

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

RHONDA KING, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SHARP HOLDING, INC., ROBERT
SHARP, and DOE DEFENDANTS 1-10,

Defendants.

Civil Action No. 1:22-cv-00728-PTG-JFA

**MEMORANDUM OF LAW IN SUPPORT OF
PLAINTIFF'S UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF
COLLECTIVE AND CLASS ACTION SETTLEMENT AND RELEASE**

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I. INTRODUCTION

Plaintiff Rhonda King (“Plaintiff” or “King”), on behalf of herself and all others similarly situated, by and through her counsel, hereby respectfully moves the Court for preliminary approval of the proposed class and collective action settlement (“Settlement”) set forth in the Collective and Class Action Settlement And Release Agreement (“Settlement Agreement”)¹ (Copy attached as Exhibit 1 to Declaration of Gerald D. Wells (“Wells Decl.”)). Plaintiff, with the consent of Defendants Sharp Holding, Inc. and Robert Sharp (collectively, “Defendants”), requests that the Court enter an Order (the “Preliminary Approval Order”) that would:

- 1) Grant preliminary approval of the proposed Settlement;
- 2) Reaffirm certification, for settlement purposes only and pursuant to the terms of the Settlement Agreement, of the Settlement Class. As set forth in the Settlement Agreement, the Settlement Class consists of the “Rule 23 Class and the members of the FLSA Collective”;
- 3) Approve the form and content of, and direct the distribution of the Class Notice;
- 4) Appoint the law firms of Connolly Wells & Gray, LLP (“CWG”) and Webster Book, LLP (“WB”) as Class Counsel for the Settlement Class;² and
- 5) Set a date for the Final Approval Hearing within 75 and 90 calendar days after entry of the date the Court enters a Preliminary Approval Order.

Plaintiff, by and through Class Counsel, has agreed to settle the Maryland Wage and Hour Law (“MWHL”), and the Maryland Wage Payment and Collection Law (“MWPCCL”), claims of the Rule 23 Class and the claims of the FLSA Collective, asserted against Defendants. The releases

¹ All capitalized terms used throughout this brief shall have the meanings ascribed to them in the Settlement Agreement.

² The Court previously appointed CWG and WB as class counsel in its Order granting class certification. *See* ECF No 31.

associated with the Settlement are set forth in the Class Notice that will be sent to all affected individuals and set forth in detail in the Settlement Agreement which will be publicly available via a website established by the Claims Administrator. As the Court is aware, Plaintiff alleges that Defendants violated the Fair Labor Standards Act (“FLSA”), 29 U.S.C. §§ 201, *et seq.*, the Maryland Wage and Hour Law (“MWHL”), Md. Code Ann., Labor & Employment, §3-401 *et seq.*, and the Maryland Wage Payment and Collection Law (“MWPCCL”), Md. Code Ann., Labor & Employment, §3-501 *et seq.* FLSA and MWHL by systematically and willfully denying their servers certain wages due and owing through Defendants’ failure to provide complete and accurate tip credit notification after there was an increase in the applicable minimum wage rate.

The Parties anticipate that the Class Notice will be sent to over two hundred Putative Settlement Class Members, a number that includes the individuals in the Rule 23 Class and the individuals who previously elected to opt-into the FLSA Collective. After vigorous, arms-length settlement negotiations, which included a full day settlement conference with Magistrate Judge John F. Anderson, and multiple follow up calls amongst counsel and email correspondence with Judge Anderson, the Parties have now reached a settlement, subject to the Court’s approval. While Defendants continue to dispute the viability of the claims asserted and do not concede liability, Defendants do not oppose Plaintiff’s motion, and support preliminary approval of the Settlement Agreement, certification of the proposed Settlement Class, and approval of the Class Notice to members of the Settlement Class.

As set forth below, the proposed Settlement is the product of fully-informed, arm’s length, and intense negotiations. The underlying Settlement satisfies all the prerequisites for preliminary approval and certification of the proposed Settlement Class. The proposed Settlement is a fair, reasonable, and adequate resolution which recognizes the risks each side faced had the Action

continued to trial. For these reasons, and those fully articulated below, Plaintiff respectfully requests that the Court preliminarily approve the Settlement and enter the proposed Preliminary Approval Order.

II. FACTUAL BACKGROUND AND STATUS OF THE LITIGATION

Plaintiff commenced this litigation on June 29, 2022, when, on behalf of a putative class and collective, she filed her complaint against Defendants asserting claims under the FLSA and the MWHL, seeking recovery of alleged unpaid wages, liquidated damages, and attorneys' fees and costs. (*See* ECF No. 1). Specifically, Plaintiff asserted two theories of liability under each law: (1) that IHOP failed to give her and other servers adequate notice of its intention to claim a tip credit for subminimum hourly wages paid to individuals who worked at Defendants' IHOP Restaurants as a server in the states of Maryland, New Jersey, Ohio or the Commonwealth of Virginia in Maryland after there was an increase in the minimum wage rate ("Notice Claim"); and (2) that IHOP failed to pay servers the full minimum wage for time spent performing either non-tipped duties and/or excessive "side work" duties ("80/20 Claim"). Defendants denied liability and asserted various defenses in their answer to Plaintiff King's Complaint. (*See* ECF No. 10).

The Parties agreed to a bifurcate the claims and focus exclusively on the alleged tip credit notice violations set forth in the Notice Claim. On April 13, 2023, the Court granted conditional collective certification of Plaintiff's FLSA tip credit notice claim and Rule 23 class certification of Plaintiff's Maryland state claim. (*See* ECF No. 31). After receiving a stipulation by the Parties, the Court granted final collective certification of Plaintiff's tip credit notice claim on January 4, 2024. (*See* ECF No. 67).

On May 16, 2024, the Court partially granted summary judgment to Plaintiff and the Classes. (*See* ECF No. 75). Specifically, the Court granted summary judgment as to Plaintiff's and the Classes' FLSA and Maryland Notice Claim, finding Defendants violated applicable law "by

failing to provide members of the Classes with updated tip credit information following a change in the applicable minimum wage.” *Id.* The Court did not grant summary judgment as to Plaintiff’s assertion that Defendants violated applicable laws by “failing to produce any written tip credit notification” forms for certain individuals and “providing belated tip credit notification to certain class members after they had already begun working for” Defendants. *Id.* From the bench, the Court reasoned that Plaintiff did not provide Defendants with sufficient notice of these two issues. The Court also reserved ruling on Plaintiff’s claim for liquidated damages under the FLSA and Maryland state law. (*See* ECF No. 75).

In the Fall of 2024, Defendants for the first time indicated that they had provided certain notice of updated tip credit information to individuals in January of 2023 and to individuals employed in Montgomery County, Maryland in July/August of 2024. In response to these revelations, which directly countered representations made by Defendants to the Court in October of 2024 (*See* ECF No. 76), Plaintiff filed a motion in limine to exclude this information and a motion to show cause as to why Defendants did not provide this information earlier. (*See* ECF Nos. 79, 80). After briefing, the Court held a hearing on these matters on December 19, 2024. (*See* ECF No. 87). At the hearing the Court indicated that it would take the matter under advisement but that it would either exclude this material completely or reopen discovery at Defendants’ expense. Thereafter, the Parties promptly notified the Court of their desire to engage with the Magistrate in a settlement conference. (*See* ECF No. 88).

On December 20, 2024, the Court entered an order staying the matter for forty-five (45) days so the parties could engage in settlement discussions. (*See* ECF No. 89). On January 17, 2025, Defendants’ original defense counsel filed a motion to withdraw as counsel of record. (*See* ECF No. 90). On January 31, 2025, the Court issued an Order holding the case in abeyance until

February 24, 2025. (*See* ECF No. 98). On February 14, 2025, Defendants' present counsel entered their appearance. (*See* ECF No. 101). On March 27, 2025, the Court issued an order setting a settlement conference for April 16, 2025. (*See* ECF 110).

After substantial arm's-length settlement negotiations, Plaintiff King and Defendants reached a settlement to resolve the Rule 23 Class and Collective Class Notice Claims. In addition, while not addressed in the Court's granting of summary judgment, the Parties have also agreed to an automatic payment to all Settlement Class Members for any 80/20 claim they may have had.

Defendants continue to deny any liability or wrongdoing of any kind associated with any and all claims alleged in the Action, and, for any purpose other than settling the claims of the FLSA Collective and Rule 23 Class, further deny that this Action is appropriate for collective or class action treatment. Defendants contend, among other things, that it complied at all times with all applicable state and federal laws. Defendants are entering this Settlement Agreement to eliminate the burden, risk, and expense of further litigation of the claims of the FLSA Collective and Rule 23 Class. This Settlement Agreement and all related documents are not and shall not be construed as an admission by Defendants or any of the Released Persons of any fault, liability, or wrongdoing, which Defendants expressly deny.

III. SUMMARY OF THE TERMS OF THE PROPOSED SETTLEMENT

The key components of the Settlement are set forth below, and a complete description of the terms and conditions of the Settlement are contained in the Settlement Agreement, and contemporaneous documents, which is attached to the Wells Decl. as Exhibit 1.

A. THE PROPOSED SETTLEMENT CLASS

Through the Settlement Agreement, the Parties stipulate, for settlement purposes only, to certification of the Rule 23 Class consisting of Plaintiff and all members of the class certified by the Court under Fed. R. Civ. P. 23 on April 13, 2023 (ECF No. 31). Excluded from this class,

however, are all individuals who submit timely and effective Request for Exclusion forms by the Bar Date. Also included in the Settlement Class are all individuals in the FLSA Collective Class as set forth in the Court's Order of January 4, 2024 and who do not affirmatively elect to withdraw their Consent to Sue form with the Court prior to the Bar Date. Should the Court grant final approval to the Settlement, by operation of law and as set forth in the Section 5.1 of the Settlement Agreement, all Rule 23 Class members who have not effectively excluded themselves from this Settlement shall be deemed to have released any MWHL and MWPCl claims from June 29, 2019 through November 17, 2024 for claims that were alleged or that could have been alleged in the Complaint. Similarly, all FLSA Collective members shall be deemed to have released any applicable FLSA wage claim relating to their employment with Defendants during their Class Period that was alleged or could have been alleged in the Complaint.

B. THE PROPOSED CLASS NOTICE

The Settlement Agreement provides for dissemination of a Class Notice. The Class Notice will provide Putative Settlement Class Members with all pertinent information regarding the Settlement as well as the contact information for Class Counsel. *See* Settlement Agreement at § 4.9.

No more than fourteen (14) days after the Court enters the Preliminary Approval Order, Defendants shall provide the Claims Administrator with the following information for each of the Putative Settlement Class Members: Name, Social Security Number, the dates employed by Defendants (including, where applicable, the dates of termination and/or rehire), and any required deductions (*e.g.*, wage garnishments) in Defendants' records. *See* Settlement Agreement at § 4.6. Defendants shall also provide any deductions to a Putative Settlement Class Member's wages that are maintained in their records and were current as of the end of the Class Period, such as wage garnishments, tax liens, and child support. At the same time, Defendants will also provide Class

Counsel with a list, in electronic form, containing the following information for each server during the Class Period: name, last known address, and email address (if Defendants have it). *Id.*

The Claims Administrator shall provide Class Notice within fourteen (14) calendar days after the Class Administrator receives the class list and the data required to perform the preliminary calculations. *See* Settlement Agreement at § 4.9(A). The Claims Administrator will (among other things) provide estimated settlement payment amounts in the Class Notice. *Id.* at § 4.8(A). The Claims Administrator, wherever practicable, will disseminate Class Notice via mail, and shall establish a settlement website (or a link on their existing website) to assist in providing Putative Settlement Class Members with information regarding the Settlement. If the Claims Administrator has a Putative Settlement Class Member's email address, the Class Notice shall also be emailed to that individual. The website may include, among other things, the Complaint, the Settlement Agreement, Class Notice, and any orders entered by the Court regarding the Settlement subsequent to granting Preliminary Approval.

The form and method of Notice agreed to by the Parties satisfies all due process considerations and meets the requirements of Federal Rule of Civil Procedure 23(e)(1)(B). The proposed Class Notice describes in plain English: (i) the terms and operations of the Settlement; (ii) the nature and extent of the release of claims; (iii) the Service Payment for Plaintiff; (iv) the procedure and timing for objecting to the Settlement; and (v) the date and place for the Final Approval Hearing.

Should the Court grant final approval of the Settlement, Settlement Class Members shall automatically receive their portion of the Settlement by check, mailed by the Claims Administrator within fifteen calendar (15) days after the receiving the Settlement Payment from Defendants. *See* Settlement Agreement at § 4.13(B).

C. MONETARY TERMS

The proposed “Settlement Amount” consists of cash in the amount of Two Million Fifteen Thousand Dollars (\$2,015,000.00). *See* Settlement Agreement at § 2.57. The Settlement Amount shall be distributed as follows: the Claims Administrator shall make deductions from the Settlement Amount for (i) the anticipated amount of attorneys’ fees to be requested (one-third (1/3) of the Settlement Amount), plus estimated expenses of Class Counsel, (ii) the maximum Service Payment sought for the Plaintiff, (iii) the estimated fees and expenses of the Claims Administrator and (iv) the total of the 80/20 Payments for all Putative Settlement Class Members *Id.* at § 4.8(A)(1). The amount remaining after these deductions (the “Net Settlement Amount”) shall be distributed to Class Members in accordance with the formula for determining the “Settlement Payment” set out in the Settlement Agreement. *See* Settlement Agreement, at §4.8. The proposed formula for distributing the Settlement’s proceeds prorates the recovery among Putative Settlement Class Members according to how many Tip Credit Hours they are recorded as having worked as a server. The Claims Administrator will make all legally mandated payroll deductions prior to distributing the settlement payments to Settlement Class Members. Importantly, all Settlement Class Members will receive money in connection with this Settlement.

In accordance with the Settlement Agreement, the Class Notice shall include estimated payment amounts a Putative Settlement Class Member shall receive if they elect to remain in the Settlement Class (that is, not exclude themselves from the Settlement). The Class Notice provides an estimate for each Putative Settlement Class Member of how much they will receive under the Settlement if everyone participates and all fees and expenses are approved. To determine this amount, after making all necessary assumed deductions, the Claims Administrator will total the amount of Tip Credit Hours worked during the Class Period as reflected in the Payroll Data. This number will be referred to as the “Estimated Individual Tip Credit Amount.” The Estimated

Individual Tip Credit Amounts for all Putative Settlement Class Members will then add together by the Claims Administrator to determine the “Estimated Total Tip Credit Amount.” The Estimated Net Settlement Amount will then be divided by the Estimated Total Tip Credit Amount. The Claims Administrator will then multiply the resulting fractional amount by each Estimated Individual Tip Credit Amount and add in the 80/20 Payment to determine that Putative Settlement Class Member’s “Estimated Settlement Payment.” Notably, each Settlement Class Member will receive \$50 to cover the 80/20 claim alleged in the Complaint. *See* Settlement Agreement at § 4.8(A)(2). The formula for distributing the Settlement Amount is set forth in the Settlement Agreement at § 4.8.

In accordance with the Settlement Agreement, Class Counsel will seek the Court’s approval for payment of a “Service Payment” to the Plaintiff in the amount of \$7,500. *See* Settlement Agreement at § 4.17(A). This Service Payment shall be in addition to the distribution received from the Net Settlement Amount, as described above, and shall not be opposed by Defendants. The Class Notice apprises Putative Settlement Class Members of this request. In short, the proposed Class Notice apprises Putative Settlement Class Members of all material terms of the Settlement, as well as why Plaintiff believes the proposed settlement is appropriate.

Settlement Class Members shall have 180 days to negotiate their settlement check and the deadline will be included in the information sent with the check. Any checks not properly negotiated by a Settlement Class Member within 180 days of issuance shall be deemed voided. *See* Settlement Agreement at § 4.13. All unclaimed funds due to voided checks will be considered part of the *Cy Pres Distribution*.

D. DISMISSAL AND RELEASE OF CLAIMS

Upon the Effective Date, individuals who are Rule 23 Class Members and FLSA Collective Members shall be deemed to have forever released any and all federal and Maryland wage-related

claims against Defendants. *See* Settlement Agreement at § 5.1. Individuals who are Rule 23 Class Members, but not FLSA Collective Members shall not be prevented by this Settlement from pursuing their FLSA claims. If an individual is only a member of the FLSA Collective, their release and covenants only apply to their FLSA claims. Nothing in this Settlement Agreement shall be construed to foreclose a member of the FLSA Collective from recovering for hours worked outside of the FLSA Collective Class Period. *Id.* at § 5.1 (E). As noted above, the releases are fully described in the Settlement Agreement and individuals are apprised of the ramifications of the proposed Settlement in the Class Notice.

E. PROPOSED SCHEDULE FOLLOWING PRELIMINARY APPROVAL

Plaintiff, with Defendants' consent, proposes that along with granting preliminary approval of the Settlement Agreement, the Court adopt the schedule set forth below in its Preliminary Approval Order, to allow the Parties sufficient time to effectuate the various steps in the settlement approval process under the Settlement Agreement.

EVENT TIMING

1. **Mailing of Class Notices:** Defendants must provide Putative Settlement Class Member information to Claims Administrator, as set forth in Paragraph 4.6 of the Settlement Agreement, no more than fourteen (14) calendar days after the Preliminary Approval Order is entered. The Claims Administrator will disseminate the Notice Packet within fourteen (14) calendar days after receiving the Putative Settlement Class Member information.
2. **Deadline for filing Objections to the Settlement:** Forty-five (45) days after Class Notices are mailed. *See* Settlement Agreement at § 2.4.
3. **Final Approval Hearing:** Within seventy-five (75) to ninety (90) days after entry of the Preliminary Approval Order.

As set forth below, Plaintiff submits, with Defendants' consent, that the Settlement satisfies all the criteria for preliminary approval and falls well within the range of reasonableness. Accordingly, Plaintiff requests that the Court grant the requested relief.

IV. ARGUMENT

A. THE SETTLEMENT AGREEMENT SHOULD BE PRELIMINARILY APPROVED

As an initial matter, “[l]itigants should be encouraged to determine their respective rights between themselves and there is an overriding public interest in favor of settlement, particularly in class action suits.” *Lomascolo v. Parsons Brinckerhoff, Inc.*, No. 1:08-cv-1310, 2009 WL 3094955, at *10 (E.D. Va. Sept. 28, 2009). “There is a strong presumption in favor of finding a settlement fair that must be kept in mind in considering the various factors to be reviewed in making the determination of whether a settlement is fair, adequate and reasonable.” *Id.*; *see also Baust v. City of Virginia Beach*, 574 F. Supp. 3d 358, 363 (E.D. Va. 2021) (same).

Federal courts must approve class action settlements and ensure that settlement class members receive sufficient notice of the settlement and that the settlement is “fair, reasonable, and adequate.” Fed. R. Civ. P. 23(e)(2). Preliminary approval is granted when a proposed settlement is “within the range of possible approval,” *Benway v. Resource Real Estate Servs., LLC*, No. 05-cv-3250-WMN, 2011 WL 1045597, *4 (D. Md. Mar. 16, 2011), and the “principal legal effect of [an order grant preliminary approval] is to allow notice to issue to the potential beneficiaries of the Settlement,” *In re Mid-Atlantic Toyota Antitrust Litig.*, 564 F. Supp. 1379, 1381 (D.Md. 1983). Moreover, in determining whether a settlement warrants preliminary approval, a court does not conduct a “definitive proceeding on the fairness of the proposed settlement” and “must be careful to make clear that the determination permitting notice to members of the class is not a finding that the settlement is fair, reasonable and adequate.” *In re Mid-Atlantic Toyota Antitrust Litig.*, 564 F. Supp. 1379, 1384; *see also In Re Royal Ahold N.V. Securities &*

ERISA Litigation, No. 103-MD-01539, 2006 WL 132080 at *19 (D. Md. Jan. 9, 2006) (granting preliminary approval where Settlement “appear[ed] on its face to be fair. . . and to fall well within the range of possible final approval.”).

As set forth below, preliminary approval of this proposed Settlement is appropriate as it satisfies all criteria for preliminary approval. Accordingly, Plaintiff requests that the Court grant the requested relief.

1. Standard of Approval of FLSA Settlements

All FLSA settlements must be approved by either the United States Department of Labor or a federal district court. *Taylor v. Progress Energy, Inc.*, 415 F.3d 364, 374 (4th Cir. 2005). A proposed FLSA settlement should be approved if it represents “a fair and reasonable resolution of a bona fide dispute over FLSA provisions.” *Patel v. Barot*, 15 F. Supp. 3d 648, 654 (E.D. Va. 2014) (citing *Lynn's Food Stores, Inc. v. United States*, 679 F.2d 1350, 1353 (11th Cir. 1982)). In determining whether a settlement is “fair, adequate, and reasonable,” courts must remain cognizant that there exists a “strong presumption in favor of finding a settlement fair.” *Lomascolo*, 2009 WL 3094955, at *10 (E.D. Va. Sept. 28, 2009) (quoting *Camp v. Progressive Corp.*, No. 01-cv-2680, 2004 WL 2149079, at *5 (E.D. La. Sept. 23, 2004)); see *LaFleur v. Dollar Tree Stores, Inc.*, 189 F. Supp. 3d 588, 593 (E.D. Va. 2016).

“Approval of settlements in collective actions under the FLSA generally involves less stringent standards than Rule 23 class settlements.” *DeWitt v. Darlington Cnty., S.C.*, No. 4:11 CV-00740-RBH, 2013 WL 6408371, at *3 (D.S.C. Dec. 6, 2013); see also, *Riddle v. City of Anderson, S.C.*, No. 8:12-CV-03480-TMC, 2015 WL 12830369, at *5 (D.S.C. Jan. 26, 2015) (“Irrespective of the test, approval of settlements in collective actions under the FLSA generally involves less stringent standards than Rule 23 class settlements.”). Additionally, “[n]o hearing is

needed to investigate the fairness” of FLSA collective action settlements.” *Rosales v. Rock Spring Contracting LLC, et al.*, No. 3:23CV407 (RCY), 2024 WL 1417955, at *4 (E.D. Va. Apr. 2, 2024).

To determine whether a settlement is fair, the court considers: (1) The extent of discovery that has taken place; (2) the stage of the proceedings including the complexity, expense and likely duration of the litigation; (3) the absence of fraud or collusion in the settlement; (4) the experience of counsel who have represented the plaintiffs; (5) the probability of plaintiffs’ success on the merits; and (6) the amount of settlement in relation to the potential recovery. *Patel v. Barot*, 15 F. Supp. 3d 648, 656 (E.D. Va. 2014). “There is a strong presumption in favor of finding a settlement fair that must be kept in mind in considering the various factors to be reviewed in making the determination of whether a settlement is fair, adequate, and reasonable.” *Lomascolo*, 2009 WL 3094955 at *10 (E.D. Va. June 23, 2009) (internal quotation omitted); *see also Chrismon v. Meadow Greens Pizza*, No. 5:19-cv-155, 2020 U.S. Dist. LEXIS 119873 at *9 (E.D.N.C. July 7, 2020) (“There is a strong judicial policy in favor of settlement, in order to conserve scarce resources that would otherwise be devoted to protracted litigation.”). A FLSA settlement should be approved if it “is a fair and reasonable resolution of a bona fide dispute over FLSA provisions.” *Baust*, 574 F. Supp. 3d at 363 (quoting *Minsterman v. S.L. Nusbaum Realty Co.*, No. 2:10-cv-303, 2011 U.S. Dist. LEXIS 156727, at *2 (E.D. Va. Jan. 21, 2011)). The court’s role at a settlement is “a balancing of likelihoods rather than an actual determination of the facts and law in passing upon whether the proposed settlement is fair, reasonable and adequate.” *Epps v. Scoffolding Sols., LLC*, No. 2:17-cv-562, 2019 U.S. Dist. LEXIS 217413, at *6 (E.D. Va. Dec. 11, 2019) (quoting *Lomascolo*, 2009 U.S. Dist. LEXIS 89136, at *28). Here, the Settlement is fair, reasonable, and adequate, and so should be approved.

It is not disputed that the Settlement Agreement resolves a bona fide dispute. Indeed, as Defendants filed an Answer to Plaintiff's Complaint denying Plaintiff's claims for unpaid wages, and also filed motions in opposition to Plaintiff's requests for conditional certification and class certification (ECF No. 26) and for partial summary judgment. (ECF No. 66). Moreover, the Settlement Agreement contains no provisions that would be contrary to the purposes of the FLSA or frustrate its implementation. Indeed, the Settlement furthers the purposes of the FLSA by providing members of the FLSA Collective with substantial recovery for their unpaid wages that, because of the lack of bargaining power inherent in employer-employee relationships, they may have otherwise been unable to recover. Lastly, proposed Class Counsel are qualified and experienced in litigation of FLSA disputes and complex class actions, such that they are more than able to protect the interests of Plaintiff and the Settlement Class. Wells Decl. at ¶¶ 19-22. Because the Settlement facilitates the FLSA and is a fair and reasonable resolution of a bona fide dispute, it should be approved as reasonable.

2. Standard for Approval of Class Action Settlements

Rule 23(e) of the Federal Rules of Civil Procedure requires judicial approval for the settlement of class actions. When a proposed class settlement is reached, it must be submitted to the Court for approval. H. Newberg & A. Conte, *NEWBERG ON CLASS ACTIONS* § 11.41 (4th ed. 2009) ("NEWBERG"). Preliminary approval is the first of three steps comprising the approval process for settlement of a class action. The second step is the dissemination of notice of the settlement to all class members. Finally, there is a settlement approval or final fairness hearing. *See Manual for Complex Litigation* § 21.632–633 (4th ed. 2004).

The question presented on a motion for preliminary approval of a proposed class action settlement is whether the proposed settlement appears fair and reasonable. *Manual for Complex Litigation* at § 21.62. The Fourth Circuit has developed multifactor tests (which significantly

overlap with the factors considered in Rule 23(e)) to ascertain both the “fairness” and the “adequacy”³ of proposed class action settlements. As to fairness, the additional factors are: (1) whether the proposed settlement is the product of good faith bargaining at arm's length; (2) the posture of the case at settlement; (3) the extent and sufficiency of discovery conducted; (4) counsel's experience with similar litigation and their relevant qualifications; and (5) any pertinent circumstances surrounding the negotiations. *See In re Titanium Dioxide Antitrust Litig.*, No. 1:10-CV-00318, 2013 WL 5182093, at *3 (D. Md. Sept. 12, 2013) (citing *In re Mid-Atl. Toyota Antitrust Litig.*, 564 F. Supp. 1379, 1383-85 (D. Md. 1983)). As to adequacy, the additional factors are: (1) the relative strength of the plaintiff's claims; (2) weaknesses in the plaintiff's case, including proof-related obstacles or particularly strong defenses; (3) the cost of additional litigation; (4) defendants' ability to pay a judgment; and (5) any opposition to the settlement. *Id.* at *4

The question presented on a motion for preliminary approval of a proposed class action settlement is whether the proposed settlement appears fair and reasonable. Manual for Complex Litigation at § 21.62. If the proposed settlement falls “within the range of possible approval,” the Court should grant preliminary approval and authorize the parties to give notice of the proposed settlement to the class members. *Gautreaux v. Pierce*, 690 F.2d 616, 621 n.3 (7th Cir. 1982). Stated another way, preliminary approval is a “determination that there is what might be termed ‘probable cause’ to submit the proposal to class members and hold a full-scale hearing as to its fairness.” *In re Traffic Executive Association-Eastern Railroads*, 627 F.2d 631, 634 (2d Cir. 1980). Thus, “[i]f the proposed settlement appears to be the product of serious informed, non-collusive negotiations, has no obvious deficiencies, does not improperly grant preferential treatment to Class

³ The Fourth Circuit has not adopted a test, nor enumerated factors for assessing the “reasonableness” of a proposed settlement. *In re Lumber Liquidators Chinese-Manufactured Flooring Prod. Mktg., Sales Pracs. & Prod. Liab. Litig.*, 952 F.3d 471, 484 (4th Cir. 2020).

representatives or segments of the Class, and falls within the range of possible approval, then the court should direct that notice be given to the Class members of a formal fairness hearing, at which evidence may be presented in support of and in opposition to the settlement.” *Gaskin v. Pennsylvania*, 389 F. Supp. 2d 628, 630 (E.D. Pa. 2005).

Class Counsel believes the terms of the proposed settlement in this case are fundamentally fair, reasonable and adequate, especially when considering the risk, expense, complexity and delay associated with further litigation. In making its determination of these risks, the Court should give deference to the opinions of Class Counsel, who have researched the issues and are familiar with the facts of the litigation. *Austin v. Pennsylvania Dep’t of Corrs.*, 876 F. Supp. 1437, 1472 (E.D. Pa. 1995) (“In determining the fairness of a proposed settlement, the Court should attribute significant weight to the belief of experienced counsel that settlement is in the best interests of the class.”).

B. THE PROPOSED SETTLEMENT IS FAIR

1. The Proposed Settlement is the Product of Good Faith Bargaining at Arm’s Length

The purpose of the fairness analysis is to ensure that the settlement agreement is the “result of good-faith bargaining at arm’s length, without collusion.” *Berry v. Schulman*, 807 F.3d 600, 614 (4th Cir. 2015) (citing *In re Jiffy Lube Secs. Litig.*, 927 F.2d 155, 159 (4th Cir. 1991)). Good faith bargaining will be found where counsel for the parties “have performed in a professional manner,” and the settlement “contains favorable results for both parties, but at the same time, reflects mutual concessions.” *Grice v. PNC Mortg. Corp. of Am.*, No. 8:97-CV-03084, 1998 WL 350581, at *6 (D. Md. May 21, 1998).

In the case at bar, there is no evidence of fraud or collusion occurring between counsel. The parties were vigorously represented by counsel in adversarial litigation. Moreover, the

proposed settlement is the result of protracted arm's-length negotiations, including a settlement conference with Magistrate Judge John F. Anderson. Further, as noted above, even after the settlement in principle was reached, it took weeks of additional negotiations before all the terms of the proposed settlement were finalized. The participation of Judge Anderson insured that the settlement negotiations were conducted at arm's length and without collusion between the Parties. Accordingly, this factor favors approval.

2. This Case is at an Appropriate Posture for Settlement

For a settlement agreement to meet the fairness standard, the case must have been sufficiently litigated, and not premature so as to evidence collusion between party counsel. As noted above, the Parties have engaged in significant discovery and fully briefed several issues. In addition, the parties engaged in substantial motion practice, including summary judgment and class and collective certification – each of which was vigorously opposed by Defendants. Thereafter, the Parties participated in a contested mediation session with Judge Anderson. It is only with Judge Anderson's assistance that the Parties were able to reach an accord as memorialized in the present Settlement. This factor weighs in favor of approval. *See, e.g., Berry v. Schulman*, 807 F.3d 600, 614 (4th Cir. 2015) (concluding that settlement was fair where “extensive discovery” had been conducted by time of settlement); *In re Jiffy Lube Secs. Litig.*, 927 F.2d 155, 159 (4th Cir. 1991) (upholding determination that settlement was fair, where parties had engaged in informal discovery, and made substantive concessions on both sides during negotiations).

3. Extensive and Sufficient Discovery Has Been Conducted

Preliminary approval is appropriate where discovery has been, at least partially completed, such that all parties understand “the facts of the case on the merits.” *In re Montgomery Cty. Real Est. Antitrust Litig.*, 83 F.R.D. 305, 315 (D. Md. 1979); *see also In re Lumber Liquidators Chinese-Manufactured Flooring Prod. Mktg., Sales Pracs. & Prod. Liab. Litig.*, 952 F.3d 471, 484 (4th

Cir. 2020) (upholding fairness determination because by the time of settlement, formal discovery, including depositions of thirteen witnesses and reviewing “vast quantities of documents,” had been completed). This is in accord with the second *Jiffy Lube* factor, which considers the extent of discovery. “This factor permits the Court to ensure that all parties appreciate the full landscape of their case when agreeing to enter into the Settlement.” *In re NeuStar, Inc. Sec. Litig.*, No. 1:14CV885, 2015 WL 5674798, at *9 (E.D. Va. Sept. 23, 2015). In the instant matter, Plaintiff had more than a sufficient factual record on which to base her conclusion that the proposed Settlement is fair, reasonable, and adequate.

Through, *inter alia*, the parties extensive briefing on certification and Plaintiff’s motion for summary judgment, extensive discovery has been conducted prior to the proposed settlement of this litigation, including written discovery served on all parties and the deposition of Defendants’ 30(b)(6) corporate designee. Moreover, counsel for Plaintiff reviewed over 10,000 documents produced by Defendants and computed thousands of payroll records. See Wells Decl. at ¶¶ 32, 34. Accordingly, this factor also weighs in favor of approval.

4. Plaintiff’s Counsel is Qualified and Experienced in Similar Litigation

Fed. R. Civ. P. 23(g) requires the Court to examine the capabilities and resources of counsel to determine whether they will provide adequate representation to the class. Class Counsel – Connolly Wells & Gray, LLP, and Lynch Carpenter LLP – easily meet the requirements of Rule 23(g). As detailed in the Wells Decl., Plaintiff is represented by counsel experienced in class action litigation including directly analogous cases. Indeed, Plaintiff’s attorneys have extensive experience in wage and hour litigation, including litigation involving tip credit notification. Wells Decl., ¶¶ 11, 19-20. Plaintiff’s primary counsel, Connolly Wells & Gray, LLP, was named Class Counsel in a substantially similar case involving tip credit notification, *Wintjen v. Denny’s, Inc.*, No. 2:19-CV-00069-CCW, 2021 WL 5370047 at 10-11 (W.D. Pa. Nov. 18, 2021)(noting

Plaintiff's counsel has "has ably represented classes of plaintiffs in other wage and hour lawsuits") Moreover, that same firm was appointed class counsel by a sister court in this Circuit. *Graham v. Famous Dave's of Am., Inc.*, No. 19-cv-0486, 2020 U.S. Dist. LEXIS 174696 (D. Md. Sept. 23, 2020). Importantly, this Court has already certified both the Collective Class and Rule 23 Class, and thus found Connolly Wells & Gray, LLP, was adequate counsel for Putative Settlement Class Members. (ECF No. 31).

5. Pertinent Circumstances Surrounding the Negotiations

A settlement agreement is fair if the circumstances of the negotiations are such that all parties have "a clear view of the strengths and weaknesses of their respective positions, and sufficient information about the claims and defenses" at the time they begin negotiations. *Singleton v. Domino's Pizza, LLC*, 976 F.Supp.2d 665, 679 (D. Md. 2013) (emphasizing that the settlement was negotiated in mediation after briefing on a motion to dismiss).

Class Counsel have developed a comprehensive understanding of the merits of the case through our work on the Action. Indeed, the parties only began fulsome settlement negotiations after extensive discovery and resolution of Plaintiff's motions for summary judgment and class and collective certification. Indeed, Class Counsel reviewed over 10,000 documents produced by Defendants. Moreover, Class Counsel reviewed thousands of pages of payroll data and created detailed spreadsheets for each Putative Settlement Class Member. Upon creating spreadsheets of payroll data, Class Counsel was able to then compare the changing minimum wage rates with the Putative Settlement Class Members' tip credit notice form, and then subsequently compute estimated damages. Accordingly, when Class Counsel agreed to the proposed Settlement, they had sufficient information about the strengths and weaknesses of the claims and defenses in order to make a reasoned judgment about the desirability of settling the case pursuant to the terms proposed.

Moreover, the participation of Judge Anderson ensured that the settlement negotiations were conducted at arm's length and without collusion between the parties.

6. The Proposed Settlement is Adequate

Courts within the Fourth Circuit must “weigh the likelihood of the plaintiff's recovery on the merits against the amount offered in settlement” to determine whether the proposed settlement is adequate. *In re Mid-Atl. Toyota Antitrust Litig.*, 564 F. Supp. at 1384.

a) The Relative Strength of Plaintiff's Claims

Plaintiff has strong arguments in her favor were this case to go forward. In the instant matter, the Court has already ruled that Defendants violated the FLSA and the MWHL. Moreover, it is black letter law that it is the employer's obligation to demonstrate the propriety of claiming a tip credit against employees' wages. *See, e.g., Acosta v. Mezcal, Inc.*, No. 1:17-CV-00931, 2019 WL 2550660, *7 (D. Md. June 20, 2019) (collecting cases and finding “the employer bears the burden of demonstrating eligibility” to claim tip credit). Failure to do so means the employees are entitled to the full minimum wage, irrespective of the amount of tips they received. *Id.* (failure to comply with notification requirement “renders an employer ineligible to claim the credit, ‘even if the employee received tips at least equivalent to the minimum wage’”)(*quoting Prusin v. Canton's Pearls, LLC*, No. 1:16-CV-00605, 2017 WL 5126156, *3 (D. Md. Nov. 6, 2017)). Accordingly, this factor weighs in favor of approval.

b) Weaknesses in the Plaintiff's Case

As with most litigation, there are uncertainties and risks. As noted above, the Court has previously granted Plaintiff's motion for summary judgement. Nevertheless, proceeding to trial contains numerous inherent risks for Plaintiff. As an initial matter, there is a risk that individualized fact inquiries could require the Court to revisit class certification. The settlement eliminates the risk of the Court decertifying either the FLSA Collective or the Rule 23 Class. Defendants have

also raised the defense that it should not be required to forfeit the entire tip credit claimed, but only difference between what they claimed and what they informed their employees they would claim for the tip credit. While Plaintiff believes this defense is without merit, if successful, it would have a substantial impact on the damages available to Plaintiff and the FLSA Collective and Rule 23 Class. Finally, Defendants asserted that this issue – whether notice needs to be provided again, after a change in the minimum wage requirements – has never been litigated before. As such, absent resolution via this proposed settlement, Defendants assert that this case is rife with appellate issues.

Accordingly, this factor weighs in favor of approval of the proposed Settlement.

c) The Cost of Additional Litigation

If preliminary approval is not granted, the parties anticipate continuing discovery, including depositions and continued motion practice regarding Defendant’s subsequent production of tip notice forms, and also preparing for trial. Following the additional discovery and motion practice, the parties will move forward with a trial that could entail the hiring of an expert and continued motion practice. This additional discovery, motion practice, and trial would involve thousands, if not hundreds of thousands, of additional attorneys’ fees incurred by the parties. *See, e.g., Alloways v. Cruise Web, Inc.*, No. 8:17-CV-02811, 2019 WL 1902813, at *10 (D. Md. Apr. 29, 2019) (noting the significant legal costs that would be incurred where the parties “would have to engage in motion practice concerning final class certification, formal discovery, and dispositive motions, not to mention trial.”). Even more importantly, the long delay threatened by continued litigation and appeal would delay Putative Settlement Class Members’ receipt of the benefits of this Settlement. Accordingly, this factor weighs in favor of settlement.

d) Defendants' Ability to Pay a Judgment

Defendants, like many restaurants, were significantly impacted by the Covid-19 pandemic. Years since the origins of the pandemic, the restaurant industry is still facing difficult operating conditions. Due to these difficult operating conditions, and the increased legal costs that would be incurred should this matter proceed to trial, there is no guarantee that Defendants would have greater resources to pay a significantly higher amount. Notably, Defendants produced financial records to Magistrate Judge Anderson and Plaintiffs' counsel demonstrating Defendants' financial condition. The proposed Settlement was weighed against the very real risk that more fulsome recovery could have a significant and distressing financial impact on Defendants. The current state of the restaurant industry and the uncertainty of increased costs going forward was a factor weighed by Plaintiff in reaching this Settlement. Based on Plaintiff's Counsel's experience in litigating analogous cases against similar restaurants, Plaintiff's Counsel believes that the proposed settlement at this juncture is in the best interests of the Putative Settlement Class Members. Accordingly, this fact weighs in favor of granting preliminary approval of the proposed Settlement.

e) There is no opposition to the settlement

Since Class Notice has not been disseminated yet, the Settlement Class has not had the opportunity to opine on the Settlement. Class Counsel will further address this factor at the Final Approval Hearing. However, Plaintiff serves as the representative to the Rule 23 Class and FLSA Collective and Plaintiff is in favor of the Settlement. Therefore, this factor weighs in favor of granting preliminary approval of the proposed Settlement.

C. THE PROPOSED SETTLEMENT PROVIDES SUBSTANTIAL BENEFIT TO THE CLASS

In the instant Settlement, Defendant has agreed to pay a Settlement Amount of \$2.015 million, out of which Putative Settlement Class Members will be paid based on the number of Tip Credit Hours worked during the Class Period. SA §§ 2.65, 4.8(B). The precise amount will be

determined once all Court awarded fees and expenses are deducted. SA § 4.8(B)(1). As described above, each Putative Settlement Class Member will receive a portion of the Settlement Amount based on the amount of alleged damages they specifically incurred (*e.g.*, the number of Tip Credit Hours they worked). Thus, the more hours an individual Putative Settlement Class Member worked, relative to his or her colleagues, the greater his or her share of the Settlement’s proceeds.

Further, the Settlement does not unduly grant preferential treatment to the Plaintiff. She is instead offered, subject to the Court’s approval, a reasonable Service Payment that recognizes the added contribution she made to the prosecution of the litigation, including the burden and risks associated with bringing this action publicly as well as the time she expended on behalf of the class (*e.g.*, meetings with Plaintiff’s Counsel, assumption of risks, serving as a class representative, assisting with discovery, helping counsel prepare for mediation, and making herself available – and conferring with counsel – during the mediation via the telephone). Wells Decl. at ¶ 37. Service Payments are routinely approved in this District. *See, e.g., Haney v. Genworth Life Ins. Co.*, No. 3:22cv55, 2023 U.S. Dist. LEXIS 15589 (E.D. Va. Jan. 30, 2023) (approving service payment to 4 class representatives in recognition of their services to the class, including participating in “pre-suit discovery” and production of relevant documentation).

Because of Plaintiff’s individual efforts, Putative Settlement Class Members will receive significant benefits from the Settlement. The Parties have agreed that Plaintiff’s counsel will petition the Court for a Service Payment to Plaintiff not in excess of \$7,500. Defendants have agreed not to object to this request. Importantly, this Service Payment request is fully disclosed in the Class Notice and the Putative Settlement Class Members will have the opportunity to opine on this request if they should choose.

D. THE COURT SHOULD CERTIFY THE PROPOSED RULE 23 CLASS FOR SETTLEMENT PURPOSES

Plaintiff requests that the Court certify the following proposed class for settlement purposes only, pursuant to the Settlement Agreement: Plaintiff and all members of the class certified by the Court under Fed. R. Civ. P. 23 on April 13, 2023 (ECF No. 31). Excluded from this class, however, are all individuals who submit timely and effective Request for Exclusion forms by the Bar Date. In seeking certification under Federal Rule of Civil Procedure 23, Plaintiff must satisfy the four elements of Rule 23(a), and one or more of the requirements of Rule 23(b). As set forth below, Plaintiff clearly traverses this threshold. Notably, this Court has previously found that the proposed Rule 23 Class met the requirements of Fed. R. Civ. P. 23. Nothing has transpired since that order that changes that analysis.

1. Fed. R. Civ. P. 23(a) Requirements are Satisfied

In order to certify a class under Rule 23, a named plaintiff must establish that the class meets each of the four requirements of subsection (a) of the Rule which provides:

One or more members of a class may sue or be sued as representative parties on behalf of all only if (1) the class is so numerous that joinder of all members is impracticable; (2) there are questions of law or fact common to the class; (3) the claims or defenses of the representative parties are typical of the claims or defenses of the class; and (4) the representative parties will fairly and adequately protect the interests of the class.

FED. R CIV. P. 23(a); *see also Thorn v. Jefferson-Pilot Life Ins. Co.*, 445 F.3d 311, 318 (4th Cir. 2006). Here, all four elements are satisfied for purposes of certifying the proposed Rule 23 Class.

a) Rule 23(a)(1) – “Numerosity”

The proposed Rule 23 Class is sufficiently numerous. Rule 23(a)(1) requires that the class be “so numerous that joinder of all members is impracticable.” FED. R CIV. P. 23. There is no set minimum number of potential class members that fulfills the numerosity requirement. See *Holsey v. Armour & Co.*, 743 F.2d 199, 217 (4th Cir. 1984). However, where the class numbers 25 or

more, joinder is usually impracticable. *Cypress v. Newport News General & Nonsectarian Hosp. Ass'n*, 375 F.2d 648, 653 (4th Cir. 1967) (18 class members sufficient); *see also*, *Stanley v. Central Garden and Pet Corp.*, 891 F.Supp.2d 757, 770 (D. Md. 2012) (Holding that “[c]lasses of as few as 25 to 30 have been found to raise[] the presumption that joinder would be impracticable”) (internal quotations omitted). Here, the number of Class Members in the Rule 23 Class consists of 178 individuals. Wells Decl. at ¶ 6. The numerosity requirement is therefore satisfied.

b) Rule 23(a)(2) – “Commonality”

Rule 23(a)(2) requires that the court find that “there are questions of law or fact common to the class.” FED. R. CIV. P. 23(a)(2). “Commonality is satisfied where there is one question of law or fact common to the class, and a class action will not be defeated solely because of some factual variances in individual grievances.” *Jeffreys v. Commc’ns Workers of Am., AFL CIO*, 212 F.R.D. 320, 322 (E.D. Va. 2003). And the common issue must be such that “determination of its truth or falsity will resolve an issue that is central to the validity of each one of the claims in one stroke.” *Id.* The standard is a liberal one that cannot be defeated by the mere existence of some factual variances in individual grievances among class members. *Jeffreys*, 212 F.R.D. at 322; *Mitchell-Tracey v. United Gen. Title Ins. Co.*, 237 F.R.D. 551, 557 (D. Md. 2006) (finding that factual differences among class members will not necessarily preclude certification “if the class members share the same legal theory”).

Here, commonality exists because the Rule 23 Class Members’ claims are predicated on the same core common issue: whether Defendants failed to satisfy the notice requirements of the tip credit, particularly when there was a change in the minimum wage rate. As such, the Rule 23 Class raises common questions of law and fact “capable of classwide resolution.” *Alloways v. Cruise Web, Inc.*, No. 8:17-CV-02811, 2019 WL 1902813 at *7 (D. Md. Apr. 29, 2019).

c) Rule 23(a)(3) – “Typicality”

Rule 23(a)(3) requires that a representative plaintiff’s claims be “typical” of those of other class members. FED. R CIV. P. 23. Whereas commonality evaluates the sufficiency of the class, typicality judges the sufficiency of the named plaintiffs as representatives of the class. *Deiter v. Microsoft Corp.*, 436 F.3d 461, 466-67 (4th Cir. 2006). “Nevertheless, the class representatives and the class members need not have identical factual and legal claims in all respects. The proposed class satisfies the typicality requirement if the class representatives assert claims that fairly encompass those of the entire class, even if not identical.” *Fisher v. Va. Elec. & Power Co.*, 217 F.R.D. 201, 212 (E.D. Va. 2003). “The typicality requirement mandates that Plaintiffs show (1) that their interests are squarely aligned with the interests of the class members and (2) that their claims arise from the same events and are premised on the same legal theories as the claims of the class members.” *Jeffreys*, 212 F.R.D. at 322.

Typicality is demonstrated where a plaintiff can show that his “interest in prosecuting his own case...simultaneously [advances] the interests of the absent class members.” *Deiter v. Microsoft Corp.*, 436 F.3d 461, 466 (D. Md. 2006). The crux of the typicality requirement is captured by the notion that “as goes the claim of the named plaintiff, so go the claims of the class.” *Broussard v. Meineke Discount Muffler Shops, Inc.*, 155 F.3d 331, 340 (4th Cir.1998). As one district court in this Circuit aptly noted in granting class certification pursuant to a MWHL claim for unpaid overtime, factual differences between the damages claimed by the named plaintiff and the class members did not defeat typicality, since “the legality of the overtime calculation policy itself is at the heart of [named plaintiff’s] MWHL claim.” *Edelen v. Am. Residential Servs., LLC*, No. 8:11-CV-02744, 2013 WL 3816986, at *6 (D. Md. July 22, 2013).

Here, Plaintiff's claims arose from a common course of conduct by Defendants of allegedly failing to satisfy the notice requirements of the tip credit when there was a change in the prevailing minimum wage rate. As such, the Plaintiff's claims are typical of the claims of members of the Rule 23 Class.

d) Rule 23(a)(4) – “Adequacy”

The final requirement of Rule 23(a) requires that “the representative parties will fairly and adequately protect the interests of the class.” FED. R. CIV. P. 23. “Finally, under Rule 23(a)(4), the class representatives must adequately represent the interests of the class members, and legal counsel must be competent to litigate for the interests of the class.” *Jeffreys*, 212 F.R.D. at 323. “Basic due process requires that the named plaintiffs possess undivided loyalties to absent class members.” *Fisher*, 217 F.R.D. at 212 (*citing Broussard v. Meineke Disc. Muffler Shops*, 155 F.3d 331, 338 (4th Cir. 1998)). To assess adequacy, courts within the Fourth Circuit focus on whether (1) the named plaintiff's interests are not antagonistic to those of other class members, and (2) plaintiff's attorneys are competent, qualified, and experienced. *See Mitchell–Tracey v. United Gen. Title Ins. Co.*, 237 F.R.D. 551, 558 (D. Md. 2006); *Barnett v. W.T. Grant Co.*, 518 F.2d 543 (4th Cir. 1975).

Here, Plaintiff satisfies both prongs and adequacy is readily met. First, Plaintiff has no interests adverse or “antagonistic” to absent Rule 23 Class Members. Plaintiff seeks to hold Defendants accountable for, among other things, allegedly failing to pay its servers mandated minimum wages for all hours worked when they failed to satisfy the necessary requirements to pay the lesser tip credit wage. Further, Plaintiff has demonstrated her allegiance and commitment to this litigation by assisting with discovery, maintaining contact with Class Counsel throughout the litigation and helping counsel prepare for the settlement conference. As such, Plaintiff's

interests are perfectly aligned with the interests of the absent Rule 23 Class Members, thereby meeting the first adequacy prong.

Second, as discussed in greater detail below, Plaintiff's Counsel is qualified, experienced, and competent in complex litigation, and have an established, successful track record in class litigation – specifically including wage and hour actions. Moreover, this Court has already found Plaintiff's counsel satisfies the adequacy prong. There is nothing that should make the Court question the propriety of that prior ruling.

2. The Rule 23 Class Should Be Certified Under Rule 23(b)

In addition, Plaintiff must satisfy Rule 23(b)(3)'s two additional requirements: (1) common questions of law or fact must “predominate over any questions affecting only individual members” and (2) “a class action [must be] superior to other available methods for fairly and efficiently adjudicating the controversy.” Fed. R. Civ. P. 23(b)(3). Plaintiff satisfies these requirements here.

a) Predominance is Satisfied

Rule 23(b)(3) requires that “questions of law or fact common to the members of the class predominate over any questions affecting only individual members.” Fed. R. Civ. P. 23(b)(3). Predominance “tests whether proposed classes are sufficiently cohesive to warrant adjudication by representation.” *Amchem Prods. Inc. v. Windsor*, 521 U.S. 591, 594, 623 (1997). The Fourth Circuit has also held that the predominance analysis is “qualitative rather than quantitative,” meaning that, even where there is a high number of individual damages issues, predominance may still be found where “the qualitatively overarching issue” is the liability of the defendant pursuant to the alleged conduct. *Stillmock v. Weis Markets, Inc.*, 385 Fed.Appx. 267, 273 (4th Cir. 2010).

Here, predominance is satisfied because the success or failure of Plaintiff's challenge to Defendants common practice of taking a tip credit without updating their tip credit notice when there was a change in minimum wage rates will require the Court to apply common legal principles

to common facts. Courts within this Circuit have found predominance in tip credit notice class actions. *See, e.g., Mendoza v. Mo's Fisherman Exchange, Inc.*, No. 1:15-CV-01427, 2016 WL 3440007 at *15 (D. Md. June 22, 2016) (finding that wage and hour allegations, including improper tip credit notice, predominated).

b) Superiority is Satisfied

Rule 23(b)(3) also requires the Court to determine whether the class action mechanism is superior to resolution of the disputes through other available means. This superiority prong consists of four (4) factors to consider when determining whether a class action is superior to other adjudication: “(A) the interests of the members of the class in individually controlling the prosecution of separate actions; (B) the extent and nature of other pending litigation about the controversy by members of the class; (C) the desirability of concentrating the litigation in a particular forum; and (D) the difficulties likely to be encountered in management of the class action.” Fed. R. Civ. Pro. 23(b)(3); see also *Cuthie v. Fleet Reserve Ass'n*, 743 F. Supp. 2d 486, 500 (D. Md. October 18, 2010).

Here, each of these factors weighs in favor of the certification of the settlement class. Plaintiff is not aware of any other litigations pending against the Defendants for the same alleged violations in this lawsuit in the State of Maryland. There is no indication that the absent settlement class members would prefer to prosecute this action individually. Concentrating this litigation in this Court is desirable because Defendants are headquartered in Virginia. Lastly, when a certification is for the settlement purposes only, “a district court need not inquire whether the case, if tried, would present intractable management problems.” *Amchem Prods.*, 521 U.S. at 620 (1997). The superiority requirement is satisfied.

E. THE PROPOSED SETTLEMENT NOTICE TO THE CLASS SHOULD BE APPROVED

When a class action lawsuit is settled, “[t]he court must direct notice in a reasonable manner to all class members who would be bound by the proposal.” Fed. R. Civ. P. 23(e)(1)(B). To that end, Rule 23 requires “the best notice that is practicable under the circumstances, including individual notice to all members who can be identified through reasonable effort.” Fed. R. Civ. P. 23(c)(2)(B). Such notice can be effectuated through “United States mail, electronic means, or other appropriate means.” *Id.* Also, any notice “must clearly and concisely state in plain, easily understood language: (i) the nature of the action; (ii) the definition of the class certified; (iii) the class claims, issues, or defenses; (iv) that a class member may enter an appearance through an attorney if the member so desires; (v) that the court will exclude from the class any member who requests exclusion; (vi) the time and manner for requesting exclusion; and (vii) the binding effect of a class judgment on members under Rule 23(c)(3).” Fed R. Civ. P. 23(c)(2)(B).

The Parties’ proposed means of class notice meets or exceeds the standards for due process and Rule. Here, the Parties proposed notice plan includes direct mail, email (where available) and website publication. This comprehensive notice plan is intended to fully inform Settlement Class members of the Action, the proposed Settlement, and the information they require in order to make informed decisions about their rights, including the date, time and location of the Final Fairness Hearing. Further, the Notice is individualized insofar as it provides Putative Settlement Class Members with an Estimated Settlement Payment as to how much they will receive from this Settlement should the proposed Settlement be approved by the Court.

F. CONNOLLY WELLS & GRAY, LLP AND WEBSTER BOOK LLP SHOULD BE APPOINTED AS CLASS COUNSEL TO THE SETTLEMENT CLASS

As this Court has already determined, Class Counsel – Connolly Wells & Gray, LLP, and Webster Book LLP - easily meet the requirements of Rule 23(g). Importantly, Class Counsel are

experienced in class action litigation including directly analogous cases. Notably Connolly Wells & Gray have been appointed class counsel in many class actions, including many wage and hour actions, and successfully tried them to conclusion. *See, e.g.*, Wells Decl, at ¶¶ 20-21. There is no reason for this Court to reexamine its previous finding that Connolly Wells & Gray, LLP and Webster Book LLP satisfy the adequacy requirement to serve as Class Counsel.

G. THE PROPOSED ATTORNEYS' FEES ARE REASONABLE

“In approving either a Rule 23 settlement or a private settlement of FLSA claims, the reasonableness of any award of attorneys’ fees must be assessed.” *Edelen v. Am. Residential Servs., LLC*, Civil Action No. 11-cv-2744, 2013 WL 3816986 at *11 (D. Md. July 22, 2013). In FLSA actions, courts in this Circuit generally determine the lodestar amount which is calculated by multiplying the number of hours reasonably expended by a reasonable hourly rate. *Robinson v. Equifax Info. Servs., LLC*, 560 F.3d 235, 243 (4th Cir. 2009). In Rule 23 class actions, it is not uncommon to use a percentage method to calculate an award of attorneys’ fees in common fund cases. *Singleton*, 976 F. Supp. 2d at 681; *see also Jones v. Dominion Res. Servs.*, 601 F. Supp. 2d 756, 758 (S.D. W. Va. 2009) (“The percentage method has overwhelmingly become the preferred method for calculating attorneys' fees in common fund cases.”). Indeed, “the percentage method is more efficient and less burdensome than the traditional lodestar method and offers a more reasonable measure of compensation for common fund cases.” *Strang v. JHM Mortg. Sec. Ltd. P'ship*, 890 F. Supp. 499, 503 (E.D. Va. 1995).

Importantly, this is true in FLSA common fund cases too. *See Rosales*, at *8 (holding “a fee award determined by percentage is preferred over the lodestar method in common fund cases such as this”); *Hatzey v. Divurgent, LLC*, No. 2:18-CV-191, 2018 WL 5624300 at *4 (E.D. Va. Oct. 9, 2018) (approving 33.33% of FLSA common fund with 6.4 multiplier and noting a preference for fees based on a percentage); *see also McCune v. Faneuil Inc.*, No. 4:23cv41, 2024

U.S. Dist. LEXIS 144184, *17 (E.D. Va. 2024) (“the fee award here, 33.3 percent, is comparable to those earned in similar FLSA cases”). “Courts that have permitted an FLSA collective action and a Rule 23 class action to proceed in the same case have routinely awarded attorneys’ fees based on a percentage of the fund.” *Leigh v. Bottling Group, LLC*, 2012 WL 460468 n.4 (D. Md. Feb. 10, 2012).

As noted above, Class Counsel will seek an award of attorney’s fees in an amount not to exceed one-third of the Settlement Amount. A request for one-third of a settlement fund is common in this Circuit and generally considered reasonable. *See Starr v. Credible Behavioral Health, Inc.*, No. 20-2986 PJM, 2021 WL 2141542 at *5 (D. Md. May 26, 2021) (citing *Kirkpatrick v. Cardinal Innovations Healthcare Sols.*, 352 F. Supp. 3d 499, 505-06 (M.D.N.C. 2018)). Pursuant to the Settlement Agreement, prior to a final approval hearing, Class Counsel will file a separate motion justifying the appropriateness of this request in greater detail. Further, and most importantly, Class Counsel’s intent to seek up to one-third of the Settlement Amount in fees and for reimbursed expenses is plainly documented in the proposed Class Notice. As such, Class Counsel will be fully prepared to substantiate their fee request at the final approval hearing, after dissemination of notice and Putative Settlement Class Members have had an opportunity to opine on the propriety of counsel’s request.

V. CONCLUSION

The proposed Settlement is fair, reasonable and adequate. Thus, for all the reasons set forth above, preliminary approval should be, respectfully, granted and the Preliminary Approval Order entered so as to permit the Parties to effectuate notice to Putative Settlement Class Members.

Dated: June 16, 2025

Respectfully submitted,

WEBSTER BOOK, LLP

/s/ Steven T. Webster

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Attorneys for the Plaintiff and the Classes

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on June 16, 2025, a true and correct copy of the foregoing was filed with the Court utilizing its CM/ECF system, which will send notice of such filing to all counsel of record.

/s/ Steven T. Webster
Steven T. Webster (VSB No. 31975)
WEBSTER BOOK LLP

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

RHONDA KING, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SHARP HOLDING, INC., ROBERT SHARP,
and DOE DEFENDANTS 1-10,

Defendants.

Civil Action No.: 1:22-cv-00728-PTG-JFA

**DECLARATION OF GERALD D. WELLS, III IN SUPPORT OF
PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF
CLASS AND COLLECTIVE ACTION**

I, Gerald D. Wells, III, declare as follows:

1. I am a founding member of the law firm of Connolly Wells & Gray, LLP ("CWG"). I am personally involved in the prosecution of this matter.

2. I have been involved in this Action from the initial investigation through its resolution.

3. I make this Declaration in support of Plaintiff's Unopposed Motion for Preliminary Approval of Class and Collective Settlement, Certification of Settlement Class, Appointment of Class Counsel, Approval of Proposed Class Notices, and Scheduling of a Final Approval Hearing ("Plaintiff's Motion"), which seeks preliminary approval of the Settlement Agreement.¹ The matters set forth herein are stated within my personal knowledge.

¹ All capitalized words not otherwise defined in this declaration have the same meaning given them in the Settlement Agreement.

4. Plaintiff, on behalf of herself and a proposed PA Class and FLSA Collective, has agreed to settle all claims against Defendants for alleged violations of the Fair Labor Standards Act (“FLSA”), the Maryland Wage and Hour Law (“MWHL”), and the Maryland Wage Payment and Collection Law (“MWPCCL”).

5. I am submitting this declaration to put before the Court certain documents and facts supporting preliminary approval of the Settlement and reasons why I believe the proposed Settlement is fair, reasonable, and adequate.

6. The Putative Settlement Class consists of 236 total individuals. Of the 236 Putative Settlement Class Members: (i) 178 individuals are members of the Rule 23 Class; (ii) 40 individuals are members of the FLSA Collective only; and (iii) 18 individuals are members of both the Rule 23 and FLSA Collective.

7. I believe that the proposed Class Notice should be disseminated to the Putative Settlement Class Members as it contains all material terms necessary for them to make a determination as to how they wish to proceed, including whether to opt-out from or object to this proposed Settlement.

8. Attached hereto as **Exhibit 1** is a true and correct copy of the Settlement Agreement with all exhibits thereto.

9. Before agreeing to the proposed Settlement, Class Counsel assessed its merits using various factors typically used by counsel in this type of case including the factors used by courts in the Fourth Circuit to assess the fairness and adequacy of proposed FLSA and Maryland wage and hour law class action settlements. Class Counsel believes that the proposed Settlement is fair, reasonable, and adequate when the applicable factors are considered.

10. This Settlement is a result of good faith bargaining at arm's length and is the product of extensive negotiations between experienced counsel.

11. CWG has substantial experience in wage and hour matters. It has been appointed class counsel for the settlement classes in multiple class and collective action cases involving analogous claims, including *Graham v. Famous Dave's of America*, No. 19-cv-00486 (D. Md), *Williams v. Bob Evans Restaurants, LLC, et al.*, 2:18-cv-1353 (W.D. Pa), *Sudano v. Texas Roadhouse Investments of Beaver PA, LLC et al*, 2:19-cv-00064 (W.D. Pa), and *Vider v. LMT Real Estate, LLC et al*, 2:19-cv-02066 (E.D. Pa).

12. CWG has developed a comprehensive understanding of the merits of the case through our work on the Action. In our view, when we agreed to the proposed Settlement, we had sufficient information in order to make a reasoned judgment about the desirability of settling the case the terms proposed rather than proceeding to trial.

13. In CWG's opinion the Settlement is reasonable as it provides for each member of the Settlement Class to receive real monetary relief.

14. Indeed, based on CWG's review of the payroll records provided by Defendants', Class Counsel believes that that Settlement Amount agreed to represents over 60% of the unpaid back wages allegedly owed in this matter.

15. The Settlement Agreement contains no provisions that would be contrary to the purposes of the FLSA or frustrate the implementation of the FLSA in the workplace.

16. As noted above, the Settlement provides for recovery by each individual of the Settlement Class in the form of a Settlement Payment calculated by the Claims Administrator and based upon that individual's total hours worked for Defendant as a server after there was a

change in the applicable minimum wage rate during the Class Period. This ensures an equitable, accurate, and eminently appealing Settlement Payment to all Settlement Class members.

17. In addition to receiving their respective portion of the Settlement Payment for hours worked after there was a change in the applicable minimum wage rate, each Settlement Class Member will receive a payment of \$50 in compensation for their 80/20 claims.

18. My partners and I have significant experience prosecuting complex employee protection cases, including wage and hour class actions.

19. Since its inception, the CWG has been appointed and served as lead or co-lead counsel on behalf of plaintiffs in numerous contested lawsuits alleging violations of federal and/or state wage and hour laws, including the following: *Wintjen v. Denny's Inc. et al*, 2:19-cv-00069 (W.D. Pa); *Graham v. Famous Dave's of America*, No. 19-cv-00486 (D. Md); *Casco v. Ponzios*, No. 16-cv-2084 (D. N. J.); *Wright v. Ristorante La Buca, Inc., et al.*, No. 18-cv-2207 (E.D. Pa.); and *Koenig v. Granite City Food & Brewery, LTD, et al.*, No. 16-cv-1936 (W.D. Pa).

20. Further, my firm has successfully obtained numerous other court-approved class settlements as well as settlements on behalf of individual employees in a significant number of analogous wage and hour cases relating to tipped employees, including: *Koenig v. Primanti Corporation D/B/A Primanti Bros., et al.*, No. 16-cv-402 (W.D. Pa.)(granting final approval of \$2.1 million settlement where Plaintiff alleged defendants failed to comply with tip credit notification requirements); *Carrozza v. McKenzie Brewhouse, Inc., et al.*, No. 22-cv-03291 (E.D. Pa.)(granting final approval of \$440,000 settlement where defendants failed to comply with tip credit notifications); *Kotchmar v. Movie Tavern Partners, LP, et al.*, No. 15-cv-04061 (E.D. Pa.) (granting final approval of \$750,000 settlement where plaintiff alleged defendants failed to comply with tip notification requirements); *Graudins v. Kop Kilt, LLC*, No. 14-cv-2589 (E.D.

Pa.) (granting final approval for \$300,000 settlement for class of employees at single restaurant who alleged, inter alia, tip credit notification violation); *In re Chickie's and Pete's Wage and Hour Litigation*, Master File No. 12-cv-6820 (E.D. Pa.)(settlement on behalf of opt-in plaintiffs, obtaining 100% recovery of the back wages allegedly owed)

21. Additionally, serving as co-lead counsel, my firm and I obtained a jury verdict awarding more than \$4.5 million to plaintiff and class members in *Verma v. 3001 Castor, Inc.*, No. 13-cv-3034 (E.D. Pa.), which involved violations of the Pennsylvania wage and hour laws, and was upheld after being appealed to the Third Circuit.

22. Further, my firm's experience and expertise has been recognized by courts across the country. For example, CWG was appointed to the executive committee prosecuting the claims in the consolidated action styled *In re 2014 RadioShack ERISA Litig.*, Master File No. 4:14-CV-00959 (N.D. Tex.) and served as co-lead counsel in the action styled *Gedek v. Perez, et al. (In Re Kodak ERISA Litig.)*, No. 6:12-CV-06051 (W.D.N.Y.), where we helped obtain final approval of a \$9.7 million class settlement. CWG also served as class counsel in *Hellmann v. Cataldo, et al.*, No. 12-CV-2177 (E.D. Mo.), obtaining final approval of \$800,000 for a settlement class in an ERISA action.

23. Importantly, nothing has occurred since the Court granted certification that would necessitate revisiting the prior granting of class and collective certification.

24. In short, CWG has extensive experience, has vigorously pursued the interests of the Settlement Class throughout the pendency of this matter and recommends this Settlement be approved.

ATTORNEYS' FEES, EXPENSES, AND SERVICE PAYMENT

25. As set forth in the Settlement Agreement, prior to the Final Approval Hearing, Class Counsel will submit a fulsome brief on the appropriateness of Class Counsel's fee request, request for reimbursement of expenses, and Plaintiff's Service Payment.

26. Each of these requests is detailed in the proposed Class Notice and includes information for Settlement Class members who wish to object to any or all of these requests. As such, Class Counsel believes that Settlement Class members could, if they so desire, voice their opinions as to these requests to which Class Counsel will then respond in their forthcoming submission.

27. Nevertheless, Class Counsel believes a brief explanation of the appropriateness of these requests is warranted at this juncture.

28. It is black letter law that Class Counsel are entitled to their out-of-pocket expenses that were reasonably and necessarily incurred in furtherance of the prosecution of this Litigation. Such expenses include, for example, Class Counsel's costs associated with the discovery conducted and filing fees.

29. Class Counsel will submit a report detailing each expense it seeks reimbursement for prior to the Final Approval Hearing.

30. Class Counsel's intent to request an attorneys' fee award of up to one-third (1/3) of the Settlement Amount here is in line with the general market rate for class actions.

31. Class Counsel's fee request is eminently reasonable and in line with the Fourth Circuit preference for using the percentage of fund method for hybrid FLSA and Rule 23 actions.

32. In prosecuting this Action Class Counsel reviewed over 10,000 documents produced by Defendants, in addition to hundreds of pages of payroll data.

33. In addition to serving fulsome discovery on both defendants, Class Counsel also deposed Defendants' corporate designee.

34. In calculating the potential damages in the Action, Class Counsel conducted a detailed analysis that included, *inter alia*: (i) entering all of the Putative Class Members' payroll date (including hire, re-hire and termination dates); (ii) creating a chart of the applicable minimum wage rates and increases thereto over a period of six years; (iii) comparing the change in minimum wage rates with Putative Class Members employment dates and dates of any produced Tip Credit Notification Forms; computing the applicable damages period for each member of the Rule 23 Class and Collective Class; and (iv) calculating the difference between the rate paid by Defendants and the applicable minimum wage rate for those dates of employment for the particular Putative Class Member for which there was no proof of accurate updated tip credit notification during the applicable class period.

35. Class Counsel shall file a separate motion justifying the appropriateness of this request in greater detail prior to the Final Fairness Hearing.

36. The proposed Service Payment to Plaintiff is also appropriate as courts across the country routinely grant such awards in recognition of the contribution the named plaintiff(s) have made to the case and the benefit they helped confer to the settlement class and is line with awards in similar cases in the Fourth Circuit.

37. Here, the Plaintiff provided assistance that enabled Class Counsel to successfully prosecute the Action and reach the Settlement, including: (i) submitting to interviews with Class Counsel; (ii) providing Class Counsel with information regarding Defendants' employment practices; (iii) responding to discovery; and (iv) making herself available via telephone on the day of the settlement conference with Judge Anderson; and(v) working with Class Counsel

throughout the settlement discussions. Her efforts were a substantial benefit to the prosecution of the Action and to the Settlement Class.

38. Accordingly, I believe her requested Service Payment is eminently appropriate and does not unduly grant preferential treatment to the Plaintiff.

39. Despite the appropriateness of these requests, the precise amount of the attorneys' fees, expenses and Service Payment requested will be submitted for the Court's consideration after the Settlement Class has had an opportunity to opine on these requests and well in advance of the Final Approval Hearing

40. Based upon my experience, as detailed above, I believe this Action meets all the requirements for class certification under of Rule 23 and collective certification under the FLSA.

41. Plaintiff and CWG respectfully submit that the Settlement is an excellent result for the Settlement Class. CWG recommends the Settlement as fair, reasonable, and adequate, and they request that this Court: (1) preliminarily approve the Settlement Agreement, (2) certify the Rule 23 Class and appoint CWG and Webster Book LLP as Class Counsel, (3) certify the FLSA Collective, (4) approve the Class Notice and related notice plan, and (5) set a date for a Final Approval Hearing at least 75 calendar days after the Court enters the preliminary approval order.

I declare under penalty of perjury and based upon my personal knowledge that the foregoing is true and correct. This Declaration was executed on June 13, 2025, in Philadelphia, Pennsylvania.

/s/ Gerald D. Wells III
Gerald D. Wells, III

EXHIBIT 1

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division

RHONDA KING, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SHARP HOLDING, INC., ROBERT
SHARP, and DOE DEFENDANTS 1-10,

Defendants.

Civil Action No. 1:22-cv-00728-PTG-JFA

COLLECTIVE AND CLASS ACTION SETTLEMENT
AND RELEASE AGREEMENT

This Collective and Class Action Settlement and Release Agreement (the “*Settlement Agreement*”),¹ is entered into by and between Plaintiff Rhonda King (“*King*” or “*Plaintiff*”), individually and on behalf of the *Rule 23 Class* and the *FLSA Collective* (as defined herein) and Defendants Sharp Holding, Inc. and Robert Sharp (collectively, “*Defendants*”).

1. BACKGROUND AND RECITALS

WHEREAS, *Plaintiff* worked as a server at restaurants operated by *Defendants* in the State of Maryland. *Plaintiff* regularly received more than \$30 a month in tips during this time-period, and *Defendants* claimed a tip-credit under 29 U.S.C. § 203(m) and *Maryland State Laws* for the tips received by *Plaintiff* towards its minimum wage obligations under federal and Maryland law.

WHEREAS, on June 29, 2022, *Plaintiff* commenced the litigation captioned as *King v. Sharp Holding, Inc., et al.*, No. 22-cv-00728 (E.D. Va.) asserting various wage and hour claims against *Defendants* under the Maryland Wage and Hour Law (“*MWHL*”) and the Fair Labor Standards Act (“*FLSA*”) (the “*Action*”). *Plaintiff* asserted two theories of liability under each law: (1) that *Defendants* failed to give her and other servers updated notice, every time there was a change in the minimum wage, that included updated information regarding the wage paid or the tip credit claimed when *Defendants* took a tip credit when paying servers in Maryland, New Jersey, Ohio, and Virginia (“*Notice Claim*”); and (2) that *Defendants* failed to pay servers in Maryland, New Jersey, Ohio, and Virginia minimum wage for time spent performing either non-tipped duties and/or excessive “side work” duties (“*80/20 Claim*”). *Defendants* denied liability and asserted various defenses in their answer to *Plaintiff*’s Complaint.

¹ Italicized words are defined herein.

WHEREAS, pursuant to the operative Joint Discovery Plan, the first phase of discovery focused on *Plaintiff's* anticipated motions for class or collective certification. During the initial phase of discovery, *Defendants* produced close to fifteen thousand pages of documents, years of payroll data, and *King* deposed a Rule 30(b)(6) witness for *Defendants*.

WHEREAS, during this initial phase of discovery, *Defendants'* Rule 30(b)(6) witness provided testimony detailing the significant actions taken by *Defendants* that, resultingly, called into question the propriety of collective action treatment of the *80/20 Claim* as well as the viability of the claim itself.

WHEREAS, the *Parties* agreed to a bifurcate the claims and focus exclusively on the alleged tip credit notice violations. On April 13, 2023, the *Court* granted conditional collective certification of *Plaintiff's* FLSA tip credit notice claim and Rule 23 class certification of *Plaintiff's* Maryland state claim. (See ECF No. 31). After receiving a stipulation by the *Parties*, the *Court* granted final collective certification of *Plaintiff's* tip credit notice claim on January 4, 2024. (See ECF No. 67).

WHEREAS, on May 16, 2024, the *Court* partially granted summary judgment to *Plaintiff* and the classes. (See ECF No. 75). Specifically, the *Court* granted summary judgment as to *Plaintiff's* and the classes' FLSA and Maryland claims, finding *Defendants* violated applicable law "by failing to provide members of the Classes with updated tip credit information following a change in the applicable minimum wage." *Id.* The *Court* did not grant summary judgment as to *Plaintiff's* assertion that *Defendants* violated applicable laws by "failing to produce any written tip credit notification" forms for certain individuals and "providing belated tip credit notification to certain class members after they had already begun working for" *Defendants*. *Id.* From the bench, the *Court* reasoned that *Plaintiff* did not provide *Defendants* with sufficient notice of these two issues. The *Court* also reserved ruling on *Plaintiff's* claim for liquidated damages under the FLSA and Maryland state law. (See ECF No. 75). Notably, the *Court's* summary judgment decision did not in any way touch upon the *80/20 Claim*.

WHEREAS, in preparation for trial, in the Fall of 2024, *Defendants* for the first time indicated that they had provided certain notice of updated tip credit information to certain individuals in January of 2023 and to individuals employed in Montgomery County, Maryland, in July/August of 2024. In response to these revelations, which directly countered representations made by *Defendants* to the *Court* in October of 2024 (See ECF No. 76), *Plaintiff* filed a motion in limine to exclude this information and a motion to show cause as to why *Defendants* did not provide this information earlier. (See ECF Nos. 79, 80). After briefing, the *Court* held a hearing on these matters on December 19, 2024. (See ECF No. 87). At the hearing the *Court* indicated that it would take the matter under advisement but that it would either exclude this material completely or reopen discovery at *Defendants'* expense. Thereafter, the *Parties* promptly notified the *Court* of their desire to engage with the Magistrate in a settlement conference. (See ECF No. 88).

WHEREAS, on December 20, 2024, the *Court* entered an order staying the matter for forty-five (45) days so the parties could engage in settlement discussions. (See ECF No. 89). On January 17, 2025, *Defendants' Original Defense Counsel* filed a motion to withdraw as counsel of record. (See ECF No. 90). On January 31, 2025, the *Court* issued an Order holding the case in abeyance

until February 24, 2025. (See ECF No. 98). On February 14, 2025, *Defendants' Counsel* entered their appearance. (See ECF No. 101). On March 27, 2025, the *Court* issued an order setting a settlement conference for April 16, 2025. (See ECF 110).

WHEREAS, the *Parties* engaged in an all-day settlement conference with the *Magistrate*. Both prior to and at the settlement conference, *Defendants' Counsel* raised various issues, including the propriety of summary judgment and the calculation of damages. At the settlement conference, the *Magistrate* assisted the *Parties* in narrowing the issues. At the end of the all-day settlement conference, the *Magistrate* determined that *Defendants* needed additional time to determine if they could gather sufficient funds to resolve the *Action*. *Defendants* then sought an additional week prior to the expiration of the *Magistrate's* deadline to respond. Ultimately and only after further negotiations, on April 30, 2025, the *Parties* reached an accord on the financial terms. Even then, it took weeks of additional negotiations for the *Parties* to reach an agreement on all of the *Settlement's* terms.

WHEREAS, *Defendants* continue to deny any liability or wrongdoing of any kind associated with any and all claims alleged in the *Action*, and, for any purpose other than settling the *FLSA Collective* and *Rule 23 Class*, further denies that this *Action* is appropriate for collective or class action treatment. *Defendants* contend, among other things, that they complied at all times with all applicable state and federal laws. *Defendants* are entering this *Settlement Agreement* to eliminate the burden, risk, and expense of further litigation of the claims of the *FLSA Collective* and *Rule 23 Class*. This *Settlement Agreement* and all related documents are not and shall not be construed as an admission by *Defendants* or any of the Released Persons (as defined below) of any fault, liability, or wrongdoing, which *Defendants* expressly deny, nor as a waiver of *Defendants'* right to appeal any and all legal and factual issues related to the claims not being settled by this *Settlement Agreement*.

WHEREAS, the *Parties* desire to promptly and fully resolve and settle with finality the claims of the *Rule 23 Class* and the *FLSA Collective* 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:

2. DEFINITIONS

- 2.1 ***Action.*** The legal action captioned *King v. Sharp Holding, Inc., et al.*, Civil Action No. 1:22-cv-00728-PTG-JFA, in the United States District Court for the Eastern District of Virginia.
- 2.2 ***Attorney's Costs.*** An amount as approved by the *Court* at the *Final Approval Hearing*.
- 2.3 ***Attorney's Fees.*** The total amount of *Class Counsel's* attorneys' fees approved by the *Court*.

- 2.4 **Bar Date.** The date by which a *FLSA Collective* member or *Rule 23 Class* member must submit any of the following to the *Claims Administrator*: (i) an objection; (ii) a *Request for Exclusion* from the *Rule 23 Class*; (iii) a withdraw of their *Consent to Sue* opting into the *FLSA Collective*; and/or (iv) a declaration contesting the validity of the *Claims Administrator's* calculations regarding that individual's *Estimated Settlement Payment*. The Parties agree that the *Bar Date* shall be forty-five (45) days after the mailing of the Notice Packet.
- 2.5 **CAFA.** The Class Action Fairness Act.
- 2.6 **Claims Administrator.** The Parties agree to utilize the third-party provider who facilitated notice in the *Action*, Analytics Consulting LLC, a claims-administration firm capable of providing appropriate and timely administrative assistance in administering the settlement of the *Action*.
- 2.7 **Class Counsel.** Connolly Wells & Gray, LLP and Webster Book LLP.
- 2.8 **Class Notice.** The notice substantially in the form of Exhibit A to be directed to the members of the *Settlement Class*. The purpose of the *Class Notice* is to inform members of the *FLSA Collective* and *Rule 23 Class* of the resolution of their claims in the *Action* and the material terms of this *Settlement Agreement*.
- 2.9 **Class Period.** Collectively, the *Rule 23 Class Period* and the *FLSA Collective Period*. If an individual is both a member of the *Rule 23 Class* and the *FLSA Collective*, the *Rule 23 Class Period* shall control for purposes of calculating that individual's payment under this *Settlement Agreement*.
- 2.10 **Complaint.** The complaint filed in this *Action* on June 29, 2022.
- 2.11 **Consent to Sue.** Consent to Sue shall mean the *Court* authorized forms filed by the members of the *FLSA Collective* with the *Court* to indicate their desire to affirmatively assert their FLSA claims and join this *Action*.
- 2.12 **Court.** The United States District Court for the Eastern District of Virginia.
- 2.13 **Cy Pres Distribution.** Any and all funds that, pursuant to the terms of this *Settlement*, require redistribution or distribution to a *cy pres* recipient(s) pursuant to Section 5.14 of this *Settlement Agreement*.
- 2.14 **Defendants.** Defendants shall mean Sharp Holding, Inc. and Robert Sharp.
- 2.15 **Defendants' Counsel.** Defendants' Counsel means Matthew Nelson and Kathryn Bonorchis of Lewis Brisbois.
- 2.16 **Defendants' Original Counsel.** Defendants' Original Counsel means Eric E. Kinder and Carrie H. Grundmann of Spilman Thomas & Battle, PLLC.

- 2.17 **Dispute Form.** The form used by a *Settlement Class Member* to dispute the number of Tip Credit Hours worked for *Defendants* during the applicable period covered by this *Settlement Agreement*. The *Dispute Form* shall be included in the *Notice Packet*. An exemplar of the *Dispute Form* is attached hereto as Exhibit E.
- 2.18 **Effective Date.** The first day after the *Court's Final Approval Order* approving the *Settlement* set forth in this *Settlement Agreement* becomes *Final*.
- 2.19 **Estimated Individual Damage Amount.** "Estimated Individual Recovery Amount" will have the meaning set forth in Section 4.8 (A).
- 2.20 **Estimated Individual Tip Credit Amount.** "Estimated Individual Work Hour Amount" will have the meaning set forth in Section 4.8 (A).
- 2.21 **Estimated Net Settlement Amount.** "Estimated Net Settlement Amount" will have the meaning set forth in Section 4.8 (A).
- 2.22 **Estimated Settlement Payment.** "Estimated Settlement Payment" will have the meaning set forth in Section 4.8 (A).
- 2.23 **Estimated Total Recovery Amount.** "Estimated Total Recovery Amount" will have the meaning set forth in Section 4.8 (A).
- 2.24 **Expiration Period.** 180 days after the mailing of the *Settlement Payments* to the *Settlement Class Members*.
- 2.25 **Final.** With respect to any judicial ruling or order regarding this *Settlement*, 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.
- 2.26 **Final Approval Hearing.** The hearing scheduled by the *Court* to decide whether to approve the *Settlement* as fair, reasonable, and adequate pursuant to Fed. R. Civ. P. 23. The *Parties* agree to attempt to have *Final Approval Hearing* scheduled between 75 and 90 days after entry of the *Preliminary Approval Order*, so as to provide adequate time for notice to the *Partial Settlement Class Members*.
- 2.27 **Final Approval Motion.** "Final Approval Motion" will have the meaning set forth in Section 4.12.

- 2.28 Final Approval Order.** The document substantially in the form attached hereto as Exhibit B, which will be submitted to the *Court* by the *Plaintiff* and *Defendants* 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 *Partial Settlement Class Members*; (2) certification of the *Rule 23 Class* for settlement purposes only; (3) approval of *Class Counsel's* application for *Attorney's Fees* and *Attorney's Costs*; (4) approval of *Class Counsel's* application for a *Service Payment* to *Plaintiff*; and (5) dismissal of the claims of the *FLSA Collective* and *Rule 23 Class* with prejudice.
- 2.29 Final Effective Date.** The date on which the *Settlement* becomes *Final* and all *Settlement Preconditions* have either been satisfied or waived in accordance with this *Settlement Agreement*.
- 2.30 FLSA Collective.** *Plaintiff* and all members of the *FLSA* collective action finally certified by the *Court* on January 4, 2024, (ECF No. 67).
- 2.31 FLSA Collective Period.** For each member of the *FLSA Collective*, the time period shall be three years preceding the date each member's *Consent to Sue* form was filed with the *Court* through the either of (i) their last date of employment at *Defendants' Restaurants* or (ii) November 17, 2024, whichever is earlier.
- 2.32 Gross Settlement Payment.** "Gross Settlement Payment" will have the meaning set forth in Section 4.8 (B).
- 2.33 Individual Recovery Amount.** "Individual Recovery Amount" will have the meaning set forth in Section 4.8 (B).
- 2.34 Magistrate.** Magistrate shall mean Magistrate Judge John F. Anderson of the Eastern District of Virginia.
- 2.35 Maryland State Laws.** Maryland State Laws include the Maryland Wage and Hour Law ("MWHL"), Md. Code Ann., Labor & Employment, §3-401 *et seq.*, and the Maryland Wage Payment and Collection Law ("MWPCCL"), Md. Code Ann., Labor & Employment, §3-501 *et seq.*
- 2.36 Minimum Wage Chart.** "Minimum Wage Chart" shall refer to the chart attached hereto as Exhibit G. The *Minimum Wage Chart* shall reflect the applicable minimum wage increases, and when they were enacted, that were used to calculate the *Tip Credit Damage Amount*.
- 2.37 Net Settlement Amount.** "Net Settlement Amount" will have the meaning set forth in Section 4.8 (B).
- 2.38 Notice Packet.** The (i) *Class Notice* mailed to *Putative Settlement Class Members* in accordance with the *Settlement Agreement*; (ii) the *Estimated Settlement Payment* for the

individual to whom the *Class Notice* was mailed; and (iii) the required deductions, if any, set forth within *Defendants'* payroll records (e.g., garnishments, tax liens, child support). The *Notice Packet* sent via U.S. mail shall also include a *Request for Exclusion* form and *Dispute Form*.

- 2.39 **Notice Period.** The period of time from the date the *Claims Administrator* mails the *Notice Packet* through the *Bar Date*.
- 2.40 **Parties.** *Plaintiff* and *Defendants* and, in the singular, "Parties" refers to any of them, as the context makes apparent.
- 2.41 **Payroll Data.** The term *Payroll Data* shall mean the data set forth in Section 4.6 (A) to be produced by *Defendants* to the *Claims Administrator*.
- 2.42 **Plaintiff.** Rhonda King, the named plaintiff of the *Rule 23 Class* and the representative of the *FLSA Collective*.
- 2.43 **Preliminary Approval Order.** The document substantially in the form attached hereto as Exhibit C, which will be submitted to the *Court* by the *Plaintiff* and *Defendants* to seek (a) preliminarily approval of this *Settlement Agreement*; (b) dissemination of *Class Notice*; (c) approval of the proposed form of *Class Notice*; (d) certification of a Fed. R. Civ. P. 23(b)(3) class for settlement purposes only; (e) appointment of *Plaintiff* as class representative and the law firms Connolly Wells & Gray, LLP and Webster Book LLP as *Class Counsel*; and (f) a finding that the proposed manner of serving the *Class Notice* to the *Partial Settlement Class Members* is the best notice practicable under the circumstances.
- 2.44 **Putative Settlement Class Member.** The individuals comprising the previously certified Rule 23 class certified by this *Court* on April 13, 2023 (ECF No. 31) and the FLSA collective that was granted final certification by this Court on January 4, 2024 (ECF No.67). It is these individuals to whom *Class Notice* shall be disseminated to as the *Parties* stipulate and agree that it is these individuals that the *Settlement Agreement* impacts. A list of *Putative Settlement Class Members* is attached hereto as Exhibit F, noting whether they are members of the Rule 23 Class or the *FLSA Collective*. For the purposes of calculating *Tip Credit Hours* and damages, members of the *FLSA Collective* who are also members of the *Rule 23 Class*, those individuals will be considered members of the *Rule 23 Class*.
- 2.45 **Released Claims.** "Released Claims" will have the meaning set forth in Section 5.1.
- 2.46 **Released Persons.** *Defendants* and its past, present, and future parent companies, affiliates, subsidiaries, divisions, predecessors, successors, partners, owners, joint venturers, affiliated organizations, insurers, reinsurers and assigns, and each of their past, present and future shareholders, officers, directors, supervisors, managers, trustees, agents, employees, attorneys, contractors, representatives, divisions, units, branches and any other persons or entities acting on their behalf.
- 2.47 **Releasing Parties.** "Releasing Parties" will have the meaning set forth in Section 5.6.

- 2.48 Request for Exclusion.** The document substantially in the form attached hereto as Exhibit D, which will be mailed with the Notice Packet wherein a *Settlement Class Member* who worked for *Defendants* during the *Class Period* and would otherwise be a member of the *Rule 23 Class* requests to be excluded from the terms of this *Settlement*. The *Parties* stipulate and agree that if a member of the *FLSA Collective* files a *Request for Exclusion*, such a filing shall constitute a request to withdraw their *Consent to Sue*.
- 2.49 Restaurants.** The restaurant establishments operated by *Defendants* and doing business as “IHOP” in the state of Maryland, New Jersey, Ohio or the Commonwealth of Virginia between June 29, 2019 and November 17, 2024.
- 2.50 Review Proceeding.** “Review Proceeding” will have the meaning set forth in Section 2.24.
- 2.51 Rule 23 Class.** *Plaintiff* and all members of the class certified by the *Court* under Fed. R. Civ. P. 23 on April 13, 2023 (ECF No. 31). Excluded from this class, however, are all individuals who submit timely and effective *Request for Exclusion* forms by the *Bar Date*.
- 2.52 Rule 23 Class Members.** All members of the *Rule 23 Class*.
- 2.53 Rule 23 Class Period.** The time period from June 29, 2019 through November 17, 2024.
- 2.54 Service Payment.** The amount to be approved by the *Court* for payment to *Plaintiff* in recognition of her efforts in assisting in the prosecution of this *Action*, which amount shall be deducted from the *Settlement Amount*. The basis for this *Service Payment* shall be set forth in *Plaintiff*’s motion for final approval. *Defendants* stipulate and agree not to oppose the request for an award of a *Service Payment* to *Plaintiff* provided the amount sought does not exceed \$7,500.
- 2.55 Settlement.** The partial resolution of the *Action* pursuant to the agreement of the *Parties* on the terms and conditions as set forth in this *Settlement Agreement*.
- 2.56 Settlement Agreement.** This *Settlement Agreement*, including any modifications or amendments adopted pursuant to Section 8.14.
- 2.57 Settlement Amount.** The \$2,015,000.00 payment that *Defendants* will pay to settle the claims of the *FLSA Collective* and *Rule 23 Class*, as described in this *Settlement Agreement* and inclusive of any *Service Payment*, the *Claims Administrator*’s fees and expenses, and *Class Counsel*’s *Attorney’s Fees* and *Attorney’s Costs*. Under no circumstances whatsoever shall any portion of the *Settlement Amount* revert to *Defendants*.
- 2.58 Settlement Check.** Checks issued to *Settlement Class Members* in the amount of their individual *Settlement Payment*. Each *Settlement Check* shall contain release language on its back or in a letter sent with the check in conformity with Section 4.13.
- 2.59 Settlement Class.** Collectively, the *FLSA Collective* and the *Rule 23 Class*.

- 2.60 **Settlement Class Members.** The individuals comprising the *Settlement Class*, and who do not affirmatively elect to withdraw their *Consent to Sue* form with the *Court* prior to the *Bar Date* or affirmatively opt-out of the *Rule 23 Class* prior to the *Bar Date*.
- 2.61 **Settlement Post-Conditions.** Each of conditions and obligations set forth in Section 4 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.
- 2.62 **Settlement Preconditions.** 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.
- 2.63 **Settlement Payment.** The payment made to an individual *Settlement Class Member* for their corresponding *Released Claims* under the *Settlement*.
- 2.64 **Total Recovery Amount.** “Total Recovery Amount” will have the meaning set forth in Section 4.8 (B).
- 2.65 **Tip Credit Hour.** Any hour worked by a *Putative Settlement Class Member* for *Defendants* during the *Class Period* at any of the *Restaurants* for which *Defendants* claimed a tip credit pursuant to Section 203(m) of the FLSA for which summary judgment was granted in this *Action* in May of 2024. Stated another way, *Tip Credit Hours* only include hours for which *Defendants* claimed a tip credit and for which *Plaintiff* asserted *Defendants* did not provide updated tip credit notice indicating either the then current tip credit amount claimed by *Defendants* and/or the then current cash wage paid by *Defendants* to that individual employee. For purposes of determining which hours worked constitute *Hours*, the *Parties* stipulate and agree that it shall be presumed that complete and accurate tip credit notice was provided on the first day of hire and/or rehire. For example, if a *Putative Settlement Class Member* began their employment in 2016 and did not receive an updated tip credit notice, every hour worked for which *Defendants* claimed a tip credit pursuant to Section 203(m) of the FLSA during the *Class Period* would count as a *Tip Credit Hour*. If, however, an employee began work in Maryland in 2019, the hours worked for which *Defendants* claimed a tip credit pursuant to Section 203(m) of the FLSA would not count as *Tip Credit Hours* until there was a change in the minimum wage (e.g., in July 2019 if working in Montgomery County, Maryland, or in January 2020 if working outside Montgomery County). According to *Defendants*, the total *Tip Credit Hours* for *Putative Settlement Class Members* during the *Class Period* is 341,595.89. For purposes of determining *Tip Credit Hours*, the *Parties* stipulate and agree to treat the documents that were subject to *Plaintiff’s* motion in limine (ECF No. 79) as though they do not exist.
- 2.66 **80/20 Payment.** In satisfaction of any potential 80/20 claim, each member of the *Settlement Class* shall receive a payment of \$50 from the *Settlement Amount*, regardless of whether they have any *Tip Credit Hours*. In sum each individual listed on Exhibit F who do not affirmatively elect to withdraw their *Consent to Sue* form with the *Court* prior to the *Bar Date* or affirmatively opt-out of the *Rule 23 Class* prior to the *Bar Date* shall receive an

80/20 Payment. This payment shall be in addition to any payment for *Tip Credit Hours*.

3. SETTLEMENT PRECONDITIONS

The *Parties* stipulate and agree that each condition 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 conditions to occur and will support approval of the *Settlement* before the *Court*.

- 3.1 *CAFA Notice*.** At their own expense, *Defendants* shall provide any notice required under *CAFA* regarding the *Settlement*.
- 3.2 *Preliminary Approval of Settlement Agreement by the Court*.** As soon as practicable, but no later than May 30, 2025, *Plaintiff* and *Defendants* will submit this *Settlement Agreement* (including all exhibits) to the *Court* for preliminary approval and will jointly request entry of a *Preliminary Approval Order* substantially in the form attached hereto as Exhibit C.
- 3.3 *Entry of Final Approval Order by the Court*.** *Plaintiff* and *Defendants* will jointly request that the *Court* schedule a *Final Approval Hearing* between 75 and 90 calendar days after entry of the *Preliminary Approval Order*. At the *Final Approval Hearing*, *Plaintiff* and *Defendants* will jointly move for entry of a *Final Approval Order*, substantially in the form attached hereto as Exhibit B.
- 3.4 *Defendants Paying the Settlement Amount*.** No later than three (3) days after the *Final Approval Order* becomes *Final*, *Defendants* shall pay the *Settlement Amount* to the *Claims Administrator*.
- 3.5 *Final 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 regarding this *Settlement*, 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 *Final Approval Order* or if the *Final 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 any *Service Payment*, the *Claims Administrator's* fees and expenses under the *Settlement Agreement*, and any *Attorneys' Fees* and *Attorneys' Costs* as awarded by the *Court*. Also being paid from the *Settlement Amount* will be all *Rule 23 Class* members' state-law claims and all *FLSA Collective* members' *FLSA* claims. In return for the *Settlement Amount*, *Defendants* will obtain the releases described in Section 6. In return for the releases provided herein, in no event shall *Defendants* be obligated to contribute any monies in excess of the *Settlement Amount* except as specifically provided in this *Settlement Agreement*.

- 4.2 **Class Certification.** In connection with preliminary and final approval of the proposed *Settlement*, *Plaintiff* will, through *Class Counsel*, seek orders (preliminary and final, respectively) reaffirming certification of the previously certified *Rule 23 Class* pursuant to Fed. R. Civ. P. 23(b)(3).
- 4.3 **Preliminary Approval.** The *Parties* will use reasonable efforts to enable *Plaintiff* to file a motion with the *Court* for the issuance of a *Preliminary Approval Order*, substantially in the form attached hereto as Exhibit C, which, among other things, will (a) preliminarily approve this *Settlement Agreement*; (b) direct the time and manner of the *Notice Packet* to be served upon the putative *Partial Settlement Class Members* who may be entitled to payment under this *Settlement Agreement*; (c) find that the proposed form of *Class Notice* fairly and adequately (i) describes the terms and effect of this *Settlement Agreement*, (ii) provides notice to those putative *Settlement Class Members* who may receive a monetary benefit from this *Settlement* of the time and place of the *Final Approval Hearing*, and (iii) describes how the recipients of the *Class Notice* may object to or request to be excluded from the *Rule 23 Class* and/or the *FLSA Collective*; and (d) find that the proposed manner of serving the *Class Notice* to the putative *Settlement Class Members* is the best notice practicable under the circumstances.
- 4.4 **Cooperation.** The *Parties* will, in good faith, take reasonable steps to (a) secure expeditious entry of the *Preliminary Approval Order* by the *Court*; (b) seek a date for the *Final Approval Hearing* between 75 and 90 calendar days after entry of the *Preliminary Approval Order*; and (c) seek entry of the *Final Approval Order*.
- 4.5 **Retention of Claims Administrator.** The *Claims Administrator* will be responsible for the claims-administration process and distribution of the *Class Notice* and *Settlement Payments* 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 no later than ten (10) days before the *Final Approval Hearing*.
- 4.6 **Class Information.** Within fourteen (14) calendar days after the *Court* enters a *Preliminary Approval Order*, *Defendants* will provide the *Claims Administrator* with a list of all *Settlement Collective/Class Members* that contains the following information: name, Social Security Number, the dates of employment by *Defendants* (including, where applicable, the dates of termination and/or rehire), and any required deductions set forth within *Defendants*' payroll records (e.g., garnishments, tax liens, child support) that were current as of the end of the *Class Period*. *Defendants* will also provide the *Claims Administrator* with all time-keeping records previously produced to *Class Counsel* for the *Rule 23 Class* and *FLSA Collective*. *Defendants* will also provide *Class Counsel* with a list, in electronic form, containing the following information for each of the *Rule 23 Class* and *FLSA Collective*: name, last known address, and email address (if *Defendants* has it within their records). The *Parties* stipulate and agree that they will each cooperate and use their best efforts to provide the *Claims Administrator* with any information the *Claims*

Administrator requests in order to facilitate its duties and obligations set forth in this *Settlement Agreement*.

- (A) **Total Tip Credit Hours.** Data produced by *Defendants* reflect that during the *Class Period*, *Defendants* claimed a “tip credit” for 341,595.89 *Tip Credit Hours* worked by *Putative Settlement Class Members*. Should during the course of administering this *Settlement*, it be determined that the amount of actual hours *Defendants* claimed a “tip credit” for during the *Class Period* deviates by three percent (3%) or more from the *Tip Credit Hours*, *Plaintiff* may elect, at her sole discretion, to terminate this *Settlement Agreement* in accordance with Section 7 if *Defendants* do not agree in writing to add to the *Settlement Amount* on a dollar-for-dollar basis an amount to bring the deviation below the three percent (3%) margin within seven days of being so notified by the *Claims Administrator*.

- 4.7 **Plaintiff.** *Plaintiff* shall be considered both a *Rule 23 Class* member and *FLSA Collective* member for all purposes of this *Settlement Agreement*. No further action shall be necessary for *Plaintiff* to receive her *Settlement Payment*. Nothing in this *Settlement Agreement* shall bar or preclude *Plaintiff* from seeking a service award from the *Court* prior to entry of final judgment.

4.8 **Calculation of Settlement Payments for Plaintiff and Settlement Class Members.**

- (A) **Estimated Settlement Payment.** The *Notice Packet* will contain an “*Estimated Settlement Payment*” for the *Putative Settlement Class Member* to whom it was mailed. The *Claims Administrator* will calculate this estimated payment as follows:
- (1) The *Claims Administrator* will deduct from the *Settlement Amount* (i) the anticipated amount of attorneys’ fees and costs to be requested (one-third of the *Settlement Amount*), (ii) the maximum *Service Payment* sought for the *Plaintiff*, (iii) the estimated fees and expenses of the *Claims Administrator*, and (iv) the total of the *80/20 Payments* for all *Settlement Class Members*. The resulting number will be referred to as the “*Estimated Net Settlement Amount*.”
 - (2) For each *Putative Settlement Class Member*, the *Claims Administrator* will total the amount of tip credit taken by *Defendants* for all *Tip Credit Hours* worked during the *Class Period* as reflected in the *Payroll Data*. For example, if an individual was paid \$3.63 per hour, resulting in *Defendants* taking a tip credit of \$8.87 per hour, and that employee worked 100 hours during the *Class Period*, that individual would be owed \$887.00. This number will be referred to as the “*Estimated Individual Tip Credit Amount*.”
 - (3) The *Estimated Individual Tip Credit Amounts* for all *Putative Settlement Class Members* will then be added together by the *Claims Administrator* to determine the “*Estimated Total Tip Credit Amount*.”

- (4) The *Estimated Net Settlement Amount* will then be divided by the *Estimated Total Tip Credit Amount*.
 - (5) The *Claims Administrator* will then multiply the resulting fractional amount by each *Estimated Individual Tip Credit Amount* and add in the 80/20 *Payment* to determine that *Putative Settlement Class Member's* "*Estimated Settlement Payment*."
 - (6) The *Class Notice* shall inform *Putative Settlement Class Members* that they do not need to take any action in order to automatically receive their *Estimated Settlement Payment*, provided they remain members of the *Settlement Class*, and that such payment shall constitute payment for the release of their applicable wage claims as provided for in the *Settlement Agreement*.
 - (7) Upon receipt of the *Notice Packet*, any *Putative Settlement Class Member* who wishes to challenge either (i) the calculation of his or her *Estimated Settlement Payment* or (ii) the required deductions set forth within *Defendants'* payroll records (e.g., garnishments, tax liens, child support) must submit a written, signed declaration to the *Claims Administrator* for receipt by the *Claims Administrator* on or before the *Bar Date*, along with documentation (e.g., pay stubs or other records) to support the challenge. The *Claims Administrator* will resolve the challenge and make a final and binding determination without hearing or right of appeal.
- (B) ***Settlement Payment.*** All *Settlement Class Members* will receive money in connection with this *Settlement*. Once the *Settlement* becomes *Final*, the *Claims Administrator* will calculate *Settlement Payments* as follows:
- (1) The *Claims Administrator* will deduct from the *Settlement Amount* the following amounts as awarded or permitted by the *Court*: (i) *Class Counsel's Attorney's Fees* and *Attorney's Costs*, (ii) the *Service Payment*, if any, to the *Plaintiff*, (iii) the fees and expenses of the *Claims Administrator*, and (iv) the total of the 80/20 *Payments* for all *Settlement Class Members*. The resulting number will be referred to as the "*Net Settlement Amount*."
 - (2) For each *Settlement Class Member*, the *Claims Administrator* will total the amount of tip credit taken by *Defendants* for all *Tip Credit Hours* worked during the *Class Period*. The *Claims Administrator* will then add the total amounts owed for all *Tip Credit Hours* worked for each *Settlement Class Member*. This number will be referred to as the "*Individual Tip Credit Amount*."
 - (3) The *Individual Tip Credit Amount* for all *Settlement Class Members* will then be added together by the *Claims Administrator* to determine the "*Settlement*

Class Members' Total Tip Credit Amount."

- (4) The *Net Settlement Amount* will be divided by the *Settlement Class Members' Total Tip Credit Amount*.
 - (5) The resulting fractional amount will then be multiplied by an *Individual Damage Amount*, and then the *80/20 Payment* will be added to determine that *Settlement Class* member's "*Gross Settlement Payment*."
 - (6) To avoid a windfall to any individual *Settlement Class* member, no individual's *Settlement Class* member's individual *Settlement Payment* will be higher than five times that individual's *Estimated Settlement Payment*. Should any *Settlement Class* member's *Settlement Payment* be higher than five times his or her *Estimated Settlement Payment*, such amount will be reduced accordingly and with such reduction subject redistribution to the other *Settlement Class* members. If all Claimants are subject to the above cap, then any reduction shall be subject to a Court-approved *Cy Pres Distribution*.
- (C) For purposes of performing the calculations set forth above, the *Claims Administrator* will rely on the hours recorded in *Defendants' Payroll Data* when determining the total *Tip Credit Hours* for *Settlement Class* members. Further, the *Claims Administrator* will also rely on tip credit claimed, as recorded in *Defendants' Payroll Data*, when performing the calculations set forth above. If an individual contests the amount of hours worked in the *Payroll Data*, the *Claims Administrator* shall use the hours worked as reflected in *Defendants'* timekeeping system or as demonstrated by that individual, should the hours in the *Payroll Data* be contested.
- (D) *Plaintiff*, *Class Counsel*, *Defendants*, and *Defendants' 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 *Settlement Class* member's *Settlement Payment*.
- (E) *Plaintiff* is a member of the *Rule 23 Class* and the *FLSA Collective* by operation of this *Settlement Agreement*. *Plaintiff's Settlement Payment* will be calculated in accordance with the formula set forth above. *Plaintiff* need not take any further action to receive her payments as member of the *Rule 23 Class* and *FLSA Collective*.
- (F) Three days before the *Final Approval Hearing*, the *Claims Administrator* will certify jointly to *Class Counsel* and *Defendants' Counsel* a list of all *Settlement Class* members, indicating for each member of the *Settlement Class* the total *Settlement Payment* due to that individual pursuant to this *Settlement Agreement*. The *Claims Administrator* will also indicate whether any challenges to a

Settlement Class member's *Settlement Payment* have been received and, if so, the status of the challenge(s).

4.9 Class Notice.

- (A) The *Claims Administrator* will disseminate the *Class Notice* by the following means: mail and email, to the extent *Defendants* possess email addresses for *Putative Settlement Class Members*. The *Claims Administrator* will mail the *Notice Packet* via First Class Mail to each *Putative Settlement Class Member* within fourteen (14) calendar days after the *Class Administrator* receives the class list and the data required to perform the preliminary calculations. The *Claims Administrator* will (among other things) provide estimated settlement payment amounts in the *Class Notice*, and, if the *Claims Administrator* so determines, establish a secure portal by which *Putative Settlement Class Members* can review their *Estimated Settlement Payment*. The *Claims Administrator* shall notify *Class Counsel* and *Defense Counsel* the date the *Class Notice* is mailed.
- (1) The mailed version of the *Class Notice* shall be substantially in the same form as Exhibit A. The outside of the envelope shall also include the following language "Court-Authorized Notice of Settlement of Class/Collective Action Lawsuit."
 - (2) For any *Putative Settlement Class Member* where *Defendants* are able to provide an email address or the *Claims Administrator* otherwise has an email address, the *Claims Administrator* shall send an email with the subject line reading "Court-Authorized Notice of Settlement of Class/Collective Action Lawsuit." The body of the email shall identify the *Claims Administrator* and include the following language: "Sharp Holding, Inc. has identified you as a server in the either the previously certified class action or collective action who worked in the State of Maryland, New Jersey, Ohio, or Virginia during all or part of the time period June 29, 2019 and November 17, 2024. Consequently, you are entitled to receive part of a settlement claiming back pay for minimum wage. For additional information about the case (Case No.: 22-cv-00728 (E.D. Va.)), including how to receive part of the settlement, please click on the attached link. If you cannot open this link, please contact the Claims Administrator at _____. This Notice has been authorized by the United States District Court for the Eastern District of Virginia."
 - (3) To the extent feasible, both the *Class Notice* and the email to *Putative Settlement Class Member* detailed above shall include individualized passwords and links/website address to the website created by the *Claims Administrator* with a portal that will allow a *Putative Settlement Class Member* to review their *Estimated Settlement Payment* under the *Settlement*.

- (B) Before mailing, the *Claims Administrator* will attempt to confirm the accuracy of the addresses of each *Putative Settlement Class Member* through the United States Post Office's National Change of Address ("NCOA") database. If a *Notice Packet* is returned as undeliverable, the *Claims Administrator* will perform one skip trace and resend by First Class United States Mail the *Court*-approved *Class Notice* once only to those individuals for whom it obtains more recent addresses.
- (C) To the extent practicable, the *Claims Administrator* shall effectuate mailing of the *Notice Packet* via U.S. Mail and email at the same time.
- (D) The *Claims Administrator* will mail a *Court*-approved *Class Notice* to any *Putative Settlement Class Member* who contacts the *Claims Administrator* during the time period between the initial mailing of the *Class Notice* and the *Bar Date* and requests that a *Class Notice* be re-mailed. During the *Notice Period*, except as otherwise permitted by this *Settlement Agreement*, no other communications will be sent by either *Party* to *Putative Settlement Class Member*. *Class Counsel* may nevertheless communicate with *Plaintiff*, members of the *FLSA Collective*, and respond to inquiries they receive from *Putative Settlement Class Members* during the *Notice Period* and otherwise communicate as permitted by this *Settlement Agreement*. For any inquiry regarding the *Action*, the *Settlement*, and/or the *Settlement Agreement*, *Defendants* shall advise that *Putative Settlement Class Member* are to contact *Class Counsel*.
- (E) Upon mailing of the *Notice Packet*, the *Claims Administrator* shall establish a settlement website (or a link on their existing website) to assist in providing *Putative Settlement Class Member* with information regarding the *Settlement*. Such website may include (i) the *Complaint*; (ii) the *Settlement Agreement*; (iii) a copy of the *Class Notice*; (iv) any orders entered by the *Court* regarding the *Settlement* subsequent to granting Preliminary Approval; and (v) a list of frequently asked questions and their corresponding answers that is mutually agreed upon by the *Parties*. Such website will be taken down within ten (10) days of the *Settlement Checks* being mailed.
- (F) The *Claims Administrator* will provide to *Defendants' Counsel* and *Class Counsel* at least once every two weeks during the *Notice Period*, a report concerning any objections raised by any putative *Partial Settlement Class Members*. Further, fourteen (14) days before the *Final Approval Hearing*, the *Claims Administrator* will provide *Defendants' Counsel* and *Class Counsel* with a cumulative report detailing any objections received from *Settlement Class Members*.

4.10 Objections. Only *Putative Settlement Class Members* may object to the *Settlement*. To object to the *Settlement*, the individual must send a written objection to the *Claims Administrator* no later than the *Bar Date*. The objection must set forth, in clear and concise terms, the legal and factual arguments supporting the objection. *Settlement Class Members* who wish to object and be represented by counsel will do so at their own expense. No *Settlement Class Member* will have any claim to any part of the *Settlement Amount* based,

in whole or in part, on their retention of outside counsel. Should the *Claims Administrator* receive any objection, it will promptly notify *Defendants' Counsel* and *Class Counsel*, and will provide each with the contact information for the objecting *Settlement Class Member*.

4.11 Opt-Out/Request for Exclusion.

- (A) For a *Putative Settlement Class Member* to exclude himself or herself from the *Rule 23 Class* ("opt-out") or withdraw their *Consent to Sue* form and thus opt-out of the *FLSA Collective*, he or she must write and submit a *Request for Exclusion*. The *Parties* stipulate and agree that the following shall also constitute a valid *Request for Exclusion*: if a *Putative Settlement Class Member* writes the *Claims Administrator* a letter that states: "I request to be excluded from the *Rule 23 Class* and/or *FLSA Collective* in *King vs. Sharp Holding, Inc., et al.*, No. 22-cv-00728 (E.D. Va.). I affirm that I was employed by Defendants as a server in the state of Maryland, New Jersey, Ohio, or the Commonwealth of Virginia on one or more days between June 29, 2019 through November 17, 2024, and have been identified as a member of the *Rule 23 Class* and/or *FLSA Collective*." The individual who wishes to opt-out must also include his or her full name, address, and telephone number. *Putative Settlement Class Members* may not opt-out by telephone, fax, or email.
- (B) The *Parties* stipulate and agree that a *Request for Exclusion* form shall also act as a notice of withdrawal for any previously filed *Consent to Sue* filed on behalf of a *FLSA Collective* member who submits said *Request for Exclusion*.
- (C) All *Requests for Exclusion* or withdrawal of a previously filed *Consent to Sue* must be submitted by the *Bar Date*.
- (D) The date of submission is deemed to be the earlier of (i) the date the form is deposited in the U.S. Mail, postage pre-paid, as evidenced by the postmark; or (ii) the date the form is received by the *Claims Administrator*.
- (E) Upon receipt of a *Request for Exclusion* or withdrawal of a previously filed *Consent to Sue*, the *Claims Administrator* will notify *Class Counsel* and *Defendants' Counsel* and will provide *Class Counsel* with such individual's last known telephone number.
- (F) If a fully completed and properly executed *Request for Exclusion* or notice of withdrawal of a previously filed *Consent to Sue* is not received by the *Claims Administrator* by the *Bar Date*, then that individual will be deemed to have forever waived his or her right to opt-out of the *Rule 23 Class* or *FLSA Collective*.

4.12 Final Approval.

- (A) *Plaintiff* will file a motion seeking final approval of the *Settlement* (“*Final Approval Motion*”) with the *Court* in accordance with the *Court*’s scheduling order. In the *Final Approval Motion*, *Plaintiff* will request that the *Court* determine, at or after the *Final Approval Hearing*: (a) whether to enter a *Final Approval Order*, substantially in the form attached as Exhibit B, (i) certifying the *Rule 23 Class* and *FLSA Collective*; (ii) granting final approval of the *Settlement*; (iii) approving *Class Counsel*’s request for reimbursement of *Attorney’s Fees and Attorney’s Costs* as set forth in Section 5.17 of this *Settlement Agreement*; and (iv) dismissing the claims of the *FLSA Collective* and *Rule 23 Class* 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; and (c) the amount of *Service Payment*, if any, to be awarded to *Plaintiff*.
- (B) The *Final Approval Motion* will ask the *Court* to (a) approve this *Settlement Agreement*; (b) certify the *Rule 23 Class* and *FLSA Collective*; and (c) approve and enforce the *Released Claims* as set forth in Section 5 of this *Settlement Agreement*.
- (C) At the *Final Approval Hearing*, *Plaintiff* and *Defendants* will request that the *Court* rule on any *Objections* to the *Settlement* by any *Rule 23 Class* members and/or *FLSA Collective* members and find that the *Settlement* is fair, reasonable and adequate, and enter the *Final Approval Order*.
- (D) The *Parties* agree to support entry of the *Final Approval Order*, including supporting the *Settlement* through any *Review Proceeding*. *Defendants* will not take any position with respect to *Class Counsel*’s request for *Attorney’s Fees and Attorney’s Costs* or the *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 a *Final Approval Order*.

4.13 Distribution of Settlement Payments to Settlement Class Members.

- (A) No later than three (3) calendar days after the *Final Approval Order* becomes *Final*, *Defendants* will provide the *Claims Administrator* with the *Settlement Amount*.
- (B) Within fifteen (15) calendar days after receiving the *Settlement Amount*, the *Claims Administrator* will mail the *Settlement Payments* to the *Settlement Class Members*. At the same time, the *Claims Administrator* will mail the *Service Payment*, if any, to *Plaintiff*.
- (C) The *Parties* agree that each *Settlement Payment* will be delineated to each *Settlement Class Member* as comprising two payments: (i) fifty percent (50%) will be allocated to the claims asserted in the *Action* for alleged unpaid wages and other alleged wage-related claims, and (ii) fifty percent (50%) will be allocated to the

claims asserted in the *Action* for alleged liquidated damages, interest, and other relief. To the extent feasible, a *Settlement Class Member* will be sent one check with such payment clearly identifying the amount allocable to (i) wages and (ii) liquidated damages/other relief.

- (1) The part 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 part 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 *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 Payment*, less required withholdings and deductions, to each *Settlement Class Member* and mailing the *Settlement Checks*, W-2s and 1099s to the *Settlement Class Members*.
- (D) Either on the back of each *Settlement Check* or on the documents sent with said *Settlement Check* will be the following statement: "the check must be cashed within one-hundred eighty days (180) days or it will become void."
- (1) If any *Settlement Check* is not cashed 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. *Partial 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 individual *Released Claims* will nevertheless be binding upon them. Any unclaimed funds resulting from such voided *Settlement Checks* shall be part of the *Cy Pres Distribution*.
 - (2) The *Settlement Class* shall be apprised of this provision, that unclaimed funds are subject to a *Cy Pres Distribution*, in the *Class Notice*.
- (E) Neither *Defendants*, *Defendants' Counsel*, *Class Counsel*, *Plaintiff*, nor the *Claims Administrator* will have any liability for lost or stolen checks, for forged signatures on checks, or for unauthorized negotiation of any checks funded by any portion of the *Settlement Amount*.
- (F) Without limiting the foregoing, if a *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.

- (1) 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 *Settlement Class Member* will have an additional thirty (30) calendar days to negotiate the re-issued check from the date of re-mailing.
- (2) 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 considered part of the *Cy Pres Distribution*.
- (G) 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 *Defendants* 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*.
- (H) Neither *Plaintiff*, *Defendants*, *Class Counsel*, nor *Defendants' Counsel* has provided nor will provide any *Partial Settlement Class Members* with any advice regarding the tax consequences of this *Settlement Agreement*.

4.14 *Cy Pres Distribution.* If any portion of the *Settlement Amount* becomes, by operation of this *Settlement Agreement*, subject to a *Cy Pres Distribution*, the *Claims Administrator* shall distribute said funds as follows:

- (A) 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*. The *Parties* shall seek to have the *Court* identify a *cy pres* recipient in the *Final Approval Order*.
- (B) If the unclaimed funds are Twenty Thousand Dollars (\$20,000.00) or more, such amount shall be divided equally amongst those *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 the *cy pres* recipient set forth in the *Final Approval Order*.

- (C) In seeking entry of the *Final Approval Order*, The *Parties* jointly propose the Manna Food Center (Mannafood.org) as the *cy pres* recipient. Should the *Court* determine that a different *cy pres* recipient is in order, the *Parties* acknowledge and agree that they shall advocate that the *Court* select a recipient that best conforms to one or more of the following categories: (i) legal aid to low-income citizens of the Commonwealth of Virginia, (ii) support to restaurant-industry workers, or (iii) food pantry to low-income Virginians.

4.15 Fees and Expenses Borne By *Defendants*. In addition to the *Settlement Amount* and any other expenses enumerated in this *Settlement Agreement*, *Defendants* will bear sole responsibility for *Defendants' Counsel's* fees, expenses, and costs associated with this *Action* and any *Appeal*. Further, *Defendants* will bear sole responsibility for all fees and costs associated with dissemination of any notice required by *CAFA*. 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 all responsibility for any fees or expenses incurred by the *Claims Administrator*. Should this *Settlement* become *Final*, under no circumstances whatsoever shall any portion of the *Settlement Amount* revert to *Defendants*.

4.16 Class Counsel's Attorney's Fees and Attorney's Costs.

- (A) *Class Counsel* may make an application to the *Court* for an award of their fees in an amount not to exceed one-third of the *Settlement Amount*, plus reasonable costs as awarded by the *Court*. Such application will be filed in connection with the *Plaintiff's Final Approval Motion*.
- (B) So long as *Class Counsel's* application for fees and expenses conforms to the terms of the paragraph 4.16(A), *Defendants* shall not object, oppose, or otherwise comment on *Class Counsel's* fee and cost application.
- (C) 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 *Attorney's Fees* and *Attorney's Costs* for purposes of this *Settlement Agreement*. Any amounts not awarded by the *Court* shall be redistributed among *Settlement Class* members as part of the *Net Settlement Amount*. Under no circumstances shall any portion of the *Settlement Payment* return to *Defendants* if the *Settlement* becomes *Final*.
- (D) As soon as practicable after receiving the *Settlement Amount*, the *Claims Administrator* will transfer the amount representing *Class Counsel's* attorneys' fees and expenses approved by the *Court* to *Class Counsel* via electronic wire.

- (E) 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.
- (F) Payment of *Class Counsel's* fees and costs as set forth in this *Settlement Agreement* and the *Court's Final 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 any of *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 *Class Counsel* for fees and costs, including without limitation, administrative costs, expert fees and costs, or attorneys' fees and costs.

4.17 *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 this *Plaintiff* contributed to the case including, but not limited to, meetings with *Class Counsel*, assumption of risks, serving as a class representative, and related activities. The *Service Payment* will not exceed Seven Thousand Five Hundred Dollars (\$7,500.00). The final amount of the *Service Payment*, if any, will be determined by the *Court*.
- (B) The *Claims Administrator* will make the *Service Payment* in the amount approved by the *Court* within the same time period for distributing *Settlement Payments*.
- (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 *Settlement Class Members* will be deemed to forever and fully release and discharge *Defendants*, and release and hold harmless the *Released Persons*, as follows (for each individual *Settlement Class Member*, their individual "*Released Claims*"):
 - (1) *Rule 23 Class* members release *Released Persons* from any *Maryland State Laws* claim relating to their employment with *Defendants* during the *Rule 23 Class Period* for failure to pay minimum wage that were

alleged or that could have been alleged in the *Complaint*, asserted in the *Action*, by reason of the negotiations leading to this *Settlement*, or effectuation of this *Settlement*, and any 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 the negotiation or consummation of this *Settlement Agreement* that accrued on or before the date of *Final Approval*, even if presently unknown or un-asserted.

- (2) *FLSA Collective* members release *Released Persons* from any *FLSA* claim relating to their employment with *Defendants* during their *FLSA Collective Period* for failure to pay minimum wage that were alleged or that could have been alleged in the *Complaint*, asserted in the *Action*, by reason of the negotiations leading to this *Settlement*, or effectuation of this *Settlement*, and any 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 the negotiation or consummation of this *Settlement Agreement* that accrued on or before the date of *Final Approval*, even if presently unknown or un-asserted.
- (B) *Settlement Class Members*, to the fullest extent allowed by law, are prohibited from asserting any claims released by them in this *Settlement*, and from commencing, joining in or prosecuting a lawsuit or adversarial proceeding against the *Released Persons*, based on claims released by them in this *Settlement*.
- (C) The *Parties* acknowledge and agree that the releases and covenants set forth in Section 6.1 are only coextensive with the monetary relief provided. Thus, for example, if an individual is only a member of the *FLSA Collective*, their release and covenants only apply to their *FLSA* claims.
- (D) The *Parties* also stipulate and agree if an individual is a member of both the *FLSA Collective* and the *Rule 23 Class*, the longer *Rule 23 Class Period* shall control with respect to determining the scope of the release controlling that individual.
- (E) The *Parties* further acknowledge and agree that nothing in this *Settlement Agreement* shall be construed to foreclose a member of the *FLSA Collective* from recovering for hours worked outside of the *FLSA Collective Class Period* as a member of the *Rule 23 Class*. Under no circumstances shall a *Settlement Class Member* be entitled to recover for hours worked during the *Class Period*, and which were used in calculating their *Settlement Payment*.

5.2 All members of the *Rule 23 Class* and the *FLSA Collective* will be bound by the terms and conditions of this *Settlement Agreement*, the *Final Approval Order*, the judgment, and the releases set forth herein.

- (A) Any *Putative Settlement Class Member* who submits a timely and valid *Request for Exclusion* will not on behalf of themselves or the *Rule 23 Class* (i) be bound by any orders or judgments entered into this *Action* regarding the *Rule 23 Class*; (ii) be entitled to any benefits or relief provided or conferred to the *Rule 23 Class* under this *Settlement Agreement*; (iii) gain any rights provided or conferred to the *Rule 23 Class* by virtue of this *Settlement Agreement*; or (iv) be entitled to object to the *Settlement* or appeal any order of this *Court* as they pertain to the *Rule 23 Class*.
- (B) Any *Putative Settlement Class Member* who elects to withdraw their previously filed *Consent to Sue* form will not on behalf of themselves or the *FLSA Collective* (i) be bound by any orders or judgments entered into this *Action* regarding the *FLSA Collective*; (ii) be entitled to any benefits or relief provided or conferred to the *FLSA Collective* under this *Settlement Agreement*; (iii) gain any rights provided or conferred to the *FLSA Collective* by virtue of this *Settlement Agreement*; or (iv) be entitled to object to the *Settlement* or appeal any order of this *Court* as they pertain to the *FLSA Collective*.

- 5.3 Defendants' Releases.** Without in any way infringing on the rights and obligations set forth in the *Prior Partial Settlement Agreement*, upon the *Final Effective Date*, *Defendants* will conclusively, absolutely, unconditionally, irrevocably, and forever release and discharge *Plaintiff* and *Settlement Class Members* 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 the negotiation or consummation of this *Settlement Agreement* that accrued on or before the date of *Final Approval*.
- 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. Further, the *Parties* expressly acknowledge and agree that the releases and discharges set forth in Section 5 will have no effect on either *Plaintiff* and/or the *Rule 23 Class*.
- 5.5 No Assignment.** *Plaintiff* and *Defendants* represent and warrant that they have 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.
- 5.6 Releasing Parties.** *Plaintiff*, *Defendants*, and any *Settlement Class Members* who are bound by any of the releases set forth in this Section shall be referred to as the "Releasing Parties."
- 6. NON-ADMISSION OF LIABILITY.**
- 6.1** By entering into this *Settlement Agreement*, *Defendants* in no way admits any violation of law or any liability whatsoever.

- 6.2 Likewise, by entering into this *Settlement Agreement*, *Defendants* in no way admits to the suitability of this case for class or collective action litigation other than for purposes of settlement. Settlement of the *Actions*, 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*; (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 Agreement* Termination.** Any *Party* may terminate the *Settlement Agreement* if the *Court* declines to enter the *Final Approval Order* or judgment substantially in the form submitted by the *Parties*, or if a Court of Appeals reverses the entry of a *Final Approval Order* or judgment. Additionally, the following events are also grounds for termination:

- (A) *Plaintiff* may terminate this *Settlement Agreement* should one or more *Defendants* file for bankruptcy prior to the *Final Effective Date*.
- (B) In the event that any one of the *Defendants* declares bankruptcy prior to disbursement of the *Settlement Amount* and any bankruptcy trustee seizes any portion of the *Settlement Amount*, any releases granted by the *Releasing Parties* shall be void irrespective of whether *Plaintiff* has exercised her right to terminate.
- (C) *Defendants* may terminate this *Settlement Agreement* if more than ten percent (10%) of the *Putative Settlement Class Members* opt-out of this *Settlement* by filing timely *Requests for Exclusion*.
- (D) Either *Party* may terminate this *Settlement Agreement* if the *Court* enters final judgment on the *Rule 23 Class* or *FLSA Collective* claims prior to entering the *Final Approval Order*.

- 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*. Further, should this *Settlement Agreement* be terminated pursuant to Section 7, the *Parties* shall work cooperatively to obtain a new schedule regarding this *Action*, including a trial date.

- (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 *Rule 23 Class*, *FLSA Collective* 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) the *Parties* will jointly, and promptly, seek a new trial date from the *Court*.
 - (4) this *Settlement Agreement*, and any portion thereof, shall not be used by any of the *Parties* in presenting any argument to the *Court*.

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 entity or individual signing this *Settlement Agreement* on behalf of *Defendants* represents and warrants that they have authority to sign on behalf of *Defendants* and, accordingly bind *Defendants* to this *Settlement Agreement*.
- (C) The *Class Notice* will advise all putative *Partial Settlement Class Members* of the binding nature of the release, and that the release will have the same force and effect upon each *Partial Settlement Class Member* as if the *Settlement Agreement* were executed by each *Partial Settlement Class Member*.

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 **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.
- 8.5 **Notices.** Any notice, demand or other communication under this *Settlement Agreement* (other than the *Class Notice* or other notices given at the direction of the *Court*) 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 MEMBERS:

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 DEFENDANTS:

LEWIS BRISBOIS
Matthew Nelson
Email: Matt.Nelson@lewisbrisbois.com
707 Virginia Street East, Suite 1400
Charleston, WV 25301
Telephone: (304) 553-0129

- 8.6 **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*.
- 8.7 **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*.

- 8.8 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.
- 8.9 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*.
- 8.10 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*.
- 8.11 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.
- 8.12 Governing Law.** This *Settlement Agreement* will in all respects be interpreted, enforced and governed by and under the laws of the Commonwealth of Virginia, 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.
- 8.13 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 material terms of the *Settlement Agreement* or to increase *Defendants'* payment obligations hereunder without the *Parties'* agreement.
- 8.14 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*.

8.15 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.

8.16 Confidentiality; Restrictions on Communications.

- (A) The *Parties* agree that they will each not publicize the negotiations with respect to the *Settlement Agreement*. The *Parties* and their respective counsel agree that they will not issue a press release or hold any press conferences or initiate contact with a member of the press, about this case and/or the amount or terms of the *Settlement*, the settlement documents, settlement negotiations or settlement communications. If any of the *Parties* are contacted by the press about the *Settlement*, they will respond only that the case has been resolved.
- (B) The *Parties* further agree that they shall not encourage or solicit *Settlement Class* members to opt-out or object to this *Settlement*.
- (C) Nothing in this *Settlement Agreement* shall prevent counsel for either of the *Parties* from communicating with the *Court* as may be required to carry out the terms of this *Settlement* and/or fulfill their ethical responsibilities under the *Settlement* and to their respective clients.
- (D) Nothing in this *Settlement Agreement* shall prevent *Class Counsel* from communicating with *Settlement Class* members as may be required to carry out the terms of this *Settlement* and/or fulfill their ethical responsibilities under the *Settlement* and to their client and/or members of the *Settlement Class* which they represent.
- (E) Nothing in this *Settlement Agreement* shall prohibit *Plaintiff* from disclosing information concerning payments made to her to members of her immediate family and tax advisors. In addition, nothing shall prohibit or restrict *Plaintiff* from responding to any inquiry about this *Settlement* or its underlying facts and circumstances.
- (F) Nothing in this *Settlement Agreement* shall prevent any of the *Defendants* from disclosing the *Settlement* and its terms for accounting or public filing purposes, or to otherwise comply with any public reporting duties. If, however, prior to the *Final Effective Date*, any of the *Defendants* is contacted by any *Putative Settlement Class Member* inquiring as to any aspect of the *Settlement*, *Defendants* shall direct such individual to contact *Class Counsel*. Further, *Defendants* shall not initiate any communication regarding any aspect of this *Settlement* with any *Putative Settlement Class Member* prior to the *Final Effective Date*. Other than the foregoing, nothing in this *Settlement Agreement* shall otherwise prohibit or impede any *Defendants*' communication with any current employee regarding any aspect of their employment.

- (G) Further, nothing in this *Settlement Agreement* will prohibit or restrict such disclosure as is required by law or as may be necessary for the prosecution of claims relating to the performance or enforcement of this *Settlement Agreement*.

Confidentiality; Restrictions on Communications.

- (A) *Plaintiff* represents, stipulates and agrees that, as of the date of the execution of this *Settlement Agreement*, she is unaware of any claims she may have against any of the *Defendants* other than those asserted in the *Action*.
- (B) *Defendants* represent, stipulate, and agree that, as of the date of the execution of this *Settlement Agreement*, they are unaware of any claims they may have against *Plaintiff* or *Class Counsel* arising out of or relating to the prosecution and/or resolution of the *Action*.

Handwritten: 6/16/25
DATED: 7-16-2025

FOR DEFENDANTS

By: *Tommy Tsitouris*

Printed Name: Tommy Tsitouris

Title: Vice President

APPROVED AS TO FORM BY
DEFENDANTS' COUNSEL:

DATED: 6.16.2025

Matthew Nelson
Matthew Nelson
LEWIS BRISBOIS

DATED: 06/11/2025

Rhonda King
Plaintiff Rhonda King

APPROVED AS TO FORM BY CLASS
COUNSEL:

DATED: 06/12/2025

Gerald D. Wells, III
Gerald D. Wells, III
CONNOLLY WELLS & GRAY LLP

EXHIBIT A

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: *KING V. SHARP HOLDING, INC., ET AL.*
DOCKET NO.: 22-cv-00728-PTG-JFA

PLEASE READ THIS NOTICE CAREFULLY, AS THE PROPOSED SETTLEMENT DESCRIBED HEREIN AFFECTS YOUR LEGAL RIGHTS ARISING FROM YOUR EMPLOYMENT AT IHOP RESTAURANTS OPERATED BY SHARP HOLDING, INC.

IF YOU WISH TO RECEIVE YOUR PORTION OF THE SETTLEMENT, EXCLUDE YOURSELF FROM THE SETTLEMENT, COMMENT IN FAVOR OF THE SETTLEMENT, OR OBJECT TO THE SETTLEMENT, YOU MUST FOLLOW THE DIRECTIONS PROVIDED IN THIS NOTICE.

1. Why is this notice being sent?

This notice is to inform you of a Class Action Settlement in the case *King v. Sharp Holding, Inc., et al.*, Civil Action No. 22-cv-00728-PTG-JFA, pending in the United States District Court for the Eastern District of Virginia ("Lawsuit"). All capitalized terms in this Class Notice are defined in the Settlement Agreement, which is available at www.xxxx. 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 Rhonda King ("Plaintiff") is the named plaintiff in the lawsuit filed against Sharp Holding, Inc., and Robert Sharp (who are collectively referred to as "Defendants" or "IHOP"). In her lawsuit, Plaintiff alleges violations of the Fair Labor Standards Act ("FLSA"), 29 U.S.C. §§ 201, *et seq.*, the Maryland Wage and Hour Law ("MWHL"), Md. Code Ann., Labor & Employment, §3-401 *et seq.*, and the Maryland Wage Payment and Collection Law ("MWPCCL"), Md. Code Ann., Labor & Employment, §3-501 *et seq.* Pursuant to the Settlement Agreement, the Plaintiff represents a class of individuals who worked at Defendants' IHOP Restaurants as a server in the states of Maryland, New Jersey, Ohio or the Commonwealth of Virginia. The settlement referenced in this Notice involves the federal FLSA claims of the FLSA Collective (a previously certified collective class) and a class of individuals who worked in Maryland asserting Maryland state claims pursuant to the MWHL and MWPCCL - the Rule 23 Class. The Rule 23 Class is a class of a previously certified class action of individuals. The maximum Class Period at issue is between June 29, 2019 through November 17, 2024. The Class Period for members of the FLSA Collective will run from three (3) prior to the date their Consent to Sue was filed with the District Court through the earlier of either (i) their last day of employment with Defendants or (ii) November 17, 2024. The individuals comprising the FLSA Collective and the Rule 23 Class are referred to collectively as "Putative Settlement Class Members." The proposed Settlement only concerns Putative Settlement Class Members. According to the Court's records, you are a Putative Settlement Class Member. The Plaintiff alleges that Defendants failed to properly pay servers comprising the Putative Settlement Class Members by, among other things, failing to satisfy the notice requirements of the tip credit provisions in federal and state law, and requiring servers to perform excessive/unrelated side work in violation of applicable federal and state law. Plaintiff specifically alleges Defendants failed to satisfy the notice requirements by failing to provide updated notice to servers when there was a change in the mandated minimum wage after the servers began their employment.

Defendants deny Plaintiff's allegations in their entirety and assert that at all relevant times, they paid their servers 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 _____ at _____ in _____ 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, UNLESS YOU EXCLUDE YOURSELF, YOU WILL GET MONEY FROM THIS SETTLEMENT. HOWEVER, IF YOU WISH TO EXCLUDE YOURSELF FROM THIS SETTLEMENT, AND RECEIVE NO MONEY, YOU MUST COMPLETE AND SUBMIT THE ENCLOSED "REQUEST FOR EXCLUSION" FORM (THE RED FORM) TO THE CLAIMS ADMINISTRATOR, ANALYTICS CONSULTING LLC (THE "CLAIMS ADMINISTRATOR") BY [DATE 45 DAYS AFTER MAILING].

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 Rhonda King) 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 exclude themselves from the class. A collective action serves a similar function, except that individuals must affirmatively opt into the collective for their claims to be included in the litigation.

The Plaintiff is serving as the Class Representative for the Rule 23 Class and the FLSA Collective, collectively referred to as the Settlement Class. The FLSA Collective is defined as:

Plaintiff King and the individuals in the FLSA Collective Class as set forth in the Court’s Order of January 4, 2024 and who do not affirmatively elect to withdraw their Consent to Sue form with the Court prior to the Bar Date.

The Rule 23 Class is defined as:

Plaintiff and all members of the class certified by the Court under Fed. R. Civ. P. 23 on April 13, 2023 (ECF No. 31). Excluded from this class, however, are all individuals who submit timely and effective Request for Exclusion forms by the Bar Date.

The individuals comprising the FLSA Collective and the Rule 23 Class are collectively referred to the “Putative Settlement Class Members.” A list of individuals comprising the Putative Settlement Class is set forth on Exhibit F attached to the Settlement Agreement.

3. What is this case about?

As set forth in the Complaint, Plaintiff alleges that Defendants (i) failed to satisfy the notice requirements of the tip credit provisions in federal and state law and (ii) required servers to perform excessive/unrelated side work. Plaintiff specifically alleges Defendants provided new hires a Tip Credit Notice form and then failed to provide updated information whenever the tip credit amount claimed by Defendants or the cash wage paid by Defendants changed, which occurred each time there was a change in the minimum wage rate. 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, and had obtained summary judgment on the issue of stale tip credit notification, Plaintiff recognizes that litigation is a risky proposition and that she may not have prevailed on any or all of her claims, including on appeal. Defendants expressly deny any wrongdoing or legal liability and were prepared to proceed with litigating the case if a settlement had not been reached, including, if necessary, on appeal to the Fourth Circuit Court of Appeals.

This Settlement is the result of good-faith, arms-length negotiations between the Plaintiff and Defendants, through their respective attorneys along with the assistance of a Magistrate Judge from the United States District Court for the Eastern District of Virginia. 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 Settlement Class.

4. What are my options?

You have several options with regard to this Settlement. You can: 1) participate in the Settlement by doing nothing and receive your portion of the Settlement; 2) object to the Settlement; or 3) exclude yourself from the Settlement entirely by mailing the red Request for Exclusion form which will act as a notice of withdrawal of your Consent to Sue form if you are a member of the FLSA Collective.

If you previously submitted a Consent to Sue Form and now wish to exclude yourself from the Settlement (and thus not receive any money from this Settlement), please refer to Question 10 below regarding the procedure to withdraw your previously submitted Consent to Sue Form.

Details about each option and how each option will affect your rights under the law are explained below, specifically in Questions 8-13. Any action by you must be taken by the Bar Date **[DATE 45 DAYS AFTER MAILING]**.

5. What are the terms of the proposed Settlement?

Defendants deny all of the allegations made by Plaintiff and deny that they are liable or owe damages to anyone with respect to the alleged facts or causes of action asserted in the Lawsuit. By entering into the Settlement Agreement, Defendants in no way admit any violation of law or any liability whatsoever. Under the Settlement Agreement, Defendants will pay a total of Two Million Fifteen Thousand Dollars (\$2,015,000.00) to settle this Litigation ("Settlement Amount"). The Settlement Amount will be used to cover all payments to 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 the members of the Classes (less fees, costs, and expenses). The Claims Administrator will calculate Settlement Payments for members of the Classes. The methodology is briefly described below and is set forth in detail in the Settlement Agreement.

For purposes of this Notice, the Claims Administrator has calculated your "Estimated Settlement Payment" as follows: First, the Claims Administrator deducted from the Settlement Amount (i) the anticipated amount of attorneys' fees to be requested (one-third (1/3) of the Settlement Amount), plus estimated expenses of Class Counsel, (ii) the maximum Service Payment sought for the Plaintiff, (iii) the estimated fees and expenses of the Claims Administrator and (iv) the total of the 80/20 Payments for all Settlement Class Members. The resulting number is the "Estimated Net Settlement Amount."

For each Putative Settlement Class Member, the Claims Administrator totaled the amount of tip credit taken by Defendants for all Tip Credit Hours worked during the Class Period as reflected in the Payroll Data. For example, if an individual was paid \$3.63 per hour, resulting in Defendants taking a tip credit of \$8.87 per hour, and that employee worked 100 hours during the Class Period, that individual would be owed \$887.00. This number will be referred to as the "Estimated Individual Tip Credit Amount." The Estimated Individual Tip Credit Amounts for all Putative Settlement Class Members were then added together by the Claims Administrator to determine the "Estimated Total Tip Credit Amount."

The Estimated Net Settlement Amount was then divided by the Estimated Total Tip Credit Amount. The Claims Administrator will then multiply the resulting fractional amount by each Estimated Individual Tip Credit Amount and add in the 80/20 Payment to determine that Putative Settlement Class Member's "Estimated Settlement Payment." Notably, each Settlement Class Member will receive \$50 to cover the 80/20 claim alleged in the Complaint.

If the Court grants final approval of the Settlement, your individual Settlement Payments will be calculated using a similar methodology, except that: (a) the Claims Administrator will begin the calculation by deducting from the Settlement only those costs, attorneys' fees, expenses, and Service Payments awarded by the Court in its Final Approval Order; and (b) the calculation will exclude the hours worked by a Putative Settlement Class Member who are not members of any of the Classes (i.e., individuals who submit a request to exclude themselves from the Settlement).

Putative Settlement Class Members who **DO NOT** exclude themselves from the Settlement by submitting a Request for Exclusion form (the red form) are considered Settlement Class Members. These individuals will receive their final pro-rata Settlement Payment.

Thus, if a Putative Settlement Class Member wants to participate in this Settlement, and receive their Settlement Payment, they need not take any action.

The Settlement Payment shall consist of two amounts: (a) 50% shall represent the wage portion of a Putative Settlement Class Member's damages (which is subject to withholding taxes) and (b) 50% shall represent the liquidated damages, penalties, and interest portion of a Putative Settlement Class Member's damages (which is not subject to withholding taxes).

Based on preliminary calculations, the total wage damages suffered by members of the Classes collectively is \$XXXXX. Assuming the Court approves all fees and expenses, a Putative Settlement Class Member who does not submit a Request for Exclusion form could expect to receive approximately XX% of their total wages owed during the Class Period. Hence if a Putative Settlement Class Member was owed \$1,000.00 in back wages, they would receive \$XXX.XX under this proposed Settlement if they do not submit a red Request for Exclusion form.

Attached to this Class Notice is the estimate of the amount you will receive should the Settlement be approved and all Putative Settlement Class Member elects to participate in this Settlement.

If Defendants' records indicate that your compensation is subject to additional withholdings (e.g., tax liens, wage garnishments), that will be indicated in the attachment to this Class Notice. Pursuant to the Settlement Agreement, these withholdings will be deducted from your Settlement Payment. If you believe Defendants' records are in error, you can contact the Claims Administrator to challenge the calculations.

Your estimated recovery is based on the number of hours recorded in Defendants' timekeeping system for hours worked after there was a change in the applicable minimum wage rate. If you believe the number of hours recorded is in error, please submit a written, signed declaration to the Claims Administrator detailing why you challenge the amount and any and all documents that support your claim. Submitting this declaration will not impact your participation in the Settlement.

As part of the Settlement Amount, and in addition to any amount recoverable as a member of the Settlement Class, Defendants have agreed not to oppose Plaintiff's request for a Court award of up to Seven Thousand Five Hundred Dollars (\$7,500.00) in recognition of the risk that Plaintiff took in bringing this Lawsuit and efforts she expended in prosecuting and resolving the Litigation. The actual amount, if any, of the Service Payment to the Plaintiff will be decided by the Court after it considers risks that Plaintiff incurred and the benefits she helped obtain for the Classes.

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
Telephone: (610) 822-3700
Facsimile: (610) 822-3800
www.cwglaw.com

Defendants:

Matthew Nelson
Lewis Brisbois
707 Virginia Street East, Suite 1400
Charleston, WV 25301
Telephone: (304)553-0166
Facsimile: (304) 932-0265
www.lewisBrisbois.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 (1/3) of the Settlement Amount (Six Hundred Seventy-One Thousand, Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$671,666.67)), plus reimbursement of out-of-pocket expenses. Currently, Class Counsel estimates their expenses to be approximately XXXX Dollars (\$XXXXX) as these fees resulted primarily from costs associated with filing fees, deposition costs, and travel costs. 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.

Settlement Class Counsel's Motion for Attorneys' Fees and Costs will be a public document filed with the Court. Once filed, Settlement Class Counsel's Motion will be available on the following website: [XXXXXXXXXX]. 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 or do not participate?

If the Court approves the Settlement, all Settlement Class Members will receive a distribution amount calculated as described in Section 5. **Please note: you will only receive a payment you are entitled to under the Settlement if the Court approves the Settlement AND you DO NOT submit a red Request for Exclusion form and thereby elect to remove yourself from this Settlement**

For those who have previously submitted a Consent to Sue form, 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 your federal wage claims against Defendants that were asserted in the Lawsuit from three years preceding the filing of your Consent to Sue form, as well as any claims arising from this Settlement or in relation to its effectuation. You will be unable to bring any claim against Defendants that is included in the Release of Claims listed in the Settlement Agreement.

If you have not previously submitted a Consent to Sue form and, thus, are only a member of the Rule 23 Class, 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 your MWHL and MWPCCL state wage claims against Defendants that were asserted in the Action for the period from June 29, 2019 through November 17, 2024, as well as any claims arising from this Settlement or in relation to its effectuation. You will be unable to bring any claim against Defendants that is included in the Release of Claims listed in the Settlement Agreement.

If you submit the red Request for Exclusion form, and if the Court grants final approval of the Settlement, you will be deemed by the Court not to be a member of the Settlement Class and you will not be bound by any of the Release of Claims set forth in the Settlement Agreement. You will also not receive any portion of the Settlement Amount. If you are entitled to a distribution of the Settlement, you will receive your Settlement check after final approval and after the Settlement becomes effective and in accordance with the terms of the Settlement Agreement.

Please be advised that if you elect not to endorse and cash your Settlement Check within 180 days of the check date, that portion of your settlement proceeds will be reallocated consistent with the terms set forth in the Settlement Agreement, including potentially 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. Must I act to participate in the Settlement?

No, to participate in this Settlement and receive your portion of the Settlement Amount, you need not do anything.

10. What if I previously submitted a Consent to Sue form?

In the Lawsuit, the Court previously granted certification to a limited group of servers. In response to that notice mailing, dozens of individuals submitted Consent to Sue forms that were filed with the Court. As part of this Settlement, those individuals are already considered part of the FLSA Collective. Thus, if you previously submitted a Consent to Sue form, you are already a member of the FLSA Collective and you do not need to do anything to receive your distribution. If you are uncertain as to whether you previously submitted a Consent to Sue form, you can contact Class Counsel (see Question 16 below) to inquire.

If you previously submitted a Consent to Sue form and wish to exclude yourself from this Settlement, you must affirmatively elect to withdraw your previously filed Consent to Sue form with the Court. You can formally withdraw your Consent to Sue form by submitting a Request for Exclusion form by **45 Days after Mailing** to the Claims Administrator. Please also note that if you elect to withdraw your Consent to Sue form, you will not receive your portion of the Settlement Amount and your statute of limitations will begin to run again.

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

Settlement Class Members may choose to object to the fairness, reasonableness, or adequacy of the Settlement by submitting written objections to the Claims Administrator. You can object to the terms of the Settlement before final approval. However, if the Court approves the Settlement, you will still be bound by the terms of the Settlement, including the releases described above.

To object, you must submit a written objection, along with any supporting documents or materials by **DATE 45 DAYS AFTER MAILING** to the Claims Administrator. Any Settlement 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.

YOU CAN OBJECT TO THE SETTLEMENT, AND STILL RECEIVE YOUR FULL SHARE OF THE SETTLEMENT. IF THE COURT APPROVES THE SETTLEMENT DESPITE YOUR OR ANY OTHER OBJECTION YOU WILL STILL BE BOUND BY ANY APPLICABLE RELEASE OF CLAIMS SET FORTH IN THE SETTLEMENT AGREEMENT.

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

You may exclude yourself from the Settlement Class by submitting the Request for Exclusion (enclosed as the red document in the Notice Packet). You may also exercise this option by sending a letter by mail to the Claims Administrator that states: “I request to be excluded from the Rule 23 Class and/or FLSA Collective in King vs. Sharp Holding, Inc., et al., No. 22-cv-00728 (E.D. Va.). I affirm that I was employed by Defendants as a server in the state of Maryland, New Jersey, Ohio, or the Commonwealth of Virginia on one or more days between June 29, 2019 through [last date by which defendants provided payroll records for], and have been identified as a member of the Rule 23 Class and/or FLSA Collective.” Any Putative Settlement Class Member who wishes to opt-out must also include his or her full name, address, and telephone number. Putative Settlement 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 Putative Settlement Class Member and postmarked on or before **DATE - 45 days after mailing**, you will be considered part of the Settlement Class. If you timely complete and submit a red Request for Exclusion, you will not receive any money from the Settlement attributable to your claims. If you opt out, you will not be subject to the Release of Claims set forth in the Settlement Agreement. 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 you as if the Settlement Agreement were executed by you.

13. What if I do nothing?

If you do nothing, and the Court approves the Settlement, you will receive your portion of the distribution attributable to your claims as a member of the Settlement Class. You will also be bound by the Release of Claims regarding your claims set forth in the Settlement Agreement.

If you have previously submitted a Consent to Sue form and are not a Rule 23 Class Member, you will only receive your portion of the Settlement Amount attributable to your hours worked as a member of the FLSA Collective; your state law claims will not be affected by this Settlement. In such an instance you will be bound only by the Release of Claims applicable to your federal claims.

All Putative Settlement Class Members are strongly encouraged to review this Notice and make a decision as to the extent to which you wish to participate in the Settlement.

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

The Court will hold a Final Approval Hearing at ____ a.m. on _____, 2025, at the United States District Court for the Eastern District of Virginia, 401 Courthouse Square Alexandria, VA 22314 in Courtroom _____. 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 11 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 **XXXXXXXXXXXXXXXXXX**.

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

No. Class Counsel will appear on behalf of the Settlement Class. But you are welcome to come, or have your own lawyer appear at your own expense.

16. 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

XXXXXXXXXXXX

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

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

EXHIBIT B

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

RHONDA KING, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SHARP HOLDING, INC., ROBERT
SHARP, and DOE DEFENDANTS 1-10,

Defendants.

Civil Action No. 1:22-cv-00728-PTG-JFA

[PROPOSED] FINAL APPROVAL ORDER

Upon consideration of the Parties' request for final approval of the Collective and Class Action Settlement and Release Agreement ("Settlement Agreement") entered into by and between Plaintiff Rhonda King ("Plaintiff" or "King"), individually and on behalf of the Settlement Class, and Defendants Sharp Holding, Inc. and Robert Sharp (collectively, "Defendants"), the Court orders and finds as follows:

1. Capitalized terms not otherwise defined in this Order shall have the same meaning as ascribed to them in the Settlement Agreement.

2. This Court has jurisdiction over the subject matter of this lawsuit, Plaintiff, Settlement Class Members, and Defendants.

3. The Court determines that Plaintiff is asserting claims on behalf of herself and the Settlement Class for violations of applicable wage laws, including the Maryland Wage and Hour Law ("MWHL") and the Fair Labor Standards Act ("FLSA").

4. The Court determines that the Settlement, which includes the payment of Two Million Fifteen Thousand Dollars (\$2,015,000.00), on behalf of Defendants ("Settlement

Amount”), has been negotiated vigorously and at arm’s length by and between Class Counsel and Defendants’ Counsel. The Court further finds that at all times Plaintiff has acted independently and that the Plaintiff and Class Counsel have fairly and adequately represented the Settlement Class in connection with the Action and the Settlement. The Court further finds that the Settlement arises from a genuine controversy between the Plaintiff and the Settlement Class on one side and Defendants on the other, and is not the result of collusion, nor was the Settlement procured by fraud or misrepresentation.

5. The Court determines that the Class Notice transmitted to the Settlement Class, pursuant to the Preliminary Approval Order and in accordance with the Settlement Agreement, is the best notice practicable under the circumstances and included individual notice to all members of the Settlement Class who could be identified through reasonable efforts. The Class Notice, along with the posting of the Class Notice on the website identified in the Class Notice and emailing individuals regarding the Class Notice, provides valid, due and sufficient notice of the Final Approval Hearing and of the other matters set forth therein, including the terms of the Settlement Agreement and the Settlement, and thus the Class Notice has satisfied the requirements of due process pursuant to the Federal Rules of Civil Procedure, including Rule 23, the United States Constitution and any other applicable law.

6. Pursuant to 29 U.S.C. § 216(b) and Fed. R. Civ. P. 23(b)(3), the Settlement Class consists of a previously certified a Rule 23 Class and FLSA Collective the Court certified during the course of Parties litigating the Action. No evidence has been submitted to the Court that alters the Court’s determination that certification of the Settlement Class is appropriate. As such, the Court hereby approves the maintenance of the Action as a collective action pursuant to 29 U.S.C. § 216(b) and a class action pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(3). In

addition, pursuant to Federal Rule of Civil Procedure 23(g), the Court also hereby appoints Plaintiff as the representative of the Settlement Class and Connolly Wells & Gray, LLP and Webster Book, LLP as Class Counsel.

7. On _____, 2025, the Court held a fairness hearing to which Settlement Class Members, including any with objections, were invited. The Court notes that ___ objections and ___ Request for Exclusion were filed prior to the Bar Date. Excluded from the Settlement Class are those persons, identified in Exhibit “A” hereto, who timely and validly submitted a Request for Exclusion.

8. The Court has duly considered and rejected any objections to the Settlement Agreement that were filed. The Court specifically considered each objection and points raised therein. Upon consideration of the objections, the Court holds that no objection raises the types of issues that prevent approval of the Settlement embodied in the Settlement Agreement.

9. The Court finds that the Settlement is fair, reasonable and adequate, and hereby finally approves the Settlement Agreement submitted by the Parties, including the Release of Claims set forth in Section 6 of the Settlement Agreement.

10. Based on the Settlement, the Court hereby dismisses the FLSA claims of the FLSA Collective and the MWHL claims of the Rule 23 Class against Defendants with prejudice on the merits. Judgment is entered pursuant to Federal Rule of Civil Procedure 54(b) as outlined in the Settlement Agreement.

11. As of the Final Effective Date, all release provisions within the Settlement Agreement shall be given full force and effect in accordance with each and all of their express terms and provisions including the Release of Claims set forth in the Settlement Agreement. As set forth in the Settlement Agreement, Settlement Class Members are deemed to have released

their claims under the Fair Labor Standards Act and applicable state laws as set forth in Section 5 of the Settlement Agreement.

12. Class Counsel are hereby awarded attorneys' fees in the sum of _____ (the "Attorneys' Fees"). The Attorneys' Fees have been determined by the Court to be fair, reasonable, and appropriate. No other fees may be awarded to Class Counsel in connection with the Settlement Agreement absent subsequent Order of this Court. Attorneys' Fees shall be paid to Class Counsel in accordance with the terms of the Settlement Agreement.

13. Class Counsel are hereby awarded reimbursement of expenses in the sum of _____ (the "Attorneys' Costs"). The Attorneys' Costs have been determined by the Court to be fair, reasonable, and appropriate. No other costs or expenses may be awarded to Class Counsel in connection with the Settlement Agreement absent subsequent Order of this Court. Attorneys' Costs shall be paid to Class Counsel in accordance with the terms of the Settlement Agreement.

14. The Court hereby further finds that the administrative expenses incurred by the Claims Administrator in administering this Settlement are necessary and reasonable. Accordingly, the Court hereby orders all such expenses to be paid in accordance with the terms of the Settlement Agreement.

15. The Court has determined that, based on the evidence presented to it, a Service Payment is appropriate to Plaintiff. She is hereby awarded a Service Payment in the following amount: _____. This Service Payment has been determined by the Court to be fair, reasonable, and appropriate. The Service Payment shall be paid to Plaintiff in accordance with the terms of the Settlement Agreement. She is also eligible for a share of the payment from the

Settlement Amount as a member of the Settlement Class. Other than these payments, no other award shall be awarded to the Plaintiff in connection with the Settlement Agreement.

16. Defendants are hereby ordered to pay all other amounts as set forth in the Settlement Agreement.

17. No other amounts, not otherwise set forth in this Order, authorized by this Court or permitted or required under the Settlement Agreement, shall be paid from the Settlement Amount.

18. The Court finds that the distribution of the Settlement Amount to Settlement Class Members as submitted by the Parties is approved as fair, reasonable, and adequate. The Settlement Amount shall be distributed in accordance with the terms set forth in the Settlement Agreement.

19. In the event that, by operation of the terms of the Settlement Agreement, there is a Cy Pres Distribution, the Claims Administrator shall make the Cy Pres Distribution in accordance with the terms of the Settlement Agreement and, if necessary, to the following entity selected by the Court: _____.

20. In the event that the Settlement Agreement is terminated in accordance with its terms, this Order and Judgment shall be rendered null and void, ab initio, and shall be vacated nunc pro tunc, and the Action shall for all purposes with respect to the Parties revert to their status as of the day immediately before the execution of the Settlement Agreement. The Parties shall immediately contact the Court to obtain a new scheduling order and trial date.

21. The Court retains exclusive jurisdiction to enforce the terms and provisions of the Settlement Agreement and this Order.

22. The Parties are hereby ordered to comply with the terms of the Settlement Agreement and this Order.

SO ORDERED, this

____ day of _____, 2025.

PATRICIA TOLLIVER GILES
UNITED STATES DISTRICT JUDGE

EXHIBIT C

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

RHONDA KING, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SHARP HOLDING, INC., ROBERT
SHARP, and DOE DEFENDANTS 1-10,

Defendants.

Civil Action No. 1:22-cv-00728-PTG-JFA

**ORDER GRANTING PRELIMINARY APPROVAL OF
COLLECTIVE AND CLASS ACTION SETTLEMENT AND
RELEASE AGREEMENT**

Before the Court is Plaintiff's Unopposed Motion for Preliminary Approval of Settlement seeking preliminary approval of the settlement (the "Settlement") of this class action asserting alleged violations of applicable wage laws, including the Maryland Wage and Hour Law ("MWHL"), and collective action asserting alleged violations of the Fair Labor Standards Act ("FLSA"). The terms of the Settlement are set out in the Collective and Class Action Settlement and Release Agreement ("Settlement Agreement") that has been executed by Plaintiff Rhonda King ("Plaintiff" or "King") and Defendants Sharp Holding, Inc. and Robert Sharp (collectively, "Defendants") and filed with the Court. Capitalized terms not otherwise defined in this Order shall have the same meaning as ascribed to them in the Settlement Agreement.

The Court, having considered the requirements of 29 U.S.C. § 216(b), Federal Rule of Civil Procedure 23, and the papers and Memorandum of Law filed in support of Plaintiff's Motion to Preliminarily Approve Partial Settlement ("Preliminary Approval Motion"), including specifically the parties' Settlement Agreement, hereby ORDERS as follows:

CLASS FINDINGS

The Court PRELIMINARILY FINDS, for purposes of this Settlement, that the requirements of the Federal Rules of Civil Procedure and any other applicable law have been met as to the proposed Settlement, in that:

a) Plaintiff is an appropriate class representative and meets all the requirements of Fed. R. Civ. P. 23;

b) Based on the facts of this Action, it is appropriate to create a certify a class action pursuant to Fed. R. Civ. P. 23;

c) Plaintiff is hereby appointed representative of the Rule 23 Class;

d) The Rule 23 Class includes individuals that are servers who worked in Maryland during the Class Period;

e) Based on the allegations in the Complaint, there are one or more questions of fact and/or law common to the Rule 23 Class. Among other things, Plaintiff alleges that Defendants failed to properly pay Tipped Employees by failing to satisfy the notice requirements of the tip credit provisions of the MWHL when paying Tipped Employees a subminimum wage, including specifically failing to provide updated notice when there was a change in the minimum wage laws. As such, Plaintiff alleges that Rule 23 Class members were not paid the mandated minimum wage for each and every hour worked. Defendants defend against the allegations of the Rule 23 Class on the assertion that they complied at all times with the tip credit notification requirements;

f) Plaintiff will fairly and adequately protect the interests of the Rule 23 Class in that: (i) the interests of the Plaintiff and the nature of her claims are consistent with those of all members of the Rule 23 Class; (ii) there appear to be no conflicts between or among the Plaintiff and the members of the Rule 23 Class; and (iii) Plaintiff and the members of the Rule 23 Class are

represented by qualified counsel who are experienced in preparing and prosecuting complex class actions;

g) Common issues of law and fact predominate over any potential individual issues, as the predominant issue is whether Defendants paid members of the Rule 23 Class in accordance with applicable Maryland wage laws.

COLLECTIVE FINDINGS

The Court PRELIMINARILY FINDS, for purposes of this Settlement, that Plaintiff is an appropriate representative of the FLSA Collective. The Court further preliminarily finds, for purposes of this Settlement, that Plaintiff and members of the FLSA Collective are similarly situated, in that:

a) These individuals all worked as servers for Defendants in Maryland, New Jersey, Ohio or the Commonwealth of Virginia during the applicable period.

b) Based on the allegations in the Complaint, there are common questions amongst these individuals, including whether Defendants failed to properly pay servers by failing to satisfy the notice requirements of the tip credit provisions of the FLSA, including specifically failing to provide updated notice when there was a change in the minimum wage laws. Consequently, there is the common issue of whether these individuals were not paid properly by the Defendants during the applicable period.

CERTIFICATION

Based on the findings set out above and for settlement purposes only, the Court hereby reaffirms its previously certified Rule 23 Class as well as its previously certified FLSA Collective.

As noted above, Plaintiff is an adequate and typical class representative. Accordingly, the Court hereby appoints her as class representative for the Rule 23 Class and the FLSA Collective.

As required by Fed. R. Civ. P. 23(g), the Court also has considered: (i) the work Class Counsel has done in identifying or investigating potential claims in the Action; (ii) Class Counsel's experience in handling class actions, other complex litigation, and claims of the type asserted in this case; (iii) Class Counsel's knowledge of applicable wage laws, including the FLSA and MWHL, and how those laws apply to the claims in this case; and (iv) the resources Class Counsel has committed to representing Plaintiff in this case. Based on these factors, the Court finds that Class Counsel has and will continue to represent fairly and adequately the interests of the Partial Settlement Class. Accordingly, pursuant to Fed. R. Civ. P. 23(g)(2), the Court designates Connolly Wells & Gray, LLP and Webster Book, LLP as Class Counsel with respect to the Settlement Class.

PRELIMINARY APPROVAL OF SETTLEMENT

The proposed settlement between the Parties documented in the Settlement Agreement appears to be fair, reasonable and adequate and in the best interests of the Settlement Class. As such, the proposed Settlement is hereby preliminarily approved pending a final hearing on the Settlement as provided herein. In addition, as set forth in Plaintiff's motion, the Parties have agreed upon Analytics Consulting, LLC ("Analytics") to serve as the Settlement's "Claims Administrator." Based on the Parties' representation, the Court approves the appointment of Analytics as the Claims Administrator.

FINAL APPROVAL HEARING

A Final Approval Hearing pursuant to Fed. R. Civ. P. 23(e) is hereby scheduled for _____, 2025, in Courtroom _____, United States District Court for the Eastern District of Virginia, 401 Courthouse Square, Alexandria, VA 22314, to determine whether the proposed Settlement on the terms and conditions provided for in the Settlement Agreement is fair, reasonable, and adequate and should receive final approval by the Court; whether the

Settlement Class and its representation by Plaintiff as set forth in the Settlement Agreement and Class Counsel satisfy the requirements of Fed. R. Civ. P. 23 and Section 216(b) of the FLSA; whether Class Counsel's application for an award reimbursement of litigation expenses and Service Payment for Plaintiff should be granted; and any other issues necessary for final approval of the Settlement.

CLASS NOTICE

The Court hereby APPROVES Class Notice substantially in the same form and with the same content as that attached to the Settlement Agreement as "Exhibit A," finding that it fairly and adequately (i) describes the terms and effect of this Settlement Agreement, (ii) provides notice to the Settlement Class Members of the time and place of the Final Approval Hearing and (iii) describes how the recipients of the Class Notice may object to the Settlement. The Court further finds that serving the Class Notice to the members of the Settlement Class is the best notice practicable under the circumstances, and fully satisfies the requirements of due process, the Federal Rules of Civil Procedure, and all other applicable law.

As such, the Court directs the Claims Administrator to disseminate the Class Notice to Class Members in accordance with the terms of the Settlement Agreement (including via email where possible). Further, the Parties are directed to establish a website for Settlement Class Members to view applicable documents and Court orders in accordance with the Settlement Agreement and as set forth in the Class Notice.

REQUESTS FOR EXCLUSION

Members of the Settlement Class may exclude themselves from the Settlement by either sending the Claims Administrator either a (i) Request for Exclusion form or (ii) a letter that states "I request to be excluded from the *Rule 23 Class* and/or *FLSA Collective* in *King vs. Sharp*

Holding, Inc., et al., No. 22-cv-00728 (E.D. Va.). I affirm that I was employed by Defendants as a server in the state of Maryland, New Jersey, Ohio, or the Commonwealth of Virginia on one or more days between June 29, 2019 through [last date by which defendants provided payroll records for], and have been identified as a member of the Rule 23 Class and/or FLSA Collective.” To be considered valid, any Settlement Class Member’s request for exclusion must be postmarked on or before the Bar Date and must also include the individual’s full name, address and phone number.

OBJECTIONS TO SETTLEMENT

Members of the Settlement Class may choose to object to the fairness, reasonableness or adequacy of the Settlement by submitting written objections to the Claims Administrator. All objections to the Settlement must be sent no later than the Bar Date.

Objections, and any other papers submitted for the Court’s consideration in connection with issues to be addressed at the Final Approval Hearing shall be submitted to:

Analytics Consulting, LLC
18675 Lake Drive East
Chanhassen, MN 55317

Upon receipt of any objection, the Claims Administrator shall follow the procedures set forth in the Settlement Agreement regarding notifying counsel for the Parties. Any Settlement Class Member or other person who does not timely file and serve a written objection complying with the terms of this Order, unless otherwise ordered by the Court, shall be deemed to have waived, and shall be foreclosed from raising, any objection to the Settlement, and any untimely objection shall be barred.

Any member of the Settlement Class who files and serves a timely, written objection pursuant to the terms of this Order may also appear at the Final Approval Hearing in person or through counsel retained at that individual’s expense. Class Counsel and Defendants’ Counsel

should be prepared at the Final Approval Hearing to respond to any objections filed by Class Members.

**MOTION IN SUPPORT OF FINAL SETTLEMENT APPROVAL,
APPLICATION FOR EXPENSES AND SERVICE PAYMENT**

Plaintiff's Motion in Support of Final Approval of Settlement and related relief shall be filed with the Court and served on all counsel of record in accordance with the Court's policies and practices, or no later than _____, 2025. Further, any application by Class Counsel for Attorneys' Fees and Attorneys' Costs and for a Service Payment for Plaintiff, and all papers in support thereof, shall be filed with the Court concurrently with Plaintiff's Motion in Support of Final Approval of Settlement, or no later than _____, 2025. Copies of such materials shall be available for inspection at the office of the Clerk of this Court and made available on the website identified in the Class Notice.

Until such time as the Court can make a final determination as to the propriety of the Settlement at the Final Approval Hearing, the Parties are hereby ordered to comply with the terms of the Settlement Agreement and this Order.

SO ORDERED, this

_____ day of _____, 2025.

PATRICIA TOLLIVER GILES
UNITED STATES DISTRICT JUDGE

EXHIBIT D

[THE RED FORM]

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division

RHONDA KING, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SHARP HOLDING, INC., ROBERT
SHARP, and DOE DEFENDANTS 1-10,

Defendants.

Civil Action No. 1:22-cv-00728-PTG-JFA

REQUEST FOR EXCLUSION

By completing and returning this form, I affirm that I wish to be excluded from the Settlement Class in *King v. Sharp Holding, Inc., et al.*, No. 1:22-cv-00728-PTG-JFA (E.D. Va.), as defined in the Settlement Agreement preliminarily approved by this Court, and as a consequence, **do not** want to remain part of the certified class under Fed. R. Civ. P. 23 this this action. I further understand that if I am a member of the FLSA Collective, by completing and returning this form, I affirm that I wish to have my previously filed Consent to Sue form withdrawn, thereby removing me as a member of the FLSA Collective.

I affirm that I was employed by Defendants as a server on one or more days between June 29, 2019, through [insert date]. I understand that this class action lawsuit seeks unpaid minimum wages that may be owed to me under applicable Maryland state law and/or the Fair Labor Standards Act.

I understand that, by submitting this form asking to be excluded from the Rule 23 Class and/or FLSA Collective, I will not receive any benefit from this Settlement.

I further understand that if I **do not** submit this form asking to be excluded from this Settlement, **I will receive my share of the Settlement proceeds** and will be bound by the releases set forth in the Settlement Agreement. Finally, I understand that in order for this form to be considered valid and thus exclude myself from the proposed settlement, it must be submitted to the Claims Administrator on or before [Bar Date].

Date: _____

Signature

Printed Name

EXHIBIT E

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

RHONDA KING, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SHARP HOLDING, INC., ROBERT
SHARP, and DOE DEFENDANTS 1-10,

Defendants.

Civil Action No. 1:22-cv-00728-PTG-JFA

DISPUTE FORM

PLEASE READ CAREFULLY: If you agreed with the number of hours Defendants claims you worked during the relevant time period which was set forth in this Notice Packet then **DO NOT** complete this form. If you dispute Defendants' records, read and complete this section.

As a member of the Rule 23 Class, as identified in the Settlement Agreement, between June 29, 2019, and [insert date], I believe I worked under the "Server" job code, after there was a change in the minimum wage amount from my most recent hiring, the following hours:

OR

As a putative member of the FLSA Collective only, as identified in the Settlement Agreement, three years preceding the date of my Consent to Sue form being filed with the Court, I believe I worked under the "Server" job code, after there was a change in the minimum wage amount from my most recent hiring, the following hours:

Dates: _____, _____ to _____, _____
 month, day year month, day year # of hours

Dates: _____, _____ to _____, _____
 month, day year month, day year # of hours

Dates: _____, _____ to _____, _____
 month, day year month, day year # of hours

NOTE: In order to dispute the number of hours listed in this Notice Packet, you must also submit a written, signed declaration to the Claims Administrator attesting to the number of hours you worked. In addition, you can submit copies of your pay stubs and any other evidence you have supporting your assertion regarding the number of hours worked with this form. You hereby authorize the Claims Administrator to review both your records and Defendants' records to determine the number of hours for which you qualify for payment. The determination by the Claims Administrator will be final, so you will not have another opportunity to dispute the number of hours. By participating in this Settlement, you agree to this dispute resolution procedure and agree that the Claims Administrator's decision is final and binding, and you agree not to contest it.

EXHIBIT F

PUTATIVE SETTLEMENT CLASS MEMBERS

	Putative Settlement Class Member	Category
1.	Adonis Lopez	Rule 23 Class Member
2.	Aelim Morales	Rule 23 Class Member
3.	Aida Yehedego	Rule 23 Class Member
4.	Aiyla Vallier	Rule 23 Class Member
5.	Alaina Elbert	FLSA Collective Member
6.	Alaina Shipley	FLSA Collective Member
7.	Alia Wolfe	Rule 23 Class Member
8.	Allison Constable	FLSA Collective Member
9.	Alliyah Omar	Rule 23 Class Member
10.	Amanda Jenkins	Rule 23 Class Member
11.	Amanda Trimmer	Rule 23 Class Member
12.	Ana Coello-Cabrera	Rule 23 Class Member
13.	Ana Ruth Guevera Zepeda	Rule 23 Class Member
14.	Anderson Martinez	Rule 23 Class Member
15.	Andrew Vasquez Salazar	Rule 23 Class Member
16.	Angelia Thompson	FLSA Collective Member
17.	Angelica Arias Lemus	Rule 23 Class Member
18.	Anna Windak-Taylor*	FLSA Collective Member
19.	Anthony Eck Mabie	Rule 23 Class Member
20.	Anthony Hughes	FLSA Collective Member
21.	Ashley Olivera	Rule 23 Class Member
22.	Barbara Hamilton	Rule 23 Class Member
23.	Belgica Alvarado*	FLSA Collective Member
24.	Benjamin Nelson	Rule 23 Class Member
25.	Beth Jones	FLSA Collective Member
26.	Bonnie Kackley	Rule 23 Class Member
27.	Brenda Lopez	Rule 23 Class Member
28.	Brianna Colbert	Rule 23 Class Member
29.	Brianna Dieter*	FLSA Collective Member
30.	Brianna Jacob	FLSA Collective Member
31.	Brooklyn Hutchison	Rule 23 Class Member
32.	Caleb Kattri	FLSA Collective Member
33.	Caitlin Whiteis	Rule 23 Class Member
34.	Carl Fisher	FLSA Collective Member
35.	Camaryn Riffe	Rule 23 Class Member
36.	Carla Orellana	Rule 23 Class Member
37.	Cassandra Sitkowski	FLSA Collective Member
38.	Carla Pierce	Rule 23 Class Member

39.	Cassius Davis	Rule 23 Class Member
40.	Charity Stever	Rule 23 Class Member
41.	Chase Mollohan	FLSA Collective Member
42.	Charles Abrams	Rule 23 Class Member
43.	Charline Weeks	Rule 23 Class Member
44.	Christopher Albert	FLSA Collective Member
45.	Chayan Gagliolo	Rule 23 Class Member
46.	Cheyenne McCarney	Rule 23 Class Member
47.	Christian Sydnor	Rule 23 Class Member
48.	Connor Oulton	Rule 23 Class Member
49.	Crystal Vandine	FLSA Collective Member
50.	Constance Britten	Rule 23 Class Member
51.	Daniel Corrigan	FLSA Collective Member
52.	Crystal Jackson	Rule 23 Class Member
53.	Crystal Schwartz	Rule 23 Class Member
54.	Cynthia Godwin	Rule 23 Class Member
55.	Daniel Losada	Rule 23 Class Member
56.	Daniela Orellana	Rule 23 Class Member
57.	Derick Zimmerman	FLSA Collective Member
58.	Danielle Bunch	Rule 23 Class Member
59.	Danielle Russell	Rule 23 Class Member
60.	Eden Haile*	FLSA Collective Member
61.	Dean Maples	Rule 23 Class Member
62.	Derek Serrano	Rule 23 Class Member
63.	Dona Divyanjana Kannangara	Rule 23 Class Member
64.	Drake Kline	Rule 23 Class Member
65.	Edwin Lemus Quintanilla	Rule 23 Class Member
66.	Elida Alvarado	Rule 23 Class Member
67.	Emebet Gebrehiwot	Rule 23 Class Member
68.	Emely Torres	Rule 23 Class Member
69.	Emilie Dunn	Rule 23 Class Member
70.	Erik Flores	Rule 23 Class Member
71.	Erika Lopez	Rule 23 Class Member
72.	Fernanada Martinez	Rule 23 Class Member
73.	Flor Heskee	Rule 23 Class Member
74.	Flor Morales	Rule 23 Class Member
75.	Gina Jacob*	FLSA Collective Member
76.	Franchesca Mateo	Rule 23 Class Member
77.	Hannah Grace*	FLSA Collective Member

78.	Frinet Acosta Citala	Rule 23 Class Member
79.	Gayle Kinney	Rule 23 Class Member
80.	Jeremy Germosen Adames	Rule 23 Class Member
81.	Gilda Alvarado	Rule 23 Class Member
82.	Gilgabry Alvarado Benitez	Rule 23 Class Member
83.	Jacob Camacho*	FLSA Collective Member
84.	Hailey Grace	Rule 23 Class Member
85.	Jandi Linde*	FLSA Collective Member
86.	Heather Green	Rule 23 Class Member
87.	Jay Colmes*	FLSA Collective Member
88.	Irving Padilla	Rule 23 Class Member
89.	Isabella Lezama	Rule 23 Class Member
90.	Jackson Davila	Rule 23 Class Member
91.	Jackson Outram	Rule 23 Class Member
92.	Jacqueline Lizama	Rule 23 Class Member
93.	Jacquelyn Miller	Rule 23 Class Member
94.	Jairo Gutierrez	Rule 23 Class Member
95.	Joan Mauricio*	FLSA Collective Member
96.	John Shupp II	FLSA Collective Member
97.	Jasmyne Mills	Rule 23 Class Member
98.	Jordan Hollimon	FLSA Collective Member
99.	Jedale Parsons	Rule 23 Class Member
100.	Jenifer Cruz	Rule 23 Class Member
101.	Jennifer Nolasco	Rule 23 Class Member
102.	Jermaine Ford Jr.	Rule 23 Class Member
103.	Jessica De Leon	Rule 23 Class Member
104.	Jessica Faith	Rule 23 Class Member
105.	Jessica Morell	Rule 23 Class Member
106.	Jhostin Orellana	Rule 23 Class Member
107.	Jimmy Benitez	Rule 23 Class Member
108.	Jonatan Torres	Rule 23 Class Member
109.	Jonathan Fuentes	Rule 23 Class Member
110.	Kateland Wilfong	FLSA Collective Member
111.	Kathy Bowman	FLSA Collective Member
112.	Jorge Mayorga Soza	Rule 23 Class Member
113.	Kaycie Creekmore	FLSA Collective Member
114.	Kayla Ferrara	FLSA Collective Member
115.	Kelle Tanner	FLSA Collective Member
116.	Jose Montano Pena	Rule 23 Class Member

117.	Kendall Andrews	FLSA Collective Member
118.	Joshua Leonard	Rule 23 Class Member
119.	Julissa Hernandez	Rule 23 Class Member
120.	Juste Makoutsing Kengne	Rule 23 Class Member
121.	Kailah Randolph	Rule 23 Class Member
122.	Kaitlin Cochran	Rule 23 Class Member
123.	Kakaesha Sucahyo	Rule 23 Class Member
124.	Kandi Marshall	Rule 23 Class Member
125.	Karla Orantes Marroquin	Rule 23 Class Member
126.	Karlee Wagner	Rule 23 Class Member
127.	Kasey Belt	Rule 23 Class Member
128.	Katy Hornbecker	Rule 23 Class Member
129.	Kelly Amorim	Rule 23 Class Member
130.	Keyro Franco	Rule 23 Class Member
131.	Kierra Booker	Rule 23 Class Member
132.	Kimarry Wright	Rule 23 Class Member
133.	Kimberlyn Mills	Rule 23 Class Member
134.	Melanie Thomas*	FLSA Collective Member
135.	Melinda Stevens	FLSA Collective Member
136.	Kisha McKeithan	Rule 23 Class Member
137.	Kurt Williams	Rule 23 Class Member
138.	Michelle Root	FLSA Collective Member
139.	Kylie Carpenter	Rule 23 Class Member
140.	Lauren DeSimone	Rule 23 Class Member
141.	Leslie Campos	Rule 23 Class Member
142.	Lisbeth Guevara	Rule 23 Class Member
143.	Logan Taylor	Rule 23 Class Member
144.	Lucia Leiva	Rule 23 Class Member
145.	Maddy Aghavali	Rule 23 Class Member
146.	Magdalena Benavidez	Rule 23 Class Member
147.	Nathalie Reyes Canenguez*	FLSA Collective Member
148.	Makayla Dabney	Rule 23 Class Member
149.	Makaylah Bangura	Rule 23 Class Member
150.	Malik Taylor	Rule 23 Class Member
151.	Oscar Merino*	FLSA Collective Member
152.	Maria Hernandez	Rule 23 Class Member
153.	Maria Kinzer	Rule 23 Class Member
154.	Maria Morales	Rule 23 Class Member
155.	Marielly Vitali	Rule 23 Class Member

156.	Mary Caruso	Rule 23 Class Member
157.	Matthew Nish	Rule 23 Class Member
158.	Meagan Spies	Rule 23 Class Member
159.	Megan Markley	Rule 23 Class Member
160.	Melissa Blaner	Rule 23 Class Member
161.	Mia Sosa Vasquez	Rule 23 Class Member
162.	Michelle Guinn	Rule 23 Class Member
163.	Mikayla Lee	Rule 23 Class Member
164.	Ruhab Rahimi	FLSA Collective Member
165.	Milen Zerihun	Rule 23 Class Member
166.	Mitsy Babb	Rule 23 Class Member
167.	Ryleigh Scovill	FLSA Collective Member
168.	Monica Stickley	Rule 23 Class Member
169.	Morgan Guinn	Rule 23 Class Member
170.	Mya Wolfe	Rule 23 Class Member
171.	Najja Scott	Rule 23 Class Member
172.	Nancy Barrientos	Rule 23 Class Member
173.	Seblewonegal Tegene	FLSA Collective Member
174.	Seth Mitchell	FLSA Collective Member
175.	Natavian Parkman	Rule 23 Class Member
176.	Nicole Bernard	Rule 23 Class Member
177.	Nnaemeka Uzoukwu	Rule 23 Class Member
178.	Shelly Brodka*	FLSA Collective Member
179.	Sidney Bean	FLSA Collective Member
180.	Olivia Mascari	Rule 23 Class Member
181.	Pablo Alvarado	Rule 23 Class Member
182.	Paige Downin Wells	Rule 23 Class Member
183.	Summer Grace*	FLSA Collective Member
184.	Tammy Bunting	FLSA Collective Member
185.	Paige West	Rule 23 Class Member
186.	Paola Rauda Hernandez	Rule 23 Class Member
187.	Patrick Noonan	Rule 23 Class Member
188.	Tiera Hollis	FLSA Collective Member
189.	Rebecca Cucina	Rule 23 Class Member
190.	Rebecca Straley	Rule 23 Class Member
191.	Todd Twyman	FLSA Collective Member
192.	Rhonda King	Rule 23 Class Member
193.	Richard Booker	Rule 23 Class Member
194.	Richard Pek	Rule 23 Class Member

195.	Ridis Ventura	Rule 23 Class Member
196.	Rosa Malry	Rule 23 Class Member
197.	Wendy Corso	FLSA Collective Member
198.	Wendy Thomas	FLSA Collective Member
199.	William Kelley	FLSA Collective Member
200.	Rosa Solis Siguenza	Rule 23 Class Member
201.	Rosana Ros	Rule 23 Class Member
202.	Ruth Ashkettle	Rule 23 Class Member
203.	Ruth Vizarreta Espinoza	Rule 23 Class Member
204.	Amber Procopio	FLSA Collective Member
205.	Sam Khojasteh	Rule 23 Class Member
206.	Samantha Saunders	Rule 23 Class Member
207.	Samrawit Zerihun	Rule 23 Class Member
208.	Sara Hanahoe	Rule 23 Class Member
209.	Sarah Watts	Rule 23 Class Member
210.	Shannon Leymeister	Rule 23 Class Member
211.	Hope Smallwood	FLSA Collective Member
212.	Sharon Smith	Rule 23 Class Member
213.	Shehejadi Khan	Rule 23 Class Member
214.	Sigrid Gray	Rule 23 Class Member
215.	Sofia Quintero	Rule 23 Class Member
216.	Stephanie Hernandez	Rule 23 Class Member
217.	Taylor Whindleton	Rule 23 Class Member
218.	Teodora Chavez	Rule 23 Class Member
219.	Thomas Reider	Rule 23 Class Member
220.	Timea Patterson	Rule 23 Class Member
221.	Kyilah Morris*	FLSA Collective Member
222.	Tina Butler	Rule 23 Class Member
223.	Tsige Mehari	Rule 23 Class Member
224.	Vanessa Espinoza	Rule 23 Class Member
225.	Vanessa Romero	Rule 23 Class Member
226.	Vania Quinones	Rule 23 Class Member
227.	Vicky Henderson	Rule 23 Class Member
228.	Menelik Sirleaf *	FLSA Collective Member
229.	William Martinez	Rule 23 Class Member
230.	Morgan Pangle	FLSA Collective Member
231.	Yajaira Flores	Rule 23 Class Member
232.	Yann Lallier	Rule 23 Class Member
233.	Ruth Hebb*	FLSA Collective Member
234.	Taylor Downey	FLSA Collective Member

235.	Yosselin Urbina	Rule 23 Class Member
236.	Zhou Li	Rule 23 Class Member

** Eighteen individuals are concurrently included in the FLSA Collective and Rule 23 Class.*

EXHIBIT G

Minimum Wage Chart

Year	MD State	Montgomery County	OH	VA	NJ
	15 or more EE's	11-50 EE's			
7/1/2016		\$10.75			
7/1/2017	\$9.25	\$11.50	\$8.15		
1/1/2018			\$8.30		
7/1/2018	\$10.10	\$12.00		\$7.25	\$8.60
1/1/2019			\$8.55		\$8.85
7/1/2019		\$12.50		\$7.25	\$10.00
1/1/2020	\$11.00		\$8.70	\$7.25	\$11.00
7/1/2020		\$13.25		\$7.25	
1/1/2021	\$11.75		\$8.80	\$7.25	\$12.00
5/1/2021				\$9.50	
7/1/2021		\$14.00			
1/1/2022	\$12.50		\$9.30	\$11.00	\$13.00
7/1/2022		\$14.50			
1/1/2023	\$13.25		\$10.10	\$12.00	\$14.13
7/1/2023		\$15.00			
1/1/2024	\$15.00		\$10.45	\$12.00	\$15.13
7/1/2024		\$15.50			