

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT AND
FINAL HEARING DATE**

(Ia Brown v. Audiology Distribution, LLC, et al., United States District Court for the Central District of California, Case No. CV 22-4271-DMG (MRWx))

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
<p>If you worked outside of California, Submit a Claim and Receive a Payment</p>	<p>To receive a cash payment from the Settlement, if you worked for Defendants outside of California, you must submit a claim to receive a payment.</p> <p>Your estimated Settlement Share is: «\$FLASEst.SettAmt». See the explanation below.</p> <p>After final approval by the Court, the payment will be mailed to you at the same address as this Class Notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.</p>
<p>If you worked in California, Do Nothing and Receive a Payment</p>	<p>To receive a cash payment from the Settlement, if you worked for the Defendants in California, you do not have to do anything to receive a payment.</p> <p>Your estimated Settlement Share is: «\$ClassEst.SettAmt». See the explanation below.</p> <p>After final approval by the Court, the payment will be mailed to you at the same address as this Class Notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.</p>
<p>Exclude Yourself</p>	<p>If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below.</p> <p>If you request exclusion, you will receive no money from the Settlement.</p> <p>Instructions are set forth below.</p>
<p>Object</p>	<p>You may write to the Settlement Administrator about why you do not like the settlement. Class Counsel will then forward your concerns to the Court.</p> <p>Directions are provided below.</p>

I. WHY DID I GET THIS NOTICE?

A proposed class and collective action settlement (the “Settlement”) of this lawsuit pending in the United States District Court for the Central District of California (the “Court”) has been reached between Plaintiff Ia Brown (“Plaintiff”) and Defendants Audiology Distribution, LLC; HearX West, Inc.; HearX West LLC; Sivantos, Inc.; WS Audiology (California), PC; along with a number of its officers and/or directors (the “Defendants”). The Court has granted preliminary approval of this Settlement. **You may be entitled to receive some money from this Settlement.**

You have received this Class Notice because you have been identified as a member of one of the following classes or subclasses listed in the lawsuit:

- a. **The FLSA¹ Regular Rate Class:** All of Defendants' non-exempt hourly paid employees outside of California, including but not limited to Hearing Aid Dispensers and Hearing Aid Specialists, employed by the Business Entity Defendants² who also received commissions and/or bonuses at any time between June 22, 2019 and July 19, 2024;
- b. **The California Regular Rate Class:** All of Defendants' nonexempt hourly paid employees in California, including but not limited to Hearing Aid Dispensers and Hearing Aid Specialists, employed by the Business Entity Defendants, who also received commissions and/or bonuses at any time between December 26, 2017 and July 19, 2024;
- c. **The California Itemized Wage Statement Subclass:** All California Regular Rate Class Members who were employed at any time during the period of commencing December 26, 2020 and July 19, 2024; and,
- d. **The California Waiting Time Penalties Subclass:** All California Regular Rate Class Members who were employed at any time during the period between December 26, 2018 and July 19, 2024.

The "Class Period" is defined as the period of time running from the dates set forth in each of the classes and subclasses defined above (e.g., June 22, 2019 in subsection (a) or December 26, 2017 in subsection (b)) through July 19, 2024.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

II. WHAT IS THIS CLASS ACTION LAWSUIT ABOUT?

On June 22, 2022, Plaintiff filed a Complaint against Defendants in the Federal District Court for the Central District of California, Case No. CV 22-4271-DMG (MRWx). This Complaint alleged claims for the following:

1. Failure to Pay Overtime Wages in Violation of the FLSA, 29 U.S.C. § 207
2. Failure to Pay Minimum Wages for All Hours Worked
3. Failure to Pay Overtime Wages for All Hours Worked
4. Failure to Provide Meal/Rest Breaks
5. Failure to Provide Accurate Wage Statements
6. Failure to Timely Pay All Wages Due and Owing, and
7. Unfair Business Practices

On November 14, 2022, Defendants filed their Answer denying Plaintiff's allegations and asserting 22 affirmative defenses to the Complaint.

The Action generally involves claims that Defendants:

- Failed to properly pay hourly employees their regular rate of pay where owed;
- Failed to provide proper itemized wage statements to hourly employees in California; and
- Failed to provide hourly employees in California with all earned wages at the end of their employment.

On March 11, 2024, the Parties participated in a mediation with Hunter R. Hughes, III, a nationally respected mediator of wage and hour class actions. At the mediation, the Parties agreed to settle the Action. The Court granted preliminary approval of the Settlement on July 19, 2024. At that time, the Court also preliminarily approved Plaintiff Ia Brown to serve as the Class Representative, and Paul T. Cullen of The Cullen Law Firm, APC to serve as Class Counsel.

Defendants deny that they did anything wrong and assert that they have fully complied with all employment and labor laws. Defendants entered into the Settlement solely for the purpose of resolving the Action.

¹ Fair Labor Standards Act, i.e., 29 U.S.C. § 201 et seq. ("FLSA.")

² The phrase "Business Entity Defendants" refers to Audiology Distribution, LLC, HearX West, Inc.; HearX West LLC; Sivantos, Inc.; and/or WS Audiology (California).

III. WHAT DOES THE SETTLEMENT PROVIDE?

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at www.cptgroupcaseinfo.com/AudiologySettlement, by contacting class counsel at paul@cullenlegal.com or **844-Pay-Up44** (844-729-8744), by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <http://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Central District of California located at the United States Courthouse, 350 West 1st Street, Los Angeles, CA 90012, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.

Gross Settlement Amount. Defendants have agreed to pay an "all in" amount of One Million Eight Hundred Thousand Dollars (\$1,800,000) (the "Gross Settlement Amount") to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel's attorneys' fees and costs, the expenses of the Settlement Administrator, and the Class Representative Service Payment to the Plaintiff.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$25,000, for expenses, including expenses of sending this Class Notice, processing opt outs, and distributing settlement payments.

Attorneys' Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than \$600,000 (1/3 of the Gross Settlement Amount), and a Class Counsel Costs and Expenses Payment for all expenses incurred as documented in Class Counsel's billing records of no more than \$10,000.00, both subject to final Court approval. Class Counsel has been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

Class Representative Service Payment. Class Representative Service Payment of up to \$20,000.00 to the Plaintiff, or such lesser amount as may be finally approved by the Court, to compensate her for services on behalf of the Class in initiating and prosecuting the Action, and for the risks she undertook.

Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Costs and Expenses Payment, the Class Representative Service Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to (A) The FLSA Regular Rate Class members who did not work in California and who submitted a claim, and to (B) the California Class and subclass members who do not request exclusion— these persons will collectively be referred to as "Participating Settlement Class Members". The Settlement Share for each Participating Settlement Class Member will be calculated as follows:

Each Participating Settlement Class Member will be paid at least \$25. After the deductions from the Gross Settlement Fund for the costs of claims administration, the class representative service payment, attorney's fees and costs, and the \$25 payable to each Participating Settlement Class Member, as a Participating Settlement Class Member, you will be paid on a pro-rata basis from the remainder of the Net Settlement Fund of \$1,109,100.00. If you are entitled to more than the \$25, your pro-rata share of the Net Settlement Fund will be computed by comparing the potential dollar value of your individual claims in this lawsuit to the aggregate potential dollar value of all the claims of all Participating Settlement Class Members.

If you are entitled to any amount in addition to the \$25 payment, your potential claim value will be computed based upon the actual dollar value that would have been owed if the claims asserted in the Action were successful, for those participating class members of the California Itemized Wage Statement Subclass, the number of payroll periods worked during the California Itemized Wage Statement Class Period that would have allowed you to assert claims for alleged itemized wage statement violations, and, for those participating class members who are part of the California Waiting Time Penalties Subclass, the number of days, up to 30, that have elapsed since the end of your employment.

What does this mean for you? If you participate in the Settlement, you will receive approximately <<\$IndSettAmt>> from the Net Settlement Fund. That amount could increase depending upon the number of people who participate in this proposed Settlement.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. Unless you worked outside of California, you do not have to do anything to receive a payment. However, if you did work for the Defendants outside of California, you must submit a claim to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

IV. WHAT AM I GIVING UP IN EXCHANGE FOR THE SETTLEMENT PAYMENT?

Released Class Claims. In exchange for the settlement payment being provided, each member (A) of the FLSA Regular Rate Class who did not work in California and who submitted a claim (which is to say "opted into the Settlement"), and each member (B) of the California Regular Rate Class and/or Subclasses, who does not submit a request for exclusion as discussed in Section VII below, will release and discharge Defendants and the Released Parties for all claims arising or accruing during the Class Periods that were pleaded in the Complaint or that could have been pleaded in the Action, based on the factual allegations contained in the Complaint.

The Released Claims include all claims that were actually alleged or that could have been alleged based on the facts, claims, and allegations alleged in the Complaint ("Complaint") for unpaid wages, overtime or other compensation or payments, fees/costs, liquidated damages, penalties, and all other relief under the Fair Labor Standards Act, the California Labor Code, and all other state and local wage/hour and wage payment laws and common law theories arising or accruing prior to the date of Preliminary Approval of the Settlement Agreement, including but not limited to all of the following claims for relief: failure to pay the regular rate where owed in violation of the FLSA and the California Labor Code; failure to pay minimum wages for all hours worked; failure to pay overtime wages for all hours worked; failure to provide meal/rest breaks and/or failure to pay meal and rest period premiums owed; failure to provide accurate wage statements; failure to timely pay all wages due and owing; and unfair business practices.

Accordingly, the Released Claims include all claims that Defendants: (1) violated the Fair Labor Standards Act ("FLSA"), 29 U.S.C. Section 207(a), by failing to pay overtime to Plaintiff and the Class Members; (2) violated California Labor Code Sections 558, 1179.1, 1194, 1194.2(a) and 1197 by failing to pay minimum wages to Plaintiff and the Class Members (including the alleged failure to pay for all hours worked and pay the proper minimum wage for all hours worked); (3) violated California Labor Code Sections 510, 558 and 1198 by failing to pay overtime to Plaintiff and the Class Members (including the alleged failure to pay for all overtime hours worked and to pay a proper overtime rate for overtime hours worked); (4) violated California Labor Code Sections 226.7 and 512 and corresponding provisions of the Industrial Welfare Commission Wage Order by failing to provide meal and rest periods to Plaintiff and the Class Members and/or failing to pay meal and rest period premiums owed to Plaintiff and the Class Members; (5) violated California Labor Code Sections 226 and 226.3 by failing to provide accurate itemized wage statements to Plaintiff and the Class Members; (6) violated California Labor Code Sections 201, 202 and 203 by failing to pay all wages due upon separation of employment to Plaintiff and the Class Members; and (7) engaged in unfair competition in violation of California Business & Professions Code Sections 17200, et seq., through each of the foregoing alleged violations of California law.

In addition, and without limiting the foregoing, the Released Claims include all claims that could have been pleaded based on the factual allegations contained in the Complaint, such as: Defendants did not pay the Class for all "hours worked" under California law and the FLSA; Defendants did not pay the Class for all overtime hours worked and/or failed to compensate all overtime hours worked at a proper overtime rate of pay; Defendants did not properly include bonuses and other incentive compensation in the "regular rate" for wage payment purposes; Defendants interrupted employees' meal and rest breaks, provided short or late meal or rest breaks and/or did not provide the opportunity to take meal or rest breaks and/or failed to pay meal and rest period premiums owed; Defendants did not specify an accurate number of hours worked or an accurate regular rate on wage statements and/or did not provide other required wage statement information; and Defendants did not pay all final wages due to employees upon separation of employment, given additional wages due and owing in light of the Complaint's off-the-clock, overtime, regular rate and/or meal/rest break claims.

By participating in the Action and accepting the settlement payment, you will not be able to make a separate claim or file a separate

lawsuit for any of the claims above.

A copy of the full release language that you are agreeing to under the Settlement can be found in paragraph 12 of the Agreement which can be found online at www.cptgroupcaseinfo.com/AudiologySettlement.

V. HOW MUCH WILL MY PAYMENT BE?

Based on the information explained above in Section III, your estimated Settlement Share is approximately <<Est.SettAmt>>. This amount could increase subject to the number of Participating Settlement Class Members.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Class Notice no later than October 7, 2024.

VI. HOW CAN I GET A PAYMENT?

If you worked for the Defendants in California, to get money from the settlement, you do not have to do anything. On the other hand, if did not work for Defendants in California, you must submit a claim to receive a payment. As a Participating Settlement class or subclass member, a check for your settlement payment will be mailed automatically to the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator can be contacted at: 1-888-628-3753.

The Court will hold a hearing on December 6, 2024, to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient.

VII. WHAT IF I DON'T WANT TO BE A PART OF THE SETTLEMENT?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or “opt out.” **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms.**

If you worked for Defendants in California, to opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than October 7, 2024. The mailing address for the Settlement Administrator is *Brown v. Audiology Distribution, LLC, et al. c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606*. The request for exclusion must state in substance: “I have read the Class Notice and I wish to opt out of the class action and settlement of the case *Brown v. Audiology Distribution, LLC, et al., CV 22-4271-DMG (MRWx)*.” The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No person may opt out for another member of the Class. If you did not work for Defendants in California and you are a member of the FLSA Regular Rate Class, you do not have to do anything to not take part in the Settlement. That is to say, if you do not affirmatively opt into the Settlement, you will not receive a payment, and you will not be bound by the terms of the settlement.

VIII. HOW DO I OBJECT TO THE SETTLEMENT?

Any Class Member, who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections must be in writing and state the Class Member’s name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All objections or other correspondence must also state the name and number of the case, which is *Brown v. Audiology Distribution, LLC, et al., District Court for the Central District of California, Case No. CV 22-4271-DMG (MRWx)*.

To object to the Settlement, if you are a California Regular Rate Class or subclass member, you must opt out. To object to the Settlement if you are a member of the FLSA Regular Rate Class, you must *first* affirmatively opt into the settlement by timely submitting a claim and *then* timely file your objection. If you are a member of the FLSA Regular Rate Class and only take the first step, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Participating Settlement Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Brown v. Audiology Distribution, LLC, et al.*, Case Number CV 22-4271-DMG (MRWx)), (b) be submitted to the Settlement Administrator at *Brown v. Audiology Distribution, LLC, et al.* c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, and (c) be postmarked on or before **October 7, 2024**.

If you wish to contact Class Counsel, their contact information is as follows:

Class Counsel:

PAUL. T. CULLEN, ESQ.
THE CULLEN LAW FIRM, APC
9800 Topanga Canyon Boulevard Suite D, PMB 325
Chatsworth, CA 91311-4057
Telephone: (818) 360-2529
Facsimile (866) 794-5741
E-mail: paul@cullenlegal.com

XI. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at 10:00 a.m. on December 6, 2024, in Courtroom 8C before Judge Dolly M. Gee at the United States Courthouse, 350 West 1st Street, Los Angeles, CA, 90012. You may also attend the Final Approval Hearing via Zoom, at <https://cacd-uscourts.zoomgov.com/j/1617511006?pwd=WTB2Zlh4Nkp2UIFqeUJxWnpMRzVZUT09>. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing. This hearing may be rescheduled by the Court without further notice to you. You may check the settlement website identified in Section III above or the Court's website to confirm that the date has not been changed. You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

XII. HOW DO I GET MORE INFORMATION ABOUT THE SETTLEMENT?

You may call the Settlement Administrator at 1-888-628-3753 or write to *Brown v. Audiology Distribution, LLC, et al.* c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606; or contact Class Counsel at (818) 360-2529.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to Class Counsel, or by going online to www.cptgroupcaseinfo.com/AudiologySettlement.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the State of California, to be held and disposed of by the Controller in accordance with California's Unclaimed Property Law for the benefit of the Participating Class Members who did not cash the settlement checks until such time that they claim their property. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.