

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY (Newark)

PHYLLIS SALTERS, on behalf of
herself and all others similarly
situated,

Plaintiff,

vs.

ALLIANCEONE RECEIVABLES
MANAGEMENT, INC., and JOHN
DOES 1-25,

Defendants.

Civil Action

No. 2:09-cv-02775-SRC-MAS

NOTICE OF CLASS ACTION SETTLEMENT

**You are entitled to receive a settlement payment in connection
with the issuance of debt collection letters from AllianceOne
Receivables Management, Inc.**

A federal court has authorized this notice. This is not a solicitation from a lawyer.

You are not being sued.

- A settlement will provide a total sum of \$70,000 to all class members on a claims-made basis, with no individual claim exceeding \$1,000.
- The settlement resolves a lawsuit over whether AllianceOne Receivables Management, Inc. ("AllianceOne") sent debt collections letters to consumers that did not comport with the statutory requirements of the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. §1692a, et seq. The settlement avoids the cost and risks to members of the class like you from continuing with the lawsuit; pays money to consumers like you who

make claims to the settlement amount of \$70,000 and releases AllianceOne from liability for the claims sued upon.

- The lawyers for the consumers will ask the Court for reimbursement of their legal fees and their costs through the conclusion of the case as to AllianceOne. All legal fees will be paid by AllianceOne as ordered by the Court, not from you or from the settlement fund. The fees will be sought and will pay for: investigating the facts, litigating the case and negotiating and distributing the settlement.
- Your rights are affected whether you act or don't act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

Do Nothing: Get no payment and be bound by the terms of the settlement and your right to bring an action against AllianceOne based on the circumstances set out in the Class Definition will be extinguished.

Make A Claim: You will be paid a share of the settlement amount of \$70,000 if approved by the Court and if you submit a timely and complete claim form.

Object: Write to the Court about why you don't like the settlement and do not want it approved.

Go to a Hearing: Ask to speak in Court about the fairness of the settlement

- These rights and options - and the deadlines to exercise them - are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after any appeals are resolved. Please be patient.

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BASIC INFORMATION

1. Why did I get this notice package?

The Court approved this notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to finally approve the settlement. If the Court approves it and after objections and any appeals are resolved, there will be a payment that the settlement allows. You will be informed of the progress.

The Court in charge of the case is the United States District Court for the District of New Jersey and the case is known as Phyllis Salters v. AllianceOne Receivables Management, Inc., et al., Docket No. 2:09-cv-02775-SRC-MAS. The person who is suing is called Plaintiff, and the company being sued, AllianceOne Receivables Management, Inc. is called the Defendant.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

You received a collection letter from AllianceOne between June 7, 2008 and October 30, 2009 which contained language that Plaintiff claims did not comport with the FDCPA and which constitutes a statutory violation of the FDCPA.

2. What is this lawsuit about?

The lawsuit claims that AllianceOne violated a federal consumer protection law called the Fair Debt Collection Practices Act by sending a debt collection letter to consumers that did not effectively convey the rights and protections to consumers as required under law. AllianceOne denies that it did anything wrong.

3. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case Phyllis Salters), sue on behalf of all people who have similar claims. All these people are a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. U.S. Magistrate Judge Michael A. Shipp, sitting in the United States District Court in Newark, New Jersey is presiding over this class action.

4. Why is there a settlement?

AllianceOne has offered the maximum recovery under the FDCPA in a class action. Plaintiff could not have won more than the \$1,000 offered by

AllianceOne even if she prevailed at trial on her statutory claims. While AllianceOne thinks the Plaintiff would not have prevailed at trial, the costs of protracted litigation significantly outweigh the benefit of a decision in favor of the defense. But there has been no trial. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial and appeal, and the people affected will get compensation. The Class Representative and the class attorneys think the settlement is best for all Class Members.

WHO IS IN THE SETTLEMENT

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

On agreement of the parties, United States Magistrate Judge Michael A. Shipp has decided that everyone who fits this description is a New Jersey Class Member: all persons residing in the State of New Jersey who received collection letters and/or notices from AllianceOne in a one year period preceding the filing of the Lawsuit, from June 7, 2008 to October 30, 2009, where the letters and/or notices did not contain language advising the consumers that interest would continue to accrue on the subject debt.

6. Does this affect any obligation to AllianceOne or its client(s)?

No. This case involves only the legality of sending the AllianceOne letter described above. Whether you remain in this class or not, this case and settlement has no effect on any debt or loan that AllianceOne was attempting to collect.

THE SETTLEMENT BENEFITS - WHAT YOU GET

7. What does the settlement provide?

AllianceOne has agreed to offer a settlement fund of \$70,000. Over and above this amount, AllianceOne has agreed, if the Court approves, to pay \$1,000.00 to Ms. Salters for her individual claim. AllianceOne has agreed to pay \$32,000 in Class Counsel fees and costs, subject to approval by the Court.

8. How much will my payment be?

The exact amount of your payment will depend on a final resolution of the number of class members and the number who claim it. This amount is reached by taking the available funds for distribution (\$70,000) divided by the number of class members in New Jersey who submit claim forms. 21,488 consumers will be sent this notice, but a smaller number may choose to submit a claim form. Any settlement funds remaining from un-cashed or

undistributable checks or unapproved fees or costs will be paid over to an appropriate charity.

HOW YOU GET A PAYMENT

9. How can I get a payment?

You need to fill out the claim form you received with the summary notice to receive a payment. So long as you do not choose to opt-out (exclude) yourself from this case, you will remain a Class Member, and will be bound, but you will only receive a payment if you fill out and mail in the attached claim form, postmarked on or before June 16, 2010.

10. When would I get my payment?

The Court will hold a hearing on July 15, 2010 at 10:00 a.m. in Courtroom 2C, United States District Court of New Jersey, Martin Luther King Courthouse, 50 Walnut Street, Newark, NJ to decide whether to approve the settlement. If Judge Michael Shipp approves the settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Everyone who remains in the Class will be informed of the progress of the settlement. Please be patient.

11. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you will stay in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against AllianceOne for not placing consumers on notice that the debt was accruing interest. It also means that the Court's orders will apply to you and legally bind you. Unless you "opt-out" or exclude yourself from this case, you will agree to a "Release of Claims" which describes exactly the legal claims that you give up whether you seek a settlement payment or not.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement but you want to keep the right to sue or continue to sue AllianceOne, on your own, about the legal issues in this case, then you must take steps to get out. This is called excluding yourself - or sometimes referred to as "opting out" of the settlement Class.

12. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail (first class, postage prepaid) saying that you want to be excluded from *Salters v. AllianceOne Receivables Management, Inc., et al.*, Docket No. 2:09-cv-02775-SRC-MAS. Be sure to include your name, address, telephone number and your

signature. You must mail your exclusion request postmarked no later than June 16, 2010 to:

Law Offices of Joseph K. Jones, LLC
ATTN: Salters Class Action OPT OUT
375 Passaic Avenue, Suite 100
Fairfield, New Jersey 07004

If you ask to be excluded, you will not get any settlement payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit.

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

No. Unless you exclude yourself, you give up any right to sue AllianceOne for the claims that this settlement resolves. If you have a pending lawsuit speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit.

Remember, the exclusion deadline is June 16, 2010.

14. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you will not receive any money from this lawsuit or settlement. But, you may sue or be part of a different lawsuit against AllianceOne.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

The Court approved Joseph K. Jones, Esquire, of the Law Office of Joseph K. Jones, LLC, 375 Passaic Avenue, Suite 100, Fairfield, NJ 07004 to represent you and other Class Members. These lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may engage a firm at your own expense.

16. How will the lawyers be paid?

Plaintiff will ask the Court to approve payment for class counsel fees and expenses. The fees would pay Class Counsel for investigating the facts, litigating the case, and negotiating the settlement. The Court could award less than sought. AllianceOne will separately pay the fees, expenses and payments

that the Court awards. These payments will not reduce the fund available for Class Members.

OBJECTING TO THE SETTLEMENT

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

17. How do I tell the Court that 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 letter saying that you object to Salters v. AllianceOne Receivables Management, Inc., et al., Docket No. 2:09-cv-02775-SRC-MAS. Please be sure to include your name, address, telephone number, your signature, and the reasons you object to the settlement. Mail the objection to these three different places below, postmarked no later than June 16, 2010.

Clerk of Court
United States District Court of New Jersey,
Martin Luther King Courthouse
50 Walnut Street
Newark, NJ 07101

Class Counsel
Joseph K. Jones, Esq.
Law Office of Joseph K. Jones, LLC.
375 Passaic Avenue, Suite 100
Fairfield, NJ 07004

Defense Counsel
Andrew M. Schwartz, Esquire
MARSHALL, DENNEHEY, WARNER, COLEMAN & GOGGIN
1845 Walnut Street, 17th Floor
Philadelphia, PA 19103

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

Objecting is simply telling the Court that you don't like something about the settlement, and that you, for that reason, want the settlement not to be approved. 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 FAIRNESS 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.

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

The Court will hold a Fairness Hearing on July 15, 2010, at 10:00 a.m. in Courtroom 2C at the United States Courthouse for the District of New Jersey (Newark), Martin Luther King Courthouse, 50 Walnut Street, Newark, NJ 07101. At this hearing the Court will consider whether the settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. Judge Michael Shipp will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel for their services and expenses. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

20. Do I have to come to the hearing?

No. Class Counsel will answer any questions you may have. But you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

21. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter stating that it is your "Notice of Intention to Appear in Salters v. AllianceOne Receivables Management, Inc., et al., Docket No. 2:09-cv-02775-SRC-MAS." Your Notice of Intention to Appear must be postmarked no later than June 16, 2010 and be sent to the Clerk of Court, Class Counsel and Defense Counsel, at the three addresses in Section 17 above. You cannot speak at the hearing if you exclude yourself.

IF YOU DO NOTHING

22. What happens if do nothing at all?

If you do nothing, you will be a part of this settlement (if the court approves it) and will be bound by any rulings of the Court. But you will only share in any settlement proceeds if you submit a timely claim form within forty-five (45) days of the date of this Notice. Unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against AllianceOne concerning the legal issues in this case.

GETTING MORE INFORMATION

23. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in a Settlement Agreement. You can get a copy of the Settlement Agreement by visiting www.legaljones.com or writing to Class Counsel at:

Salters-AllianceOne Federal Class Action Settlement
c/o Joseph K. Jones, Esq.
Law Office of Joseph K. Jones, LLC.
375 Passaic Avenue, Suite 100
Fairfield, NJ 07004

Please **do not call** the Court, the Clerk, AllianceOne, or
Defense Counsel.