

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: CHELSEA KOENIG V. PRIMANTI CORPORATION, ET AL.,
DOCKET NO.: 2:16-cv-01402-NBF**

TO: ALL EMPLOYEES OF ANY PRIMANTI BROS. RESTAURANT IN PENNSYLVANIA, OHIO, WEST VIRGINIA, INDIANA, MARYLAND, AND/OR MICHIGAN PAID ON A TIPPED BASIS AT ANY TIME BETWEEN SEPTEMBER 9, 2013 AND DECEMBER 31, 2016 WHO WORKED AS A BARTENDER, SERVER, AND/OR FOOD RUNNER WHERE DEFENDANTS PAID SUCH INDIVIDUAL LESS THAN \$7.25 PER HOUR

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

IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT OF THIS CLASS AND COLLECTIVE ACTION AND RECEIVE MONEY, YOU MUST COMPLETE AND RETURN THE CLAIM FORM AND RELEASE POSTMARKED ON OR BEFORE APRIL 16, 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 WORKED IN PENNSYLVANIA AND 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 APRIL 16, 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 *Koenig v. Primanti Corp. et al.*, Case No. 16-cv-1402, pending in the United States District Court for the Western District of Pennsylvania (“Lawsuit”). All capitalized terms in this Class Notice are defined in the Settlement Agreement, which is available at www.strategicclaims.net/primanti. 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 Chelsea Koenig (“Plaintiff”) in the Lawsuit filed suit against Defendants Primanti Corp. d/b/a Primanti Bros., David Head, Andrew Taub, Demetrios Patrinos, James Chu, Nicholas Nicholas, as well as certain other corporate entities doing business as “Primanti Bros.” (a complete list of the corporate entities is listed in the Settlement Agreement. All of the Individual Defendants and Corporate Defendants are collectively referred to as “Defendants” or “Primanti Bros.” In the Lawsuit, Plaintiff alleges violations of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. §§ 201, *et seq.*, the Pennsylvania Minimum Wage Act (“PMWA”), the Pennsylvania Wage Payment Collections Law (“WPCL”), and Pennsylvania common law. Pursuant to the Settlement Agreement, the Plaintiff represents two classes of individuals: (i) individuals who worked at any Primanti Bros. restaurant location in the Commonwealth of Pennsylvania, and do not opt-out of the Pennsylvania Class, and (ii) individuals who worked at any Primanti Bros. restaurant location in the following states: Ohio, West Virginia, Indiana, Maryland, and/or Michigan and elect to join this case through the process described herein. In addition, the individual must have worked for Primanti Bros. between September 9, 2013, through December 31, 2016, in one or more of the following positions: bartender, server, and/or food runner (collectively referred to herein as “Tipped Employees”). According to Defendants’ records, you were a Tipped Employee and worked one or more days at a Primanti Bros. restaurant location during the Class Period. The Plaintiff alleged that Defendants failed to properly pay Tipped Employees by, among other things, failing to satisfy the notice requirements of the tip credit provisions in federal and state law; and causing deductions from tips in violation of applicable federal and state law.

Defendants deny Plaintiff’s allegations in their entirety and assert that at all relevant times, they paid their Tipped Employees properly and that they provided proper notice of the tip credit. Defendant asserts that, had this case proceeded, they would have produced facts that demonstrated that Defendant properly paid its employees.

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 April 23, 2018 at 9:00 a.m. in Courtroom 5B, United States District Court for the Western District of Pennsylvania, Joseph F. Weis, Jr. U.S. Courthouse, 700 Grant Street, Pittsburgh, PA 15219 to determine whether to grant final approval.

IF YOU ARE ONE OF THE INDIVIDUALS DESCRIBED IN THIS NOTICE WHO IS AFFECTED BY THE PROPOSED SETTLEMENT, YOU MAY GET MONEY FROM THIS SETTLEMENT. TO RECEIVE YOUR PORTION OF THE SETTLEMENT AMOUNT TO WHICH YOU MAY BE ENTITLED, YOU MUST COMPLETE AND SUBMIT THE ENCLOSED "CLAIM FORM" TO THE CLAIMS ADMINISTRATOR, KOENIG V. PRIMANTI CORPORATION, C/O STRATEGIC CLAIMS SERVICES, 600 N. JACKSON STREET, SUITE 205, MEDIA, PA 19063 (THE "CLAIMS ADMINISTRATOR") BY APRIL 16, 2018. PLEASE SEE THE ATTACHED FORM FOR ADDITIONAL INFORMATION.

2. Who is affected by the proposed Settlement?

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

The Plaintiff is serving as the Class Representative for a settlement class of Tipped Employees who worked at Defendants' Primanti Bros. locations in Pennsylvania ("Rule 23 Class") during the applicable Class Period, September 9, 2013, through December 31, 2016. In addition, the Settlement Class also includes individuals who file a Claim Form and thus opt-in to join the FLSA Collective Action ("FLSA Class").

3. What is this case about?

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

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

This Settlement is the result of good-faith, arms-length negotiations between the Plaintiff and Defendants, through their respective attorneys. Both sides agree that, in light of the risks and expense associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the 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 they deny any liability whatsoever, under the Settlement Agreement, Defendants will pay a total of Two Million One Thousand Dollars (\$2,100,000.00) to settle this Litigation ("Settlement Amount"). The Settlement Amount will be used to cover all payments to Participating Settlement Class Members, fees and expenses incurred by the Claims Administrator in administering this Settlement, attorneys' fees and expenses of Class Counsel (as awarded by the Court), and any Service Payment to Plaintiff (as awarded by

the Court).

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

First, the Claims Administrator will deduct from the Settlement Amount the following amounts as awarded or permitted by the Court: (i) Class Counsel's attorneys' fees in an amount not greater than \$700,000, plus reasonable expenses, (ii) the Service Payment, if any, to the Plaintiff, and (iii) the fees and expenses of the Claims Administrator. The Claims Administrator currently estimates their fees and expenses to be approximately \$30,000. After all applicable deductions, the resulting number will be referred to as the "Net Settlement Amount." For each Participating Settlement Class Member, the Claims Administrator will multiply (i) the total hours worked by that individual and (ii) the difference between the full minimum wage for the state in which the individual worked and the hourly rate actually paid by Defendants to that Participating Settlement Class Member. This number will be referred to as the "Participating Individual Recovery Amount."

For example, here is how a Participating Individual Recovery Amount would be calculated if they worked for Defendants in 2016:

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

In Ohio (minimum wage was \$8.10 per hour): Hours worked x tip credit claimed by Defendants (\$4.05 per hour) = Participating Individual Recovery Amount.

In West Virginia (minimum wage was \$8.75 per hour): Hours worked x tip credit claimed by Defendants (\$6.13 per hour) = Participating Individual Recovery Amount.

In Indiana (minimum wage was \$7.25 per hour): Hours worked x tip credit claimed by Defendants (\$5.12 per hour) = Participating Individual Recovery Amount.

In Maryland (minimum wage was \$8.75 effective 7/1/2016): Hours worked x tip credit claimed by Defendants (\$5.12 per hour) = Participating Individual Recovery Amount.

In Michigan (minimum wage was \$8.50 per hour): Hours worked x tip credit claimed by Defendants (\$5.27 per hour) = Participating Individual Recovery Amount.

Please note that the minimum wage and the tip credit Defendants could claim varies between states due to the differences in the state laws of each of those states.

The Participating Individual Recovery Amount for all Participating Settlement Class Members will then be added together by the Claims Administrator to determine the "Participating Settlement Class Members' Total Recovery Amount." Then, the Claims Administrator will divide the Net Settlement Amount by the Participating Settlement Class Members' Total Recovery Amount. Finally, the resulting fractional amount will be multiplied by the Participating Individual Recovery Amount to determine that Participating Settlement Class Member's Settlement Payment.

Thus, based on preliminary calculations, the Participating Settlement Class Members' Total Recovery Amount is \$10,773,096.24. Assuming the Court approves all fees and expenses, a Participating Settlement Class Member could expect to receive approximately 12.4% of their total wages owed during the Class Period. Hence if a Participating Settlement Class Member was owed \$1,000.00 in back wages, they would receive \$124.00 under this proposed Settlement.

An estimate of the amount you will receive, should the Settlement be approved and all Tipped Employees elect to participate in this Settlement, is included with this Notice Packet. Please note that this number may go up if less than all Tipped Employees file a Claim Form. Your estimated recovery is based on the number of hours recorded in Defendants' timekeeping system. If you believe the number of hours recorded is in error, you may notify the Claims Administrator and dispute this amount. Please provide the Claims Administrator with any and all documents that support your claim. In addition, if your Participating Settlement Class Member's Settlement Payment is subject to any mandatory deductions (*e.g.*, garnishments, tax liens, child support), those will also be included in this Notice Packet. If you believe the deduction is not accurate, you can contact the Claims Administrator at (866) 274-4004.

As part of the Settlement Amount, and in addition to any amount recoverable as a Participating

Settlement Class Member, Defendants have agreed not to oppose Plaintiff Koenig's request for a Court award of up to Five Thousand Dollars (\$5,000.00) in recognition of the risk Plaintiff took in bringing this Lawsuit and efforts she expended in prosecuting and resolving the Litigation by, among other things, responding to discovery and sitting for her deposition. The actual amount, if any, of the Service Payment Plaintiff will receive will be decided by the Court after it considers risks Plaintiff incurred and the benefits she helped obtain for 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

Defendants

Cheryl D. Orr
DRINKER BIDDLE & REATH, LLP
50 Fremont Street
20th Floor
San Francisco, CA 94105
Phone: (415) 591-7500
Facsimile: (415) 591-7510
www.dbr.com

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

Class Counsel, as defined in the Settlement Agreement, will request an award of fees that does not exceed one-third of the Settlement Amount (Seven Hundred Thousand Dollars (\$700,000.00)), plus reimbursement of out-of-pocket expenses. Currently, Class Counsel estimates their expenses to be approximately Eighteen Thousand Five Hundred Dollars (\$18,500) as these fees resulted primarily from costs associated with deposition transcripts, travel for depositions and mediations, and the Plaintiff's portion of the mediators' fees. 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/primanti. 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 April 16, 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 Question 9.

Should you choose to return your Claim Form and participate in the Settlement, and if the Court grants final approval of the Settlement, you will be deemed by the Court to have fully and irrevocably released and waived any and all state and federal wage claims you may have against Defendants for known and unknown acts during period September 9, 2013 through December 31, 2016. You will be unable to bring any claim against Defendants that is included in the Release of Claims listed on the Claim Form. The full release is contained in the Claim Form.

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

Please be advised that if you submit a valid Claim Form and elect not to endorse your Settlement Check, that portion of your settlement proceeds will either be reallocated to individuals who elected to cash their Settlement Checks or to a Court appointed *cy pres* recipient(s). Whether funds are reallocated to other Participating Settlement Class Members or distributed to a *cy pres* recipient(s) depends on the total amount of unclaimed funds. A full explanation of how the Settlement Amount will be distributed is contained in the Settlement Agreement.

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

To join the Lawsuit and receive a distribution from the Settlement Amount, you must properly complete and timely submit the enclosed Claim Form to the Claims Administrator. **THE CLAIM FORM MUST BE POSTMARKED OR RECEIVED BY THE CLAIMS ADMINISTRATOR AT THE ADDRESS SET FORTH BELOW ON OR BEFORE APRIL 16, 2018:**

Koenig v. Primanti Corporation
c/o Strategic Claims Services
600 N. Jackson Street, Suite 205
Media, PA 19063
Tel: (866) 274-4004
Fax: (610) 565-7985
info@strategicclaims.net

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 April 16, 2018 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.

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

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

FOR TIPPED EMPLOYEES IN PENNSYLVANIA: If you were a Tipped Employee who worked for Defendants in Pennsylvania, you may exclude yourself from the Settlement by submitting the Request for Exclusion (enclosed as the red document in Pennsylvania Tipped Employees' Notice Packet). Pennsylvania Class Members may also exercise this option by sending a letter by mail to the Claims Administrator that states: "I request to be excluded from the settlement in *Koenig v. Primanti Corporation, et al*, Case No. 16-cv-1402 (W.D. Pa.). I affirm that I was employed by Defendants as a Tipped Employee on one or more days between September 9, 2013, and December 31, 2016." Any Pennsylvania 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 April 16, 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 set forth on 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.**

FOR TIPPED EMPLOYEES OUTSIDE OF PENNSYLVANIA: If you were a Tipped Employee who worked

for Defendants outside of Pennsylvania, you will not be bound by this Settlement unless you submit a Claim Form.

12. What if I do nothing?

If you were a Tipped Employee in Pennsylvania and 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.

If you were a Tipped Employee who worked in Ohio, West Virginia, Indiana, Maryland, and/or Michigan and do nothing, you will not receive any distribution from the Settlement Amount and you will NOT be bound by the Release of Claims set forth in the Settlement Agreement. In short, you will receive no money but can, if you so choose, sue Defendants on your own at your own expense for any applicable state law violations, if your statute of limitations has not expired.

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

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

The Court will hold a Final Approval Hearing at 9:00 a.m. on April 23, 2018, at the United States District Court for the Western District of Pennsylvania, Joseph F. Weis, Jr. U.S. Courthouse, 700 Grant Street, Pittsburgh, PA 15219, in Courtroom 5B. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. If there are valid objections that comply with the requirements in Question 10 above, the Court also will consider them and will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Class Counsel and Plaintiff.

Please note that the Court may reschedule the Final Approval Hearing if it deems it necessary. Any such rescheduling will be posted on the settlement website at www.strategicclaims.net/primanti.

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

Additional information about this proposed Settlement is available at www.strategicclaims.net/primanti website maintained by the Claims Administrator.

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