

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

If you received a call from Collecto, Inc. before July 1, 2014, you may be entitled to payment up to approximately \$40 per call under a class action settlement.

*The United States District Court for the District of Massachusetts authorized this Notice.
This is not a solicitation from a lawyer.*

- A proposed settlement of a class action lawsuit relates to allegations that Collecto, Inc. (“Defendant”) placed calls to cellular telephones in violation of federal law. The case is known as *In re: Collecto, Inc. TCPA Litigation*, Case No. 14-md-2513-RGS.
- Defendant denies all allegations of wrongdoing in the lawsuit. As part of the proposed settlement, Defendant does not admit to any wrongdoing and continue to deny the allegations against them.
- The proposed Settlement provides for payments to each class member submitting a valid Claim Form by November 27, 2017 (an “Eligible Claimant”). The criteria for a valid Claim Form are described below.
- Your legal rights are affected whether you act or don’t act. Please read this notice carefully.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT: | |
|--|--|
| SUBMIT A CLAIM FORM | The only way to get a payment under the settlement. |
| EXCLUDE YOURSELF | Get no payment under the settlement. This is the only option that allows you to be part of any other lawsuit against Defendant about the legal claims in the case. |
| OBJECT | Write to the Court about why you don’t like the settlement. You can do this only if you don’t exclude yourself. |
| GO TO THE HEARING | Ask to speak in Court about the fairness of the settlement. You can do this only if you don’t exclude yourself. |
| DO NOTHING | You will receive no payment under the settlement and will give up your rights to assert any claims about the legal claims in the case against Defendant. |

- This Notice explains these rights and options—**and the deadlines to exercise them.**
- The Court must decide whether to approve the settlement as part of the process described in this Notice. Payments will be made if the Court approves the settlement.

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Basic Information

1. Why did I get a Notice?

You received a postcard notice by direct mail if Defendant's records show that you might be a class member.

The postcard notice referred you to an informational web site which included this more detailed Notice.

The Court ordered that a Notice be sent to you because you have a right to know about a proposed settlement of the class action against Defendant and about your options, before the Court decides whether to approve the settlement. If the Court approves the settlement, an administrator appointed by the Court will provide the payments that the settlement allows.

This Notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. Please read this Notice carefully.

The United States District Court for the District of Massachusetts has jurisdiction over this proposed settlement. The persons who sued are called the Plaintiffs, and the company they sued (Collecto, Inc., doing business as EOS CCA) is called the Defendant.

2. What is the lawsuit about?

Plaintiffs filed lawsuits against Defendant which were consolidated for pretrial purposes and called *In re: Collecto, Inc., Telephone Consumer Protection Act (TCPA) Litigation*, Case No. 14-md- 2513-RGS (the "Action"). The Action is pending in the Massachusetts District Court.

In the Action, Plaintiffs claim that Defendant, which collects debts for third parties, placed calls to collect debts to cellular telephone numbers between July 23, 2009 and June 30, 2014, but the persons called never had an agreement with the creditor for whom Defendant sought to collect the debt. Plaintiffs allege that the calls were made in violation of federal law. Defendant denies all allegations of wrongdoing and has asserted defenses. The settlement is not an admission of wrongdoing.

3. Why is this a class action?

In a class action, one or more people, called Class Representatives, sue on behalf of people who have similar claims. In this case, the Class Representatives are the Plaintiffs John Lofton, Robert Pegg, Richard Davenport and Ralph Davenport. One court resolves the issues for all class members, except those who exclude themselves from the class. United States District Court Judge for the District of Massachusetts Richard G. Stearns has jurisdiction over the case in which the parties have submitted this settlement for approval.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendant. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and settlement benefits go to the class members. The Plaintiffs and their attorneys think the settlement is best for the class members.

Who Is in the Settlement?

To see if you may qualify for payment from this settlement, you first have to determine whether you are a class member.

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

Judge Stearns has preliminarily decided that everyone who fits this description is a class member:

(a) all natural persons residing in the United States; (b) who received one or more telephone calls from an automatic telephone dialing system operated by Defendant to their cellular telephone number; (c) between July 23, 2009 and June 30, 2014; where (d) the person never had an agreement with the creditor for whom Collecto sought to collect.

6. Who is not included in the class?

The class does *not* include Defendant, any entity that has a controlling interest in Defendant, and Defendant's current or former directors, officers, counsel, and their immediate families. The class also does not include any persons who validly request exclusion from the class. And the class does not include persons whose cell phones were called by the Defendant on or after July 1, 2014.

7. I'm still not sure if I am included.

If you are still not sure whether you are included, you can visit the settlement website, www.collectoclassaction.com, for more information, or you can fill out and return the Claim Form described on page 4, in question [10].

The Settlement Benefits—What You Get

8. What does the settlement provide?

Defendant will make a payment to each class member who submits a **valid claim form by November 27, 2017**, (an "Eligible Claimant"), which claim form meets the requirements for payment described in Question [9] below. Any funds left remaining after distribution for uncashed checks will be distributed to a *cy pres* recipient closely associated with the class, to be approved by the Court. Representative Plaintiffs asked the Court to approve Privacy Rights Clearinghouse as the *cy pres* recipient.

9. What can I get from the settlement?

Eligible Claimants are natural persons who attest: (a) to receiving one or more telephone calls on their cellular telephone between July 23, 2009 and June 30, 2014; (b) that they never had an agreement with the creditor for whom Collecto sought to collect; and (c) were either the subscriber or the assigned user of the telephone number called by Collecto will have the right to a single payment in an amount of up to approximately Two Hundred Dollars (\$200), with the amount varying depending on the number of telephone calls placed to Eligible Claimants by Defendants as reflected in Defendant's records.

How You Get Payment—Submitting a Claim Form

10. How can I get payment?

To qualify for payment, you must submit a Claim Form online or by mail. A Claim Form is available on the settlement website. Read the instructions carefully, fill out the Claim Form (answering all questions truthfully), and submit it online at www.collectoclassaction.com **no later than November 27, 2017**, or print out a hard copy of the Claim Form, fill it out (answering all questions truthfully), sign it, and mail it to the Settlement Administrator **with a postmark dated no later than November 27, 2017**.

11. When do I get my payment?

The Court will hold a hearing on January 17, 2018, to decide whether to approve the settlement. If Judge Stearns approves the settlement and there are no appeals taken of that approval, then the proposed Settlement contemplates payments being sent to Eligible Claimants about sixty (60) days from the date the Settlement becomes final and not subject to appeal. If Judge Stearns approves the settlement and there are any appeals, the timing of any payment is uncertain as such appeals can take significant time to resolve, perhaps more than a year.

Even if the settlement is approved and no appeals filed, it will take time for the Claim Forms to be processed. Please be patient and check the website for any updates.

12. What am I giving up if I remain in the class?

Unless you exclude yourself, you stay in the class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues in this case. If the settlement is approved and becomes final and not subject to appeal, then you and all class members release all "Released Claims" against all "Released Parties."

"Released Claims" means any and all claims, rights (including rights to restitution or reimbursement), demands, actions, causes of action, suits, liens, damages, attorneys' fees, obligations, contracts, liabilities, agreements, costs, expenses, or losses of any nature, whether known or unknown, direct or indirect, matured or unmatured, contingent or absolute, existing or potential, suspected or unsuspected, equitable or legal, and whether under federal statutory law, federal common law or federal regulation, or the statutes, constitutions, regulations, ordinances, common law, or any other law of any and all states or their subdivisions, parishes or municipalities that were or could have been alleged or asserted in the Action arising out of or relating to the use by Defendant of an automatic telephone dialing system allegedly prohibited under the Telephone Consumer Protection Act, and that have been or could have been asserted in the Action.

"Released Parties" means Defendant, along with its affiliates, parents, direct and indirect subsidiaries, agents, insurers, and any company or companies under common control with any of them, and each of their respective predecessors, successors, past and present officers, directors, managers, employees, agents, servants, accountants, attorneys, advisors, shareholders, members, insurers, representatives, partners, vendors, issuers, and assigns, or anyone acting on their behalf.

Excluding Yourself from the Settlement

If you don't want payment from this settlement, and you want to keep any right you may have to sue or continue to sue Defendant or other Released Parties on your own about the Released Claims, then you must take steps to remove yourself from the class. This is called excluding yourself and is sometimes referred to as "opting out" of the class. Defendant may terminate the settlement if a certain number of people exclude themselves from the class.

13. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a signed letter by mail stating that you "want to opt out of the *In re: Collecto, Inc. TCPA Litigation*." Please be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked **no later than November 27, 2017**, to:

In re: Collecto, Inc. TCPA Litigation
Settlement Administrator
c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

You can't exclude yourself on the phone or by fax or email.

14. What is the effect if I exclude myself from this settlement?

If you ask to be excluded, you will not get any payment from this settlement. Also, you cannot object to the settlement. You will not be legally bound by anything that happens in the Action. You may be able to sue (or continue to sue) Defendant in the future about the legal issues in this case.

15. If I don't exclude myself, can I sue Defendant for the same thing later?

No. Unless you exclude yourself, you give up your right to sue Defendant and the other Released Parties for the claims that this settlement resolves. You must exclude yourself from *this* class to pursue your own lawsuit. Remember, your exclusion request must be postmarked **on or before November 27, 2017**.

16. If I exclude myself, can I get a payment from this settlement?

No. If you exclude yourself, do not send in a Claim Form to ask for any payment from this settlement. You may exercise any right you may have to sue, continue to sue, or be part of a different lawsuit against Defendant and the other Released Parties.

The Lawyers Representing You

17. Do I have a lawyer in the case?

The Court appointed David C. Parisi of Parisi & Havens LLP and J. Andrew Meyer of Morgan & Morgan to represent the class. These lawyers are called Class Counsel. You will not be charged for these lawyers. The Court will determine the amount of Class Counsel's fees and expenses, which Defendant will pay as part of the settlement. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How will the lawyers be paid?

Class Counsel will request from the Court an award of attorneys' fees and expenses and for a service award for the Class Representatives. Defendant will pay Class Counsel's fees and expenses and the service award as awarded by the Court from the Settlement Fund. *You have the right to object to the requested fees and expenses and awards.* Defendant will also pay the costs to administer the settlement from the Settlement Fund.

Plaintiffs will petition for a service award to be paid to them not to exceed \$7,500 each for their work in representing the Class and Class Counsel will seek attorneys' fees plus costs not to exceed \$1,300,000. Class Counsel will file their papers in support of final approval of the Settlement and their application for attorneys' fees and reimbursement of expenses and for the service award to the Representative Plaintiffs, no later than **October 31, 2017**. These papers will also be posted on the settlement website (www.collectoclassaction.com).

Objecting to the Settlement

You can tell the Court that you don't agree with the settlement or some part of it.

19. How do I tell the Court if I don't like the settlement?

If you are a class member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a signed letter saying you object to the proposed settlement in *In re: Collecto, Inc., Telephone Consumer Protection Act Litigation*, Case No. 14-md-2613-RGS (D. Mass.). Be sure to include your name, address, telephone number, the cellular telephone number that you contend was called, that you are a class member, your signature, and the reasons why you object to the settlement. Your objection and any supporting papers must be mailed to and actually received by Class Counsel at the following address **no later than November 27, 2017**:

David C. Parisi, Esq.
Parisi & Havens LLP
212 Marine Street, Unit 100
Santa Monica, CA 90405

Charles R. Messer, Esq.
Carlson & Messer LLP
9841 Airport Boulevard, Suite 1200
Los Angeles, California 90045

In addition, you must file a copy of your written objection with the Clerk of the United States District Court, District of Massachusetts, 1 Courthouse Way, Boston, Massachusetts 02210 **no later than November 27, 2017**.

20. What's the difference between objecting and excluding?

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

The Court's Final Hearing

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

21. When and where will the Court decide whether to approve the settlement?

The Court will hold a Settlement Hearing at 2:00 p.m., on January 17, 2018, at the United States District Court, Courtroom 21, 7th Floor, 1 Courthouse Way, Boston, Massachusetts 02210. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. The Court will also consider Class Counsel's request for attorneys' fees and expenses, and service awards for the Class Representatives. If there are objections, the Court will consider them. Judge Stearns will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the settlement and the request for attorneys' fees, expenses, and service awards. How long these decisions will take is uncertain.

22. Do I have to come to the hearing?

No. Class Counsel will answer questions Judge Stearns may have. You are welcome to come at your own expense. If you send an objection, you don't have to come to Court and talk about it.

As long as your written objection is received on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary. Finally, you may seek to intervene in the Action, but you don't need to do so.

23. May I speak at the hearing?

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear" in "*In re: Collecto, Inc. TCPA Litigation*, Case No. 14-md-2613-RGS (D. Mass.)." Be sure to include your name, address, telephone number, that you are a class member, and your signature. Your Notice of Intention to Appear must be received at the address in Question [19], **no later than November 27, 2017**. You cannot speak at the hearing if you exclude yourself.

If You Do Nothing

24. What happens if I do nothing at all?

If you do nothing, you will not receive a payment and you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or the Released Parties about the legal issues in this case, ever again.

Getting More Information

25. Are there more details about the settlement?

This Notice summarizes the proposed settlement. More details appear in the Settlement Agreement and Release of Claims (the "Agreement"). Copies of the Agreement and the pleadings and other documents relating to the case are on file at the United States District Court for the District of Massachusetts and may be examined and copied at any time during regular office hours at the United States District Court, 1 Courthouse Way, Boston, Massachusetts 02210. The Settlement Agreement is also available at the settlement website, www.collectoclassaction.com.

26. How do I get more information?

You can visit the settlement website at www.collectoclassaction.com, where you will find answers to common questions about the settlement, the Claim Form, plus other information, including a copy of the Settlement Agreement. You may also write to: In re: Collecto, Inc. TCPA Litigation, Settlement Administrator, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781. **You should not direct questions to the Court.**

Dated: September 11, 2017

By Order of the Court
CLERK OF THE COURT