

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

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CHRISTINA MARY REYNOLDS, on behalf  
of herself and all others similarly situated,

Plaintiff,

v.

CHESAPEAKE & DELAWARE  
BREWING HOLDINGS, LLC, *et al.*,

Defendants.

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Civil Action No.: 2:19-cv-02184-JS

**JOINT STIPULATION OF SETTLEMENT AND RELEASE AGREEMENT**

This Joint Stipulation of Settlement and Release Agreement (the “*Settlement Agreement*”)<sup>1</sup>, is entered into by and between Plaintiff Christina M. Reynolds (“*Plaintiff*” or “*Reynolds*”), on behalf of herself and the *FLSA Class*, and Chesapeake & Delaware Brewing Holdings, LLC; Chesapeake & Delaware Brewing Pennsylvania Holdings, LLC; Iron Hill Brewery, LLC; (collectively, “*Defendants*”).

**RECITALS**

WHEREAS, *Plaintiff* commenced litigation captioned *Reynolds v. Chesapeake & Delaware Brewing Holdings, LLC, et al.*, Civil Action No. 2:19-cv-02184-JS in the United States District Court for the Eastern District of Pennsylvania (the “*Action*”) asserting various wage and hour claims against *Defendants* under Pennsylvania state law and the Fair Labor Standards Act (“FLSA”);

WHEREAS, in the *Action*, *Plaintiff* asserts that *Defendants* violated applicable wage laws by requiring her and other employees to perform excessive “sidework” during the course of their employment despite *Defendants* paying them directly a subminimum wage for the time spent performing such work;

WHEREAS, *Defendants* have vigorously contested *Plaintiff’s* claims from the outset, including opposing *Plaintiff’s* motions for class and conditional certification and motion for partial summary judgment and filing their own motion for summary judgment;

WHEREAS, the *Court* granted *Plaintiff’s* motion for conditional certification of her *FLSA* federal claims on May 19, 2020 and denied her motion for reconsideration of its denial of her motion for class certification on October 30, 2020;

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<sup>1</sup> Italicized words are defined herein.

WHEREAS, on May 12, 2020, the *Court* denied *Defendants'* motion for summary judgment as to *Plaintiff's* claims but granted *Plaintiff's* motion for summary judgment;

WHEREAS, subsequent to the *Court's* granting *Plaintiff's* motion for conditional certification, a *Court*-approved Notice of this *Action* was mailed to approximately 1,759 *Tipped Employees* employed by *Defendants* at any point during the three years prior to the *Court's* certification ruling;

WHEREAS, the *Court*-approved notice included a "Consent Form," which *Tipped Employees* could execute and return to *Class Counsel* to join the *Action*;

WHEREAS, the "Consent Form" sent to and executed by each individual who wished to join this *Action* stated that the individual "authorize[d] the representative *Plaintiff* and her *Counsel* to make decisions on my behalf concerning the litigation . . . including any settlement, and to be represented by *Counsel* for the representative *Plaintiff*;"

WHEREAS, the *Parties* have engaged in significant formal and informal discovery practice both before and after the *Court's* certification orders;

WHEREAS, *Defendants* continue to deny all liability with respect to any and all claims alleged in the *Action*;

WHEREAS, as a result of the global COVID-19 pandemic and the governmental restrictions associated therewith, *Defendants'* financial condition has significantly deteriorated since the inception of the *Action*, and *Defendants* have provided highly confidential detailed documents and information regarding *Defendants'* financial condition to certain of *Plaintiff's Counsel*;

WHEREAS, the *Parties* determined that if a resolution was not reached expeditiously, there was the significant risk that *Plaintiff* and the *Classes* would recover nothing, even if they prevailed on obtaining final certification of the collective class and on the merits at trial;

WHEREAS, the *Parties* reached an agreement in principle for a settlement in this *Action* only after lengthy settlement negotiations between counsel for the *Parties*; and

WHEREAS, the *Parties* desire to promptly and fully resolve and settle with finality the *Action* without further litigation;

NOW, THEREFORE, the *Parties*, in consideration of the promises, covenants, and agreements herein described, and for other good and valuable consideration, acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree as follows:

## 1. BACKGROUND

Plaintiff Christina Reynolds worked as a server at a restaurant operated by *Defendants* doing business as Iron Hill Brewery in North Wales, Pennsylvania. Ms. Reynolds received part of her compensation in tips, and *Defendants* utilized a “tip credit” to satisfy its federal and state minimum wage obligations in paying *Plaintiff* and other *Tipped Employees*. Ms. Reynolds claims *Defendants* (i) failed to ensure *Tipped Employees* earned the mandated minimum wage when taking the tip credit and (iii) required *Tipped Employees* to perform excessive sidework when clocked in as a “server.” *Defendants* deny each allegation.

On May 20, 2019, on the basis of those alleged facts, *Plaintiff* sued *Defendants* in the United States District Court for the Eastern District of Pennsylvania, Case No. No. 2:19-cv- 02184-JS. On her own behalf, and on behalf of a putative class and putative collective, Ms. Reynolds asserted claims under the Pennsylvania Minimum Wage Act (“PMWA”) and the Fair Labor Standards Act (“FLSA”). *Plaintiff* sought recovery of alleged unpaid wages, liquidated damages, and attorneys’ fees and costs, as well as injunctive relief. Thereafter an amended complaint was filed on September 4, 2019, which *Defendants* answered on September 26, 2019.

Thereafter, the *Court* entered several orders regarding initial discovery in this matter and deadlines for the filing of certification motions and motion(s) for summary judgment. During discovery, the *Parties* exchanged thousands of pages of documents. *Plaintiff* deposed several designees *Defendants* proffered as designees pursuant to Fed. R. Civ. P. 30(b)(6). In addition, *Defendants* deposed *Plaintiff*. On February 5, 2020, *Defendants* filed their motion for summary judgment. That same day, *Plaintiff* filed her motion to certify the Pennsylvania state claims pursuant to Fed. R. Civ. P. 23, and conditionally certify her federal claims pursuant to Section 216(b) of the FLSA, and moved for partial summary judgment pursuant to Fed. R. Civ. P. 56. *Defendants* opposed these motions and *Plaintiff* opposed *Defendants*’ motion for summary judgment. On May 12, 2020, the *Court* denied *Defendants*’ motion for summary judgment, but granted in part *Plaintiff*’s Rule 56 motion. One week later, on May 19, 2020, the *Court* granted *Plaintiff*’s motions to conditionally certify the collective class pursuant to Section 216(b) of the FLSA. That same day, however, the *Court* declined to grant class certification of *Plaintiff*’s PMWA claim pursuant to Fed. R. Civ. P. 23. Although *Plaintiff* moved for reconsideration of the *Court*’s denial of Rule 23 class certification, the *Court* denied that motion on October 30, 2020.

In August of 2020, the *Court*-approved notice was mailed to putative collective action members. All told, approximately 365 filed timely consent to sue forms with the *Court*. After the deadline for individuals to opt-in pursuant to Section 216(b) of the FLSA passed, the *Court* held a telephonic conference on December 11, 2020. On January 4, 2021, the *Court* set a new discovery deadline and set a date for oral argument on the motion for decertification of the conditionally certified collective class. In response, the *Parties* met and conferred regarding the selection of the “select group” as required by the *Court*’s earlier order. It was during these conversations that the *Parties* began to explore the possibility of settlement. Then in February of 2020, counsel for *Defendants* began to apprise *Plaintiff*’s Counsel on a confidential basis of the deteriorating financial condition of *Defendants*, caused by the pandemic. Thereafter, the *Parties* quickly worked out an agreeable confidentiality provision so that *Defendants* could provide *Class Counsel* with highly sensitive, detailed financial information. *Plaintiff*’s

*Counsel* then requested, received and reviewed certain pertinent documents so as to ascertain/verify the severity of *Defendants'* financial condition.

Based upon their independent analysis, and recognizing the risks of continued litigation, counsel for *Plaintiff* believes that the settlement with *Defendants* for the consideration of and on the terms set forth in this *Settlement Agreement* is fair, reasonable, and is in the best interest of *Plaintiff* and *Settlement Class* members, in light of all known facts and circumstances, including the risk of delay and defenses asserted by *Defendants*, including *Defendants'* dire financial condition. Although *Defendants* deny liability, they likewise agree that settlement is in the *Parties'* best interests. For those reasons, and because an effective release is contingent on *Court* approval, the *Parties* submit their *Settlement Agreement* to this *Court* for its review.

## 2. DEFINITIONS

- 2.1 **Action.** The legal action captioned *Reynolds v. Chesapeake & Delaware Brewing Holdings, LLC, et al.*, Civil Action No. 2:19-cv-02184-JS, in the United States District Court for the Eastern District of Pennsylvania.
- 2.2 **Approval Order.** The document substantially in the form attached hereto as Exhibit A, which will be submitted to the *Court* by the *Parties* to seek (1) approval of this *Settlement Agreement* on the terms provided herein (or as the same may be modified by subsequent mutual agreement of the *Parties* subject to approval of the *Court*), adjudging such terms to be adequate, fair and reasonable, and in the best interests of *Plaintiff* and *Settlement Class* members; (2) certification of the *Settlement Class* for settlement purposes only; (3) approval of *Class Counsel's* application for an award of their fees, costs and expenses; (4) approval of *Class Counsel's* application for a *Service Payment* to *Plaintiff*, and (5) dismissal of the *Action* with prejudice.
- 2.3 **Claims Administrator.** The claims-administration firm of RG2 Claims Administration LLC, which was previously retained by *Plaintiff's Counsel* to perform the notice mailing in this *Action*.
- 2.4 **Class Counsel.** Connolly Wells & Gray, LLP and Carlson Lynch LLP.
- 2.5 **Class Period.** May 16, 2016 through October 8, 2020.
- 2.6 **Complaint.** The Amended Complaint filed in this *Action* on or around September 4, 2019.
- 2.7 **Court.** The United States District Court for the Eastern District of Pennsylvania.
- 2.8 **Cover Letter.** The letter sent by the *Claims Administrator* to the *Participating Settlement Class Member* that includes the release language described in Section 5.1 and identifies the website address where the individual can review this *Settlement Agreement* for one hundred eighty days after the *Settlement* becomes *Final*. Under no circumstances shall the website include the *Settlement Agreement* prior to the entry of the *Approval Order* (or a

substantially similar order of the *Court*). The mailing that includes the *Cover Letter* shall also include the *Participating Settlement Class Member's Settlement Payment*. A proposed form of the *Cover Letter* is attached hereto as Exhibit B and is entitled "Court Notice of Settlement of Collective Action Lawsuit."

- 2.9** *Cy Pres Distribution.* The distribution, if necessary, of any residual *Settlement Amount* resulting from uncashed checks. Such a distribution shall be in accordance with the conditions set forth in Section 4.08(E). The *Parties* stipulate and agree that they will use reasonable efforts to ensure that there is no *Cy Pres Distribution* arising from this *Settlement Agreement*. The *Parties* further agree that should a distribution become necessary, they will use their best efforts to ensure that there is only one *Cy Pres Distribution* arising from this *Settlement Agreement*.
- 2.10** *Defendants.* Chesapeake & Delaware Brewing Holdings, LLC; Chesapeake & Delaware Brewing Pennsylvania Holdings, LLC; Iron Hill Brewery, LLC.
- 2.11** *Defendants' Counsel.* Kaleo Legal.
- 2.12** *Effective Date.* The first day after the *Settlement* becomes *Final*.
- 2.13** *Expiration Period.* 180 days after the mailing of the *Settlement Payment* to the *Participating Settlement Class Members*.
- 2.14** *Final.* With respect to any judicial ruling or order, an order that is final for purposes of 28 U.S.C. § 1291, and (a) for which the time has expired to file an appeal, motion for reconsideration or clarification, motion for re-argument, motion for rehearing, petition for a writ of certiorari or other writ ("Review Proceeding") with respect to such judicial ruling or order with no such *Review Proceeding* having been filed; or (b) if a *Review Proceeding* has been filed with respect to such judicial ruling or order, (i) the judicial ruling or order has been affirmed without material modification and with no further right of review, or (ii) such *Review Proceeding* has been denied or dismissed with no further right of review.
- 2.15** *Final Approval Hearing.* The hearing scheduled by the *Court*, if it so elects, to decide whether to approve the *Settlement* as fair, reasonable, and adequate.
- 2.16** *Final Effective Date.* The date on which the *Settlement* becomes *Final* and all *Settlement Conditions* have either been satisfied or waived in accordance with this *Settlement Agreement*.
- 2.17** *FLSA Class.* Any individual who affirmatively opted-into this *Action* pursuant to Section 216(b) of the FLSA prior to November 9, 2020. By agreement of the *Parties*, set forth in Section 2.35, the *FLSA Class* also includes the individuals set forth in Exhibit C.
- 2.18** *Net Settlement Amount.* The term "Net Settlement Amount" shall have the same meaning as set forth in Section 4.6.

- 2.19 *Participating Individual Damage Amount.*** The term “Participating Individual Damage Amount” shall have the same meaning as set forth in Section 4.6.
- 2.20 *Participating Settlement Class Members.*** Every member of the *FLSA Class* is deemed a *Participating Settlement Class Member*. In accordance with the terms of this *Settlement Agreement*, only *Participating Settlement Class Members* will receive any money in connection with this *Settlement*.
- 2.21 *Participating Settlement Class Member’s Settlement Payment.*** The term “*Participating Settlement Class Member’s Settlement Payment*” shall have the same meaning as set forth in Section 4.6.
- 2.22 *Participating Settlement Class Members’ Total Damage Amount.*** The term “Participating Settlement Class Members’ Total Damage Amount” shall have the same meaning as set forth in Section 4.6.
- 2.23 *Parties.*** *Plaintiff* and *Defendants* and, in the singular, “*Parties*” refers to any of them, as the context makes apparent.
- 2.24 *Plaintiff.*** The named plaintiff in this *Action*, Christina Reynolds.
- 2.25 *Plaintiff’s Counsel.*** Connolly Wells & Gray, LLP, and Carlson Lynch LLP.
- 2.26 *Prior Notice.*** The notice that was sent to *Tipped Employees* who are or were employed by *Defendants* pursuant to the Court’s July 13, 2020 Order regarding dissemination of notice pursuant to Section 216(b) of the FLSA.
- 2.27 *Released Persons.*** *Defendants* and their past, present, and future members, parents, affiliates, subsidiaries, divisions, predecessors, successors, partners, joint venturers, affiliated organizations, shareholders, insurers, reinsurers and assigns, and each of *Defendants’* past, present and future officers, directors, trustees, agents, employees, attorneys, contractors, representatives, divisions, units, branches and any other persons or entities acting on *Defendants’* behalf.
- 2.28 *Releasing Persons.*** Every *Participating Settlement Class Member* and his or her respective heirs, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, estates, personal representatives, successors-in-interests, and assigns.
- 2.29 *Review Proceeding.*** “Review Proceeding” will have the meaning set forth in Section 2.14.
- 2.30 *Service Payment.*** The amount to be approved by the *Court* for payment to Plaintiff Christina Reynolds in recognition for her efforts in assisting in the prosecution of this *Action* on behalf of the *Settlement Class*. The *Parties* stipulate and agree that *Plaintiff* shall not seek a *Service Payment* in excess of \$5,000.00 in this *Action*.



- 2.31 Settlement.** The resolution of the *Action* pursuant to the agreement of the *Parties* on the terms and conditions as set forth in this *Settlement Agreement*.
- 2.32 Settlement Amount.** The \$500,000 payment that *Defendants* will pay to settle the *Action* as described in this *Settlement Agreement*, inclusive of *Class Counsel's* fees and costs, the *Service Payment*, and the *Claims Administrator's* fees and expenses. The *Settlement Amount* may remain in *Defendants'* general funds until required to be provided to the *Claims Administrator* for distribution pursuant to Section 4. Except as set forth in Sections 3.2, 4.8 and 4.9, *Defendants* may not be called upon or required to contribute additional monies above the *Settlement Amount* under any circumstances whatsoever.
- 2.33 Settlement Agreement.** This *Settlement Agreement*, including any modifications or amendments adopted pursuant to Section 8.17.
- 2.34 Settlement Check.** Checks issued to *Participating Settlement Class Members* in the amount of their individual *Settlement Payment*. Each *Settlement Check* shall contain release language on its back in conformity with Section 4.8 (D).
- 2.35 Settlement Class.** *Plaintiff* and members of the *FLSA Class*. For purposes of effectuating this Settlement the *Parties* acknowledge and agree that the *Settlement Class* modifies the number of individuals who are to have been considered to have timely opted in by including those individuals who contacted *Class Counsel* and submitted a consent form prior to entry of this *Settlement Agreement*. A list of all individuals who are considered *Settlement Class* members is attached hereto as Exhibit D.
- 2.36 Settlement Conditions.** Each of the conditions and obligations set forth in Section 3 of this *Settlement Agreement* that must either be satisfied or waived in writing by the *Party* entitled to the benefit of the condition or obligation.
- 2.37 Settlement Payment.** The payment to which a *Participating Settlement Class Member* will receive pursuant to the *Settlement Agreement*.
- 2.38 Tipped Employee.** Any individual employed by *Defendants* as a “server” during the *Class Period* where *Defendants* claimed or attempted to claim a “tip credit” for that employee pursuant to Section 203(m) of the *FLSA*.

### **3. SETTLEMENT CONDITIONS**

The *Parties* stipulate and agree that each of the *Settlement Conditions* set forth in this Section is a material term. Except as otherwise provided in this *Settlement Agreement*, the *Parties* will use reasonable efforts to cause each of the following *Settlement Conditions* to occur and will support approval of the *Settlement* before the *Court*.

- 3.1 Declaration from *Defendants*.** On or before the *Parties* move for final approval, *Defendants* will provide to *Plaintiff* an acceptable declaration from either their Chief Financial Officer (“CFO”) or their Chief Executive Officer (“CEO”) outlining *Defendants’* dire financial condition. The declaration shall be sufficiently detailed regarding *Defendants’* (i) current financial condition and (ii) foreseeable financial condition. The *Parties* agree that this declaration shall be filed with the Court.
- 3.2 Confirmation of Representations.** *Defendants* have represented that during the *Class Period*, they claimed a “tip credit” for 426,337.33 hours worked by the *FLSA Class*. Should during the course of administering this *Settlement*, it be determined that the amount of actual hours *Defendants* claimed a “tip credit” for deviates by three percent (3%) or more from *Defendants’* representation, *Plaintiff* may elect, at her sole discretion, to terminate this *Settlement Agreement* in accordance with Section 7. In the event that *Defendants* are notified by *Plaintiff’s Counsel* of *Plaintiff’s* intent to invoke this clause, *Defendants*, at their discretion, may elect to add, on a dollar for dollar basis, to the *Settlement Amount* so as to bring this deviation below the three percent (3%) threshold.
- 3.3 Certification of *Settlement Class*.** The *Court* shall grant final certification of the *FLSA Class*, with an ending date of October 8, 2020. For settlement purposes only, and to effectuate this *Settlement Agreement*, *Defendants* will not object to certification set forth herein. As part of this certification process, the *Parties* agree to the inclusion of the individuals listed on Exhibit C as part of the *Settlement Class*.
- 3.4 Entry of *Approval Order* by the *Court*.** The *Parties* will jointly request that the *Court* schedule a *Final Approval Hearing* as soon as practicable. At the *Final Approval Hearing*, the *Parties* will jointly move for entry of an *Approval Order*, substantially in the form attached hereto as Exhibit A.
- 3.5 *Approval Order* Becoming *Final*.** If the *Court* denies approval of any material term of the *Settlement*, whether initially, or if a *Review Proceeding* has been instituted, then after the conclusion of any *Review Proceeding*, any *Party* may terminate the *Settlement Agreement* under Section 7. If the *Court* does not enter the *Approval Order* or if the *Approval Order* does not become *Final* then any *Party* may terminate this *Settlement Agreement* pursuant to Section 7.

#### **4. TERMS OF SETTLEMENT**

- 4.1 *Settlement Amount*.** *Defendants* will pay the *Settlement Amount*, which includes *Class Counsel’s* fees and costs as awarded by the *Court*, any *Service Payment*, and the *Claims Administrator’s* fees and expenses under the *Settlement Agreement*. Also being paid from the *Settlement Amount* will be all *Participating Settlement Class Members’* claims. In return for the *Settlement Amount*, *Defendant* will obtain (among other things) the releases described in Section 5.
- 4.2 *Class Certification*.** In connection with the approval of the proposed *Settlement*, *Plaintiff* will, through *Class Counsel*, seek final certification of the *FLSA Class*.



- 4.3 Cooperation.** The *Parties* will, in good faith, take reasonable steps to (a) file a motion for approval of this *Settlement Agreement* within 10 days of execution of this *Settlement Agreement*, (b) seek a date for the *Final Approval Hearing* as soon as practicable after submission of the motion seeking final approval, and (c) and seek entry of the *Approval Order*.
- 4.4 Retention of *Claims Administrator*.** The *Claims Administrator* will be responsible for the claims-administration process and distribution to *Class Members* as provided herein. *Defendants* will cooperate with the *Claims Administrator* and assist it in any reasonable way possible in administering this *Settlement Agreement*. *Claims Administrator* fees are to be paid out of the *Settlement Amount*. The *Claims Administrator* will provide *Class Counsel* and *Defense Counsel* with a final bill of its fees as soon as practicable. *Class Counsel* will use its best efforts to obtain this bill prior to the *Final Approval Hearing*.
- 4.5 Class Information.** Within fourteen (14) calendar days after the execution of this *Settlement Agreement*, *Defendants* will provide the *Claims Administrator* with a list, in electronic form, containing the following information for *Plaintiff* and for each member of the *FLSA Class*: (1) any required deductions set forth within *Defendants*' payroll records (e.g., garnishments, tax liens, child support); (2) any updated mailing information (3) the punch and pay data; and (4) the complete social security number for each member of the *Settlement Class*. By that same time, *Plaintiff's Counsel* will provide the *Claims Administrator* with any updated contact information for members of the *FLSA Class*. The *Parties* stipulate and agree that they will each cooperate and use their best efforts to provide the *Claims Administrator* any information the *Claims Administrator* requests in order to facilitate its duties and obligations set forth in this *Settlement Agreement*.
- 4.6 Calculation of *Settlement Payments for Plaintiff and Settlement Class Members*.**
- (A) ***Settlement Payment.*** Only *Participating Settlement Class Members* will receive money in connection with this *Settlement*. Once the *Settlement* becomes *Final*, the *Claims Administrator* will calculate *Settlement Payments* for *Participating Settlement Class Members* in four steps:
- (1) The *Claims Administrator* will deduct from the *Settlement Amount* the following amounts as awarded or permitted by the *Court*: (i) *Class Counsel's* attorneys' fees and expenses, (ii) the *Service Payment*, if any, to the *Plaintiff*, and (iii) the fees and expenses of the *Claims Administrator*. The resulting number will be referred to as the "Net Settlement Amount."
  - (2) For each *Participating Settlement Class Member*, the *Claims Administrator* will multiply the difference between the full minimum wage for the state in which the individual worked (e.g., \$7.25) and the hourly rate actually paid by *Defendants* to that *Participating Settlement Class Member* by the number of hours worked during the *Class Period* by that individual at the tipped wage rate. Once this calculation is done, the *Claims Administrator* will

then multiple that amount by 30% (the estimated amount of side work performed during the *Class Period*) (for example:  $\$7.25 - \$2.83 = \$4.42 \times 100$  hours worked =  $\$442.00 \times 30\% = \$132.60$ ). This number will be referred to as the “Participating Individual Damage Amount.”

- (3) The Participating Individual Damage Amount for all *Participating Settlement Class Members* will then be added together by the *Claims Administrator* to determine the “Participating Settlement Class Members’ Total Damage Amount.”
  - (4) The Net Settlement Amount will be divided by the Participating Settlement Class Members’ Total Damage Amount.
  - (5) The resulting fractional amount will then be multiplied by a Participating Individual Damage Amount to determine that *Participating Settlement Class Member’s Settlement Payment*.
- (B) For purposes of performing the calculations set forth above, the *Claims Administrator* will rely on the hours recorded in *Defendants’* timekeeping system when determining the hours worked for members of the *Settlement Class*, which will be obtained from the punch and pay data for *FLSA Class Members* as set forth in Section 4.5.
- (C) *Plaintiff, Class Counsel, Defendant, and Defendant’s Counsel* will have no responsibility for, or liability arising from, the *Claims Administrator’s* calculations of the distribution of the *Settlement Amount* including, without limitation, the calculation of an individual *Participating Settlement Class Member’s Settlement Payment*.
- (D) *Plaintiff* is a member of the *Settlement Class* by operation of this *Settlement Agreement*. *Plaintiff’s Settlement Payment* will be calculated in accordance with the formula set forth above.

#### 4.7 Court Approval.

- (A) The *Parties* will file a joint motion seeking approval of the *Settlement* (“Approval Motion”) with the *Court* no later than July 21, 2021. In the Approval Motion, *Plaintiff* will request that the *Court* determine, at or after the *Final Approval Hearing* (a) whether to enter an *Approval Order*, substantially in the form attached as Exhibit A, granting final approval of the *Settlement*, dismissing the *Action* with prejudice and entering judgment pursuant to Federal Rule of Civil Procedure 54(b); (b) whether the distribution of the *Settlement Amount* set forth in this *Settlement Agreement* should be approved or modified; (c) the amount of legal fees and expenses to be awarded to *Class Counsel* as contemplated by Section 4.10 of this *Settlement Agreement*; and (d) the amount of *Service Payment*, if any, to be awarded to the *Plaintiff*.

- (B) The *Approval Motion* will ask the *Court* to (a) approve this *Settlement Agreement*; (b) certify the *Settlement Class*; and (c) approve and enforce the Released Claims as set forth in Section 5 of this Agreement.
- (C) At the *Final Approval Hearing*, should the *Court* schedule one, *Plaintiff* and *Defendants* will request that the *Court* find that the *Settlement* is fair, reasonable and adequate, and enter the *Approval Order*.
- (D) The *Parties* agree to support entry of the *Approval Order*, including supporting the *Settlement* through any *Review Proceeding*. *Defendant* will not take any position with respect to *Class Counsel's* fee and expense request or *Plaintiff's Service Payment*, so long as disposition of those matters is substantially in accordance with the provisions of this *Settlement Agreement*. The *Parties* otherwise covenant and agree to reasonably cooperate with one another and to take all actions reasonably necessary to effectuate the *Settlement Agreement* and to obtain an *Approval Order*.

#### **4.8 Distribution of Settlement Payments to Participating Settlement Class Members.**

- (A) Within fifteen (15) calendar days after the *Court* enters an *Approval Order*, *Defendants* will provide the *Claims Administrator* with the *Settlement Amount*.
- (B) Within fifteen (15) calendar days after the *Final Effective Date*, the *Claims Administrator* will mail the *Settlement Payments* and the *Cover Letter* to the *Participating Settlement Class Members' last known addresses*.
- (C) Upon mailing of the *Settlement Payment* and the *Cover Letter*, the *Claims Administrator* shall establish a settlement website (or a link on their existing website) to assist in providing *Participating Settlement Class Members* information regarding the *Settlement*. Such website may include (i) the Complaint; (ii) the Settlement Agreement; (iii) any orders entered by the *Court* regarding the Settlement; and (iv) a list of frequently asked questions and their corresponding answers that is mutually agreed upon by the *Parties*. Such website will be taken down at the close of the *Expiration Period*.
- (D) The *Parties* agree that each *Settlement Payment* to be issued to each *Participating Settlement Class Member* will be separated into three payments: (i) twenty-five percent (25%) will be allocated to the claims asserted in the *Action* for alleged unpaid federal wages and other alleged federal wage-related damages, (ii) twenty-five percent (25%) will be allocated to the claims asserted in the *Action* for alleged unpaid state wages and other alleged state wage-related damages, and fifty percent (50%) will be allocated to the claims asserted in the *Action* for alleged liquidated damages, penalties, interest, and other relief. Each check sent to a *Participating Settlement Class Member* will clearly identify whether it is a check for (i) federal wages, (ii) state wages, or (iii) liquidated damages/other relief.
  - (1) The percentages allocated to claims for alleged unpaid wages and other

alleged wage related damages will be subject to all required employee paid payroll taxes and deductions (*e.g.*, federal income taxes, state income taxes, employee's share of FICA taxes, and other state-specific statutory deductions) and other required deductions set forth within *Defendants'* payroll records (*e.g.*, garnishments, tax liens, child support).

- (2) The percentages allocated to alleged liquidated damages and other relief will be characterized as non-wage income to the recipient and shall not be subject to any withholdings. The *Claims Administrator* will report the wage parts to each *Participating Settlement Class Member* on an IRS Form W-2 and the non-wage part on an IRS Form 1099.
  - (3) The *Claims Administrator* will be responsible for issuing the settlement checks, less required withholdings and deductions to each *Participating Settlement Class Member* and mailing the Settlement Checks, W-2s and 1099s to the *Participating Settlement Class Members*.
- (E) The back of each check distributed to *Participating Settlement Class Members* will state that “the check must be cashed within one-hundred eighty days (180) days or it will become void.”
- (1) The back of each check identified as a federal wage check will state “by endorsing this check, I acknowledge and agree that I am releasing *Defendants* from any and all federal claims that were or could have been asserted in the *Action*, including claims brought pursuant to the Fair Labor Standards Act.” The *Cover Letter* shall contain the same information.
  - (2) The back of each check identified as a state wage check will also state “by endorsing this check, I acknowledge and agree that I am releasing *Defendants* from any and all state claims that were or could have been asserted in the *Action*, including claims brought pursuant to all state wage and hour laws.” The *Cover Letter* shall contain the same information.
- (F) If any *Settlement Check* is not negotiated in the one-hundred eighty (180) day period, that *Settlement Check* will be voided, and the *Claims Administrator* will place a stop-payment on the check. *Participating Settlement Class Members* with such voided checks will have irrevocably waived any right in or claim to a *Settlement Payment*, but the *Settlement Agreement* and all releases relating to their *Released Claims* will nevertheless be binding upon them. The *Settlement Class* shall be apprised of this subsection in the *Cover Letter*. Any unclaimed funds resulting from voided *Settlement Checks* will be distributed as follows by the *Claims Administrator*:
- (1) If the unclaimed funds totals less than Twenty Thousand Dollars (\$20,000.00), such amount shall be provided to a *cy pres* chosen by the *Court* based upon a joint submission by the *Parties*.

- (2) If the unclaimed funds are Twenty Thousand Dollars (\$20,000.00) or more, such amount shall be divided equally amongst the *Participating Settlement Class Members* who cashed their *Settlement Checks* (and therefore did not contribute to the unclaimed funds) after the *Claims Administrator* deducts all necessary fees and expenses for said second disbursement. Such checks shall be identified as “Supplemental Payment” and shall be treated as non-wages with the *Claims Administrator* providing an IRS Form 1099 for such payment. The Supplemental Payment checks will state that “the check must be cashed within ninety days (90) days or it will become void.” The *Parties* will notify the Court if a distribution is made pursuant to this paragraph. After the void date on the Supplemental Payment checks expires, should there be any unclaimed funds resulting from this second distribution, such amount shall be provided to a *cy pres* chosen by the *Court* based upon a joint submission by the *Parties*.
- (G) Neither *Defendant*, *Defendant’s Counsel*, *Class Counsel*, *Plaintiff*, nor the *Claims Administrator* will have any liability for lost or stolen settlement checks, for forged signatures on settlement checks, or for unauthorized negotiation of *Settlement Checks*.
- (H) Without limiting the foregoing, if a *Participating Settlement Class Member* notifies the *Claims Administrator* that he or she believes that his or her *Settlement Check* has been lost or stolen, the *Claims Administrator* will immediately notify counsel for the *Parties* and stop payment on any such check.
- (I) If the *Settlement Check* in question has not been negotiated before the stop payment order, the *Claims Administrator* will issue a replacement check, from which the fees, if any, associated with the stop payment order will first be deducted. The *Participating Settlement Class Member* will have an additional thirty (30) calendar days to negotiate the re-issued check from the date of re-mailing.
- (1) If any *Settlement Check* is not negotiated in that period of time, that *Settlement Check* will be voided. The funds from said *Settlement Check* will be distributed in accordance with Section 4.08 (E).
- (J) In addition to the *Settlement Amount*, *Defendants* will be responsible for any and all applicable employer tax contributions associated with wage payments, including but not limited to *Defendants’* share of the FICA and FUTA taxes, with respect to the amounts treated as wages. The *Claims Administrator* will calculate the employer share of taxes and provide *Defendant* with the total employer tax contributions. *Defendants* will deposit with the *Claims Administrator* the calculated employer tax contributions before the mailing of the *Settlement Payments* to *Participating Settlement Class Members*.
- (K) Neither *Plaintiff*, *Defendants*, *Class Counsel*, nor *Defendants’ Counsel* has provided nor will provide any Settlement Class member with any advice



regarding the tax consequences of this *Settlement Agreement*.

**4.9 Fees and Expenses Borne By Defendants.** *Defendant* will bear sole responsibility for *Defendants' Counsel's* fees, expenses, and costs as well as any other attorneys who represented *Defendants* in this *Action*. Further, *Defendants* will bear sole responsibility for all fees and costs associated with dissemination of any notice required by the Class Action Fairness Act, should *Defendants* in their sole discretion determine that such notice is necessary and/or appropriate. In addition, *Defendants* will bear sole responsibility for the payment of the employer's portion of payroll taxes regarding the part of the *Settlement Payments* attributable to wages. Further, should this *Settlement* not become *Final* for any reason, *Defendants* will bear responsibility for any fees or expenses incurred by the *Claims Administrator*.

**4.10 Class Counsel's Fees and Costs.**

- (A) *Class Counsel* may make an application to the *Court* for an award of *Plaintiff's Counsel's* fees in an amount not to exceed one-third of the *Settlement Amount*, plus reasonable expenses as awarded by the *Court*. Such application will be encompassed in the *Parties' Approval Motion*.
- (B) If the *Court* rules that any amount requested by *Class Counsel* for attorneys' fees, expenses or costs is excessive and reduces the same, only the reduced amount will be deemed to be *Class Counsel's* fees and costs for purposes of this *Settlement Agreement*. Any amounts requested for attorneys' fees, expenses or costs, will not revert back to *Defendants*, but shall be added to the *Net Settlement Amount*.
- (C) Upon the *Final Effective Date*, the *Claims Administrator* will wire transfer the amount representing *Class Counsel's* attorneys' fees and expenses approved by the *Court* to *Class Counsel*. *Class Counsel* may, at their election, seek an order from the *Court* awarding disbursement of one-half of the attorneys' fees and expenses approved by the *Court* any time after entry of the *Approval Order* should an appeal be filed in this *Action*. *Defendants* agree not to oppose such a motion.
- (D) Before any payment of any amount designated as *Class Counsel's* fees and costs, *Class Counsel* will provide the *Claims Administrator* with all information necessary to effectuate such payments (e.g., a fully executed IRS Form W-9). *Class Counsel* will be issued an IRS Form 1099 for their award of *Class Counsel's* fees and costs. *Class Counsel* will be solely responsible for how the amount is to be allocated amongst the firms comprising *Plaintiff's Counsel* and *Defendant* will have no responsibility whatsoever for this allocation.
- (E) Should the *Settlement* not become *Final*, *Class Counsel* will, within five (5) days of receiving such request, promptly return all sums distributed as attorneys' fees and expenses to *Defendants*.
- (F) Payment of *Class Counsel's* fees and costs as set forth in this *Settlement Agreement* and the *Court's Approval Order* will constitute full and final

satisfaction of any and all obligations by *Defendants* to pay any person, attorney or law firm (including but not limited to *Class Counsel*) for attorneys' fees, expenses or costs incurred on behalf of the *Settlement Class* and will relieve the *Released Persons* of any other claims or liability to any person for any attorneys' fees, expenses, and costs to which any person may claim to be entitled on behalf of the *Settlement Class* for this *Action*. *Defendants* will have no additional liability to *Plaintiff's Counsel* for fees and costs, including without limitation, administrative costs, expert fees and costs, or attorneys' fees and costs.

#### 4.11 ***Service Payment.***

- (A) *Class Counsel* may also make an application to the *Court* for a one-time *Service Payment* award to *Plaintiff* in recognition of the work and services Ms. Reynolds contributed to the case including, but not limited to, meetings with *Plaintiff's Counsel*, assumption of risks, serving as a class representative, and related activities (including responding to discovery and sitting for a deposition). The *Service Payment* will not exceed five thousand dollars (\$5,000.00). The final amount of the *Service Payment* will be determined by the *Court*.
- (B) The *Claims Administrator* will make the *Service Payment* to *Plaintiff* in the amount approved by the *Court* within the same time period for distributing *Settlement Payment* amounts to the *Participating Settlement Class Members*.
- (C) The *Service Payment* will be treated as non-wage income, and the *Claims Administrator* will issue a Form 1099 to *Plaintiff* reflecting the value of the payment.

### 5. **RELEASE OF CLAIMS ASSIGNMENT**

#### 5.1 **Release of Claims.**

- (A) Effective as of the *Final Effective Date*, the *Releasing Persons* will be deemed to forever and fully release and discharge *Defendants*, and release and hold harmless the *Released Persons*, as follows (collectively "Released Claims"):
- (B) *Participating Settlement Class Members* release *Released Persons* from any and all federal wage-related claims of any kind, including but not limited to any claims pursuant to the *FLSA* that such class member has, had, might have or might have had against any of the *Released Persons* based on any act or omission that during the *Class Period*, in any way related to any of the facts or claims that were alleged or that could have been alleged in the *Action* or by reason of the negotiations leading to this *Settlement*, even if presently unknown or unasserted (the "FLSA Released Claims").
- (C) In addition, upon endorsement of their individual *Settlement Check* identified as their state wage check, *Participating Settlement Class Members* also release *Released Persons* from any and all state wage-related claims of any kind, including but not limited to any claims pursuant to the state law of New Jersey, Pennsylvania, Delaware, and/or South Carolina that such class member has, had, might have or might have had against any of the *Released Persons* based on any act or omission

that during the *Class Period* that in any way related to any of the facts or claims that were alleged or that could have been alleged in the *Action* or by reason of the negotiations leading to this *Settlement*, even if presently unknown or un-asserted (the “State Law Released Claims”).

- (D) The *Parties* acknowledge and agree that the FLSA Released Claims and the State Law Released Claims individually and collectively relate only to such claims as asserted in the *Action* – e.g., claims for under compensation due to the performance of excessive side work and/or work unrelated to the employee’s tipped occupation while clocked in under the “server” job code.
- (E) *Plaintiff* acknowledges and agrees that by executing this *Settlement Agreement*, she releases, holds harmless and covenants not to sue each *Defendant* from any and all claims and liabilities of any sort, known or unknown, arising from and/or relating to her employment with *Defendants*.

**5.2** All members of the *Settlement Class* will be bound by the terms and conditions of this *Settlement Agreement*, the *Approval Order*, the judgment, and the releases set forth herein.

**5.3** ***Defendants’ Releases.*** Upon the *Final Effective Date*, *Defendants* will conclusively, absolutely, unconditionally, irrevocably, and forever release and discharge *Plaintiff*, *Plaintiff’s Counsel*, *Class Counsel*, and every member of the *FLSA Class* (“*Defendants’ Released Persons*”) from any and all claims, counterclaims, crossclaims, complaints, charges, demands, actions, causes of action, judgments, debts, expenses, losses, liabilities, and obligations, including attorneys’ fees, expenses and costs, arising from or related to the prosecution and/or resolution of the *Action* (“*Defendants’ Released Claims*”).

**5.4** **Scope of Releases.** The release and discharge set forth in Section 5 will not include the release or discharge of any rights or duties of the *Parties* arising out of this *Settlement Agreement*, including the express warranties and covenants contained herein.

**5.5** **No Assignment.** *Plaintiff* represents and warrants that she has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any part thereof or interest therein, including, but not limited to, any interest in the *Action*, or any related action.

**6. NON-ADMISSION OF LIABILITY.**

**6.1** By entering into this *Settlement Agreement*, *Defendants* in no way admit any violation of law or any liability whatsoever.

**6.2** Likewise, by entering into this *Settlement Agreement*, *Defendants* in no way admit to the suitability of this case for class or collective action litigation other than for purposes of settlement. Settlement of the *Action*, negotiation and execution of this *Settlement Agreement*, and all acts performed or documents executed pursuant to or in furtherance of this *Settlement Agreement* or the *Settlement* (a) are not evidence of any wrongdoing

or liability on the part of *Defendants* or of the truth of any of the factual allegations in the *Complaint* filed in the *Action*; (b) are not an admission or evidence of fault or omission on the part of *Defendants* in any civil, criminal, administrative or arbitral proceeding; and (c) are not an admission or evidence of the appropriateness of these or similar claims for class certification or administration or collective action treatment other than for purposes of administering this *Settlement Agreement*.

**7. TERMINATION.**

**7.1 Grounds for Settlement Termination.** Any *Party* may terminate the *Settlement Agreement* if the *Court* declines to enter the *Approval Order* or judgment in the form submitted by the *Parties*, or if a Court of Appeals reverses the entry of an *Approval Order* or judgment. Additionally, should *Defendants* file for bankruptcy prior to the *Final Effective Date*, *Plaintiff* may terminate this *Settlement Agreement*.

**7.2 Procedures for Termination.** To terminate this *Settlement Agreement* as specified above, the terminating *Party* will give written notice to the other *Party* no later than fourteen (14) calendar days after the terminating *Party* learns that the applicable ground for termination has been satisfied.

**7.3 Effect of Termination.**

(A) Should this *Settlement Agreement* be terminated pursuant to Section 7, this *Settlement Agreement* will not be offered, received, or construed as an admission of any kind as to liability, damages, whether any class or collective is certifiable, or in any other matter by any *Party*. Neither the *Settlement Agreement*, any motions filed, settlement proposals exchanged by the *Parties*, nor Orders entered pursuant to the *Settlement Agreement*, will constitute an admission, finding or evidence that any requirement for representative litigation or certification as a class or collective action has been satisfied in this *Action* or any other action, except for the limited settlement purposes pursuant to the terms of the *Settlement Agreement*.

(B) If this *Settlement Agreement* is canceled, rescinded, terminated, voided, or nullified, or the settlement of the *Action* is barred by operation of law, is invalidated, is not approved or otherwise is ordered not to be carried out by any *Court*,

(1) the *Settlement Agreement* will have no force or effect, and no *Party* will be bound by any of its terms with respect to the terminating *Parties*;

(2) *Defendants* will have no obligation to make any payments to *Plaintiff*, any *Participating Settlement Class Member*, or *Class Counsel*, except that *Defendants* will be responsible for paying the *Claims Administrator* for services rendered up to the date the *Claims Administrator* is notified that the *Settlement* has been terminated; and

(3) any settlement class certified by the *Court* will be deemed decertified should

the *Settlement Agreement* be terminated and *Defendants* will retain the right to challenge the class conditionally certified in the *Court's* May 19, 2020 Order.

**8. MISCELLANEOUS.**

**8.1 Parties' Authority**

(A) The signatories hereby represent that they are fully authorized to enter into this *Settlement Agreement* and bind the *Parties* hereto to the terms and conditions hereof.

(B) The *Cover Letter* will advise all members of the *Settlement Class* of the binding nature of the release, and that the release will have the same force and effect upon members of the *Settlement Class* as if the *Settlement Agreement* were executed by each member of the *Settlement Class*.

**8.2 Advice of Counsel.** In entering into this *Settlement Agreement*, each *Party* represents and warrants that it has relied upon the advice of its attorneys, that it has completely read the terms of this *Settlement Agreement*, and that the terms of this *Settlement* have been explained to it by its attorneys. Each *Party* further represents and warrants that it fully understands and voluntarily accepts the terms of the *Settlement*.

**8.3 Admissibility.** This *Settlement Agreement* will be inadmissible as evidence in any proceeding, except as necessary to approve, interpret, or enforce this *Settlement Agreement*.

**8.4 No Admission of Wrongdoing.** The *Parties* are entering into this *Settlement Agreement* for business purposes only. The *Parties* agree that neither this *Settlement Agreement* nor the furnishing of consideration for these releases shall be deemed or construed at any time for any purpose as an admission by any party of any liability or unlawful conduct of any kind.

**8.5 Severability.** If any court with original or appellate jurisdiction over this *Action* issues a *Final* determination that any part of this *Settlement Agreement* is not enforceable, the *Parties* may (but will not be required to) jointly agree in writing to modify this *Settlement Agreement* to conform with such determination.

**8.6 Notices.** Any notice, demand or other communication under this *Settlement Agreement* will be in writing and will be deemed duly given upon receipt if it is addressed to each of the intended recipients as set forth below and personally delivered, sent by registered or certified mail (postage prepaid) or delivered by reputable express overnight courier, with a copy by email.

IF TO *PLAINTIFF* OR THE *SETTLEMENT CLASS*:

CONNOLLY WELLS & GRAY, LLP  
Gerald D. Wells, III  
Email: gwells@cwglaw.com



101 Lindenwood Drive, Suite 225  
Malvern, PA 19355  
Telephone: (610) 822-3702

IF TO *DEFENDANT*:

KALEO LEGAL  
Brian Wainger  
Email: bwainger@kaleolegal.com  
4456 Corporation Lane, Suite 135  
Virginia Beach, VA 23462  
Telephone: (757) 965-6804

- 8.7 Cooperation between the *Parties*; Further Acts.** The *Parties* will cooperate fully with each other and will use their best efforts to obtain the *Court's* approval of this *Settlement Agreement* and all of its terms. Each of the *Parties*, upon the request of any other party, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this *Settlement Agreement*.
- 8.8 Should the *Court* Not Approve.** The *Parties* agree that in the event the *Court* does not approve this *Settlement Agreement*, the *Settlement Agreement* shall be void *ab initio* and shall have no effect, and the *Parties* will revert to their respective positions as of the date and time immediately prior to the execution of this *Settlement Agreement*. The *Parties* further agree that they will mutually seek the *Court's* modification of its Order of January 4, 2021 to accommodate the *Parties* need to complete discovery.
- 8.9 Entire Agreement.** This *Settlement Agreement* constitutes the entire agreement between the *Parties* with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the *Parties* will be deemed merged into this *Settlement Agreement*. Each of the *Parties* acknowledge and agree that he/she/it has not relied upon any representations, promises, or agreements of any kind made to any of them in connection with each of their decisions to accept this Agreement, except for those set forth in this Agreement.
- 8.10 Binding Effect.** This *Settlement Agreement* will be binding upon the *Parties* and, with respect to *Settlement Class* members, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys and assigns.
- 8.11 Arm's Length Transaction; Materiality of Terms.** The *Parties* have negotiated all the terms and conditions of this *Settlement Agreement* at arm's length. All terms and conditions of this *Settlement Agreement* in the exact form set forth in this *Settlement Agreement* are material to this *Settlement Agreement* and have been relied upon by the *Parties* in entering into this *Settlement Agreement*.
- 8.12 Captions.** The captions or headings of the sections and paragraphs of this *Settlement*

*Agreement* have been inserted for convenience of reference only and will have no effect upon the construction or interpretation of any part of this *Settlement Agreement*.


- 8.13 Construction.** The determination of the terms and conditions of this *Settlement Agreement* has been by mutual agreement of the *Parties*. Each party participated jointly in the drafting of this *Settlement Agreement*, and therefore the terms and conditions of this *Settlement Agreement* are not intended to be, and will not be, construed against any party by virtue of draftsmanship.
- 8.14 Governing Law.** This *Settlement Agreement* will in all respects be interpreted, enforced and governed by and under the laws of the Commonwealth of Pennsylvania, without regard to choice of law principles, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law will govern.
- 8.15 No Tax Advice.** Nothing in this *Settlement Agreement* shall be construed as tax advice to any *Party*. Each *Party* is encouraged to seek independent tax advice.
- 8.16 Continuing Jurisdiction.** The *Court* will retain jurisdiction over the interpretation and implementation of this *Settlement Agreement* as well as any and all matters arising out of, or related to, the interpretation or implementation of this *Settlement Agreement* and of the settlement contemplated thereby. The *Court* will not have jurisdiction to modify the terms of the *Settlement Agreement* or to increase *Defendants'* payment obligations hereunder without the *Parties'* agreement.
- 8.17 Waivers, Modifications, Amendments to be in Writing.** No waiver, modification or amendment of the terms of this *Settlement Agreement*, whether purportedly made before or after the *Court's* approval of this *Settlement Agreement*, will be valid or binding unless in writing, signed by or on behalf of all *Parties* and then only to the extent set forth in such written waiver, modification or amendment, subject to any required *Court* approval. Any failure by any *Party* to insist upon the strict performance by the other party of any of the provisions of this *Settlement Agreement* will not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this *Settlement Agreement*, and such party, notwithstanding such failure, will have the right thereafter to insist upon the specific performance of any and all of the provisions of this *Settlement Agreement*.
- 8.18 When Agreement Becomes Effective; Counterparts.** This *Settlement Agreement* will become effective upon its execution. The *Parties* may execute this *Settlement Agreement* in counterparts, and execution in counterparts will have the same force and effect as if *Plaintiff* and *Defendants* had signed the same instrument.
- 8.19 No Press Statements.** *Plaintiff* and *Defendants* agree not to make or publish any statements to the press or to the media regarding the substance or negotiation of this *Settlement Agreement* and agree not to make or publish any statements to the press or to the media that disparage any of the *Parties*. Counsel for the *Parties* may release a joint

statement regarding this *Settlement Agreement* in a form agreed to by counsel. For the avoidance of doubt, the terms of this section shall not prohibit any of the *Parties*, or their counsel, jointly or unilaterally making any statements necessary to obtain the *Court's* approval of this agreement. In addition, the *Parties* mutually agree and covenant not to make any public statement that disparages any of the other *Parties*.

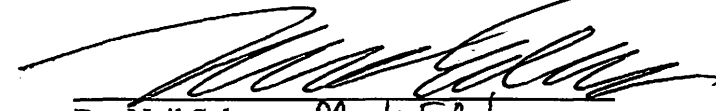
**[SIGNATURES ON FOLLOWING PAGE]**

THE UNDERSIGNED HAVE CAREFULLY READ THE FOREGOING JOINT STIPULATION OF SETTLEMENT AND RELEASE AGREEMENT, UNDERSTAND THE CONTENTS, FREELY AND VOLUNTARILY AGREE TO ALL THE TERMS AND CONDITIONS, AND SIGN THIS AGREEMENT OF THEIR OWN VOLITION.

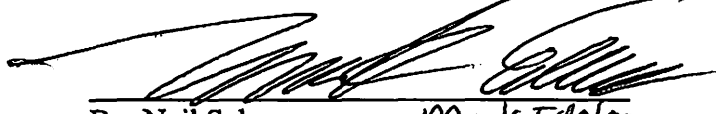
WITNESS the following signatures:

DocuSigned by:  7/22/2021  
Christina M. Reynolds,  
on behalf of herself and the *FLSA Class*

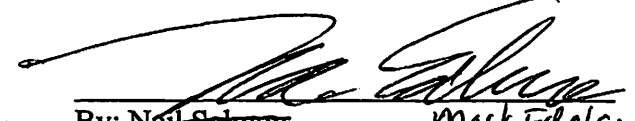
Chesapeake & Delaware Brewing Holdings, LLC

 7/23/21  
By: Neil Salmon Mark Edelson  
Its: ~~Chief Financial Officer~~ Manager  
MSE MPE

Chesapeake & Delaware Brewing Pennsylvania Holdings, LLC;

 7/23/21  
By: Neil Salmon Mark Edelson  
Its: ~~Chief Financial Officer~~ Manager  
MSE

Iron Hill Brewery, LLC

 7/23/21  
By: Neil Salmon Mark Edelson  
Its: ~~Chief Financial Officer~~ Manager  
MSE