

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF OHIO

Philip Charvat v. National Holdings, et al., Civil Action No. 2:14-cv-02205 S.D. Ohio

If a call from Defendants was directed to your telephone, you could get a payment from a class action settlement.

- Defendant National Holdings Corporation has agreed to pay \$325,000 into a fund from which eligible persons or entities who file claims will receive cash awards.
- The settlement resolves a lawsuit involving allegations that Defendants, National Holdings and Shampan Lamport LLC (“collectively, “Defendants”), made telemarketing calls to class members whose telephone numbers were listed on the Do Not Call Registry in violation of the Telephone Consumer Protection Act.
- Court-appointed lawyers for the class (“Class Counsel”) will ask the Court for \$108,333 of the fund as fees and to reimburse them for the \$37,154.71 out-of-pocket expenses they paid to investigate the facts, litigate the case, and negotiate the settlement.
- Defendants deny all allegations of wrongdoing in the lawsuit. As part of the proposed settlement, Defendants do not admit to any wrongdoing and continue to deny the allegations against them.
- The two sides disagree on whether a class could be certified and whether Plaintiff and any class could have won at trial.
- **YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT, OR DON’T ACT. READ THIS NOTICE CAREFULLY.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM BY: AUGUST 23, 2019	This is the only way to be eligible for a payment.
EXCLUDE YOURSELF BY: AUGUST 23, 2019	Get no payment. This is the only option that allows you to be part of another lawsuit against Defendants about the legal claims in this case.
OBJECT BY: AUGUST 23, 2019	Write to the Court explaining why you don’t like the Settlement. You may still receive benefits, and be bound by the Settlement if approved by the Court.
ATTEND A HEARING ON: SEPTEMBER 25, 2019	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up right to be part of any other lawsuit against Defendants about the legal claims in this case.

BASIC INFORMATION

The purpose of this Notice is to let you know that a proposed settlement has been reached in an alleged class action lawsuit entitled *Philip Charvat v. National Holdings, et al.*, Civil Action No. 2:14-cv-02205 S.D. Ohio. You have legal rights and options that you may act on before the Court decides whether to approve the proposed settlement. **Because your rights will be affected by this settlement, it is extremely important that you read this Notice carefully.** This Notice summarizes the settlement and your rights under it.

In a class action, one or more people, called class representatives, sue on behalf of people alleged to have similar claims. All of these people are a class, or class members. One court resolves the issues for all class members, except those who exclude themselves from the class.

Here, the class representative alleges Defendants violated the Telephone Consumer Protection Act (“TCPA”) by making calls to residential telephone numbers listed on the Do Not Call Registry. The class representative alleges Defendants did not have the recipients’ permission to make these calls. The Court has certified a class for settlement purposes only (the “Settlement Class”). Defendants deny they did anything wrong, and deny this case could be certified as a class action in litigation.

THE SETTLEMENT

The Court did not decide in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement. That way, all parties avoid the costs, delays, burdens, and uncertainty of a lawsuit, and the people allegedly affected will get compensation. The class representatives and their attorneys think the settlement is fair and in the best interest of the Settlement Class.

WHO IS IN THE SETTLEMENT?

You are in the “Settlement Class” if your phone number is included on the Class List identifying people allegedly called by or on behalf of the Defendants. If you have questions about whether you are part of the Settlement Class, you may call 1-877-265-3022 or visit www.nhctcpasettlement.com for more information.

The Settlement Class is defined as follows:

All persons residing in the United States (i) to whom a registered representative of National Securities affiliated with Sharpco International, Inc. made more than one call within a 12-month period to solicit the purchase of any product or service sold or offered by National Securities (ii) to a residential phone number (iii) that had been listed on the National Do Not Call Registry for at least 31 days (iv) from November 11, 2010 through May 24, 2019, and (v) limited to calls to telephone numbers on the “Class List.” The Class List is comprised of the owners or users of the 7,262 numbers identified in the Report of Plaintiff’s Expert as being called in violation of the TCPA, minus the 1,279 numbers identified in paragraph 10 of the Report of National Holdings’ Expert, for a total of the owners or users of 5,983 phone numbers, but excluding Class Counsel, Defendants’ Counsel, and any judge before whom the Action is assigned and members of the immediate family of such judge.

THE SETTLEMENT BENEFITS – WHAT YOU GET

A Settlement Fund of \$325,000 will be divided among all Settlement Class Members who send in a valid Claim Form, after any attorneys' fees, costs, service awards, and settlement administration expenses have been deducted.

Your share of the settlement will depend on the number of Claim Forms that Settlement Class Members submit. The estimated payout per person is \$20 but that number could be higher or lower depending on the number of claims received.

HOW YOU CAN BE ELIGIBLE FOR PAYMENT – SUBMITTING A CLAIM FORM

To qualify for payment, you must submit a Claim Form. There are multiple ways to submit a Claim Form. You can request a Claim Form by calling 1-877-265-3022. Read the instructions on the Claim Form carefully, fill out the form, sign it, and mail it postmarked no later than August 23, 2019. You may also submit a Claim Form online by going to the Settlement Website at www.nhctcpasettlement.com and following the directions. You also may download a paper Claim Form from the Settlement Website. Claim Forms sent by mail must be postmarked by August 23, 2019, to:

Philip Charvat v. National Holdings, et al.
Settlement Administrator
c/o A.B. Data, Ltd.
P.O. Box 173077
Milwaukee, WI 53217

All Claim Forms must be postmarked (if mailed) or submitted online no later than August 23, 2019, in order to be eligible for payment.

The Settlement has been preliminarily approved by the Court. The Court will hold a Final Approval Hearing (the "Hearing") at 2:00 p.m., Wednesday, September 25, 2019, U.S. Courthouse, Room 101, 85 Marconi Boulevard, Columbus, Ohio 43215 to decide whether to finally approve the settlement. If the settlement is finally approved, appeals may still follow. It is always uncertain whether these appeals can be resolved, and resolving them takes some time. Please be patient.

Unless you exclude yourself, you will stay in the Settlement Class and be a Settlement Class Member. That means you can't sue, continue to sue, or be part of any other lawsuit against Defendants regarding the TCPA claims that are subject to the settlement. If the settlement is finally approved and becomes final and not subject to appeal, then you and all Settlement Class Members release all "Released Claims" against all "Released Parties." It also means that all of the Court's orders will apply to you and legally bind you.

The Settlement Agreement (available at www.nhctcpasettlement.com) describes the claims you are releasing (the “Released Claims”) and against whom you are releasing claims (“Released Parties”) in detail, so read it carefully.

EXCLUDING YOURSELF FROM THE SETTLEMENT



If you don’t want a payment from or to participate in this settlement, but you want to keep the right to sue or continue to sue Defendants, then you must take steps to exclude yourself from the Settlement Class. This is called excluding yourself—or is sometimes referred to as “opting out” of the Settlement Class.

To exclude yourself from the settlement, you must send a letter saying that you want to be excluded from the settlement captioned *Philip Charvat v. National Holdings, et al.*, Civil Action No. 2:14-cv-02205 S.D. Ohio. You must sign the letter, which must include your name, address, and telephone number, and a statement that you wish to be excluded from this action. You must mail your exclusion request postmarked no later August 23, 2019, to the following address:

Philip Charvat v. National Holdings, et al.
EXCLUSIONS
Settlement Administrator
c/o A.B. Data, Ltd.
P.O. Box 173001
Milwaukee, WI 53217

You cannot exclude yourself on the phone or by fax or email. You must opt out by mail as described above. If you ask to be excluded, you will not get any payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) Defendants in the future.

Unless you exclude yourself, you will give up any right to sue Defendants for the claims that this Settlement resolves. If you already have a lawsuit that may relate to the claims being released as part of this Settlement, you should speak to your lawyer in that case immediately. You must exclude yourself from this Settlement Class to continue your own lawsuit. Remember, the exclusion deadline is August 23, 2019.

THE LAWYERS REPRESENTING YOU



The Court has appointed Ted Broderick of Broderick Law, P.C., Brian Murphy of Murray Murphy Moul + Basil LLP, and Matthew McCue of The Law Office of Matthew P. McCue, to represent you and other Settlement Class Members. These lawyers are called Class Counsel. You will not have to pay these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

Class Counsel will ask the Court to approve payment of 33 1/3% of the \$325,000 Settlement Fund for attorneys’ fees. Class Counsel will also seek recovery of their \$37,154.71 in actual expenses spent on the litigation. These payments would pay Class Counsel for investigating the facts, litigating the case, and negotiating the settlement. Class Counsel also will request a service award of \$10,000 for the named Plaintiff to compensate him for his time and effort. The Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you can object to the Settlement if you don't like any part of it. You may give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to *Philip Charvat v. National Holdings, et al.*, Civil Action No. 2:14-cv-02205 S.D. Ohio. You must make your objection in writing and file it with the Court, and send a copy of your objection to the Settlement Administrator. The written objection must include your full name; address; telephone number or numbers that you maintain was/were called; all grounds for the objection, with factual and legal support for each stated ground; the identity of any witnesses you may call to testify; copies of any exhibits that you intend to introduce into evidence at the Final Approval Hearing; and a statement of whether he, she, or they intend(s) to appear at the Final Approval Hearing with or without counsel.

You **must** file the objection with the Court, and mail and postmark to the Settlement Administrator, no later than August 23, 2019. The address of the Court and the Settlement Administrator are as follows:

Philip Charvat v. National Holdings, et al., Civil Action No. 2:14-cv-02205 S.D. Ohio
Clerk of the Court
U.S. District Court for the Southern District of Ohio
U.S. Courthouse, Room 121, 85 Marconi Boulevard, Columbus, Ohio 43215

Philip Charvat v. National Holdings, et al.
Settlement Administrator
c/o A.B. Data, Ltd.
P.O. Box 173077
Milwaukee, WI 53217

Objecting simply means telling the Court that you don't like something about the settlement. You can object only if you stay in the Settlement Class. Excluding yourself from the Settlement Class is telling the Court that you don't want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing (the "Hearing") at 2:00 p.m., Wednesday, September 25, 2019, U.S. Courthouse, Room 101, 85 Marconi Boulevard, Columbus, Ohio 43215. The purpose of the hearing is for the Court to determine whether the settlement is fair, reasonable, and in the best interests of the Settlement Class. At the hearing, the Court will hear any objections and arguments concerning the fairness of the proposed settlement, including those related to the amount requested by Class Counsel for attorneys' fees and expenses, and the incentive award to the class representative. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

Note: The date and time of the Final Approval Hearing are subject to change by Court Order. Any changes will be posted at the Settlement website. You are not required to attend the Final Approval Hearing to be eligible for any settlement payment. Class Counsel will answer any questions the Court may have. But you are welcome to come to the hearing at your own expense. If you send an objection, you are not required to come to Court to talk about it. As long as your written objection was filed and postmarked on time, and meets the other criteria described in the Settlement Agreement, the Court will consider it. You also have the right to hire your own lawyer and have them attend the hearing.

If you do not exclude yourself from the Settlement Class, you may ask the Court for permission to speak at the hearing concerning any part of the proposed Settlement Agreement. If you filed an objection and intend to speak at the hearing, you must state your intention to do so in your objection. You cannot speak at the hearing if you exclude yourself. If you do nothing, you'll receive no money from this settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about the legal issues released in this case.

GETTING MORE INFORMATION



This notice summarizes the proposed settlement. More details are in the Settlement Agreement itself. You may review the Settlement Agreement on the Settlement Website at www.nhctcpasettlement.com. You can also get a copy of the Settlement Agreement by writing to Class Counsel. You can call 1-877-265-3022 toll-free; write to *Philip Charvat v. National Holdings, et al.*, Settlement Administrator, c/o A.B. Data, Ltd., P.O. Box 173077, Milwaukee, WI 53217; or visit the website at www.nhctcpasettlement.com, where you will find answers to common questions about the settlement, a Claim Form, plus other information about the Settlement.

PLEASE DO NOT CONTACT THE COURT, THE JUDGE, OR THE DEFENDANTS WITH QUESTIONS ABOUT THE SETTLEMENT OR CLAIMS PROCESS.