

# NOTICE OF PENNSYLVANIA 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: CHRISTOPHER WALTER V. FORT WASHINGTON PA 693, LLC AND FRIENDLY'S RESTAURANT NORRISTOWN, PA (#897), LLC, ET AL.**

**DOCKET NO.: 17-cv-00178**

**TO: ALL EMPLOYEES OF FORT WASHINGTON, PA (#693), LLC (MISIDENTIFIED AS FORT WASHINGTON PA 693, LLC IN THE CAPTION) AND NORRISTOWN, PA (#897), LLC (MISIDENTIFIED AS FRIENDLY'S RESTAURANT NORRISTOWN, PA (#897), LLC IN THE CAPTION) IN PENNSYLVANIA PAID ON A TIPPED BASIS AT ANY TIME BETWEEN JANUARY 12, 2014 AND JANUARY 15, 2017 WHO WORKED AS A SERVER WHERE DEFENDANTS PAID SUCH INDIVIDUAL LESS THAN \$7.25 PER HOUR**

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

**IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT OF THIS CLASS ACTION AND RECEIVE MONEY, YOU MUST COMPLETE AND RETURN THE CLAIM FORM AND RELEASE POSTMARKED ON OR BEFORE JULY 30, 2018.**

**IF YOU WISH TO COMMENT IN FAVOR OF THE SETTLEMENT OR OBJECT TO THE SETTLEMENT, OR IF YOU DECIDE NOT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST FOLLOW THE DIRECTIONS PROVIDED IN THIS NOTICE. IF YOU WISH TO EXCLUDE YOURSELF FROM THE SETTLEMENT, YOU MUST PREPARE AND SUBMIT TO THE CLAIMS ADMINISTRATOR A REQUEST FOR EXCLUSION LETTER POSTMARKED ON OR BEFORE JULY 30, 2018, OR ELSE YOU WILL BE BOUND BY THE SETTLEMENT.**

## **1. Why is this notice being sent?**

This notice is to inform you of a Class Action Settlement in the case *Walter v. Fort Washington PA 693, LLC and Friendly's Restaurant Norristown, PA (#897), LLC, et al*, Case No. 17-cv-00178, pending in the United States District Court for the Eastern District of Pennsylvania ("Lawsuit"). All capitalized terms in this Class Notice are defined in the Settlement Agreement, which is available at [www.strategicclaims.net](http://www.strategicclaims.net). 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.

The Plaintiff Christopher Walter ("Plaintiff") in the Lawsuit filed suit against Fort Washington, PA (#693), LLC, Norristown, PA (#897), LLC and Khaled Kezbari (collectively, "Defendants") alleging violations of the Fair Labor Standards Act ("FLSA"), 29 U.S.C. §§ 201, *et seq.*, the Pennsylvania Minimum Wage Act ("PMWA"), the Pennsylvania Wage Payment Collection Law ("WPCL"), and Pennsylvania common law. The Plaintiff seeks to represent a class of individuals who worked at either of the Friendly's restaurants operated by Defendants' in Fort Washington or Norristown in the Commonwealth of Pennsylvania between January 12, 2014, and January 15, 2017, under the job code of "server" (hereafter referred to herein as "Tipped Employees"). According to Defendants' records, you were a Tipped Employee and worked one or more hours at one of Defendants' Restaurants during the Class Period. The Plaintiff alleged that Defendants failed to properly pay Tipped Employees by, among other things, failing to satisfy the notice requirements of the tip credit provisions in federal and state law. Defendant denies Plaintiff's allegations in their entirety and asserts that at all relevant times it paid its Tipped Employees properly.

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 September 5, 2018, at 10:00 a.m. in Courtroom 9-B, U.S. District Court for Eastern District of Pennsylvania, 600 Market Street, Philadelphia, PA 19106 to determine whether to grant final approval.

**IF YOU ARE ONE OF THE INDIVIDUALS DESCRIBED IN THIS NOTICE WHO IS AFFECTED BY THE PROPOSED SETTLEMENT, YOU MAY GET MONEY FROM THIS SETTLEMENT. TO RECEIVE ANY MONEY TO WHICH YOU MAY BE ENTITLED, YOU MUST COMPLETE AND SUBMIT THE ENCLOSED "CLAIM FORM" TO THE CLAIMS ADMINISTRATOR, STRATEGIC CLAIMS SERVICES (THE "CLAIMS ADMINISTRATOR") BY JULY 30, 2018. PLEASE SEE THE ATTACHED FORM FOR ADDITIONAL INFORMATION.**

**2. Who is affected by the proposed Settlement?**

The Lawsuit was filed as a class action. In a class action, one or more people called “class representatives” (here, Plaintiff Christopher Walter) 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. Here, the Court has certified a class action for settlement purposes only.

The Plaintiff is serving as the Class Representative for a settlement class of approximately 122 Tipped Employees who worked at the Defendants’ locations in Pennsylvania during the applicable Class Period, January 12, 2014, and January 15, 2017.

**3. What is this case about?**

Plaintiff brought the Lawsuit claiming, among other things, that Defendants failed to properly pay Tipped Employees the applicable minimum wage for all hours worked. As set forth in the Complaint, Plaintiff alleges that Defendants failed to satisfy the notice requirements of the tip credit provisions in federal and state law (and thus should have paid Tipped Employees the full minimum wage of \$7.25 for every hour worked). Plaintiff also alleges that Defendants failed to pay for all hours worked, including overtime. Defendants have responded to the Lawsuit by denying all of Plaintiff’s claims, and contend that the tip notice provided to Plaintiff and the Tipped Employees was sufficient under both Pennsylvania and federal law and that Plaintiff was paid minimum wage for all hours worked.

The parties in this Litigation disagree as to the probable outcome of the Lawsuit with respect to all issues if it were not settled. While the Plaintiff was prepared to proceed with litigating the case described above, the Plaintiff recognizes that litigating is a risky proposition and that he may not have prevailed on any or all of his claims. Defendants expressly deny any wrongdoing or legal liability.

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

**4. What are my options?**

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

**5. What are the terms of the proposed Settlement?**

While it denies any liability whatsoever, under the Settlement Agreement, Defendant will pay a total of One Hundred Twenty-One Thousand Eight Hundred Thirty-Six Dollars (\$121,836) to settle this Litigation (“Settlement Amount”). The Settlement Amount will be used to cover all payments to Participating Settlement Class Members, fees and expenses incurred by the Claims Administrator in administering this Settlement, attorneys’ fees and expenses of Class Counsel (as awarded by the Court), and any Service Payment to Plaintiff (as awarded by the Court).

The Settlement Amount will be divided amongst the Settlement Class Members who elect to participate in the Settlement by timely submitting a valid Claim Form (“Participating Settlement Class Members”). The Claims Administrator will calculate Settlement Payments for Participating Settlement Class Members in four steps.

First, the Claims Administrator will deduct from the Settlement Amount the following amounts as awarded or permitted by the Court: (i) Class Counsel’s attorneys’ fees and expenses, (ii) the Service Payment, if any, to the Plaintiff, and (iii) the fees and expenses of the Claims Administrator. The resulting

number will be referred to as the “Net Settlement Amount.” Next, the Claims Administrator will total the amount of Tip Credit taken by Defendants for all Work Hours during the Class Period for each Participating Settlement Class Member. The Claims Administrator will then add the total amounts owed for all Work Hours for each Class Member. This number will be referred to as the “Participating Individual Damage Amount.” For example, if an individual was paid \$2.83 per hour, with Defendants claiming a tip credit of \$4.42 per hour, and worked 100 hours during the Class Period, that individual would have a Participating Individual Damage Amount of \$442.00 (\$4.42 tip credit claimed x 100 hours = \$442.00).

The Participating Individual Damage Amount for all Participating Settlement Class Members will then be added together by the Claims Administrator to determine the “Participating Settlement Class Members’ Total Damage Amount.” Then, the Claims Administrator will divide the Net Settlement Amount by the Participating Settlement Class Members’ Total Damage Amount. Finally, the resulting fractional amount will be multiplied by the Participating Individual Damage Amount to determine that Participating Settlement Class Member’s Settlement Payment. An estimate of the amount you will receive, should you complete and submit a valid and timely Claim Form, is included with this Notice Packet. This estimate is based on the number of hours recorded in Defendants’ timekeeping system. If you believe the number of hours recorded is in error, you may notify the Claims Administrator and dispute this amount. If disputing this amount, please include a written, signed declaration indicating why your hours are wrong, and the number of hours you believe you actually worked and why. Please provide the Claims Administrator with any and all documents that support your claim.

Please be advised that the exact amount to be received by each Participating Settlement Class Member cannot be determined until the final number of Participating Settlement Class Members has been ascertained after the Court determines how many individuals submitted completed valid and timely Claim Forms.

As part of the Settlement Amount, and in addition to any amount recoverable as a Participating Settlement Class Member, Defendants have agreed to pay Plaintiff Walter up to Five Thousand Dollars (\$5,000.00) in recognition of the risk Plaintiff took in bringing this Lawsuit and efforts he expended in prosecuting and resolving the Litigation by, among other things, preparing for and attending the two settlement conferences. The actual amount, if any, of the Service Payment Plaintiff will receive will be decided by the Court after it considers risks Plaintiff incurred and the benefits he helped obtain for Settlement Class Members.

#### **6. Who represents the Parties?**

*Plaintiff and Settlement Class Members:*

Gerald D. Wells , III  
Connolly Wells & Gray, LLP  
2200 Renaissance Boulevard  
Suite 275  
King Of Prussia , PA 19406  
Phone: (610) 822-3700  
Facsimile: (610) 822-3800  
www.cwg-law.com

Arkady “Eric” Rayz  
Kalikhman & Rayz, LLC  
1051 County Line Road  
Suite A  
Huntingdon Valley , PA 19006  
Phone: (215) 364-5030  
Facsimile: (215) 364-5029  
www.kalraylaw.com

*Defendants:*

Marjorie Obod  
Dilworth Paxson LLP  
1500 Market Street  
Suite 3500E  
Philadelphia, PA 19102  
Phone: (215) 575-7000  
Facsimile: (215) 575-7200  
www.dilworthlaw.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 thirty-five percent (35%) of the Settlement Fund, plus reimbursement of out-of-pocket expenses. 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: [www.strategicclaims.net](http://www.strategicclaims.net). The actual amount awarded will be determined by the Court to ensure that the amount of attorneys' fees and costs are reasonable.

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

**To receive a distribution from the Settlement Amount, you must complete, sign and return the enclosed Claim Form by mailing it to the Claims Administrator, postmarked no later than July 30, 2018.** If the Court approves the Settlement, you will receive a distribution amount calculated as described in Section 5. The Claim Form is enclosed with this Notice and may also be obtained by contacting the Claims Administrator at the address or phone number that appears in Section 9 below.

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

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

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

To join the Lawsuit and receive a distribution from the Settlement Amount, you must properly complete and timely submit the enclosed Claim Form to the Claims Administrator. **THE CLAIM FORM MUST BE POSTMARKED OR RECEIVED BY THE CLAIMS ADMINISTRATOR AT THE ADDRESS SET FORTH BELOW ON OR BEFORE JULY 30, 2018.**

Walter v. Fort Washington, et al.  
c/o Strategic Claims Services  
600 N. Jackson Street, Suite 205  
Media, PA 19063  
Phone: (866) 274-4004  
Facsimile: (610) 565-7985

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

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

To object, you must submit a written objection, along with any supporting documents or materials by **July 30, 2018**, to the Court and you must serve a copy on the counsel for both Parties at the addresses listed above. 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.

**IF YOU INTEND TO OBJECT TO THE SETTLEMENT, BUT WISH TO RECEIVE YOUR SHARE OF THE SETTLEMENT, YOU MUST STILL TIMELY FILE YOUR CLAIM FORM AS STATED**

**ABOVE. IF THE COURT APPROVES THE SETTLEMENT DESPITE YOUR OR ANY OTHER OBJECTION AND YOU HAVE NOT SUBMITTED A CLAIM FORM, YOU WILL NOT RECEIVE ANY PROCEEDS AND YOU WILL STILL BE BOUND BY THE RELEASE SET FORTH IN THE SETTLEMENT AGREEMENT.**

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

You may exclude yourself from the Settlement by submitting a Request for Exclusion (opting-out of the Settlement). Settlement Class Members who wish to exercise this option must send a letter by mail to the Claims Administrator that states: “I request to be excluded from the settlement in *Walter v. Fort Washington PA 693, LLC and Friendly’s Restaurant Norristown, PA (#897), LLC, et al.*, Case No. 17-cv-00178 (E.D. Pa.). I affirm that I was employed by Defendants as a Tipped Employee on one or more days between January 12, 2014 and January 15, 2017.” Any Class Member who wishes to opt-out must also include his or her full name, address, and telephone number. Class Members may not exclude themselves by telephone, fax, or email. If a fully completed and properly executed Request for Exclusion is not received by the Claims Administrator from a Settlement Class Member and postmarked on or before July 30, 2018, you will be considered part of the Settlement Class. If you submit a Request for Exclusion but also submit a valid Claim Form, you will receive a Cure letter seeking clarification. Should clarification not be received, the later mailed document will govern and if it cannot be ascertained which document was later mailed, the Claim Form will govern, and the individual will be bound by the terms of the Release of Claims set forth in the Settlement Agreement and Claim Form.

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

**12. What if I do nothing?**

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

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

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

The Court will hold a Final Approval Hearing at 10:00 a.m. on September 5, 2018, at the United States District Court for the Eastern District of Pennsylvania, 601 Market Street, Philadelphia, PA 19106, in Courtroom 9-B. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. If there are valid objections that comply with the requirements in Question 10 above, the Court also will consider them and will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Class Counsel and Plaintiff.

**14. 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.

**15. Who can answer questions regarding the Settlement?**

This Notice only summarizes the Settlement terms for the Lawsuit. For more information about the Settlement or if you have any questions regarding the Settlement, you may contact your class counsel, Connolly Wells & Gray, LLP at:

Gerald D. Wells, III  
Robert J. Gray  
Connolly Wells & Gray, LLP  
2200 Renaissance Boulevard, Suite 275  
King Of Prussia, PA 19406  
Phone: (610) 822-3700  
Email: gwells@cwglaw.com

The information contained in this Notice is posted on a website: [www.strategicclaims.net](http://www.strategicclaims.net)

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