</sup>

The lawyers representing the Class believe that this is a good settlement and will give valuable benefits to you and the other Class Members.

### 4. How much money will different Class Members get from the Settlement Fund?

The money in the Settlement Fund will be paid out to the Class Members who had money collected from them — **but only to Class Members who do not opt out of the Class and who do send a Claim Form by March 20, 2018.**

The amount each of these Class Members gets will be based on: how much money the Defendants collected from the Class Member and how many Class Members submit Claim Forms. You can see the exact plan for giving out the money by visiting [www.palisadespresslersettlement.com](http://www.palisadespresslersettlement.com) or by contacting the Class Administrator at (866) 742-4955.

**Only Class Members who had money collected from them are eligible to receive a payment.**

**A money payment from the Settlement may affect your eligibility for needs-based government benefits, like Public Assistance and SSI. If you receive these benefits and want more information, visit [www.palisadespresslersettlement.com](http://www.palisadespresslersettlement.com).**

Depending on your circumstances, you may need to pay taxes on the money you get from this Settlement. Neither Class Counsel nor Defendants can give you advice about the effect of this

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<sup>1</sup> There are a very small number of Class Members against whom Defendants got judgments in courts other than New York City Civil Court. As a Defendants will stop collecting on these judgments and give them to the nonprofit organization for forgiveness, but Class Counsel will not try to vacate these judgments.

Settlement on your tax obligations. You may want to get tax advice before responding to this Notice.

#### **5. What will I give up if the Settlement is approved?**

If you do not opt out of the Settlement, and instead choose to get the benefits of the Settlement, **you cannot sue the Defendants on your own, even at your own expense, about the collection of AT&T Wireless debts.** You cannot sue the Defendants on your own for any of the things that Plaintiffs accused Defendants of doing or could have accused Defendants of doing in this case. You also cannot sue people and companies connected to the Defendants for these things. When you give up the right to bring your own lawsuit like this, it is called a Release.

The Release is a very important part of the Settlement. A copy of the full Release is available at [www.palisadespresslerssettlement.com](http://www.palisadespresslerssettlement.com). If you have already sued or started to sue Defendants, you should speak to your lawyer in that case immediately to see if this Settlement will affect that case.

#### **6. What happens if the Settlement is not approved?**

If the Settlement is not approved, Plaintiffs and Defendants will go forward with the case in court. No one will get any money from the Settlement, the Defendants will not transfer any debts or judgments to the nonprofit organization, and Class Counsel will not work with the New York courts to try to cancel any judgments. The Defendants will be able to re-start collections, but they will not charge interest for the time when the Court was considering the Settlement. If the case kept going, the Defendants might win, and Class Members would get nothing at all. Or the Plaintiffs might win, and Class Members might get more money than what they would get under this Settlement. It is impossible to predict.

### **HOW TO GET A PAYMENT**

#### **7. When will I get my payment?**

The Court will hold a hearing on April 10, 2018 at 10:30 a.m. in Courtroom 12A at the U.S. District Court for the Southern District of New York, 500 Pearl St., New York, New York 10007. At the hearing—known as the Fairness Hearing—the Court hear arguments on whether the Settlement should be approved as fair, reasonable, and adequate, and will address your comments. If the Court approves the Settlement, objectors may appeal (that is, challenge) that approval. It is always difficult to predict whether an appeal will be brought. If an appeal is brought, it is also difficult to know how long it will take for the appeal to be finished. Finishing an appeal can take time, perhaps more than a year. No Class Members will get any payments until any appeals are finished. The Defendants will not transfer any debts or judgments to the nonprofit organization, and Class Counsel cannot try to get the judgments canceled, until any appeals are finished.

### **OPTING OUT OF THE SETTLEMENT**

#### **8. What happens if I opt out of the Settlement?**

If you do not want to participate in the Settlement, you must tell the Court that. This is called “opting out.” **If you opt out, Defendants will keep trying to collect any AT&T Wireless debt they believe you owe; you will not receive any money from this Settlement; and Class Counsel will not try to have any judgment against you canceled. But you may bring your own case, at your own expense, against the Defendants about their collection of an AT&T Wireless debt from you, and there is a possibility you could recover greater benefits than you would under this Settlement.**

## **9. How do I opt out of the Settlement?**

To opt out of the Settlement, you must send a letter to the Class Administrator stating that you want to opt out of the Settlement in *Mayfield v. Asta Funding, Inc., et. al.*, No. 14 Civ. 2591. You must include your name, address, telephone number, and signature. Your opt-out request must be mailed to the Class Administrator and postmarked **no later than March 20, 2018** at the following address: Mayfield Class Action Settlement, c/o RG/2 Claims Administration LLC, P.O. Box 59479, Philadelphia, PA 19102-9479.

### **THE LAWYERS REPRESENTING YOU**

## **10. Do I have a lawyer in this case?**

The Court has decided that the lawyers at the New York Legal Assistance Group and Hughes Hubbard & Reed LLP are qualified to represent you and all Class Members in the Settlement. These lawyers are called “Class Counsel.” You will not have to pay for these lawyers. You do not need to hire your own lawyer in order to participate as a Class Member. If you want to be represented by your own lawyer, you may hire one at your own expense.

## **11. How will the lawyers be paid?**

Class Counsel have not yet been paid for their work on this case. Class Counsel have spent a lot of time, and had expenses, in bringing this case to help the Class. Defendants have agreed to pay Class Counsel up to \$787,500 to cover this work. Defendants are paying this money *on top of* the \$3.9 million they are paying to give out to eligible Class Members. Class Counsel’s fees will not come out of, or reduce in any way, the money that will be given out to eligible Class Members. The Court will decide whether to pay Class Counsel this full amount.

### **OBJECTING TO THE SETTLEMENT**

## **12. How do I tell the Court that I do not like the Settlement?**

If you are a Class Member (and do not opt out), you can object to any part of the Settlement that you do not like, and you can give reasons why you think the Court should not approve the Settlement. The Court cannot change the Settlement; it can only approve or not approve it.

To object, you or your lawyer must send a letter with: (a) your name, address, telephone number, email address (if you have one), and signature; (b) a statement saying that you object to the Settlement in *Mayfield v. Asta Funding, Inc., et. al.*, No. 14 Civ. 2591; (c) the reasons you object; and (d) whether you want to speak at the Fairness Hearing. Mail the objection to the Class Administrator at: Mayfield Class Action Settlement, c/o RG/2 Claims Administration LLC, P.O. Box 59479, Philadelphia, PA 19102-9479. Your objection must be mailed and postmarked by March 20, 2018. The Class Administrator will give it to the Court and Class Counsel and Defendants’ counsel.

### **THE COURT’S FAIRNESS HEARING**

## **13. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Fairness Hearing on April 10, 2018 at 10:30 a.m. in Courtroom 12A at the United States District Court for the Southern District of New York, 40 Foley Square, New York, New York to decide whether to approve the Settlement.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have sent an objection saying that they wish to speak at the hearing. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long the Court will take to

decide. **You do not need to go to the Fairness Hearing to benefit from the Settlement, but you can go if you want to. It is completely up to you.**

#### **GETTING MORE INFORMATION**

##### **14. Are there more details about the Settlement and the lawsuit?**

This Notice summarizes the proposed Settlement. More details about the Settlement and the lawsuit are available at [www.palisadespresslersettlement.com](http://www.palisadespresslersettlement.com). If you have any questions about this Notice or the Settlement, you should **not** contact Pressler & Pressler or Palisades Collection. Instead, please contact the Class Administrator at (866) 752-4955 or by email at [info@rg2claims.com](mailto:info@rg2claims.com).

**Questions? Call (866) 742-4955 or go to [www.palisadespresslersettlement.com](http://www.palisadespresslersettlement.com).**