NOTICE OF SETTLEMENT OF CLASS ACTION

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<u>Christine Crump v. Hyatt Corporation</u> United States District Court for the Northern District of California Case No. 4:20-cv-00295-HSG

To: All current and former non-exempt, hourly employees working for Defendant Hyatt Corporation ("Defendant") in California at any time between December 6, 2015 through June 9, 2019.

THIS NOTICE is of a proposed Settlement of a class action and representative action lawsuit in which you may be entitled to receive money ("Settlement"). Your rights may be affected by the legal proceedings in this action. Please review this notice carefully.

You will automatically receive a share of the Individual Settlement Payment. If you do not want to receive a share of the Individual Settlement Payment, you must affirmatively opt out of this Settlement by completing and submitting a timely and valid Request for Exclusion.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
YOU MAY DO NOTHING	If you take no further action, you will remain a Class Member, represented by Class Counsel.
	You will receive a share of the Individual Settlement Payment and will be bound by the release provisions of the Settlement Agreement with respect to the California Labor Code, California Industrial Welfare Commission Wage Orders, California Private Attorneys General Act of 2004 under California Labor Code §§ 2968, et seq., and California Unfair Competition Law under California Business and Professions Code §§ 17200, et seq. As a Class Member, you will not be charged for the services of Class Counsel.
YOU MAY EXCLUDE YOURSELF	You may submit a Request for Exclusion to "opt out" of this Settlement. If you do not want to remain a Class Member, you must submit the enclosed Request for Exclusion to "opt out" of the Settlement.
	If you submit a timely and valid Request for Exclusion, you will not receive any Individual Settlement Payment.
	If you opt out, you may not object to the Settlement and will not be bound by the release provisions in the Settlement Agreement. You will be free to pursue any claims you may have against Defendant on your own behalf, but Class Counsel will not represent you.
	In order to exclude yourself from the Class, you must submit the completed Request for Exclusion to the Settlement Administrator, Phoenix Settlement Administrators, so that it is postmarked no later than September 19, 2022. If you do not comply with these procedures and the deadline for exclusions, you will lose any opportunity to exclude yourself from the Settlement, and your rights will be determined in this lawsuit by the Settlement Agreement if it is approved by the Court and you may not recover under any other individual settlement agreement with respect to the Release of Claims, including California Labor Code, California Industrial Welfare Commission Wage Orders, California Private Attorneys General Act of 2004 under California Labor Code §§ 2968, et seq., and California Unfair Competition Law under California Business and Professions Code §§ 17200 et seq.

You may object to the Settlement by timely submitting a written objection.

If the Court grants final approval of the Settlement despite your objection, you will receive a share of the Individual Settlement Payment and will be bound by the release provisions of the Settlement Agreement with respect to the California Labor Code, California Industrial Welfare Commission Wage Orders, California Private Attorneys General Act of 2004 under California Labor Code §§ 2968, *et seq.*, and California Unfair Competition Law under California Business and Professions Code §§ 17200 *et seq.*

YOU MAY OBJECT

In order to make a timely and valid objection, you must complete and submit a written objection and send it to the Settlement Administrator, Phoenix Settlement Administrators, **postmarked** no later than September 19, 2022. If you wish to appear at the Settlement Hearing and be heard orally in support of, or in opposition to the Settlement, you must state so in the objection. If you do not comply with the procedures for submitting an objection, as set forth in this notice below, and the deadline for objections, you will lose any opportunity to have your objection considered by the Court or otherwise to contest the approval of the Settlement or to appeal from any orders or judgments entered by the Court in connection with the Proposed Settlement.

<u>PLEASE NOTE</u>: If you do not wish to be represented by Class Counsel, you may hire your own attorney at your own expense. Your attorney must send a Notice of Appearance to the Settlement Administrator, Phoenix Settlement Administrators, so that it is **postmarked** on or before September 19, 2022. You will be responsible for any attorneys' fees and costs charged by your attorney.

I. Why should I read this Notice?

This Notice outlines a Settlement for a class action and representative action lawsuit. If the Court approves the proposed Settlement, your legal rights may be affected. This Notice, which has been approved by the Court, is only a summary. A more detailed Joint Stipulation of Class Action Settlement and Release of Claims ("Settlement Agreement") is on file with the Court, where it is available for your review.

II. What is this lawsuit about?

A lawsuit entitled *Christine Crump v. Hyatt Corporation* No. 4:20-cv-00295-HSG, is now pending in Oakland, California (the "Lawsuit"). Plaintiff Christine Crump ("Plaintiff") alleged claims against Defendant Hyatt Corporation ("Defendant") under the California Labor Code, California Industrial Welfare Commission Wage Orders, California Private Attorneys General Act of 2004, and the California Unfair Competition Law.

Plaintiff brought this Lawsuit as a class action and representative action on behalf of herself and other similarly situated employees and "aggrieved" employees, and asserts claims against Defendant, based on a theory that Defendant maintained a timekeeping system that allegedly unlawfully rounded time, for: (1) failure to pay minimum, straight time, overtime, or double time wages, wages or damages under the FLSA, California law, or common law; (2) failure to pay final wages due at separation or upon termination; (3) failure to timely pay wages during employment; (4) failure to provide accurate and itemized wage statements; (5) failure to keep requisite payroll records; (6) claims brought under Business & Professions Code section 17200 *et seq.* including, but not limited to, all claims for unfair, unlawful and harmful conduct to class members, the general public and Defendant's competitors and claims of unlawfully gaining an unfair advantage over other businesses; and (7) PAGA claims for civil penalties due to any Labor Code violations by Defendant including, but not limited to, Labor Code sections 201, 202, 203, 204, 226, 226.3, 510, 1174, 1194, 1197, 1197.1, and 1198; and California Industrial Welfare Commission Wage Orders. Plaintiff seeks monetary recovery on behalf of the Class for the alleged violations, along with penalties, interest, restitution, costs and attorneys' fees.

Defendant contends that it has complied with all laws and denies the allegations in this Lawsuit. The Court has not formed any opinions concerning the merits of the Lawsuit, and the Court has not ruled on any of the claims. The Court also has not yet ruled that the Lawsuit satisfies the requirements for a class action. This Settlement is intended to resolve the Lawsuit in order to avoid the uncertainties associated with subsequent decisions to be issued by the Court.

III. Who is covered by the class action lawsuit and the proposed Settlement?

- **A.** The Settlement Class. The Court granted preliminary approval of the Settlement and authorized this Notice. The Court defined the "Settlement Class" as including all current and former non-exempt, hourly employees working for Defendant in California at any time between December 6, 2015 through June 9, 2019, who did not file a timely and valid opt-out Request for Exclusion.
- B. The Effect of Membership in the Settlement Class. If you come within the definition of the Settlement Class, you are eligible for compensation and are subject to the terms of the Settlement, unless you file the enclosed Request for Exclusion to opt out of the Settlement Class. Members of the Settlement Class are eligible to receive the benefits created by the proposed Settlement and will be bound by the Settlement if it is approved by the Court. Persons who exclude themselves from the Class will not be bound by the Settlement and will not share in the Settlement proceeds, but may pursue their own timely individual claims against Defendant.

IV. What are the terms of the Settlement?

The proposed Settlement was negotiated between Defendant and the attorneys for the Settlement Class ("Class Counsel"), with the assistance of a mediator. The attorneys for all of the Parties believe this Settlement is in the best interest of the members of the Settlement Class.

Monetary Compensation

- Defendant shall provide the members of the Settlement Class monetary compensation in the maximum total amount of \$990,000 (the "Gross Settlement Amount"). The Gross Settlement Amount will deduct amounts awarded by the Court for attorneys' fees and costs, administrative expenses, payment to the California LWDA, and an enhancement payment to the Plaintiff who filed the Lawsuit. The remainder of the Gross Settlement Amount is referred to as the "Net Settlement Amount." The Net Settlement Amount will be paid as Individual Settlement Payments to Settlement Class Members who do not opt out of the Settlement.
- Each Settlement Class Member's proportional share of the Net Settlement Amount will be determined by dividing the number of weeks worked by the Settlement Class Member for Defendant at any time during the period of December 6, 2015 through June 17, 2022 (the "Class Period") by all weeks worked by all Settlement Class Members during the Class Period, multiplied by the Net Settlement Amount.
- Defendant, through the Settlement Administrator, shall pay the amounts awarded by the Court for attorneys' fees and costs, administrative expenses, enhancement, payment to the LWDA, and the amounts due to the Settlement Class Members, in two payments. Fifty percent (50%) of the Gross Settlement Amount shall be funded ten (10) calendar days after the Effective Date ("Initial Funding"), and the remaining 50% shall be paid six months later ("Second Funding"). The Effective Date is defined as follows: the day after the date by which the last of the following has occurred: (a) all conditions of Settlement have been satisfied; (b) the Court has entered and filed the Final Approval Order and Judgment; and (c) the time period for appeal of the Judgment has been exhausted without any appeals having been filed, and/or all such appeals have been voluntarily or involuntarily dismissed, and/or the appropriate appellate court or courts have entered a final judgment affirming the Final Approval Order and Judgment of the Court and the final judgment of such appellate court or courts is no longer subject to any further appellate challenge or procedure.

Fees and Expenses

When seeking Final Approval of the proposed Settlement, Class Counsel will apply to the Court for an award of attorneys' fees in an amount up to \$346,500 (which is 35% of total Gross Settlement Amount of \$990,000) and an award of costs in an amount up to \$97,158.56. Such payments, if approved by the Court, will be deducted from the Gross Settlement Amount before calculation of the Net Settlement Amount available for distribution to the Settlement Class Members.

Settlement Administration Costs

When seeking Final Approval of the proposed Settlement, Class Counsel will apply to the Court for an award of Settlement administration costs of up to \$85,000 for a third-party class-action administrator, Phoenix Class Action Administration Solutions, for the administrative services in connection with this Settlement. Such payments, if approved by the Court, will be deducted from the Gross Settlement Amount before calculation of the Net Settlement Amount available for distribution to the Settlement Class Members.

Class Representative Incentive Payment

When seeking Final Approval of the proposed Settlement, Class Counsel will apply to the Court for an award of incentive payment of up to \$10,000 for Plaintiff for her services as the Class Representative. Such payment, if approved by the Court, will be deducted from the Gross Settlement Amount before calculation of the Net Settlement Amount available for distribution to the Class Members.

The Portion of the PAGA Payment To The LWDA

When seeking Final Approval of the proposed Settlement, Class Counsel will seek approval for a payment to the California Labor & Workforce Development Agency ("LWDA") in the amount of \$50,000. Such payment, if approved by the Court, will be deducted from the Gross Settlement Amount before calculation of the Net Settlement Amount available for distribution to the Class Members.

Release Of Claims

- Upon the Court's approval of the Settlement, judgment will be entered fully and finally settling the Lawsuit as to all Settlement Class Members.
- As a result of the Settlement and judgment to be entered, Plaintiff and the Settlement Class Members who did not opt out of the Settlement by filing a timely, valid Request for Exclusion, will have released and discharged Defendant and any of its current or former subsidiaries (including, but not limited to, Select Hotels Group LLC), parents, affiliates, predecessors, insurers, agents, employees, successors, assigns, officers, officials, directors, attorneys, personal representatives, executors, and shareholders, including their respective pension, profit sharing, savings, health, and other employee benefits plans of any nature, the successors of such plans, and those plans' respective current or former trustees and administrators, agents, employees, and fiduciaries (collectively, the "Released Parties") from any and all claims, rights, demands, charges, complaints, causes of action, obligations, or liability of any and every kind between December 6, 2015 and the date of Preliminary Approval of the Settlement, for any and all claims asserted or that could have been asserted based on the facts and theory that Defendant or any of the Released Parties maintained a timekeeping system that unlawfully rounded time as alleged in the Second Amended Complaint in the Action, including those for: (1) all claims for alleged failure to pay minimum, straight time, overtime, or double time wages, wages or damages under the FLSA, California law, or common law, based on a theory that Defendant or any of the Released Parties maintained a timekeeping system that unlawfully rounded time; (2) failure to pay final wages due at separation or upon termination; (3) failure to timely pay wages during employment; (4) failure to provide accurate and itemized wage statements; (5) failure to keep requisite payroll records; (6) claims brought under Business & Professions Code section 17200 et seq. including, but not limited to, all claims for unfair, unlawful and harmful conduct to class members, the general public and Defendant's competitors and claims of unlawfully gaining an unfair advantage over other

businesses based on the facts and allegations contained in the Second Amended Complaint; (7) PAGA claims for civil penalties due to any Labor Code violations by Defendant arising out of or related to events alleged in the Second Amended Complaint including, but not limited to, Labor Code sections 201, 202, 203, 204, 226, 226.3, 510, 1174, 1194, 1197, 1197.1, and 1198; and California Industrial Welfare Commission Wage Orders; (8) penalties of any nature; (9) interest; (10) liquidated damages; (11) attorneys' fees; (12) costs; and (13) any other claims arising out of or related to the Second Amended Complaint filed in the Action through final approval of the Settlement.

If you do <u>NOT</u> exclude yourself from the Settlement Class by following the procedures set forth in the Request for Exclusion and the Court approves the proposed Settlement, you will be deemed to have entered into the Release in the Settlement Agreement.

V. How do I receive a payment?

Any Class Member who wishes to be considered for any payment under this Settlement must not submit a Request for Exclusion. If a Class Member does not submit a Request for Exclusion he or she will receive a share of the Individual Settlement Payment. Class Members will receive their Individual Settlement Payments in two checks, approximately six months apart. The amount of any Individual Settlement Payments that remain undeliverable or uncashed 180 calendar days after the postmarked date of the mailing of the Individual Settlement Payments will be sent to the California State Controller's Office to be held as "Unclaimed Property" in the name of the Class Member. Please visit https://ucpi.sco.ca.gov/en/Property/SearchIndex to retrieve an uncashed check at any time after the check cashing deadline.

The Individual Settlement Payment is based on the number of weeks you worked during the period covered by the Settlement. Defendant's records show that you have «Total_Weeks». If you dispute the number of weeks worked on the Notice, you may produce, by no later than ten (10) days from the date the Notice is postmarked, evidence to the Settlement Administrator showing that such information is inaccurate. All disputes will be decided within seven (7) business days from the date the dispute is received by the Settlement Administrator. The Settlement Administrator may be contacted at PO Box 7208, Orange, CA 92863, Telephone (800) 523-5773.

VI. Who represents the Class?

The Court has designated Plaintiff Christine Crump as the Class Representative in the Lawsuit. The attorneys that serve as Class Counsel are Edwin Aiwazian of Lawyers for Justice, PC, and R. Rex Parris, Alexander R. Wheeler, Kitty K. Szeto, and Ryan A. Crist of Parris Law Firm.

If you have questions about the Settlement, or the procedures outlined in this Notice, you should contact PO Box 7208, Orange, CA 92863, Telephone (800) 523-5773.

Do not contact the Court.

VII. What are the reasons for the Settlement?

The Parties agreed to enter into this proposed Settlement after weighing the risks and benefits of this Settlement compared with those of continuing the Lawsuit. The factors considered included the uncertainty and delay associated with continued legal proceedings, a trial and appeals, and the uncertainty of several important legal issues that have yet to be determined. The Parties balanced these and other substantial risks in determining that the proposed Settlement is fair, reasonable, and adequate in light of all circumstances and in the best interests of Settlement Class Members.

If the Lawsuit continued, the Court might rule in favor of Defendant and the Settlement Class Members might not receive any recovery or monetary compensation. Defendant agreed to this proposed Settlement in order to avoid the expense and distraction associated with continued legal proceedings and the chance that the Court might rule in favor of the Settlement Class Members.

IX. When is the Court hearing and what is it for?

On November 3, 2022, the Hon. Haywood S. Gilliam, Jr. will hold a public hearing in Courtroom 2, 4th Floor of the United States District Court for the Northern District of California, 1301 Clay Street, Oakland, CA 94612, for the purposes of determining whether the proposed Settlement is fair, adequate and reasonable and should be approved, whether to approve Class Counsel's applications for attorneys' fees and costs, and whether to approve Plaintiff's request for enhancements. The deadline for Class Counsel to file the attorneys' fee motion and request for Plaintiff's incentive award is July 22, 2022. The deadline to object to this motion is September 19, 2022. Settlement Class Members can access the motion and supporting materials at www.phoenixclassaction.com/hyatt. Settlement Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval.

X. Where can I get more information?

If you have questions about this Notice, the enclosed Request for Exclusion, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Settlement Class, you should contact PO Box 7208, Orange, CA 92863, Telephone (800) 523-5773, or visit www.phoenixclassaction.com/hyatt for more information or to request that a copy of this Notice or other pleadings and documents relating to the proposed Settlement be sent to you in the mail. You may also request a copy of the full Settlement Agreement.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is on file with the Court and available to be inspected at any time during regular business hours at the Clerk's Office, United States District Court for the Northern District of California, 1301 Clay Street, Oakland, CA 94612. You may also review the pleadings, records and other papers on file in this lawsuit at the Clerk's Office.

PLEASE DO NOT WRITE OR TELEPHONE THE COURT OR DEFENDANT FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT.

QUESTIONS? CALL (800) 523-5773