

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION

CYNTHIA A. HOUSENKAMP, individually
and on behalf of a class,

Plaintiff,

v.

WELTMAN, WEINBERG & REIS CO.
OF MICHIGAN d/b/a WELTMAN,
WEINBERG & REIS, CO., L.P.A.; and
WELTMAN, WEINBERG & REIS, CO., L.P.A.,

Defendants.

Case No. 1:09-cv-10613-TLL-CEB

HON. THOMAS L. LUDINGTON

NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

TO: All natural persons with a Michigan address where the person made a payment by credit card on a debt that Weltman Weinberg & Reis Co., L.P.A. was collecting upon where that person was charged a fee for the use of the credit card during a period beginning on February 19, 2008, and ending on March 11, 2009.

PLEASE READ THIS NOTICE CAREFULLY.
THIS IS NOT A NOTICE OF A LAWSUIT AGAINST YOU.

WHAT THIS LAWSUIT IS ABOUT:

Plaintiff, individually and on behalf of a class, brought this action in the United States District Court for the Eastern District of Michigan, Northern Division entitled *Cynthia A. Housenkamp, individually and on behalf of a class v. Weltman, Weinberg & Reis, Co. of Michigan d/b/a Weltman, Weinberg & Reis, Co., L.P.A. and Weltman, Weinberg & Reis, Co., L.P.A.*, Case No. 1:09-cv-10613-TLL-CEB. In the Complaint, Plaintiff in pertinent part asserted a class claim under 15 U.S.C. § 1692f(1) of the Fair Debt Collection Practices Act ("FDCPA") alleging that Defendant caused to be collected from Plaintiff and the Class an impermissible fee when using their credit card to make a payment on a debt. This Notice is given to inform you of the pendency of the action. This lawsuit sought to recover statutory damages, actual damages, costs and attorneys' fees from WWR for its alleged violations of the FDCPA.

NO ADMISSION OF LIABILITY: By settling this lawsuit, the Defendants are not admitting that they have done anything wrong, has any liability to Plaintiff or the Class whatsoever, and further denies that its actions violated the FDCPA in any manner. Nothing in this Notice should be deemed to constitute an admission by WWR that it violated the FDCPA. WWR has not admitted liability, nor has the Court found that the claims asserted by Plaintiff in this case are valid or that there has been any wrongdoing or violation of law. The Court is expressing no opinion on the merits of the case. The Court will later conduct a final hearing to determine whether the proposed settlement is fair, reasonable, and adequate under the circumstances, at the time and place indicated below.

The Court granted preliminary approval of the settlement, subject to a fairness hearing which will take place on _____, 2010, at _____ a.m./p.m., before Judge Ludington in the United States District Court for the Eastern District of Michigan, Northern Division, U.S. Post Office Building, 1000 Washington Avenue, Bay City, Michigan 48708, Courtroom 304.

THE PROPOSED SETTLEMENT: Plaintiff and Defendants have agreed to the settlement described below. If you do not wish to be part of the settlement, you must opt-out. If the settlement is finally approved, you do not opt out and you return the claim form at the end of this notice, you will receive the benefits described below:

Relief to Plaintiff: Defendant shall pay Plaintiff \$1,000 in settlement of her individual claims for statutory and actual damages and is entitled to a class share.

Class Recovery: Defendants shall establish a settlement fund of \$31,000 which after a 25% deduction for attorneys' fees and costs, subject to court approval, the remaining settlement fund will be divided equally among the class members who return the attached claim form, with a maximum payment of \$500 per class member. If all of the 155 class members submit a claim form, then each class member's *pro rata* share will be \$150. Typically, only 10% to 15% of class members return their claim forms and therefore if this holds true it is anticipated that the *pro rata* share of the class recovery will reach the \$500 maximum payment amount.

Attorney's Fees & Costs. Defendants shall pay Plaintiff's costs, expenses and reasonable attorney fees from the class settlement fund. Subject to the court's approval, Defendants will pay Plaintiffs' counsel \$7,750 in attorney's fees and costs which represents 25% of the amount recovered by the class. Defendants in addition to the class settlement fund shall pay all costs associated with the notice and administration of the Agreement.

Release. Unless you exclude yourself from the settlement, you will be part of the Class. By staying in the Class, all of the Court's orders will apply to you, and you will give Defendants a "release." A release means you can't sue or be part of any other lawsuit against Defendants, about the claims or issues in this lawsuit ever again.

CLASS COUNSEL'S OPINION OF THE VALUE OF THE SETTLEMENT: The FDCPA provides that in a class action, the most money the Court can award to the Class is: (1) each Class Member's "actual damages," if proven, (2) money damages set by law (called "statutory damages"), not exceeding \$500,000 or 1% of the defendant's net worth, whichever is less, and (3) attorney's fees. In an individual case, the FDCPA provides for (1) actual damages, if proven (2) statutory damages not exceeding \$1,000, and (3) attorney's fees. In this matter, Plaintiff has alleged actual damages on behalf of the class members. The Class Recovery of \$31,000, which after attorney's fees and costs subject to the court approval could be \$23,250 which is approximately 54.6% of the maximum amount of statutory damages the class could recover. If you excluded yourself from the Class, filed your own lawsuit, and successfully proved Defendant's liability under the FDCPA, you could receive (a) between \$0 and \$1,000 in statutory damages; (b) any actual damages, if you can prove you actually suffered them, and (c) attorney's fees and costs.

Plaintiff and her attorneys have examined the risks of pursuing the claims of Plaintiff and the class members to judgment and have concluded this settlement is fair, reasonable, and prudent.

FAIRNESS HEARING

A hearing will be held on the fairness of the proposed settlement. At the hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement, including the amount of the award to Plaintiff's counsel of costs and attorney's fees. The hearing will take place on _____, 2010, at a.m./p.m., before Judge Ludington in the United States District Court for the Eastern District of Michigan, Northern Division, U.S. Post Office Building, 1000 Washington Avenue, Bay City, Michigan 48708, Courtroom 304.

YOU ARE NOT OBLIGATED TO ATTEND THIS HEARING UNLESS YOU PLAN TO OBJECT TO THE SETTLEMENT

YOUR OPTIONS:

1. If you wish to receive a benefit under the settlement, you must submit your claim form by _____. If you wish to participate in the settlement on your own or through your own attorney, an appearance must be filed with the Court by _____, 2009. You must also return your settlement check to Defendants' counsel or you shall be deemed to have waived

your right to appear or object. If you participate through your own attorney, it will be at your expense. Any party who otherwise does not exclude himself or herself from the settlement, as described below, will be bound by the settlement agreement and release of claims against the Defendant, as approved by the Court.

2. You have the right to exclude yourself from both the class action and the settlement by filing a written request for exclusion with the Clerk of the United States District Court for the Eastern District of Michigan, Northern Division, U.S. Post Office Building, P.O. Box 913, Bay City, Michigan 48707. The request for exclusion must be received by the Clerk of the Court on or before _____, 2009, and must refer to your name, address, and the name and number of the case. You must also serve copies of the request for exclusion on the attorneys for the Plaintiff and for the Defendant listed below by the same date. You must also return your settlement check to Defendants' counsel or you shall be deemed to have waived your right to appear or object.

Curtis C. Warner
Warner Law Firm, LLC
Millennium Park Plaza
155 N. Michigan Ave. Ste. 560
Chicago, IL 60601
(Counsel for Plaintiff & the Class)

Michael P. Ashcraft, Jr.
Plunkett Cooney
38505 Woodward Ave.
Ste. 2000
Bloomfield Hills, Michigan 48304
(Counsel for Defendants)

3. If you object to the settlement, and wish to submit an objection rather than simply exclude yourself from the class action, you must submit your objection in writing to the Clerk of the United States District Court for the Eastern District of Michigan, Northern Division, U.S. Post Office Building, 1000 Washington Avenue, Bay City, Michigan 48708. You must also return your settlement check to Defendants' counsel or you shall be deemed to have waived your right to appear or object. The objection must be received by the Clerk of the Court on or before _____, 2009, and must refer to the name and number of the case. You must also serve copies of your objection on each of the attorneys for the Plaintiff and for the Defendants listed above by the same date. Any objection must include your name and address, the name and number of the case, and a statement of the reasons why you believe that the Court should find that the proposed settlement is not in the best interests of the class. If you do file an objection and wish it to be considered, you must also appear at the hearing before Judge Ludington on _____, 2010 at ____ a.m./p.m.

YOU ARE NOT REQUIRED TO ATTEND THIS HEARING UNLESS YOU PLAN TO OBJECT TO THE SETTLEMENT. Please note that it is not sufficient to simply state that you object. You must state reasons why the settlement should not be approved.

IMPORTANT: THE COURT REQUIRES THAT ANY REQUESTS FOR EXCLUSION OR OBJECTIONS BE RECEIVED BY THE CLERK BY _____, 2009. IF YOU MAIL A REQUEST FOR EXCLUSION OR OBJECTION, YOU BEAR THE RISK OF THE REQUEST FOR EXCLUSION OR OBJECTION NOT BEING RECEIVED BY THE CLERK BY THE DEADLINE.

If you choose to exclude yourself from the class action and settlement you will not receive a benefit under this agreement. Otherwise you will be bound by the settlement agreement and release. If the settlement is not approved, the case will proceed as if no settlement had been attempted. There can be no assurance that if the settlement is not approved, the class will recover more than is provided in the settlement, or indeed, anything.

This description of the case is general and does not cover all of the issues and proceedings thus far. In order to see the complete file, including a copy of the settlement agreement, you should visit the office of the Clerk of the United States District Court for the Eastern District of Michigan, Northern Division, P.O. Box 913, Bay City, Michigan 48707. The Clerk will make the files relating to this lawsuit available to you for inspection and copying at your own expense.

INQUIRIES: Any questions you or your attorney may have concerning this notice should be directed to:

WARNER LAW FIRM, LLC
Curtis C. Warner
Millennium Park Plaza
155 N. Michigan Ave. Ste. 560