

EXHIBIT A

Morales v. Wiseguys Custom Home Theater, LLC
San Diego County Superior Court Case No. 37-2019-00070151-CU-OE-CTL



<<PSA ID>>
<<Last 4 Digits of SSN>>
<<First Last>>
<<Address>>
<<City, State, Zip, Country>>

Name/Address Changes (if any):

NOTICE OF CLASS ACTION SETTLEMENT

If you are or were a non-exempt, hourly employee of Wiseguys Custom Home Theater, LLC at any time between November 27, 2015, and <<the Preliminary Approval of the Action>> you may be able entitled to receive money from a Class Action Settlement.

*A court approved this notice. This is not a solicitation from a lawyer.
You are not being sued.*

PLEASE READ THIS NOTICE.

Your legal rights are affected whether you act or don't act. Your legal rights and options—and the deadlines to use them—are explained in this notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE SETTLEMENT PAYMENT	You are not required to take action to receive a payment. If you do nothing, you will automatically receive a payment from the Settlement if the Court finally approves the Settlement. In exchange, you will be bound by the Settlement including the release of all claims covered by the Settlement.
REQUEST EXCLUSION	Request to be excluded and receive no benefits from the Settlement. If you submit a Request for Exclusion, you will not receive a settlement payment. Even if you request to be excluded from the Settlement, you will still receive your individual Settlement payment for the PAGA allocation.
OBJECT	If you wish to object to the Settlement, you may submit a written objection and supporting papers to the Settlement Administrator. Any written objections will be provided to the Court. You may also offer your oral comments at the Final Approval Hearing. In order to object, you must not have excluded yourself from the Settlement.

1. Why should you read this notice?

A proposed settlement (the "Settlement") has been reached in a class action lawsuit entitled *Morales v. Wiseguys Custom Home Theater, LLC*, San Diego County Superior Court Case No. 37-2019-00070151-CU-OE-CTL (the "Action" or "Lawsuit"). The Defendant in the Action is Wiseguys Custom Home Theater, LLC (referred to in this Notice as "Defendant.")

The Court has granted preliminary approval of a “Settlement Class” defined as follows:

All persons employed in the State of California as hourly, non-exempt employees by Wiseguys Custom Home Theater, LLC at any time between November 27, 2015, and <<the Preliminary Approval of the Action>> .

Defendant’s employment records indicate that you meet this definition, which makes you a member of the Settlement Class (referred to in this Notice as a “Class Member”). The Court directed that this Notice be sent to all Class Members to inform you about the case and your rights and options before the Court decides to approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Class Member who have not opted out of the Settlement.

This Notice explains the Lawsuit, the Settlement, your legal rights and options, what benefits are available and how to get them.

2. What is this Lawsuit about?

On November 27, 2019, Plaintiff DANIEL MORALES filed a class action lawsuit against Defendant in the Superior Court for the State of California, in and for the County of San Diego, Case Number 37-2019-00070151-CU-OE-CTL, alleging the following claims and causes of action: (1) failure to pay wages, (2) failure to provide meal periods or compensation in lieu thereof, (3) failure to provide rest periods or compensation in lieu thereof, (4) failure to pay wages of terminated or resigned employees, (5) failure to reimburse business expenses, (6) failure to comply with the employee itemized wage statement provision, (7) violations of the unfair competition law: B&P section 17200 et seq. (“Complaint”), (8) claims for violations of Private Attorney General Act (2004) (Labor Code § 2698, et seq.). Defendant vigorously denies all the claims and contentions made in the Lawsuit and maintain they have fully complied with the law, but have agreed to settle the Lawsuit to avoid the expense of litigation.

3. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Instead, both sides agreed to a Settlement. This allows the Parties to avoid the risk and uncertainty of trial and any subsequent appeal, and all affected employees who have not opted out of the Settlement will receive compensation. The Settlement is not an admission of liability by Defendant. The Class Representative and the attorneys believe the Settlement is fair, reasonable and adequate, and in the best interests of all Class Members.

4. What are the terms of the Settlement?

Defendant will pay seventy-six thousand dollars (\$76,000.00) to settle the Action (the “Maximum Settlement Amount”). The Maximum Settlement Amount includes: (a) all Settlement Payments to Participating Class Members; (b) the Service Award to the Class Representative; (c) the Class Counsel’s attorneys’ fees and costs; (d) a payment to the California Labor and Workforce Development Agency for civil penalties brought under PAGA; and (d) the reasonable fees and costs of the Settlement Administrator. Defendant will pay its portion of all payroll taxes resulting from the Settlement in addition to the Maximum Settlement Amount.

The Court has preliminarily approved the following payments from the Maximum Settlement Amount. Class Counsel will request that the Court award Class Counsel up to 1/3 of the Maximum Settlement Amount or up to

twenty five thousand three hundred and thirty three dollars and thirty-three cents (\$25,333.33) in attorneys' fees and up to eight thousand dollars (\$8,000.00) in out-of-pocket litigation costs, up to five thousand (\$5,000.00) for Settlement Administration Costs for the third-party Settlement Administrator, and up to one thousand dollars (\$1,000.00) for the Service Award for the Class Representative in recognition of his time and service to the Class in pursuing the Action and in fulfilling her obligations as the Class Representative. Additionally, the Settlement provides for a payment of five thousand (\$7,000.00) (the "PAGA Payment") to resolve class member' claims under PAGA, of which one thousand seven hundred fifty dollars (\$1,750.00) will be distributed to Participating Class Members and five thousand and two hundred and fifty dollars (\$5,250.00) will be paid to the California Labor and Workforce Development Agency ("LWDA"). This allocation of the PAGA Payment is required by PAGA. The final amounts of these various payments are all subject to Court approval.

After deductions of the preceding Court-approved payments, the remaining amount—the "Net Settlement Amount"—will be distributed to those Class Members who have not opted out of the Settlement (the "Participating Class Members"). No portion of the Maximum Settlement Amount will be returned to Defendant.

5. How much can I expect to receive?

Each Participating Class Member will receive a *pro rata* share of the Net Settlement Amount based on the number of workweeks the person worked for Defendant as a non-exempt, hourly employee during the Class Period. Any workweek in which a Class Member worked at least one day shall be counted as a workweek.

A Class Member's Individual Settlement Payment will be calculated by dividing the number of workweeks that each Settlement Member worked within the Class Period by the total workweeks that all Settlement Members worked within the Class Period, and multiplying that fraction by the Class Recovery to determine that Settlement Member's total personal recovery (the "Individual Settlement Member Total Recovery").

Your Compensable Workweeks are: <<Workweeks>>

Your Estimated Individual Settlement Member Total recovery is: \$<<Est.SettlementAmt>>

All settlement payments are subject to taxation. Each Individual Settlement Payment will be allocated as follows: (a) ten percent (10%) as wages that will be subject to deductions and withholdings for the employee's share of state and federal payroll taxes; (b) forty-five percent (45%) as penalties; and (c) forty-five percent (45%) as interest that will not be subject to deductions and withholdings. Each Participating Class Member will receive an IRS Form W-2 with respect to the portion of the Settlement Payment allocated to wages and an IRS Form-1099 with respect to the portion of the Settlement Payment allocated to penalties and interest. Prior to mailing Settlement checks, the Settlement Administrator will calculate and deduct the employee's required withholdings and payroll taxes from the "wage" portion of the Settlement payment. Defendant will separately pay the employer's share of payroll taxes with respect to the "wage" portion of each Settlement payment.

Please note that each Participating Class Members will be responsible for his/her share of taxes attributable to the receipt of an Individual Settlement Payment. The Parties and their attorneys cannot provide and will not provide any advice regarding tax obligations. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

6. What if I disagree with the number of workweeks credited to me in this Notice?

The information concerning the number of workweeks you worked as an hourly, non-exempt employee during

the Class Period and the PAGA period is based on Defendant's records. To dispute this number of workweeks credited to you, you must send written notice to the Settlement Administrator. To be valid, your written dispute of weeks worked must: (1) include your full name, address, telephone number, and last four digits of the Social Security number; and (2) be accompanied by satisfactory evidence of the actual weeks worked as an hourly, non-exempt employee for Defendant during the Class Period, including any supporting documentation, e.g., copies of your pay stubs. To be timely, your written dispute of weeks worked must be mailed by first-class U.S. Mail, or the equivalent, to the Settlement Administrator *at the address provided below*, and be postmarked on or before _____, 2021.

The Parties and the Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many workweeks should be credited to the Class Member. The Settlement Administrator will make the final decision as to how many workweeks should be credited to the Class Member and report the outcome to the Class Member.

7. How and when will I get a payment? How do I update my address?

How do I receive money from the Settlement? You do not need to do anything to receive your Individual Settlement Payment. Just watch your mail for a check and cash it when you get it. If you do not exclude yourself from the Settlement, you will automatically receive money from the Settlement. You do not need to make a claim or take any other action to receive your share of the Settlement.

When will I receive my Settlement payment? Class Members who do not opt out of the Settlement will receive their payments only after the Court grants final approval to the Settlement and after any appeals if filed are resolved. If there are appeals, resolving them can take time. Please be patient.

Settlement payment checks must be cashed soon after receipt. The Settlement checks will be able to be cashed for 180 days after they are issued. After 180 days, the Settlement checks will no longer be able to be cashed. Any funds represented by Settlement checks remaining uncashed for more than 180 days after issuance shall be transmitted the Settlement Administrator to the Bet Tzedek, as cy pres recipient, in accordance with California law regarding such escheatment, within twenty-one (21) calendar days of the Void Date.

Change of address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure that you receive your Settlement payment. If you change your address, or if this notice was not mailed to your correct address, you should immediately provide your current address to the Settlement Administrator. The Settlement Administrator can be reached at (800) ###-####, or at the address provided below.

8. What claims are being released by the Settlement?

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the Effective Date of the Judgment, all Participating Class Members shall release the Released Parties from the Released Claims for the Class Period, which is defined as the period of time between November 27, 2015, through <<the Preliminary Approval of the Action>> for all current and former employees of Wiseguys Custom Home Theater, LLC.

The Released Claims are defined as all causes of action and claims that were alleged or could have been alleged under the Labor Code, state or local wage and hour laws and Wage Orders, whether known or unknown, based on the facts and legal theories contained in the Complaint, including but not limited to: (i) claims for unpaid minimum wages (Lab. Code §§ 1194, 1197, 1197.1); (ii) claims for unpaid overtime (Lab. Code §§ 510, 1198); (iii) claims for non-compliant meal periods and/or associated premiums (Lab. Code §§ 226.7, 512(a)); (iv) claims

for non-compliant rest periods and/or associated premiums (Lab. Code § 226.7); (v) claims for wage statement violations (Lab. Code § 226(a)); (vi) claims for failure to timely pay wages upon termination of employment and associated waiting time penalties (Cal. Lab. Code §§ 201-203); (vii) claims for unreimbursed business expenses (Lab. Code §2802); (viii) claims for violations of California Business & Professions Code, §§ 17200, *et seq.* arising out of the aforementioned claims; (ix) claims for civil penalties arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698-2699.5) (“PAGA”) arising out of the aforementioned claims; (x) claims that the Class Member is an “aggrieved employee” under PAGA with respect to any of the aforementioned claims released herein; and (xi) claims for attorneys’ fees, costs and expenses for all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Complaint. The Participating Class Members who cash their Settlement checks further acknowledge that they are releasing any claims they have against Defendant under the Fair Labor Standards Act (“FLSA”) (collectively, the “Released Claims”). Other than for Plaintiff, claims of Participating Class Members, if any, for vested benefits, wrongful termination, unemployment insurance, disability benefits, social security, workers’ compensation, claims while classified as exempt, and claims outside of the Class Period are not encompassed within the definition of “Released Claims.”

The Released Parties are generally defined as Defendant and its past, present and/or former parents, subsidiaries, related companies, successors and predecessors and current and former employees, attorneys, officers, directors, shareholders, agents, servants, insurers, representatives and administrators (the “Released Parties”). A full copy of the Settlement Agreement is available from Class Counsel.

Any Class Member who does not request exclusion by the applicable deadline will be considered to have accepted the release and to have waived any and all of the Released Claims against the Released Parties.

9. What are my options?

- a. **Participate in the Settlement and Receive a Settlement Payment.** If you want to participate in the Settlement, you do not have to do anything. You will receive your Individual Settlement Payment automatically if the Settlement is finally approved by the Court.
- b. **Exclude yourself from the Settlement.** If you do not want to be part of the Settlement, you can request to be excluded from the Settlement by mailing a written Request for Exclusion to the Settlement Administrator. If you exclude yourself, you will not receive any payment from the Settlement, you will not be subject to the terms of the Settlement, and you will retain whatever rights you may currently have. To be valid, your Request for Exclusion must include: (1) include your full name, address, and last four digits of the Social Security number; (2) a clear statement that you wish to opt out of, or be excluded from, the Settlement in *Morales v. Wiseguys Custom Home Theater, LLC*, San Diego County Superior Court Case No. 37-2019-00070151-CU-OE-CTL; (3) a clear statement that you understand that by opting out, you will not receive any monies from the settlement; and (4) your signature. To be timely, a Request for Exclusion must be mailed by first-class U.S. Mail, or the equivalent, to the Settlement Administrator at the address provided below and be postmarked on or before _____, 2021. However, you will still receive an individual PAGA Settlement payment regardless of whether you exclude yourself.
- b. **Object to the Settlement.** If you’re a Class Member, you can object to the Settlement if you don’t like any part of it. You can give reasons why you think the Court should not approve the Settlement. The Court will consider your views. If the Court rejects your objection and finally approves the Settlement, you will still be bound by the terms of the Settlement, but you will also receive a monetary award.

To object, you may submit a written objection stating why you object to the Settlement, or you may simply appear at the Final Approval Hearing set for _____, 2021 at _____ a.m. in the San Diego County Superior Court and discuss your objection with the Court and the Parties at your own expense. Written objections must include: (i) your full name, current address, and last four digits of the Social Security number; (ii) the approximate dates of your employment at Defendant; (iii) the case name and number (e.g, *Morales v. Wiseguys Custom Home Theater, LLC*, San Diego County Superior Court Case No. 37-2019-00070151-CU-OE-CTL); (iv) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iv) copies of any papers, briefs, or other documents on which the objection is based, if any; (v) your signature; and (vi) a statement of whether you intend to appear at the Final Approval Hearing, either in person or by counsel. To be timely, a written objection must be mailed by first-class U.S. Mail to the Settlement Administrator at the address provided below and be postmarked on or before _____, 2021.

Please note that you cannot both exclude yourself and object to the Settlement. In order for you to object to this Settlement, or any term of it, you **may not** submit a Request for Exclusion.

10. Who are the attorneys representing the Plaintiff and the Settlement Class?

The Court has appointed the following lawyers as “Class Counsel” to represent all members of the Class:

Kevin Mahoney, Esq.
kmahoney@mahoney-law.net
Lilit Tunyan, Esq.
ltunyan@mahoney-law.net
Mahoney Law Group, APC
249 E. Ocean Boulevard, Suite 814
Long Beach, CA 90802
Telephone: 562-590-5550

You will not be charged for these lawyers.

11. How will the attorneys for the Settlement Class be paid?

All payments for Class Counsel’s attorneys’ fees and costs will be made from the Maximum Settlement Amount. Class Counsel intends to request an award of attorneys’ fees up to 1/3 of the Maximum Settlement Amount, or up to twenty five thousand three hundred and thirty three dollars (\$25,333.00), plus reimbursement of reasonable, actual out-of-pocket costs incurred in the litigation, up to eight thousand dollars (\$8,000.00). Class Counsel has been prosecuting this 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. The Court will decide the amount of fees and expenses to award at the Final Approval Hearing.

12. When and where will the Court decide to approve the Settlement?

The Court has preliminarily approved the settlement and will hold a hearing, called a Final Approval Hearing, to decide whether to give final approval to the Settlement. The Court will hold the Final Approval Hearing on _____, 2021, at _____ a.m., in Department C-69 of the San Diego County Superior Court located at 330 West Broadway, San Diego, CA 92101, before the Honorable Katherine Bacal. At the Final Approval Hearing, the Court will rule on Class Counsel’s request for attorneys’ fees and litigation costs, the Class Representative Service Award and the Settlement Administration Costs.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing. If you did not submit a Request for Exclusion, you or your attorney may appear at the hearing at your own expense and request to be heard. The Final Approval Hearing may be postponed without further notice.

13. Will I be subject to discipline if I participate in the Settlement?

No. Defendant approves the Settlement and will not retaliate in any way against any Class Member for participating in the Settlement. Your decision to participate, not participate, or object to this Settlement will not affect your employment with Defendant or Defendant's treatment of you as a former employee.

14. What is the Settlement Administrator's address?

Any Request for Exclusion, Notice of Objection, address change request, and all other correspondence intended for the Settlement Administrator must be mailed to the Settlement Administrator at the following address:

Morlaes v. Wiseguys Custom Home Theater, LLC
c/o Phoenix Class Action Administration Solutions
P.O Box 7208
Orange, CA 92867
Telephone: 1 (800) ###-####

15. How Can I Get Additional Information?

The pleadings and other records in this litigation may be examined online on the San Diego County Superior Court's website, <https://roa.sdcourt.ca.gov/roa/faces/CaptchaDisplay.xhtml>. After arriving at the website, click the 'Search By Case Number' link, then enter 37-2019-00070151-CU-OE-CTL as the case number and click 'SEARCH.' Images of every document filed in the case may be viewed through the 'Register of Actions' at a minimal charge.

If you have questions, you can call the Settlement Administrator at (800) ###-#### and/or Class Counsel Kevin Mahoney at (562) 590-5550.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S MANAGERS, SUPERVISORS,
OR ATTORNEYS ABOUT THIS SETTLEMENT
They will not be able to assist you.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

DANIEL MORALES,

Plaintiff,

v.

WISEGUYS CUSTOM HOME THEATER,
L.L.C.; and DOES 1 through 50, inclusive,

Defendants.

CASE NO. 37-2019-00070151-CU-OE-CTL
[Hon. Katherine Bacal]

**REQUEST TO BE EXCLUDED FROM
SETTLEMENT¹**

**ONLY COMPLETE THIS FORM IF YOU *DO NOT* WANT TO RECEIVE RECOVERY FROM THE
SETTLEMENT**

Name: _____

Address: _____

Telephone: _____

Last 4 Digits of SSN: _____

I wish to be excluded from the Settlement of the case *Morales v. Wiseguys Custom Home Theater, LLC*, San Diego County Superior Court Case No. 37-2019-00070151-CU-OE-CTL currently pending in the Superior Court of the State of California, County of San Diego. I understand by signing below I will not receive any payment from this Settlement and will not be releasing any claims at issue in this action.

Dated: _____
(signature)

If you wish to be excluded and receive no payment from the Settlement, please complete and sign this Request for Exclusion form and mail it to *Morales v. Wiseguys Custom Home Theater, LLC*, c/o Phoenix Class Action Administration at P.O. Box 7208, Orange, CA 92863 no later than [DATE set by Court].

¹ DO NOT SUBMIT THIS FORM IF YOU WISH TO RECEIVE A SETTLEMENT PAYMENT.