

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

SHARON EUL, et al., on behalf of themselves and a putative class,)	
)	
Plaintiffs,)	Honorable Judge Ruben Castillo
)	
v.)	Case No.: 1:15-cv-07755
)	
TRANSWORLD SYSTEMS INC., et al.,)	Magistrate Judge Maria Valdez
)	
Defendants.)	

**If you have an account in default with a National Collegiate Student Loan Trust entity,
you may benefit from this letter.**

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

**THIS IS A NOTICE OF A SETTLEMENT OF A CLASS ACTION LAWSUIT.
THIS IS NOT A NOTICE OF A LAWSUIT AGAINST YOU.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>FILL OUT AN ONLINE ENROLLMENT FORM BY APRIL 2, 2018</p>	<p>By filling out an online enrollment form by APRIL 2, 2018 you will remain in the Class and you will be entitled to participate in the Higher Education Loan Program (the “HELP program”). By remaining in the Class, you give up most defenses to a collection lawsuit by a National Collegiate Student Loan Trust including the ability to contest ownership of the debt THIS WILL NOT LIMIT ANY BENEFITS YOU MAY BE ELIGIBLE FOR AS A RESULT OF SETTLEMENTS BETWEEN THE NATIONAL COLLEGIATE STUDENT LOAN TRUSTS AND THE CONSUMER FINANCIAL PROTECTION BUREAU.</p>
<p>DO NOTHING BUT STAY IN THE SETTLEMENT CLASS</p>	<p>By doing nothing, you will remain in the Class, receive the benefits of class membership and are bound by the terms of the settlement, but you will not be a participant in the HELP program. By remaining in the Class, you give up most</p>

For more information, call 312-739-4200.

	defenses to a collection lawsuit by a National Collegiate Student Loan Trust including the ability to contest ownership of the debt. THIS WILL NOT LIMIT ANY BENEFITS YOU MAY BE ELIGIBLE FOR AS A RESULT OF SETTLEMENTS BETWEEN THE NATIONAL COLLEGIATE STUDENT LOAN TRUSTS AND THE CONSUMER FINANCIAL PROTECTION BUREAU.
EXCLUDE YOURSELF BY <u>APRIL 2, 2018</u>	You will receive no benefits, but you will retain your legal claims and defenses against the Defendants.
OBJECT BY <u>APRIL 2, 2018</u>	Write to the Court about why you don't like the settlement. You may also appear at the fairness hearing on April 25, 2018 .
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement on April 25, 2018 .
1. Why did I get this notice?	

You are receiving this notice because you have an outstanding loan owned by a National Collegiate Student Loan Trust entity which is in default.

2. What is this lawsuit about?

This lawsuit claims that Transworld Systems Inc. (“TSI”), Weltman, Weinberg & Reis (“WWR”), Blitt and Gaines (“Blitt”), NCO Financial Systems n/k/a EGS Financial Care, Inc. (“EGS”) and various National Collegiate Student Loan Trust entities (“NCSLT”) (“Defendants”) violated state and federal laws in the process of collecting student loan accounts. For the purposes of the settlement, NCSLT includes the following trusts: National Collegiate Master Student Loan Trust-I, National Collegiate Student Loan Trust 2003-1, National Collegiate Student Loan Trust 2004-1, National Collegiate Student Loan Trust 2004-2, National Collegiate Student Loan Trust 2005-1, National Collegiate Student Loan Trust 2005-2, National Collegiate Student Loan Trust 2005-3, National Collegiate Student Loan Trust 2006-1, National Collegiate Student Loan Trust 2006-2, National Collegiate Student Loan Trust 2006-3, National Collegiate Student Loan Trust 2006-4, National Collegiate Student Loan Trust 2007-1, National Collegiate Student Loan Trust 2007-2, National Collegiate Student Loan Trust 2007-3, National Collegiate Student Loan Trust 2007-4.

3. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case, Sharon Eul and several others), sue on behalf of a group (or a “Class”) of people who have similar claims regarding the same actions of Defendants.

For more information, call 312-917-4504.

4. Why is there a settlement?

To avoid the cost, risk, and delay of litigation, the Parties reached a settlement agreement as to the Plaintiffs' individual claims and the claims of the Classes.

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

For settlement purposes, the Court has certified a Class consisting of all people who meet the following definition:

All persons that currently have addresses in the State of Illinois according to Defendants' records that owe on a defaulted NCSLT loan and where the date of delinquency or last payment was made less than 10 years prior to the date of this Agreement.

There are approximately 13,495 people in the class. According to Defendants' records, you are a Class member.

YOUR BENEFITS UNDER THE SETTLEMENT

6. What can I get from the settlement?

1. TSI will request that the credit bureaus delete the credit report entry of TSI for each member of the Settlement Class, and TSI will use a commercially reasonable effort to ensure that requests are made to any other servicer of the defaulted loans owed to NCSLT for the Plaintiffs and the Settlement Class, including AES, that any credit report entries by them be deleted.
2. Going forward, the maximum interest rate to be applied to your NCSLT loans will not exceed the lesser of the contracted loan rate or 9% per annum.
3. If your date of default or your last payment was more than 5 years, but less than 10 years from November 29, 2017, no interest charges will be assessed on your loan for 48 months from November 29, 2017.
4. If your date of default or your last payment was less than 5 years from November 29, 2017, no interest charges will be assessed on your loan for 24 months from November 29, 2017.
5. You will have the option to enroll in the HELP program for additional benefits as described below.

For more information, call 312-917-4504.

HELP Program:

Class members may choose to enroll in the Higher Education Loan Program (“HELP”): HELP program:

1. Each HELP class member shall be permitted to begin repayment on each defaulted NCSLT loan by making 9 timely payments over a 10-month period, with the aggregate amount of the required payments to equal 2% of the outstanding balance, provided that each of the payments shall be no less than \$25, and shall not exceed \$500.
2. After 9 payments are made within the 10-month period, the HELP class member shall be able to settle the debt for 62.5% of the outstanding balance. The HELP class member shall then repay the loan over a period of 120 months, with a minimum payment of \$50 per month.
3. If a HELP class member has a judgment against them for the underlying loan, the HELP class member shall be permitted to satisfy in full, and settle the debt for 75% of the outstanding balance after 9 payments are made within the 10-month period. The HELP class member shall then repay the loan over a period of 120 months, with a minimum payment of \$50 per month.
4. During the repayment period, no interest will be assessed on the loan(s) while the HELP class member is making timely payments, which shall be no later than 15 days after payments are due.
5. If the HELP class member makes a late payment more than 15 days after the payment’s due date, the full balance, minus any payments made, will become due and owing and interest will accrue on that amount from a date 16 days after the payment due date.
6. Any co-borrower shall have the right to participate in the HELP program.
7. In the event that a co-borrower shall default or fail to make timely payments under the HELP program, the co-borrower, if any, shall receive written notice of the breach of the repayment plan, and will be given the opportunity to make payments to make the account repayment current and remain in the HELP program.

Be advised that any payment on your loan will restart the time within which NCSLT may bring suit to collect your debt.

7. When will I receive these benefits?

You will receive the above benefits when the settlement receives Final Approval from the Court.

8. I want to be a part of the settlement. What do I do?

If you do not want to participate in the HELP program – do nothing.

For more information, call 312-917-4504.

If you would like to participate in the HELP program, fill out the form available at www.EulSettlement.com. After you fill out the form, you will be contacted by mail by Transworld Systems Inc. to begin the program.

9. What am I giving up if I remain in the settlement?

By remaining in the Class, you give up most defenses to a collection lawsuit by a National Collegiate Student Loan Trust, including the right to contest ownership of the debt. All of the Court's orders will apply to you, and you give Defendants a "release." A release means you cannot sue or be part of any other lawsuit against Defendants about the claims or issues in this lawsuit. . **YOU ARE NOT GIVING UP ANY BENEFITS YOU MAY BE ELIGIBLE FOR AS A RESULT OF SETTLEMENTS BETWEEN THE NATIONAL COLLEGIATE STUDENT LOAN TRUSTS AND THE CONSUMER FINANCIAL PROTECTION BUREAU.**

10. How much will the Class Representative receive?

The Plaintiffs will receive a payment of \$1,500.00 each pursuant to 15 U.S.C. § 1692k(a)(2)(B), which also takes into account their services to the Settlement Class. Defendants have also promised not to file collection suits against the Plaintiffs regarding their NCSLT debts. This payment is subject to the Court's approval.

EXCLUDING YOURSELF FROM THE CLASS

If you do not want to remain in the Class and receive the benefits of the settlement, and you want to keep your legal claims and defenses against Defendants, then you must take steps to exclude yourself from the Class.

11. How do I get out of the Class?

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from the Class in the case of *Eul, et al. v. Transworld Systems Inc., et al.*, Case No. 15-cv-7755. Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request so that it is postmarked **no later than April 2, 2018** to:

Edelman Combs Lattuner & Goodwin
20 S Clark St. Suite 1500
Chicago, Illinois 60603

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

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

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lawsuit. You will also have the right to assert all defenses against any National Collegiate Student Loan Trust if you are sued.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has named the law firm of EDELMAN, COMBS, LATTURNER & GOODWIN LLC as the lawyers representing the Classes. You will not be charged for these lawyers; however, they will receive a payment from Defendants in an amount to be determined by and approved by the Court. 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, s/he must file an appearance by **April 2, 2018**.

14. How will the lawyers be paid?

Class Counsel, Edelman, Combs, Latturner & Goodwin, LLC will petition the Court for approval of reasonable attorneys' fees and costs incurred with respect to the Plaintiff and the Class' claims. Pending the Court's approval, Defendants will pay Class Counsel that amount which the Court deems reasonable, but not more than a total of \$290,000.00.

CLASS COUNSEL'S VIEWS ABOUT THE SETTLEMENT

15. Is this a fair settlement?

Class Counsel believes this settlement is fair. Defendants filed a motion to dismiss plaintiffs' claims, which was granted in part and denied in part on March 30, 2017. Class Counsel believes that plaintiffs would be successful on appeal, but acknowledges that there are inherent risks to litigation.

In this case, Defendants have agreed to offer relief to the class by removing credit report entries, limiting interest charges, suspending interest accrual, and offering class members a payment program. Based upon the nature of the claims alleged and the status of litigation, Class Counsel believes this is a fair and reasonable settlement.

16. What is the Defendants' view of this settlement?

As stated above, Defendants deny that their actions violated state or federal law, deny liability to Plaintiffs or the proposed Class, and deny any wrongdoing of any kind. Defendants desire to settle the claims of the Class to avoid the expense, burden, and uncertainty of further litigation, and to put to rest all claims related to their collection activities that are the subject of this lawsuit.

For more information, call 312-917-4504.

OBJECTING TO THE SETTLEMENT

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

17. How do I tell the Court that I do not like the Settlement?

If you are a Class member, you can object to the Settlement. In order to object to the Settlement, you must send a written objection (such as a letter or legal brief) stating that you object and the reasons why you think the Court should not approve the Settlement. Your objection must be signed by you or your attorney and include: (1) your name, address, telephone number, (2) the name and number of the case: *Eul, et al. v. Transworld Systems Inc., et al.*, Case No. 15-cv-7755; (3) the factual basis and legal grounds for your objection to the Settlement. If you have a lawyer, your lawyer who intends to appear at the Fairness Hearing also must enter a written Notice of Appearance of Counsel with the Clerk of the Court no later than **April 2, 2018**. You must mail your objection so that it is postmarked no later than **April 2, 2018** to:

Clerk of the Court
United States District Court for the Northern District of Illinois
219 South Dearborn Street
Chicago, IL 60604

You must also send a copy of your objection to counsel for the Plaintiffs, Emiliya Gumin Farbstein, at Edelman Combs Lattuner and Goodwin, 20 S Clark St Suite 1500, Chicago, Illinois 60603 and counsel for the Defendants Morgan Marcus, at Sessions, Fishman, Nathan & Israel, LLC, 120 S. LaSalle St. Suite 1960, Chicago, IL 60603 and Todd Stelter, at Hinshaw & Culbertson LLP, 222 N. LaSalle St. Suite 300, Chicago, IL 60601.

THE FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend if you wish, but you are not required to do so.

18. Where and when is the fairness hearing?

The Court will hold a fairness hearing on **April 25, 2018 at 1:00 p.m.** in the courtroom of the Honorable Ruben Castillo, United States District Judge, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Avenue, Chicago, Illinois, 60604, Courtroom 2541. The purpose of the hearing will be for the Court to determine whether the proposed settlement is fair, reasonable, and adequate and in the best interests of the Class and to determine the appropriate amount of compensation for Class Counsel. At that hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement.

For more information, call 312-917-4504.

YOU ARE **NOT** REQUIRED TO ATTEND THIS HEARING TO BENEFIT FROM THIS SETTLEMENT. The hearing may be postponed to a later date without notice.

GETTING MORE INFORMATION – CONTACT:

Class Counsel, Emiliya Gumin Farbstein, at 20 South Clark Street, Suite 1500, Chicago, IL 60603; Telephone: (312) 917-4504; Facsimile: (312) 419-0379

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

They are not permitted to answer your questions.

For more information, call 312-917-4504.