

ROBERT A. SCHULTZ, JR. and DONNA L. SCHULTZ, on behalf of themselves and all those similarly situated,

Plaintiffs,

vs.

MIDLAND CREDIT MANAGEMENT, INC.,

Defendant.

**SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: ESSEX COUNTY**

Civil Action

Docket No. ESX-L-000142-22

NOTICE OF CLASS ACTION LAWSUIT

**If you received a collection letter from Midland Credit Management,
a class action lawsuit may affect your rights.**

*A state court has authorized this notice. This is not a solicitation from a lawyer.
You are not being sued. The court has directed this notice of class action to:*

All natural persons with addresses within the State of New Jersey, to whom, beginning July 20, 2015 through and including April 25, 2016, Midland Credit Management, Inc. (“Midland”), sent a Section 1692g initial communication or “LT1Y” letter in an attempt to collect a consumer debt with an original creditor of Capital One, and a current balance of less than \$600 at the time the letter(s) was sent, which contained the statement: “We will report forgiveness of debt as required by IRS regulations. Reporting is not required every time a debt is canceled or settled, and might not be required in your case.”

You were sent class notice in 2020. Since then, the case was dismissed from federal court and re-filed in state court in 2022. The state court has now certified the class and authorized this notice.

The Court has not decided whether Midland did anything wrong. There is no money available now, and no guarantee there will be. However, your legal rights are affected, and you have a choice to make now:

Your Legal Rights and Options in this Lawsuit:	
Do Nothing	Stay in this lawsuit. Await the outcome. Give up certain rights. By doing nothing, you keep the possibility of getting money or benefits that may come from a trial or a settlement. But, you give up any rights to sue Midland separately about the same legal claims in this lawsuit.
Ask to be Excluded	Get out of this lawsuit. Get no benefits from it. Keep rights. If you ask to be excluded from this lawsuit and money or benefits are later awarded, you won’t share in those. But, you keep any rights to sue Midland separately about the same legal claims in this lawsuit.

- Your options are explained in this notice. To ask to be excluded, you must act before **January 21, 2026.**
- The Plaintiffs’ lawyers must prove the claims against Midland at a trial. If money or benefits are obtained from Midland, you may receive a payment or be notified about how to ask for a share.

1. What is this lawsuit about?

This lawsuit is about whether Midland violated the federal Fair Debt Collection Practices Act (“FDCPA”) by sending out collection letters that contained the following statement: “We will report forgiveness of debt as required by IRS regulations. Reporting is not required every time a debt is canceled or settled, and might not be required in your case.” According to Plaintiffs, these letters threatened reporting of debt forgiveness to the IRS when no IRS reporting would ever occur. A debt collector’s use of false, deceptive, or misleading statements in an attempt to collect a debt violates the FDCPA. This lawsuit has nothing to do with the underlying account listed on the letter you received, or whether you owe Midland any money. Midland denies any violation of this law.

2. What is a class action and who is involved?

In a class action, one or more people called Class Representatives (in this case, Robert & Donna Schultz), are the Plaintiffs and sue on behalf of people who have similar claims. The company they sued (in this case Midland Credit Management) is called the Defendant or, in this notice, simply “Midland.” In a class action, one court resolves the issues for everyone in the Class – except for those people who choose to exclude themselves from the Class.

3. Why is this lawsuit a class action?

The Court decided that this lawsuit can be a class action and move towards a trial because it meets the requirements of New Jersey Rule of Civil Procedure 4:32-1, which governs class action. Specifically, the Court found that: there are (a) sufficiently numerous consumers who received the collection letter challenged in this case; (b) there are legal questions and facts that are common among them; (c) the Schultzes’ claims are typical of the claims of the rest of the Class; (d) the Schultzes’ and the lawyers representing them will fairly and adequately represent the Class’ interests; (e) common legal questions and facts are more significant than questions that affect only individuals; and (f) a class action will be more efficient than having many individual lawsuits. More information about why the Court is allowing this lawsuit to be a class action is in the Court’s September 29, 2025 Order Granting the Plaintiffs’ Motion to Certify the Class, which is available upon written request, or online.

4. Has the Court decided who is right?

The Court has not yet decided whether Midland or the Plaintiffs are correct. By establishing the Class and issuing this Notice, the Court is not suggesting that the Plaintiffs will win or lose this case. The Plaintiffs must prove their claims at a trial.

5. What are the Plaintiffs asking for?

The Plaintiffs are asking for a money award for damages provided by the federal consumer law involved. A jury will decide how much. The cap on any recovery for the entire class is \$500,000, though the court could award less or nothing. Plaintiffs are also asking for a separate award to each named Plaintiff up to \$1,000 and asking that Class Counsel fees and expenses be paid by Midland.

6. Is there any money available now?

No money or benefits are available now because the Court has not yet decided whether Midland did anything wrong, and the two sides have not settled the case. There is no guarantee that money or benefits ever will be obtained. If there are, you will receive a payment or be notified about how to receive a share.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class or ask to be excluded before the trial, and you have to decide this now.

7. What happens if I do nothing at all?

You don't have to do anything now if you want to keep the possibility of getting money or benefits from this lawsuit. By doing nothing you are staying in the Class. If you stay in the Class and the Plaintiffs obtain money or benefits, either as a result of the trial or a settlement, you will be sent a check or will be notified about how to apply for a share.

Keep in mind that if you do nothing now, regardless of whether the Plaintiffs win or lose the trial, you will remain a part of the Class and will not be able to sue, or continue to sue Midland as part of any other lawsuit – about the same legal claims that are the subject of this lawsuit. You will also be legally bound by all of the Orders the Court issues and judgments the Court makes in this class action.

8. Why would I ask to be excluded?

If you already have your own unfair debt collection practice or similar lawsuit against Midland and want to continue with it, or do not want to be part of this class action for any reason, you need to ask to be excluded from the Class. If you exclude yourself from the Class – sometimes called “opting-out” of the Class – you won't get any money or benefits from this lawsuit even if the Plaintiffs obtain funds as a result of the trial or from any settlement (that may or may not be reached) between Midland and the Plaintiffs. However, if you exclude yourself, you may then be able to sue or continue to sue Midland for improper debt collection tactic(s). If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against Midland after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit, and you'll have to prove your claims. If you do exclude yourself so you can start or continue your own lawsuit against Midland, you should talk to your own lawyer very soon, because your claims may be subject to a short statute of limitations.

9. How do I ask the Court to exclude me from the Class?

To ask to be excluded, you must send an “Exclusion Request” in the form of a letter sent by mail, stating that you want to be excluded from *Schultz v. Midland Credit Management*, No. ESX-L-142-22 to the Class Action Administrator. Be sure to include your name and address, and sign and date the letter. Your Exclusion Request must be mailed and postmarked by January 21, 2026 to:

Schultz v Midland Class Action Administrator
PO Box 23369
Jacksonville, FL 32241

THE LAWYERS REPRESENTING YOU

10. Do I have a lawyer in this case?

The Court decided that the law firms of Flitter Milz, P.C., in Cherry Hill, NJ and Kim Law Firm LLC, in Hackensack, NJ are qualified to represent you and all Class Members. The law firms are called Class Counsel. They are experienced in handling similar cases against debt collectors.

11. How will the lawyers be paid?

If Class Counsel secures money or benefits for the Class, they may ask the Court to award fees and expenses. You won't have to pay these fees and expenses. If the Court grants Class Counsel's request, the fees and expenses would be paid separately by Midland. The lawyers have not been paid for their time or services to date.

THE TRIAL

12. How and when will the Court decide who is right?

As long as the case is not resolved by a settlement or otherwise, the Plaintiffs will have to prove their claims at a trial. No trial date has been set yet. You may check the Court's website for updates. You do not need to attend the trial. Class Counsel will present the case for the Plaintiffs and the Class. You or your own lawyer are welcome to come at your own expense if you wish, however.

13. Will I get money after the trial?

If the Plaintiffs obtain money or benefits as a result of the trial or a settlement, you will receive a check or be notified about how to participate. We do not know how long this will take.

GETTING MORE INFORMATION

14. Are more details available?

You may visit www.midlandclassaction.com for more details. Also, you may visit the Court's website at <https://www.njcourts.gov/attorneys/ecourts> and search for any orders issued in the case. If you have further questions or need a copy of a document filed in the case, you may contact Plaintiffs' counsel or the Class Action Administrator:

ANDREW M. MILZ
FLITTER MILZ, P.C.
1814 East Rt. 70, Suite 350
Cherry Hill, NJ 08003
Tel.: (856) 396-0600
Fax.: (833) 775-3450

YONGMOON KIM
KIM LAW FIRM LLC
411 Hackensack Avenue,
Suite 701
Hackensack, NJ 07601
Tel. & Fax: (201) 273-7117

Schultz v Midland Class Action
Administrator
PO Box 23369
Jacksonville, FL 32241
(877) 504-2575
info@midlandclassaction.com

Remember, you will remain a Class Member unless you exclude yourself as noted in section 9.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE LITIGATION TO THE CLERK OF THE COURT OR TO THE JUDGE

They are not permitted to answer your questions.