

According to the records of Northstar Alarm Services, LLC (“Defendant”) you were employed as an Alarm Installation Technician or Lead Installation Technician by Defendant at a time between February 3, 2014 and December 31, 2017.

Your estimated individual settlement amount from the settlement described below is \$<EstSet>.

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA**

JULIAN SMOTHERS, an individual; ASA DHADDA,
an individual;

Plaintiffs,

vs.

NORTHSTAR ALARM SERVICES, LLC, a Utah
corporation; and Does 1-50, inclusive,

Defendants.

CASE NO. 2:17-CV-00548-KJM-KJN

**NOTICE OF FLSA COLLECTIVE ACTION
SETTLEMENT**

The United States District Court for the Eastern District of California (“the Court”) authorized this Notice of Class Action Settlement (“Notice”). This is not a solicitation from a lawyer. The Court has preliminarily approved a settlement of this lawsuit. If you were employed by Northstar Alarm Services, LLC and performed work in the United States as an Alarm Installation Technician and/or Lead Installation Technician, at any time from February 3, 2014, and December 31, 2017, you should read this Notice carefully because it will affect your rights.

CLASS SETTLEMENT OVERVIEW

Recently, the Plaintiffs and Defendant in the above mentioned lawsuit reached an agreement on the terms of a collective action settlement between Northstar Alarm Services, LLC (“Northstar”) and all Alarm Installation Technicians and Lead Installation Technicians who performed work for Northstar at any time from February 3, 2014, to December 31, 2017. Generally, the lawsuit alleges that Northstar violated the rights of its Alarm Installation Technicians and Lead Installation Technicians in terms of their pay, breaks, and reimbursements. Northstar denies these allegations in full.

The currently proposed class action settlement seeks to resolve alleged violations under both: 1) United States federal law; and 2) California State law. As a result, the settlement is split between two separate groups—a federal settlement group called the “FLSA Group” and a California settlement group called the “California Class.” The payments for each group, however, will be handled separately. You are receiving this notice because you are a member of the FLSA Group. For that reason, please carefully review this notice, which describes your legal rights and options in this settlement. If you are also a member of the California Class, you will receive a separate notice describing your rights and options for participating in that part of the settlement.

<u>“FLSA GROUP” SETTLEMENT:</u> YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
OPTIONS	LEGAL RIGHTS RESULTING FROM OPTION
<p><u>OPTION 1:</u> RETURN THE ENCLOSED OPT-IN FORM. PARTICIPATE IN THE SETTLEMENT AND RECEIVE A PAYMENT.</p>	<p>By fully completing and signing the enclosed opt-in form and submitting the form postmarked no later than November 18, 2019, you will be choosing to participate in the FLSA Group settlement, which means that you will receive a payment and that you will release certain claims against Northstar under federal law.</p>
<p><u>OPTION 2:</u> DO NOT RETURN THE ENCLOSED OPT-IN FORM. DO NOT PARTICIPATE IN THE SETTLEMENT AND DO NOT RECEIVE A PAYMENT.</p>	<p>If you do NOT return the enclosed opt-in form postmarked no later than November 18, 2019, you will be choosing to NOT participate in the FLSA Group settlement, which means that you will NOT receive a payment and that you will NOT release any claims against Defendant under federal law.</p>
<p><u>OPTION 3:</u> RETURN THE ENCLOSED OPT-IN FORM AND OBJECT.</p>	<p>If you return the enclosed opt-in form but you also disagree with any aspect of the proposed settlement, you may submit a written objection or explain your objection at the court’s final fairness and approval hearing. If the Court agrees with your objection, the parties can choose to withdraw the settlement or change its terms. If the Court rejects your objection, you will still receive a payment and you will release certain claims against Northstar under federal law.</p>

These rights and options—and the deadlines to exercise them—are explained in this Notice.

* * *

BASIC INFORMATION

1. Why did I receive this Notice?

You received this Notice because Defendant’s records show that you were employed by Defendant as an Alarm Installation Technician and/or Lead Installation Technician and you performed work for Defendant in the United States during all or part of a time between February 3, 2014, and December 31, 2017. This Notice explains that the Court has granted preliminary approval of a proposed settlement of a collective action lawsuit that may affect you. You have legal rights and options that you may exercise before the Court decides whether to grant final approval of the proposed settlement.

2. What is this lawsuit about?

Plaintiffs Julian Smothers and Asa Dhadda (“Plaintiffs”) sued Defendant on behalf of themselves and other Alarm Installation Technicians and/or Lead Installation Technicians in California and the United States (“Action”). Plaintiffs assert that Defendant owes Plaintiffs and other Alarm Installation Technicians and/or Lead Installation Technicians additional compensation for meal and rest periods, off the clock work, overtime hours worked, and unreimbursed business expenses, as well as penalties for inaccurate itemized wage statements, waiting time penalties and related other penalties. Plaintiffs seek damages for lost wages, interest, and penalties. They also seek attorneys’ fees and expenses. Defendant strongly denies Plaintiffs’ allegations and admits no wrongdoing. To avoid the costs of litigation, however, the parties have agreed to settle this matter.

3. What is a collective action and who is involved?

The Parties agreed to treat this case as a collective action under the Fair Labor Standards Act (“FLSA”) for purposes of settlement only. In a collective action, one or more persons, in this case Julian Smothers and Asa Dhadda, filed a lawsuit on behalf of people who have similar claims. These people together are called “Settlement Class Members.” The company sued is called the Defendant, in this case, Northstar Alarm Services, LLC. Settlement Class Members and Defendants are sometimes referred to in this Notice as the “Parties.”

In this case, there are two separate settlement groups: 1) those who performed work for Defendant in California and allege claims under California law (the “California Class”); and 2) those who performed work for Defendant anywhere in the United States (the “FLSA Group”). Because Defendant’s records show that you worked in United States during the applicable time period, you are a potential member of the FLSA Group. FLSA Group Members who timely submit a valid opt-in form postmarked no later than November 18, 2019 are called “Participating Class Members.” If you are also part of the California Class, you will receive a separate notice detailing your rights and options for participating in that part of the Settlement.

In an FLSA action, one court resolves the issues for everyone in the FLSA group who submits a timely opt-in form. The FLSA Group Members who submit an opt-in form postmarked no later than November 18, 2019 as explained below in the section entitled “I want to receive my share of the settlement. What do I do?” are called “Participating Class Members.”

In this case, the Parties have decided to settle the case. The Court has made a preliminary determination that the proposed settlement appears fair, adequate, and reasonable. The Court will decide whether to finally approve the proposed settlement after the Settlement Class Members are given a chance to join, object to, or decline to join the proposed settlement.

4. Is there any money available now?

No money or benefits are available right now. If you timely submit the opt-in form attached to this notice postmarked no later than November 18, 2019 in the manner described in this notice, and if the Court gives final approval to the settlement, then you will automatically be sent your portion of the settlement once the Court’s order becomes final.

5. I want to receive my share of the settlement. What do I do?

To receive your share of the FLSA Group portion of the Settlement, you need to complete and submit the attached opt-in form postmarked no later than November 18, 2019.

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THE SETTLEMENT BENEFITS-WHAT YOU RECEIVE

1. What does the settlement provide?

The proposed settlement requires Defendant to pay a Gross Settlement Amount of up to \$1,800,000. That amount is split between the two settlement groups with \$800,000 going to the California Class and up to \$1,000,000 going to the FLSA Group. The Gross Settlement Amount includes payments for attorneys’ fees (up to \$450,000) and costs (up to \$20,000), an incentive award for each Plaintiff (up to \$10,000 each), Administrative Expenses (up to \$50,000), and a payment to the California Labor and Workforce Development Agency (up to \$50,000). The amount remaining after these payments will be distributed to the FLSA Group (“Net Settlement Amount”).

If you timely submit the enclosed opt-in form for the FLSA Group postmarked not later than November 18, 2019, you will receive a check for your individual share of the Net Settlement Amount allocated to the FLSA Group.

2. What can I get from the settlement?

The amount of your share of the Net Settlement Amount has been calculated on a pro rata basis as follows.

Defendant will divide the portion of the Net Settlement Amount allocated to the FLSA Group by 5,769—the total number of workweeks worked by all members of that group—to determine the “pay period rate” for the FLSA Group. If you submit the enclosed opt-in form postmarked no later than November 18, 2019, you will receive a check that represents your Individual Settlement Amount equal to the number of the pay periods worked between February 3, 2014, and December 31, 2017, multiplied by the “pay period rate” for the FLSA Group. Your individual settlement amount will not vary regardless of the number of Settlement Class Members who participate in the settlement.

3. Will taxes be withheld from my settlement payment?

Your Individual Settlement Amount will include a wage portion (representing unpaid wages), and a non-wage portion (representing penalties, interest and other consideration). Using each class member's last-reported withholding status, Defendant will deduct the state and federal withholding taxes and other applicable payroll deductions owed as a result of the settlement payment from the wage portion of each member's settlement. The amount remaining after these deductions is the "Net Wage Component." The Net Wage Component, combined with the non-wage portion of the Individual Settlement Amount, is the class member's "Net Payment." The wage portion of the Settlement Class Member's Individual Settlement Amount will be reported to the appropriate taxing authorities on an IRS Form W-2 or similar form. The non-wage portion of the Settlement Class Member's Individual Settlement Amount will be reported to the appropriate taxing authorities on an IRS Form 1099 or similar form. Other than the withholding and reporting requirements specifically set forth above, Settlement Class Members are solely responsible for all taxes due on payments made pursuant to the settlement.

4. What am I giving up if I join the class?

If you choose to participate in the FLSA Group, you will be bound by any judgment entered in this Action and will not be allowed to sue the Defendant for any claims occurring between February 3, 2014, and December 31, 2017 that arise from, relate to or are based on any and all federal claims alleged in the Action. It also means that you will be bound by the following Release as that release relates to federal claims:

All Participating Class Members, shall release any and all claims, demands, rights, debts, obligations, costs, expenses, wages, liquidated damages, statutory damages, penalties (including civil and statutory), liabilities, and/or causes of action of any nature and description whatsoever, whether known or unknown, at law or in equity, whether under federal, state, or local law (including without limitation any statute, ordinance, regulation, common law, constitution, or other source of law), which were asserted in the Action or could have been asserted against the Released Parties arising out of the facts and circumstances alleged in the Complaint. Released Claims include, without limitation, any and all claims for wages, overtime, damages, costs, penalties, liquidated damages, punitive damages, interest, attorney fees, litigation costs, restitution, injunctive relief, equitable relief, or other relief based on alleged violation of the California Labor Code; of California Business & Professions Code Section 17200 et seq. ("Section 17200") based on the California Labor Code; of the wage orders of the California Industrial Welfare Commission; or of the Fair Labor Standards Act. Released Claims include, without limitation, claims alleging the failure to provide timely, off-duty meal breaks and/or rest breaks; the failure to promptly pay all wages due and owing at the time of the employee's separation from employment; the failure to provide accurate itemized wage statements; the failure to keep accurate payroll records; the failure to pay any regular, overtime, or other wages; or the failure to pay California or federal minimum wage. Released Claims include, without limitation, claims for interest, attorney fees, or litigation costs arising from prosecution of any Released Claims, and any and all alleged violations of California Labor Code provisions giving rise to PAGA penalties. Released Claims include, without limitation, any Fair Labor Standards Act ("FLSA") claims of any Settlement Class Member that arises from or is based on allegations that were or could have been asserted in the Action. It is understood and agreed that the Settlement will not release any person, party or entity from claims, if any, by Settlement Class Members for workers compensation, unemployment, wrongful termination, or disability benefits of any nature.

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HOW YOU RECEIVE A PAYMENT

1. How can I receive a payment?

You need to complete and submit the attached opt-in form postmarked no later than November 18, 2019. If this Notice was forwarded by the postal service, or if it was otherwise sent to you at an address that is not current, or if you have changed your address, then you should immediately notify the Claims Administrator in writing stating your name and past and current addresses.

The Claims Administrator's address is:

By U.S. Mail:

Smothers v. Northstar Alarm Services, LLC
c/o Phoenix Settlement Administrators
PO Box 7208
Orange, CA 92863

2. What if I get my payment and don't cash it?

If you opt in to the FLSA Group and receive the payments described in this Notice and you do not cash your check within 75 days after it is mailed by the Settlement Administrator (plus a 30 day grace period as provided in the Settlement), you will still be bound by the terms of the settlement as they relate to the FLSA Group and you will release all released claims under the settlement. Uncashed settlement funds will be sent to the California State Controller's Unclaimed Property Fund.

3. What happens if I do NOT return the attached opt-in form?

If you do nothing at all (i.e. you do not submit the attached opt-in form postmarked no later than November 18, 2019) then you will have chosen to NOT participate in the portion of the Settlement allocated to the FLSA Group and you will NOT receive a check for your Individual Settlement Share for the FLSA Group portion of the Settlement. Also, you will not be bound by any judgment entered in this Action to the extent it applies to claims under federal law and you will not have released your claims under federal law against Defendant.

For further information, or if you have any questions or concerns about this process, you can speak with Class Counsel in this case identified on page 6 under the heading “How do I contact Class Counsel to obtain additional information?”

4. If I timely submit a valid opt-in form, can I sue Defendant for the same claims later?

No. If you choose to participate in the FLSA Group you will be bound by all terms of the settlement and any final judgment entered in the Action, if the settlement is approved by the Court. The settlement and final judgment will include a full release of the claims in this Action, which will prevent you from suing Defendant or any related persons or entities for the federal claims released by the settlement. You may review the full release of claims in the section “What am I giving up if I join the class?” on page 4. If you have a pending lawsuit, speak to your lawyer in that case immediately.

5. If I do not timely submit a valid opt-in form, can I get money from this settlement?

No. If you do not timely submit a valid opt-in form postmarked no later than November 18, 2019, you will not be able to participate in the settlement and you will not receive your individual share of the settlement.

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THE LAWYERS REPRESENTING YOU

1. Do I have a lawyer in this case?

The Court has appointed **Sutton Hague Law Corporation, P.C.** as Class Counsel to represent you and all Settlement Class Members. You do not need to hire your own lawyer because Class Counsel is working on behalf of all class members. But, if you want to hire your own lawyer, you may do so at your own expense. For example, you can hire your own legal counsel to appear in Court for you if you want someone other than Class Counsel to speak for you. Class Counsel’s contact information is provided on page 6.

2. How will the lawyers and the Plaintiffs be paid?

The amount of attorney’s fees and costs awarded to the Class Counsel will be subject to the Court’s discretion. You will not have to pay these fees and costs separately. Class Counsel will request that the Court approve an award of attorneys’ fees in an amount not to exceed \$450,000 and litigation costs of up to \$20,000. Class Counsel will also request that each of the Plaintiffs receive an additional amount called an “Incentive Award.” The amount of the Incentive Award will be subject to the Court’s discretion, but will not exceed \$10,000 each. The attorneys’ fees and costs and the incentive award will be paid out of and deducted from the Gross Settlement Amount.

You may view the motion for attorneys’ fees and costs and incentive award on the class website at <http://www.phoenixclassaction.com/smothers-v-northstar-alarm-services-llc/> and you may object to that motion at the final fairness hearing.

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OBJECTING TO THE SETTLEMENT

1. How do I object?

If you think that the proposed settlement is unfair, inadequate, or unreasonable, you can object to the proposed settlement. If you object, and if the Court approves the proposed settlement, then you will still receive a share of the settlement money, and you will be bound by the terms of the release as set forth above. In order to object, you will need to also timely submit a valid opt-in form postmarked no later than November 18, 2019 so that you can participate in the settlement. If you choose not to participate in the settlement, you cannot object.

If you want to object to any part of the settlement, you must timely submit a valid opt-in form postmarked no later than November 18, 2019 and either file a written objection with the Court or attend and speak at the Final Fairness and Approval Hearing. The court will consider all objections in deciding whether to approve the settlement.

Any written objections must reference the case name and number (*Julian Smothers v. Northstar Alarm Services, LLC*, Case No. 2:17-CV-00548-KJM-KJN), explain the basis for the objection, and be signed by the objecting class member. Written objections must be filed with the Clerk of Court no later than November 18, 2019 at: Robert T. Matsui United States Courthouse, 501 I Street, Sacramento, CA 95814, Courtroom 3.

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THE COURT'S FINAL FAIRNESS AND APPROVAL HEARING

The Court will hold a hearing, the Honorable Kimberly J. Mueller presiding, on December 6, 2019, at 10:00 a.m. at the Robert T. Matsui United States Courthouse, 501 I Street, Sacramento, CA 95814, Courtroom 3 to determine (1) whether the proposed settlement is fair, adequate, reasonable, and (2) whether the applications for attorneys' fees, costs and the Plaintiffs' incentive awards should be approved. The Court will consider any objections to the settlement at this hearing. If the Court approves the settlement, it will enter an order granting final approval of the settlement. At the hearing, Class Counsel will speak on behalf of class members and answer any questions Judge Mueller might have.

You are not required to attend the Final Fairness and Approval hearing, but you or your lawyer may attend if you so choose. If you are a participating class member and you wish to speak or have your lawyer speak for you, you may do so. Please visit <http://www.caed.uscourts.gov/caednew/> and select the court calendar for Judge Mueller to see whether the Final Fairness and Approval Hearing will be held on December 6, 2019 or has been rescheduled to a new hearing date.

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GETTING MORE INFORMATION

1. Are there more details about the settlement?

This Notice only summarizes the proposed settlement. However, if you visit this website <http://www.phoenixclassaction.com/smothers-v-northstar-alarm-services-llc/>, you will be able to view copies of some of the documents that were filed in this case, including a full copy of the Settlement and all of the papers filed by the Parties for approval of the Settlement. You may also go to the Court and review the records that were filed in this case, which may be inspected at the office of the Clerk of Court located at 501 I Street, Sacramento, CA 95814, during regular business hours of each Court day. Or, you may contact Class Counsel, whose contact information is provided above.

2. Can I read a copy of the settlement agreement?

Yes. A copy of the settlement agreement is available to review at <http://www.phoenixclassaction.com/smothers-v-northstar-alarm-services-llc/>.

3. If the settlement agreement is approved at the final fairness hearing, where can I review a copy of the Court's order and judgment?

If the Court grants final approval to the Settlement and enters judgment in accordance with the Settlement, you will be able to view a copy of the Final Approval Order and Judgment at <http://www.phoenixclassaction.com/smothers-v-northstar-alarm-services-llc/>.

4. How do I contact Class Counsel to obtain additional information?

All questions regarding this Notice and/or the settlement should be directed to your Class Counsel at:

CLASS COUNSEL:

S. Brett Sutton, Esq.
Jared Hague, Esq.
SUTTON HAGUE LAW CORPORATION, P.C
5200 N. Palm, Suite 203
Fresno, California 93704
Tel: (559) 325-0500
Fax: (559) 981-1217

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.

OPT-IN FORM

Smothers v. Northstar Alarm Services, LLC
c/o Phoenix Settlement Administrators
PO Box 7208
Orange, CA 92863

OPT-IN FORM

«FirstName» «LastName»
«Address 1» «Address2»
«City», «ST» «Zip» «Country»

Julian Smothers and Asa Dhadda, individually and on behalf of persons similarly situated v. Northstar Alarm Services, LLC, Case No. 2:17-CV-00548-KJM-KJN (the “Action”)

SUBMIT THIS FORM POSTMARKED NO LATER THAN NOVEMBER 18, 2019 TO OPT-IN AND RECEIVE MONEY FROM THE FLSA GROUP PORTION OF THE SETTLEMENT.

I have reviewed the accompanying Notice of Class Action Settlement and understand that I was employed as a Alarm Installation Technician and/or Lead Installation Technician by Northstar Alarm Services, LLC during all or part of the time from February 3, 2014, to December 31, 2017. I understand that I am a potential Settlement Class Member in the Action. I understand that this settlement is intended to compensate such Settlement Class Members.

I understand that by timely submitting this form, I am opting in to the settlement as a member of the FLSA Group and will receive a payment from the FLSA Group portion of the settlement if the settlement is approved by the Court. I understand that, by timely submitting this form, I will be agreeing to release the claims that are described in the accompanying notice. No one has coerced or forced me to opt in; it is my own decision.

Printed Name

Signature

Date (mm/dd/yyyy)

(____)

Telephone

Mailing Address

City

State

Zip Code

_____-_____-_____-_____- (Last Four Digits of Social Security Number for identity verification purposes only)

THIS FORM MUST BE POSTMARKED BY NOVEMBER 18, 2019 AT THE FOLLOWING ADDRESS:

By U.S. Mail:

Smothers v. Northstar Alarm Services, LLC
c/o Phoenix Settlement Administrators
PO Box 7208
Orange, CA 92863

NOTE THAT YOUR SOCIAL SECURITY NUMBER WILL BE REDACTED BEFORE THIS DOCUMENT IS FILED ON THE PUBLIC DOCKET AND WILL REMAIN PRIVATE. YOU SHOULD KEEP A COPY OF THIS DOCUMENT FOR YOUR RECORDS. YOU MAY WISH TO MAIL IT RETURN RECEIPT REQUESTED.