

SAN LUIS OBISPO SUPERIOR COURT
BY: *A. Mejia*
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Attorneys for Plaintiff,
Rosa Moreno-Peralta

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO – CIVIL COURT OPERATIONS –
UNLIMITED**

**ROSA MORENO-PERALTA,
INDIVIDUALLY AND ON
BEHALF OF ALL OTHERS
SIMILARLY SITUATED,**

Plaintiff,

v.

**TRS RECOVERY SERVICES,
INC.; AND, DOES 1-20,
INCLUSIVE,**

Defendant.

Case No.: 15CV-0481

**DECLARATION OF MATTHEW
M. LOKER IN SUPPORT OF
PLAINTIFF ROSA MORENO-
PERALTA’S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

DATE: October 12, 2017

TIME: 9:00 a.m.

DPT: 2

HON. BARRY T. LABARBERA

KAZEROUNI LAW GROUP, APC
1303 EAST GRAND AVENUE, SUITE 101
ARROYO GRANDE, CA 93420

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DECLARATION OF MATTHEW M. LOKER, ESQ.

I, MATTHEW M. LOKER declare:

1. I am one of the attorneys for the Plaintiff ROSA MORENO-PERALTA (“Moreno-Peralta”) in this action.
2. I submit this declaration in support of the Motion for Preliminary Approval of the Class Action Settlement in the action against Defendant TRS RECOVERY SERVICES, INC. (“TRS”).
3. I am licensed to practice law before all California Federal Courts; and, all California State Courts.
4. If called as a witness, I would competently testify to the matters herein from personal knowledge.
5. The declaration is based upon my personal knowledge, except where expressly noted otherwise.
6. There is pending in the San Luis Obispo Superior Court, a civil action entitled, *Rosa Moreno-Peralta, Individually and on Behalf of All Others Similarly Situated v. TRS Recovery Services, Inc.*, Case No.: 15cv-0481 (“Moreno-Peralta Action”).
7. The Parties have engaged in thorough investigation followed by settlement discussions and negotiations regarding this Action.
8. Through this process and Parties’ representations to each other, the Parties believe that they are fully apprised of the relative strengths and weaknesses of each other’s claims and defenses and the potential risk to each party of pursuing further litigation in this matter.
9. As part of the Settlement Agreement, TRS agreed to the following:
 - a. Defendant will pay a non-reversionary “all in” cash sum in the total amount of \$35,000.00.

- 1 b. Notice costs as well as the costs of administration will be paid by TRS
2 from the Settlement Fund.
- 3 c. The Claims Administrator shall pay from the Settlement Fund the
4 maximum total of \$2,000.00 to Moreno-Peralta payable through Class
5 Counsel as an Incentive Payment for bringing and participating in this
6 action.
- 7 d. The Claims Administrator shall pay from the Settlement Fund to Class
8 Counsel the maximum sum of \$13,000 as attorneys' fees and litigation
9 costs incurred in litigating this action, in the manner specified in the
10 Settlement Agreement. As stated in the Settlement Agreement and
11 Release, the amount of attorneys' fees and costs received by Moreno-
12 Peralta's counsel is to be determined by this Court following a Motion by
13 Moreno-Peralta's counsel.
- 14 e. TRS shall change TRS's written communication to avoid the violation at
15 issue in Moreno-Peralta's Complaint.

16 10.I contend that this class as defined satisfies the Preliminary Approval
17 requirements of the California Code of Civil Procedure because all members of
18 the Class received a form written communication from TRS that contained the
19 same defect.

20 CLASS DEFINITION

21 11.The Settlement Class is defined as follows:

- 22 (i) all persons with addresses within the State of
23 California; (ii) who were sent one or more collection
24 letter(s) by Defendant (iii) which was sent in a windowed
25 envelope through which the addressee's account number
26 was visible and/or which bore a Bar Code visible through
27 the window; (iv) to recover a consumer debt; (v) which
28 was not returned undeliverable by the United States Postal
Service; (vi) at any time one year prior to the date of the

filing of this Action.

12. This matter should be certified as a Class action to assist in the expeditious litigation of this matter. However, Settlement will be terminable at the option of the Parties (a) in the event the Court refuses to approve the Agreement; (b) in the event the Court fails to enter the orders contemplated by the Settlement Agreement, or does so in a form substantially different from the forms contemplated by the Agreement; or (c) as otherwise provided in this Agreement. The Agreement also shall be terminable upon the mutual agreement of Moreno-Peralta, Class Counsel and TRS.

13. After the Court enters an order granting the Motion for Preliminary Approval of Settlement, the Claims Administrator will initiate the notice process. The Claims Administrator specializes in providing administrative services in class action litigation, and has extensive experience in administering consumer protection and privacy class action settlements.

ADEQUACY OF SETTLEMENT

14. In accordance with the Settlement Agreement, the relief provided to the class members by TRS is nonmonetary.

15. The class members identified herein, as well as future consumers, will no longer receive the form written communication that Moreno-Peralta alleged violated the RFDCPA.

16. The proposed Settlement contemplates that Moreno-Peralta will request an incentive award of up to \$2,000, subject to Court approval. TRS has agreed not to oppose a request for such incentive award in the agreed-upon amount.

17. The proposed Settlement contemplates that Class Counsel shall be entitled to apply to the Court for an award of attorneys' fees and costs to be paid from the Settlement Fund. TRS has agreed not to oppose an application by Class Counsel for an award of attorneys' fees up to \$13,000 in attorneys' fees and litigation

costs.

18. Class Members will receive notice via publication. In addition, the Claims Administrator as well as class counsel will also ensure that the applicable information is available to consumer through a settlement website and a toll-free telephone number. Such notice is sufficient to permit the Settlement Administrator to provide an opinion about the notice plan to support a court finding that the plan is consistent with industry standards, and with facts demonstrating that the notice plan is sufficient to meet due process and the governing California Rules.

19. This is an opt-out class meaning consumers are not required to file a claim be included.

20. To opt-out of the class, the consumers need only submit written notice of the opt-out or objection to class counsel and/or the proposed Claims Administrator.

21. Taking into account the burdens, uncertainty and risks inherent in this litigation, Moreno-Peralta's counsel have concluded that further prosecution of this action could be protracted, unduly burdensome, and expensive, and that it is desirable, fair, and beneficial to the class that the action now be fully and finally compromised, settled and terminated in the manner and upon the terms and conditions set forth in the Settlement Agreement.

22. Moreno-Peralta and Moreno-Peralta's counsel believe that the claims asserted in the Action have merit. However, taking into account the risks of continued litigation, as well as the delays and uncertainties inherent in such litigation including the risks in class certification, and any subsequent appeal, they believe that it is desirable that the Action be fully and finally compromised, settled and terminated now with prejudice, and forever barred pursuant to the terms and conditions set forth in the Settlement Agreement. We have concluded that with the Settlement Fund and with the deterrent effects of the Settlement, we believe

1 the terms and conditions of the Settlement Agreement are fair, reasonable and
2 adequate to the proposed class, and that it is in the best interests of the proposed
3 class to settle the Action.

4 23. A settlement was finalized, agreed upon by all Parties and counsel and a formal
5 Settlement Agreement was executed. This unopposed submission for Preliminary
6 Approval and Class Certification followed.

7 24. The Class will provide a global release to the Released Parties as outlined in the
8 Settlement Agreement.

9 **CLASS COUNSEL’S EXPERIENCE**

10 25. Kazerouni Law Group, APC; and, Hyde & Swigart seek to be confirmed as class
11 counsel for purposes of this action and proceeding with the settlement.

12 26. My co-counsel, Abbas Kazerounian; and, Joshua B Swigart, have filed separate
13 Declarations in support of their requests to be designated class counsel.

14 27. I am an attorney admitted to practice in the State of California and I am a Partner
15 at Kazerouni Law Group, APC (“KLG”), which has been retained to represent
16 Moreno-Peralta in the above-captioned matter.

17 28. I am over the age of 18 and am fully competent to make this declaration.

18 29. I was admitted to the State Bar of California in 2011 and have been a member in
19 good standing ever since that time.

20 30. I have litigated cases in both state and federal courts in Arizona, California,
21 Colorado, Florida, Minnesota, Missouri, Nevada, Ohio, South Carolina,
22 Tennessee and Utah as well as the Ninth Circuit Court of Appeals and California
23 Appellate Courts.

24 31. I am also admitted to practice in the States of Texas; and, Washington.

25 32. I have undergone extensive training in the area of the consumer law, including a
26 four-day National Association of Consumer Advocates training in Tampa Bay
27 Florida; and, a three-day National Association of Consumer Advocates

1 conference in Baltimore, Maryland.

2 33.I also a member in good standing of the following local and national associations:

- 3 a. National Association of Consumer Advocates;
4 b. Orange County Bar Association;
5 c. San Luis Obispo Bar Association;
6 d. California Attorneys Association of Los Angeles;
7 e. Consumer Attorneys of California; and,
8 f. Consumer Financial Services Committee with the State Bar of California.

9 34.I have been requested to, and have made, regular presentations to community
10 organizations regarding debt collection laws.

11 35.In 2012, I gave a presentation to law students at California Western School of
12 Law.

13 36.I also presented an ethics discussion before the Central Coast Paralegal
14 Association in 2013.

15 37.I made presentations to pre-law majors at California Polytechnic State University
16 in 2014 and 2016.

17 38.I also spoke to pre-law majors at the University of California, Irvine in 2014.

18 39.I have been invited to speak at Business Networking International meetings on
19 multiple occasions.

20 40.I speak regularly at meetings for the San Luis Obispo County Drug & Alcohol
21 Services regarding the benefits of obtaining strong credit.

22 41.I was interviewed and quoted in connection with the New Times Cover Story
23 entitled *Junk Debt: How the Open Market for Delinquent Debts Leads to*
24 *Lawsuits and Wage Garnishments*.

25 42.I am a Guest Lecturer for Legal Responsibilities of Business Course at California
26 Polytechnic State University.

27 43.I presented a MCLE for the State Bar of California entitled "Introduction to

1 California's Fair Debt Buying Practices Act.”

2 44.I have also been interviewed on the radio on multiple occasions, including the
3 Wall Street Business Network on December 16, 2014; and, Real Estate Radio on
4 March 5, 2015.

5 45.I was invited by the American Bar Association to lead a webinar on “Hot Topics
6 with the Telephone Consumer Protection Act” on February 18, 2015.

7 46.I was invited by the State Bar of California to lead a presentation entitled “Ethical
8 Conundrums in Debt Collection.”

9 47.I have been a Guest Lecturer for the AP English class at Morro Bay High School
10 in 2015, 2016 and 2017.

11 48.I regularly speak at Home Buyer's Workshops in San Luis Obispo County along
12 with agents from Century 21.

13 49.I was also interviewed in connection with KLAS-TV's story regarding the
14 Kazerouni Law Group, APC's class action against Manny Pacquiao; and,
15 Pacquiao's Promoters entitled *McDonald, et al. v. Pacquiao, et al.*, 15-cv-1006
16 JLS (BGS) (S.D. Cal.).

17 50.I was invited to and spoke at the 88th Annual California State Bar Association
18 Meeting. Said discussion was entitled “Debt Collection in the Age of
19 Technology and the CFPB.”

20 51.I was named as a Best Consumer Rights Lawyer for California in 2015 by M&A
21 Awards.

22 52.I was named as a Lawyer of Distinction for 2017.

23 53.I was nominated as a Rising Star for 2017 by Super Lawyers.

24 54.I am the co-Chair of programming for the Consumer Financial Services
25 Committee with the State Bar of California.

26 55.I was selected to be a part of the eCourse Development Team for a debt defense
27 course to be presented by the National Association of Consumer Attorneys.

1 56.I have been a Panel Mediation for multiple State Bar functions in 2016 and 2017
2 including “Introduction to the Fair Credit Reporting Act”; Recent Advances in
3 California Invasion of Privacy Act”; and, “Recent Advances in the Telephone
4 Consumer Protection Act.”

5 57.I also was also selected to give the opening presentation for the University of
6 California, Santa Barbara’s Financial Literacy Month in April 2017.

7 58.I gave a presentation to the State Bar of California regarding the recent United
8 States Supreme Court’s decision in *Henson v. Santander Consumer USA, Inc.* on
9 July 20, 2017.

10 **KAZEROUNI LAW GROUP FOCUSES ON CONSUMER RIGHTS CLASS ACTIONS**

11 59.I have extensive experience prosecuting class actions related to consumer issues.

12 60.Some of the cases more significant class actions that I, along with my co-counsel,
13 have been involved in, include but are not limited to:

14 a. *Franklin v. Wells Fargo Bank, N.A.*, 14-cv-2349 MMA (BGS) (S.D. Cal.)
15 (TCPA Class Action Settlement preliminarily approved on February 9,
16 2015 in the amount of \$13,859,103.80);

17 b. *Knell v. FIA Card Services, N.A.*, 12-cv-426 AJB (WVG) (S.D. Cal.)
18 (California class action settlement under Penal Code 632 et seq., for claims
19 of invasion of privacy. Settlement resulted in a common fund in the
20 amount of \$2,750,000; preliminarily approved on January 23, 2014;

21 c. *Zaw v. Nelnet, Inc.*, C 13-5788 RS (N.D. Cal.) (California class action
22 settlement under Penal Code 632 et seq., for claims of invasion of privacy.
23 Settlement resulted in a common fund in the amount of \$1,188,110.00;
24 finally approved on November 14, 2014;

25 d. *Hoffman v. Bank of America*, 12-cv-539 JAH (DHB) (S.D. Cal.)
26 (California class action settlement under Penal Code 632 et seq., for claims
27

- 1 of invasion of privacy. Settlement resulted in a common fund in the
2 amount of \$2,600,000; preliminarily approved on February 13, 2014);
- 3 e. *Macias, et al. v. Water and Power Community Credit Union*, BC515936
4 (California Class Action certified pursuant to Rosenthal Fair Debt
5 Collection Practices Act on June 9, 2014 wherein I was appointed Class
6 Counsel);
- 7 f. *Mount, et al. v. Wells Fargo Bank, et al.*, BC395959 (Los Angeles
8 Superior Court) (California class action settlement under Penal Code 632
9 et seq., for claims of invasion of privacy. Settlement resulted in a common
10 fund in the amount of \$5,600,000);
- 11 g. *Couser v. Comenity Bank*, 12-cv-484 MMA (BGS) (S.D. Cal.) (California
12 class action settlement under Penal Code 632 et seq., for claims of invasion
13 of privacy. Settlement resulted in a common fund in the amount of
14 \$8,400,000; preliminarily approved on October 2, 2014;
- 15 h. *Maxin v. RHG & Company, Inc.*, 16-cv-2625 JLS (BLM) (S.D. Cal.)
16 (Supplement Misrepresentation class action preliminarily approved on
17 February 27, 2017);
- 18 i. *Giffin v Universal Protein Supplements Corporation*, (Los Angeles
19 Superior Court), BC613414 (Supplement Misrepresentation class action
20 preliminarily approved on December 28, 2016);
- 21 j. *McPolin v. Credit Service of Logan*, 16-cv-116 BSJ (Utah District Court)
22 (FDCPA class action preliminarily approved on February 28, 2017);
- 23 k. *Reid v. I.C. System Incorporated*, CV-12-2661 PHX ROS (Arizona
24 District Court) (\$3,500,000.00 TCPA Class Settlement Preliminarily
25 Approved on March 24, 2017);
- 26
27

EXHIBIT 1

In The Case Of

*Rosa Moreno-Peralta, Individually and on Behalf of All Others Similarly
Situating,*

v.

TRS Recovery Services, Inc.; and, Does 1-20, Inclusive,

15CV-0481

KAZEROUNI LAW GROUP, APC
1303 EAST GRAND AVENUE, SUITE 101
ARROYO GRANDE, CA 93420
(805) 335-8455

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the “Settlement Agreement”), effective as of the date of the last signature below, is made by and between Plaintiff ROSA MORENA-PERALTA (“Plaintiff”), individually and on behalf of the class of persons Plaintiff seeks to represent, and Defendant TRS RECOVERY SERVICES, INC. (“Defendant”) with reference to the following facts. Plaintiff and Defendant are sometimes collectively referred to herein as the “Parties.”

RECITALS

A. There is pending in the Superior Court of California, County of San Luis Obispo, a civil action entitled *Rosa Morena-Peralta, individually and on behalf of all others similarly situated, v. TRS Recovery Services, Inc.*, Case No. 15CV-0481 (the “Action”).

B. Plaintiff commenced the Action on September 3, 2015 against Defendant by filing a putative class action complaint alleging violations by Defendant of the Rosenthal Fair Debt Collection Practices Act. Defendant denies these allegations.

C. For more than one year, the Parties have actively litigated the Action, including informal discovery and the exchange of documents.

D. On August 30, 2016, the Parties reached an agreement to settle the Action on a class action basis. Taking into account the burdens, uncertainty and risks inherent in this litigation, including the class action status of this case, the Parties have concluded that further prosecution and defense of the Action could be protracted, unduly burdensome, and expensive, and that it is desirable, fair, and beneficial to the class that the Action now be fully and finally compromised, settled and terminated in the manner and upon the terms and conditions set forth in this Settlement Agreement.

F. Defendant denies that it committed any wrongful act or violated any law or duty. Defendant also denies that the Plaintiffs, or the class they now represent, are entitled to any form of damages or relief based on the conduct alleged in the Action. In addition, Defendant maintains that it has meritorious defenses to all claims alleged in the Action and it is prepared to defend the Action. This Settlement Agreement, and all related documents, shall not be construed as any admission or concession by Defendant, or any of the Released Parties (defined in Section 15 below), of any fault, liability, wrongdoing or damage whatsoever.

G. Plaintiff and Plaintiff’s counsel believe that the claims asserted in the Action have merit. However, taking into account the risks of continued litigation, as well as the delays and uncertainties inherent in such litigation and any subsequent appeal, Plaintiff and Plaintiff’s counsel believe that it is desirable that the Action be fully and finally compromised, settled and terminated now with prejudice, and forever barred pursuant to the terms and conditions set forth in this Settlement Agreement. Plaintiff and Plaintiff’s counsel have concluded that the terms and conditions of this Settlement Agreement are fair, reasonable and adequate to the proposed class, and that it is in the best interests of the proposed class to settle the Action.

WHEREFORE, in consideration of the promises, covenants, representations and warranties contained herein, and for good and valuable consideration given hereunder, the sufficiency of which is hereby acknowledged by the signatories to this Settlement Agreement, the Parties hereby agree as follows:

1. Settlement Class

1.1 Proposed Class Definition. For settlement purposes, the Parties have agreed to define the class as follows:

(i) all persons with addresses within the State of California; (ii) who were sent one or more collection letter(s) by Defendant (iii) which was sent in a windowed envelope through which the addressee's account number was visible and/or which bore a Bar Code visible through the window; (iv) to recover a consumer debt; (v) which was not returned undeliverable by the United States Postal Service; (vi) at any time one year prior to the date of the filing of this Action.

1.2 Estimated Class Size. The Parties have entered into this Settlement Agreement on the basis of the estimated Class consisting of 56,918 members ("Class Members"). This estimated class size is a material term of this Settlement Agreement.

2. Preliminary Approval of Proposed Class Action Settlement

2.1 The Parties desire and intend to seek Court approval of the settlement and a final judgment and order dismissing with prejudice the claims of Plaintiff and the Class Members as set forth in this Settlement Agreement. The Parties agree to undertake all steps necessary to effectuate the purpose of the settlement, to secure the Court's approval of the settlement, and to oppose any interventions and objections to the settlement, including objections by any regulatory authority. Class Counsel (as defined in Section 2.2 below) reserves the right to appeal any award of attorney's fees and costs that is less than, and Defendant's counsel reserves the right to appeal any award of attorney's fees and costs that is more than, the amount the Parties agreed to in Section 4 below. The proposed Preliminary Approval Order is attached as Exhibit A hereto. The proposed Final Approval Order is attached as Exhibit B hereto.

2.2 Upon full execution of this Settlement Agreement, the Parties will file a Motion for Preliminary Approval of Class Action Settlement ("Motion for Preliminary Approval") in accordance with the terms of this Settlement Agreement. The Motion for Preliminary Approval will seek an order that: (a) preliminarily approves the settlement of the Action; (b) acknowledges that Action has already received class certification status; (c) approves and appoints Plaintiff as representative of the Class; (d) acknowledges the appointment of Abbas Kazerounian and Matthew M. Loker of Kazerouni Law Group, APC; and, Joshua B. Swigart of Hyde & Swigart as counsel for the Class ("Class Counsel"); (e) approves the forms provided for in this Settlement Agreement for giving notice of the Settlement to the Class, as provided in Section 8 of this Agreement (the "Notice Forms"); (f) approves the methods provided for in this Agreement for giving notice of the Settlement as provided in Section 8 of this Agreement; (g) sets deadlines for providing notice to the Class and for Class Members to submit requests for exclusion/opt-out, entry of an appearance, or objections to the proposed settlement. The Parties will thereafter seek final approval of the settlement and entry of a "Final Judgment" (as defined in Section 13 below).

3. The Settlement Fund

Within thirty (30) days following Final Judgment, Defendant shall establish a settlement fund in the amount of \$35,000.00 (“Settlement Fund”). The Settlement Fund shall be used to provide any reasonable attorneys’ fees and costs approved and awarded by the Court, any incentive award approved and awarded by the Court and the costs of claims administration. Defendant shall not, under any circumstances, be obligated to pay any other additional amounts, besides those referenced in this paragraph, to the Settlement Fund in connection with this Settlement Agreement. No interest shall accrue on the Settlement Fund.

4. Benefit to the Class Members

Injunctive Relief: As a result of this Action, Defendant has agreed to move the account number and/or Bar Code on Defendant’s collection letter such that said this information is no longer visible through the glassine window.

The Rosenthal Fair Debt Collection Practices Act, Cal. Civ. Code § 1788.17 incorporates 15 U.S.C. § 1692k(a)(2)(B) which limits damages in class actions to “(i) such amount for each named plaintiff as could be recovered under subparagraph (A), and (ii) such amount as the Court may allow for all other class members without regard to a minimum individual recovery, not to exceed the lesser of \$500,000 or 1 per centum of the net worth of the debt collector. Defendant does not contest that one percent (1%) of its net worth exceeds five hundred thousand dollars (\$500,000). Given the class size, Class Members would receive an estimated distribution of \$8.78 which is impracticable.

5. Attorney’s Fees, Litigation Costs, and Claims Administration Costs

Class Counsel shall move the Court for an award of attorneys’ fees and costs incurred in connection with the Action to be paid to Class Counsel from the Settlement Fund. Defendant shall not object to such a motion so long as the attorneys’ fees, litigation costs, and claims administration costs requested are not more than a total of \$35,000 from the Settlement Fund. Any attorneys’ fees, litigation costs, and claims administration costs approved by the Court shall be paid from the Settlement Fund. No interest will accrue on any attorneys’ fees or costs awarded by the Court to Class Counsel.

Of said amount, Plaintiff’s attorneys’ fees and litigation costs shall not exceed \$15,000.00. In addition, the notice costs shall not exceed \$20,000.00. In addition, Plaintiff’s Motion for Attorneys’ Fees and Litigation costs shall be filed within thirty (30) days of this Court granting Preliminary Approval.

6. Incentive Award for Named Plaintiff

Class Counsel shall move the Court for a service/incentive award for Plaintiff for her service as class representative in this Action, in an amount not to exceed \$2,000, to be paid from the Settlement Fund. Court approval of any service/incentive award will not be a condition of the Settlement. Defendant shall not object to a service/incentive award that does not exceed a total of \$2,000.

7. Third-Party Claims Administrator

7.1 The costs and expenses of claims administration shall be overseen by Class Counsel. Defendant’s counsel may also oversee the claims administration process as they deem necessary. The Parties will use good faith efforts to minimize the costs of claims administration.

7.2 Subject to the oversight of Class Counsel and Defendant's counsel, the Claims Administrator shall be responsible for, among other things, the following: (a) providing notice to Class Members as set forth in Section 8 below; and (b) acting as a liaison between Class Members and the Parties regarding the settlement. The Claims Administrator shall be permitted to communicate without restriction with Class Counsel and Defendant's counsel.

7.3 All costs and expenses related to claims administration shall be paid from the Settlement Fund as invoiced by the Claims Administrator in order to do what is necessary for claims administration.

7.4 The Parties propose utilizing the services of Dahl Administrators, LLC to act as the Claims Administrator for this action.

8. Notice of Settlement

8.1 Publication Notice

8.1.1 The Claims Administrator shall cause a Notice, substantially in the form attached hereto as Exhibit C, to be published once on a California-wide basis, in a statewide edition of the Fresno Bee, Los Angeles Times, Sacramento Bee, San Diego Union-Tribune, San Francisco Chronicle, and San Jose Mercury News on any day from Monday through Thursday, and to be published on the settlement website, as set forth in Section 9.3 below, on the same date, and retained on the website thereafter.

8.1.2 The Claims Administrator shall cause the Notice described in Section 8.1.1 above to be published as soon as reasonably practicable but no later than 30 days from the date the Court grants the Motion for Preliminary Approval of Settlement. The Claims Administrator will file a declaration with the Court, as part of the final approval papers, stating that these procedures were followed.

8.1.3 The Claims Administrator shall create and maintain a settlement website for this Action containing the Complaint, the Settlement Agreement and the Notice along with any other information the Parties deem proper. Said website's URL shall be www.MorenoPeraltaRFDCPAClassSettlement.com. Therein, a Long Form Notice attached hereto as Exhibit D shall be made available to the putative class members.

8.1.4 Plaintiff's counsel, Kazerouni Law Group, APC, will post all Settlement Documents, including to www.kazlg.com up until the date of Final Approval of this proposed Class Action Settlement. Said documents include Plaintiff's operative pleading; Motion for Preliminary Approval; Motion for Attorneys' Fees and Costs; Motion for Final Approval; and, any associated Court Orders.

8.1.5 The Claims Administrator shall designate a toll-free number for receiving calls related to the settlement ("Settlement Call Center"). Anyone may call the Settlement Call Center from anywhere within the United States to ask questions of the Claims Administrator about the settlement. The Parties shall jointly resolve any dispute that may arise regarding the operation of the Settlement Call Center. Before the Notice is published, the Claims Administrator shall designate a toll-free number for the Settlement Call Center, which shall be included in the Notice. The Settlement Call Center shall be operational at a minimum from 9:00 A.M. to 9:00 P.M. (PST) or at such other times as the Parties deem necessary. The Settlement Call Center shall be maintained from the date the Notice is published through Final Approval. Once this time period has expired, either a live person or a recording will advise the caller that the details regarding the settlement may be reviewed on the related settlement website.

9. Claims Process

9.1 Potential Claimants

Each Class Member who does not timely and validly request exclusion from the settlement as required in this Settlement Agreement shall be a Class Member bound by this Settlement Agreement and Final Judgment to be entered following the hearing for final approval of the settlement.

10. Right to Opt Out of Settlement

10.1 Class Members have the right to opt out and exclude themselves from the settlement by mailing an exclusion request (“Exclusion Request”) to the Claims Administrator. The Exclusion Request must be postmarked on or before the Opt-Out and Objection Deadline specified on the Notice Forms, which is ninety (90) days from the date the Court grants the Motion for Preliminary Approval. The Claims Administrator will provide copies of such exclusion requests to Class Counsel and counsel for Defendant promptly upon receipt.

10.2 The Exclusion Request shall be in writing and include the name and number of this case, the Class Member’s name, address, and telephone number, and must be signed by the Class Member.

10.3 Except for those Class Members who have properly and timely mailed an Exclusion Request, all Class Members will be bound by this Settlement Agreement and the Final Judgment to be entered following the hearing for final approval of the Settlement Agreement.

11. Right to Object to Settlement

11.1 Any Class Member who intends to object to this Settlement Agreement must mail his or her objections to the Court (“Objection”) and submit a copy of the Objection to Class Counsel and Defendant’s counsel. The Objection must be postmarked on or before the Opt-Out and Objection Deadline specified in the Mail Notice, which is ninety (90) days from the date the Court grants the Motion for Preliminary Approval.

11.2 Any Objection, which must be mailed to the Court and submitted to Class Counsel and Defendant’s counsel, must set forth the name and case number of the Action, Class Member’s name, address, and telephone number, and all arguments, citations and evidence supporting the Objection, and a statement of whether the objecting Class Member intends to appear at the hearing for final approval of the class action settlement, and whether the objecting Class Member intends to appear at the hearing with or without counsel. If Class Member is represented by counsel, counsel’s name, address, email address and telephone number shall be set forth in any Objection. The objecting Class Members shall also indicate in the objection the name and case number of all cases in which the objecting Class Members have previously submitted any objections to the settlement of any class action cases, whether the objection was filed by the objecting Class Member on his or her own behalf or on behalf of someone else. The Claims Administrator will provide to Class Counsel and Defendant’s Counsel all copies of any objections mailed to the Claims Administrator.

11.3 Any Class Member who fails to submit a timely Objection pursuant to this Section and as detailed in the Mail Notice shall have waived any right to object to the Settlement Agreement and shall not be permitted to object to this Settlement Agreement at the Final

Approval Hearing, and shall be foreclosed from seeking any review of this Settlement Agreement by appeal or other means.

12. Right to Enter an Appearance

On or before the date specified in the Mail Notice, which is ninety (90) days from the date the Court grants the Motion for Preliminary Approval, a Class Member may enter an appearance through an attorney if he or she so desires. The Class Member is solely responsible for any fees, costs or expenses of his or her attorney.

13. Final Judgment

13.1 As used herein, "Final Judgment" shall mean the entry by the Court of a judgment finally approving the settlement of the Action pursuant to the terms of this Settlement Agreement and that judgment shall have become final either by expiration of time for appeal or if a Class Member objects to the settlement and files an appeal, by either a dismissal of said appeal or final appellate court decision in favor of, and affirming, the judgment and the Settlement Agreement in all material respects.

Plaintiff shall file Plaintiff's Motion for Final Approval no later than one hundred and twenty (120) days from the date the Court grants the Motion for Preliminary Approval.

13.2 Defendant shall not be obligated to pay any sum pursuant to this Settlement Agreement except upon Final Judgment. However, in the event that Final Approval of this Settlement is not granted, Defendant will reimburse the Claims Administrator for reasonable costs incurred in administering the settlement, including but not limited to time spent to prepare documents and testimony in support of the Motion for Preliminary Approval or final approval motion. Any appeal regarding the attorney's fees or costs or incentive payments to the Macias shall not affect other payments that are not the subject of such an appeal.

13.3 By entering Final Judgment, the Court shall:

13.3.1 Approve the Settlement Agreement and the proposed settlement as fair, reasonable and adequate as to, and in the best interests of, the Class Members; direct the Parties and their counsel to implement and consummate the Settlement Agreement, to the extent the Parties have not done so already, according to its terms and provisions; and declare the Settlement Agreement to be binding on, and have res judicata and preclusive effect in all pending and future lawsuits or other proceedings maintained by or on behalf of Plaintiff and all other Class Members, as well as their heirs, executors and administrators, successors and assigns;

13.3.2 Acknowledge class certification status of the Action;

13.3.3 Find that the Notice Forms and the Notice Program implemented pursuant to the Settlement Agreement (a) constitute the best practicable notice, (b) constitute notice that is reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Action, their right to accept, object to or exclude themselves from the proposed settlement and to appear at the fairness hearing, (c) constitute reasonable, due, adequate and sufficient notice to all persons entitled to receive notice, and (d) meet all applicable requirements of the California Code of Civil Procedure, the Due Process Clause of the United States Constitution and any Rules of the Court;

13.3.4 Find that Class Counsel and Plaintiff adequately represented the Class for purposes of entering into and implementing the settlement;

13.3.5 Incorporate the Release set forth in Section 15 below, make the Release effective as of the date of the Final Judgment, and forever discharge the Released Parties from any claims or liabilities arising from or related to the facts, circumstances, or subject matter of this Action;

13.3.6 Bar and enjoin Plaintiff and all Class Members who have not been excluded from the Class from (a) filing, commencing, prosecuting, intervening in, promoting, or participating (as class members or otherwise) in, any lawsuit in any jurisdiction based on or arising out of the claims and causes of action, or the facts and circumstances relating thereto, in this Action and (b) organizing Class Members who have not been excluded from the Class into a separate class for purposes of pursuing as a purported class action any lawsuit (including by seeking to amend a pending complaint to include class allegations, or seeking class certification in a pending action) based on or relating to the claims and causes of action, or the facts and circumstances relating thereto, in this Action.

14. Payments Upon Final Judgment

14.1 Within thirty days (30) after Final Judgment, the Claims Administrator shall pay to Class Counsel, from the Settlement Fund, any reasonable attorney's fees and costs awarded by the Court. The Claims Administrator shall also be paid reasonable claims administration costs from the awards of costs to Class Counsel.

14.2 Within thirty (30) days after Final Judgment, Defendant shall pay to Plaintiff's counsel the attorneys' fees and costs as determined by this Court.

14.3 Within thirty (30) days after Final Judgment, the incentive award, as determined by the Court, shall be paid to Plaintiff from the Settlement Fund.

15. Release Upon Final Judgment

15.1 Plaintiff and each Class Member, (other than those persons who have timely and properly filed an Exclusion Request), on behalf of themselves and their agents, administrators, servants, employees, representatives, assigns, heirs, executors, trustees, joint venturers, partners, successors, predecessors and attorneys, and each of them (collectively the "Releasing Persons"), hereby jointly and severally release and discharge Defendant and all of its former, present and future direct and indirect parents, affiliates, subsidiaries, successors and predecessors and all of their respective former, present and future officers, directors, shareholders, employees, servants, agents, attorneys, representatives, independent contractors and vendors (collectively the "Released Parties") from any and all actions, causes of action, obligations, costs, expenses, damages, losses, claims, liabilities, and demands, based upon injunctive relief, known or unknown, to the date hereof, arising out of, relating to, or in connection with the claims asserted in the Action and the administration of this settlement. Without limiting the foregoing, the Releasing Parties expressly release and waive any claims to recover statutory damages or for injunctive relief pursuant to the Fair Debt Collection Practices Act, Rosenthal Fair Debt Collection Practices Act or otherwise. However, the Releasing Parties expressly do not waive the right to file a separate individual action pursuant to the Fair Debt Collection Practices Act and/or Rosenthal Fair Debt Collection Practices Act for actual damages only caused by Defendant's alleged mailing of one or more collection letter(s) in a windowed envelope through which the addressee's account number was visible and/or which bore a Bar Code visible through the window.

15.2 Each party acknowledges that it/he/she may hereafter discover facts different from, or in addition to, those which it/he/she now claims or believes to be true with respect to the claims released herein, and agrees that this Settlement Agreement shall remain

effective in all respects notwithstanding the discovery of such different, additional or unknown facts. The Parties hereby expressly waive any rights it/he/she may have under California Civil code Section 1542 or any other similar statute of any other state.

15.3 In entering into this Settlement Agreement, each party assumes the risk of any misrepresentation, concealment or mistake. If any party should discover subsequent to Final Judgment that any fact relied upon by it/him/her in entering into this Settlement Agreement was untrue, or that any fact was concealed from it/him/her, or that its/his/her understanding of the facts or of the law was incorrect, such party shall not be entitled to any relief in connection therewith, including without limitation, any alleged right or claim to set aside or rescind this Settlement Agreement. This Settlement Agreement is intended to be, and is final and binding between the Parties hereto, regardless of any claims of misrepresentation, promise made without the intention to perform, concealment of fact, mistake of fact or law, or any other circumstance whatsoever.

16. Effect of Court's Denial of Preliminary or Final Approval of Settlement

There is no settlement if the Court does not preliminarily approve the settlement and finally approve the settlement in substantially the same form as set forth herein, or if the settlement is appealed, or if the judgment approving the settlement is appealed, and if the settlement or the judgment approving the settlement is not approved on appeal in substantially the same form as set forth herein. In such event, (a) this Settlement Agreement is terminated and is of no force and effect and no party shall be bound by any of its terms; (b) to the extent applicable, any preliminary order approving the settlement, certifying the Class, approving the Notice Forms or Notice Program, and providing notice to the Class shall be vacated; (c) the Settlement Agreement and all of its provisions and all negotiations, statements, and proceedings relating to the Settlement Agreement shall be without prejudice to the rights of any of the Parties; (d) each of the Parties shall be restored to their respective positions as of the date this Settlement Agreement was fully executed; and (e) neither the settlement nor any communications or negotiations leading up to the settlement nor any of the settlement's provisions or the fact that this Settlement Agreement has been made shall be admissible in this Action or in any other action for any purpose whatsoever.

17. Representations and Warranties

Each of the Parties to this Settlement Agreement represents warrants and agrees as follows:

17.1 Assignment of Claims.

No party has hereto assigned, transferred or granted, or purported to assign, transfer, or grant, any of the claims, demands and cause(s) of action disposed of by this Settlement Agreement.

17.2 Legal Advice.

The Parties hereto acknowledge that they have had the opportunity to consult with independent legal counsel with respect to the advisability of making the settlement provided for herein and of executing this Settlement Agreement and all other matters contained herein, including the waiver of rights under California Civil Code section 1542 or any other similar statute of any other state.

17.3 Investigation.

The Parties hereto acknowledge that they have either been represented in the negotiations for, and in preparation of, this Settlement Agreement by counsel of their choice; that they have read this Settlement Agreement and have had it fully explained to them by such counsel; and that they are fully aware of the contents of this Settlement Agreement and of the legal effect of each and every provision thereof. Each party to this Settlement Agreement has made such investigation of the facts pertaining to this Settlement Agreement and of all of the matters pertaining thereto as it deems necessary.

17.4 Authority and Capacity to Execute Settlement Agreement.

The Parties hereto represent and warrant to each other that the person executing this Settlement Agreement on their behalf has full authority and capacity to execute this Settlement Agreement and to give the releases and other promises contained herein.

18. No Admission of Liability

This Settlement Agreement affects the settlement of claims which are denied and contested, and nothing contained herein shall be construed as an admission by Defendant of any liability of any kind. Defendant denies any liability in connection with any such claims and intends merely to avoid further litigation of the Action.

19. Return of Confidential Documents

Within thirty (30) days of Final Judgment, the original and all copies of all confidential or highly confidential documents and/or information subject to any Protective Order entered in this Action shall be returned to the designating party or destroyed with a certification that no copies have been retained or that all copies have been destroyed by the receiving party.

20. Choice of Law and Jurisdiction

This Settlement Agreement is being executed in the State of California, and it shall be deemed to be made under, and shall be interpreted in accordance with, the internal laws of the State of California.

21. Construction of Agreement

Each party has participated in the drafting and preparation of this Settlement Agreement. Hence, in construing this Settlement Agreement, none of the Parties hereto shall have any term or provision, or any uncertainty or ambiguity as to any term or provision herein, construed against such party solely by reason of such party having drafted the same, as a result of the manner of the preparation of this Settlement Agreement, or otherwise. Each term and provision of this Settlement Agreement shall be construed and interpreted so as to render it enforceable. In the event any provision of this Settlement Agreement is held to be illegal or unenforceable, the remainder of this Settlement Agreement shall be binding and enforceable.

22. Headings or Pronouns

Headings or captions contained in this Settlement Agreement are solely for the convenience of the Parties, are not a part of this Settlement Agreement, and shall not be used for the interpretation of, or determination of the validity of, this Settlement Agreement or any

provision hereof. Whenever the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall be deemed to refer to and include the plural, and vice versa.

23. Entire Agreement

This Settlement Agreement contains the entire agreement and understanding between the Parties concerning the subject matter hereof, and any and all prior oral or written agreements or understandings between the Parties related hereto are superseded. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Settlement Agreement, have been made by any party hereto.

24. Waiver, Modification and Amendment

No provision of this Settlement Agreement may be waived unless in writing signed by all Parties hereto. Waiver of any one provision shall not be deemed to be a waiver of any other provision hereof. This Settlement Agreement may not be altered, amended or otherwise changed or modified, except in writing signed by all Parties.

25. Successors and Assigns

This Settlement Agreement is binding upon, and shall inure to the benefit of, the parties hereto and their respective successors, assigns, heirs, agents, employees, attorneys, representatives, officers, parents, affiliates, and subsidiaries.

26. Execution in Counterparts

This Settlement Agreement may be executed in counterparts and all of said counterparts shall collectively constitute one agreement binding on all Parties.

27. Further Cooperation

The Parties hereto agree to execute all such further and additional documents and instruments, as shall be necessary or expedient to carry out the provisions of this Settlement Agreement, and shall promptly and in good faith undertake all reasonable acts to effectuate the provisions of this Settlement Agreement.

28. Notices

All letters, notices, requests, demands and other communication required or permitted to be given to the parties pursuant to this Settlement Agreement, excluding communications directed to Class members, shall be in writing and addressed as follows:

For Named Plaintiff
and the Class:

Abbas Kazerounian, Esq.
Matthew M. Loker, Esq.
Kazerouni Law Group, APC
245 Fischer Avenue, Suite D1
Costa Mesa, CA 92626

Joshua B. Swigart, Esq.
Hyde & Swigart
2221 Camino Del Rio South, Suite 101
San Diego, CA 92108

For Defendant:

Neal Robb, Esq.
Tara B. Voss, Esq.
Keesal, Young & Logan
400 Oceangate
Long Beach, CA 90802

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be executed as of the dates set forth below.

DATED: _____

ROSA MORENA-PERALTA, as an Individual
and as a Proposed Class Representative

DATED: _____

TRS RECOVERY SERVICES, INC.

By _____
Name:
Title:

APPROVED AS TO FORM AND CONTENT

DATED: _____

KEESAL, YOUNG & LOGAN

By _____
Neal Robb, Attorney for Defendant

DATED: _____

HYDE & SWIGART

By _____
Joshua B. Swigart, Attorneys for Plaintiff

DATED: _____

KAZEROUNI LAW GROUP, APC

By _____
Abbas Kazerounian, Attorneys for Plaintiff

EXHIBIT A

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**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO – CIVIL COURT OPERATIONS –
UNLIMITED**

**ROSA MORENO-PERALTA,
INDIVIDUALLY AND ON
BEHALF OF ALL OTHERS
SIMILARLY SITUATED,**

Plaintiff,

v.

**TRS RECOVERY SERVICES,
INC.; AND, DOES 1-20,
INCLUSIVE,**

Defendant.

Case No.: 15CV-0481

**[PROPOSED] ORDER GRANTING
PLAINTIFF’S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

DATE: TBD
TIME: 9:00 a.m.
DPT: 2

HON. BARRY T. LABARBERA

1 WHEREAS, a putative class action is pending in this Court entitled, *Rosa*
2 *Moreno-Peralta, Individually and on Behalf of All Others Similarly Situated v. TRS*
3 *Recovery Services, Inc.; and, Does 1-20, Inclusive*, Court case number: 15cv-0481
4 (the “Action”);

5 WHEREAS, the Parties to the Action have agreed, subject to Court approval
6 following notice to the proposed settlement class (as described in Paragraph 7
7 below) and a hearing, to settle the Action upon the terms and conditions set forth in
8 the Settlement Agreement, the Parties now request a preliminary certification of a
9 settlement class and preliminary approval of the proposed class action settlement;

10 WHEREAS, this Court has reviewed the Settlement Agreement, as well as
11 the files, records and proceedings to date in this matter;

12 WHEREAS, for purposes of this Order, capitalized terms used below have
13 the meaning ascribed to them in the Settlement Agreement, unless otherwise
14 defined; and

15 WHEREAS, for purposes of the Action, this Court has subject matter and
16 personal jurisdiction over the parties, including all Settlement Class Members.

17 NOW, THEREFORE, based on this Court’s review of the Settlement
18 Agreement and all of the files, records, and proceedings herein, the Court
19 concludes, upon preliminary examination, that the Settlement Agreement and
20 settlement appear fair, reasonable, and adequate, and within the range of
21 reasonableness for preliminary settlement approval, and that a hearing should and
22 will be held after notice to the Settlement Class (as described in Paragraph 7
23 below) to confirm that the Settlement Agreement and settlement are fair,
24 reasonable and adequate and to determine whether the settlement should be
25 approved and final judgment entered in the Action based upon the Agreement.

26 The Court has read and considered the Agreement, Preliminary Approval
27

1 Motion and the record.

2 **NOW, THEREFORE IT IS HEREBY ORDERED:**

3 1. Jurisdiction. The Court has jurisdiction over the subject matter of the Action
4 and over all settling parties hereto.

5 2. Preliminary Approval of Proposed Settlement. The Agreement, including
6 all exhibits thereto, is preliminarily approved as fair, reasonable and adequate
7 and within the range of reasonableness for preliminary settlement approval.

8 The Court finds that:

9 (a) the Agreement resulted from arm's length negotiations; and

10 (b) the Agreement is sufficient to warrant notice of the settlement to persons
11 in the Settlement Class and a full hearing on the approval of the
12 Settlement.

13 3. Class Certification For Settlement Purposes Only. The Court conditionally
14 certifies, for settlement purposes only, the following Settlement Class:

- 15 (i) all persons with addresses within the State of
16 California; (ii) who were sent one or more collection
17 letter(s) by Defendant (iii) which was sent in a windowed
18 envelope through which the addressee's account number
19 was visible and/or which bore a Bar Code visible through
20 the window; (iv) to recover a consumer debt; (v) which
was not returned undeliverable by the United States
Postal Service; (vi) at any time one year prior to the date
of the filing of this Action.

21 Defendant estimates, based on its records, approximately 56,918 such class
22 members.

23 In connection with this conditional certification, the Court makes the
24 following preliminary findings:

- 25 a. The Settlement Class appears to be so numerous that joinder of all
26 members is impracticable;

- 1 b. There appear to be questions of law or fact common to the Settlement
2 Class for purposes of determining whether this settlement should be
3 approved;
- 4 c. Plaintiff’s claims appear to be typical of the claims being resolved
5 through the proposed settlement;
- 6 d. Plaintiff appears to be capable of fairly and adequately protecting the
7 interests of the Settlement Class Members in connection with the
8 proposed settlement;
- 9 e. For purposes of determining whether the settlement is fair, reasonable
10 and adequate, common questions of law and fact appear to predominate
11 over questions affecting only individual Settlement Class Members.
12 Accordingly, the Settlement Class appears to be sufficiently cohesive to
13 warrant settlement by representation; and
- 14 f. For purposes of settlement, certification of the Settlement Class appears
15 to be superior to other available methods for the fair and efficient
16 settlement of the claims of the Settlement Class Members.

17 4. Class Representative. Plaintiff ROSA MORENO-PERALTA is designated
18 as class representative for the Settlement Class.

19 5. Class Counsel. The Court appoints Abbas Kazerounian and Mathew M.
20 Loker of Kazerouni Law Group, APC; and, Joshua B. Swigart as counsel for
21 the Settlement Class. The Court finds that counsel is competent and capable
22 of exercising all responsibilities as Class Counsel for the Settlement Class.

23 6. Settlement Hearing. A final approval hearing (the “Settlement Hearing”)
24 shall be held on [DATE OF FINAL APPROVAL HEARING], at [TIME], as
25 set forth in the notice to the Settlement Class, to determine whether the
26 Agreement is fair, reasonable and adequate and should be approved. Papers

1 in support of final approval of the Agreement, the incentive award to
2 Plaintiffs and Class Counsel’s application for an award of attorneys’ fees,
3 costs and expenses (the “Fee Application”) shall be filed with the Court
4 according to the schedule set forth in Paragraph 10 below. The Settlement
5 Hearing may be postponed, adjourned, or continued by order of the Court
6 without further notice to the Settlement Class. After the Settlement Hearing,
7 the Court may enter a settlement order and final judgment in accordance with
8 the Agreement that will adjudicate the rights of the Settlement Class
9 Members with respect to the Released Claims being settled.

10 7. Class Notice. Class Notice shall be mailed within thirty (30) days following
11 entry of this Order.

12 (a) Publication. The Claims Administrator will publish Notice once on a
13 California-wide basis, in a statewide edition of the Fresno Bee, Los
14 Angeles Times, Sacramento Bee, San Diego Union-Tribune, San
15 Francisco Chronicle, and San Jose Mercury News on any day from
16 Monday through Thursday, and will publish the Notice on the settlement
17 website on the same date, and retained on the website thereafter. Notice
18 will be published as soon as reasonably practicable, but no later than 30
19 days from the date the Court grants the Motion for Preliminary Approval
20 of Settlement..

21 (b) Declaration to be Filed Regarding Notice. At least fourteen (14) days
22 prior to the Final Approval Hearing, the Claims Administrator shall file a
23 declaration of compliance with the notice procedures as set forth in the
24 Agreement.

25 (c) Findings Concerning Class Notice. The Court finds that the foregoing
26 program of Class Notice and the manner of its dissemination is the best

1 practicable notice under the circumstances and is reasonably calculated to
2 apprise Settlement Class Members of the pendency of this Action and
3 their right to object to or exclude themselves from the Settlement Class.
4 The Court further finds that the Class Notice program is reasonable, that
5 it constitutes due, adequate and sufficient notice to all persons entitled to
6 receive notice and that it meets the requirements of due process.

7 (d) Approval Of Opt-Out Process and Settlement Procedure. The opt-out
8 and objection processes described in the Settlement Agreement are
9 hereby approved. The Court preliminarily approves the process set forth
10 in the Settlement Agreement for submitting, reviewing, approving and
11 paying all claims as described in the Settlement Agreement. Opt-outs
12 and objections shall be received by ninety days (90) after the date of
13 preliminary approval.

14 (e) Costs of Administration, Incentive Payments, and Attorney Fees. The
15 Court also approves the process for paying the costs of notice and claims
16 administration, the incentive payment and the Class Counsel's attorneys'
17 fees and litigation costs. These attorneys' fees and litigation costs will be
18 paid out of the Settlement Fund.

19 The costs of notice and claims administration will be paid by Defendant
20 outside of the Settlement Fund.

21 8. Exclusion From The Settlement Class.

22 (a) As stated above, Class Members have the right to opt out and exclude
23 themselves from the settlement by mailing an exclusion request
24 ("Exclusion Request") to the Claims Administrator. The Exclusion
25 Request must be postmarked on or before the date specified in the Notice,
26 which is within 90 days from the date of the Preliminary Approval Order.

1 The Claims Administrator will provide copies of such exclusion requests
2 to Class Counsel and counsel for Defendant. All Settlement Class
3 Members who do not opt out in accordance with the terms set forth herein
4 will be bound by all determinations and judgments in the Action.

5 (b) Exclusion requests must: (i) include the full name, address and phone
6 number of the person(s) requesting exclusion; and (ii) include a statement
7 to the effect that they wish to be excluded from this Settlement. No
8 request for exclusion will be valid unless all of the information described
9 above is included. No Settlement Class Member, or any person acting on
10 behalf of or in concert or participation with that Settlement Class
11 Member, may exclude any other Settlement Class Member from the
12 Settlement Class.

13 (c) The Claims Administrator will retain a copy of all requests for exclusion.
14 Not later than fourteen days before the Final Approval Hearing, the
15 Claims Administrator shall file with the Court a declaration that lists all of
16 the opt-outs received.

17 9. Objections And Appearances.

18 (a) Any person in the Class who has not timely submitted a valid request for
19 exclusion from the Class, and thus is a Class Member, may appear at the
20 Final Approval Hearing to argue that the proposed Settlement should not
21 be approved and/or to oppose the application of Class Counsel for an
22 award of attorneys' fees and the incentive award to the Plaintiffs.

23 (b) In order to be heard at the hearing, the person must make any objection in
24 writing and file a notice of appearance with the Court no later than ninety
25 (90) days after the date of preliminary approval, or as the Court may
26

1 otherwise direct. The objection must also be mailed to the Class Counsel
2 and defense counsel.

3 (c) Any Objection filed with the Court and submitted to the Claims
4 Administrator must set forth the Class Member's full name, address, and
5 telephone number, the reasons for the objection, whether the objecting
6 Class Member intends to appear at the fairness hearing on his or her own
7 behalf or through counsel, set forth all arguments, citations and evidence
8 supporting the objection, and disclose every prior objection to a class
9 action settlement ever made by the Class Member or Class Member's
10 attorney including the case name, case number, and disposition of the
11 prior objection(s). Additionally, any documents supporting the objection
12 must also be attached to the objection. Any Class Member who fails to
13 comply with these provisions shall waive and forfeit any and all rights the
14 Class Member may have to appear separately and/or object, and shall be
15 bound by all the terms of the Settlement Agreement and Release, and by
16 all proceedings, orders, and judgments in the Action. Any objections that
17 are not timely filed and mailed shall be forever barred.

18 10. Further Papers In Support Of Settlement And Fee Application. Any
19 responses to objections to the Agreement shall be filed with the Court
20 within 120 days of the Preliminary Approval Order. Similarly, Class
21 Counsel's Motion for Attorneys' Fees; Costs; and, Incentive Award shall be
22 filed within thirty (30) days of Preliminary Approval Order while the
23 Motion for Final Approval shall be filed within one hundred and twenty
24 (120) days of Preliminary Approval.

25 11. Effect of Failure to Approve the Agreement. In the event the Agreement is
26 not approved by the Court, or for any reason the Parties fail to obtain a

1 Final Judgment as contemplated in the Agreement, or the Agreement is
2 terminated pursuant to its terms for any reason, then the following shall
3 apply:

4 (a) All orders and findings entered in connection with the Agreement shall
5 become null and void and have no further force and effect, shall not be
6 used or referred to for any purposes whatsoever, and shall not be
7 admissible or discoverable in any other proceeding;

8 (b) The conditional certification of the Settlement Class pursuant to this
9 Order shall be vacated automatically and void; no doctrine of waiver,
10 estoppel or preclusion shall be asserted in any litigated certification
11 proceedings in the Action; and the Agreement, its existence and any draft
12 thereof, and any discussion, negotiation, documentation, or other part or
13 aspect of the Parties' settlement discussions leading to the execution of
14 the Agreement shall have no effect and shall not be admissible evidence
15 for any purpose, including to establish any fact relevant to class
16 certification or any alleged liability of Defendant for the matters alleged
17 in the Action or for any other purpose;

18 (c) Nothing contained in this Order is, or may be construed as, any admission
19 or concession by or against Defendant or Plaintiff on any point of fact or
20 law; and

21 (d) Neither the settlement terms nor any publicly disseminated information
22 regarding the settlement, including, without limitation, the class notices,
23 court filings, orders and public statements, may be used as evidence for
24 any purpose whatsoever. In addition, neither the fact of, nor any
25 documents relating to, Defendant's withdrawal from the settlement, any
26

1 failure of the Court to approve the settlement and/or any objections or
2 interventions may be used as evidence for any purpose whatsoever.

3 12. Stay/Bar Of Other Proceedings. All proceedings in this Action are stayed
4 until further order of the Court, except as may be necessary to implement
5 the terms of the settlement. Pending final determination of whether the
6 settlement should be approved, Plaintiff, all persons in the Settlement Class
7 and persons purporting to act on their behalf are enjoined from commencing
8 or prosecuting (either directly, representatively or in any other capacity)
9 against any of the Released Parties any action, arbitration or proceeding in
10 any court, arbitration forum or tribunal asserting any of the Released
11 Claims.

12 13. Continuing Jurisdiction. The Court retains continuing and exclusive
13 jurisdiction over the action to consider all further matters arising out of or
14 connected with the settlement, including the administration and
15 enforcement the Agreement.

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26 ///

14. Schedule. This case shall proceed pursuant to the following schedule:

EVENT	DAYS AFTER PRELIMINARY APPROVAL	DATE
Allied Interstate to send addresses to Claims Administrator	5	
Notice to be mailed by Claims Administrator	30	
Motion for Attorneys' Fees; Litigation Costs; and, Incentive Award	30	
Deadline to Opt Out/Object/Notify Court of Intent to Appear at Final Approval	90	
Motion for Final Approval	120	

IT IS SO ORDERED.

Date: _____, 2017

HONORABLE BARRY T. LABARBERA
SAN LUIS OBISPO SUPERIOR COURT JUDGE

EXHIBIT B

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**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO – CIVIL COURT OPERATIONS –
UNLIMITED**

**ROSA MORENO-PERALTA,
INDIVIDUALLY AND ON
BEHALF OF ALL OTHERS
SIMILARLY SITUATED,**

Plaintiff,

v.

**TRS RECOVERY SERVICES,
INC.; AND, DOES 1-20,
INCLUSIVE,**

Defendant.

Case No.: 15CV-0481

**[PROPOSED] ORDER GRANTING
FINAL APPROVAL OF CLASS
ACTION SETTLEMENT**

DATE: TBD

TIME: 9:00 a.m.

DPT: 2

HON. BARRY T. LABARBERA

1 **FINAL APPROVAL ORDER**

2 After arm’s length negotiations and settlement discussions, Plaintiff ROSA
3 MORENO-PERALTA and Defendant TRS RECOVERY SERVICES, INC.
4 (herein jointly referred to as the “Parties”) entered in to a Class Action Settlement
5 Agreement (hereinafter referred to as the “Agreement”), which is subject to review
6 pursuant to the applicable Rules of Civil Procedure. On _____, the Parties
7 filed the Agreement, along with Plaintiff’s Motion for Preliminary Approval of
8 Class Action Settlement Agreement (hereinafter referred to as the “Preliminary
9 Approval Motion”).

10 On _____, 2017, upon consideration of the Agreement, Preliminary
11 Approval Motion, and the record, the Court entered an Order of Preliminary
12 Approval of Class Action Settlement (hereinafter referred to as the “Preliminary
13 Approval Order”). Pursuant to the Preliminary Approval Order, the Court, among
14 other things, (i) preliminarily certified (for settlement purposes only) a class of
15 plaintiffs (hereinafter referred to as the “Class Members”) with respect to the
16 claims asserted in this action; (ii) preliminarily approved the proposed settlement;
17 (iv) appointed Moreno-Peralta as the Class Representative; (v) appointed
18 Kazerouni Law Group, APC; and, Hyde & Swigart as Class Counsel; and (vi) set
19 the date and time of the Final Approval Hearing.

20 On _____, 2017, Class Counsel timely filed their motion for
21 Attorneys’ Fees, Litigation Costs, and Incentive Award.

22 On _____, 2017, Moreno-Peralta filed the Motion for Final Approval
23 of Class Action Settlement Agreement (hereinafter referred to as the “Final
24 Approval Motion”). Pursuant to their Final Approval Motion, the Parties request
25 final certification of the settlement class and final approval of the proposed class
26 action settlement.

1 On _____, 2017, a Final Approval Hearing was held to determine
2 whether the lawsuit satisfies the applicable prerequisites for class action treatment
3 and whether the proposed settlement is fundamentally fair, reasonable, adequate,
4 and in the best interests of the Class Members and should be approved by the
5 Court. The Court has read and considered the Agreement, Final Approval Motion
6 and the record. All capitalized terms used herein have the meanings defined herein
7 and/or in the Agreement.

8 **NOW, THEREFORE, IT IS HEREBY ORDERED:**

- 9 1. JURISDICTION: The Court has jurisdiction over the subject matter of the
10 Action and over all settling parties hereto.
- 11 2. SETTLEMENT CLASS MEMBERS: The Action is hereby finally certified,
12 for settlement purposes only, as a class action on behalf of the following
13 Settlement Class members with respect to the claims asserted in the Action:
14 (i) all persons with addresses within the State of California; (ii)
15 who were sent one or more collection letter(s) by Defendant
16 (iii) which was sent in a windowed envelope through which the
17 addressee's account number was visible and/or which bore a
18 Bar Code visible through the window; (iv) to recover a
19 consumer debt; (v) which was not returned undeliverable by the
20 United States Postal Service; (vi) at any time one year prior to
21 the date of the filing of this Action.
- 22 3. CLASS REPRESENTATIVE AND CLASS COUNSEL APPOINTMENT:
23 The Court finally certifies Moreno-Peralta as the Class Representative. The
24 Court also certifies Abbas Kazerounian and Matthew M. Loker of Kazerouni
25 Law Group, APC; and, Joshua B. Swigart of Hyde & Swigart as Class
26 Counsel.
- 27 4. NOTICE AND CLAIMS PROCESS: Pursuant to the Court's Preliminary
28 Approval Order, the Claims Administrator has complied with the approved
notice process as confirmed in its declaration filed with the Court. The form

1 and method for notifying the Settlement Class members of the settlement and
2 its terms and conditions was in conformity with this Court's Preliminary
3 Approval Order and satisfied the requirements of the California Rules of
4 Civil Procedure and due process, and constituted the best notice practicable
5 under the circumstances. The Court finds that the notice process was clearly
6 designed to advise the Settlement Class members of their rights. Further, the
7 Court finds that the claim process set forth in the Agreement was followed
8 and that the process was the best practicable procedure under the
9 circumstances.

10 5. FINAL CLASS CERTIFICATION: The Court again finds that the Action
11 satisfies the applicable prerequisites for class action treatment, namely:

12 (a) The Settlement Class members are so numerous that joinder of all of
13 them in the Action would be impracticable;

14 (b) There are questions of law and fact common to the Settlement Class
15 members, which predominate over any individual questions;

16 (c) The claims of Moreno-Peralta are typical of the claims of the Settlement
17 Class members;

18 (d) Moreno-Peralta and Class Counsel have fairly and adequately
19 represented and protected the interests of all the Settlement Class
20 members; and

21 (e) Class treatment of these claims will be efficient and manageable, thereby
22 achieving an appreciable measure of judicial economy, and a class action
23 is superior to other available methods for a fair and efficient adjudication
24 of this controversy.

25 6. The Court finds that the settlement of the Action, on the terms and conditions
26 set forth in the Agreement, is in all respects fundamentally fair, reasonable,

1 adequate, and in the best interests of the Settlement Class members,
2 especially in light of the benefits to the Settlement Class members, the
3 strength of the Plaintiff's case, the complexity, expense and probable
4 duration of further litigation, the risk and delay inherent in possible appeals,
5 and the risk of collecting any judgment obtained on behalf of the class.

6 7. SETTLEMENT TERMS: The Agreement, which has been filed with the
7 Court and shall be deemed incorporated herein, and the proposed settlement
8 are finally approved and shall be consummated in accordance with the terms
9 and provisions thereof, except as amended by any order issued by this Court.
10 The material terms of the Agreement include, but are not limited to, the
11 following:

- 12 1. Defendant will pay a non-reversionary "all in" cash sum in the
13 total amount of \$35,000.00
- 14 2. TRS shall refrain from using the written communication at issue in
15 this action.
- 16 3. Claims Administrator shall pay from the Settlement Fund the
17 maximum total of \$2,000.00 to Moreno-Peralta payable through
18 Class Counsel as an Incentive Payment for bringing and
19 participating in this action.
- 20 4. Claims Administrator shall pay from the Settlement Fund to Class
21 Counsel the maximum sum of \$15,000.00 as attorneys' fees; and,
22 litigation costs.

23 8. The Court finds that the settlement of the Action, on the terms and conditions
24 set forth in the Agreement, is in all respects fundamentally fair, reasonable,
25 adequate, and in the best interests of the Settlement Class members,
26 especially in light of the benefits to the Settlement Class members, the
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1 strength of the Plaintiff's case, the complexity, expense and probable
2 duration of further litigation, the risk and delay inherent in possible appeals,
3 and the risk of collecting any judgment obtained on behalf of the class.

4 9. EXCLUSIONS AND OBJECTIONS: ____ exclusions were received. The
5 persons requesting exclusion are named on Exhibit A to this Order. The
6 Court hereby excludes these individuals from the Settlement Class.

7 10. The Settlement Class members were given an opportunity to object to the
8 settlement. No Settlement Class members filed objections. After
9 consideration of each of the objections, the Court hereby overrules such
10 objections.

11 11. This Order is binding on all Settlement Class members, except those
12 individuals named on Exhibit A, who validly and timely excluded themselves
13 from the Class.

14 12. RELEASE OF CLAIMS AND DISMISSAL OF ACTION: The Class
15 Representative, Settlement Class members, and their successors and assigns
16 are permanently barred and enjoined from instituting or prosecuting, either
17 individually or as a class, or in any other capacity, any of the Released
18 Claims against any of the Released Parties, as set forth in the Agreement.
19 Pursuant to the release contained in the Agreement, the Released Claims are
20 compromised, discharged, and dismissed with prejudice by virtue of these
21 proceedings and this Order. The Released Claims include all claims for
22 statutory remedies and/or injunctive relief; however, Released Claims do not
23 include claims for actual damages resulting from the conduct alleged herein.

24 13. The Action is hereby dismissed with prejudice in all respects.

25 14. This Order is not, and shall not be construed as, an admission by Defendant.

26 ///

1 15. Without affecting the finality of this Final Judgment and Order of Dismissal
2 with Prejudice, the Court hereby retains continuing and exclusive jurisdiction
3 over the Parties and all matters relating to the Action and/or Agreement,
4 including the administration, interpretation, construction, effectuation,
5 enforcement, and consummation of the settlement and this order.

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7 **IT IS SO ORDERED.**

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9 Date: _____, 2017 _____

10 HONORABLE BARRY T. LABARBERA
11 SAN LUIS OBISPO SUPERIOR COURT JUDGE
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EXHIBIT C

**DRAFT NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
SUMMARY FOR PUBLICATION**

NOTICE OF PROPOSED SETTLEMENT – If you are a consumer with an address in the state of California and received a collection letter from TRS Recovery Services, Inc. (“TRS”) in a windowed envelope through which your account number and/or a bar code was visible between September 3, 2014 and September 3, 2015 (“Class Member”), this notice may impact your rights. A proposed settlement has been reached in a class action lawsuit called *Rosa Moreno-Peralta v. TRS Recovery Services, Inc.*, pending in the Superior Court of California, County of San Luis Obispo, case number 15CV-0481. This lawsuit claims that TRS sent collection letters to California residents in envelopes through which either an account number or bar code were visible between September 3, 2014 and September 3, 2015 in violation of the Rosenthal Fair Debt Collection Practices Act (Cal. Civ. Code §§ 1788 et seq). TRS vigorously denies this claim and contests any liability. The parties have agreed to a settlement that they believe is in the best interests of all parties given the risks and uncertainties to each side of continued litigation. THIS NOTICE IS ONLY A SUMMARY. For full details regarding the settlement and your rights thereunder please visit [website] or call [1-800 number]. If you are a potential Class Member and would like to exclude yourself from the settlement, you must send a notice of exclusion no later than [date]. If the settlement is approved, all class members who do not exclude themselves will give up any right to sue. To object to the settlement you must send written notice of intention to appear or objections no later than [date]. On [date], the Court will hold the Final Settlement Hearing and consider final approval of the settlement and plaintiff’s application for attorneys’ fees, litigation and administration costs and plaintiff’s incentive award.

EXHIBIT D

In this Lawsuit, Plaintiff alleged that TRS Recovery Services, Inc. (“TRS”) sent debt collection letters to consumers in California in a windowed envelope that displayed an account number or in some cases a bar code in violation of the Rosenthal Fair Debt Collection Practices Act (Cal. Civ. Code §§ 1788 et seq) between September 3, 2014 and September 3, 2015.

TRS has expressly denied and continues to deny all charges of wrongdoing or liability arising out of the allegations and claims asserted in the Lawsuit, including that it violated the Rosenthal Fair Debt Collection Practices Act or any of its provisions. TRS also denies that plaintiff or any Class Member has suffered or may suffer any injury, damage or loss as a result of its alleged conduct. TRS has vigorously resisted the Lawsuit’s allegations and claims and has asserted and continues to assert defenses to those claims.

Plaintiff served written discovery and TRS responded to those requests. Furthermore, the parties participated in extensive settlement discussions. The Parties have entered into a Settlement Agreement, which has been given preliminary approval by the Court (the “Settlement”).

The Class consists of all persons with addresses within the State of California; (ii) who were sent one or more collection letter(s) by TRS (iii) which was sent in a windowed envelope through which the addressee’s account number was visible and/or which bore a Bar Code visible through the window; (iv) to recover a consumer debt; (v) which was not returned undeliverable by the United States Postal Service; (vi) at any time between September 3, 2014 and September 3, 2015 (the “Class”). Members of the Class are referred to herein as “Class Members.”

The Settlement constitutes a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended to or will be construed as an admission by TRS that Plaintiff’s claims have merit or that it has any liability to the Class on those claims.

If you are a member of the Class as defined above, you have the opportunity to participate in the Settlement.

SUMMARY OF THE PROPOSED SETTLEMENT

The Settlement provides the following:

1. Injunctive Relief: TRS shall move the account number and/or Bar Code on its collection letters such that this information is no longer visible through the glassine window.

2. Attorney’s Fees, Litigation Costs and Claims Administration: Class Counsel (as identified below) will ask the Court to award attorney’s fees and costs up to \$13,000 for approximately one year of litigation on behalf of the Class for which no attorneys’ fees or costs have yet been paid. The Court has appointed Dahl Administrators, LLC as Claims Administrator.

3. Incentive Award: The Court will be asked to authorize an incentive award for the class representative for her services on behalf of the Class Members in the amount of \$2,000

**YOUR RIGHTS TO PARTICIPATE IN, EXCLUDE YOURSELF FROM, OR OBJECT
TO THE SETTLEMENT**

Your Options are to:

1. EXCLUDE YOURSELF FROM THE SETTLEMENT AND RETAIN YOUR RIGHTS AGAINST TRS.

Any Class Member who does not wish to participate in the Settlement may exclude himself or herself (i.e., "Opt Out") by submitting a signed Request for Exclusion Form (enclosed with this Notice) including the person's name, address, and a statement indicating a desire not to participate in the Settlement. The Request for Exclusion Form must be signed and return via United States First Class Mail postmarked no later than [Date] to:

Dahl Administrators, LLC
[insert address]

Any Class Member who submits a complete and timely Request for Exclusion Form shall, upon receipt by the Claims Administrator, no longer be a member of the Settlement Class, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. Any such person, at his or her own expense, may individually pursue any claims he or she may have against TRS. If you do not file a complete and timely written Request for Exclusion Form, you will be included in the Settlement Class, and be bound by the terms of the Settlement, whether or not you file a Proof of Claim Form and/or object to the Settlement.

2. OBJECT TO THE SETTLEMENT

You can object to terms of the Settlement before final approval. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object, you must file a written objection or a notice of intention to appear at the final approval hearing, currently set for [date] with the Clerk of the Superior Court for the State of California, County of San Luis Obispo, 1035 Palm Street Room 385, San Luis Obispo, CA 93408, and send copies via U.S. Mail to the following attorneys:

Plaintiff's Attorneys and Class Counsel:

MATTHEW M. LOKER
ml@kazlg.com
KAZEROUNI LAW GROUP, APC
1303 East Grand Aveu, Suite 101
Arroyo Grande, CA 93420
Telephone: (805) 335-8455
Facsimile: (805) 520-5523

TRS's Attorneys:

NEAL S. ROBB, CASB No. 107701

neal.robb@kyl.com
TARA B. VOSS, CASB No. 261967
 tara.voss@kyl.com
KEESAL, YOUNG & LOGAN
A Professional Corporation
400 Oceangate
Long Beach, California 90802
Telephone: (562) 436-2000
Facsimile: (562) 436-7416

Any written objections or notice of intent to appear shall state each specific reason in support of your objection and any legal support for each objection. Your objection or notice of intention to appear must also state your full name, address, date of birth, and the dates of your employment at TRS. To be valid and effective, any objections to approval of the Settlement or notice of intention to appear must be filed with the Clerk of the Court and served upon each of the above-listed attorneys by U.S. Mail postmarked no later than [Date]. DO NOT TELEPHONE THE COURT.

If you choose to file an objection to the terms of the Settlement, you may enter an appearance in propria persona (meaning you choose to represent yourself) or through your own attorney. To do so, you must file a notice of intention to appear with the Clerk of the Superior Court for the State of California, County of San Luis Obispo, and deliver copies to each of the attorneys listed above. Such Notice of Intention to Appear must contain the specific information discussed in the preceding paragraph and must be filed with the Court and served upon the above attorneys by U.S. Mail postmarked no later than [Date]. You will then continue as a Class Member either in propria persona or with representation by your own attorney, and you will be solely responsible for the fees and costs of your attorney. The final approval hearing at which the Court will be asked to approve the settlement will be on [Date] before the Honorable Barry T. LaBarbera of the Superior Court for the State of California, County of San Luis Obispo, 1035 Palm Street Room 385, San Luis Obispo, CA 93408, or such other, later date as the Court may authorize.

EFFECT OF THE SETTLEMENT

If the Court approves the Settlement, and you have not excluded yourself as described above, you will be bound by the Settlement and will be forever barred from suing TRS and related companies or persons for many claims relating to collection letters that were sent to California consumers between September 3, 2014 and September 3, 2015. This applies whether you currently know about the existence of such claims or not.

Specifically, the Settlement is intended to fully and finally release, TRS and all of its former, present and future direct and indirect parents, affiliates, subsidiaries, successors and predecessors and all of their respective former, present and future officers, directors, shareholders, employees, servants, agents, attorneys, representatives, independent contractors and vendors (collectively the "Released Parties") from any and all actions, causes of action, obligations, costs, expenses, damages, losses, claims, liabilities, and demands, based upon injunctive relief, known or unknown, to the date hereof, arising out of, relating to, or in connection with the claims asserted

in the Action and, without limiting the foregoing, specifically the debt collection letters that are the subject of the Litigation, and the administration of this settlement. (The claims being released are referred to in the Settlement Agreement as “Settlement Class Members’ Released Claims”). However, the Releasing Parties expressly do not waive the right to file a separate individual action pursuant to the Fair Debt Collection Practices Act and/or Rosenthal Fair Debt Collection Practices Act for actual damages only caused by Defendant’s alleged mailing of one or more collection letter(s) in a windowed envelope through which the addressee’s account number was visible and/or which bore a Bar Code visible through the window.

Only with respect to Settlement Class Members’ Released Claims (as defined above), Plaintiff and the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code to the extent it is applicable, or any other similar provision under federal, state or local law to the extent any such provision is applicable, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

Plaintiff’s Attorneys believe that further proceedings in this case, including a trial and probable appeals, would be very expensive and protracted. No one can confidently predict how the various legal questions at issue, including TRS’s liability (if any) and the amount of damages (if any) would ultimately be resolved. Upon careful consideration of all the facts and circumstances of this case, Plaintiff, Citibank and their counsel have concluded that the proposed Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Class.

FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department 2 of the San Luis Obispo Superior Court, 1035 Palm Street Room 385, San Luis Obispo, CA 93408 on [date] to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Plaintiff’s Attorneys’ request for attorneys’ fees and the incentive paid to the named Plaintiff. The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing unless you have timely filed an objection or notice of intention to appear with the Court.

ADDITIONAL INFORMATION

This Notice’s description is a summary of the basic terms of the Settlement and this Lawsuit. For more details of the matters involved in this Lawsuit, you may inspect the pleadings and other

records in this Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the Superior Court for the State of California, County of San Luis Obispo, 1035 Palm Street Room 385, San Luis Obispo, CA 93408.

DO NOT TELEPHONE OR ADDRESS ANY QUESTIONS ABOUT THE CASE TO THE CLERK OF THE COURT OR TO THE JUDGE.

Inquiries regarding Settlement benefits and procedures may be directed to Class Counsel at the addresses and telephone numbers specified above.

BY THE ORDER OF THE HONORABLE BARRY T. LABARBERA OF THE SUPERIOR COURT FOR THE STATE OF CALIFORNIA, COUNTY OF SAN LUIS OBISPO.