



United States District Court for Eastern District of Virginia

*Simon v. Specialized Loan Servicing, LLC*

Case No. 1:23-cv-1159-LRV

## **Class Action Settlement Notice**

*Authorized by the U.S. District Court*

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### **A proposed class action settlement may affect your rights.**

You are not being sued.

This notice explains the Settlement, the Settlement Class, and your legal rights and options.

Please read the entire notice carefully.

You should:

1. Read this notice.
2. If you do not want to remain in the Class, submit an opt-out request by April 5, 2025.

Important things to know:

- If you remain in the Settlement Class and the Court approves the Settlement, you will receive a monetary payment through a statement credit if you still have a loan serviced by Shellpoint, or a check if you do not have a loan serviced by Shellpoint.
- If you take no action, you will still be bound the Settlement and its releases.
- You can learn more at: [www.SLSMortgageSettlement.com](http://www.SLSMortgageSettlement.com).

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## **About This Notice**

### **Why did I get a notice?**

If you are receiving this Notice, you have been identified as a potential member of the Settlement Class in this lawsuit. Specifically, Defendant's records indicate that you had a 0% interest rate mortgage loan serviced by Defendant that was delinquent when boarded and were sent a monthly statement or breach letter after August 30, 2022, that overstated the total amount due where the total amount exceeded the outstanding principal balance, unpaid fees, charges, and advances. As a Settlement Class Member, you are eligible to receive a statement credit or a cash payment as part of this class action Settlement, as described below.

What is a class action lawsuit?

A class action is a lawsuit in which one or more people sue on behalf of a larger group, called the Class.

This Notice describes your rights. Please review it carefully.

## **What do I do next?**

### **Your Legal Rights & Options:**

<b>DO NOTHING</b>	If you do nothing, you will receive a statement credit or cash payment described in this Notice and you will be bound by the Court's decisions regarding the Settlement. You will not be able to pursue any potential claims against the Defendant that have been released as part of the Settlement. Review the full release at <a href="http://www.SLSMortgageSettlement.com">www.SLSMortgageSettlement.com</a> .
<b>EXCLUDE YOURSELF FROM THE SETTLEMENT</b>	You can opt out of the Settlement if you want to maintain any legal rights you may have against Defendant. But if you opt out, you will not receive a statement credit or cash payment provided under the Settlement if the Court grants final approval. To opt out from the Settlement, you must send a written request addressed to the Settlement Administrator and state that you wish to be excluded from the Settlement and include the information discussed in more detail in this Notice. The opt-out deadline is April 5, 2025.
<b>OBJECT TO THE SETTLEMENT</b>	You have the right to write to the Court to object to the Settlement if you believe it is unfair. You would remain a part of the Class and be bound by the Court's decisions regarding the Settlement. The objection deadline is April 5, 2025.

Read on to understand the specifics of the Settlement and what it would mean for you. The Court still has to decide whether to grant final approval of the Settlement. Payments will be made if the Court approves the Settlement and after any appeals are resolved.

## **What are the most important dates?**

The Court has scheduled a final approval hearing for May 15, 2025. If there are no appeals, statement credits or checks will be sent approximately 15-45 days after the Court finally approves the Settlement. Your deadline to opt out of the Settlement, or to object to the Settlement, is April 5, 2025.

## **Learning About the Lawsuit and the Settlement**

### **What is this Lawsuit About?**

Plaintiffs Tom Simon and Cyndie Simon (“Plaintiffs”) filed a class action lawsuit in federal court against Specialized Loan Servicing LLC (“Defendant” or “SLS”) alleging that Defendant violated the Fair Debt Collection Practices Act (“FDCPA”) by representing to Plaintiffs and other class members when it sent a monthly statement or breach letter after August 30, 2022, that overstated the total amount due where the total amount exceeded the outstanding principal balance, unpaid fees, charges, and advances. The law requires that a debt collector not make material misrepresentations in the attempted collection or collection of a consumer debt such as a mortgage. Plaintiffs alleged that Defendant violated the law by misrepresenting the amounts owed by them and the other class members.

Defendant denies that it did anything wrong or that it violated any laws. Defendant maintains that it had the right to assess, attempt to collect, and assess interest after the delinquent loans were boarded. The Court has not decided that Defendant violated the FDCPA. The Court has previously determined that this lawsuit should proceed as a class action, as opposed to an individual claim brought by Plaintiffs. This Notice should not be interpreted as an expression of the Court’s opinion on which side is right or wrong. If the parties had not reached a settlement, Defendant would have vigorously defended the lawsuit and asked for a ruling in its favor.

Within the Settlement, you are a member of the “Settlement Class.” The Settlement Class is all individuals who: (1) had a loan with a 0% interest rate serviced by SLS, (2) that was delinquent at the time the loan was boarded; (3) were sent either a monthly statement or a breach letter after August 30, 2022; (4) that overstated the total amount due; and (5) where the total amount exceeded the outstanding principal balance, unpaid fees, charges, and advances.

### **What Can I Get Out of the Settlement?**

**Payments.** A \$204,750.00 Statutory Damages Amount will be used to provide you a statement credit on your mortgage loan payment in the amount of \$975.00. If the outstanding balance of your mortgage serviced by Shellpoint is less than \$975.00, you will receive a statement credit for the balance of your mortgage loan and a check for the difference between \$975.00 and your outstanding balance. If you no longer have a mortgage serviced by Shellpoint, you will receive a check in the amount of \$975.00.

If the Settlement is approved in full, the Settlement Class Members who do not opt out of the Settlement will receive the statement credit or cash payment.

### **Who Are the Attorneys Representing the Class and How Will They be Paid?**

The Court has approved lawyers to represent the Settlement Class (“Class Counsel”). If you prefer to hire your own attorney to represent you in this case, you may do so at your own expense. The attorneys who have been appointed by the Court to represent the Settlement Class are:

Kristi C. Kelly  
Andrew J. Guzzo  
Casey S. Nash  
J. Patrick McNichol  
Matthew G. Rosendahl  
Kelly Guzzo PLC  
3925 Chain Bridge, Suite 202  
Fairfax, VA 22030

You will not be charged for these lawyers. Subject to Court approval, Class Counsel will seek attorneys’ fees and costs not to exceed \$350,000 that will be paid by Defendant separately. Class Counsel may also seek a service award in an amount not to exceed \$7,500 to be paid to each Plaintiff for their services in representing the Settlement Class. The attorneys’ fees, costs, service award, and settlement administration expenses will be paid by Defendant separately from the \$204,750.00 Statutory Damages Amount and will therefore not affect the payment you could receive under the Settlement.

### **Deciding What You Want to Do**

#### **What Are My Options?**

You have three options. You can (1) do nothing, (2) exclude yourself (in other words, “opt out”) from the Settlement, or (3) object to the Settlement.

This chart shows the consequences of selecting each option:

	<b>Do nothing</b>	<b>Opt Out of the Class</b>	<b>Object to the Settlement</b>
<b>Am I bound by the terms of the Class if I...</b>	Yes	No	Yes
<b>Will I be able to receive money or a credit in the Settlement if I ...</b>	Yes	No	Yes

Your options and rights are explained in the following sections, along with the steps you must take if you wish to opt out or object.

## **Staying in the Class**

### **What Are the Consequences of Doing Nothing?**

If you do nothing, you will remain in the Settlement Class and be bound by the Court's orders. You will also receive an automatic payment as described above following approval by the Court of the Settlement.

You will not be able to pursue claims against Defendant that are covered by the Settlement's release. All the Court's decisions regarding the Settlement will apply to you and you will be bound by any judgment entered.

If you do nothing, you will release the Defendant from all statutory damage claims under 15 U.S.C. § 1692e for any misrepresentations about the total amount due in breach letters or monthly mortgage statements sent during the class period. The Release does not include claims that you may have for actual damages or under other provisions of the Fair Debt Collections Practices Act or under any state laws. The full Release is available at [www.SLSMortgageSettlement.com](http://www.SLSMortgageSettlement.com).

## **Opting Out**

### **What Happens if I Opt Out of The Class?**

If you exclude yourself from the Class, you will not receive any money from the Settlement. You will not be bound by any of the Court's orders regarding the Class, or any judgment or release entered regarding the Class. You will retain any legal rights you may have against Defendant. You will be responsible for the fees and costs of any services provided by your own lawyer.

### **How Do I Opt Out?**

If you wish to be excluded (or "opt out" of the class), you must mail a written request for exclusion addressed to the Settlement Administrator, Simon v Specialized Loan Servicing, P.O. Box 23668, Jacksonville, FL 32241. Your request for exclusion must be in writing, signed by you, and postmarked on or before April 5, 2025. The request must state: "I do not want to be part of the Settlement Class in *Simon v. Specialized Loan Servicing, LLC*." The request must also be dated and include your name, address, and telephone number. If you have a new address, please also inform the Administrator of the new address so they can update the appropriate records. If you exclude yourself, you are not eligible to receive a payment or statement credit.

## **Objecting to the Settlement**

### **What Happens if I Object to the Settlement?**

If you object according to the steps below, the Court will consider your objection. If it overrules your objection and approves the Settlement, you will be bound by the Court's decision, and you will remain a part of the Class and receive a payment.

### **How Do I Object to the Settlement?**

You may object to all or part of the Settlement if you think it is not fair, reasonable, and/or adequate. To object, you must file with the Court, and send copies to the parties' counsel, a written explanation of the reasons you think that the Court should not approve the Settlement. Be sure to sign the letter and include your name, address, and current phone number, and the basis of your objection including any documentation, and include a notation that it is for "*Simon v. Specializing Loan Servicing, LLC*, Civil Action No. 1:23-cv-1159 (E.D. Va.)." The deadline to file an objection is April 5, 2025. If you are represented by counsel in your objection, include that attorney's information.

### **Additional Information**

#### **When and Where Will the Court Decide Whether to Approve the Settlement?**

The Court will hold a final approval hearing on May 15, 2025, at 1:00 p.m. before the Honorable Lindsey R. Vaala, in the United States District Court for the Eastern District of Virginia, Albert V. Bryan U.S. Courthouse, 401 Courthouse Square, Alexandria, Virginia 22314. At the final approval hearing, the Court will consider whether the proposed Settlement is fair, reasonable, and adequate. The Court will also hear objections to the Settlement, if any. We do not know how long the Court will take to make its decision after the hearing. In addition, the hearing may be continued at any time by the Court without further notice to you. You should check the website [www.SLSMortgageSettlement.com](http://www.SLSMortgageSettlement.com) after January 30, 2025, to confirm the hearing date, the court approval process, and the Effective Date of the Settlement.

You do not have to appear at the final approval hearing to be eligible to receive a monetary payout. If the Court approves the Settlement, the Court's judgment as to the Settlement Class will be binding on all Settlement Class Members who do not validly exclude themselves.

#### **Where Can I Get Additional Information?**

This notice is only a summary of the proposed settlement. If any of the information in this Notice conflicts with the terms of the full Settlement Agreement, the terms of the full Settlement Agreement control. You can review more details about the proposed settlement and access additional documents, including the Complaint and the full Settlement Agreement, at the Settlement Website [www.SLSMortgageSettlement.com](http://www.SLSMortgageSettlement.com).