

**YOU HAVE RECEIVED THIS NOTICE BECAUSE YOU MAY HAVE OVERPAID INTEREST,  
PENALTIES OR COSTS ON DELINQUENT REFUSE FEES.**

**A CLASS ACTION IS PENDING THAT MAY AFFECT YOUR LEGAL RIGHTS  
PLEASE READ THIS NOTICE CAREFULLY**

- A \$2.5 million settlement has been reached in a class action lawsuit commenced in September 2018 by Plaintiffs against Northeast Revenue Service, LLC (“NERS”) as the Refuse Fee debt collector for the City of Scranton, Pennsylvania (“Scranton”) and Scranton in the Court of Common Pleas of Lackawanna County (the “Court”). The lawsuit alleged NERS imposed and collected Penalties, Interest and Costs over the Face Amount of the Refuse Fee that violated the Municipal Claims and Tax Liens Law, 53 P.S. § 7101, et seq. NERS denied, and still denies, any wrongdoing.
- You have been identified as a Class Member in one of the two Settlement Classes.
  - As a member of the Damages Class, you may be entitled to a pro rata payment from the Settlement Fund for a percentage of the Refuse Fee Penalties, Interest and Costs you paid that were more than the Face Amount of the Refuse Fee you owed. The gross Settlement Fund represents over 70% of the overpayments allegedly made by the Damages Class.
  - As a member of the Declaratory Relief Class, your unpaid delinquent Refuse Fee Penalties, Interest and/or Costs will be forgiven and forever discharged pursuant to the Scranton Lien Forgiveness Program. It is estimated that the Scranton Lien Forgiveness Program will not seek to collect over \$7.5 million in unpaid Penalties, Interest and Costs in over the Face Amount of the Refuse Fees owed by the Declaratory Relief Class alleged to be unlawful. The Declaratory Relief Class did not pay the delinquent Refuse Fee Penalties, Interest and/or Costs alleged to be unlawful, so no payment from the Settlement Fund is made to the Declaratory Relief Class.
- The Settlement must be approved by the Court before relief will be granted and the proposed Settlement will become effective and binding.
- Your rights regarding this Settlement, and the actions you can take, are explained in this Notice. You may also review the Settlement Website at [ScrantonFeesClassAction.com](http://ScrantonFeesClassAction.com) for updates and further details, or call 1-888-497-4384.
- Se llegó a un acuerdo de \$ 2.5 millones en una demanda colectiva iniciada en 2019 por los Demandantes contra Northeast Revenue Service, LLC (“NERS”) como el cobrador de deudas de la tarifa de rechazo para la ciudad de Scranton, Pensilvania (“Scranton”) y Scranton en el Tribunal de Causas Comunes del Condado de Lackawanna (el “Tribunal”). La demanda alegó que los Demandados impusieron y cobraron Multas, Intereses y Costos sobre el Monto Nominal de la Tarifa de Rechazo que violó la Ley de Reclamos Municipales y Gravámenes Fiscales, 53 PS § 7101, et seq. Los Demandados niegan haber actuado mal. Una versión en español de este Aviso está disponible en el sitio web del acuerdo en [ScrantonFeesClassAction.com](http://ScrantonFeesClassAction.com) o llamando al 1-888-497-4384.

**PLEASE READ THIS NOTICE CAREFULLY AS IT  
DESCRIBES THE OPTIONS AVAILABLE TO YOU AND  
THE OUTCOME OF THE OPTION YOU PICK**

**1. What is this lawsuit about?**

Plaintiffs, Mark F. Schraner and Mari T. Carr (collectively “Plaintiffs”), filed this Action against NERS in September 2018 in the Court of Common Pleas of Montgomery County. The matter was transferred to the Court of Common Pleas of Lackawanna County in 2019, Docket No. 2019-cv-4243, and NERS joined Scranton as a defendant in the action. Settlement Class Members are subject to payment of the Refuse Fee imposed by Scranton. NERS was the debt collector for Scranton for delinquent Refuse Fees. NERS and Scranton allegedly imposed Penalties, Interest and Costs on Refuse Fees that exceeded the Face Amount owed. Plaintiffs allege these Penalties, Interest and Costs violated the Municipal Claims and Tax Liens Law, 53 P.S. § 7101, et seq.

Although, NERS and Scranton dispute Plaintiffs’ claims and deny any wrongdoing, they have entered into this Settlement.

## **2. Why are you receiving this Notice?**

You are receiving this Notice because you have been identified as a Class Member. Damages Class Members paid Penalties, Interest and/or Costs over the Face Amount of the Refuse Fee between September 12, 2016, and December 31, 2020. Declaratory Relief Class Members did not pay, but are subject to a municipal lien for, Penalties, Interest and/or Costs over the Face Amount of the Refuse Fee between September 12, 2012, and December 31, 2020.

As a Class Member, you have certain rights and options prior to the Court deciding whether to approve the Settlement. This Notice informs you of those rights and options and where additional information can be found.

## **3. What are the terms of the Settlement?**

NERS and Scranton have agreed to pay \$2.5 million to create a Settlement Fund to pay to the Damages Class Members pursuant to a Plan of Allocation that must be approved by the Court. The Settlement Fund also includes payment of all related costs of providing this Notice to you and administration of the Settlement, payment of Plaintiffs' Counsel's attorneys' fees and litigation costs, and Service Awards. The Settlement Fund is approximately 70% of the damages alleged for the Damages Class.

Further, there is a Declaratory Relief Class for those who did not pay Penalties, Interest or Costs like the Damages Class, but who are subject to an unpaid municipal lien for delinquent Refuse Fees between September 12, 2012, and December 31, 2020. The Declaratory Relief Class does not receive a payment from the Settlement Fund because those Class Members did not pay Penalties, Interest or Costs alleged to be unlawful. Instead, the Settlement creates the Scranton Lien Forgiveness Program whereby Scranton will release and forever discharge the amount of any lien for Refuse Fees exceeding the Face Amount owed by the Declaratory Relief Class. It is estimated that the Scranton Lien Forgiveness Program will not seek to collect over \$7.5 million in unpaid Penalties, Interest and Costs in over the Face Amount of the Refuse Fees owed by the Declaratory Relief Class alleged to be unlawful.

## **4. What will you receive from the Settlement?**

As a Damages Class Member, you will receive a payment from the Settlement Fund that represents your pro rata share of the Settlement Fund. To calculate your pro rata share, you will be allocated a percentage of the total Penalties, Interests and/or Costs you paid in excess of the Face Amount of Refuse Fees you owed as a portion of the total Penalties, Interest and Costs collected by NERS from September 12, 2016, through December 31, 2020. The payment will be mailed directly to you within 45 days from the date the Court's order approving the Settlement as final.

As a Declaratory Relief Class Member, you will automatically receive the benefits of the Scranton Lien Forgiveness Program. The municipal lien for your unpaid delinquent Refuse Fees will be forgiven and forever discharged by Scranton for any amount over the Face Amount of the Refuse Fee owed from 2012 to 2020. This forgives all Penalties, Interest and Costs imposed.

You do not have to file a claim or do anything to receive this payment as a member of the Damages Class or to participate in the Scranton Lien Forgiveness Program as a member of the Declaratory Relief Class. If there are any appeals from the Court's approval order, they will need to be resolved prior to issuing any payments.

## **5. What are you giving up to receive money and benefits of the Settlement?**

If you do not exclude yourself as a Class Member by opting out (described in Question 6) and the Court approves the Settlement, you will release and forever discharge Released Parties, including Defendants, for Released Claims, which include any and all claims relating to the Refuse Fees you paid, in exchange for the payment to you as described in Question 4. If you do not opt out, you will not be able to sue NERS or Scranton concerning your payment of Refuse Fees because this lawsuit resolves any claims you have or had against both entities for their collection and your payment of Refuse Fees.

## YOUR OPTIONS

### 6. How do you exclude yourself from the Settlement?

If you do not want to be a Class Member and do not want to receive the applicable relief identified in Question 4 in exchange for the release of claims under the terms of this Settlement and wish to pursue a separate lawsuit over the issues in the lawsuit, then you must take affirmative steps to exclude yourself from this Settlement as a Class Member. This process is referred to as “opting out” of the Damages Class. **To exclude yourself as a Class Member, you must, mail a request to opt out or exclude yourself from the Settlement to the Settlement Administrator at Schraner v. NERS Settlement Administrator, P.O. Box 2973, Portland, OR 97208-2973 by July 5, 2023. If you do not timely opt out, you will not be permitted to opt-out at a later date.**

### 7. If you opt out, will you still get money from the Settlement?

No. If you timely opt out as described in Question 6, you will not receive money from the Settlement and any unpaid municipal lien will remain owed to Scranton, but you will be able to bring a lawsuit against NERS and Scranton (subject to any defenses the Defendants may assert) and you will not be required to provide a release of any claims to Defendants.

### 8. How do you object to the Settlement?

If you are a Class Member, you can submit written comments to the Court in support of, or in opposition to, the Settlement or any of its terms. A written comment in opposition to the Settlement is called an “objection.” To object, a Class Member must send their written objection to the Court and mail a copy of the objection on the Settlement Administrator and Counsel, identified below, by **July 5, 2023**:

Class Counsel	Defense Counsel	Defense Counsel	Settlement Administrator
Patrick Howard, Saltz, Mongeluzzi, & Bendesky, P.C. 120 Gibraltar Road Suite 218 Horsham, PA 19044	Donald Benedetto, Esquire Gamburg & Benedetto, LLC 1500 John F. Kennedy Blvd. Suite 1203 Philadelphia, PA 19102	Gregory P. Graham Marshall Dennehey 501 Grant Street Suite 700 Pittsburgh, PA 15219	P.O. Box 2973 Portland, OR 97208-2973

To be considered by the Court, all objections must be in writing and personally signed by the Settlement Class Member and must include:

- (i) the case name and number, *Mark F. Schraner et al. v. Northeast Revenue Service, Inc. et al.*, No. 2019-cv-4243 (C.C.P. Lackawanna Co.);
- (ii) his/her/its full name, current address, and current telephone number;
- (iii) a statement of the objection(s), including all factual and legal grounds for the position;
- (iv) copies of any documents the objector wishes to submit in support;
- (v) the name and address of the attorney(s), if any, who is(are) representing the objecting Class Member in making the objection or who may be entitled to compensation in connection with the objection;
- (vi) a statement of whether the Class Member objecting intends to appear at the Final Approval Hearing, either with or without counsel;
- (vii) the identity of all counsel (if any) who will appear on behalf of the Class Member objecting at the Final Approval Hearing and all persons (if any) who will be called to testify in support of the objection;
- (viii) the signature of the Class Member objecting and the signature of any attorney representing the Class Member objecting in connection with the objection; and
- (ix) a date on the objection.

In addition, any Class Member objecting to the Settlement shall provide a list of any other objections submitted by the objector, or the objector’s counsel, to any class action settlements submitted in any court in Pennsylvania or the United States in the previous five years. If the Class Member or his or her counsel has not made any such prior objection, the Class Member shall affirmatively so state in the written materials provided with the objection.

The written objection must indicate whether the Settlement Class Member and/or their counsel intend to appear at the Final Fairness Hearing to be scheduled by the Court. If you have opted out, you are no longer a Settlement Class Member and you cannot submit an objection.

## **9. What is the difference between opting out and objecting?**

If you submit a valid opt-out, you are no longer a Class Member subject to the terms of the Settlement. This means you will not participate in its benefits or release any claims against the Defendants. If you object, you can comment on the terms of the Settlement and remain a Class Member so that you can receive the Settlement's benefits in exchange for providing the release of the Released Claims to Defendants if and when the Court approves the Settlement.

## **10. What happens if you do nothing at all?**

If the Court approves the Settlement and you are a Class Member, you will receive the benefits described in Question 4 and grant the Defendants a release of all claims relating to the Refuse Fees. You will also not be able to bring a separate lawsuit against Defendants concerning the Refuse Fees you paid or the municipal lien for unpaid Refuse Fees filed against you.

### **THE COURT'S FINAL APPROVAL HEARING**

## **11. Where and when will the Court decide whether to approve the Settlement?**

The Court will hold a Final Approval Hearing on August 24, 2023, at 10:00 A.M. in Courtroom #4, Lackawanna County Courthouse, Scranton, PA 18503. The Honorable James A. Gibbons will preside at the hearing.

The Final Approval Hearing may be moved to a different date, time or location without additional notice to Class Members, but it will be posted to the Settlement Website, [ScrantonFeesClassAction.com](http://ScrantonFeesClassAction.com), so please confirm if you have notified the Court you intend to appear.

## **12. What will the Court decide at the Final Approval Hearing?**

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider how much to award Class Counsel for attorneys' fees. The requested fees will not exceed one-third of the Settlement Fund, plus reimbursement of litigation costs. The Court will also consider whether to award an incentive award to Plaintiffs who prosecuted the lawsuit on behalf of the Settlement Class in an amount not to exceed \$2,500 for each property (total not to exceed \$5,000 for all Plaintiffs). The Court will also award payment to the Settlement Administrator.

## **13. Do you have to come to the Final Approval Hearing?**

No. Class Counsel will answer any questions that the Court may have, and address any challenges to the Settlement. If you timely send a comment supporting or objecting to the Settlement, you may but do not have to come to Court to discuss the issues raised in your written objection, so long as the procedure set forth in Question 8 of this Notice was correctly followed. You may also attend the hearing in person and may hire your own attorney to attend for you at your own expense.

## **14. Do you need an attorney to represent you at the Final Approval Hearing?**

No. Class Counsel has been appointed by the Court and will be present at the hearing to appear on behalf of all Settlement Class Members.

## **15. How can you get more information about this Settlement?**

If you have any questions regarding your rights as a Class Member or the options and rights discussed in this Notice, you may contact Class Counsel without charge. You can also obtain more information by visiting the Settlement Website, [ScrantonFeesClassAction.com](http://ScrantonFeesClassAction.com), or by calling 1-888-497-4384.

**PLEASE DO NOT CONTACT THE COURT**