

Notice of Proposed Class Action Settlement in

***Rand Lawrence v. Borah, Goldstein, Altschuler, Schwartz & Nahins, P.C.,
Southern District of New York, No. 04-CV-3066(JCF)***

This is to notify you of a proposed settlement in this lawsuit.

You are *not* being sued.

You are owed money under the proposed settlement.

**To receive your share of the settlement money,
you *must* send back the Claim Form.**

Answers to frequently asked questions:

What is this lawsuit about?

Rand Lawrence is a consumer who rented an apartment in New York. He filed this lawsuit against the law firm of Borah, Goldstein, Altschuler, Schwartz & Nahins, P.C. (“BGASN”), (the “Defendant”).

Lawrence claims that Defendant violated the Fair Debt Collection Practices Act by (1) failing to timely advise tenants of their rights under the FDCPA, including the right to demand debt verification, (2) failing to timely give certain notices and warnings required under the FDCPA, and (3) overshadowing the consumer’s right to demand verification within thirty days by threatening to commence summary eviction proceedings within three days. Copies of the letters and rent demands in which these statements were made are attached to the Complaint Lawrence filed in court. Defendants deny Lawrence’s claims. In the interests of justice and fairness, the parties have negotiated a proposed settlement.

The Court has permitted Lawrence to represent all consumers in New York State to whom Defendants sent residential rent demands between April 21, 2003 and April 20, 2004 in a form similar to the documents attached as Exhibits A and B to the Complaint for settlement purposes only. If you are one of these people who was sent a rent demand, you are a class member.

Why am I receiving this notice?

You are receiving this notice because Defendant’s records show that you are a class member. This notice advises you of benefits you are entitled to receive under the proposed settlement in this case. This notice describes the lawsuit and provides a summary of the proposed settlement terms. The Court will hold a hearing on April 13, 2007, at 10:00 a.m. in Courtroom 18D, at the U.S. District Court, Southern District of New York, located at 500 Pearl Street, New York, New York 10007, to determine whether to finally approve the proposed settlement. Although you have the right to attend the hearing, **you do not need to attend.**

What benefits do I receive from the settlement?

Defendants sent rent demands similar to the ones Lawrence received to 7,150 residential tenants living in New York. Defendants have agreed to pay \$39,000 to settle all class members’ claims. If you send in a claim form and the Claims Administrator receives it on or before March 15, 2007, and the Court approves the settlement, you will receive a *pro rata* portion of the \$39,000, up to a maximum of \$1,000.00. For example, if no Class Members opt out and ten percent of the Class Members send back their claim forms requesting their share of the settlement fund, each of you will receive approximately \$54.55.

The FDCPA provides for the recovery of actual and statutory damages as well as payment of costs and reasonable attorney fees to a successful plaintiff. This lawsuit seeks the maximum statutory damages recoverable in a class action under the FDCPA. There is no guarantee, however, that the maximum statutory damages would be awarded. Class Counsel believes that the proposed settlement is fair and reasonable because Defendants represent that the *maximum* statutory damages recovery here is \$40,000, only \$1,000 more than the amount Defendants have offered to settle.

What are the other settlement terms?

Defendants are also paying (a) litigation costs, (b) class administration expenses, and (c) attorney fees. Any funds from checks that are not timely cashed will be distributed to New York Legal Aid Society, Civil Division. Class Counsel will also seek court approval for an award of reasonable attorney fees of up to \$37,500, and the plaintiff in this lawsuit, Rand Lawrence, will receive \$1,000. Defendants are paying these amounts in addition to the \$39,000 being paid to the class. If fewer than 39 class members seek payment under this settlement, the remaining funds in the class settlement fund shall be allocated to payment of Class Counsel's legal fees.

What are my options?

Choice No. 1. Send in a claim form and receive a settlement check.

If you timely return the attached claim form noting that you choose to receive a cash recovery, and the Court grants final approval of the class settlement, you will be sent a check. The amount of your check will be determined by dividing \$39,000 by the number of Class Members that timely return claim forms to the Class Administrator, up to a maximum payment of \$1,000.00. **The claim form must be received on or before March 15, 2007 to be valid. If you choose to receive a check, you will not be able to sue the Defendants on your own for the claims raised in Lawrence's lawsuit.**

Choice No. 2. Exclude yourself from (opt-out of) the Class.

If you do not want to be a member of the Class, you have the right to opt out or exclude yourself by filing a written request for exclusion. **If you exclude yourself from this action, you will neither share in the Class recovery nor be bound by the judgment in this matter.** If you exclude yourself, you will have the right to bring an individual action on your own behalf.

If you want to exclude yourself from the Class, you must note the exclusion request on this form and send it to the Claims Administrator. **The exclusion request must be received on or before March 15, 2007 to be valid. If you exclude yourself, you will no longer be represented by counsel for the Class; it will be your responsibility to retain counsel or represent yourself.**

If more than fifteen Class Members opt out of the Class and the Settlement, Defendants have the option of treating the Settlement Agreement as null and void and the litigation will continue.

Choice No. 3. Object to the class settlement.

You may object to the proposed settlement if you think it is unfair, or you may object to any of its terms. The U.S. District Court, Southern District of New York, located at 500 Pearl Street, New York, New York 10007, will hold a hearing on April 13, 2007, at 10:00 a.m., in Courtroom 18D, before Magistrate Judge James C. Francis, IV, to decide whether the settlement is fair and should be approved. If you wish to oppose the settlement and file a written opposition, you must file your papers with the Clerk of the Court on or before March 15, 2007. Your written papers must contain the specific reasons for your objection. If you wish to appear at the hearing and orally oppose the settlement, you must file a statement of your intention to appear at least ten days before the hearing. **You must comply with these time limits or you will lose the right to be**

heard. You must also mail a copy of any written opposition or statement of your intention to appear to each of the following:

Brian L. Bromberg, Esq.
Bromberg Law Office, P.C.
40 Exchange Place, Suite 2010
New York, NY 10005
(Attorney for the Class)

Scott W. Bermack, Esq.
Callan, Koster, Brady & Brennan, LLP
One Whitehall St, 10th Fl
New York, NY 10004
(Attorney for Defendants)

If you object and your objection is denied, you still will be part of the Settlement Class. The Settlement Hearing may be continued or adjourned by Order of the Court, without further notice.

Choice No. 4. Do nothing. If the proposed settlement is approved by the Court, you will be releasing all claims arising out of Defendants' actions in seeking to collect residential rent in this case, and you will be bound by all Court decisions in this action. **In other words, if you do nothing, you will receive nothing and you will lose the right to sue for Defendants' alleged violation of the FDCPA.**

What if my address has changed?

If this notice was sent to your correct address, you do not need to do anything. If the address on this notice was incorrect, please update your address to make sure that any money you may be due under the proposed settlement is sent to your correct address. Class members may update their addresses by writing to the Claims administrator at the following address:

First Class, Inc. /J8279 Lawrence
5410 W Roosevelt Rd, Unit 222
Chicago IL 60644-1478

What if I still have questions?

You can inspect the court papers filed in this case in the Clerk's Office, United States District Court, Southern District of New York, 500 Pearl Street, New York, NY 10007. The papers are filed under Docket No. 04-CV-3066. **Please do not call the Judge or Clerk of the Court. They will not be able to give you advice about this case.**

If you have any more questions, please call the Bromberg Law Office, P.C. at (212) 248-7906.

