

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

NICO RUTELLA, WILLIAM IANNI, DAVID O'CONNELL, and JAMES MARKOVICH, individually and on behalf of all other persons similarly situated who were employed by NATIONAL SECURITIES CORPORATION, NATIONAL HOLDINGS CORPORATION and/or any other entities affiliated with or controlled by NATIONAL SECURITIES CORPORATION and/or NATIONAL HOLDINGS CORPORATION,

Plaintiffs,

- against -

NATIONAL SECURITIES CORPORATION, NATIONAL HOLDINGS CORPORATION and/or any other entities affiliated with or controlled by NATIONAL SECURITIES CORPORATION and/or NATIONAL HOLDINGS CORPORATION,

Defendants.

Index No.: 601067/2016

**COURT-AUTHORIZED NOTICE
OF WAGE & HOUR CLASS
ACTION**

THIS NOTICE HAS BEEN AUTHORIZED BY THE HONORABLE TIMOTHY S. DRISCOLL, J.S.C., SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NASSAU, AND MAY AFFECT YOUR LEGAL RIGHTS.

THIS IS NOT AN ATTORNEY SOLICITATION

To: All individuals, other than managers, corporate officers, directors, clerical and office workers, who performed work for National Securities Corporation and/or National Holdings Corporation (“National Securities”) between February 17, 2010 and the present selling or marketing financial products pursuant to contracts entered into with National Securities who worked at the National Securities locations in Melville, NY; Huntington, NY; 80 Broad Street New York, NY; and 7 Hanover Square, New York, NY; as “Registered Representatives” for any given calendar year in which they were paid by National Securities less than \$100,000.00. (“Class” and “Class Members”)

- Plaintiffs Nico Rutella, William Ianni, David O'Connell, and James Markovich (“Class Representatives”) former Registered Representatives with National Securities in one or more of the New York-based locations set forth above have brought this lawsuit on behalf of themselves and other current and former Registered Representatives who worked at one of the four above-mentioned locations dating back to February 17, 2010. Plaintiffs allege that they should have been classified as employees instead of independent contractors, and that as employees, they should have been paid at no less than the minimum wage rate, as well as overtime compensation at time and one-half when they worked over 40 hours in a week.
- Defendants vigorously deny any wrongdoing and/or liability. Specifically, they deny that the Class Members were or are National Securities employees. In addition, they assert that the Class Members were paid as independent contractors in accordance with arrangements between themselves and the above-mentioned, independently-owned branches.
- Receipt of this notice does not indicate that you are entitled to receive any monetary recovery. No determination has been made by the Court that you are owed any unpaid wages, and the Court is not endorsing the merits of this lawsuit or the defenses.

1. Why did I get this notice?

The purpose of this court-approved notice is to inform you of the existence of this lawsuit, and to advise you of how your rights may be affected by this lawsuit.

2. What is a class action?

A class action is a lawsuit where one or more persons sue for themselves, but also for other people who may have similar claims. These other people are known as Class Members. In a class action, one court resolves the issues for all Class Members,

except for those who exclude themselves from the Class. Justice Timothy S. Driscoll, New York State Supreme Court, Nassau County is presiding over this class action.

3. How do I join this lawsuit?

If you worked as a Registered Representative (as defined above) at one of the four identified branches in New York at any time from February 17, 2010 to the present, and in any one or more calendar years you were paid by National Securities less than \$100,000.00, you are a member of the Class, and do not need to do anything to join this lawsuit.

4. Do I have a lawyer in this case?

The law firms of Virginia & Ambinder, LLP, Tel. (212) 943-9080, 40 Broad Street, 7th Floor, New York, New York 10004, www.vandallp.com and Leeds Brown Law, P.C., Tel. (516) 873-9550, One Old Country Road, Suite 347, Carle Place, New York 11514, www.leedsbrownlaw.com, have been designated as class counsel to represent you and the other Class Members (“Class Counsel”). Because you are represented by Class Counsel, any attorney fees and costs associated with this litigation will be paid out of any recovery that is obtained. If there is a recovery, professional fees may be part of a settlement or money judgment entered in favor of Plaintiffs and will be subject to court approval. Class members will be responsible for professional fees and costs in the event there is no recovery in this litigation. You have the right to consult with an attorney of your own choosing and to initiate your own action if you do not wish to participate in this class action lawsuit.

5. How do I exclude myself from this lawsuit?

If you wish to opt-out and be excluded from the Class, then you must take steps to exclude yourself from this case. If you intend to exclude yourself, you must mail a written, signed statement to Plaintiffs’ Counsel by mail, email or facsimile sent to Lloyd Ambinder, Esq., of Virginia & Ambinder, LLP, 40 Broad Street, 7th Floor, New York, New York 10004, Lambinder@vandallp.com, Tel (212) 943-9080, Fax (212) 943-9082 **within 60 days of receipt of this Notice**. If you exclude yourself from this lawsuit, you will not be eligible to receive any benefits in the event a settlement or judgment is obtained. You will also not be affected by any ruling, judgment or settlement rendered in this lawsuit.

6. If I don’t exclude myself from this lawsuit, can I sue Defendants for the same thing later?

If you do not exclude yourself from this lawsuit, you give up any rights to sue Defendants for the claims brought in this case or which could have been brought in this case. However, if you exclude yourself from this lawsuit, you have the right to bring a similar lawsuit on your own behalf or with a lawyer of your own choosing.

7. Can the Defendants retaliate against me for joining this lawsuit?

New York law prohibits Defendants from retaliating against you because you are a Class Member in this lawsuit.

8. What if I still have questions?

If you have any questions about this lawsuit, or would like further information about this notice, you can contact Lloyd Ambinder, Esq. or James Murphy, Esq. at (212) 943-9080; or Jeffrey K. Brown, Esq. or Michael A. Tompkins, Esq. at (516) 873-9550. You may also email any questions to Class Counsel at NationalSecurities@vandallp.com or NationalSecurities@leedsbrownlaw.com – or visit www.nationalsecuritieslawsuit.com

PLEASE DO NOT CONTACT THE COURT WITH QUESTIONS INVOLVING THIS LAWSUIT

ANY COMMUNICATION YOU MAY HAVE WITH VIRGINIA & AMBINDER, LLP AND LEEDS BROWN LAW P.C. SHALL BE DEEMED STRICTLY CONFIDENTIAL AND PRIVILEGED