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**UNITED STATES DISTRICT COURT FOR  
THE SOUTHERN DISTRICT OF MISSISSIPPI**

**If you have a mortgage loan with Tower Loan of Mississippi, LLC or First Tower Loan, LLC, which has a “date of loan” between June 1, 2013 and November 3, 2015, you may benefit from this class action settlement.**

*A Federal court authorized this notice. This is not a solicitation from a lawyer.*

- A settlement has been reached in class action litigation involving certain mortgage loans made by the Defendants. The Defendants deny all allegations, and the Court has not decided which side is right.
- The settlement will provide an interest rate reduction on certain mortgage loans.
- To qualify, you must have entered into a mortgage loan with one of the Defendants that has a “date of loan” between June 1, 2013 and November 3, 2015.
- Your legal rights are affected whether you act or don’t act. Read this notice carefully.

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING BUT STAY IN THE SETTLEMENT</b>	By doing nothing, you will remain a member of the settlement class and you will be entitled to receive certain relief provided for in the settlement.
<b>EXCLUDE YOURSELF</b>	You will receive no benefits. This is the only option that allows you to participate in any other lawsuit against the Defendants about the claims in this case.
<b>OBJECT</b>	Write to the Court about why you don’t like the settlement.
<b>GO TO A HEARING</b>	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. Benefits will be distributed if the Court approves the settlement and after appeals are resolved. Please be patient.**

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## **BASIC INFORMATION**

### **1. Why did I get this notice?**

You received this notice because you have a right to know about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the settlement. This notice explains the lawsuit, the settlement, and your legal rights.

The court in charge of the case is the United States District Court for the Southern District of Mississippi. The lawsuit is known as *Barbara J. Kemp and Tijuanna Hall v. Tower Loan of Mississippi, LLC d/b/a Tower Loan of Biloxi, and First Tower Loan, LLC d/b/a Tower Loan of East Gulfport*, Case No. 3:15-cv-00499-CWR-LRA. The people who sued are called Plaintiffs, and the companies they sued, Tower Loan of Mississippi, LLC d/b/a Tower Loan of Biloxi, and First Tower Loan, LLC d/b/a Tower Loan of East Gulfport, are called Defendants or Tower.

### **2. What is this lawsuit about?**

The Plaintiffs claim that Defendants violated the Truth in Lending Act, as amended by the Home Ownership and Equity Protection Act of 1994 ("HOEPA"), and the Dodd-Frank Wall Street Reform and Consumer Protection Act, when they made certain mortgage loans without properly making certain required disclosures. Defendants deny all of the allegations and maintain that their conduct was proper and did not violate the law.

### **3. Why is there a class action?**

In a class action, one or more people called Class Representatives (in this case, Barbara J. Kemp and Tijuanna Hall), sue on behalf of a group (or a "Class") of people who have similar claims.

### **4. Why is there a settlement?**

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. That way, the parties avoid the cost, risk, and delay of litigation and uncertainty of trial. The Class Representatives and their attorneys think the proposed settlement is best for everyone who is affected.

## **WHO IS PART OF THE SETTLEMENT?**

### **5. How do I know if I am a part of the settlement?**

The Court decided that those individuals falling under the following definition are Class Members:

All Borrowers of any Mortgage Loan with Defendants that has a Date of Loan from June 1, 2013 through and including November 3, 2015.

As used herein, "Mortgage Loan" means a loan from Tower that is secured by the borrower's principal dwelling and has a Date of Loan within the time period indicated above.

If you are not sure whether you are included, you can call the Settlement Administrator toll free number at 1-877-268-2976. You also can send questions to the Settlement Administrator at [TowerLoanSettlement@class-settlement.com](mailto:TowerLoanSettlement@class-settlement.com) or Post Office Box 9009, Hicksville, NY 11802-9009.

## **THE SETTLEMENT BENEFITS**

### **6. What can I get from the Settlement?**

If the settlement is approved and becomes final, Defendants will provide an interest rate reduction of 1.254% (the "Rate Reduction") on the Class Members' Mortgage Loans. For Class Members with open Mortgage Loans, Defendants will re-amortize the loans with the Rate Reduction from the Date of Loan through the last scheduled payment date; provided that, if the loan is paid off prior to the last scheduled payment date, the Class Member will receive no further Rate Reduction or other benefit from the settlement after the payoff. Defendants will provide each Class Member with a redisclosure of revised finance charges, total of payments and monthly payment amount. If the monthly payments already made on the loan would be sufficient to pay off the loan when the loan is re-amortized at the reduced interest rate, then the loan balance will be reduced to zero. If a Class Member with an open Mortgage Loan has overpaid after the Rate Reduction is made, overpayments will first be applied to reduce to zero the Class Member's other debt with Defendants, and the amount of any remaining

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overpayments will be paid to the Class Member by check. Class Members with paid off Mortgage Loans also will have their loans re-amortized with the Rate Reduction. Overpayments will first be applied to reduce to zero the Class Member's deficits and other debt with Defendants, and the amount of any remaining overpayments will be paid to the Class Member by check.

**7. What is the estimated value of the settlement benefits?**

The Rate Reductions are projected to provide a total reduction of approximately \$610,000 in precomputed finance charges to the Class Members.

**8. When will I receive my benefits?**

The Court will hold a hearing and decide whether to approve the settlement. If the Court approves the settlement, there may be appeals afterwards. If there are appeals, resolving them can take time. If the settlement is approved by the Court, the time to appeal expires, and if any appeals are resolved in favor of settlement, the settlement will be effective. Within 120 calendar days of the effective date of the settlement, Defendants will make the necessary calculations and provide redisclosures to Class Members. The Settlement Administrator will mail checks to those Class Members who are entitled to payments within 157 days after the effective date of the settlement.

**9. I want to be part of the settlement and receive these benefits. What do I do?**

You do not need to do anything to remain a Class Member. All relief provided by the Settlement Agreement will be provided automatically. If you are a Class Member and have an open Mortgage Loan, it will automatically be recalculated at the lower interest rate. If you are entitled to a check, it will automatically be sent to your last known address.

**10. What am I giving up to receive these benefits?**

By remaining a Class Member, all of the Court's orders will apply to you, and you give Defendants a release. The Settlement Agreement is available at [www.edcombs.com](http://www.edcombs.com) and describes the claims that you give up if you remain in the settlement.

**11. Will the settlement impact any of my other loan terms?**

No, all terms and conditions of your Mortgage Loan will remain unchanged and in full force and effect, except for the interest rate which will be reduced and except as modified by the resulting redisclosures of finance charges, total of payments and monthly payment amounts. Class Members with open Mortgage Loans should make future monthly payments on their Mortgage Loans as scheduled at the reduced interest rate until the Mortgage Loan is paid in full.

**12. What if I pay off my open Mortgage Loan early after it is reamortized in accordance with the settlement?**

If you pay off your loan early, after you receive the Rate Reduction, you will receive no further Rate Reduction or other benefit from this settlement.

**13. How much will the Class Representatives receive?**

Plaintiffs Barbara J. Kemp and Tijuanna Hall will each request Court approval for a payment of \$5,000.00 for their service as Class Representatives in prosecuting the case on behalf of the Class.

**EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you don't want to receive the benefits of the settlement, but you want to keep the right to sue Defendants on your own about the legal issues in this case, then you must take steps to get out of the settlement. This is called excluding yourself.

**14. How do I get out of the Settlement?**

To exclude yourself from the settlement, you must send a letter to the Settlement Administrator (i) by first class mail, postage prepaid to Post Office Box 9009, Hicksville, NY 11802-9009; or (ii) by private courier (such as Federal Express) to 20 Max Avenue, Hicksville, NY 11801. Your request must include:

- Your name, address, telephone number, and Mortgage Loan number;
- A statement that you want to be excluded from the settlement in *Kemp and Hall v. Tower Loan of Mississippi, LLC and First Tower Loan, LLC*, Case No. 3:15-cv-00499-CWR-LRA; and
- Your signature.

If sent by mail, your exclusion request must be postmarked no later than November 7, 2017. If sent by private courier, it must have a shipping date on the shipping label that is no later than November 7, 2017. All exclusion requests must be received by the Settlement Administrator no later than November 17, 2017 to be valid. You cannot exclude yourself by phone, email or on a website.

**15. If I don't exclude myself, can I sue Defendants for the same thing later?**

No. Unless you exclude yourself, you give up the right to sue Defendants for the claims that this settlement resolves.

**16. If I exclude myself, do I still receive benefits from this settlement?**

No, you will not receive anything resulting from the settlement of this case, but you may sue the Defendants over the claims raised in this case on your own or as a part of a different lawsuit.

**THE LAWYERS REPRESENTING YOU**

**17. Do I have a lawyer in the case?**

The Court has named the law firm of Edelman, Combs, Latturner & Goodwin, LLC and Jason Graeber as "Class Counsel". You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. If you choose to hire your own lawyer, he or she must file an appearance by no later than November 7, 2017.

## 18. How will the lawyers be paid?

Class counsel will request Court approval of a payment of attorney's fees and costs of \$150,000 to be paid from the settlement fund.

## OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

## 19. 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. To object, you must send a letter to the Settlement Administrator that includes, among other things, the following:

- The name of the case, *Kemp and Hall v. Tower Loan of Mississippi, LLC and First Tower Loan, LLC*, Case No. 3:15-cv-00499-CWR-LRA;
- Your full name, address and telephone number;
- All grounds for your objection, accompanied by any legal support for the objection;
- Information about other objections you or your lawyer have made in other class actions within the five years preceding the date you file your objection in this case;
- A statement confirming whether you intend to appear personally and/or testify at the final approval hearing (also referred to as the fairness hearing); and
- Your signature (an attorney's signature is not sufficient).

The requirements to object to the settlement are described in detail in the Settlement Agreement in paragraphs 65 and 66. **Review those paragraphs carefully and comply with all requirements if you wish to object.** Also, for an objection to be considered by the Court, it must: (i) if mailed, be sent first-class, postage prepaid, and postmarked no later than November 7, 2017; (ii) if sent by private courier (e.g., Federal Express), have a shipping date on the shipping label that is no later than November 7, 2017; and (iii) be received by the Settlement Administrator no later than November 17, 2017.

## 20. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. 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 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 are not required to do so.

## 21. Where and when is the fairness hearing?

The Court will hold a fairness hearing on December 18, 2017 at 10:00 a.m. in the courtroom of Judge Carlton W. Reeves in Courtroom 5B at the United States Courthouse, 501 E. Court Street, Jackson, MS 39201. The purpose of the hearing will be for the Court to determine whether the proposed settlement is fair, reasonable and adequate and to determine the appropriate amount of compensation for Class Counsel. At that hearing, the Court will hear objections and arguments concerning the fairness of the proposed settlement. The hearing may be postponed to a later date without notice.

## 22. Do I have to attend the hearing?

No, you are not required to come to the fairness hearing, 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 sent your written objection on time, to the proper address, and it complies with the requirements described in paragraphs 65 and 66 of the Settlement Agreement, the Court will consider it (unless the settlement is terminated prior to the fairness hearing). You also may pay your own lawyer to attend, but it's not necessary.

## GETTING MORE INFORMATION

## 23. How do I get more information?

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by calling Edelman, Combs, Latturmer & Goodwin, LLC, the firm representing the Class, at (312) 739-4200 or by sending an email to: [info@edcombs.com](mailto:info@edcombs.com), or on its website at [www.edcombs.com](http://www.edcombs.com). If you have questions, you also can obtain information from the Settlement Administrator at the toll-free number, 1-877-268-2976, or [www.class-settlement.com/TowerLoanSettlement](http://www.class-settlement.com/TowerLoanSettlement).

## PLEASE DO NOT CALL OR WRITE THE COURT FOR INFORMATION OR ADVICE

## 24. What if I have a new address?

If this notice was sent to you at your current address, you do not have to do anything more to receive further notices concerning this case. However, if this notice was forwarded to you, or if it was otherwise sent to you at an address that is not current, you should immediately send a letter to: Post Office Box 9009, Hicksville, NY 11802-9009.