

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Corea v. Kimpton Hotel & Restaurant Group, LLC and KHRG Argyle LLC

Los Angeles County Superior Court, Case No. 20STCV09640

Corea v. Kimpton Hotel & Restaurant Group, LLC and KHRG Argyle LLC

Los Angeles County Superior Court, Case No. 20STCV14301

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To: All current and former non-exempt employees who are or were employed by Kimpton Hotel & Restaurant Group, LLC and/or KHRG Argyle LLC at the following Kimpton-managed California hotels: (1) Everly Hotel; (2) La Peer Hotel; (3) Rowan Palm Springs; (4) Palomar Beverly Hills; (5) Palomar San Diego; (6) Sawyer Hotel; (7) Sir Francis Drake; (8) Buchanan Hotel; (9) Goodland Hotel; (10) Canary Hotel; (11) Hotel Wilshire; (12) Shorebreak Resort; and (13) Solamar Hotel, at any time between March 10, 2016 and August 25, 2022.

BASIC INFORMATION

1. What is this settlement about?

Plaintiff Vincent Corea (“Plaintiff”) filed a lawsuit against Kimpton Hotel & Restaurant Group, LLC and KHRG Argyle LLC (collectively “Defendants”) on March 10, 2020. On April 4, 2020, Plaintiff filed a separate lawsuit under the Private Attorneys General Act of 2004 (“PAGA”) against Defendants. On February 3, 2022, these cases were consolidated so that they could be heard together for settlement purposes. The cases are currently pending in the Los Angeles County Superior Court, Case Nos. 20STCV09640 and 20STCV14301. The consolidated cases brought by Plaintiff are referred to in this notice as “the Action”.

The Action alleges Defendants violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges Defendants failed to provide compliant meal and rest periods or pay meal and rest break premiums, did not properly pay employees overtime or pay minimum wages for all time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, and maintained unfair business practices. In the Action, Plaintiff also seeks to recover damages, penalties, and restitution, including penalties pursuant to the California Private Attorneys General Act (“PAGA”) on behalf of Class Members.

Defendants deny all alleged violations, deny that they violated any law, and deny that they owe Class Members any remedies. The Court has not made a ruling on the merits of the Action.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case Vincent Corea, also known as “Plaintiff”), seek to sue on behalf of people who are alleged to have similar claims (in this case all individuals who were employed by Defendants KHRG Argyle LLC and/or Kimpton Hotel & Restaurant Group, LLC in the state of California as hourly-paid, non-exempt employees at any time between March 10, 2016, and August 25, 2022). All these people are referred to here as Class Members. In a class action settlement, one court can resolve the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Los Angeles County Superior Court (the “Court”) is in charge of this particular class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). By settling, the Parties will avoid the risks and uncertainties associated with a lengthy litigation process. Nothing in this Settlement is intended or should be construed as an admission by Defendants that Plaintiff’s claims in the Action have merit or that Defendant has any liability to Plaintiff and the Class Members.

On August 25, 2022, the Court granted preliminary approval of the Settlement, appointed Plaintiff, Vincent Corea, as the Class Representative, and appointed his attorneys at Protection Law Group, LLP and Lawyers *for* Justice PC as counsel for the Class (“Class Counsel”).

The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendants at any time between March 10, 2016, and August 25, 2022 (the “Class Period”), as an hourly-paid, non-exempt employee at any of the following California Kimpton-managed hotels: (1) Everly Hotel; (2) La Peer Hotel; (3) Rowan Palm Springs; (4) Palomar Beverly Hills; (5) Palomar San Diego; (6) Sawyer Hotel; (7) Sir Francis Drake; (8) Buchanan Hotel; (9) Goodland Hotel; (10) Canary Hotel; (11) Hotel Wilshire; (12) Shorebreak Resort; and (13) Solamar Hotel.

You are part of the Settlement, and a PAGA Member, if you were employed by Defendants at any time between February 6, 2019, and August 25, 2022 (the “PAGA Period”), as an hourly-paid, non-exempt employee at any of the following California Kimpton-managed hotels: (1) Everly Hotel; (2) La Peer Hotel; (3) Rowan Palm Springs; (4) Palomar Beverly Hills; (5) Palomar San Diego; (6) Sawyer Hotel; (7) Sir Francis Drake; (8) Buchanan Hotel; (9) Goodland Hotel; (10) Canary Hotel; (11) Hotel Wilshire; (12) Shorebreak Resort; and (13) Solamar Hotel.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

Under the terms of the Settlement, Defendants will pay a maximum of Three Million Nine Hundred Thousand Dollars (\$3,900,000) (“Gross Settlement Amount”) to settle all claims alleged in the Action. This includes all costs and attorneys’ fees for Class Counsel, as well as the settlement administration costs.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 35% of the Gross Settlement Amount or One Million Three Hundred Sixty-Five Thousand Dollars (\$1,365,000.00);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Forty-Five Thousand Dollars (\$45,000.00);
- C. **Enhancement Payment to the Class Representative** in an amount not to exceed Ten Thousand Dollars (\$10,000.00);
- D. **Settlement Administration Costs** which are currently estimated to be Thirty-Five Thousand Dollars (\$35,000.00); and
- E. **PAGA Payment** in the amount of One Hundred Thousand Dollars (\$100,000.00) for the settlement of claims arising under PAGA. Seventy-Five percent (75%) of this amount, (\$75,000.00) shall be paid to the California Labor & Workforce Development Agency (“LWDA”). The remaining twenty-five percent (25%) (\$25,000.00) will be distributed to hourly-paid, non-exempt employees who worked for Defendants at any time between February 6, 2019, and August 25, 2022, for the release of their claims arising under PAGA.

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment”, will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly-paid, non-exempt employee of Defendants between March 10, 2016, and August 25, 2022, (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Settlement Payment will be apportioned as ten percent (10%) wages, forty-five percent (45%) interest and forty-five percent (45%) penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of each class member’s settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

Defendants' records indicate you worked XXX workweeks during the Class Period. Your Individual Settlement Payment is \$XXX.XX. The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, if any.

This Amount was determined based on Defendants' record of your employment between March 10, 2016, and August 25, 2022, and is presumed correct. If you dispute the accuracy of Defendants' records as to the number of weeks you worked during the period described above you must contact the Settlement Administrator and provide any documentation you have supporting such dispute. Submission of these documents must be postmarked before November 14, 2022. All disputes regarding your Workweeks will be resolved and decided by the Parties after you submit evidence to the Settlement Administrator. If the Parties do not agree, the dispute will be submitted to the Court. The Settlement Administrator's contact information is listed below:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment from the Settlement?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Gross Settlement Amount by Defendants, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely request for exclusion will release the "Released Parties" from the "Released Claims" for the "Released Claims Period."

The "Released Parties" include Defendants, all related IHG entities, all owners of the individual Kimpton-managed hotels (Everly Hotel; La Peer Hotel; Rowan Palm Springs; Palomar Beverly Hills; Palomar San Diego; Sawyer Hotel; Sir Francis Drake; Buchanan Hotel; Goodland Hotel; Canary Hotel; Hotel Wilshire; Shorebreak Resort; and Solamar Hotel), and any of their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The "Released Claims" means any and all claims, rights, demands, liabilities and causes of actions that are alleged in the Action, or reasonably could have been alleged based on the facts and/or claims asserted in the operative Complaint in the Action (the Consolidated Class Action and Representative Action Complaint), including without limitation the following claims: (i) failure to pay all regular wages, minimum wages and overtime wages due, including but not limited to failure to pay wages for alleged off-the-clock work; (ii) failure to provide meal periods or compensation in lieu thereof, including but not limited to failure to pay meal period premiums at the proper rate; (iii) failure to provide rest periods or compensation in lieu thereof, including but not limited to failure to pay rest period premiums at the proper rate; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages in a timely manner at time of termination or resignation; (vii) failure to timely pay wages during employment (including a claim under the Industrial Welfare Commission Wage Orders or common law, including conversion); (viii) unfair business practices that were or could have been premised on the claims, causes of action, or legal theories of relief described above or any of the claims, causes of action, or legal theories of relief pleaded in the operative Complaint in the Action; and (ix) failure to maintain required payroll records.

The "Released Claims Period" during which the release of Released Claims pertains is from March 10, 2016, through August 25, 2022.

All PAGA Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all claims for civil penalties under the PAGA that were disclosed and alleged in the notice sent by Plaintiff to the LWDA and were alleged in the operative Complaint in the Consolidated Actions, or claims for civil penalties which could have been alleged based the facts alleged in the notice and Complaint, including all civil penalties

under PAGA for violations of the provisions of the applicable IWC Wage Orders and the Labor Code as to all PAGA Members. The fact that a PAGA Member has decided not to participate in the Class Settlement shall not affect the Release of PAGA claims arising under PAGA.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendants with respect to the Released Claims (other than those which arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*)), then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible as a PAGA Member, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Claims you must submit a written Request for Exclusion. You must include your name, address, telephone number and the last four digits of your social security number and/or Employee ID number. Your Request for Exclusion must also include a statement that you do not wish to be included in this Action similar to the following: “I wish to exclude myself from the class action settlement reached in the matter *Corea v. Kimpton Hotel & Restaurant Group LLC, KHRG Argyle LLC*. I understand that by excluding myself I will not receive money from the class portion of the settlement.”

The written Request for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by November 14, 2022. You cannot exclude yourself by phone.

Phoenix Settlement Administrator
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Claims (except for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*)). You may be able to sue Defendants and/or the Released Parties or continue any suit you have pending against Defendants or the Released Parties, regarding the Released Claims (except for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*)).

9. If I don't exclude myself, can I sue Defendants for the same thing later?

No. Unless you submit a Request for Exclusion, you give up the right to sue Defendants and Released Parties for the Released Claims. If you have a pending lawsuit involving the Released Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

No (except if you worked for Defendants between February 6, 2019, and August 25, 2022, in which case you will still receive the portion of your Individual Settlement Payment for Released Claims that arise under PAGA.). But if you submit a timely and valid Request for Exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against Released Parties for Released Claims (except for Released Claims that arise under PAGA).

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP and LAWYERS *for* JUSTICE, PC as Class Counsel. The firms' contact information is:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.
Amir Nayebdadash, Esq.
237 California Street
El Segundo, California 90245
Telephone: (844) 294-3095

LAWYERS *for* JUSTICE, PC

Edwin Aiwazian, Esq.
410 Arden Ave., Suite 203
Glendale, California 91203
Telephone: (818) 587-8423

Class Counsel will ask the Court for attorneys' fees of up to \$1,365,000.00 and reimbursement of litigation cost/expenses of up to \$45,000.00. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don't like the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than November 14, 2022. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, and the specific reason for your objection. You may also come to the Final Approval Hearing on February 23, 2023, and make an objection at that time, regardless of whether you submitted a written objection.

13. What is the difference between objecting and requesting exclusion from the settlement?

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

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

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

The Court will hold the Final Approval Hearing at 10:00 a.m. on February 23, 2023, at the Los Angeles Superior Court—Spring Street Courthouse, located at 312 N. Spring St. Los Angeles, California 90012, in Department 14.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them. Please check the Court's site for any change in the hearing date or department change under "Future Hearings" by entering Case Number "20STCV09640" at <https://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>.

15. Do I have to come to the hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Remote appearances may be scheduled through "LA Court Connect" <https://www.lacourt.org/lacc/>

16. How will I learn if the settlement was approved?

If the Settlement is approved, a notice of final judgment will be posted on the Settlement Administrator's website located at www.phoenixclassaction.com/judgments.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or Released Parties about the Released Claims, ever again. Your Individual Settlement Payment will be mailed to you and will remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be transferred to the Controller of the State of California's Unclaimed Property Fund. You may then claim these funds from there.

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at www.phoenixclassaction.com/corea-v-khrg-argyle/ or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE