

SUMMARY NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

IF MEL HARRIS & ASSOCIATES, LLC/LR CREDIT CLAIMS YOU OWE A DEBT YOU MAY BE PART OF A CLASS ACTION SETTLEMENT

What is this lawsuit about? Am I part of the lawsuit?

This is a notice of a proposed Settlement with the Defendants (LR Credit, Mel Harris & Associates, LLC and Samserv) in a class action lawsuit known as *Sykes v. Mel S. Harris and Associates, LLC*, No. 09 Civ. 8486 (S.D.N.Y.). Defendants have agreed to settle claims that they violated the law by allegedly submitting false affidavits to the Court to obtain default judgments. Defendants deny that they did anything wrong. The Court has not decided whether Plaintiffs' claims have merit.

To be a part of the settlement, you must have had an alleged consumer debt that was owned by LR Credit. Other debts are not part of the settlement.

You can check if you are part of the Settlement by going to www.sykesclassaction.com or calling the Administrator at (877) 868-0034.

What does the Settlement provide?

Money Settlement: Defendants agreed to a Money Settlement of \$54,492,500 plus additional money collected until the Settlement is finally approved by the Court. Class members who paid money to LR Credit or whose default judgment LR Credit sold are eligible to receive some of the Money Settlement (after Court-approved costs are deducted). The money will be divided according to a formula that must be approved by the Court. Eligible Class Members must submit a Claim Form that is received by April 7, 2016 to get money. You can get a claim form at www.sykesclassaction.com.

Injunctive Settlement: If the Settlement is approved by the Court, LR Credit will transfer all debts it owns to an entity chosen by Plaintiffs, at which point collection of those debts will stop forever, and Plaintiffs will work with the New York State courts to try to vacate all judgments LR Credit obtained. You do not need to submit a Claim Form to have collections on your LR Credit debt stop.

The Settlement must be approved by the Court. Eligible class members will not receive any money unless the Settlement is approved. This will not occur until (at the earliest) sometime in Summer 2016. Collection of LR Credit debts is being stopped for now, and will stop forever if the Settlement is approved. If you are making payments on an LR Credit debt, you should stop now.

What are my other rights?

If you are a class member, your legal rights will be affected, whether or not you act. Here are your options:

- **Remain in the Settlement.** If you do nothing or submit a Claim Form, you will give up your legal rights to bring claims against Defendants regarding debt collection activities on behalf of LR Credit. To receive money in the Settlement, eligible class members must submit a Claim form that is received by April 7, 2016. You can also object to or comment on the Settlement, and you have a right to appear in Court. All objections must be made in writing and received by April 14, 2016.
- **“Opt out” of the Money Settlement.** Eligible class members can opt out of the Money settlement and keep any right they may have to sue to recover money damages from Defendants. Class Members who opt out of the Money Settlement are still Class Members for the Injunctive Settlement, which means (a) collections on your LR Credit debt will stop forever, and (b) you will not be able to bring another lawsuit against Defendants for injunctive relief concerning LR Credit debts. All requests to opt out of the Money Settlement must be made in writing and received by April 14, 2016. *Class members who opt out will not receive any money.*

The Court will decide whether to approve the Settlement at a fairness hearing, currently scheduled for **May 11, 2016** at 11:00 a.m. at the United States District Court for the Southern District of New York, located at 40 Foley Square, New York, New York, 10007 in Courtroom 519. The Court has appointed Class Counsel to represent all Class Members. Class Counsel will be paid out of the Settlement Fund: there is no cost to you. You can also hire your own attorney at your own cost.

This is only a Summary of the Proposed Settlement. For more information and a Claim Form:

Call: (877) 868-0034 Visit: www.sykesclassaction.com

Claims will be handled by an independent administrator.
Please do not contact the Court or Defendants.