

NOTICE OF CLASS AND COLLECTIVE ACTION SETTLEMENT

YOU ARE NOT BEING SUED.

A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.

CASE NAME AND DOCKET NUMBER: *VIDER V. LMT REAL ESTATE, LLC D/B/A PANACHE WOOD FIRE GRILL, et al.*
DOCKET NO.: 2:19-cv-2066

TO: ALL EMPLOYEES OF *LMT REAL ESTATE, LLC D/B/A PANACHE WOOD FIRE GRILL* PAID ON A TIPPED BASIS AT ANY TIME BETWEEN MAY 13, 2016 THROUGH OCTOBER 24, 2019 WHO WORKED AS A BARTENDER, SERVER, BUSSER AND/OR FOOD RUNNER WHERE DEFENDANTS PAID SUCH INDIVIDUAL LESS THAN \$7.25 PER HOUR

PLEASE READ THIS NOTICE CAREFULLY, AS IT MAY AFFECT YOUR LEGAL RIGHTS TO RECEIVE PAY RELATED TO AND/OR RESULTING FROM THE POLICIES AND/OR PRACTICES ARISING FROM YOUR EMPLOYMENT WITH PANACHE WOOD FIRE GRILL.

IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT OF THIS CLASS AND COLLECTIVE ACTION AND RECEIVE MONEY, YOU MUST COMPLETE AND RETURN THE CLAIM FORM AND RELEASE POSTMARKED ON OR BEFORE FEBRUARY 3, 2021.

IF YOU WISH TO COMMENT IN FAVOR OF THE SETTLEMENT OR OBJECT TO THE SETTLEMENT, OR IF YOU DECIDE NOT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST FOLLOW THE DIRECTIONS PROVIDED IN THIS NOTICE. IF YOU WISH TO EXCLUDE YOURSELF FROM THE SETTLEMENT, YOU MUST PREPARE AND SUBMIT TO THE CLAIMS ADMINISTRATOR A REQUEST FOR EXCLUSION LETTER POSTMARKED ON OR BEFORE FEBRUARY 3, 2021, OR ELSE YOU WILL BE BOUND BY THE SETTLEMENT.

1. Why is this notice being sent?

This notice is to inform you of a Class Action Settlement in the case ***Vider v. LMT Real Estate, LLC d/b/a Panache Wood Fire Grill, et al.***, Civil Action No. 2:19-cv-2066, pending in the United States District Court for the Eastern District of Pennsylvania ("Lawsuit"). All capitalized terms in this Class Notice are defined in the Settlement Agreement, which is available at www.rg2claims.com/panache.html. If terms are insufficiently identified, discussed or defined in this Notice or if any terms of this Notice conflict with the Settlement Agreement, the terms of the Settlement Agreement shall prevail.

Plaintiff Monika Vider ("Plaintiff") is the named plaintiff in the Lawsuit filed against, *LMT Real Estate, LLC d/b/a Panache Wood Fire Grill* and Habib "Chase" Troudi (who are collectively referred to as "Defendants" or "Panache"). In the Lawsuit, Plaintiff alleges violations of the Fair Labor Standards Act ("FLSA"), 29 U.S.C. §§ 201, *et seq.*, the Pennsylvania Minimum Wage Act ("PMWA") and Pennsylvania common law. Pursuant to the Settlement Agreement, the Plaintiff represents a class of individuals who worked at Panache, and do not opt-out of the Class and elect to join this case through the process described herein. In addition, the individual must have worked at Panache between May 13, 2016 through October 24, 2019 in one or more of the following positions: bartender, server, busser and/or food runner (collectively referred to herein as "Tipped Employees"). According to Defendants' records, you were a Tipped Employee and worked one or more days at Panache during the Class Period. The Plaintiff alleged that Defendants failed to properly pay Tipped Employees by, among other things, failing to satisfy the notice requirements of the tip credit provisions in federal and state law, and causing deductions from tips in violation of applicable federal and state law.

Defendants deny Plaintiff's allegations in their entirety and assert that at all relevant times, they paid their Tipped Employees properly and that they provided proper notice of the tip credit.

After extensive negotiations, the Parties (Plaintiff and Defendants) have reached a settlement of the Lawsuit (the "Settlement Agreement"). The Court has granted preliminary approval of the Settlement and has scheduled a hearing on February 15, 2021 at 9:00 a.m. in Courtroom 9A to determine whether to grant final approval.

IF YOU ARE ONE OF THE INDIVIDUALS DESCRIBED IN THIS NOTICE WHO IS AFFECTED BY THE PROPOSED SETTLEMENT, YOU MAY GET MONEY FROM THIS SETTLEMENT. TO RECEIVE YOUR PORTION OF THE SETTLEMENT AMOUNT TO WHICH YOU MAY BE ENTITLED, YOU MUST COMPLETE AND SUBMIT THE ENCLOSED "CLAIM FORM" TO THE CLAIMS ADMINISTRATOR, RG/2 CLAIMS ADMINISTRATION LLC (THE "CLAIMS ADMINISTRATOR") BY FEBRUARY 3, 2021. PLEASE SEE THE ATTACHED FORM FOR ADDITIONAL INFORMATION.

2. Who is affected by the proposed Settlement?

The Lawsuit was filed as a class and collective action. In a class action, one or more people called “class representatives” (here, Plaintiff Monika Vider) sue on behalf of people who allegedly have similar claims. This group is called a “class” and the persons included are called “class members.” One court resolves the issues for all of the class members, except for those who previously excluded themselves from the class. Here, the Court has certified the litigation as a class action for settlement purposes.

The Plaintiff is serving as the Class Representative for two settlement classes (defined below) of Tipped Employees who worked at Defendants’ Panache Restaurant in Pennsylvania during the applicable Class Period, May 13, 2016 through October 24, 2019. To date, the Court has preliminarily certified for settlement purposes only, pursuant to Fed.R.Civ.P.23(a) and (b)(3), the following class:

All current and former bartenders, servers, bussers, and food runners (“Tipped Employees”) who, at any time between May 13, 2016 and October 24, 2019: (1) were employed by Defendants in Pennsylvania; (2) worked one or more hours at Panache; (3) were not paid the full minimum wage by Defendants based on a “tip credit” claimed by Defendants; and (4) do not timely request exclusion from the class (“PA Class”).

In addition, the following FLSA collective action class has been conditionally certified for settlement purposes only, pursuant to 29 U.S.C. § 216(b), by the Court:

All current and former bartenders, servers, bussers, and food runners (“Tipped Employees”) who, at any time between May 13, 2016 and October 24, 2019: (1) were employed by Defendants in Pennsylvania; (2) worked one or more hours at Panache; (3) were not paid the full minimum wage by Defendants based on a “tip credit” claimed by Defendants; and (4) opt in to become “Participating Settlement Class Members” by submitting a valid claim form (“FLSA Class”).

The Court will make a final determination regarding whether to approve these settlement classes at the Final Approval Hearing described in Question 13 below.

3. What is this case about?

As set forth in the Complaint, Plaintiff alleges that Defendants failed to satisfy the notice requirements of the tip credit provisions in federal and state law, and caused deductions from tips in violation of federal and state law (and thus should have paid Tipped Employees the full minimum wage for every hour worked – e.g., \$7.25 per hour in Pennsylvania). Defendants have responded to the Lawsuit by denying all of Plaintiff’s claims.

The parties in this Litigation disagree as to the probable outcome of the Lawsuit with respect to all issues if it were not settled. While the Plaintiff was prepared to proceed with litigating the case described above, the Plaintiff recognizes that litigating is a risky proposition and that she may not have prevailed on any or all of her claims. Plaintiff was also cognizant of the fact that the restaurant industry in general has experienced a downturn since her Complaint was filed. Defendants expressly deny any wrongdoing or legal liability.

This Settlement is the result of good-faith, arms-length negotiations between the Plaintiff and Defendants, through their respective attorneys. Both sides agree that, in light of the risks and expense associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the PA Class and FLSA Class.

4. What are my options?

You have four options with regard to this Settlement. You can: 1) participate in the Settlement in full by filing the enclosed Claim Form; 2) object to the Settlement; 3) exclude yourself from the Settlement by mailing a request to opt out; or 4) do nothing. Details about each option and how each option will affect your rights under the law are explained below, specifically in Questions 8-12.

5. What are the terms of the proposed Settlement?

While they deny any liability whatsoever, under the Settlement Agreement, Defendants will pay a total of Two Hundred Fifty Thousand Dollars (\$250,000.00) to settle this Litigation (“Settlement Amount”). The Settlement Amount will be used to cover all payments to Participating Settlement Class Members, fees and expenses incurred by the Claims Administrator in administering this Settlement, attorneys’ fees and expenses of Class Counsel (as awarded by the Court), and any Service Payment to Plaintiff (as awarded by the Court).

The Settlement Amount will be divided amongst Participating Settlement Class Members. The Claims Administrator will calculate Settlement Payments for Participating Settlement Class Members in four steps. The methodology is briefly described below and is set forth in detail in the Settlement Agreement.

First, 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 in an amount not greater than \$83,333.00, plus reasonable expenses, (ii) the Service Payment, if any, to the Plaintiff, and (iii) the fees and expenses of the Claims Administrator. The Claims Administrator currently estimates their fees and expenses to be approximately Twelve Thousand, Two Hundred Forty-Seven Dollars (\$12,247.00). After all applicable deductions, the resulting number will be referred to as the "Net Settlement Amount." For each Participating Settlement Class Member, the Claims Administrator will multiply (i) the total hours worked by that individual and (ii) the difference between the full minimum wage for the state in which the individual worked and the hourly rate actually paid by Defendants to that Participating Settlement Class Member. This number will be referred to as the "Participating Individual Damage Amount."

For example, here is how a Participating Individual Damage Amount would be calculated if they worked for Defendants during the Class Period:

In Pennsylvania (minimum wage was \$7.25 per hour): Hours worked x tip credit claimed by Defendants (\$4.42 per hour) = Participating Individual Damage Amount.

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 Damages Amount." Then, the Claims Administrator will divide the Net Settlement Amount by the Participating Settlement Class Members' Total Damages Amount. Finally, the resulting fractional amount will be multiplied by the Participating Individual Damage Amount to determine that Participating Settlement Class Member's Settlement Payment.

Thus, based on preliminary calculations, the Participating Settlement Class Members' Total Damage Amount is \$«Estimated_Payment». Assuming the Court approves all fees and expenses, a Participating Settlement Class Member could expect to receive approximately XX% of their total wages owed during the Class Period. Hence if a Participating Settlement Class Member was owed \$1,000.00 in back wages, they would receive \$XXX.XX under this proposed Settlement.

An estimate of the amount you will receive, should the Settlement be approved and all Tipped Employees elect to participate in this Settlement, is included with this Notice Packet. Please note that this number may go up if less than all Tipped Employees file a Claim Form. Your estimated recovery is based on the number of hours recorded in Defendants' timekeeping system. If you believe the number of hours recorded is in error, you may notify the Claims Administrator and dispute this amount. Please provide the Claims Administrator with any and all documents that support your claim. In addition, if your Participating Settlement Class Member's Settlement Payment is subject to any mandatory deductions (e.g., garnishments, tax liens, child support), those will also be included in this Notice Packet. If you believe the deduction is not accurate, you can contact the Claims Administrator at Vider v. LMT Real Estate, LLC d/b/a Panache Wood Fire Grill c/o RG/2 Claims Administration LLC, P.O. Box 59479, Philadelphia, PA 19103-9479, by email at info@RG2claims.com, or by phone at (866) 742-4955.

As part of the Settlement Amount, and in addition to any amount recoverable as a Participating Settlement Class Member, Defendants have agreed not to oppose Plaintiff Vider's request for a Court award of up to Seven Thousand Five Hundred Dollars (\$7,500.00) in recognition of the risk Plaintiff took in bringing this Lawsuit and efforts she expended in prosecuting and resolving the Litigation by, among other things, responding to discovery and sitting for her deposition. The actual amount, if any, of the Service Payment Plaintiff will receive will be decided by the Court after it considers risks Plaintiff incurred and the benefits she helped obtain for PA Class and FLSA Class members.

6. Who represents the Parties?

Plaintiff and Settlement Class Members:

Gerald D. Wells, III
CONNOLLY WELLS & GRAY, LLP
101 Lindenwood Drive
Suite 225
Malvern, PA 19355
Phone: (610) 822-3700
Facsimile: (610) 822-3800
www.cwglaw.com

Defendants

Ethan R. O'Shea
HAMBURG, RUBIN, MULLIN, MAXWELL
& LUPIN
375 Morris Road
Lansdale, PA 19446-0773
Phone: (215)661-0400
www.hrmml.com

7. How will the attorneys for the class be paid?

Class Counsel, as defined in the Settlement Agreement, will request an award of fees that does not exceed one-third of the Settlement Amount (Eighty-three Thousand Three Hundred Thirty-three Dollars (\$83,333.00)), plus reimbursement of out-of-pocket expenses. Currently, Class Counsel estimates their expenses to be approximately Three Thousand Five Hundred Dollars (\$3,500.00) as these fees resulted primarily from costs associated with deposition transcripts, travel for depositions and court conferences. Any attorneys' fees and costs awarded in conjunction with the Settlement shall be paid from the Settlement Amount. Any fees and costs awarded by the Court in connection with this Settlement shall include and constitute satisfaction of the entire amount of attorneys' fees and costs awarded by the Court, and shall be distributed by the Claims Administrator after the Court makes a determination regarding the amount of any fees and costs to be awarded.

Class Counsel's Motion for Attorneys' Fees and Costs will be a public document filed with the Court. Once filed, Class Counsel's Motion will be available on the following website: www.rg2claims.com/panache.html. The actual amount awarded will be determined by the Court to ensure that the amount of attorneys' fees and costs are reasonable.

8. How do I participate in the Settlement and what happens if I do participate?

To receive a distribution from the Settlement Amount, you must complete, sign and return the enclosed Claim Form by mailing it to the Claims Administrator, postmarked no later than February 3, 2021. By submitting a Claim Form, you are electing to become a member of the FLSA Class. If the Court approves the Settlement, you will receive a distribution amount calculated as described in Section 5. The Claim Form is enclosed with this Notice and may also be obtained by contacting the Claims Administrator at the address or phone number that appears at the end of this notice. Please note, you will only receive a distribution from the Settlement if you submit a Claim Form and elect to become a member of the FLSA Class.

Should you choose to return your Claim Form and participate in the Settlement, and if the Court grants final approval of the Settlement, you will be deemed by the Court to have fully and irrevocably released and waived any and all state and federal wage claims you may have against Defendants for known and unknown acts during period May 13, 2016 through October 24, 2019. You will be unable to bring any claim against Defendants that is included in the Release of Claims listed on the Claim Form. The full release is contained in the Claim Form.

If you submit a valid Claim Form, you will receive your Settlement check for your distribution from the Settlement Amount after final approval and after the Settlement becomes effective.

Please be advised that if you submit a valid Claim Form and elect not to endorse your Settlement Check, that portion of your settlement proceeds will be reallocated to a Court appointed *cy pres* recipient(s). A full explanation of how the Settlement Amount will be distributed is contained in the Settlement Agreement.

9. How quickly must I act to participate in the Settlement?

To join the Lawsuit and receive a distribution from the Settlement Amount, you must properly complete and timely submit the enclosed Claim Form to the Claims Administrator. **THE CLAIM FORM MUST BE POSTMARKED OR RECEIVED BY THE CLAIMS ADMINISTRATOR AT THE ADDRESS SET FORTH BELOW ON OR BEFORE FEBRUARY 3, 2021.**

10. What if I choose to object to the Settlement?

You can object to the terms of the Settlement before final approval. However, if the Court approves the Settlement, you may still be bound by the terms of the Settlement. You may both object to the Settlement and participate in it, but you must timely file a Claim Form to receive your distribution from the Settlement Amount.

To object, you must submit a written objection, along with any supporting documents or materials by February 3, 2021 to the Claims Administrator. Any PA Class or FLSA Class member who does not object in the manner described above shall be deemed to have waived any objections, and shall forever be foreclosed from objecting to the fairness or adequacy of the proposed Settlement, the payment of attorneys' fees, litigation costs, the Service Payment to the Plaintiff, the claims process, and any and all other aspects of the Settlement.

IF YOU INTEND TO OBJECT TO THE SETTLEMENT, BUT WISH TO RECEIVE YOUR FULL SHARE OF THE SETTLEMENT, YOU MUST STILL TIMELY FILE YOUR CLAIM FORM AS STATED ABOVE. IF THE COURT APPROVES THE SETTLEMENT DESPITE YOUR OR ANY OTHER OBJECTION AND YOU HAVE NOT SUBMITTED A CLAIM FORM, YOU WILL NOT RECEIVE ANY PROCEEDS AND YOU WILL STILL BE BOUND BY ANY APPLICABLE RELEASE SET FORTH IN THE SETTLEMENT AGREEMENT.

11. What if I choose to exclude myself from or “opt out” of the Settlement?

You may exclude yourself from the Settlement by submitting the Request for Exclusion (enclosed as the red document in Pennsylvania Tipped Employees’ Notice Packet). PA Class Members may also exercise this option by sending a letter by mail to the Claims Administrator that states: “I request to be excluded from the settlement in ***Vider v. LMT Real Estate, LLC d/b/a Panache Wood Fire Grill, et al.***, Civil Action No. 2:19-cv-2066. I affirm that I was employed by Defendants as a Tipped Employee on one or more days between May 13, 2016 and October 24, 2019 at Panache Wood Fire Grill.” Any Class Member who wishes to opt-out must also include his or her full name, address, and telephone number. Class Members may not exclude themselves by telephone, fax, or email. If a fully completed and properly executed Request for Exclusion is not received by the Claims Administrator from a PA Class Member and postmarked on or before February 3, 2021, you will be considered part of the PA Class. If you submit a Request for Exclusion but also submit a valid Claim Form, the Claims Administrator will attempt to reach you seeking clarification. Should clarification not be received, the later mailed document will govern and if it cannot be ascertained which document was later mailed, the Claim Form will govern and the individual will be bound by the terms of the release set forth on Claim Form. **In short, an individual cannot exclude themselves from the PA Class but also partake in the Settlement as a member of FLSA Class.**

If you timely complete and submit a Request for Exclusion, you will not participate in these proceedings, or receive any money from the Settlement. If you opt out, you will not be subject to the Release of Claims set forth in the Settlement Agreement and Claim Form. **Please note that unless you submit a Request for Exclusion, the release of claims contained in the Settlement Agreement will have the same force and effect upon the PA Class as if the Settlement Agreement were executed by each member of the PA Class.**

12. What if I do nothing?

If you do nothing, you will not receive any distribution from the Settlement Amount and you will still be bound by the Release of Claims set forth in the Settlement Agreement. In short, you will be precluded from asserting any wage claims against Defendants under Pennsylvania state law based on the facts asserted in the Complaint.

All Tipped Employees are strongly encouraged to review this Notice and make a decision as to whether you wish to participate in the Settlement and receive a distribution from the Settlement Amount and to return the appropriate form within the allotted time period.

13. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing at 9:00 a.m. on February 15, 2021, at the United States District Court for the Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse 601 Market Street, Philadelphia, PA 19106, in Courtroom 9A. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. If there are valid objections that comply with the requirements in Question 10 above, the Court also will consider them and will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Class Counsel and Plaintiff.

Please note that the Court may reschedule the Final Approval Hearing if it deems it necessary. Any such rescheduling will be posted on the settlement website at www.rg2claims.com/panache.html.

14. Do I have to attend the Final Approval Hearing?

No. Class Counsel will appear on behalf of the preliminarily certified PA Class and conditionally certified FLSA Class. But, you are welcome to come, or have your own lawyer appear at your own expense.

15. Who can answer questions regarding the Settlement?

This Notice only summarizes the Settlement terms for the Lawsuit. For more information about the

settlement or if you have any questions regarding the settlement, you may contact your class counsel, Connolly Wells & Gray, LLP at:

Gerald D. Wells, III
Connolly Wells & Gray, LLP
101 Lindenwood Drive, Suite 225
Malvern, PA 19355
Phone: (610) 822-3700
Email: gwells@cwglaw.com

Additional information about this proposed Settlement is available at www.rg2claims.com/panache.html, a website maintained by the Claims Administrator.

***Do not contact the Court directly about this matter.
The Court cannot provide you with legal advice or any opinion regarding the
Lawsuit or proposed settlement.***