

Ronald S. Kravitz (SBN 129704)  
MILLER SHAH LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
Telephone: (866) 540-5505  
Facsimile: (866) 300-7367  
Email: [rskravitz@millershah.com](mailto:rskravitz@millershah.com)

D. Joshua Staub (SBN 170568)  
LAW OFFICE OF D. JOSHUA STAUB  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone: (310) 929-5269  
Fascimile: (213) 816-1932  
Email: [josh@djoshuastaub.com](mailto:josh@djoshuastaub.com)

*Attorneys for Plaintiffs and the  
Putative Class*

**IN THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

LANCE BAIRD, individually, and on  
behalf of all others similarly situated,  
and on behalf of the HYATT  
CORPORATION RETIREMENT  
SAVINGS PLAN,

Plaintiff(s),

v.

HYATT CORPORATION; BENEFITS  
COMMITTEE and its members,

Defendants.

Case No.: 2:22-cv-01620-DSF(Ex)

**DECLARATION OF RONALD S.  
KRAVITZ IN SUPPORT OF  
PLAINTIFF’S UNOPPOSED  
AMENDED MOTION FOR  
PRELIMINARY APPROVAL OF  
SETTLEMENT, JOINT  
MODIFICATION OF CLASS  
DEFINITION, AND APPROVAL  
OF CLASS NOTICE, AND  
MEMORANDUM OF POINTS AND  
AUTHORITIES IN SUPPORT  
THEREOF**

Judge: Honorable Dale S. Fischer

1 I, Ronald S. Kravitz, hereby declare under penalty of perjury under the laws  
2 of the United States as follows:

3 1. I am an attorney at Miller Shah LLP (“Miller Shah”) and am Class  
4 Counsel for Plaintiff, Lance Baird (“Plaintiff”), in the above-captioned action (the  
5 “action”).

6 2. I am admitted to practice law in the State of California, and have  
7 personal knowledge of the facts set forth herein.

8 3. The following terms used herein are defined as follows:

- 9 a. “Settlement Class Members” means all current and former  
10 participants of the Hyatt Corporation Retirement Savings Plan who  
11 are located in California, Illinois, and New York, receive the full-  
12 value of their credit-card tips outside of their regular paycheck and  
13 had a deferral election in place at the time they received the reported  
14 tips from March 10, 2016, through the date of the Preliminary Order  
15 (“Class Period”). Excluded from the Class are members of the  
16 Committee. all individuals in the Settlement Class.
- 17 b. “Plan” means the Hyatt Corporation Retirement Savings Plan.
- 18 c. “Complaint” means the Amended Complaint filed on March 10,  
19 2022.

20 4. Attached as **Exhibit “A”** is a true and correct copy of the Settlement  
21 Agreement dated March 21, 2023.

22 5. Attached as **Exhibit “B”** is a true and correct copy of the Amended  
23 Settlement Agreement dated June 30, 2023.

24 6. Attached as **Exhibit “C”** is a true and correct copy of the Second  
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1 Amended Settlement Agreement dated November 9, 2023<sup>1</sup>.

2 7. The exhibits to the Second Amended Settlement Agreement include:

3 **Exhibit 1** – [Proposed] Preliminary Approval Order;

4 **Exhibit 2** – [Proposed] Notice;

5 **Exhibit 3** - [Proposed] “Postcard Settlement Notice”;

6 **Exhibit 4** – [Proposed] Final Approval Order; and

7 **Exhibit 5** – [Proposed] CAFA Notice

8 8. Plaintiff Lance Baird and Defendants Hyatt Corporation Benefits  
9 Committee and its Members (collectively the “Parties”) have agreed to treat this  
10 case as a class action for settlement purposes, as doing so will provide important  
11 benefits in terms of, *inter alia*, settlement administration.

12 9. First, Settlement Class Members, consisting of current and former  
13 participants in the Plan, will receive the protections inherent in a class action  
14 settlement and the benefit of this Court’s review and approval of the Settlement.

15 10. Second, the settlement will ensure that Settlement Class Members  
16 receive adequate notice regarding the Settlement, the claims they are releasing,  
17 and how they may object to the settlement.

18 11. Third, treatment of the action as a class action for settlement  
19 purposes provides a means for reliable administration of the settlement by  
20 Strategic Claims Services (“SCS”), the neutral settlement administrator discussed  
21 below, and a review by an Independent Fiduciary.

22 12. Fourth, consistent with claims in this action being asserted on behalf  
23 of the Plan under ERISA § 502(a)(2), the effect of certifying the Class as defined  
24 in the Complaint accomplishes the same objective sought throughout the  
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28 <sup>1</sup> Terms not defined herein shall have the same meaning as in the Second Amended Settlement Agreement.

1 litigation—a recovery on behalf of the current and former participants in the Plan.

2 13. As a result, certifying the settlement serves the interests of the Plan’s  
3 current and former participants and is entirely consistent with the Plan-wide relief  
4 sought in this action throughout the litigation. In addition, and importantly, for  
5 the reasons set forth in the contemporaneously filed Memorandum of Points and  
6 Authorities accompanying Plaintiff’s Amended Motion for Preliminary Approval  
7 of Settlement dated November 17, 2023, Plaintiff respectfully submits that this  
8 case meets all of the requirements for certification of a class action under Federal  
9 Rule of Civil Procedure 23.

10 14. The Second Amended Settlement Agreement represents the  
11 culmination of intensive arm’s-length negotiations with the assistance of the  
12 Mediator, Robert A. Meyer, Esquire, of JAMS, a well-respected and experienced  
13 neutral mediator who the Parties met with formally and informally on several  
14 occasions.

15 15. Plaintiff was represented in the settlement negotiations by a team of  
16 attorneys with considerable experience in ERISA litigation, who have engaged  
17 extensively in fact discovery in this case, and who are well-versed in the legal and  
18 factual issues in this action. Defendants were similarly represented by counsel  
19 with extensive experience defending complex litigation, including ERISA class  
20 actions.

21 16. The settlement negotiations were at arm’s length and conducted in  
22 good faith.

23 17. Fiduciary Counselors, the independent fiduciary, prepared a report  
24 analyzing the terms of the Settlement.

25 18. A true and correct copy of Fiduciary Counselors’ report of June 26,  
26 2023 is attached hereto as **Exhibit D** and incorporated herein by this reference  
27 (“Report”).

1           19. In the Report, Fiduciary Counselors (i) authorizes the Settlement in  
2 accordance with United States Department of Labor Prohibited Transactions  
3 Exemption 2003-39; and (ii) give a release in its capacity as a fiduciary of the  
4 Plan, for and on behalf of the Plan.

5           20. Fiduciary Counselors also has determined not to object to any aspect  
6 of the Settlement.

7           21. Plaintiff has actively participated in the action from the onset and (i)  
8 assisted Class Counsel in drafting the pleadings and other papers filed in the Class  
9 action; (ii) consulted with Class Counsel as needed; (iii) answered informal  
10 discovery requests; (iv) provided additional information; (v) participated in  
11 strategy and settlement discussions with Class Counsel; (vi) participated in the  
12 mediation; and (vii) otherwise assisted in representing the interests of the Plan and  
13 its participants and beneficiaries.

14           22. Plaintiff also participated in regular conference calls with Class  
15 Counsel to ensure that he remained fully apprised of all developments in the  
16 action.

17           23. Plaintiff fully understands the nature of his claims, as well as his  
18 duties and responsibilities as a Class Representative to the Plan, and he has no  
19 interests antagonistic to the Plan or members of the Settlement Class.

20           24. Based upon the number of accounts in the Plan during the Class  
21 Period and communications with defense counsel, Class Counsel estimates that  
22 there are approximately 1,048 Settlement Class members.

23           25. To engage a settlement administrator, Class Counsel, Miller Shah  
24 and Staub, received bids from three settlement administrators: SCS, ILYM, and  
25 Simpluris.

26           26. SCS provided an estimate of \$13,750, with a cap of \$14,450. A true  
27 and correct copy of this proposal is attached hereto as **Exhibit E-1** and

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1 incorporated herein by this reference as though set forth in full.

2 27. ILYM provided an estimate and cap of \$15,450. A true and correct  
3 copy of its proposal is attached hereto as **Exhibit E-2** and incorporated herein by  
4 this reference as though set forth in full.

5 28. Simpluris provided an estimate of \$24,750 and a cap of \$30,000. A  
6 true and correct copy of its proposal is attached hereto as **Exhibit E-3** and  
7 incorporated herein by this reference as though set forth in full.

8 29. Miller Shah and Staub selected (and the Parties have agreed upon)  
9 SCS to be the settlement administrator.

10 30. SCS provided the lowest bid and cap. SCS is a settlement  
11 administrator with more than 20 years of experience administering class action  
12 settlements and has successfully administered a number of complex ERISA class  
13 action settlements in an efficient and effective manner as set forth in **Exhibit “F,”**  
14 which provides a description of the services provided by SCS and the resume of  
15 Paul Mulholland, CPA, the principal of SCS.

16 31. SCS also has robust procedures for handling Class Member data, and  
17 insurance protection totaling \$19 million (\$15 million for errors and omissions  
18 and \$4 million for professional liability, and crime protection).

19 32. This Settlement is consistent with other settlements involving  
20 analogous ERISA breach of fiduciary duty claims administered by SCS as  
21 confirmed in Exhibit F which provides a breakdown of ERISA settlements  
22 administered by SCS in the past 10 years by (i) total settlement fund; (ii) number  
23 of class members; (iii) potential class members to whom notice was sent; (iv)  
24 method of notice; (v) claims percentage; (vi) average recovery per class member;  
25 (vii) *cy pres* distributions, administrative costs; (viii) attorneys’ fees and costs, and  
26 injunctive and non-monetary relief; as well as (ix) cases in the last two years in  
27 which SCS was engaged by Miller Shah.

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1           33. Miller Shah’s attorneys are experienced in class action litigation,  
2 including in ERISA class actions, and have recovered more than \$1 billion on  
3 behalf of their clients in class actions nationwide.<sup>2</sup> In ERISA class and  
4 representative actions, James E. Miller, Ronald S. Kravitz, Laurie Rubinow and  
5 Alec J. Berin of Miller Shah have served as lead counsel in some of the most  
6 significant ERISA cases prosecuted throughout the United States on behalf of  
7 retirement plans and their participants, including *Healthcare Strategies, Inc. v.*  
8 *ING Life Ins. & Annuity Co.*, No. 3:11-CV-282 (D. Conn.) (class action on behalf  
9 of retirement plans tried before the Honorable William G. Young and resulting in  
10 a settlement valued at more than \$400 million for a class of retirement plans);  
11 *Phones Plus, Inc. v. Hartford Fin. Servs., Inc.*, No. 3:06-cv-01835 (D. Conn.)  
12 (class action settlement with value of over \$80 million on behalf of class of  
13 retirement plans); *Golden Star, Inc. v. Mass Mutual Life Ins. Co.*, No. 3:11-cv-  
14 30235 (D. Mass.) (\$9.475 million class action settlement on behalf of class of  
15 retirement plans); *Butler National v. Union Central Life Ins. Co.*, No. 1:12-cv-177  
16 (S.D. Ohio) (\$2.25 million common fund established for class of retirement plans  
17 and other relief to class valued at over \$15 million); *Terraza v. Safeway, Inc.*, No.  
18 4:16-cv-03994 (N.D. Cal.) (settlement of \$8.5 million for class of plan  
19 participants); *Jones v. Coca-Cola Consolidated, Inc.*, No. 3:20-cv-00988  
20 (W.D.N.C.) (settlement of \$3.5 million for class of plan participants); *Barcenas v.*  
21 *Rush Univ. Medical Ctr.*, No. 22-cv-00366 (N.D. Ill.) (settlement of \$2.95 million  
22 for class of plan participants); *Allison v. L Brands, Inc.*, No. 2:20-cv-06018-EAS-  
23 CMV (S.D. Ohio) (settlement of \$2.75 million for class of plan participants);  
24 *Blackmon v. Zachry Holdings, Inc.*, No. 5:20-cv-00988 (W.D. Tex.) (settlement of  
25 \$1.875 million for class of plan participants); and *Hay v. Gucci, Inc.*, No. 2:17-cv-

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<sup>2</sup> See <https://millershah.com/practice-areas/employee-benefits-fiduciary-compliance/401-k-fee-litigation-gatekeeper-cases/>.



1 07148 (D.N.J.) (\$1.2 million settlement for class of plan participants in small  
2 defined contribution retirement plan). Thus, the attorneys at Miller Shah have the  
3 experience, resources, expertise, and aptitude necessary to represent the interests  
4 of the Plan and the Settlement Class in this case.

5 34. D. Joshua Staub has decades of complex and class action litigation  
6 experience. Mr. Staub has been to practice law in California since June, 1994 and  
7 is also admitted to practice in New York and the District of Columbia. Mr. Staub  
8 served on the Los Angeles County Bar Association’s Judicial Elections Evaluation  
9 Committee from 2013-2017 and the Los Angeles County Bar Association’s  
10 Judicial Elections Evaluation Committee from 2013-2017. He has the requisite  
11 experience and resources to represent the interests of the Plan and the Settlement  
12 Class in this action.

13 35. During the course of this action and the Settlement negotiations, the  
14 Parties exchanged information sufficient to enable counsel to evaluate the strength  
15 of the claims and risks of continued litigation. Specifically, Defendants produced,  
16 and Plaintiff and Class Counsel reviewed relevant documents and  
17 communications reflecting the relationships between and among fiduciaries,  
18 Defendants’ management and administration of the Plan, and Defendants’ process  
19 for administering the Plan. These documents included Plan documents, summary  
20 Plan descriptions, and amendments to the Plan, as well as materials related to the  
21 distribution of tipped income to participants.

22 36. Prior to reaching the Settlement, the Parties also communicated their  
23 respective positions concerning Plaintiff’s likelihood of success on the claims and  
24 potential recovery on behalf of the Plan; conducted independent analyses to  
25 support their claims and defenses and evaluate potential resolutions; and  
26 participated in a mediation on October 6, 2022. The Settlement was reached in the  
27 weeks following the mediation session, under the continued guidance of Robert A.

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1 Meyer. There has been no collusion or complicity of any kind in connection with  
2 the Settlement reached in this case or any related negotiations.

3 37. As noted above, Class Counsel have significant experience in similar  
4 litigation and are well-informed as to the specifics of this Class action. Class  
5 Counsel's thorough investigation, coupled with the document discovery  
6 conducted in this action, has afforded them a significant understanding of the  
7 merits of the claims asserted herein, the strength of Defendants' defenses, and the  
8 values of theoretical outcomes of the case.

9 38. Based upon the claims remaining in the case, Plaintiff's expert has  
10 estimated the range of realistic and supportable damages to be from \$1.3 million  
11 to \$1.6 million depending upon the methodology and assumptions employed.  
12 While figures in this range are defensible, the likelihood of establishing a higher  
13 figure faces more challenges than the lower figure. Indeed, if the Class action  
14 proceeded through trial, Defendants would likely challenge the loss calculation  
15 methodology and interest rates applied (not to mention challenges to causation  
16 and other elements of Plaintiff's claims).

17 39. Class Counsel have fully investigated and developed this action,  
18 reviewed document productions sufficient to meaningfully assess the strength of  
19 Plaintiff's claims and worked with an expert to evaluate the strength of the losses  
20 and the potential damages. Class Counsel will continue to represent vigorously  
21 the interests of the Plan and the Settlement Class.

22 40. Class Counsel anticipates seeking an award of attorneys' fees of up  
23 to 25 percent of the Gross Settlement Amount, plus litigation expenses. Class  
24 Counsel prosecuted the action on a contingent basis and advanced all associated  
25 costs, with no expectation of recovery in the event the litigation did not result in a  
26 recovery for the Settlement Class.

27 41. Class Counsel's collective lodestar to date exceeds \$391,000 with  
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1 Miller Shah having devoted more than 535 hours of work to this engagement with  
2 a lodestar in excess of \$299,000 D. Joshua Staub has devoted more than 125  
3 hours of work to this engagement, with a lodestar in excess of \$92,000.

4 42. In addition, Class Counsel expect to devote at least \$33,000 to  
5 \$60,000 in additional lodestar to resolve this matter fully and successfully,  
6 including addressing inquiries from members of the Settlement Class throughout  
7 the Settlement administration process. Thus, Class Counsel anticipate requesting a  
8 modest multiplier of less than their lodestar at the time they submit their formal  
9 application for an award of attorneys’ fees and expenses.

10 43. In addition, Class Counsel has incurred expenses in excess of  
11 \$14,000 to date, with the significant majority of those expenses devoted to the  
12 mediation and payments for expert analysis. Class Counsel also will continue to  
13 incur significant expenses in connection with the remaining work to be performed  
14 to fully effectuate the Settlement if the Court approves it.

15 I declare under penalty of perjury that the foregoing is true and correct.  
16 Executed this 17th November 2023, at San Francisco, California.

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19 Dated: November 17, 2023

/s/ Ronald S. Kravitz  
Ronald S. Kravitz

# **EXHIBIT A**

## **CLASS ACTION SETTLEMENT AGREEMENT**

This Class Action Settlement Agreement (“Settlement Agreement”) is entered into between and among the Lance Baird (“Plaintiff” or “Class Representative”), all Class Members, Hyatt Corporation (“Hyatt”) and Hyatt Corporation Benefits Committee ( the “Committee”). Hyatt and the Committee are referred to collectively as Defendants, and Defendants and Plaintiff are referred to collectively as the “Settling Parties.”

### **1. Article 1 – Recitals**

- 1.1** On March 10, 2022, Plaintiff filed a Complaint (No. 2:22-cv-01620) on behalf of himself and all the participants in the Hyatt Corporation Retirement Savings Plan (“the Plan”). The Complaint, referred to as the “Class Action Complaint”, is brought against Defendants and asserts various claims under the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001, *et seq.* (“ERISA”) based on Defendants’ management, operation and administration of the Plan.
- 1.2** Subsequent to the filing of the Class Action Complaint, the Settling Parties began settlement discussions. These discussions included the exchange of discovery sought by Plaintiff to substantiate his theories of liability and damages.
- 1.3** On October 6, 2022, the Settling Parties held a full-day private mediation with Bob Meyer of JAMS. The Settling Parties reached agreement on the monetary terms of a potential settlement during the mediation and signed a Memorandum of Understanding regarding the principal settlement terms dated December 22, 2022. Thereafter, the Settling Parties continued negotiations regarding the terms of the Settlement Agreement. The entirety of the agreement reached by the Settling Parties is memorialized in the Settlement Agreement.
- 1.4** The Class Representative and Class Counsel consider it desirable and, in the Plan’s, and Class Members’ best interests that the claims against Defendants be settled upon the terms set forth below. The Class Representative and Class Counsel have concluded that such terms are fair, reasonable, and adequate and that this settlement will result in benefits to the Plan and the Settlement Class.
- 1.5** Defendants deny all allegations of wrongdoing and denies all liability for the allegations and claims made in the Class Action. Defendants maintain that they are without fault or liability. Defendants contend that the Plan has been managed, operated and administered at all relevant times in compliance with ERISA and applicable regulations, including the fiduciary and prohibited transaction provisions of ERISA. The Settlement Agreement, and the discussions between the Settling Parties preceding it, shall in no event constitute, be construed as, or be

deemed evidence of, an admission or concession of any wrongdoing, fault or liability of any kind by Defendants.

- 1.6 The Settling Parties have concluded that it is desirable that the Class Action be finally settled upon the terms and conditions set forth in the Settlement Agreement.
- 1.7 Therefore, the Settling Parties, in consideration of the promises, covenants, and agreements herein described, acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree as follows.

## 2. Article 2 – Definitions

As used in the Settlement Agreement and the Exhibits hereto (as listed in Paragraph 13.17), unless otherwise defined, the following terms have the meanings specified below:

- 2.1 “Administrative Expenses” means expenses incurred in the administration of the Settlement Agreement, including (a) all fees, expenses, and costs associated with providing the Settlement Notices to the Settlement Class (b) related tax expenses (including taxes and tax expenses as described in Paragraph 5.3); (c) all expenses and costs associated with the distribution of funds under the Plan of Allocation borne by the Settlement Administrator; (d) all fees and expenses associated with the services provided by the Settlement Administrator, and Escrow Agent in connection with the Settlement; and (e) all expenses associated with providing CAFA notice. Excluded from Administrative Expenses are internal expenses by the Settling Parties, the costs associated with the Independent Fiduciary and the Settling Parties’ respective legal expenses. Administrative Expenses shall be paid from the Gross Settlement Amount.
- 2.2 “Alternate Payee” means a person other than a participant or Beneficiary in the Plan who is entitled to a benefit under the Plan as a result of a Qualified Domestic Relations Order.
- 2.3 “Amendment to the Plan” means the Plan amendment effective February 1, 2022, addressing the Automatic Reduction of Pay Contribution Election. The Settlement Class Members waive any objection to the Amendment to the Plan, and as set forth below release all claims related to the Amendment to the Plan.
- 2.4 “Attorneys’ Fees and Costs” means any and all attorneys’ fees, costs (including fees and costs charged or incurred by retained experts or consultants), and expenses of Class Counsel for their past, present, and future work, efforts, and expenditures in connection with the Action and Settlement. The amount of attorneys’ fees for Class Counsel shall not exceed an amount of 25% of the Gross

Settlement Amount, which shall be paid from the Gross Settlement Amount. Class Counsel also will seek reimbursement for all costs and expenses advanced and carried by Class Counsel in this litigation, which also shall be paid from the Gross Settlement Amount.

- 2.5 “Beneficiary” means a person who currently is entitled to receive a benefit under the Plan due to the death of a Plan participant. A Beneficiary includes, but is not limited to, a surviving spouse, domestic partner, or child of a Plan participant who currently is entitled to a benefit.
- 2.6 “Class Action” means the action styled *Baird et. al. v. Hyatt Corporation*, Civil Action No. 2:22-cv-01620, and venued in the United States District Court for the Central District of California.
- 2.7 “Class Action Complaint” means the Amended Complaint filed in the Class Action on March 10, 2022.
- 2.8 “Class Counsel” means Miller Shah, LLP, and D. Joshua Staub.
- 2.9 “Class Members” means all individuals in the Settlement Class.
- 2.10 “Class Period” means the period from March 10, 2016, through the date of the Preliminary Order.
- 2.11 “Class Representative” means Lance Baird.
- 2.12 “Class Representative’s Case Contribution Award” means an amount to be determined by the Court, but not to exceed \$17,500 (seventeen-thousand five hundred dollars) for Class Representative, which shall be paid from the Gross Settlement Amount directly to the Class Representative.
- 2.13 “Committee” means the Hyatt Corporation Benefits Committee
- 2.14 “Court” means the United States District Court for the Central District of California.
- 2.15 “Defendants” means Hyatt Corporation (“Hyatt”) and Hyatt Corporation Benefits Committee ( the “Committee”)
- 2.16 “Defense Counsel” means Seyfarth Shaw LLP.
- 2.17 “Escrow Agent” means the entity selected and approved by the Parties to act as escrow agent for any portion of the Settlement Amount deposited in or accruing in the Settlement Fund pursuant to this Agreement.

- 2.18** “Fairness Hearing” means the hearing scheduled by the Court to consider (a) any objections from Class Members to the Settlement Agreement, (b) Class Counsel’s petition for Attorneys’ Fees and Costs and Class Representative’s Case Contribution Award, and (c) whether to finally approve the Settlement Agreement under Fed. R. Civ. P. 23.
- 2.19** “Final Order” means the order and final judgment approving the Settlement Agreement, implementing the terms of the Settlement Agreement, and dismissing the Class Action with prejudice, to be proposed by the Settling Parties for approval by the Court, in substantially the form attached as Exhibit 4 hereto.
- 2.20** “Final” means with respect to any judicial ruling, order, or judgment that the period for any motions for reconsideration, motions for rehearing, appeals, petitions for certiorari, or the like (“Review Proceeding”) has expired without the initiation of a Review Proceeding, or, if a Review Proceeding has been timely initiated, that it has been fully and finally resolved, either by court action or by voluntary action of any Settling Party, without any possibility of a reversal, vacatur, or modification of any judicial ruling, order, or judgment, including the exhaustion of all proceedings in any remand or subsequent appeal and remand. The Settling Parties agree that absent an appeal or other attempted review proceeding, the period after which the Final Order becomes Final is fourteen (14) calendar days after the time for appeal expires. If any person appeals, the Final Order shall become Final fourteen (14) calendar days after the appeal is resolved and the time for all further appeal expires.
- 2.21** “Gross Settlement Amount” means the sum of one million four-hundred and seventy-five thousand dollars (\$1,475,000.00), paid to the Qualified Settlement Fund in accordance with Article 5. The Gross Settlement Amount shall be the full and sole monetary payment to the Settlement Class, Plaintiff, and Class Counsel made on behalf of Defendants in connection with the Settlement effectuated through the Settlement Agreement. Once the Final Order is Final, no portion of the Gross Settlement Amount shall be returned to Defendants.
- 2.22** “Hyatt” means Hyatt Corporation
- 2.23** “Independent Fiduciary” means Fiduciary Counselors, Inc., and shall be retained by Hyatt at its own expense.
- 2.24** “Net Settlement Amount” means the Gross Settlement Amount minus: (a) all Attorneys’ Fees and Costs paid to Class Counsel; (b) Class Representative Case Contribution Award as authorized by the Court; (c) all Administrative Expenses; and (d) a contingency reserve not to exceed an amount to be mutually agreed upon by the Settling Parties that is set aside by the Settlement Administrator for: (1) Administrative Expenses incurred before the Settlement Effective Date but not yet paid, (2) Administrative Expenses estimated to be incurred after the



Settlement Effective Date, and (3) an amount estimated for adjustments of data or calculation errors.

- 2.25** “Plan” means the Hyatt Corporation Retirement Savings Plan.
- 2.26** “Plan of Allocation” means the methodology for allocating and distributing the Net Settlement Amount in accordance with Article 6 herein.
- 2.27** “Preliminary Order” means the order proposed by the Settling Parties and approved by the Court in connection with the Motion for Entry of the Preliminary Order to be filed by Class Representatives through Class Counsel, as described in Paragraph 3.2 and in substantially the form attached hereto as Exhibit 1.
- 2.28** “Qualified Settlement Fund” or “Settlement Fund” means the interest-bearing, settlement fund account to be established and maintained by the Escrow Agent in accordance with Article 6 herein and referred to as the Qualified Settlement Fund (within the meaning of Treas. Reg. § 1.468B-1).
- 2.29** “Released Claims” means any and all actual or potential claims, actions, demands, rights, obligations, liabilities, damages, attorneys’ fees, expenses, costs, and causes of action, whether arising under local, state, or federal law, whether by statute, contract, common law, equity, or otherwise, whether brought in an individual, representative, or any other capacity, whether involving legal equitable, injunctive, declarative, or any other type of relief (including, without limitation, indemnification or contribution), whether, known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, that have been, could have been, or could be brought by or on behalf of all or any member of the Settlement Class or the Plan at any point prior to the Court’s final approval of the Settlement, and that were asserted in the Class Action or that might have been asserted in the Class Action under any legal or equitable basis related in any way to deferral of credit card tips under the terms of the Plan, the Amendment to the Plan, employer matching under the Plan relating to credit card tip income, any claim that the Settlement Agreement or any aspect of its implementation violates any applicable law or right of any Settlement Class Member, or any claim that would have been barred by the doctrine of res judicata or claim preclusion had the Lawsuit been fully litigated to a final judgment.
- 2.30** Released Claims specifically exclude any claims that cannot be waived by law, or any claims arising out of or related to the Hyatt Hotels Corporation Employee Stock Purchase Plan as amended.

- 2.31** “Released Settling Parties” means (i) Defendants, their parent, subsidiaries and affiliates, (ii) the Plan, (iii) every person who was a director, officer, governor, management committee member, in-house counsel, employee, or agent of Defendants and any of its parents, subsidiaries, and affiliates, (iv) any trustee or fiduciary (including de facto fiduciaries) for the Plan, together with any present or former representatives, insurers, reinsurers, consultants, administrators, representatives, attorneys, employee benefit plans, investment advisors, investment underwriters, and spouses, (v) the Plan’s recordkeeper and trustee as well as any consultants or advisors to the Plan or to any Plan fiduciary, and (vi) with respect to (i) through (v) above their past, present and future members of their respective boards of directors, managers, partners, agents, members, shareholders (in their capacity as such), officers, employees, independent contractors, representatives, attorneys, administrators, fiduciaries, accountants, auditors, advisors, consultants, personal representatives, spouses, heirs, executors, administrators, associates, employee benefit plan fiduciaries (with the exception of the Independent Fiduciary), employee benefit plan administrators, and all other service providers to the Plan (including their owners and employees), members of their immediate families, consultants, subcontractors, and all persons acting under, by, through, or in concert with any of them.
- 2.32** “Settlement” refers to the agreement embodied in this agreement and its exhibits.
- 2.33** “Settlement Administrator” means Strategic Claims Services, an independent contractor, retained by Class Counsel.
- 2.34** “Settlement Agreement Execution Date” means that date on which the final signature is affixed to the Settlement Agreement.
- 2.35** “Settlement Class” means all current and former participants of the Hyatt Corporation Retirement Savings Plan who are located in California, Illinois, and New York, receive the full-value of their credit-card tips outside of their regular paycheck and had a deferral election in place at the time they received the reported tips from March 10, 2016, through the date of the Preliminary Order (“Class Period”). Excluded from the Class are members of the Committee.
- 2.36** “Settlement Effective Date” means the date on which the Final Order is Final, provided that by such date the Settlement has not been terminated in accordance with Article 11.2.
- 2.37** “Settlement Notice” means the Notice of Class Action Settlement and Fairness Hearing to be provided to Class Members identified by the Settlement Administrator following the Court’s issuance of the Preliminary Order. The full Settlement Notice will be available on the Settlement Website, in substantially the form attached hereto as Exhibit 2. The full Settlement Notice also shall inform Class Members of a Fairness Hearing to be held before the Court, on a date to be

determined by the Court, at which any Class Member satisfying the conditions set forth in the Preliminary Order and the Settlement Notice may be heard regarding: (a) the terms of the Settlement Agreement; (b) the petition of Class Counsel for award of Attorneys' Fees and Costs; (c) payment of and reserve for Administrative Expenses; and (d) Class Representative's Case Contribution Award. In addition, Class Members identified by the Settlement Administrator following the Court's issuance of the Preliminary Order will receive a "Postcard Settlement Notice", in substantially the form attached hereto as Exhibit 3. The Postcard Settlement Notice also shall inform Class Members of a Fairness Hearing to be held before the Court, on a date to be determined by the Court, at which any Class Member satisfying the conditions set forth in the Preliminary Order and the Settlement Notice may be heard regarding: (a) the terms of the Settlement Agreement; (b) the petition of Class Counsel for award of Attorneys' Fees and Costs; (c) payment of and reserve for Administrative Expenses; and (d) Class Representative's Case Contribution Award. The Postcard Settlement Notice shall direct Class Members to the Settlement Website for additional information.

**2.38** "Settlement Website" means the internet website established in accordance with Paragraph 12.2. The settlement website will be called: [www.Hyatt401kclass.com](http://www.Hyatt401kclass.com).

**2.39** "Settling Parties" or "Settling Party" means Defendants and/or the Class Representative, on behalf of himself, the Plan, and each of the Class Members.

**3. Article 3 – Review and Approval by Independent Fiduciary, Preliminary Settlement Approval, and Notice to the Class**

**3.1** The Independent Fiduciary shall have the following responsibilities, including whether to approve and authorize the settlement of Released Claims on behalf of the Plan.

**3.1.1** The Independent Fiduciary shall comply with all relevant conditions set forth in Prohibited Transaction Class Exemption 2003-39, "Release of Claims and Extensions of Credit in Connection with Litigation," issued December 31, 2003, by the United States Department of Labor, 68 Fed. Reg. 75,632, as amended ("PTE 2003-39") in making its determination, for the purpose of Defendant's reliance on PTE 2003-39.

**3.1.2** The Independent Fiduciary shall notify Hyatt directly of its determination in writing, which notification shall be delivered no later than forty (40) days prior to the date set for hearing on preliminary approval of the Settlement Agreement. Within five (5) business days of receipt of the Independent Fiduciary's written determination, Hyatt will provide a copy of the written determination to Class Counsel.

- 3.1.3** All fees and expenses associated with the Independent Fiduciary's determination and performance of its other obligations in connection with the Settlement will be paid by Hyatt.
- 3.1.4** Defendants, Defense Counsel, and Class Counsel shall respond to reasonable requests by the Independent Fiduciary for information so that the Independent Fiduciary can review and evaluate the Settlement Agreement.
- 3.1.5** Within fifteen (15) calendar days of receipt of the written determination by the Independent Fiduciary, Defendants shall (a) review the determination by the Independent Fiduciary, (b) conclude whether the Independent Fiduciary has made the determinations required by PTE 2003-39, and (c) notify Class Counsel in writing of its conclusion in that regard.
- 3.2** Class Representative, through Class Counsel, shall file with the Court motions seeking preliminary approval of the Settlement Agreement, joint modification of the class definition, and for entry of the Preliminary Order in substantially the form attached hereto as Exhibit 1. Before filing the motion for preliminary approval, Class Counsel will obtain the approval of Defendants. The Preliminary Order to be presented to the Court shall, among other things:

  - 3.2.1** Grant the motion to certify the Class as a mandatory non-opt-out class pursuant to Fed. R. Civ. P. 23(b)(1);
  - 3.2.2** Approve the text of the Settlement Notice for mailing to Class Members identified by the Settlement Administrator to notify them (1) of the Fairness Hearing and (2) that notice of changes to the Settlement Agreement, future orders regarding the Settlement, modifications to the Class Notice, changes in the date or timing of the Fairness Hearing, or other modifications to the Settlement, including the Plan of Allocation, may be provided to the Class through the Settlement Website without requiring additional mailed notice;
  - 3.2.3** Determine that under Rule 23(c)(2)(A) of the Federal Rules of Civil Procedure, the Settlement Notice constitutes appropriate notice under the circumstances, provides due and sufficient notice of the Fairness Hearing and of the rights of all Class Members, and complies fully with the requirements of Fed. R. Civ. P. 23, the Constitution of the United States, and any other applicable law;
  - 3.2.4** Cause the Settlement Administrator to send the Settlement Notice by mail or electronic mail to each Class Member identified by the

Settlement Administrator based upon the information provided by the Plan or its recordkeeper;

- 3.2.5** Provide that, pending final determination of whether the Settlement Agreement should be approved, every Class Member is prohibited and enjoined from directly, through representatives, or in any other capacity, commencing any action or proceeding in any court or tribunal asserting any of the Released Claims against any Released Settling Party or the Plan;
  - 3.2.6** Set the Fairness Hearing for no sooner than one hundred twenty (120) calendar days after the date the Motion for Entry of the Preliminary Order is approved, in order to determine whether (i) the Court should approve the Settlement as fair, reasonable, and adequate, (ii) the Court should enter the Final Order, and (iii) the Court should approve the application for Attorneys' Fees and Costs, Class Representative's Case Contribution Award, Administrative Expenses incurred to date, and a reserve for anticipated future Administrative Expenses;
  - 3.2.7** Provide that any objections to any aspect of the Settlement Agreement shall be heard, and any papers submitted in support of said objections shall be considered, by the Court at the Fairness Hearing if they have been filed validly with the Clerk of the Court and copies provided to Class Counsel and Defense Counsel. To be filed validly, the objection and any notice of intent to appear or supporting documents must be filed at least thirty (30) calendar days prior to the scheduled Fairness Hearing. Any person wishing to speak at the Fairness Hearing shall file and serve a notice of intent to appear within the time limitation set forth above;
  - 3.2.8** Provide that any Settling Party may file a response to an objection by a Class Member;
  - 3.2.9** Provide that the Fairness Hearing may, without further direct notice to the Class Members, other than by notice to Class Counsel, be adjourned or continued by order of the Court; and
  - 3.2.10** Determine that the information to be provided to the Settlement Administrator in connection with the administration of the settlement constitutes Confidential Information protected from public disclosure by the Confidentiality Order.
- 3.3** Defendants and Defense Counsel shall use reasonable efforts to respond timely to written requests, including by e-mail, from the Settlement Administrator for readily accessible data that are reasonably necessary to determine the feasibility of administering the Plan of Allocation or to implement the Plan of Allocation.

- 3.3.1** The Settlement Administrator shall be bound by the Confidentiality Order and any further non-disclosure or security protocol required by the Settling Parties.
  - 3.3.2** The Settlement Administrator shall use the data provided by Defendants and the Plan's recordkeeper solely for the purpose of meeting its obligations as Settlement Administrator, and for no other purpose.
  - 3.3.3** The Settling Parties shall have the right to approve a written protocol to be provided by the Settlement Administrator concerning how the Settlement Administrator will maintain and store information provided to it in order to ensure that reasonable and necessary precautions are taken to safeguard the privacy and security of such information.
- 3.4** By the date and in the manner set by the Court in the Preliminary Order, and unless otherwise set forth below, the Settlement Administrator shall:
- 3.4.1** Cause to be provided to each Class Member identified by the Settlement Administrator a Settlement Notice in the form and manner to be approved by the Court, which shall be in substantially the form attached hereto as Exhibit 2 or a form subsequently agreed to by the Settling Parties and approved by the Court. The Settlement Notice shall be sent to the last known email address of each Class Member provided by the Plan's recordkeeper (or its designee) through Defense Counsel, unless an updated address is obtained by the Settlement Administrator through its efforts to verify the last known addresses provided by the Plan's recordkeeper (or its designee). The Settlement Notice may be sent by email to all Class Members for whom Defendants has an email address. The Postcard Settlement Notice shall be sent to all Class members for whom an email address is not available. The Postcard Settlement Notice shall also be sent to all Class Members to whom delivery of the Settlement Notice by email bounced back. Class Counsel also shall post a copy of the Settlement Notice on the Settlement Website. The Settlement Administrator shall use commercially reasonable efforts to locate any Class Member whose Settlement Notice is returned and re-send such documents one additional time.

**4. Article 4 – Final Settlement Approval**

- 4.1** No later than ten (10) business days before the Fairness Hearing, Class Counsel shall submit to the Court a mutually agreed upon motion for entry of the Final Order (Exhibit 4) in the form approved by Class Counsel and Defense Counsel, which shall request approval by the Court of the terms of the Settlement Agreement and entry of the Final Order in accordance with the Settlement Agreement. The Final Order as proposed shall provide for the following, among

other things, as is necessary to carry out the Settlement consistent with applicable law and governing Plan documents:

- 4.1.1** Approval of the Settlement of the Released Claims covered by the Settlement Agreement adjudging the terms of the Settlement Agreement to be fair, reasonable, and adequate to the Plan and the Class Members and directing the Settling Parties to take the necessary steps to effectuate the terms of the Settlement Agreement;
- 4.1.2** A determination under Rule 23(c)(2)(A) of the Federal Rules of Civil Procedure that the Settlement Notice constitutes appropriate notice under the circumstances and that due and sufficient notice of the Fairness Hearing and the rights of all Class Members has been provided;
- 4.1.3** Dismissal with prejudice of the Class Action and all Released Claims asserted therein whether asserted by Class Representative on his own behalf or on behalf of the Class Members, or derivatively to secure relief for the Plan, without costs to any of the Settling Parties other than as provided for in the Settlement Agreement.
- 4.1.4** That each Class Member (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns) shall be (i) conclusively deemed to have, and by operation of the Final Order to have, fully, finally, and forever settled, released, relinquished, waived, and discharged the Released Settling Parties and the Plan from all Released Claims, and (ii) barred and enjoined from suing the Released Settling Parties or the Plan in any action or proceeding alleging any of the Released Claims, even if any Class Member may thereafter discover facts in addition to or different from those which the Class Members or Class Counsel now know or believe to be true with respect to the Class Action and the Released Claims, whether or not such Class Members have filed an objection to the Settlement or to any application by Class Counsel for an award of Attorneys' Fees and Cost;
- 4.1.5** That the Plan and each Class Member (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns) on behalf of the Plan shall be (i) conclusively deemed to have, and by operation of the Final Order shall have, fully, finally, and forever settled, released, relinquished, waived, and discharged the Released Settling Parties from all Released Claims, and (ii) barred and enjoined from suing the Released Settling Parties in any action or proceeding alleging any of the Released Claims, even if the Plan or any Class Member on behalf of the Plan may thereafter discover facts in



addition to or different from those which the Plan or any Class Member now knows or believes to be true with respect to the Class Action and the Released Claims;

- 4.1.6** That each Class Member shall release the Released Settling Parties, Defense Counsel, Class Counsel, and the Plan for any claims, liabilities, and attorneys' fees and expenses arising from the allocation of the Gross Settlement Amount or Net Settlement Amount and for all tax liability and associated penalties and interest as well as related attorneys' fees and expenses;
  - 4.1.7** That all applicable CAFA requirements have been satisfied;
  - 4.1.8** That the Settlement Administrator shall have final authority to determine the share of the Net Settlement Amount to be allocated to each Class Member in accordance with the Plan of Allocation approved by the Court and the Settling Parties;
  - 4.1.9** That within twenty-one (21) calendar days following the issuance of all settlement payments to Class Members as provided by the Plan of Allocation approved by the Court, the Settlement Administrator shall prepare and provide to Class Counsel and Defense Counsel a list of each person who received a settlement payment or contribution from the Qualified Settlement Fund and the amount of such payment or contribution.
- 4.2** The Final Order and judgment entered by the Court approving the Settlement Agreement shall provide that upon its entry all Settling Parties, the Settlement Class, and the Plan shall be bound by the Settlement Agreement and by the Final Order.

**5. Article 5 – Establishment of Qualified Settlement Fund**

- 5.1** No later than five (5) business days after entry of the Preliminary Order, the Escrow Agent shall establish an escrow account. The Settling Parties agree that the escrow account is intended to be, and will be, an interest-bearing Qualified Settlement Fund within the meaning of Treas. Reg. § 1.468B-1. In addition, the Escrow Agent timely shall make such elections as necessary or advisable to carry out the provisions of this paragraph, including the “relation-back election” (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to prepare and deliver, in a timely and proper manner, the necessary documentation for signature by all necessary Settling Parties, and thereafter to cause the appropriate filing to occur.

- 5.2** For the purpose of § 468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow Agent. The Escrow Agent, or the Settlement Administrator on its behalf, shall timely and properly cause to be filed all informational and other tax returns necessary or advisable with respect to the Gross Settlement Amount (including without limitation applying for a Taxpayer Identification Number for the Fund and filing the returns described in Treas. Reg. § 1.468B-2(k)). Such returns as well as the election described in Paragraph 5.1 shall be consistent with this Article 5 and, in all events, shall reflect that all taxes (as defined in Paragraph 5.3 below) (including any estimated taxes, interest, or penalties) on the income earned by the Gross Settlement Amount shall be deducted and paid from the Gross Settlement Amount as provided in Paragraph 5.3.
- 5.3** Taxes and tax expenses are Administrative Expenses to be deducted and paid from the Gross Settlement Amount, including but not limited to: (1) all taxes (including any estimated taxes, interest, or penalties) arising with respect to the income earned by the Gross Settlement Amount, including any taxes or tax detriments that may be imposed upon Defendants or Defense Counsel, or Class Counsel with respect to any income earned by the Gross Settlement Amount for any period during which the Gross Settlement Amount does not qualify as a “qualified settlement fund” for federal or state income tax purposes, and (2) all tax expenses and costs incurred in connection with the operation and implementation of this Article 5 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in this Article 5). Such taxes and tax expenses shall be Administrative Expenses and shall be paid timely by the Escrow Agent out of the Gross Settlement Amount without prior order from the Court. The Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to any Class Member any funds necessary to pay such amounts, including the establishment of adequate reserves for any taxes and tax expenses (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)); neither the Released Settling Parties, Defense Counsel, nor Class Counsel are responsible nor shall they have any liability therefor. The Settling Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this Article 5.
- 5.4** Within thirty (30) calendar days after the Preliminary Order is entered, Hyatt /or its agents or insurers, will deposit \$1,475,000 (one million four-hundred and seventy-five thousand dollars) into the Qualified Settlement Fund. Provided, however, that Hyatt will only be obligated to deposit these funds if the Escrow Agent shall have furnished to Defendants in writing the escrow account name, IRS W-9 Form, and all necessary wiring instructions within three (3) business

days after the entry of the Preliminary Order and Hyatt shall have received a copy of the signed Preliminary Order.

- 5.5** The Escrow Agent shall, at the written direction of Class Counsel, invest the Qualified Settlement Fund in short-term United States Agency or Treasury Securities or other instruments backed by the Full Faith and Credit of the United States Government or an Agency thereof if feasible, or else in an account fully insured by the United States Government or an Agency thereof, and shall reinvest the proceeds of these investments as they mature in similar instruments at their then-current market rates.
- 5.6** The Escrow Agent shall not disburse the Qualified Settlement Fund or any portion except as provided in the Settlement Agreement, in an order of the Court, or in a subsequent written stipulation between Class Counsel and Defense Counsel. Subject to the orders of the Court, the Escrow Agent is authorized to execute such transactions as are consistent with the terms of the Settlement Agreement.
- 5.7** Prior to the Settlement Effective Date, the Escrow Agent shall disburse up to \$25,000 (twenty-five thousand dollars) to the Settlement Administrator for costs actually incurred in connection with distribution of the Notice.
- 5.8** After the Settlement Effective Date, the Gross Settlement Amount will be distributed from the Qualified Settlement Fund as follows: (a) first, all Attorneys' Fees and costs shall be paid to Class Counsel no later than eight (8) calendar days after the Settlement Effective Date; (b) second, all Administrative Expenses not paid previously shall be paid no later than eight (8) calendar days after the Settlement Effective Date; (c) third, any Class Representative Case Contribution Award ordered by the Court shall be paid no later eight (8) calendar days after the Settlement Effective Date; (d) fourth, a contingency reserve not to exceed an amount to be mutually agreed upon by the Settling Parties shall be set aside by the Settlement Administrator for: (1) Administrative Expenses incurred before the Settlement Effective Date but not yet paid, (2) Administrative Expenses estimated to be incurred after the Settlement Effective Date, and (3) an amount estimated for adjustments of data or calculation errors; and (e) fifth, no earlier than 14 business days after the expiration period for all appeals from the Court's final approval of the Settlement, the Net Settlement Amount will be distributed in accordance with the Plan of Allocation; and (f) sixth, any funds from the Net Settlement Amount that remain uncashed or otherwise undistributed, after efforts to locate Class Members have been exhausted by the Settlement Administrator in the manner set forth in Section 3.41, will be returned to the Settlement Fund by the Settlement Administrator to be distributed as described in the Plan of Allocation. Pending final distribution of the Net Settlement Amount in accordance with the Plan of Allocation, the Escrow Agent will maintain the Qualified Settlement Fund.

**5.9** The Escrow Agent, or the Settlement Administrator on its behalf, shall be responsible for making provision for the payment from the Qualified Settlement Fund of all taxes and tax expenses, if any, owed with respect to the Qualified Settlement Fund and for all tax reporting, remittance, and/or withholding obligations, if any, for amounts distributed from it. Released Settling Parties, Defense Counsel, and Class Counsel have no responsibility or any liability for any taxes or tax expenses owed by, or any tax reporting or withholding obligations, if any, of the Qualified Settlement Fund.

**6. Article 6 – Plan of Allocation**

**6.1** After the Settlement Effective Date, the Settlement Administrator shall cause the Net Settlement Amount (as defined in § 2.24) to be allocated and distributed in accordance with the Plan of Allocation set forth in this Article 6 and as ordered by the Court.

**6.2 Calculation of Settlement Payments**

**6.2.1** The Plan will provide the Settlement Administrator with data reflecting the differential between potential earnings that could have been deferred to the Plan by each Class Member, based on their deferral elections and funds available to them after other deductions were made, if credit card tipped earnings had been considered (“Potential Deferral”) and the amount actually deferred by the Class Member during each pay period in the Class Period (“Actual Deferral”). The difference between the Potential Deferral and the Actual Deferral is referred to as the Delta.

**6.2.2** Upon determining the Net Settlement Amount in accordance with the preceding sections, the Settlement Administrator shall divide the Net Settlement Amount into Annual Settlement Allocations from March 2016 to the Amendment’s February 1, 2022 effective date based on the amount of the Total Delta for the Settlement Class in each year of the Class Period. Thus, for example, the Annual Settlement Allocation for 2016, would be calculated by totaling the Delta for each Class Member with a Delta from March 2016-December 31, 2016.

**6.2.3** Each Annual Settlement Allocation will be allocated proportionally based on each Class Member's Delta for each year from March 16, 2016 to February 1, 2022 (that Class Member's “Delta”).

**6.2.4** For each Class Member who had a Delta in a given year, the Settlement Administrator shall divide that Class Member’s Delta for such year by the total Delta for that year (i.e. the numerator is the Class Member's Delta for a given year and the denominator is the sum of all Class Members' Delta for that year). This is each Class Member’s Annual

Proportion.

- 6.2.5** The Settlement Administrator shall then multiply each Class Member's Annual Proportion for a given year by the Annual Settlement Allocation for that year, resulting in a Class Member's Annual Payment.
- 6.2.6** The Settlement Administrator shall then add all the Annual Payments for each respective Class Member, resulting in the Class Member Total Payment. Class Members other than the Class Representative who no longer have an account in the Plan and who have a Class Member Total Payment of less than \$10 (ten dollars) (the "De Minimis Amount") shall receive no allocation from the Net Settlement Amount. The Settlement Administrator shall then, taking into account the Class Members who will receive nothing because they do not satisfy the De Minimis Amount, recalculate the amount to distribute to Class Members to arrive at the amount to be paid to each remaining Class Member. The amounts paid to each individual Class Member is referred to as the Payment. The sum of the Payments must equal the Net Settlement Amount.

### **6.3 Payments To Participants With Plan Accounts**

- 6.3.1** For Class Members with a Plan account at the time of distribution, their Payment will be allocated into their Plan account. In order for this allocation to occur, after the Effective Date, the Settlement Administrator shall wire to the Plan recordkeeper funds that total the sum of the Payments to be deposited into accounts of Class Members along with the information and/or data needed to determine the Payment due to each of these Class Members. The Settlement Administrator will then allocate each Payment into the account of each Class Member with a Plan account. The Recordkeeper shall allocate the Payment pursuant to the Class Member's investment elections on file for new contributions. If the Class Member has no election on file, the Payment shall be invested in any default investment option(s) designated by the Plan. All such allocations shall be treated for administrative and reporting purposes as investment earnings.

### **6.4 Payments to Former Participants**

- 6.4.1** Class Members who no longer have a Plan account ("Former Participants") shall be paid directly by the Settlement Administrator by check. All such payments are intended by the Settlement Class to be "restorative payments" in accordance with Internal Revenue Service Revenue Ruling 2002-45.
- 6.4.2** Checks issued to Former Participants pursuant to this paragraph shall be

valid for 180 days from the date of issue. All checks that are undelivered or are not cashed before their expiration date shall revert to the Qualified Settlement Fund. If a Former Participant's check is undelivered or not cashed, the Settlement Administrator shall use commercially reasonable efforts to locate the Former Participants and re-send the check one additional time.

- 6.5** The Settlement Administrator shall utilize the calculations required to be performed herein for making the Payments, less any required tax withholdings or penalties, to each Class Member. In the event that the Settlement Administrator determines that the Plan of Allocation would otherwise require payments exceeding the Net Settlement Fund, the Settlement Administrator is authorized to make such changes as are necessary to the Plan of Allocation such that said totals do not exceed the Net Settlement Fund. The Settlement Administrator shall be solely responsible for performing any calculations required by this Plan of Allocation.
- 6.6** If the Settlement Administrator concludes that it is impracticable to implement any provision of this Plan of Allocation, the Settling Parties will modify promptly the terms of this Plan of Allocation and present such modified terms, first, to the Independent Fiduciary for its review and approval and, second, to the Court for its approval. Direct mailed notice to Class Members of such proposed modification of the Plan of Allocation shall not be required. However, Class Counsel shall post notice of such proposed modification on the Settlement Website within five (5) business days of the date that the proposed modification is submitted to the Court for its approval. If the proposed modification is implemented, Class Counsel shall post notice of such modification on the Settlement Website within five (5) business days of the date that the modification was implemented.
- 6.7** Within ten (10) business days of completing the distribution of all Payments, the Settlement Administrator shall send to Class Counsel and Defense Counsel one or more affidavits stating the following: (a) the name of each Class Member to whom the Settlement Administrator made a distribution from the Net Settlement Amount, together with the amount of the distribution, the name of the payee, the date of distribution, the amount of tax withholdings, if applicable, and the date of remittance of tax withholdings to the appropriate tax authority, if applicable; (b) the date(s) upon which such distribution was made; (c) the name of each Class Member whose distribution was returned as undeliverable; and (d) the efforts made by the Settlement Administrator to find the correct address and to mail the distribution for such Class Member. These affidavits and the accompanying information shall be considered "Confidential" under the terms of the Confidentiality Order.



**6.8** The Settling Parties acknowledge that any payments to Class Members or their attorneys may be subject to applicable tax laws. Defendants, Defense Counsel, Class Counsel, and Class Representative will provide no tax advice to the Class Members and make no representation regarding the tax consequences of any of the settlement payments described in this Settlement Agreement. To the extent that any portion of any settlement payment is subject to income or other tax, the recipient of the payment shall be responsible for payment of such tax. Deductions will be made, and reporting will be performed by the Settlement Administrator, as required by law in respect of all payments made under the Settlement Agreement. Payments from the Qualified Settlement Fund shall not be treated as wages by the Settling Parties.

**6.9** Each Class Member who receives a payment under this Settlement Agreement shall be fully and ultimately responsible for payment of any and all federal, state, or local taxes resulting from or attributable to the payment received by such person. Each Class Member shall hold the Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from any tax liability, including penalties and interest, related in any way to payments under the Settlement Agreement, and shall hold the Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to such tax liability.

**7. Article 7 – Attorneys' Fees and Costs**

**7.1** Class Counsel intends to seek an award of attorneys' fees not to exceed 25% of the Gross Settlement Amount and litigation costs and expenses advanced and carried by Class Counsel for the duration of this litigation, , both of which shall be paid (if at all) only from the Gross Settlement Amount.

**7.2** Class Counsel also intends to seek Class Representative's Case Contribution Award, in an amount not to exceed \$17,500 (seventeen thousand five hundred dollars), which shall be paid from the Gross Settlement Amount.

**7.3** Class Counsel will file a motion for Final Approval of Settlement and for awards of Attorneys' Fees and Costs and Class Representative's Case Contribution Award at least forty-five (45) calendar days before the Fairness Hearing, which may be supplemented thereafter. Before filing the motion for Final Approval, Class Counsel will obtain the approval of Defendants.

**8. Article 8 – Release and Covenant Not to Sue**

**8.1** As of the Settlement Effective Date, the Plan (subject to Independent Fiduciary approval as required by Paragraph 3.1) the Class Representative and the Class Members (and their respective heirs, beneficiaries, executors, administrators,



estates, successors, assigns, agents, and attorneys), on their own behalves and on behalf of the Plan, shall be deemed to have fully, finally, and forever settled, released, relinquished, waived, and discharged all Released Settling Parties from the Released Claims whether or not such Class Members have filed an objection to the Settlement or to any application by Class Counsel for an award of Attorneys' Fees and Costs.

- 8.2** As of the Settlement Effective Date, the Class Representative, the Class Members, Defendants, and the Plan (subject to Independent Fiduciary approval as required by Paragraph 3.1), expressly agree that they, acting individually or together, or in combination with others, shall not sue or seek to institute, maintain, prosecute, argue, or assert in any action or proceeding (including but not limited to an IRS determination letter proceeding, a Department of Labor proceeding, an arbitration or a proceeding before any state insurance or other department or commission), any cause of action, demand, or claim on the basis of, connected with, or arising out of any of the Released Claims. Nothing herein shall preclude any action to enforce the terms of the Settlement Agreement in accordance with the procedures set forth in the Settlement Agreement
- 8.3** As provided in the Released Claims and in the definition of the phrase Amendment to the Plan, the Settlement Class Members waive any objection to the Amendment to the Plan in addition to releasing all claims related to the Amendment.
- 8.4** Class Counsel, the Class Representative, Class Members, or the Plan, may hereafter discover facts in addition to or different from those that they know or believe to be true with respect to the Released Claims. Such facts, if known by them, might have affected the decision to settle with the Released Settling Parties and the Plan, or the decision to release, relinquish, waive, and discharge the Released Claims, or the decision of a Class Member not to object to the Settlement. Notwithstanding the foregoing, the Class Representative, Class Member and the Plan shall expressly, upon the entry of the Final Order, be deemed to have, and, by operation of the Final Order, shall have fully, finally, and forever settled, released, relinquished, waived, and discharged any and all Released Claims. The Class Representative, Class Members, and the Plan acknowledge and shall be deemed by operation of the Final Order to have acknowledged that the foregoing waiver was bargained for separately and is a key element of the Settlement embodied in the Settlement Agreement of which this release is a part.
- 8.5** Class Representative, Class Members, and the Plan hereby stipulate and agree with respect to any and all Released Claims that, upon entry of the Final Order, each of them shall be conclusively deemed to, and by operation of the Final Order shall, settle, release, relinquish, waive and discharge any and all rights or benefits

they may now have, or in the future may have, under any law relating to the releases of unknown claims, including but not limited to Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

- 8.6** Also, the Class Representative and Class Members, shall upon entry of the Final Order with respect to the Released Claims, waive any and all provisions, rights and benefits conferred by any law or of any State or territory within the United States or any foreign country, or any principle of common law, which is similar, comparable or equivalent in substance to Section 1542 of the California Civil Code.
- 8.7** Class Representative, Class Members, Defendants, and the Plan shall hold the Released Settling Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to any tax liability.

**9. Article 9 – Representations and Warranties**

**9.1** The Settling Parties represent:

- 9.1.1** That they are voluntarily entering into the Settlement Agreement as a result of arm's length negotiations among their counsel, and that in executing the Settlement Agreement they are relying solely upon their own judgment, belief, and knowledge, and upon the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims hereunder and regarding all matters that relate in any way to the subject matter hereof;
- 9.1.2** That they assume the risk of mistake as to facts or law;
- 9.1.3** That they recognize that additional evidence may have come to light, but that they nevertheless desire to avoid the expense and uncertainty of litigation by entering into the Settlement;
- 9.1.4** That they have read carefully the contents of the Settlement Agreement, and the Settlement Agreement is signed freely by each individual executing the Settlement Agreement on behalf of each of the Settling Parties; and

- 9.1.5** That they have made such investigation of the facts pertaining to the Settlement and all matters pertaining thereto, as they deem necessary.
- 9.2** Each individual executing the Settlement Agreement on behalf of a Settling Party does hereby personally represent and warrant to the other Settling Parties that he/she has the authority to execute the Settlement Agreement on behalf of, and fully bind, each principal that each such individual represents or purports to represent.
- 10. Article 10 – Additional Terms**
- 10.1** No Settling Party or their counsel will issue a press release or other statement to the media, including on social media, regarding the Class Action or the Settlement Agreement.
- 11. Article 11 – Termination, Conditions of Settlement, and Effect of Disapproval, Cancellation, or Termination**
- 11.1** The Settlement Agreement shall automatically terminate, and thereby become null and void with no further force or effect if:
- 11.1.1** Under Paragraph 3.1, (1) either the Independent Fiduciary does not approve the Settlement Agreement, or disapproves the Settlement Agreement for any reason whatsoever or Defendants reasonably conclude that the Independent Fiduciary’s approval does not include the determinations required by PTE 2003-39; and (2) the Settling Parties do not mutually agree to modify the terms of the Settlement Agreement to facilitate an approval by the Independent Fiduciary or the Independent Fiduciary’s determinations required by PTE 2003-39;
- 11.1.2** The Preliminary Order or the Final Order are not entered by the Court substantially in the form submitted by the Settling Parties or in a form which is otherwise agreed to by the Settling Parties;
- 11.1.3** The Court modifies any material term of the final Settlement Agreement, unless such modifications are agreed to in writing by Class Counsel and Defendants. Material terms for the purposes of this section are any terms contained in the December 22, 2022, Memorandum of Understanding between the Settling Parties, as well as all terms found in Article 8 (Release and Covenant Not to Sue) of this Settlement Agreement.
- 11.1.4** The Settlement Agreement is disapproved by the Court or fails to become effective for any reason whatsoever; or
- 11.1.5** The Preliminary Order or Final Order is finally reversed on appeal, or is

materially modified on appeal, and the Settling Parties do not mutually agree to any such modifications. Material terms for the purposes of this section are any terms contained in the December 22, 2022 Memorandum of Understanding between the Settling Parties, as well as all terms found in Article 8 (Release and Covenant Not to Sue) of this Settlement Agreement.

- 11.2** If the Settlement Agreement is terminated, deemed null and void, or has no further force or effect, the Class Action and the Released Claims asserted by Class Representatives shall for all purposes with respect to the Settling Parties revert to their status immediately prior to the Settling Parties December 22, 2022 Memorandum of Understanding, as though the Settling Parties never executed the Memorandum of Understanding or the Settlement Agreement. All funds deposited in the Qualified Settlement Fund, and any interest earned thereon, except for any amounts already distributed to the Claims Administrator for Notice expenses at the time of the termination, shall be returned to Hyatt within thirty (30) calendar days after the Settlement Agreement is finally terminated or deemed null and void, except as provided for in Paragraph 11.4.
- 11.3** It shall not be deemed a failure to approve the Settlement Agreement if the Court denies, in whole or in part, Class Counsel's request for Attorneys' Fees and Costs, Class Representative's Case Contribution Award, and/or modifies any of the proposed orders insofar as they relate to Attorneys' Fees and Costs and/or the Class Representative's Case Contribution Award.
- 11.4** In the event that the Settlement Agreement is terminated, Administrative Expenses incurred prior to the termination shall be paid first from the interest earned, if any, on the Qualified Settlement Fund. Administrative Expenses in excess of the interest earned on the Qualified Settlement Fund shall be split evenly and paid by Class Counsel, on the one hand, and the Defendants, on the other hand.

**12. Article 12 – Confidentiality of Settlement Negotiations**

- 12.1** Except as set forth explicitly below, the Settling Parties and Class Counsel agree to keep confidential all statements, positions, and offers made during settlement negotiations relating to the Class Action and the Settlement Agreement. Accordingly, neither the negotiations, nor any agreement between the Settling Parties (including December 22, 2022 Memorandum of Understanding) may be disclosed, except: (i) insofar as may be necessary to obtain court approval of the Settlement; (ii) to management employees of Defendants and other employees of Defendants as necessary to implement the Settlement, service providers to the Plan as necessary to implement the Settlement, and to Defendants' affiliates provided they agree to maintain confidentiality; (iii) as may be necessary for Defendants to meet any federal, state or local reporting obligations; (iv) to enforce

its terms; (v) to the Independent Fiduciary, or (vi) as otherwise required by law. Provided however, that any such person or entity to whom information is disclosed must promise in writing: (a) that such information shall not be further disclosed, and (b) to comply with this Article 12 in all other respects. The limitations in this paragraph will also apply to the Settlement Agreement, until such time as it is filed with the Court.

**12.2** The Settlement Administrator will establish a Settlement Website on which it will post the following documents or links to the following documents on or following the date of the Preliminary Order: the operative Complaint; Settlement Agreement and its Exhibits; Settlement Notice; Class Representative's Motions for Preliminary and Final Approval of the Settlement, Attorneys' Fees and Costs and Award of Compensation to Class Representative, with any accompanying briefs and exhibits; any Court orders related to the Settlement; any amendments or revisions to these documents; and any other documents or information mutually agreed upon by the Settling Parties ("Settlement Website Information"). No other information or documents will be posted on the Settlement Website unless agreed to in advance by the Settling Parties in writing. The Settlement Administrator will take down the Settlement Website ninety (90) calendar days after the Settlement Administrator certifies that distribution of the Qualified Settlement Fund is complete.

**12.3** Within thirty (30) calendar days of the filing of the motion for preliminary approval of the Settlement, Defendants may issue a communication to Plan participants and beneficiaries explaining the terms of the Settlement and Plan of Allocation. Defendants shall provide a draft of the communication to Class Counsel in advance of the dissemination of the communication.

### **13. Article 13 – General Provisions**

**13.1** The Settling Parties, agree to cooperate fully with each other in seeking Court approvals of the Preliminary Order and the Final Order, and to do all things as may reasonably be required to effectuate preliminary and final approval and the implementation of the Settlement Agreement according to its terms. The Settling Parties agree to provide each other with copies of any filings necessary to effectuate this Settlement at least three (3) business days in advance of filing.

**13.2** Within sixty (60) calendar days of the Settlement Effective Date, the Settling Parties shall either return to the producing Settling Parties or destroy, all documents produced in discovery, including but not limited to documents produced under a claim of privilege or confidentiality. Each Settling Party shall serve a written notice to each producing party certifying that the Settling Party has carried out the obligations imposed by this Paragraph 13.2 but as limited by the Confidentiality Order. The Settling Parties agree that at all times they will honor the requirements of the Confidentiality Order, notwithstanding Settlement of the

Class Action. After the Settlement Effective Date, Plaintiff's Counsel agree that any documents retained as part of their legal files for this case pursuant to the Confidentiality Order shall not be accessed except to respond to formal inquiries about the Class Action made by or on behalf of Class Members.

- 13.3** The Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder are not, and shall not be construed as, deemed to be, or offered or received as evidence of an admission by or on the part of any Released Settling Party of any wrongdoing, fault, or liability whatsoever by any Released Settling Party, or give rise to any inference of any wrongdoing, fault, or liability or admission of any wrongdoing, fault, or liability in the Class Action or any other proceeding, and Defendants admits no wrongdoing, fault or liability with respect to any of the allegations or claims in the Class Action. The Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder, shall not constitute admissions of any liability of any kind, whether legal or factual.
- 13.4** Neither the Settling Parties, Class Counsel, nor Defense Counsel shall have any responsibility for or liability whatsoever with respect to: (i) any act, omission, or determination of the Settlement Administrator, or any of their respective designees or agents, in connection with the administration of the Gross Settlement Amount or otherwise; (ii) the determination of the Independent Fiduciary; (iii) the management, investment, or distribution of the Qualified Settlement Fund; (iv) the Plan of Allocation as approved by the Court; (v) the determination, administration, calculation, or payment of any claims asserted against the Qualified Settlement Fund; (vi) any losses suffered by, or fluctuations in the value of, the Qualified Settlement Fund; or (vii) the payment or withholding of any taxes, expenses, and/or costs incurred in connection with the taxation of the Qualified Settlement Fund or tax reporting, or the filing of any returns. Further, neither Defendants nor Defense Counsel shall have any responsibility for, or liability whatsoever with respect to, any act, omission, or determination of Class Counsel in connection with the administration of the Gross Settlement Amount or otherwise.
- 13.5** Only Class Counsel shall have standing to seek enforcement of the Settlement Agreement on behalf of Plaintiff and Class Members. Any individual concerned about Defendant's compliance with the Settlement Agreement may so notify Class Counsel and direct any requests for enforcement to Class Counsel. Class Counsel shall have the full and sole discretion to take whatever action they deem appropriate, or to refrain from taking any action, in response to such request. Any action by Class Counsel to monitor or enforce the Settlement Agreement shall be done without additional fee or reimbursement of expenses beyond the Attorneys' Fees and Costs determined by the Court.

- 13.6** The Settlement Agreement shall be interpreted, construed, and enforced in accordance with applicable federal law and, to the extent that federal law does not govern, by California law.
- 13.7** The Settling Parties agree that the Court has personal jurisdiction over the Settlement Class and Defendants and shall maintain that jurisdiction for purposes of resolving any disputes between the Settling Parties concerning compliance with the Settlement Agreement. Any motion or action to enforce the Settlement Agreement (including by way of injunction), or asserted by way of an affirmative defense or counterclaim in response to any action asserting a violation of the Settlement Agreement —may be filed in the U.S. District Court for the Central District of California or the Northern District of Illinois.
- 13.8** The Settlement Agreement may be executed by exchange of executed signature pages, and any signature transmitted by facsimile or e-mail attachment of scanned signature pages for the purpose of executing the Settlement Agreement shall be deemed an original signature for purposes of the Settlement Agreement. The Settlement Agreement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed an original, and all such counterparts shall together constitute the same instrument. The Settlement Agreement may be executed via an electronic signature using the DocuSign service.
- 13.9** Each Settling Party to the Settlement Agreement hereby acknowledges that he, she, or it has consulted with and obtained the advice of counsel prior to executing the Settlement Agreement and that the Settlement Agreement has been explained to that party by his, her, or its counsel.
- 13.10** Any headings included in the Settlement Agreement are for convenience only and do not in any way limit, alter, or affect the matters contained in the Settlement Agreement or the Articles or Paragraphs they caption. References to a person are also to the person's permitted successors and assigns, except as otherwise provided herein. Whenever the words "include," "includes" or "including" are used in the Settlement Agreement, they shall not be limiting but shall be deemed to be followed by the words "without limitation."
- 13.11** Before entry of the Preliminary Approval Order and approval of the Independent Fiduciary, the Settlement Agreement may be modified or amended only by written agreement signed by or on behalf of all Settling Parties. Following approval by the Independent Fiduciary, the Settlement Agreement may be modified or amended only if such modification or amendment is set forth in a written agreement signed by or on behalf of all Settling Parties and only if the Independent Fiduciary approved such modification or amendment in writing. Following entry of the Preliminary Approval Order, the Settlement Agreement may be modified or amended only by written agreement signed on behalf of all



Settling Parties, and only if the modification or amendment is approved by the Independent Fiduciary in writing and approved by the Court.

- 13.12** The Settlement Agreement and the exhibits attached hereto constitutes the entire agreement among the Settling Parties and no representations, warranties, or inducements have been made to any Settling Party concerning the Settlement other than those contained in the Settlement Agreement and the exhibits thereto.
- 13.13** The provisions of the Settlement Agreement may be waived only by an instrument in writing executed by the waiving party and specifically waiving such provisions. The waiver of any breach of the Settlement Agreement by any Settling Party shall not be deemed to be or construed as a waiver of any other breach or waiver by any other Settling Party, whether prior, subsequent, or contemporaneous, of the Settlement Agreement.
- 13.14** Each of the Settling Parties agrees, without further consideration, and as part of finalizing the Settlement hereunder, that it will in good faith execute and deliver such other documents and take such other actions as may be necessary to consummate and effectuate the subject matter of the Settlement Agreement.
- 13.15** The provisions of the Settlement Agreement are not severable.
- 13.16** All of the covenants, representations, and warranties, express or implied, oral or written, concerning the subject matter of the Settlement Agreement are contained in the Settlement Agreement. No Settling Party is relying on any oral representations or oral agreements. All such covenants, representations, and warranties set forth in the Settlement Agreement shall be deemed continuing and shall survive the Effective Date of Settlement.
- 13.17** All of the exhibits attached hereto are incorporated by reference as though fully set forth herein. The exhibits shall be: Exhibit 1 – Preliminary Order; Exhibit 2 – Notice of Class Action Settlement and Fairness Hearing; Exhibit 3 – Postcard Notice Exhibit 4 – Final Order; Exhibit 5- Form of CAFA Notice.
- 13.18** No provision of the Settlement Agreement or of the exhibits attached hereto shall be construed against or interpreted to the disadvantage of any Settling Party to the Settlement Agreement because that Settling Party is deemed to have prepared, structured, drafted, or requested the provision.
- 13.19** Any notice, demand, or other communication under the Settlement Agreement (other than the Settlement Notice, or other notices given at the direction of the Court) shall be in writing and shall 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;

IF TO THE CLASS REPRESENTATIVE

Ronald Kravitz  
Miller Shaw, LLP  
3 Embarcadero Center, Suite 1650  
San Francisco, CA 94111  
T: (415) 429-5275  
rskravitz@millershah.com


D. Joshua Staub  
Law Office of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
T : (310) 929-5269  
josh@djoshuastaub.com

IF TO DEFENDANT:

Samuel Schwartz-Fenwick (sschwartz-fenwick@seyfarth.com)  
Seyfarth Shaw, LLP  
233 S. Wacker Drive, Ste. 8000  
Chicago, IL 60606-6448  
Tel: (312) 460-5000  
Fax: (312) 460-7000

ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: 3-2-23



Lance Baird  
Plaintiff and Class Representative


Dated: \_\_\_\_\_

Ronald Kravitz  
Miller Shaw, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

Dated: \_\_\_\_\_

Kolin C. Tang  
Miller Shah, LLP  
19712 MacArthur Blvd., Suite 222,  
Irvine, CA 92612  
Telephone : (866) 540-5505  
Email : kctang@millershah.com

Dated: 3/6/23



D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : josh@djoshuastaub.com

Attorneys for Plaintiff and Putative  
Class

ON BEHALF OF PLAINTIFF Individually and as Class Representative:

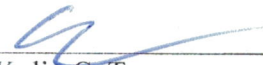
Dated: \_\_\_\_\_

\_\_\_\_\_  
Lance Baird  
Plaintiff and Class Representative

Dated: \_\_\_\_\_

\_\_\_\_\_  
Ronald Kravitz  
Miller Shaw, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

Dated: March 6, 2023

  
\_\_\_\_\_  
Kolin C. Tang  
Miller Shah, LLP  
19712 MacArthur Blvd., Suite 222,  
Irvine, CA 92612  
Telephone : (866) 540-5505  
Email : kctang@millershah.com

Dated: \_\_\_\_\_

\_\_\_\_\_  
D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : josh@djoshuastaub.com

Attorneys for Plaintiff and Putative  
Class

ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Lance Baird  
Plaintiff and Class Representative

Dated: 3-6-23 \_\_\_\_\_

\_\_\_\_\_  
Ronald Kravitz  
Miller Shaw, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

Dated: \_\_\_\_\_

\_\_\_\_\_  
Kolin C. Tang  
Miller Shah, LLP  
19712 MacArthur Blvd., Suite 222,  
Irvine, CA 92612  
Telephone : (866) 540-5505  
Email : kctang@millershah.com

Dated: \_\_\_\_\_

\_\_\_\_\_  
D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : josh@djoshuastaub.com  
  
Attorneys for Plaintiff and Putative  
Class

# EXHIBIT B

## AMENDED CLASS ACTION SETTLEMENT AGREEMENT

This Amended Class Action Settlement Agreement (“Settlement Agreement”) is entered into between and among the Lance Baird (“Plaintiff” or “Class Representative”), all Class Members, Hyatt Corporation (“Hyatt”) and Hyatt Corporation Benefits Committee ( the “Committee”). Hyatt and the Committee are referred to collectively as Defendants, and Defendants and Plaintiff are referred to collectively as the “Settling Parties.”

### ARTICLE 1 – Recitals

1.1 On March 10, 2022, Plaintiff filed a Complaint (No. 2:22-cv-01620) on behalf of himself and all the participants in the Hyatt Corporation Retirement Savings Plan (“the Plan”). The Complaint, referred to as the “Class Action Complaint”, is brought against Defendants and asserts various claims under the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001, et seq. (“ERISA”) based on Defendants’ management, operation, and administration of the Plan.

1.2 Subsequent to the filing of the Class Action Complaint, the Settling Parties began settlement discussions. These discussions included the exchange of discovery sought by Plaintiff to substantiate his theories of liability and damages.

1.3 On October 6, 2022, the Settling Parties held a full-day private mediation with Bob Meyer of JAMS. The Settling Parties reached agreement on the monetary terms of a potential settlement during the mediation and signed a Memorandum of Understanding regarding the principal settlement terms dated December 22, 2022. Thereafter, the Settling Parties continued negotiations regarding the terms of the Settlement Agreement. The entirety of the agreement reached by the Settling Parties is memorialized in the Settlement Agreement.

1.4 The Class Representative and Class Counsel consider it desirable and, in the Plan’s, and Class Members’ best interests that the claims against Defendants be settled upon the terms set forth below. The Class Representative and Class Counsel have concluded that such terms are fair, reasonable, and adequate and that this settlement will result in benefits to the Plan and the Settlement Class.

1.5 Defendants deny all allegations of wrongdoing and deny all liability for the allegations and claims made in the Class Action. Defendants maintain that they are without fault or liability. Defendants contend that the Plan has been managed, operated and administered at all relevant times in compliance with ERISA and applicable regulations, including the fiduciary and prohibited transaction provisions of ERISA. The Settlement Agreement, and the discussions between the Settling Parties preceding it, shall in no event constitute, be construed as, or be deemed evidence of, an admission or concession of any wrongdoing, fault, or liability of any kind by Defendants.

1.6 The Settling Parties have concluded that it is desirable that the Class Action be finally settled upon the terms and conditions set forth in the Settlement Agreement.



1.7 Therefore, the Settling Parties, in consideration of the promises, covenants, and agreements herein described, acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree as follows.

## ARTICLE 2 – Definitions

As used in the Settlement Agreement and the Exhibits hereto (as listed in Paragraph 13.17), unless otherwise defined, the following terms have the meanings specified below:

2.1 “Administrative Expenses” means expenses incurred in the administration of the Settlement Agreement, including (a) all fees, expenses, and costs associated with providing the Settlement Notices to the Settlement Class (b) related tax expenses (including taxes and tax expenses as described in Paragraph 5.3); (c) all expenses and costs associated with the distribution of funds under the Plan of Allocation borne by the Settlement Administrator; (d) all fees and expenses associated with the services provided by the Settlement Administrator, and Escrow Agent in connection with the Settlement; and (e) all expenses associated with providing CAFA notice. Excluded from Administrative Expenses are internal expenses by the Settling Parties, the costs associated with the Independent Fiduciary and the Settling Parties’ respective legal expenses. Administrative Expenses shall be paid from the Gross Settlement Amount.

2.2 “Alternate Payee” means a person other than a participant or Beneficiary in the Plan who is entitled to a benefit under the Plan as a result of a Qualified Domestic Relations Order.

2.3 “Amendment to the Plan” means the Plan amendment effective February 1, 2022, addressing the Automatic Reduction of Pay Contribution Election. The Settlement Class Members waive any objection to the Amendment to the Plan, and as set forth below release all claims related to the Amendment to the Plan.

2.4 “Attorneys’ Fees and Costs” means any and all attorneys’ fees, costs (including fees and costs charged or incurred by retained experts or consultants), and expenses of Class Counsel for their past, present, and future work, efforts, and expenditures in connection with the Action and Settlement. The amount of attorneys’ fees for Class Counsel shall not exceed an amount of 25% of the Gross Settlement Amount, which shall be paid from the Gross Settlement Amount. Class Counsel also will seek reimbursement for all costs and expenses advanced and carried by Class Counsel in this litigation, which also shall be paid from the Gross Settlement Amount.

2.5 “Beneficiary” means a person who currently is entitled to receive a benefit under the Plan due to the death of a Plan participant. A Beneficiary includes, but is not limited to, a surviving spouse, domestic partner, or child of a Plan participant who currently is entitled to a benefit.

2.6 “Class Action” means the action styled Baird et. al. v. Hyatt Corporation, Civil Action No. 2:22-cv-01620, and venued in the United States District Court for the Central District of California.

2.7 “Class Action Complaint” means the Amended Complaint filed in the Class Action on March 10, 2022.

2.8 “Class Counsel” means Miller Shah, LLP, and D. Joshua Staub.

2.9 “Class Members” means all individuals in the Settlement Class.

2.10 “Class Period” means the period from March 10, 2016, through the date of the Preliminary Order.

2.11 “Class Representative” means Lance Baird.

2.12 “Class Representative’s Case Contribution Award” means an amount to be determined by the Court, but not to exceed \$17,500 (seventeen-thousand five hundred dollars) for Class Representative, which shall be paid from the Gross Settlement Amount directly to the Class Representative.

2.13 “Committee” means the Hyatt Corporation Benefits Committee

2.14 “Court” means the United States District Court for the Central District of California.

2.15 “Defendants” means Hyatt Corporation (“Hyatt”) and Hyatt Corporation Benefits Committee ( the “Committee”)

2.16 “Defense Counsel” means Seyfarth Shaw LLP.

2.17 “Escrow Agent” means the entity selected and approved by the Parties to act as escrow agent for any portion of the Settlement Amount deposited in or accruing in the Settlement Fund pursuant to this Agreement.

2.18 “Fairness Hearing” means the hearing scheduled by the Court to consider (a) any objections from Class Members to the Settlement Agreement, (b) Class Counsel’s petition for Attorneys’ Fees and Costs and Class Representative’s Case Contribution Award, and (c) whether to finally approve the Settlement Agreement under Fed. R. Civ. P. 23.

2.19 “Final Order” means the order and final judgment approving the Settlement Agreement, implementing the terms of the Settlement Agreement, and dismissing the Class Action with prejudice, to be proposed by the Settling Parties for approval by the Court, in substantially the form attached as Exhibit 4 hereto.

2.20 “Final” means with respect to any judicial ruling, order, or judgment that the period for any motions for reconsideration, motions for rehearing, appeals, petitions for certiorari, or the like (“Review Proceeding”) has expired without the initiation of a Review Proceeding, or, if a Review Proceeding has been timely initiated, that it has been fully and finally resolved, either by court action or by voluntary action of any Settling Party, without any possibility of a reversal, vacatur, or modification of any judicial ruling, order, or judgment, including the exhaustion of all proceedings in any remand or subsequent appeal and remand. The

Settling Parties agree that absent an appeal or other attempted review proceeding, the period after which the Final Order becomes Final is fourteen (14) calendar days after the time for appeal expires. If any person appeals, the Final Order shall become Final fourteen (14) calendar days after the appeal is resolved and the time for all further appeal expires.

2.21 “Gross Settlement Amount” means the sum of one million four-hundred and seventy-five thousand dollars (\$1,475,000.00), paid to the Qualified Settlement Fund in accordance with Article 5. The Gross Settlement Amount shall be the full and sole monetary payment to the Settlement Class, Plaintiff, and Class Counsel made on behalf of Defendants in connection with the Settlement effectuated through the Settlement Agreement. Once the Final Order is Final, no portion of the Gross Settlement Amount shall be returned to Defendants.

2.22 “Hyatt” means Hyatt Corporation

2.23 “Independent Fiduciary” means Fiduciary Counselors, Inc., and shall be retained by Hyatt at its own expense.

2.24 “Net Settlement Amount” means the Gross Settlement Amount minus: (a) all Attorneys’ Fees and Costs paid to Class Counsel; (b) Class Representative Case Contribution Award as authorized by the Court; (c) all Administrative Expenses; and (d) a contingency reserve not to exceed an amount to be mutually agreed upon by the Settling Parties that is set aside by the Settlement Administrator for: (1) Administrative Expenses incurred before the Settlement Effective Date but not yet paid, (2) Administrative Expenses estimated to be incurred after the Settlement Effective Date, and (3) an amount estimated for adjustments of data or calculation errors.

2.25 “Plan” means the Hyatt Corporation Retirement Savings Plan.

2.26 “Plan of Allocation” means the methodology for allocating and distributing the Net Settlement Amount in accordance with Article 6 herein.

2.27 “Preliminary Order” means the order proposed by the Settling Parties and approved by the Court in connection with the Motion for Entry of the Preliminary Order to be filed by Class Representatives through Class Counsel, as described in Paragraph 3.2 and in substantially the form attached hereto as Exhibit 1.

2.28 “Qualified Settlement Fund” or “Settlement Fund” means the interest-bearing, settlement fund account to be established and maintained by the Escrow Agent in accordance with Article 6 herein and referred to as the Qualified Settlement Fund (within the meaning of Treas. Reg. § 1.468B-1).

2.29 “Released Claims” means any and all actual or potential claims, actions, demands, rights, obligations, liabilities, damages, attorneys’ fees, expenses, costs, and causes of action, whether arising under local, state, or federal law, whether by statute, contract, common law, equity, or otherwise, whether brought in an individual, representative, or any other capacity, whether involving legal equitable, injunctive, declarative, or any other type of relief (including, without limitation, indemnification or contribution), whether, known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or

unliquidated, that have been, could have been, or could be brought by or on behalf of all or any member of the Settlement Class or the Plan at any point prior to the Court's final approval of the Settlement, and that were asserted in the Class Action or that might have been asserted in the Class Action under any legal or equitable basis related in any way to deferral of credit card tips under the terms of the Plan, the Amendment to the Plan, employer matching under the Plan relating to credit card tip income, any claim that the Settlement Agreement or any aspect of its implementation violates any applicable law or right of any Settlement Class Member, or any claim that would have been barred by the doctrine of res judicata or claim preclusion had the Lawsuit been fully litigated to a final judgment.

2.30 Released Claims specifically exclude any claims that cannot be waived by law, or any claims arising out of or related to the Hyatt Hotels Corporation Employee Stock Purchase Plan as amended.

2.31 "Released Settling Parties" means (i) Defendants, their parent, subsidiaries and affiliates, (ii) the Plan, (iii) every person who was a director, officer, governor, management committee member, in-house counsel, employee, or agent of Defendants and any of its parents, subsidiaries, and affiliates, (iv) any trustee or fiduciary (including de facto fiduciaries) for the Plan, together with any present or former representatives, insurers, reinsurers, consultants, administrators, representatives, attorneys, employee benefit plans, investment advisors, investment underwriters, and spouses, (v) the Plan's recordkeeper and trustee as well as any consultants or advisors to the Plan or to any Plan fiduciary, and (vi) with respect to (i) through (v) above their past, present and future members of their respective boards of directors, managers, partners, agents, members, shareholders (in their capacity as such), officers, employees, independent contractors, representatives, attorneys, administrators, fiduciaries, accountants, auditors, advisors, consultants, personal representatives, spouses, heirs, executors, administrators, associates, employee benefit plan fiduciaries (with the exception of the Independent Fiduciary), employee benefit plan administrators, and all other service providers to the Plan (including their owners and employees), members of their immediate families, consultants, subcontractors, and all persons acting under, by, through, or in concert with any of them.

2.32 "Settlement" refers to the agreement embodied in this agreement and its exhibits.

2.33 "Settlement Administrator" means Strategic Claims Services, an independent contractor, retained by Class Counsel.

2.34 "Settlement Agreement Execution Date" means that date on which the final signature is affixed to the Settlement Agreement.

2.35 "Settlement Class" means all current and former participants of the Hyatt Corporation Retirement Savings Plan who are located in California, Illinois, and New York, receive the full-value of their credit-card tips outside of their regular paycheck and had a deferral election in place at the time they received the reported tips from March 10, 2016, through the date of the Preliminary Order ("Class Period"). Excluded from the Class are members of the Committee.

2.36 “Settlement Effective Date” means the date on which the Final Order is Final, provided that by such date the Settlement has not been terminated in accordance with Article 11.2.

2.37 “Settlement Notice” means the Notice of Class Action Settlement and Fairness Hearing to be provided to Class Members identified by the Settlement Administrator following the Court’s issuance of the Preliminary Order. The full Settlement Notice will be available on the Settlement Website, in substantially the form attached hereto as Exhibit 2. The full Settlement Notice also shall inform Class Members of a Fairness Hearing to be held before the Court, on a date to be determined by the Court, at which any Class Member satisfying the conditions set forth in the Preliminary Order and the Settlement Notice may be heard regarding: (a) the terms of the Settlement Agreement; (b) the petition of Class Counsel for award of Attorneys’ Fees and Costs; (c) payment of and reserve for Administrative Expenses; and (d) Class Representative’s Case Contribution Award. In addition, Class Members identified by the Settlement Administrator following the Court’s issuance of the Preliminary Order will receive a “Postcard Settlement Notice”, in substantially the form attached hereto as Exhibit 3. The Postcard Settlement Notice also shall inform Class Members of a Fairness Hearing to be held before the Court, on a date to be determined by the Court, at which any Class Member satisfying the conditions set forth in the Preliminary Order and the Settlement Notice may be heard regarding: (a) the terms of the Settlement Agreement; (b) the petition of Class Counsel for award of Attorneys’ Fees and Costs; (c) payment of and reserve for Administrative Expenses; and (d) Class Representative’s Case Contribution Award. The Postcard Settlement Notice shall direct Class Members to the Settlement Website for additional information.

2.38 “Settlement Website” means the internet website established in accordance with Paragraph 12.2. The settlement website will be called: [www.Hyatt401kclass.com](http://www.Hyatt401kclass.com).

2.39 “Settling Parties” or “Settling Party” means Defendants and/or the Class Representative, on behalf of himself, the Plan, and each of the Class Members.

### ARTICLE 3 – Review and Approval by Independent Fiduciary, Preliminary Settlement Approval, and Notice to the Class

3.1 The Independent Fiduciary shall have the following responsibilities, including whether to approve and authorize the settlement of Released Claims on behalf of the Plan.

3.1.1 The Independent Fiduciary shall comply with all relevant conditions set forth in Prohibited Transaction Class Exemption 2003-39, “Release of Claims and Extensions of Credit in Connection with Litigation,” issued December 31, 2003, by the United States Department of Labor, 68 Fed. Reg. 75,632, as amended (“PTE 2003-39”) in making its determination, for the purpose of Defendant’s reliance on PTE 2003-39.

3.1.2 The Independent Fiduciary shall notify Hyatt directly of its determination in writing, which notification shall be delivered no later than forty (40) days prior to the date set for hearing on preliminary approval of the Settlement Agreement. Within five (5) business days of receipt of the Independent Fiduciary’s written determination, Hyatt will provide a copy of the written determination to Class Counsel.

3.1.3 All fees and expenses associated with the Independent Fiduciary's determination and performance of its other obligations in connection with the Settlement will be paid by Hyatt.

3.1.4 Defendants, Defense Counsel, and Class Counsel shall respond to reasonable requests by the Independent Fiduciary for information so that the Independent Fiduciary can review and evaluate the Settlement Agreement.

3.1.5 Within fifteen (15) calendar days of receipt of the written determination by the Independent Fiduciary, Defendants shall (a) review the determination by the Independent Fiduciary, (b) conclude whether the Independent Fiduciary has made the determinations required by PTE 2003-39, and (c) notify Class Counsel in writing of its conclusion in that regard.

3.2 Class Representative, through Class Counsel, shall file with the Court motions seeking preliminary approval of the Settlement Agreement, joint modification of the class definition, and for entry of the Preliminary Order in substantially the form attached hereto as Exhibit 1. Before filing the motion for preliminary approval, Class Counsel will obtain the approval of Defendants. The Preliminary Order to be presented to the Court shall, among other things:

3.2.1 Grant the motion to certify the Class as a mandatory non-opt-out class pursuant to Fed. R. Civ. P. 23(b)(1);

3.2.2 Approve the text of the Settlement Notice for mailing to Class Members identified by the Settlement Administrator to notify them (1) of the Fairness Hearing and (2) that notice of changes to the Settlement Agreement, future orders regarding the Settlement, modifications to the Class Notice, changes in the date or timing of the Fairness Hearing, or other modifications to the Settlement, including the Plan of Allocation, may be provided to the Class through the Settlement Website without requiring additional mailed notice;

3.2.3 Determine that under Rule 23(c)(2)(A) of the Federal Rules of Civil Procedure, the Settlement Notice constitutes appropriate notice under the circumstances, provides due and sufficient notice of the Fairness Hearing and of the rights of all Class Members, and complies fully with the requirements of Fed. R. Civ. P. 23, the Constitution of the United States, and any other applicable law;

3.2.4 Cause the Settlement Administrator to send the Settlement Notice by mail or electronic mail to each Class Member identified by the Settlement Administrator based upon the information provided by the Plan or its recordkeeper;

3.2.5 Provide that, pending final determination of whether the Settlement Agreement should be approved, every Class Member is prohibited and enjoined from directly, through representatives, or in any other capacity, commencing any action or proceeding in any court or tribunal asserting any of the Released Claims against any Released Settling Party or the Plan;

3.2.6 Set the Fairness Hearing for no sooner than one hundred twenty (120) calendar days after the date the Motion for Entry of the Preliminary Order is approved, in order



to determine whether (i) the Court should approve the Settlement as fair, reasonable, and adequate, (ii) the Court should enter the Final Order, and (iii) the Court should approve the application for Attorneys' Fees and Costs, Class Representative's Case Contribution Award, Administrative Expenses incurred to date, and a reserve for anticipated future Administrative Expenses;

3.2.7 Provide that any objections to any aspect of the Settlement Agreement shall be heard, and any papers submitted in support of said objections shall be considered, by the Court at the Fairness Hearing if they have been filed validly with the Clerk of the Court and copies provided to Class Counsel and Defense Counsel. To be filed validly, the objection and any notice of intent to appear or supporting documents must be filed at least thirty (30) calendar days prior to the scheduled Fairness Hearing. Any person wishing to speak at the Fairness Hearing shall file and serve a notice of intent to appear within the time limitation set forth above;

3.2.8 Provide that any Settling Party may file a response to an objection by a Class Member;

3.2.9 Provide that the Fairness Hearing may, without further direct notice to the Class Members, other than by notice to Class Counsel, be adjourned or continued by order of the Court; and

3.2.10 Determine that the information to be provided to the Settlement Administrator in connection with the administration of the settlement constitutes Confidential Information protected from public disclosure by the Confidentiality Order.

3.3 Defendants and Defense Counsel shall use reasonable efforts to respond timely to written requests, including by e-mail, from the Settlement Administrator for readily accessible data that are reasonably necessary to determine the feasibility of administering the Plan of Allocation or to implement the Plan of Allocation.

3.3.1 The Settlement Administrator shall be bound by the Confidentiality Order and any further non-disclosure or security protocol required by the Settling Parties.

3.3.2 The Settlement Administrator shall use the data provided by Defendants and the Plan's recordkeeper solely for the purpose of meeting its obligations as Settlement Administrator, and for no other purpose.

3.3.3 The Settling Parties shall have the right to approve a written protocol to be provided by the Settlement Administrator concerning how the Settlement Administrator will maintain and store information provided to it in order to ensure that reasonable and necessary precautions are taken to safeguard the privacy and security of such information.

3.4 By the date and in the manner set by the Court in the Preliminary Order, and unless otherwise set forth below, the Settlement Administrator shall:

3.4.1 Cause to be provided to each Class Member identified by the Settlement Administrator a Settlement Notice in the form and manner to be approved by the Court, which shall be in substantially the form attached hereto as Exhibit 2 or a form subsequently agreed to



by the Settling Parties and approved by the Court. The Settlement Notice shall be sent to the last known email address of each Class Member provided by the Plan's recordkeeper (or its designee) through Defense Counsel, unless an updated address is obtained by the Settlement Administrator through its efforts to verify the last known addresses provided by the Plan's recordkeeper (or its designee). The Settlement Notice may be sent by email to all Class Members for whom Defendants have an email address. The Postcard Settlement Notice shall be sent to all Class members for whom an email address is not available. The Postcard Settlement Notice shall also be sent to all Class Members to whom delivery of the Settlement Notice by email bounced back. Class Counsel also shall post a copy of the Settlement Notice on the Settlement Website. The Settlement Administrator shall use commercially reasonable efforts to locate any Class Member whose Settlement Notice is returned and re-send such documents one additional time.

#### ARTICLE 4 – Final Settlement Approval

4.1 No later than ten (10) business days before the Fairness Hearing, Class Counsel shall submit to the Court a mutually agreed upon motion for entry of the Final Order (Exhibit 4) in the form approved by Class Counsel and Defense Counsel, which shall request approval by the Court of the terms of the Settlement Agreement and entry of the Final Order in accordance with the Settlement Agreement. The Final Order as proposed shall provide for the following, among other things, as is necessary to carry out the Settlement consistent with applicable law and governing Plan documents:

4.1.1 Approval of the Settlement of the Released Claims covered by the Settlement Agreement adjudging the terms of the Settlement Agreement to be fair, reasonable, and adequate to the Plan and the Class Members and directing the Settling Parties to take the necessary steps to effectuate the terms of the Settlement Agreement;

4.1.2 A determination under Rule 23(c)(2)(A) of the Federal Rules of Civil Procedure that the Settlement Notice constitutes appropriate notice under the circumstances and that due and sufficient notice of the Fairness Hearing and the rights of all Class Members has been provided;

4.1.3 Dismissal with prejudice of the Class Action and all Released Claims asserted therein whether asserted by Class Representative on his own behalf or on behalf of the Class Members, or derivatively to secure relief for the Plan, without costs to any of the Settling Parties other than as provided for in the Settlement Agreement.

4.1.4 That each Class Member (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns) shall be (i) conclusively deemed to have, and by operation of the Final Order to have, fully, finally, and forever settled, released, relinquished, waived, and discharged the Released Settling Parties and the Plan from all Released Claims, and (ii) barred and enjoined from suing the Released Settling Parties or the Plan in any action or proceeding alleging any of the Released Claims, even if any Class Member may thereafter discover facts in addition to or different from those which the Class Members or Class Counsel now know or believe to be true with respect to the Class Action and the Released Claims, whether or not such

Class Members have filed an objection to the Settlement or to any application by Class Counsel for an award of Attorneys' Fees and Cost;

4.1.5 That the Plan and each Class Member (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns) on behalf of the Plan shall be (i) conclusively deemed to have, and by operation of the Final Order shall have, fully, finally, and forever settled, released, relinquished, waived, and discharged the Released Settling Parties from all Released Claims, and (ii) barred and enjoined from suing the Released Settling Parties in any action or proceeding alleging any of the Released Claims, even if the Plan or any Class Member on behalf of the Plan may thereafter discover facts in addition to or different from those which the Plan or any Class Member now knows or believes to be true with respect to the Class Action and the Released Claims;

4.1.6 That each Class Member shall release the Released Settling Parties, Defense Counsel, Class Counsel, and the Plan for any claims, liabilities, and attorneys' fees and expenses arising from the allocation of the Gross Settlement Amount or Net Settlement Amount and for all tax liability and associated penalties and interest as well as related attorneys' fees and expenses;

4.1.7 That all applicable CAFA requirements have been satisfied;

4.1.8 That the Settlement Administrator shall have final authority to determine the share of the Net Settlement Amount to be allocated to each Class Member in accordance with the Plan of Allocation approved by the Court and the Settling Parties;

4.1.9 That within twenty-one (21) calendar days following the issuance of all settlement payments to Class Members as provided by the Plan of Allocation approved by the Court, the Settlement Administrator shall prepare and provide to Class Counsel and Defense Counsel a list of each person who received a settlement payment or contribution from the Qualified Settlement Fund and the amount of such payment or contribution.

4.2 The Final Order and judgment entered by the Court approving the Settlement Agreement shall provide that upon its entry all Settling Parties, the Settlement Class, and the Plan shall be bound by the Settlement Agreement and by the Final Order.

#### ARTICLE 5 – Establishment of Qualified Settlement Fund

5.1 No later than five (5) business days after entry of the Preliminary Order, the Escrow Agent shall establish an escrow account. The Settling Parties agree that the escrow account is intended to be, and will be, an interest-bearing Qualified Settlement Fund within the meaning of Treas. Reg. § 1.468B-1. In addition, the Escrow Agent timely shall make such elections as necessary or advisable to carry out the provisions of this paragraph, including the "relation-back election" (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to prepare and deliver, in a timely and proper manner, the necessary documentation for signature by all necessary Settling Parties, and thereafter to cause the appropriate filing to occur.

5.2 For the purpose of § 468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow Agent. The Escrow Agent, or the Settlement Administrator on its behalf, shall timely and properly cause to be filed all informational and other tax returns necessary or advisable with respect to the Gross Settlement Amount (including without limitation applying for a Taxpayer Identification Number for the Fund and filing the returns described in Treas. Reg. § 1.468B-2(k)). Such returns as well as the election described in Paragraph 5.1 shall be consistent with this Article 5 and, in all events, shall reflect that all taxes (as defined in Paragraph 5.3 below) (including any estimated taxes, interest, or penalties) on the income earned by the Gross Settlement Amount shall be deducted and paid from the Gross Settlement Amount as provided in Paragraph 5.3.

5.3 Taxes and tax expenses are Administrative Expenses to be deducted and paid from the Gross Settlement Amount, including but not limited to: (1) all taxes (including any estimated taxes, interest, or penalties) arising with respect to the income earned by the Gross Settlement Amount, including any taxes or tax detriments that may be imposed upon Defendants or Defense Counsel, or Class Counsel with respect to any income earned by the Gross Settlement Amount for any period during which the Gross Settlement Amount does not qualify as a “qualified settlement fund” for federal or state income tax purposes, and (2) all tax expenses and costs incurred in connection with the operation and implementation of this Article 5 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in this Article 5). Such taxes and tax expenses shall be Administrative Expenses and shall be paid timely by the Escrow Agent out of the Gross Settlement Amount without prior order from the Court. The Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to any Class Member any funds necessary to pay such amounts, including the establishment of adequate reserves for any taxes and tax expenses (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)); neither the Released Settling Parties, Defense Counsel, nor Class Counsel are responsible nor shall they have any liability therefor. The Settling Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this Article 5.

5.4 Within thirty (30) calendar days after the Preliminary Order is entered, Hyatt /or its agents or insurers, will deposit \$1,475,000 (one million four-hundred and seventy-five thousand dollars) into the Qualified Settlement Fund. Provided, however, that Hyatt will only be obligated to deposit these funds if the Escrow Agent shall have furnished to Defendants in writing the escrow account name, IRS W-9 Form, and all necessary wiring instructions within three (3) business days after the entry of the Preliminary Order and Hyatt shall have received a copy of the signed Preliminary Order.

5.5 The Escrow Agent shall, at the written direction of Class Counsel, invest the Qualified Settlement Fund in short-term United States Agency or Treasury Securities or other instruments backed by the Full Faith and Credit of the United States Government or an Agency thereof if feasible, or else in an account fully insured by the United States Government or an Agency thereof, and shall reinvest the proceeds of these investments as they mature in similar instruments at their then-current market rates.

5.6 The Escrow Agent shall not disburse the Qualified Settlement Fund or any portion except as provided in the Settlement Agreement, in an order of the Court, or in a subsequent written stipulation between Class Counsel and Defense Counsel. Subject to the orders of the Court, the Escrow Agent is authorized to execute such transactions as are consistent with the terms of the Settlement Agreement.

5.7 Prior to the Settlement Effective Date, the Escrow Agent shall disburse up to \$25,000 (twenty-five thousand dollars) to the Settlement Administrator for costs actually incurred in connection with distribution of the Notice.

5.8 After the Settlement Effective Date, the Gross Settlement Amount will be distributed from the Qualified Settlement Fund as follows: (a) first, all Attorneys' Fees and costs shall be paid to Class Counsel no later than eight (8) calendar days after the Settlement Effective Date; (b) second, all Administrative Expenses not paid previously shall be paid no later than eight (8) calendar days after the Settlement Effective Date; (c) third, any Class Representative Case Contribution Award ordered by the Court shall be paid no later eight (8) calendar days after the Settlement Effective Date; (d) fourth, a contingency reserve not to exceed an amount to be mutually agreed upon by the Settling Parties shall be set aside by the Settlement Administrator for: (1) Administrative Expenses incurred before the Settlement Effective Date but not yet paid, (2) Administrative Expenses estimated to be incurred after the Settlement Effective Date, and (3) an amount estimated for adjustments of data or calculation errors; and (e) fifth, no earlier than 14 business days after the expiration period for all appeals from the Court's final approval of the Settlement, the Net Settlement Amount will be distributed in accordance with the Plan of Allocation; and (f) sixth, any funds from the Net Settlement Amount that remain uncashed or otherwise undistributed, after efforts to locate Class Members have been exhausted by the Settlement Administrator in the manner set forth in Section 3.41, will be returned to the Settlement Fund by the Settlement Administrator to be distributed as described in the Plan of Allocation. Pending final distribution of the Net Settlement Amount in accordance with the Plan of Allocation, the Escrow Agent will maintain the Qualified Settlement Fund.

5.9 The Escrow Agent, or the Settlement Administrator on its behalf, shall be responsible for making provision for the payment from the Qualified Settlement Fund of all taxes and tax expenses, if any, owed with respect to the Qualified Settlement Fund and for all tax reporting, remittance, and/or withholding obligations, if any, for amounts distributed from it. Released Settling Parties, Defense Counsel, and Class Counsel have no responsibility or any liability for any taxes or tax expenses owed by, or any tax reporting or withholding obligations, if any, of the Qualified Settlement Fund.

#### ARTICLE 6 – Plan of Allocation

6.1 After the Settlement Effective Date, the Settlement Administrator shall cause the Net Settlement Amount (as defined in § 2.24) to be allocated and distributed in accordance with the Plan of Allocation set forth in this Article 6 and as ordered by the Court.

6.2 Calculation of Settlement Payments

6.2.1 The Plan will provide the Settlement Administrator with data reflecting the differential between potential earnings that could have been deferred to the Plan by each Class Member, based on their deferral elections and funds available to them after other deductions were made, if credit card tipped earnings had been available for deferral (“Potential Deferral”) and the amount actually deferred by the Class Member during each pay period in the Class Period (“Actual Deferral”). The difference between the Potential Deferral and the Actual Deferral is referred to as the Delta.

6.2.2 The Settlement Administrator shall calculate lost investment earnings to the Delta for each Class Member by applying an annual interest factor based on IRC section 6621(c)(1), from the date the deferral should have been made to the settlement date (“Investment Earnings”).

6.2.3 To calculate the Total Delta for each participant, the Settlement Administrator shall add the Delta and Investment Earnings (“Total Delta”).

6.2.4 The Settlement Administrator shall calculate the Total Class Delta, which is the sum of the Total Deltas for all Class Members.

6.2.5 The Settlement Administrator will calculate each Class Member’s Preliminary Allocation as the Class Member’s proportionate share of the Net Settlement Amount. The calculation for each class Member will be the Class Member’s Total Delta, divided by the Total Class Delta, multiplied by the Net Settlement Amount.

6.2.6 Class Members who no longer have an account in the Plan and who have a Class Member Preliminary Allocation of less than \$10 (ten dollars) (the “De Minimis Amount”) shall receive no allocation from the Net Settlement Amount. The Settlement Administrator shall then, taking into account the Class Members who will receive nothing because they do not satisfy the De Minimis Amount, recalculate the amount to distribute to Class Members who satisfy the De Minimis Amount or who have an account in the Plan to arrive at the amount to be paid to each remaining Class Member. The amounts paid to each individual Class Member is referred to as the Payment. The sum of the Payments must equal the Net Settlement Amount.

### 6.3 Payments To Participants With Plan Accounts

6.3.1 For Class Members with a Plan account at the time of distribution, their Payment will be allocated into their Plan account. In order for this allocation to occur, after the Effective Date, the Settlement Administrator shall wire to the Plan recordkeeper funds that total the sum of the Payments to be deposited into accounts of Class Members along with the information and/or data needed to determine the Payment due to each of these Class Members. The Settlement Administrator will then allocate each Payment into the account of each Class Member with a Plan account. The Recordkeeper shall allocate the Payment pursuant to the Class Member’s investment elections on file for new contributions. If the Class Member has no election on file, the Payment shall be invested in any default investment option(s) designated by the Plan. All such allocations shall be treated for administrative and reporting purposes as investment earnings.

### 6.4 Payments to Former Participants



6.4.1 Class Members who no longer have a Plan account (“Former Participants”) shall be paid directly by the Settlement Administrator by check. All such payments are intended by the Settlement Class to be “restorative payments” in accordance with Internal Revenue Service Revenue Ruling 2002-45.

6.4.2 Checks issued to Former Participants pursuant to this paragraph shall be valid for 180 days from the date of issue. All checks that are undelivered or are not cashed before their expiration date shall revert to the Qualified Settlement Fund. If a Former Participant’s check is undelivered or not cashed, the Settlement Administrator shall use commercially reasonable efforts to locate the Former Participants and re-send the check one additional time.

6.4.3 No sooner than three hundred ninety-five (395) calendar days following the Settlement Effective Date, the Settlement Administrator will provide to the Plan any Net Settlement Amount remaining in the Settlement Fund after payments, including costs and taxes. The Plan will deposit any such funds into the Plan’s administrative budget account, the account used by the Plan to pay the Plan’s administrative fees.

6.5 The Settlement Administrator shall utilize the calculations required to be performed herein for making the Payments, less any required tax withholdings or penalties, to each Class Member. In the event that the Settlement Administrator determines that the Plan of Allocation would otherwise require payments exceeding the Net Settlement Fund, the Settlement Administrator is authorized to make such changes as are necessary to the Plan of Allocation such that said totals do not exceed the Net Settlement Fund. The Settlement Administrator shall be solely responsible for performing any calculations required by this Plan of Allocation.

6.6 If the Settlement Administrator concludes that it is impracticable to implement any provision of this Plan of Allocation, the Settling Parties will modify promptly the terms of this Plan of Allocation and present such modified terms, first, to the Independent Fiduciary for its review and approval and, second, to the Court for its approval. Direct mailed notice to Class Members of such proposed modification of the Plan of Allocation shall not be required. However, Class Counsel shall post notice of such proposed modification on the Settlement Website within five (5) business days of the date that the proposed modification is submitted to the Court for its approval. If the proposed modification is implemented, Class Counsel shall post notice of such modification on the Settlement Website within five (5) business days of the date that the modification was implemented.

6.7 Within ten (10) business days of completing the distribution of all Payments, the Settlement Administrator shall send to Class Counsel and Defense Counsel one or more affidavits stating the following: (a) the name of each Class Member to whom the Settlement Administrator made a distribution from the Net Settlement Amount, together with the amount of the distribution, the name of the payee, the date of distribution, the amount of tax withholdings, if applicable, and the date of remittance of tax withholdings to the appropriate tax authority, if applicable; (b) the date(s) upon which such distribution was made; (c) the name of each Class Member whose distribution was returned as undeliverable; and (d) the efforts made by the Settlement Administrator to find the correct address and to mail the distribution for such Class Member. These affidavits and the accompanying information shall be considered “Confidential” under the terms of the Confidentiality Order.

6.8 The Settling Parties acknowledge that any payments to Class Members or their attorneys may be subject to applicable tax laws. Defendants, Defense Counsel, Class Counsel, and Class Representative will provide no tax advice to the Class Members and make no representation regarding the tax consequences of any of the settlement payments described in this Settlement Agreement. To the extent that any portion of any settlement payment is subject to income or other tax, the recipient of the payment shall be responsible for payment of such tax. Deductions will be made, and reporting will be performed by the Settlement Administrator, as required by law in respect of all payments made under the Settlement Agreement. Payments from the Qualified Settlement Fund shall not be treated as wages by the Settling Parties.

6.9 Each Class Member who receives a payment under this Settlement Agreement shall be fully and ultimately responsible for payment of any and all federal, state, or local taxes resulting from or attributable to the payment received by such person. Each Class Member shall hold the Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from any tax liability, including penalties and interest, related in any way to payments under the Settlement Agreement, and shall hold the Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to such tax liability.

#### ARTICLE 7 – Attorneys' Fees and Costs

7.1 Class Counsel intends to seek an award of attorneys' fees not to exceed 25% of the Gross Settlement Amount and litigation costs and expenses advanced and carried by Class Counsel for the duration of this litigation, , both of which shall be paid (if at all) only from the Gross Settlement Amount.

7.2 Class Counsel also intends to seek Class Representative's Case Contribution Award, in an amount not to exceed \$17,500 (seventeen thousand five hundred dollars), which shall be paid from the Gross Settlement Amount.

7.3 Class Counsel will file a motion for Final Approval of Settlement and for awards of Attorneys' Fees and Costs and Class Representative's Case Contribution Award at least forty-five (45) calendar days before the Fairness Hearing, which may be supplemented thereafter. Before filing the motion for Final Approval, Class Counsel will obtain the approval of Defendants.

#### ARTICLE 8 – Release and Covenant Not to Sue

8.1 As of the Settlement Effective Date, the Plan (subject to Independent Fiduciary approval as required by Paragraph 3.1) the Class Representative and the Class Members (and their respective heirs, beneficiaries, executors, administrators, estates, successors, assigns, agents, and attorneys), on their own behalves and on behalf of the Plan, shall be deemed to have fully, finally, and forever settled, released, relinquished, waived, and discharged all Released Settling Parties from the Released Claims whether or not such Class Members have filed an objection to the Settlement or to any application by Class Counsel for an award of Attorneys' Fees and Costs.



8.2 As of the Settlement Effective Date, the Class Representative, the Class Members, Defendants, and the Plan (subject to Independent Fiduciary approval as required by Paragraph 3.1), expressly agree that they, acting individually or together, or in combination with others, shall not sue or seek to institute, maintain, prosecute, argue, or assert in any action or proceeding (including but not limited to an IRS determination letter proceeding, a Department of Labor proceeding, an arbitration or a proceeding before any state insurance or other department or commission), any cause of action, demand, or claim on the basis of, connected with, or arising out of any of the Released Claims. Nothing herein shall preclude any action to enforce the terms of the Settlement Agreement in accordance with the procedures set forth in the Settlement Agreement

8.3 As provided in the Released Claims and in the definition of the phrase Amendment to the Plan, the Settlement Class Members waive any objection to the Amendment to the Plan in addition to releasing all claims related to the Amendment.

8.4 Class Counsel, the Class Representative, Class Members, or the Plan, may hereafter discover facts in addition to or different from those that they know or believe to be true with respect to the Released Claims. Such facts, if known by them, might have affected the decision to settle with the Released Settling Parties and the Plan, or the decision to release, relinquish, waive, and discharge the Released Claims, or the decision of a Class Member not to object to the Settlement. Notwithstanding the foregoing, the Class Representative, Class Member and the Plan shall expressly, upon the entry of the Final Order, be deemed to have, and, by operation of the Final Order, shall have fully, finally, and forever settled, released, relinquished, waived, and discharged any and all Released Claims. The Class Representative, Class Members, and the Plan acknowledge and shall be deemed by operation of the Final Order to have acknowledged that the foregoing waiver was bargained for separately and is a key element of the Settlement embodied in the Settlement Agreement of which this release is a part.

8.5 Class Representative, Class Members, and the Plan hereby stipulate and agree with respect to any and all Released Claims that, upon entry of the Final Order, each of them shall be conclusively deemed to, and by operation of the Final Order shall, settle, release, relinquish, waive and discharge any and all rights or benefits they may now have, or in the future may have, under any law relating to the releases of unknown claims, including but not limited to Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

8.6 Also, the Class Representative and Class Members, shall upon entry of the Final Order with respect to the Released Claims, waive any and all provisions, rights and benefits conferred by any law or of any State or territory within the United States or any foreign country, or any principle of common law, which is similar, comparable or equivalent in substance to Section 1542 of the California Civil Code.

8.7 Class Representative, Class Members, Defendants, and the Plan shall hold the Released Settling Parties, Defense Counsel, Class Counsel, and the Settlement Administrator

harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to any tax liability.

#### ARTICLE 9 – Representations and Warranties

##### 9.1 The Settling Parties represent:

9.1.1 That they are voluntarily entering into the Settlement Agreement as a result of arm's length negotiations among their counsel, and that in executing the Settlement Agreement they are relying solely upon their own judgment, belief, and knowledge, and upon the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims hereunder and regarding all matters that relate in any way to the subject matter hereof;

9.1.2 That they assume the risk of mistake as to facts or law;

9.1.3 That they recognize that additional evidence may have come to light, but that they nevertheless desire to avoid the expense and uncertainty of litigation by entering into the Settlement;

9.1.4 That they have read carefully the contents of the Settlement Agreement, and the Settlement Agreement is signed freely by each individual executing the Settlement Agreement on behalf of each of the Settling Parties; and

9.1.5 That they have made such investigation of the facts pertaining to the Settlement and all matters pertaining thereto, as they deem necessary.

9.2 Each individual executing the Settlement Agreement on behalf of a Settling Party does hereby personally represent and warrant to the other Settling Parties that he/she has the authority to execute the Settlement Agreement on behalf of, and fully bind, each principal that each such individual represents or purports to represent.

#### ARTICLE 10 – Additional Terms

10.1 No Settling Party or their counsel will issue a press release or other statement to the media, including on social media, regarding the Class Action or the Settlement Agreement.

#### ARTICLE 11 – Termination, Conditions of Settlement, and Effect of Disapproval, Cancellation, or Termination

11.1 The Settlement Agreement shall automatically terminate, and thereby become null and void with no further force or effect if:

11.1.1 Under Paragraph 3.1, (1) either the Independent Fiduciary does not approve the Settlement Agreement, or disapproves the Settlement Agreement for any reason whatsoever or Defendants reasonably conclude that the Independent Fiduciary's approval does not include the determinations required by PTE 2003-39; and (2) the Settling Parties do not

mutually agree to modify the terms of the Settlement Agreement to facilitate an approval by the Independent Fiduciary or the Independent Fiduciary's determinations required by PTE 2003-39;

11.1.2 The Preliminary Order or the Final Order is not entered by the Court substantially in the form submitted by the Settling Parties or in a form which is otherwise agreed to by the Settling Parties;

11.1.3 The Court modifies any material term of the final Settlement Agreement, unless such modifications are agreed to in writing by Class Counsel and Defendants. Material terms for the purposes of this section are any terms contained in the December 22, 2022, Memorandum of Understanding between the Settling Parties, as well as all terms found in Article 8 (Release and Covenant Not to Sue) of this Settlement Agreement.

11.1.4 The Settlement Agreement is disapproved by the Court or fails to become effective for any reason whatsoever; or

11.1.5 The Preliminary Order or Final Order is finally reversed on appeal, or is materially modified on appeal, and the Settling Parties do not mutually agree to any such modifications. Material terms for the purposes of this section are any terms contained in the December 22, 2022 Memorandum of Understanding between the Settling Parties, as well as all terms found in Article 8 (Release and Covenant Not to Sue) of this Settlement Agreement.

11.2 If the Settlement Agreement is terminated, deemed null and void, or has no further force or effect, the Class Action and the Released Claims asserted by Class Representatives shall for all purposes with respect to the Settling Parties revert to their status immediately prior to the Settling Parties December 22, 2022 Memorandum of Understanding, as though the Settling Parties never executed the Memorandum of Understanding or the Settlement Agreement. All funds deposited in the Qualified Settlement Fund, and any interest earned thereon, except for any amounts already distributed to the Claims Administrator for Notice expenses at the time of the termination, shall be returned to Hyatt within thirty (30) calendar days after the Settlement Agreement is finally terminated or deemed null and void, except as provided for in Paragraph 11.4.

11.3 It shall not be deemed a failure to approve the Settlement Agreement if the Court denies, in whole or in part, Class Counsel's request for Attorneys' Fees and Costs, Class Representative's Case Contribution Award, and/or modifies any of the proposed orders insofar as they relate to Attorneys' Fees and Costs and/or the Class Representative's Case Contribution Award.

11.4 In the event that the Settlement Agreement is terminated, Administrative Expenses incurred prior to the termination shall be paid first from the interest earned, if any, on the Qualified Settlement Fund. Administrative Expenses in excess of the interest earned on the Qualified Settlement Fund shall be split evenly and paid by Class Counsel, on the one hand, and the Defendants, on the other hand.

## ARTICLE 12 – Confidentiality of Settlement Negotiations

12.1 Except as set forth explicitly below, the Settling Parties and Class Counsel agree to keep confidential all statements, positions, and offers made during settlement negotiations relating to the Class Action and the Settlement Agreement. Accordingly, neither the negotiations, nor any agreement between the Settling Parties (including December 22, 2022 Memorandum of Understanding) may be disclosed, except: (i) insofar as may be necessary to obtain court approval of the Settlement; (ii) to management employees of Defendants and other employees of Defendants as necessary to implement the Settlement, service providers to the Plan as necessary to implement the Settlement, and to Defendants' affiliates provided they agree to maintain confidentiality; (iii) as may be necessary for Defendants to meet any federal, state or local reporting obligations; (iv) to enforce its terms; (v) to the Independent Fiduciary, or (vi) as otherwise required by law. Provided however, that any such person or entity to whom information is disclosed must promise in writing: (a) that such information shall not be further disclosed, and (b) to comply with this Article 12 in all other respects. The limitations in this paragraph will also apply to the Settlement Agreement, until such time as it is filed with the Court.

12.2 The Settlement Administrator will establish a Settlement Website on which it will post the following documents or links to the following documents on or following the date of the Preliminary Order: the operative Complaint; Settlement Agreement and its Exhibits; Settlement Notice; Class Representative's Motions for Preliminary and Final Approval of the Settlement, Attorneys' Fees and Costs and Award of Compensation to Class Representative, with any accompanying briefs and exhibits; any Court orders related to the Settlement; any amendments or revisions to these documents; and any other documents or information mutually agreed upon by the Settling Parties ("Settlement Website Information"). No other information or documents will be posted on the Settlement Website unless agreed to in advance by the Settling Parties in writing. The Settlement Administrator will take down the Settlement Website ninety (90) calendar days after the Settlement Administrator certifies that distribution of the Qualified Settlement Fund is complete.

12.3 Within thirty (30) calendar days of the filing of the motion for preliminary approval of the Settlement, Defendants may issue a communication to Plan participants and beneficiaries explaining the terms of the Settlement and Plan of Allocation. Defendants shall provide a draft of the communication to Class Counsel in advance of the dissemination of the communication.

#### ARTICLE 13 – General Provisions

13.1 The Settling Parties, agree to cooperate fully with each other in seeking Court approvals of the Preliminary Order and the Final Order, and to do all things as may reasonably be required to effectuate preliminary and final approval and the implementation of the Settlement Agreement according to its terms. The Settling Parties agree to provide each other with copies of any filings necessary to effectuate this Settlement at least three (3) business days in advance of filing.

13.2 Within sixty (60) calendar days of the Settlement Effective Date, the Settling Parties shall either return to the producing Settling Parties or destroy, all documents produced in discovery, including but not limited to documents produced under a claim of privilege or

confidentiality. Each Settling Party shall serve a written notice to each producing party certifying that the Settling Party has carried out the obligations imposed by this Paragraph 13.2 but as limited by the Confidentiality Order. The Settling Parties agree that at all times they will honor the requirements of the Confidentiality Order, notwithstanding Settlement of the Class Action. After the Settlement Effective Date, Plaintiff's Counsel agree that any documents retained as part of their legal files for this case pursuant to the Confidentiality Order shall not be accessed except to respond to formal inquiries about the Class Action made by or on behalf of Class Members.

13.3 The Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder are not, and shall not be construed as, deemed to be, or offered or received as evidence of an admission by or on the part of any Released Settling Party of any wrongdoing, fault, or liability whatsoever by any Released Settling Party, or give rise to any inference of any wrongdoing, fault, or liability or admission of any wrongdoing, fault, or liability in the Class Action or any other proceeding, and Defendants admits no wrongdoing, fault or liability with respect to any of the allegations or claims in the Class Action. The Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder, shall not constitute admissions of any liability of any kind, whether legal or factual.

13.4 Neither the Settling Parties, Class Counsel, nor Defense Counsel shall have any responsibility for or liability whatsoever with respect to: (i) any act, omission, or determination of the Settlement Administrator, or any of their respective designees or agents, in connection with the administration of the Gross Settlement Amount or otherwise; (ii) the determination of the Independent Fiduciary; (iii) the management, investment, or distribution of the Qualified Settlement Fund; (iv) the Plan of Allocation as approved by the Court; (v) the determination, administration, calculation, or payment of any claims asserted against the Qualified Settlement Fund; (vi) any losses suffered by, or fluctuations in the value of, the Qualified Settlement Fund; or (vii) the payment or withholding of any taxes, expenses, and/or costs incurred in connection with the taxation of the Qualified Settlement Fund or tax reporting, or the filing of any returns. Further, neither Defendants nor Defense Counsel shall have any responsibility for, or liability whatsoever with respect to, any act, omission, or determination of Class Counsel in connection with the administration of the Gross Settlement Amount or otherwise.

13.5 Only Class Counsel shall have standing to seek enforcement of the Settlement Agreement on behalf of Plaintiff and Class Members. Any individual concerned about Defendant's compliance with the Settlement Agreement may notify Class Counsel and direct any requests for enforcement to Class Counsel. Class Counsel shall have the full and sole discretion to take whatever action they deem appropriate, or to refrain from taking any action, in response to such request. Any action by Class Counsel to monitor or enforce the Settlement Agreement shall be done without additional fee or reimbursement of expenses beyond the Attorneys' Fees and Costs determined by the Court.

13.6 The Settlement Agreement shall be interpreted, construed, and enforced in accordance with applicable federal law and, to the extent that federal law does not govern, by California law.

13.7 The Settling Parties agree that the Court has personal jurisdiction over the Settlement Class and Defendants and shall maintain that jurisdiction for purposes of resolving

any disputes between the Settling Parties concerning compliance with the Settlement Agreement. Any motion or action to enforce the Settlement Agreement (including by way of injunction) or asserted by way of an affirmative defense or counterclaim in response to any action asserting a violation of the Settlement Agreement —may be filed in the U.S. District Court for the Central District of California or the Northern District of Illinois.

13.8 The Settlement Agreement may be executed by exchange of executed signature pages, and any signature transmitted by facsimile or e-mail attachment of scanned signature pages for the purpose of executing the Settlement Agreement shall be deemed an original signature for purposes of the Settlement Agreement. The Settlement Agreement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed an original, and all such counterparts shall together constitute the same instrument. The Settlement Agreement may be executed via an electronic signature using the DocuSign service.

13.9 Each Settling Party to the Settlement Agreement hereby acknowledges that he, she, or it has consulted with and obtained the advice of counsel prior to executing the Settlement Agreement and that the Settlement Agreement has been explained to that party by his, her, or its counsel.

13.10 Any headings included in the Settlement Agreement are for convenience only and do not in any way limit, alter, or affect the matters contained in the Settlement Agreement or the Articles or Paragraphs they caption. References to a person are also to the person's permitted successors and assigns, except as otherwise provided herein. Whenever the words "include," "includes" or "including" are used in the Settlement Agreement, they shall not be limiting but shall be deemed to be followed by the words "without limitation."

13.11 Before entry of the Preliminary Approval Order and approval of the Independent Fiduciary, the Settlement Agreement may be modified or amended only by written agreement signed by or on behalf of all Settling Parties. Following approval by the Independent Fiduciary, the Settlement Agreement may be modified or amended only if such modification or amendment is set forth in a written agreement signed by or on behalf of all Settling Parties and only if the Independent Fiduciary approved such modification or amendment in writing. Following entry of the Preliminary Approval Order, the Settlement Agreement may be modified or amended only by written agreement signed on behalf of all Settling Parties, and only if the modification or amendment is approved by the Independent Fiduciary in writing and approved by the Court.

13.12 The Settlement Agreement and the exhibits attached hereto constitutes the entire agreement among the Settling Parties and no representations, warranties, or inducements have been made to any Settling Party concerning the Settlement other than those contained in the Settlement Agreement and the exhibits thereto.

13.13 The provisions of the Settlement Agreement may be waived only by an instrument in writing executed by the waiving party and specifically waiving such provisions. The waiver of any breach of the Settlement Agreement by any Settling Party shall not be deemed to be or construed as a waiver of any other breach or waiver by any other Settling Party, whether prior, subsequent, or contemporaneous, of the Settlement Agreement.



13.14 Each of the Settling Parties agrees, without further consideration, and as part of finalizing the Settlement hereunder, that it will in good faith execute and deliver such other documents and take such other actions as may be necessary to consummate and effectuate the subject matter of the Settlement Agreement.

13.15 The provisions of the Settlement Agreement are not severable.

13.16 All of the covenants, representations, and warranties, express or implied, oral, or written, concerning the subject matter of the Settlement Agreement are contained in the Settlement Agreement. No Settling Party is relying on any oral representations or oral agreements. All such covenants, representations, and warranties set forth in the Settlement Agreement shall be deemed continuing and shall survive the Effective Date of Settlement.

13.17 All of the exhibits attached hereto are incorporated by reference as though fully set forth herein. The exhibits shall be: Exhibit 1 – Preliminary Order; Exhibit 2 – Notice of Class Action Settlement and Fairness Hearing; Exhibit 3 – Postcard Notice Exhibit 4 – Final Order; Exhibit 5- Form of CAFA Notice.

13.18 No provision of the Settlement Agreement or of the exhibits attached hereto shall be construed against or interpreted to the disadvantage of any Settling Party to the Settlement Agreement because that Settling Party is deemed to have prepared, structured, drafted, or requested the provision.

13.19 Any notice, demand, or other communication under the Settlement Agreement (other than the Settlement Notice, or other notices given at the direction of the Court) shall be in writing and shall 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;

IF TO THE CLASS REPRESENTATIVE

Ronald Kravitz  
Miller Shah, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

D. Joshua Staub  
Law Office of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
T : (310) 929-5269  
josh@djoshuastaub.com

IF TO DEFENDANT:



Samuel Schwartz-Fenwick (sschwartz-fenwick@seyfarth.com)  
Seyfarth Shaw, LLP  
233 S. Wacker Drive, Ste. 8000  
Chicago, IL 60606-6448  
Tel: (312) 460-5000  
Fax: (312) 460-7000

ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Lance Baird  
Plaintiff and Class Representative

Dated: \_\_\_\_\_

\_\_\_\_\_  
Ronald S. Kravitz  
Miller Shaw, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
[rskravitz@millershah.com](mailto:rskravitz@millershah.com)

Dated: \_\_\_\_\_

\_\_\_\_\_  
Kolin C. Tang Miller Shah, LLP  
19712 MacArthur Blvd., Suite 222,  
Irvine, CA 92612  
Telephone : (866) 540-5505  
Email : [kctang@millershah.com](mailto:kctang@millershah.com)

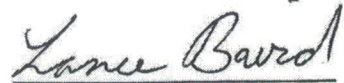
Dated: \_\_\_\_\_

\_\_\_\_\_  
D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : [josh@djoshuastaub.com](mailto:josh@djoshuastaub.com)

Attorneys for Plaintiff and Putative Class

ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: 5-20-23

  
Lance Baird  
Plaintiff and Class Representative

Dated: \_\_\_\_\_

\_\_\_\_\_  
Ronald S. Kravitz  
Miller Shaw, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

Dated: 5-22-23

  
Kolin C. Tang  
Miller Shah, LLP  
19712 MacArthur Blvd., Suite 222,  
Irvine, CA 92612  
Telephone : (866) 540-5505  
Email : kctang@millershah.com

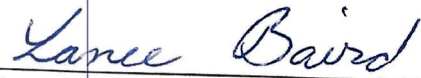
Dated: \_\_\_\_\_

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D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : josh@djoshuastaub.com  
  
Attorneys for Plaintiff and Putative  
Class

Samuel Schwartz-Fenwick (sschwartz-fenwick@seyfarth.com)  
Seyfarth Shaw, LLP  
233 S. Wacker Drive, Ste. 8000  
Chicago, IL 60606-6448  
Tel: (312) 460-5000  
Fax: (312) 460-7000

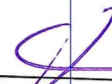
ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: 6.11.23



Lance Baird  
Plaintiff and Class Representative

Dated: 6.12.23



Ronald S. Kravitz  
Miller Shah, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
[rskravitz@millershah.com](mailto:rskravitz@millershah.com)

Dated: \_\_\_\_\_

Kolin C. Tang Miller Shah, LLP  
19712 MacArthur Blvd., Suite 222,  
Irvine, CA 92612  
Telephone : (866) 540-5505  
Email : [kctang@millershah.com](mailto:kctang@millershah.com)

Dated: \_\_\_\_\_

D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : [josh@djoshuastaub.com](mailto:josh@djoshuastaub.com)

Attorneys for Plaintiff and Putative Class

ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Lance Baird  
Plaintiff and Class Representative


Dated: \_\_\_\_\_

\_\_\_\_\_  
Ronald S. Kravitz  
Miller Shaw, LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

Dated: \_\_\_\_\_

\_\_\_\_\_  
Kolin C. Tang  
Miller Shah, LLP  
19712 MacArthur Blvd., Suite 222,  
Irvine, CA 92612  
Telephone : (866) 540-5505  
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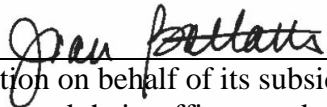
Dated: May 19, 2023

  
\_\_\_\_\_  
D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : josh@djoshuastaub.com

Attorneys for Plaintiff and Putative  
Class

ON BEHALF OF DEFENDANTS:


Dated: June 30 2023

  
\_\_\_\_\_  
Hyatt Corporation on behalf of its subsidiaries,  
affiliates and its and their, officers and  
directors

Dated: June 30 2023

  
\_\_\_\_\_  
Hyatt Corporation Benefits Committee on  
behalf of its members

Dated: June 30, 2023

  
\_\_\_\_\_  
Samuel Schwartz-Fenwick (PHV)  
233 S. Wacker Drive, Ste. 8000  
Chicago, IL 60606-6448  
Tel: (312) 460-5000  
Fax: (312) 460-7000  
[sschwartz-fenwick@seyfarth.com](mailto:sschwartz-fenwick@seyfarth.com)

Caitlyn Crisp  
2029 Century Park East Suite 3500  
Los Angeles, CA 90067-3021  
Tel: (310) 277-7200  
Fax: (310) 201-5219  
[ccrisp@seyfarth.com](mailto:ccrisp@seyfarth.com)

Attorneys for Defendants

# EXHIBIT 1

1 UNITED STATES DISTRICT COURT  
2 CENTRAL DISTRICT OF CALIFORNIA

3 LANCE BAIRD, individually, and on  
4 behalf of all others similarly situated,  
5 and on behalf of the HYATT  
6 CORPORATION RETIREMENT  
7 SAVINGS PLAN,

8 Plaintiff(s),

9 v.

10 HYATT CORPORATION; BENEFITS  
11 COMMITTEE and its members,

12 Defendants.  
13  
14

Case No.: 2:22-cv-01620-DSF-E

**[PROPOSED] FINAL APPROVAL  
ORDER AND JUDGMENT**

Judge: Honorable Dale S. Fischer

Complaint filed: March 10, 2022

15 **FINAL APPROVAL ORDER AND JUDGMENT**

16 WHEREAS, Plaintiff Lance Baird (“Plaintiff”) in *Lance Baird v. Hyatt Corporation et*  
17 *al.*, C.D. Cal. Case No. 2:22-cv-01620-DSF-E on his own behalf and on behalf of the Class and  
18 the Hyatt Corporation 401(k) Plan (the “Plan”), on the one hand, and Defendants Hyatt  
19 Corporation and the Hyatt Corporation Benefits Committee (the “Committee”) (incorrectly  
20 named and sued as the “Benefit Committee”) (collectively, the “Defendants”), on the other hand,  
21 have entered into a Settlement Agreement and Release dated \_\_\_\_\_ (the “Agreement” or  
22 the “Settlement Agreement”), which provides for a complete dismissal with prejudice of all  
23 claims asserted in the Actions against Defendants by the Settlement Class (the “Class”) on the  
24 terms and conditions set forth in the Agreement, subject to the approval of this Court (the  
25 “Settlement”);  
26

27 WHEREAS, the capitalized terms not defined in this Final Approval Order and Judgment  
28 shall have the same meaning ascribed to them in the Agreement;



1 WHEREAS, by Order dated \_\_\_\_\_ (the “Preliminary Approval Order”),  
2 this Court (1) preliminarily certified the Class for settlement purposes only; (2) preliminarily  
3 approved the Settlement; (3) appointed a Settlement Administrator; (4) directed notice be given  
4 to the Class and approved the form and manner of Notice; (5) approved the Plan of Allocation;  
5 (6) scheduled a Final Approval Hearing; and (7) scheduled a hearing on Class Counsel’s Fee and  
6 Expense Application and Plaintiff’s request for a Case Contribution Award;  
7

8 WHEREAS, the Court conducted a hearing on (the “Final Approval Hearing”) to  
9 consider, among other things: (1) whether the Class should be certified for settlement purposes  
10 only; (2) whether the proposed Settlement on the terms and conditions provided for in the  
11 Agreement is fair, reasonable, adequate, and in the best interests of the Class and should be  
12 finally approved by the Court; (3) whether Class Counsel’s Fee and Expense Application is  
13 reasonable and should be approved; (4) whether Plaintiff’s requests for a Case Contribution  
14 Award is reasonable and should be approved; and (5) whether this Final Approval Order and  
15 Judgment should be entered dismissing with prejudice all claims asserted in the Actions against  
16 Defendants; and

17 WHEREAS, the Court having reviewed and considered the Agreement, all papers filed  
18 and proceedings held herein in the Actions in connection with the Settlement, all oral and written  
19 comments received regarding the Settlement, and the record in the Class Action, and good cause  
20 appearing therefor;

21 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

22 1. **Jurisdiction:** The Court has jurisdiction over the subject matter of the Class  
23 Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the  
24 Settling Parties and Settlement Class Members.

25 2. **Incorporation of Settlement Documents:** This Final Approval Order and  
26 Judgment incorporates and makes a part hereof: (a) the Agreement filed with the Court on  
27 \_\_\_\_\_ including the exhibits submitted therewith; and (b) the Notice approved by the  
28 Court on \_\_\_\_\_.

1           3.       **Class Certification:** The Court has held that the non-opt out Class should be  
2 certified under Federal Rule of Civil Procedure 23(a) and 23(b)(1), under the terms of the  
3 Agreement. The Court confirms that the class preliminarily certified under Fed. R. Civ. P.  
4 23(b)(1) is appropriate for the reasons set forth in its Preliminary Approval Order, and hereby  
5 finally certifies the following non-opt-out class:  
6

7           “All current and former participants of the Hyatt Corporation Retirement Savings Plan  
8 who are located in California, Illinois, and New York, receive the full-value of their credit-card  
9 tips outside of their regular paycheck and had a deferral election in place at the time they  
10 received the reported tips from March 10, 2016, through the date of the Preliminary Order  
11 (“Class Period”). Excluded from the Class are members of the Committee.”

12           4.       **Notice:** The Court finds that the dissemination of the Notice: (a) was  
13 implemented in accordance with the Preliminary Approval Order; (b) constituted appropriate  
14 notice that was reasonably calculated, under the circumstances, to apprise all Class Members of  
15 the pendency of the Actions, of the effect of the Settlement (including the releases provided for  
16 therein), of their right to object to the Settlement and appear at the Final Approval Hearing, of  
17 Class Counsel’s Fee and Expense Application, and of Plaintiff’s request for Case Contribution  
18 Award; (c) constituted appropriate notice to all persons or entities entitled to receive notice of the  
19 proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil  
20 Procedure, the United States Constitution including the Due Process Clause, and all other  
21 applicable law and rules.

22           5.       **Objections:** The Court finds \_\_\_\_\_.

23           6.       **Final Settlement Approval:** Pursuant to Fed. R. Civ. P. 23(e), the Court hereby  
24 approves the Settlement and the terms therein as a fair, reasonable, and adequate settlement and  
25 compromise of the claims asserted in the Class Action. The Court finds that the Settlement is  
26 fair, reasonable, and adequate to the Plan and Settlement Class Members based on the following  
27 findings of fact, conclusions of law, and determinations of mixed fact/law questions:  
28

a. The Settlement resulted from arm’s-length negotiations by experienced and

1 competent counsel overseen by a neutral mediator;

2 b. The Settlement was negotiated only after Class Counsel had conducted a  
3 Presettlement investigation and received pertinent information and documents from Defendants  
4 in discovery;

5 c. The Settlement was reviewed and approved by an independent fiduciary.

6 d. Class Counsel and Plaintiff were well-positioned to evaluate the value of the  
7 Actions;

8 e. If the Settlement had not been achieved, Plaintiff's and the Class Members faced  
9 significant expense, risk, and uncertainty in connection with the litigation, which likely would  
10 have been prolonged;

11 f. The amount of the Settlement is fair, reasonable, and adequate in light of the  
12 claims that were asserted, the risks of litigation, and settlements in other similar cases, and the  
13 Plan of Allocation is also fair, reasonable, and appropriate;

14 g. The Class Representative and Class Counsel support the Settlement, and have  
15 concluded that the Settlement Agreement is fair, reasonable, and adequate;

16 h. Class Members had the opportunity to be heard on all issues relating to the  
17 Settlement and the requested Administrative Expenses, Attorneys' Fees and Costs, and Class  
18 Representative's Contribution Award by submitting objections to the Settlement Agreement to  
19 the Court. There were \_\_\_ objections to the Settlement.

20 i. The Settlement also was reviewed by an Independent Fiduciary, \_\_\_\_\_,  
21 who has approved and authorized the Settlement.

22 j. The Settlement treats Class Members equitably relative to each other.

23 7. The Motion for Final Approval of the Settlement Agreement is hereby  
24 GRANTED, the settlement of the Class Action is APPROVED as fair, reasonable, and adequate  
25 to the Plan and the Settlement Class, and the Parties are hereby directed to take the necessary  
26 steps to effectuate the terms of the Agreement.  
27  
28

1           8.       Plaintiff’s Motion for Attorneys’ Fees and Expenses and request for Case  
2 Contribution Award, is hereby approved.

3           9.       Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil  
4 Procedure, this Court fully and finally approves the Settlement set forth in the Agreement in all  
5 respects including, without limitation, the terms of the Settlement; the releases provided for  
6 therein; and the dismissal with prejudice of the claims asserted in the Actions, and finds that the  
7 Settlement is, in all respects, fair, reasonable, and adequate, and is in the best interests of  
8 Plaintiff, the Class, and the Plan. The Parties are directed to implement, perform, and  
9 consummate the Settlement in accordance with the terms and provisions of the Agreement.  
10

11           10.      The Settlement Administrator shall have final authority to determine the share of  
12 the Net Settlement Amount to be allocated to each Settlement Class Member pursuant to the Plan  
13 of Allocation.

14           11.      Within twenty-one (21) calendar days following the issuance of all settlement  
15 payments to Class Members as provided by the Plan of Allocation, the Settlement Administrator  
16 shall prepare and provide to Class Counsel and Defense Counsel a list of each person who  
17 received a settlement payment or contribution from the Qualified Settlement Fund and the  
18 amount of such payment or contribution.

19           12.      **Dismissal of Claims:** As of the Effective Date, pursuant to Fed. R. Civ. P. 54(b),  
20 all of the Claims against Defendants are dismissed with prejudice. The Parties shall bear their  
21 own costs and expenses, except as otherwise expressly provided in the Agreement.

22           13.      **Binding Effect:** The terms of the Agreement and of this Final Approval Order  
23 and Judgment shall be forever binding on Defendants, the Released Settling Parties, Plaintiff,  
24 and all Class Members, as well as their respective heirs, beneficiaries, executors, administrators,  
25 estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors,  
26 and assigns, and as described in the Agreement.

27           14.      **CAFA:** Pursuant to the Class Action Fairness Act, 29 U.S.C. § 1711, et seq., a  
28 separate notice of the Settlement (“CAFA Notice”) was provided to the Attorneys General for

1 each of the states in which a Class Member resides, the Attorney General of the United States,  
2 and the United States Secretary of Labor. All requirements of the Class Action Fairness Act  
3 (“CAFA”), 29 U.S.C. § 1711, et seq., have been met, and Defendants have fulfilled their  
4 obligations under CAFA.

5  
6 15. **Releases:** The releases of the Released Claims, as set forth in the Agreement (the  
7 “Releases”), are expressly incorporated herein in all respects. The Releases are effective as of the  
8 date of the entry of this Final Approval Order and Judgment.

9 16. **No Admissions:** This Final Approval Order and Judgment, the Preliminary  
10 Approval Order, the Agreement (whether or not consummated), including the exhibits thereto  
11 and the Plan of Allocation contained therein (or any other plan of allocation that may be agreed-  
12 upon by the Parties or approved by the Court) and any other supporting papers, and any related  
13 negotiations or proceedings: (a) shall not give rise to any inference of, and shall not be construed  
14 or used as an admission, concession, or declaration against any of the Defendants or Defendant  
15 Released Parties of wrongdoing or liability in the Actions or any other proceeding; (b) are not an  
16 admission of any liability of any kind, whether legal or factual; (c) shall not be used or received  
17 in evidence in any action or proceeding for any purpose, except in an action or proceeding to  
18 enforce the Agreement, whether affirmatively or defensively; (d) shall not be construed or used  
19 as an admission, concession, or declaration by or against Plaintiff, the Plan, or the Class that their  
20 claims lack merit or that the relief requested in the Actions is inappropriate, improper, or  
21 unavailable; and (e) shall not be construed or used as an admission, concession, declaration, or  
22 waiver by any Party of any arguments, defenses, or claims he, she, or it may have in the event  
23 that the Agreement is terminated. This Order and the Agreement and any proceedings taken  
24 pursuant to the Agreement are for settlement purposes only.

25 17. **Retention of Jurisdiction:** Without affecting the finality of this Final Approval  
26 Order and Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a)  
27 the Parties for purposes of the administration, interpretation, implementation, and enforcement of  
28 the Settlement; (b) the disposition of the Settlement Fund; (c) Class Counsel’s Fee and Expense

1 Application and Plaintiff's request for Case Contribution Award; and (d) the Class Members for  
2 all matters relating to the Actions.

3           18.     **Modification of the Agreement:** Without further approval from the Court,  
4 Plaintiff and Defendants are authorized to agree to and adopt such amendments or modifications  
5 of the Agreement or any exhibits attached thereto to effectuate this Settlement that: (a) are not  
6 materially inconsistent with this Final Approval Order and Judgment; and (b) do not materially  
7 limit the rights of Class Members in connection with the Settlement.  
8

9           19.     **Termination:** If the Settlement does not go into effect or is terminated as  
10 provided for in the Agreement, then this Final Approval Order and Judgment (and any orders of  
11 the Court relating to the Settlement) shall be vacated, rendered null and void, and be of no  
12 further force or effect, except as otherwise provided by the Agreement.

13           20.     **Entry of Final Judgment:** There is no just reason to delay entry of this Final  
14 Approval Order and Judgment as a final judgment with respect to the claims asserted in the  
15 Actions. Accordingly, the Clerk of the Court is expressly directed to immediately enter this Final  
16 Approval Order and Judgment pursuant to Fed. R. Civ. P. 54(b) as against Defendants.

17           **SO ORDERED** this \_\_\_\_ day of \_\_\_\_\_, 2023.

18  
19  
20 \_\_\_\_\_  
The Honorable Dale Fischer \_\_\_\_\_  
United States District Judge  
21  
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# EXHIBIT 2



**IN THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

**If you were or are a participant in the Hyatt Corporation 401(k) Plan your legal rights will be affected by this class action settlement.**

***The case is called Lance Baird v. Hyatt Corporation et al., C.D. Cal. Case No. 2:22-cv-01620. A Court authorized this Notice. This is not a solicitation from a lawyer.***

This Notice advises you of the settlement (“Settlement”) of a lawsuit against Hyatt Corporation (“Hyatt”) and the Hyatt Corporation Benefits Committee (collectively, the “Hyatt Defendants”). In the lawsuit, Plaintiff Lance Baird (“Plaintiff Baird”) alleges that Defendants violated the Employee Retirement Income Security Act of 1974 (“ERISA”) by, among other things, failing to defer credit card tipped income in accordance with the terms of the Hyatt Corporation 401(k) Plan (“Plan”). Defendants deny these allegations and deny that they engaged in any improper conduct. You should read this entire Notice carefully because your legal rights will be affected by whether you act or not.

Your rights and options, and the deadline for you to object if you are opposed to the Settlement, are explained in this Notice.

**WHAT THIS NOTICE CONTAINS**

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**BASIC INFORMATION**

**1. Why did I get this Notice?**

You have been identified as a Participant, Former Participant, Beneficiary or Alternate Payee of a Participant, of the Plan at any time on or after March 10, 2016 through February 1, 2022.

You are receiving this Notice because you have a right to know about the proposed Settlement of a class action lawsuit in which you are a Class Member before the Court decides whether to approve the Settlement.

This Notice summarizes the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The lawsuit is pending in the United States District Court for the Northern District of California (the “Court”). It is known as *Lance Baird v. Hyatt Corporation et al.*, C.D. Cal. Case No. 2:22-cv-01620 (C.D. Cal.), and is brought against Defendants.

## **2. What is this lawsuit about?**

On March 10, 2022, Plaintiff Baird filed an action against Hyatt Corporation and the Benefits Committee, alleging that they violated ERISA by, among other things, failing to defer credit card tipped income in accordance with the terms of the Plan. Since the filing of the action, the parties engaged in litigation, including exchanging substantial documentation and engaging in extensive fact and expert discovery and a lengthy mediation. In the mediation, the parties ultimately were able to reach the terms of the Settlement explained in this Notice.

Defendants have denied and continue to deny any wrongdoing or liability and would continue to vigorously defend the lawsuit if the proposed Settlement is not approved.

## **3. What is a class action lawsuit?**

In a class action lawsuit, one or more people called “class representatives” sue on their own behalf and on behalf of other people who they allege may have similar claims. One court resolves all the issues for all class members in a single lawsuit. Plaintiff Lance Baird is the class representative in this lawsuit, and is sometimes referred to in this Notice as the “Class Representative” or as the “Plaintiff.”

## **4. Why is there a Settlement?**

The Parties have agreed to the Settlement after extensive negotiations. By agreeing to a Settlement, the Parties avoid the costs and risks of further litigation, and Plaintiff and the other members of the Class will get compensation. Class Counsel have conducted an extensive review of the evidence in the case and the potential risks and benefits of continued litigation. Plaintiff and Class Counsel agree that the Settlement is in the best interest of the Class. The Court has not made any finding that Defendants have done anything wrong or violated any law or regulation.

## **5. How do I get more information about the Settlement?**

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com), by contacting Class Counsel (*see* answer to question 12 for contact information) or the Settlement Administrator (*see* answer to question 6 for contact information), by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Central District of California, First Street Courthouse, 350 West 1st Street, Courtroom 7D, Los Angeles, California, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.**

**6. Who will administer the Settlement?**

The Settlement Administrator, Strategic Claims Services, will administer the Settlement. You may contact the Settlement Administrator by: (a) sending a letter to Baird 401k Settlement Administrator, c/o \_\_\_\_\_; (b) sending an e-mail to \_\_\_\_\_; (c) visiting the Settlement website at \_\_\_\_\_; or (d) calling \_\_\_\_\_.

**THE SETTLEMENT BENEFITS – WHAT DOES THE SETTLEMENT PROVIDE**

**7. What does the Settlement provide?**

Defendants have agreed to pay a total of \$1,475,000 to the Class Members with up to 25% of that amount to be paid to Class Counsel in attorneys' fees to the extent approved by the Court, reimburse Class Counsel's expenses, including expert costs, and up to \$17,500 to be paid to the Class Representative, to the extent approved by the Court. The amount that will be available for distribution to Class Members (known as the "Net Settlement Amount") will be the Settlement Amount *minus* the amounts used for other Settlement purposes (Case Contribution Award, Court-approved Attorneys' Fees and Expenses to Class Counsel, Administration Expenses, and certain taxes and tax-related costs).

**8. How may I benefit from the Settlement?**

You may benefit by receiving payment of a portion of the Net Settlement Amount. The amount paid to each Current Participant and Authorized Former Participant will be determined by a Plan of Allocation. As explained below, if you are a Current Participant, or Beneficiary or Alternate Payees of a Plan participant and you have an active account in the Plan, you do not need to take any action in order to receive payment under the Settlement. If you are a Former Participant, or a Beneficiary or Alternate Payee of a Plan participant and you do not have an active account in the Plan, you will be paid directly by the Settlement Administrator by check if the value of your portion of the Net Settlement Amount exceeds \$10. All such payments are intended by the Settlement Class to be "restorative payments" in accordance with Internal Revenue Service Revenue Ruling 2002-45. Checks issued to Former Participants shall be valid for 180 days from

the date of issue. All checks that are undelivered or are not cashed before their expiration date shall revert to the Qualified Settlement Fund.

**9. What is the Plaintiff receiving from the Settlement?**

In this case, there is one Class Representative, Lance Baird. Class Counsel intends to ask the Court to award the Class Representative a Case Contribution Award of \$17,500 in recognition of the work and effort he expended on behalf of the Class.

**THE LAWYERS REPRESENTING YOU**

**10. Do I have a lawyer in this case?**

Yes. The Court has appointed the law firms of Miller Shah LLP and D. Joshua Staub as co-lead Class Counsel. You will not be charged for the work of these lawyers. If you want to be represented by a different lawyer in this case, you may hire one at your own expense.

**11. How will the lawyers (Class Counsel) be paid?**

Class Counsel will ask the Court for an award of attorneys' fees and expenses of up to 25% of the Gross Settlement Amount plus expenses, based upon the value of the Settlement, the time they have devoted to this engagement, and the expenses they have advanced in prosecuting this matter.

**OPTING OUT OF THE SETTLEMENT**

**12. Can I exclude myself from the Class?**

No. The Class has been certified under Federal Rule of Civil Procedure 23(b)(1). Therefore, as a Class Member, you are bound by any judgments or orders that are entered in the lawsuit for all claims that were asserted in the lawsuit or are otherwise included as Released Claims as defined in the Settlement Agreement. If you wish to object to any part of the Settlement, you may (as discussed below) write to the Court and counsel about why you object to the Settlement.

**OBJECTING TO THE SETTLEMENT**

**13. What does it mean to object?**

Objecting is simply telling the Court that you do not like something about the Settlement. Objecting will not have any bearing on your right to receive the benefits of the Settlement if it is approved by the Court.

**14. What is the procedure for objecting to the Settlement?**

You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Fairness Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number *Lance Baird v. Hyatt Corporation et al.*, C.D. Cal. Case No. 2:22-cv-01620 (C.D. Cal.), (b) be submitted to the Court either by mailing them to the Clerk, United States District Court for the Central District of California, First Street Courthouse, 350 West 1st Street, Los Angeles, California, or by filing them in person at any location of the United States District Court for the Central District of California, 90012, (c) be sent to Class Counsel and Defense Counsel at the below addresses, and (d) be filed or postmarked on or before 30 days before the Fairness Hearing. Your objection must also include (1) your full name, current address, and current telephone number, and, if represented by counsel, any of your counsel's name and contact information; (2) whether the objection applies only to the objecting Class Member, to a specific subset of the Class, or to the entire Class; (3) a statement of the position(s) the objector wishes to assert; and (4) copies of any other documents that the objector wishes to submit in support of his/her/its position.

**ANY CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED ABOVE SHALL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL NOT HAVE ANY RIGHT TO OBJECT TO THE FAIRNESS OR ADEQUACY OF THE SETTLEMENT.**

| <u>Clerk of the Court</u>  | <u>Class Counsel</u>   | <u>Defense Counsel</u>   |
|--|--|--|
| U.S. District Court for the Central District of California<br>First Street Courthouse<br>350 West 1st Street<br>Los Angeles, California<br>90012 | Ronald S. Kravitz<br>Miller Shah LLP<br>456 Montgomery Street<br>Suite 1900<br>San Francisco, CA<br>94104<br>Tel: (415) 479-5292<br><br>D. Joshua Staub<br>Law Office of D. Joshua Staub<br>13015 Washington Blvd.<br>Los Angeles CA 90066<br>(310) 929-5269 | <u>Samuel Schwartz-Fenwick (PHV)</u><br><u>233 S. Wacker Drive, Ste. 8000</u><br><u>Chicago, IL 60606-6448</u><br><u>Tel: (312) 460-5000</u><br><u>Fax: (312) 460-7000</u><br><a href="mailto:sschwartz-fenwick@seyfarth.com">sschwartz-fenwick@seyfarth.com</a> |

### THE COURT'S FAIRNESS HEARING

**15. When/where will the Court decide whether to approve the Settlement?**

On **[date]**, 2023 at **[time]** \_\_.m., in Courtroom \_\_ of the United States District Court for the Central District of California, \_\_\_\_\_ the Court will hold a Fairness Hearing to determine whether the proposed Settlement is fair, reasonable, and adequate and whether it should be approved. The hearing may be continued from time to time by the Court without further notice.

**16. Do I have to attend the Fairness Hearing?**

No; however, you are welcome to attend at your own expense. If you file an objection to the Settlement, you do not have to go to Court to talk about it. As long as your objection is filed by **[date]** and you comply with the requirements in answer to question 16 above, the Court will consider it. You also may send your own lawyer to attend the Fairness Hearing.

**17. May I speak at the Fairness Hearing?**

You may ask the Court for permission to speak at the hearing. Anyone wishing to appear must state in their written objection their intention to appear at the Fairness Hearing, at your own expense.

### IF YOU DO NOTHING

**18. What happens if I do nothing at all?**

You will receive a settlement payment, to the extent you are due such a benefit under the plan of allocation in the Agreement. Each Member of the Class gives Defendants a "release." A release means you give up your rights to sue Defendants or receive any benefits from any other lawsuit against Defendants if the lawsuit asserts claims or relates in any way to the practices at issue in this lawsuit.

DATED: \_\_\_\_\_, 2023

**THIS NOTICE HAS BEEN SENT TO YOU BY ORDER  
OF THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**



# EXHIBIT 3

A federal court authorized this Notice.  
This is not a solicitation from a lawyer.  
If you are or were a participant in the Hyatt  
Corporation 401(k) Plan between  
March 10, 2016 until February 1, 2021,  
a \$1.475 million Settlement may affect your rights.  
Questions? Call (888) \_\_\_\_\_ or  
Visit [www.\\_\\_\\_\\_\\_.com](http://www._____.com)

Hyatt 401(k) Class Settlement  
c/o Strategic Claims Services  
600 N. Jackson Street, Suite 205  
Media, PA 19063

Class Member Name  
Class Member Address  
Class Member City/State/Zip

### **What is this notice?**

On DATE, 2023, the Honorable Dale Fischer of the U.S. District Court for the Central District of California granted preliminary approval of this class action Settlement. The Court directed the parties to send this notice. Hyatt 401(k) Plan records show that you may be a Settlement Class Member. You may be eligible to receive a payment from the Settlement in *Baird et. al. v. Hyatt Corporation*, Civil Action No. 2:22-cv-01620.

### **What is the lawsuit about?**

Plaintiffs claim that Hyatt Corporation and the Hyatt Benefits Committee (collectively, "Settling Defendants") violated ERISA by failing to pay benefits and breaching their fiduciary duties under ERISA. Plaintiffs' allegations are described in more detail in the Complaint ("Complaint") available on the Settlement website. All Defendants deny any wrongdoing. Both sides agreed to the Settlement to avoid the cost and risk of further litigation.

### **Who is affected?**

You may be eligible to receive payment if you were a participant in the Plan at any time during the period from March 10, 2016 until February 1, 2021, inclusive, or you were a beneficiary or alternate payee of any such participant (a "Settlement Class Member").

### **What can you get from the Settlement?**

Class Members who submit valid claims may receive a cash payment from the Net Settlement Fund. The Net Settlement Fund is estimated to be approximately \$1.1 million. This is after deducting attorneys' fees, administration expenses, and other costs from the \$1.475 million Settlement Fund. For more details on the Plan of Distribution, read the Long Form Notice available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com). You can also call (888) 681-1142.

### **How do you get a payment?**

If you are a Settlement Class member, are a current participant in the Plan, or you are a beneficiary or alternate payee of a Plan participant who has an active account in the Plan, and you are entitled to a share of the Settlement Fund according to the Agreement, you are not required to do anything to receive a payment. The payment will be made directly to your Plan account(s). If you are no longer a participant in the Plan, or you are a beneficiary or alternate payee of a Plan participant who does not have an active account in the Plan, payment will be made by check. All such payments are intended by the Settlement Class to be "restorative payments" in accordance with Internal Revenue Service Revenue Ruling 2002-45. If your address has changed since you closed your Plan account(s), please contact the Settlement Administrator toll free at \_\_\_\_\_ to advise of the change of address.

For details on how to object to the settlement, read the Long Form Notice available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com). Objections must be postmarked by Month x, 202x. The Court will hold a Fairness Hearing to consider whether the Settlement is fair, reasonable, and adequate. The Fairness Hearing is on [Month Day, Year] at [Time]. The Court will also decide whether to approve attorneys' fees and expenses up to 25% of the gross Settlement Fund and additional costs and a case contribution award for the named plaintiff Mr. Baird. These amounts will be deducted from the \$1.475 million

Settlement Fund. You may ask to attend the Fairness Hearing, on your own or through counsel, but you do not have to do so. Please Do Not Contact The Court Regarding This Notice.

**QUESTIONS?**

Visit [www.\\_\\_\\_\\_\\_.com](http://www._____.com), email [info@\\_\\_\\_\\_\\_](mailto:info@_____), call (888) \_\_\_\_\_, or write Hyatt 401(k) Settlement c/o Strategic Claims Services, 600 N. Jackson Street, Suite 205, Media, PA 19063.

Place Stamp Here

Carefully separate this Address Change Form at the perforation

Name: \_\_\_\_\_

Current Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Address Change Form

To make sure your information remains up-to-date in our records, please confirm your address by filling in the above information and depositing this postcard in the U.S. Mail.

Hyatt 401(k) Settlement c/o Strategic Claims Services  
600 N. Jackson Street, Suite 205,  
Media, PA 19063

# EXHIBIT 4

1 UNITED STATES DISTRICT COURT  
2 CENTRAL DISTRICT OF CALIFORNIA

3 LANCE BAIRD, individually, and on  
4 behalf of all others similarly situated,  
5 and on behalf of the HYATT  
6 CORPORATION RETIREMENT  
7 SAVINGS PLAN,

8 Plaintiff(s),

9 v.

10 HYATT CORPORATION; BENEFITS  
11 COMMITTEE and its members,

12 Defendants.  
13  
14

Case No.: 2:22-cv-01620-DSF-E

**[PROPOSED] FINAL APPROVAL  
ORDER AND JUDGMENT**

Judge: Honorable Dale S. Fischer

Complaint filed: March 10, 2022

15 **FINAL APPROVAL ORDER AND JUDGMENT**

16 WHEREAS, Plaintiff Lance Baird (“Plaintiff”) in *Lance Baird v. Hyatt Corporation et*  
17 *al.*, C.D. Cal. Case No. 2:22-cv-01620-DSF-E on his own behalf and on behalf of the Class and  
18 the Hyatt Corporation 401(k) Plan (the “Plan”), on the one hand, and Defendants Hyatt  
19 Corporation and the Hyatt Corporation Benefits Committee (the “Committee”) (incorrectly  
20 named and sued as the “Benefit Committee”) (collectively, the “Defendants”), on the other hand,  
21 have entered into a Settlement Agreement and Release dated \_\_\_\_\_ (the “Agreement” or  
22 the “Settlement Agreement”), which provides for a complete dismissal with prejudice of all  
23 claims asserted in the Actions against Defendants by the Settlement Class (the “Class”) on the  
24 terms and conditions set forth in the Agreement, subject to the approval of this Court (the  
25 “Settlement”);  
26

27 WHEREAS, the capitalized terms not defined in this Final Approval Order and Judgment  
28 shall have the same meaning ascribed to them in the Agreement;



1 WHEREAS, by Order dated \_\_\_\_\_ (the “Preliminary Approval Order”),  
2 this Court (1) preliminarily certified the Class for settlement purposes only; (2) preliminarily  
3 approved the Settlement; (3) appointed a Settlement Administrator; (4) directed notice be given  
4 to the Class and approved the form and manner of Notice; (5) approved the Plan of Allocation;  
5 (6) scheduled a Final Approval Hearing; and (7) scheduled a hearing on Class Counsel’s Fee and  
6 Expense Application and Plaintiff’s request for a Case Contribution Award;  
7

8 WHEREAS, the Court conducted a hearing on (the “Final Approval Hearing”) to  
9 consider, among other things: (1) whether the Class should be certified for settlement purposes  
10 only; (2) whether the proposed Settlement on the terms and conditions provided for in the  
11 Agreement is fair, reasonable, adequate, and in the best interests of the Class and should be  
12 finally approved by the Court; (3) whether Class Counsel’s Fee and Expense Application is  
13 reasonable and should be approved; (4) whether Plaintiff’s requests for a Case Contribution  
14 Award is reasonable and should be approved; and (5) whether this Final Approval Order and  
15 Judgment should be entered dismissing with prejudice all claims asserted in the Actions against  
16 Defendants; and

17 WHEREAS, the Court having reviewed and considered the Agreement, all papers filed  
18 and proceedings held herein in the Actions in connection with the Settlement, all oral and written  
19 comments received regarding the Settlement, and the record in the Class Action, and good cause  
20 appearing therefor;

21 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

22 1. **Jurisdiction:** The Court has jurisdiction over the subject matter of the Class  
23 Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the  
24 Settling Parties and Settlement Class Members.

25 2. **Incorporation of Settlement Documents:** This Final Approval Order and  
26 Judgment incorporates and makes a part hereof: (a) the Agreement filed with the Court on  
27 \_\_\_\_\_ including the exhibits submitted therewith; and (b) the Notice approved by the  
28 Court on \_\_\_\_\_.

1           3.       **Class Certification:** The Court has held that the non-opt out Class should be  
2 certified under Federal Rule of Civil Procedure 23(a) and 23(b)(1), under the terms of the  
3 Agreement. The Court confirms that the class preliminarily certified under Fed. R. Civ. P.  
4 23(b)(1) is appropriate for the reasons set forth in its Preliminary Approval Order, and hereby  
5 finally certifies the following non-opt-out class:  
6

7           “All current and former participants of the Hyatt Corporation Retirement Savings Plan  
8 who are located in California, Illinois, and New York, receive the full-value of their credit-card  
9 tips outside of their regular paycheck and had a deferral election in place at the time they  
10 received the reported tips from March 10, 2016, through the date of the Preliminary Order  
11 (“Class Period”). Excluded from the Class are members of the Committee.”

12           4.       **Notice:** The Court finds that the dissemination of the Notice: (a) was  
13 implemented in accordance with the Preliminary Approval Order; (b) constituted appropriate  
14 notice that was reasonably calculated, under the circumstances, to apprise all Class Members of  
15 the pendency of the Actions, of the effect of the Settlement (including the releases provided for  
16 therein), of their right to object to the Settlement and appear at the Final Approval Hearing, of  
17 Class Counsel’s Fee and Expense Application, and of Plaintiff’s request for Case Contribution  
18 Award; (c) constituted appropriate notice to all persons or entities entitled to receive notice of the  
19 proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil  
20 Procedure, the United States Constitution including the Due Process Clause, and all other  
21 applicable law and rules.

22           5.       **Objections:** The Court finds \_\_\_\_\_.

23           6.       **Final Settlement Approval:** Pursuant to Fed. R. Civ. P. 23(e), the Court hereby  
24 approves the Settlement and the terms therein as a fair, reasonable, and adequate settlement and  
25 compromise of the claims asserted in the Class Action. The Court finds that the Settlement is  
26 fair, reasonable, and adequate to the Plan and Settlement Class Members based on the following  
27 findings of fact, conclusions of law, and determinations of mixed fact/law questions:  
28

a. The Settlement resulted from arm’s-length negotiations by experienced and

1 competent counsel overseen by a neutral mediator;

2 b. The Settlement was negotiated only after Class Counsel had conducted a  
3 Presettlement investigation and received pertinent information and documents from Defendants  
4 in discovery;

5 c. The Settlement was reviewed and approved by an independent fiduciary.

6 d. Class Counsel and Plaintiff were well-positioned to evaluate the value of the  
7 Actions;

8 e. If the Settlement had not been achieved, Plaintiff's and the Class Members faced  
9 significant expense, risk, and uncertainty in connection with the litigation, which likely would  
10 have been prolonged;

11 f. The amount of the Settlement is fair, reasonable, and adequate in light of the  
12 claims that were asserted, the risks of litigation, and settlements in other similar cases, and the  
13 Plan of Allocation is also fair, reasonable, and appropriate;

14 g. The Class Representative and Class Counsel support the Settlement, and have  
15 concluded that the Settlement Agreement is fair, reasonable, and adequate;

16 h. Class Members had the opportunity to be heard on all issues relating to the  
17 Settlement and the requested Administrative Expenses, Attorneys' Fees and Costs, and Class  
18 Representative's Contribution Award by submitting objections to the Settlement Agreement to  
19 the Court. There were \_\_ objections to the Settlement.

20 i. The Settlement also was reviewed by an Independent Fiduciary, \_\_\_\_\_,  
21 who has approved and authorized the Settlement.

22 j. The Settlement treats Class Members equitably relative to each other.

23 7. The Motion for Final Approval of the Settlement Agreement is hereby  
24 GRANTED, the settlement of the Class Action is APPROVED as fair, reasonable, and adequate  
25 to the Plan and the Settlement Class, and the Parties are hereby directed to take the necessary  
26 steps to effectuate the terms of the Agreement.  
27  
28

1           8.       Plaintiff’s Motion for Attorneys’ Fees and Expenses and request for Case  
2 Contribution Award, is hereby approved.

3           9.       Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil  
4 Procedure, this Court fully and finally approves the Settlement set forth in the Agreement in all  
5 respects including, without limitation, the terms of the Settlement; the releases provided for  
6 therein; and the dismissal with prejudice of the claims asserted in the Actions, and finds that the  
7 Settlement is, in all respects, fair, reasonable, and adequate, and is in the best interests of  
8 Plaintiff, the Class, and the Plan. The Parties are directed to implement, perform, and  
9 consummate the Settlement in accordance with the terms and provisions of the Agreement.  
10

11           10.      The Settlement Administrator shall have final authority to determine the share of  
12 the Net Settlement Amount to be allocated to each Settlement Class Member pursuant to the Plan  
13 of Allocation.

14           11.      Within twenty-one (21) calendar days following the issuance of all settlement  
15 payments to Class Members as provided by the Plan of Allocation, the Settlement Administrator  
16 shall prepare and provide to Class Counsel and Defense Counsel a list of each person who  
17 received a settlement payment or contribution from the Qualified Settlement Fund and the  
18 amount of such payment or contribution.

19           12.      **Dismissal of Claims:** As of the Effective Date, pursuant to Fed. R. Civ. P. 54(b),  
20 all of the Claims against Defendants are dismissed with prejudice. The Parties shall bear their  
21 own costs and expenses, except as otherwise expressly provided in the Agreement.

22           13.      **Binding Effect:** The terms of the Agreement and of this Final Approval Order  
23 and Judgment shall be forever binding on Defendants, the Released Settling Parties, Plaintiff,  
24 and all Class Members, as well as their respective heirs, beneficiaries, executors, administrators,  
25 estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors,  
26 and assigns, and as described in the Agreement.

27           14.      **CAFA:** Pursuant to the Class Action Fairness Act, 29 U.S.C. § 1711, et seq., a  
28 separate notice of the Settlement (“CAFA Notice”) was provided to the Attorneys General for

1 each of the states in which a Class Member resides, the Attorney General of the United States,  
2 and the United States Secretary of Labor. All requirements of the Class Action Fairness Act  
3 (“CAFA”), 29 U.S.C. § 1711, et seq., have been met, and Defendants have fulfilled their  
4 obligations under CAFA.

5  
6 15. **Releases:** The releases of the Released Claims, as set forth in the Agreement (the  
7 “Releases”), are expressly incorporated herein in all respects. The Releases are effective as of the  
8 date of the entry of this Final Approval Order and Judgment.

9  
10 16. **No Admissions:** This Final Approval Order and Judgment, the Preliminary  
11 Approval Order, the Agreement (whether or not consummated), including the exhibits thereto  
12 and the Plan of Allocation contained therein (or any other plan of allocation that may be agreed-  
13 upon by the Parties or approved by the Court) and any other supporting papers, and any related  
14 negotiations or proceedings: (a) shall not give rise to any inference of, and shall not be construed  
15 or used as an admission, concession, or declaration against any of the Defendants or Defendant  
16 Released Parties of wrongdoing or liability in the Actions or any other proceeding; (b) are not an  
17 admission of any liability of any kind, whether legal or factual; (c) shall not be used or received  
18 in evidence in any action or proceeding for any purpose, except in an action or proceeding to  
19 enforce the Agreement, whether affirmatively or defensively; (d) shall not be construed or used  
20 as an admission, concession, or declaration by or against Plaintiff, the Plan, or the Class that their  
21 claims lack merit or that the relief requested in the Actions is inappropriate, improper, or  
22 unavailable; and (e) shall not be construed or used as an admission, concession, declaration, or  
23 waiver by any Party of any arguments, defenses, or claims he, she, or it may have in the event  
24 that the Agreement is terminated. This Order and the Agreement and any proceedings taken  
25 pursuant to the Agreement are for settlement purposes only.

26  
27 17. **Retention of Jurisdiction:** Without affecting the finality of this Final Approval  
28 Order and Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a)  
the Parties for purposes of the administration, interpretation, implementation, and enforcement of  
the Settlement; (b) the disposition of the Settlement Fund; (c) Class Counsel’s Fee and Expense



# EXHIBIT 5



Seyfarth Shaw LLP

233 South Wacker Drive

Suite 8000

Chicago, Illinois 60606-6448

T (312) 460-5000

F (312) 460-7000

sschwartz-fenwick@seyfarth.com

T (312) 460-5948

S

www.seyfarth.com

[DATE]

**VIA USPS**

***Re: Notice under the Class Action Fairness Act of 2005, 28 U.S.C. § 1711 et seq., Lance Baird, et.al. v. Hyatt Corporation, et.al., Case No. 2:22-cv-01620-DSF-E, U.S. District Court for the Central District of California.***

Pursuant to the Class Action Fairness Act, 28 U.S.C. § 1715 (“CAFA”), I am writing, on behalf of Defendants in the above-referenced matter, to provide your office with notice of the parties’ proposed settlement. Please take notice of the following information.

With Defendants’ consent, Plaintiffs in the above-captioned matter filed a motion with the United States District Court for the Central District of California on [REDACTED], requesting preliminary approval of the parties’ proposed settlement. As part of this notice, please find copies of the following documents associated with this matter on the enclosed flash drive:

1. The Complaint;
2. The motion for preliminary approval of the settlement and all of its supporting documents, which include the proposed notice to be distributed to class members and the proposed settlement agreement. Class members do not have rights to request exclusion from the class;
3. At this time, it is not feasible to provide a list of the class members who reside in each state and the estimated proportionate share of the claims of such members to the entire settlement. However, enclosed is a chart showing the approximate percentage of the estimated class members who reside in each state, based on data regarding current and former participants in the Hyatt Corporation Retirement Savings Plan. Because of the calculations that must be performed to determine class members’ allocations, it is not feasible at this time to provide further detail regarding the claims of class members in each state;
4. A copy of the Court’s docket sheet; and
5. A copy of the Court’s order [REDACTED] granting preliminary approval.

There are no contemporaneous agreements between class counsel and counsel for Defendants in conjunction with the proposed settlement, other than the enclosed settlement agreement. At this time, there has been no final judgment or notice of dismissal, and there are no written judicial opinions relating to the matters detailed in this notice, except for the opinion





[DATE]

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enclosed granting preliminary approval. The Court has scheduled the fairness hearing for [REDACTED], at [REDACTED] in courtroom 7D at the First Street Courthouse, 350 West 1<sup>st</sup> Street, Los Angeles, California 90012.

If you have questions about this notice, the settlement, or the enclosed materials, or if you did not receive any of the above-listed materials, please contact this office.

Very truly yours,

SEYFARTH SHAW LLP

Sam Schwartz-Fenwick

Enclosure

# EXHIBIT C

## SECOND AMENDED CLASS ACTION SETTLEMENT AGREEMENT

This Second Amended Class Action Settlement Agreement (“Settlement Agreement”) is entered into between and among Lance Baird (“Plaintiff” or “Class Representative”), all the Class Members (see 2.9. below, the Hyatt Corporation (“Hyatt”) and the Hyatt Corporation Benefits Committee (the “Committee”). Hyatt and the Committee are referred to collectively as Defendants, and Defendants and Plaintiff are referred to collectively as the “Settling Parties.”

### ARTICLE 1

#### Recitals

1.1 On March 10, 2022, Plaintiff filed a Complaint (No. 2:22-cv-01620-DSF (Ex)) on behalf of himself and all the participants in the Hyatt Corporation Retirement Savings Plan (“the Plan”). The Complaint, referred to as the “Class Action Complaint,” is brought against Defendants and asserts various claims under the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001, et seq. (“ERISA”) based on Defendants’ management, operation, and administration of the Plan.

1.2 Subsequent to the filing of the Class Action Complaint, the Settling Parties began settlement discussions. These discussions included the exchange of discovery sought by Plaintiff to substantiate his theories of liability and damages.

1.3 On October 6, 2022, the Settling Parties held a full-day private mediation with Bob Meyer of JAMS. The Settling Parties reached agreement on the monetary terms of a potential settlement during the mediation and signed a Memorandum of Understanding regarding the principal settlement terms dated December 22, 2022. Thereafter, the Settling Parties continued negotiations regarding the terms of the Settlement Agreement. The entirety of the agreement reached by the Settling Parties is memorialized in the Settlement Agreement.

1.4 The Class Representative and Class Counsel consider it desirable and, in the Plan’s, and Class Members’ best interests, that the claims against Defendants be settled upon the terms set forth below. The Class Representative and Class Counsel have concluded that such terms are fair, reasonable, and adequate and that this settlement will result in benefits to the Plan and the Settlement Class.

1.5 Defendants deny all allegations of wrongdoing and deny all liability for the allegations and claims made in the Class Action. Defendants maintain that they are without fault or liability. Defendants contend that the Plan has been managed, operated, and administered at all relevant times in compliance with ERISA and applicable regulations, including the fiduciary and prohibited transaction provisions of ERISA. The Settlement Agreement, and the discussions between the Settling Parties preceding it, shall in no event constitute, be construed as, or be deemed evidence of, an admission or concession of any wrongdoing, fault, or liability of any kind by Defendants.

1.6 The Settling Parties have concluded that it is desirable that the Class Action be finally settled upon the terms and conditions set forth in the Settlement Agreement.

1.7 On August 28, 2023, the Settling Parties attended a hearing on Plaintiff's Motion for Settlement Approval. The Court requested that the Settling Parties modify the Amended Settlement Agreement to clarify certain terms.

1.8 Therefore, the Settling Parties, in consideration of the promises, covenants, and agreements herein described, acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree as follows.

## **ARTICLE 2**

### Definitions

As used in the Settlement Agreement and the Exhibits hereto (as listed in Paragraph 13.17), unless otherwise defined, the following terms have the meanings specified below:

2.1 "Administrative Expenses" means expenses incurred in the administration of the Settlement Agreement, including (a) all fees, expenses, and costs associated with providing the Settlement Notices to the Settlement Class ; (b) all expenses and costs associated with the distribution of funds under the Plan of Allocation borne by the Settlement Administrator; (c) all fees and expenses associated with the services provided by the Settlement Administrator, and Escrow Agent in connection with the Settlement; and (d). Excluded from Administrative Expenses are internal expenses by the Settling Parties, the costs associated with the Independent Fiduciary and the Settling Parties' respective legal expenses. Administrative Expenses shall be paid from the Gross Settlement Amount.

2.2 "Alternate Payee" means a person other than a participant or Beneficiary in the Plan who is entitled to a benefit under the Plan as a result of a Qualified Domestic Relations Order.

2.3 "Amendment to the Plan" means the Plan amendment effective February 1, 2022, addressing the Automatic Reduction of Pay Contribution Election. The Settlement Class Members waive any objection to the Amendment to the Plan, and as set forth below release all claims related to the Amendment to the Plan.

2.4 "Attorneys' Fees and Costs" means (i) any and all attorneys' fees for their past, present, and future work, and efforts in connection with the Action and Settlement in an amount that shall not exceed 25% of the Gross Settlement Amount, which shall be paid from the Gross Settlement Amount; and (ii) any and all costs and expenses advanced and carried by Class Counsel in this litigation (including fees and costs charged or incurred by retained experts or consultants, mediation fees), which also shall be paid from the Gross Settlement Amount.

2.5 "Beneficiary" or "Beneficiaries" refers to a person who currently is entitled to receive a benefit under the Plan due to the death of a Plan participant. A Beneficiary includes, but is not limited to, a surviving spouse, domestic partner, or child of a Plan participant who currently is entitled to a benefit.

2.6 "Class Action" means the action styled Baird et. al. v. Hyatt Corporation, Civil Action No. 2:22-cv-01620-DSF (Ex), and venued in the United States District Court for the Central District of California.

2.7 “Class Action Complaint” means the Amended Complaint filed in the Class Action on March 10, 2022.

2.8 “Class Counsel” means Miller Shah, LLP, and D. Joshua Staub.

2.9 “Class Members” means all individuals in the Settlement Class.

2.10 “Class Period” means the period from March 10, 2016, through the date of the Preliminary Order.

2.11 “Class Representative” means Lance Baird.

2.12 “Class Representative’s Case Contribution Award” means an amount to be determined by the Court, but not to exceed \$17,500 (seventeen-thousand five hundred dollars) for Class Representative, which shall be paid from the Gross Settlement Amount directly to the Class Representative.

2.13 “Committee” means the Hyatt Corporation Benefits Committee, including its current and former members.

2.14 “Court” means the United States District Court for the Central District of California.

2.15 “Defendants” means Hyatt Corporation (“Hyatt”), the Plan, and the Committee.

2.16 “Defense Counsel” means Seyfarth Shaw LLP.

2.17 “Escrow Agent” means the entity selected and approved by the Parties to act as escrow agent for any portion of the Settlement Amount deposited in or accruing in the Settlement Fund pursuant to this Agreement.

2.18 “Fairness Hearing” means the hearing scheduled by the Court to consider (a) any objections from Class Members to the Settlement Agreement, (b) Class Counsel’s petition for Attorneys’ Fees and Costs and the Class Representative’s Case Contribution Award, and (c) whether to finally approve the Settlement Agreement under Federal Rules of Civil Procedure, rule 23..

2.19 “Final Order” means the order and final judgment approving the Settlement Agreement, implementing the terms of the Settlement Agreement, and dismissing the Class Action with prejudice, to be proposed by the Settling Parties for approval by the Court, in substantially the form attached as Exhibit 4 hereto.

2.20 “Final” means with respect to any judicial ruling, order, or judgment that the period for any motions for reconsideration, motions for rehearing, appeals, petitions for certiorari, or the like (“Review Proceeding”) has expired without the initiation of a Review Proceeding, or, if a Review Proceeding has been timely initiated, that it has been fully and finally resolved, either by court action or by voluntary action of any Settling Party, without any possibility of a reversal, vacatur, or modification of any judicial ruling, order, or judgment,

including the exhaustion of all proceedings in any remand or subsequent appeal and remand. The Settling Parties agree that absent an appeal or other attempted review proceeding, the period after which the Final Order becomes Final is 14 calendar days after the time for appeal expires. If any person appeals, the Final Order shall become Final 14 calendar days after the appeal is resolved and the time for all further appeal expires.

2.21 “Gross Settlement Amount” means the sum \$1,475,000.00, paid to the Qualified Settlement Fund in accordance with Article 5. The Gross Settlement Amount shall be the full and sole monetary payment to the Settlement Class, Plaintiff, and Class Counsel made on behalf of Defendants in connection with the Settlement effectuated through the Settlement Agreement. Once the Final Order is Final, no portion of the Gross Settlement Amount shall be returned to Defendants.

2.22 “Hyatt” means Hyatt Corporation.

2.23 “Independent Fiduciary” means Fiduciary Counselors, Inc., and shall be retained by Hyatt at its own expense.

2.24 “Net Settlement Amount” means the Gross Settlement Amount minus: (a) all Attorneys’ Fees and Costs paid to Class Counsel; (b) Class Representative Case Contribution Award as authorized by the Court; (c) all Administrative Expenses; and (d) a contingency reserve not to exceed an amount to be mutually agreed upon by the Settling Parties that is set aside by the Settlement Administrator for: (1) Administrative Expenses incurred before the Settlement Effective Date but not yet paid, (2) Administrative Expenses estimated to be incurred after the Settlement Effective Date, and (3) an amount estimated for adjustments of data or calculation errors.

2.25 “Plan” means the Hyatt Corporation Retirement Savings Plan.

2.26 “Plan of Allocation” means the methodology for allocating and distributing the Net Settlement Amount in accordance with Article 6 herein.

2.27 “Preliminary Order” means the order proposed by the Settling Parties and approved by the Court in connection with the Motion for Entry of the Preliminary Order to be filed by Class Representatives through Class Counsel, as described in Paragraph 3.2 and in substantially the form attached hereto as Exhibit 1.

2.28 “Qualified Settlement Fund” or “Settlement Fund” means the interest-bearing, settlement fund account to be established and maintained by the Escrow Agent in accordance with Article 6 herein and referred to as the Qualified Settlement Fund (within the meaning of Treas. Reg. § 1.468B-1).

2.29 “Released Claims” means any and all actual or potential claims, actions, demands, rights, obligations, liabilities, damages, attorneys’ fees, expenses, costs, and causes of action, whether arising under local, state, or federal law, whether by statute, contract, common law, equity, or otherwise, whether brought in an individual, representative, or any other capacity, whether involving legal equitable, injunctive, declarative, or any other type of relief (including, without limitation, indemnification or contribution), whether, known or unknown, suspected or

unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, that have been, could have been, or could be brought by or on behalf of all or any member of the Settlement Class or the Plan at any point prior to the Court's final approval of the Settlement, and that were asserted in the Class Action or that might have been asserted in the Class Action under any legal or equitable basis related in any way to deferral of credit card tips under the terms of the Plan, the Amendment to the Plan, employer matching under the Plan relating to credit card tip income, any claim that the Settlement Agreement or any aspect of its implementation violates any applicable law or right of any Settlement Class Member, or any claim that would have been barred by the doctrine of res judicata or claim preclusion had the Lawsuit been fully litigated to a final judgment.

2.30 Released Claims specifically exclude any claims that cannot be waived by law, or any claims arising out of or related to the Hyatt Hotels Corporation Employee Stock Purchase Plan as amended.

2.31 "Released Settling Parties" means (i) Hyatt, its parent, subsidiaries, and affiliates, (ii) the Plan, (iii) the Committee, (iv) every person who was a director, officer, governor, management committee member, Committee member, in-house counsel, employee, or agent of the Plan, Hyatt and/or the Committee; (v) any trustee or fiduciary (including *de facto* fiduciaries) for the Plan, together with any present or former representatives, insurers, reinsurers, consultants, administrators, representatives, attorneys, employee benefit plans, investment advisors, investment underwriters, and spouses, (vi) the Plan's recordkeeper as well as any consultants or advisors to the Plan or to any Plan fiduciary, and (vii) with respect to (i) through (vi) above their past and present and future members of their respective boards of directors, managers, partners, agents, members, shareholders (in their capacity as such), officers, employees, independent contractors, representatives, attorneys, administrators, fiduciaries, accountants, auditors, advisors, consultants, personal representatives, spouses, heirs, executors, administrators, associates, employee benefit plan fiduciaries (with the exception of the Independent Fiduciary), employee benefit plan administrators, and all other service providers to the Plan (including their owners and employees), members of their immediate families, consultants, subcontractors, and all persons acting under, by, through, or in concert with any of them.

2.32 "Settlement" refers to this agreement including exhibits.

2.33 "Settlement Administrator" means Strategic Claims Services, an independent contractor, retained by Class Counsel to perform duties specified in the Settlement.

2.34 "Settlement Agreement Execution Date" means the date on which the final signature is affixed to the Settlement Agreement.

2.35 "Settlement Class" means all current and former participants of the Hyatt Corporation Retirement Savings Plan who when they worked for Hyatt in California, Illinois, and New York during the Class Period, received the full-value of their credit-card tips outside of their regular paycheck, and had a deferral election for the Plan in place at the time they received the reported tips. Excluded from the Class are members of the Committee.

2.36 “Settlement Effective Date” means the date on which the Final Order is Final, provided that by such date the Settlement has not been terminated in accordance with Article 11.2.

2.37 “Settlement Notice” means the Notice of Class Action Settlement and Fairness Hearing to be provided to Class Members identified by the Settlement Administrator following the Court’s issuance of the Preliminary Order. The full Settlement Notice will be available on the Settlement Website, in substantially the form attached hereto as Exhibit 2. The full Settlement Notice also shall inform Class Members of a Fairness Hearing to be held before the Court, on a date to be determined by the Court, at which any Class Member satisfying the conditions set forth in the Preliminary Order and the Settlement Notice may be heard regarding: (a) the terms of the Settlement Agreement; (b) the petition of Class Counsel for award of Attorneys’ Fees and Costs; (c) payment of and reserve for Administrative Expenses; and (d) Class Representative’s Case Contribution Award. In addition, Class Members identified by the Settlement Administrator following the Court’s issuance of the Preliminary Order will receive a “Postcard Settlement Notice,” substantially in the form attached hereto as Exhibit 3. The Postcard Settlement Notice also shall inform Class Members of a Fairness Hearing to be held before the Court, on a date to be determined by the Court, at which any Class Member satisfying the conditions set forth in the Preliminary Order and the Settlement Notice may be heard regarding: (a) the terms of the Settlement Agreement; (b) the petition of Class Counsel for award of Attorneys’ Fees and Costs; (c) payment of and reserve for Administrative Expenses; and (d) Class Representative’s Case Contribution Award. The Postcard Settlement Notice shall direct Class Members to the Settlement Website for additional information.

2.38 “Settlement Website” means the internet website established in accordance with Paragraph 12.2. The settlement website will be called: [www.Hyatt401kclass.com](http://www.Hyatt401kclass.com).

2.39 “Settling Parties” or “Settling Party” means Defendants and/or the Class Representative, on behalf of himself, the Plan, and each of the Class Members.

### **ARTICLE 3**

#### **Review and Approval by Independent Fiduciary, Preliminary Settlement Approval, and Notice to the Class**

3.1 The Independent Fiduciary shall have the following responsibilities, including whether to approve and authorize the settlement of Released Claims on behalf of the Plan.

3.1.1 The Independent Fiduciary shall comply with all relevant conditions set forth in Prohibited Transaction Class Exemption 2003-39, “Release of Claims and Extensions of Credit in Connection with Litigation,” issued December 31, 2003, by the United States Department of Labor, 68 Fed. Reg. 75,632, as amended (“PTE 2003-39”) in making its determination, for the purpose of Defendant’s reliance on PTE 2003-39.

3.1.2 The Independent Fiduciary notified Hyatt of its determination in writing that the settlement is fair. , Hyatt provided a copy of the written determination to Class Counsel.



3.1.3 All fees and expenses associated with the Independent Fiduciary's determination and performance of its other obligations in connection with the Settlement have been paid by Hyatt.

3.1.4

3.1.5 Defendants have (a) reviewed the determination by the Independent Fiduciary, (b) concluded that the Independent Fiduciary has made the determinations required by PTE 2003-39, and (c) notified Class Counsel in writing of its conclusion in that regard.

3.2 Class Representative, through Class Counsel, shall file with the Court motions seeking preliminary approval of the Settlement Agreement, joint modification of the class definition, and for entry of the Preliminary Order in substantially the form attached hereto as Exhibit 1. Before filing the motion for preliminary approval, Class Counsel will obtain the approval of Defendants. The Preliminary Order to be presented to the Court shall, among other things:

3.2.1 Grant the motion to certify the Class as a mandatory non-opt-out class pursuant to Fed. R. Civ. P. 23(b)(1);

3.2.2 Approve the text of the Settlement Notice for mailing to Class Members identified by the Settlement Administrator to notify them (1) of the Fairness Hearing and (2) that notice of changes to the Settlement Agreement, future orders regarding the Settlement, modifications to the Class Notice, changes in the date or timing of the Fairness Hearing, or other modifications to the Settlement, including the Plan of Allocation, may be provided to the Class through the Settlement Website without requiring additional mailed notice;

3.2.3 Determine that under Rule 23(c)(2)(A) of the Federal Rules of Civil Procedure, the Settlement Notice constitutes appropriate notice under the circumstances, provides due and sufficient notice of the Fairness Hearing and of the rights of all Class Members, and complies fully with the requirements of Fed. R. Civ. P. 23, the Constitution of the United States, and any other applicable law;

3.2.4 Cause the Settlement Administrator to send the Settlement Notice by mail or electronic mail to each Class Member identified by the Settlement Administrator based upon the information provided by the Plan or its recordkeeper;

3.2.5 Provide that, pending final determination of whether the Settlement Agreement should be approved, every Class Member is prohibited and enjoined from directly, through representatives, or in any other capacity, commencing any action or proceeding in any court or tribunal asserting any of the Released Claims against any Released Settling Party or the Plan;

3.2.6 Set the Fairness Hearing for no sooner than 120 calendar days after the date the Motion for Entry of the Preliminary Order is approved, in order to determine whether (i) the Court should approve the Settlement as fair, reasonable, and adequate, (ii) the Court should enter the Final Order, and (iii) the Court should approve the application for Attorneys' Fees and

Costs, Class Representative's Case Contribution Award, Administrative Expenses incurred to date, and a reserve for anticipated future Administrative Expenses;

3.2.7 Provide that any objections to any aspect of the Settlement Agreement shall be heard, and any papers submitted in support of said objections shall be considered, by the Court at the Fairness Hearing if they have been timely received by the Settlement Administrator with copies provided to Class Counsel and Defense Counsel. To be valid, the objection must be submitted to the Settlement Administrator, Class Counsel, and Defendants' Counsel at least 30 calendar days prior to the scheduled Fairness Hearing. Class Counsel shall provide any such objections to the Court within 14 calendar days prior to the Fairness hearing;

3.2.8 Provide that any Settling Party may file a response to an objection by a Class Member;

3.2.9 Provide that the Fairness Hearing may, without further direct notice to the Class Members, other than by notice to Class Counsel, be adjourned or continued by order of the Court; and

3.2.10 Determine that the information to be provided to the Settlement Administrator in connection with the administration of the settlement constitutes Confidential Information protected from public disclosure by the Confidentiality Order.

3.3 Defendants and Defense Counsel shall use reasonable efforts to respond timely to written requests, including by e-mail, from the Settlement Administrator for readily accessible data that are reasonably necessary to determine the feasibility of administering the Plan of Allocation or to implement the Plan of Allocation.

3.3.1 The Settlement Administrator shall be bound by the Confidentiality Order and any further non-disclosure or security protocol required by the Settling Parties.

3.3.2 The Settlement Administrator shall use the data provided by Defendants and the Plan's recordkeeper solely for the purpose of meeting its obligations as Settlement Administrator, and for no other purpose.

3.3.3 The Settling Parties shall have the right to approve a written protocol to be provided by the Settlement Administrator concerning how the Settlement Administrator will maintain and store information provided to it in order to ensure that reasonable and necessary precautions are taken to safeguard the privacy and security of such information.

3.4 By the date and in the manner set by the Court in the Preliminary Order, and unless otherwise set forth below, the Settlement Administrator shall:

3.4.1 Cause to be provided to each Class Member identified by the Settlement Administrator a Settlement Notice in the form and manner to be approved by the Court, which shall be in substantially the form attached hereto as Exhibit 2 or a form subsequently agreed to by the Settling Parties and approved by the Court. The Settlement Notice shall be sent to the last known email address of each Class Member provided by the Plan's recordkeeper (or its designee) through Defense Counsel, unless an updated address is obtained by the Settlement

Administrator through its efforts to verify the last known addresses provided by the Plan's recordkeeper (or its designee). The Settlement Notice may be sent by email to all Class Members for whom Defendants have an email address. The Postcard Settlement Notice shall be sent to all Class members for whom an email address is not available. The Postcard Settlement Notice shall also be sent to all Class Members to whom delivery of the Settlement Notice by email bounced back. Class Counsel also shall post a copy of the Settlement Notice on the Settlement Website. The Settlement Administrator shall use commercially reasonable efforts to locate any Class Member whose Settlement Notice is returned and re-send such documents one additional time.

#### **ARTICLE 4**

##### Final Settlement Approval

4.1 No later than 10 business days before the Fairness Hearing, Class Counsel shall submit to the Court a mutually agreed upon motion for entry of the Final Order (Exhibit 4) in the form approved by Class Counsel and Defense Counsel, which shall request approval by the Court of the terms of the Settlement Agreement and entry of the Final Order in accordance with the Settlement Agreement. The Final Order as proposed shall provide for the following, among other things, as is necessary to carry out the Settlement consistent with applicable law and governing Plan documents:

4.1.1 Approval of the Settlement of the Released Claims covered by the Settlement Agreement adjudging the terms of the Settlement Agreement to be fair, reasonable, and adequate to the Plan and the Class Members and directing the Settling Parties to take the necessary steps to effectuate the terms of the Settlement Agreement;

4.1.2 A determination under Rule 23(c)(2)(A) of the Federal Rules of Civil Procedure that the Settlement Notice constitutes appropriate notice under the circumstances and that due and sufficient notice of the Fairness Hearing and the rights of all Class Members has been provided;

4.1.3 Dismissal with prejudice of the Class Action and all Released Claims asserted therein whether asserted by Class Representative on his own behalf or on behalf of the Class Members, or derivatively to secure relief for the Plan, without costs to any of the Settling Parties other than as provided for in the Settlement Agreement.

4.1.4 That each Class Member (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns) shall be (i) conclusively deemed to have, and by operation of the Final Order to have, fully, finally, and forever settled, released, relinquished, waived, and discharged the Released Settling Parties and the Plan from all Released Claims, and (ii) barred and enjoined from suing the Released Settling Parties or the Plan in any action or proceeding alleging any of the Released Claims, even if any Class Member may thereafter discover facts in addition to or different from those which the Class Members or Class Counsel now know or believe to be true with respect to the Class Action and the Released Claims, whether or not such Class Members have filed an objection to the Settlement or to any application by Class Counsel for an award of Attorneys' Fees and Cost;

4.1.5 That the Plan and each Class Member (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns) on behalf of the Plan shall be (i) conclusively deemed to have, and by operation of the Final Order shall have, fully, finally, and forever settled, released, relinquished, waived, and discharged the Released Settling Parties from all Released Claims, and (ii) barred and enjoined from suing the Released Settling Parties in any action or proceeding alleging any of the Released Claims, even if the Plan or any Class Member on behalf of the Plan may thereafter discover facts in addition to or different from those which the Plan or any Class Member now knows or believes to be true with respect to the Class Action and the Released Claims;

4.1.6 That each Class Member shall release the Released Settling Parties, Defense Counsel, Class Counsel, and the Plan for any claims, liabilities, and attorneys' fees and expenses arising from the allocation of the Gross Settlement Amount or Net Settlement Amount and for all tax liability and associated penalties and interest as well as related attorneys' fees and expenses;

4.1.7 That all applicable CAFA requirements have been satisfied;

4.1.8 That the Settlement Administrator shall have final authority to determine the share of the Net Settlement Amount to be allocated to each Class Member in accordance with the Plan of Allocation approved by the Court and the Settling Parties;

4.1.9 That within 21 calendar days following the issuance of all settlement payments to Class Members as provided by the Plan of Allocation approved by the Court, the Settlement Administrator shall prepare and provide to Class Counsel and Defense Counsel a list of each person who received a settlement payment or contribution from the Qualified Settlement Fund and the amount of such payment or contribution.

4.2 The Final Order and judgment entered by the Court approving the Settlement Agreement shall provide that upon its entry all Settling Parties, the Settlement Class, and the Plan shall be bound by the Settlement Agreement and by the Final Order.

## **ARTICLE 5**

### Establishment of Qualified Settlement Fund

5.1 No later than 5 business days after entry of the Preliminary Order, the Escrow Agent shall establish an escrow account. The Settling Parties agree that the escrow account is intended to be, and will be, an interest-bearing Qualified Settlement Fund within the meaning of Treas. Reg. § 1.468B-1. In addition, the Escrow Agent timely shall make such elections as necessary or advisable to carry out the provisions of this paragraph, including the "relation-back election" (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to prepare and deliver, in a timely and proper manner, the necessary documentation for signature by all necessary Settling Parties, and thereafter to cause the appropriate filing to occur.

5.2 For the purpose of § 468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow Agent. The Escrow Agent, or the Settlement Administrator on its behalf, shall timely and properly cause to be filed all informational and other tax returns necessary or advisable with respect to the Gross Settlement Amount (including without limitation applying for a Taxpayer Identification Number for the Fund and filing the returns described in Treas. Reg. § 1.468B-2(k)). Such returns as well as the election described in Paragraph 5.1 shall be consistent with this Article 5 and, in all events, shall reflect that all taxes (as defined in Paragraph 5.3 below) (including any estimated taxes, interest, or penalties) on the income earned by the Gross Settlement Amount shall be deducted and paid from the Gross Settlement Amount as provided in Paragraph 5.3.

5.3 Taxes and tax expenses to be deducted and paid from the Gross Settlement Amount include: (1) all taxes (including any estimated taxes, interest, or penalties) arising with respect to the income earned by the Gross Settlement Amount, with respect to any income earned by the Gross Settlement Amount for any period during which the Gross Settlement Amount does not qualify as a “qualified settlement fund” for federal or state income tax purposes, and (2) all tax expenses and costs incurred in connection with the operation and implementation of this Article 5. Such taxes and tax expenses shall be paid timely by the Escrow Agent out of the Gross Settlement Amount without prior order from the Court. The Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to any Class Member any funds necessary to pay such amounts, including the establishment of adequate reserves for any taxes and tax expenses (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)); neither the Released Settling Parties, Defense Counsel, nor Class Counsel are responsible nor shall they have any liability therefor. The Settling Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this Article 5.

5.4 Within thirty 30 calendar days after the Preliminary Order is entered, Hyatt /or its agents or insurers, will deposit \$1,475,000 into the Qualified Settlement Fund. Provided, however, that Hyatt will only be obligated to deposit these funds if the Escrow Agent shall have furnished to Defense Counsel in writing the escrow account name, IRS W-9 Form, and all necessary wiring instructions within three (3) business days after the entry of the Preliminary Order and Hyatt shall have received a copy of the signed Preliminary Order.

5.5 The Escrow Agent shall, at the written direction of Class Counsel, invest the Qualified Settlement Fund in short-term United States Agency or Treasury Securities or other instruments backed by the Full Faith and Credit of the United States Government or an Agency thereof if feasible, or else in an account fully insured by the United States Government or an Agency thereof, and shall reinvest the proceeds of these investments as they mature in similar instruments at their then-current market rates.

5.6 The Escrow Agent shall not disburse the Qualified Settlement Fund or any portion except as provided in the Settlement Agreement, in an order of the Court, or in a subsequent written stipulation between Class Counsel and Defense Counsel. Subject to the orders of the Court, the Escrow Agent is authorized to execute such transactions as are consistent with the terms of the Settlement Agreement.

5.7 Prior to the Settlement Effective Date, the Escrow Agent shall disburse up to \$14,450 to the Settlement Administrator for costs actually incurred in connection with distribution of the Notice.

5.8 After the Settlement Effective Date, the Gross Settlement Amount will be distributed from the Qualified Settlement Fund as follows: (a) first, all Attorneys' Fees and costs shall be paid to Class Counsel no later than 8 calendar days after the Settlement Effective Date; (b) second, all Administrative Expenses not paid previously shall be paid no later than eight 8 calendar days after the Settlement Effective Date; (c) third, any Class Representative Case Contribution Award ordered by the Court shall be paid no later eight 8 calendar days after the Settlement Effective Date; (d) fourth, a contingency reserve not to exceed an amount to be mutually agreed upon by the Settling Parties shall be set aside by the Settlement Administrator for: (1) Administrative Expenses incurred before the Settlement Effective Date but not yet paid, (2) Administrative Expenses estimated to be incurred after the Settlement Effective Date, and (3) an amount estimated for taxes, adjustments of data, or calculation errors; (4) no earlier than 14 business days after the expiration period for all appeals from the Court's final approval of the Settlement, the Net Settlement Amount will be distributed in accordance with the Plan of Allocation; and (5) any funds from the Net Settlement Amount that remain uncashed or otherwise undistributed, after efforts to locate Class Members have been exhausted by the Settlement Administrator in the manner set forth in Section 3.41, will be returned to the Settlement Fund by the Settlement Administrator to be distributed as described in the Plan of Allocation. Pending final distribution of the Net Settlement Amount in accordance with the Plan of Allocation, the Escrow Agent will maintain the Qualified Settlement Fund.

5.9 The Escrow Agent, or the Settlement Administrator on its behalf, shall be responsible for making provision for the payment from the Qualified Settlement Fund of all taxes and tax expenses, if any, owed with respect to the Qualified Settlement Fund and for all tax reporting, remittance, and/or withholding obligations, if any, for amounts distributed from it. Released Settling Parties, Defense Counsel, and Class Counsel have no responsibility or any liability for any taxes or tax expenses owed by, or any tax reporting or withholding obligations, if any, of the Qualified Settlement Fund.

## **ARTICLE 6**

### Plan of Allocation

6.1 After the Settlement Effective Date, the Settlement Administrator shall cause the Net Settlement Amount (as defined in § 2.24) to be allocated and distributed in accordance with the Plan of Allocation set forth in this Article 6 and as ordered by the Court.

#### 6.2 Calculation of Settlement Payments

6.2.1 The Plan will provide the Settlement Administrator with data reflecting the differential between potential earnings that could have been deferred to the Plan by each Class Member, based on their deferral elections and funds available to them after other deductions were made, if credit card tipped earnings had been available for deferral ("Potential Deferral") and the amount actually deferred by the Class Member during each pay period in the



Class Period (“Actual Deferral”). The difference between the Potential Deferral and the Actual Deferral is referred to as the Delta.

6.2.2 The Settlement Administrator shall calculate lost investment earnings to the Delta for each Class Member by applying an annual interest factor based on IRC section 6621(c)(1), from the date the deferral should have been made to the settlement date (“Investment Earnings”).

6.2.3 To calculate the Total Delta for each participant, the Settlement Administrator shall add the Delta and Investment Earnings (“Total Delta”).

6.2.4 The Settlement Administrator shall calculate the Total Class Delta, which is the sum of the Total Deltas for all Class Members.

6.2.5 The Settlement Administrator will calculate each Class Member’s Preliminary Allocation as the Class Member’s proportionate share of the Net Settlement Amount. The calculation for each class Member will be the Class Member’s Total Delta, divided by the Total Class Delta, multiplied by the Net Settlement Amount.

6.2.6 Class Members who no longer have an account in the Plan and who have a Class Member Preliminary Allocation of less than \$10 (the “De Minimis Amount”) shall receive no allocation from the Net Settlement Amount. The Settlement Administrator shall then, taking into account the Class Members who will receive nothing because they do not satisfy the De Minimis Amount, recalculate the amount to distribute to Class Members who satisfy the De Minimis Amount or who have an account in the Plan to arrive at the amount to be paid to each remaining Class Member. The amounts paid to each individual Class Member is referred to as the Payment. The sum of the Payments must equal the Net Settlement Amount.

### 6.3 Payments To Participants With Plan Accounts

6.3.1 For Class Members with a Plan account at the time of distribution, their Payment will be allocated into their Plan account. In order for this allocation to occur, after the Effective Date, the Settlement Administrator shall wire to the Plan recordkeeper funds that total the sum of the Payments to be deposited into accounts of Class Members along with the information and/or data needed to determine the Payment due to each of these Class Members. The Settlement Administrator will then allocate each Payment into the account of each Class Member with a Plan account. The Recordkeeper shall allocate the Payment pursuant to the Class Member’s investment elections on file for new contributions. If the Class Member has no election on file, the Payment shall be invested in any default investment option(s) designated by the Plan. All such allocations shall be treated for administrative and reporting purposes as investment earnings.

### 6.4 Payments to Former Participants

6.4.1 Class Members who no longer have a Plan account (“Former Participants”) shall be paid directly by the Settlement Administrator by check. All such payments are intended by the Settlement Class to be “restorative payments” in accordance with Internal Revenue Service Revenue Ruling 2002-45.

6.4.2 Checks issued to Former Participants pursuant to this paragraph shall be valid for 180 days from the date of issue. All checks that are undelivered or are not cashed before their expiration date shall revert to the Qualified Settlement Fund. If a Former Participant's check is undelivered or not cashed, the Settlement Administrator shall use commercially reasonable efforts to locate the Former Participants and re-send the check one additional time.

6.4.3 No sooner than 395 calendar days following the Settlement Effective Date, the Settlement Administrator will provide to the Plan any Net Settlement Amount remaining in the Settlement Fund after payments, including costs and taxes. The Plan will deposit any such funds into the Plan's administrative budget account, the account used by the Plan to pay the Plan's administrative fees.

6.5 The Settlement Administrator shall utilize the calculations required to be performed herein for making the Payments, less any required tax withholdings or penalties, to each Class Member. In the event that the Settlement Administrator determines that the Plan of Allocation would otherwise require payments exceeding the Net Settlement Fund, the Settlement Administrator is authorized to make such changes as are necessary to the Plan of Allocation such that said totals do not exceed the Net Settlement Fund. The Settlement Administrator shall be solely responsible for performing any calculations required by this Plan of Allocation.

6.6 If the Settlement Administrator concludes that it is impracticable to implement any provision of this Plan of Allocation, the Settling Parties will modify promptly the terms of this Plan of Allocation and present such modified terms, first, to the Independent Fiduciary for its review and approval and, second, to the Court for its approval. Direct mailed notice to Class Members of such proposed modification of the Plan of Allocation shall not be required. However, Class Counsel shall post notice of such proposed modification on the Settlement Website within 5 business days of the date that the proposed modification is submitted to the Court for its approval. If the proposed modification is implemented, Class Counsel shall post notice of such modification on the Settlement Website within 5 business days of the date that the modification was implemented.

6.7 Within 10 business days of completing the distribution of all Payments, the Settlement Administrator shall send to Class Counsel and Defense Counsel one or more affidavits stating the following: (a) the name of each Class Member to whom the Settlement Administrator made a distribution from the Net Settlement Amount, together with the amount of the distribution, the name of the payee, the date of distribution, the amount of tax withholdings, if applicable, and the date of remittance of tax withholdings to the appropriate tax authority, if applicable; (b) the date(s) upon which such distribution was made; (c) the name of each Class Member whose distribution was returned as undeliverable; and (d) the efforts made by the Settlement Administrator to find the correct address and to mail the distribution for such Class Member. These affidavits and the accompanying information shall be considered "Confidential" under the terms of the Confidentiality Order.

6.8 The Settling Parties acknowledge that any payments to Class Members or their attorneys may be subject to applicable tax laws. Defendants, Defense Counsel, Class Counsel, and Class Representative will not provide tax advice to the Class Members, Settlement Administrators (or anyone else) and make no representation regarding the tax consequences of



any of the settlement payments described in this Settlement Agreement. To the extent that any portion of any settlement payment is subject to income or other tax, the recipient of the payment shall be responsible for payment of such tax. Deductions will be made, and reporting will be performed by the Settlement Administrator, as required by law in respect of all payments made under the Settlement Agreement. Payments from the Qualified Settlement Fund shall not be treated as wages by the Settling Parties.

6.9 Each Class Member who receives a payment under this Settlement Agreement shall be fully and ultimately responsible for payment of any and all federal, state, or local taxes resulting from or attributable to the payment received by such person. Each Class Member shall hold the Settling Parties, Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from any tax liability, including penalties and interest, related in any way to payments under the Settlement Agreement, and shall hold the Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to such tax liability.

## **ARTICLE 7**

### **Attorneys' Fees and Costs**

7.1 Class Counsel intends to seek an award of attorneys' fees not to exceed 25% of the Gross Settlement Amount and litigation costs and expenses advanced and carried by Class Counsel for the duration of this litigation, both of which shall be paid (if at all) only from the Gross Settlement Amount.

7.2 Class Counsel also intends to seek Class Representative's Case Contribution Award, in an amount not to exceed \$17,500, which shall be paid from the Gross Settlement Amount.

7.3 Class Counsel will file a motion for Final Approval of Settlement and for awards of Attorneys' Fees and Costs and Class Representative's Case Contribution Award at least 45 calendar days before the Fairness Hearing, which may be supplemented thereafter. Before filing the motion for Final Approval, Class Counsel will obtain the approval of Defendants.

## **ARTICLE 8**

### **Release and Covenant Not to Sue**

8.1 As of the Settlement Effective Date, the Plan (subject to Independent Fiduciary approval as required by Paragraph 3.1) the Class Representative and the Class Members (and their respective heirs, beneficiaries, executors, administrators, estates, successors, assigns, agents, and attorneys), on their own behalves and on behalf of the Plan, shall be deemed to have fully, finally, and forever settled, released, relinquished, waived, and discharged all Released Settling Parties from the Released Claims whether or not such Class Members have filed an objection to the Settlement or to any application by Class Counsel for an award of Attorneys' Fees and Costs.

8.2 As of the Settlement Effective Date, the Class Representative, the Class Members, Defendants, and the Plan (subject to Independent Fiduciary approval as required by Paragraph

3.1), expressly agree that they, acting individually or together, or in combination with others, shall not sue or seek to institute, maintain, prosecute, argue, or assert in any action or proceeding (including but not limited to an IRS determination letter proceeding, a Department of Labor proceeding, an arbitration or a proceeding before any state insurance or other department or commission), any cause of action, demand, or claim on the basis of, connected with, or arising out of any of the Released Claims. Nothing herein shall preclude any action to enforce the terms of the Settlement Agreement in accordance with the procedures set forth in the Settlement Agreement

8.3 As provided in the Released Claims and in the definition of the phrase Amendment to the Plan, the Settlement Class Members waive any objection to the Amendment to the Plan in addition to releasing all claims related to the Amendment.

8.4 Class Counsel, the Class Representative, Class Members, or the Plan, may hereafter discover facts in addition to or different from those that they know or believe to be true with respect to the Released Claims. Such facts, if known by them, might have affected the decision to settle with the Released Settling Parties and the Plan, or the decision to release, relinquish, waive, and discharge the Released Claims, or the decision of a Class Member not to object to the Settlement. Notwithstanding the foregoing, the Class Representative, Class Member, and the Plan shall expressly, upon the entry of the Final Order, be deemed to have, and, by operation of the Final Order, shall have fully, finally, and forever settled, released, relinquished, waived, and discharged any and all Released Claims. The Class Representative, Class Members, and the Plan acknowledge and shall be deemed by operation of the Final Order to have acknowledged that the foregoing waiver was bargained for separately and is a key element of the Settlement embodied in the Settlement Agreement of which this release is a part.

8.5 Class Representative, Class Members, and the Plan hereby stipulate and agree with respect to any and all Released Claims that, upon entry of the Final Order, each of them shall be conclusively deemed to, and by operation of the Final Order shall, settle, release, relinquish, waive and discharge any and all rights or benefits they may now have, or in the future may have, under any law relating to the releases of unknown claims, including but not limited to Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

8.6 Also, the Class Representative and Class Members, shall upon entry of the Final Order with respect to the Released Claims, waive any and all provisions, rights and benefits conferred by any law or of any State or territory within the United States or any foreign country, or any principle of common law, which is similar, comparable or equivalent in substance to Section 1542 of the California Civil Code.

8.7 Class Representative, Class Members, Defendants, and the Plan shall hold the Released Settling Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to any tax liability.

**ARTICLE 9**  
Representations and Warranties

9.1 The Settling Parties represent:

9.1.1 That they are voluntarily entering into the Settlement Agreement as a result of arm's length negotiations among their counsel, and that in executing the Settlement Agreement they are relying solely upon their own judgment, belief, and knowledge, and upon the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims hereunder and regarding all matters that relate in any way to the subject matter hereof;

9.1.2 That they assume the risk of mistake as to facts or law;

9.1.3 That they recognize that additional evidence may have come to light, but that they nevertheless desire to avoid the expense and uncertainty of litigation by entering into the Settlement;

9.1.4 That they have read carefully the contents of the Settlement Agreement, and the Settlement Agreement is signed freely by each individual executing the Settlement Agreement on behalf of each of the Settling Parties; and

9.1.5 That they have made such investigation of the facts pertaining to the Settlement and all matters pertaining thereto, as they deem necessary.

9.2 Each individual executing the Settlement Agreement on behalf of one of the Settling Parties does hereby personally represent and warrant to the other Settling Parties that he/she has the authority to execute the Settlement Agreement on behalf of, and fully bind, each principal that each such individual represents or purports to represent.

**ARTICLE 10**  
Additional Terms

10.1 Neither the Settling Parties, Defense Counsel nor Class Counsel will issue a press release or other statement to the media, including on social media, regarding the Class Action or the Settlement Agreement.

**ARTICLE 11**  
Termination, Conditions of Settlement, and Effect of Disapproval, Cancellation, or Termination

11.1 The Settlement Agreement shall automatically terminate, and thereby become null and void with no further force or effect if:

11.1.1 The Preliminary Order or the Final Order is not entered by the Court substantially in the form submitted by the Settling Parties or in a form which is otherwise agreed to by the Settling Parties;

11.1.2 The Court modifies any material term of the final Settlement Agreement, unless such modifications are agreed to in writing by Class Counsel and Defendants. Material terms for the purposes of this section are any terms contained in the December 22, 2022, Memorandum of Understanding between the Settling Parties, as well as all terms found in Article 8 (Release and Covenant Not to Sue) of this Settlement Agreement.

11.1.3 The Settlement Agreement is disapproved by the Court or fails to become effective for any reason whatsoever; or

11.1.4 The Preliminary Order or Final Order is finally reversed on appeal, or is materially modified on appeal, and the Settling Parties do not mutually agree to any such modifications. Material terms for the purposes of this section are any terms contained in the December 22, 2022 Memorandum of Understanding between the Settling Parties, as well as all terms found in Article 8 (Release and Covenant Not to Sue) of this Settlement Agreement.

11.2 If the Settlement Agreement is terminated, deemed null and void, or has no further force or effect, the Class Action and the Released Claims asserted by Class Representative shall for all purposes with respect to the Settling Parties revert to their status immediately prior to the Settling Parties December 22, 2022 Memorandum of Understanding, as though the Settling Parties never executed the Memorandum of Understanding or the Settlement Agreement. All funds deposited in the Qualified Settlement Fund, and any interest earned thereon, except for any amounts already distributed to the Claims Administrator for Notice expenses at the time of the termination, shall be returned to Hyatt within 30 calendar days after the Settlement Agreement is finally terminated or deemed null and void, except as provided for in Paragraph 11.4.

11.3 It shall not be deemed a failure to approve the Settlement Agreement if the Court denies, in whole or in part, Class Counsel's request for Attorneys' Fees and Costs, Class Representative's Case Contribution Award, and/or modifies any of the proposed orders insofar as they relate to Attorneys' Fees and Costs and/or the Class Representative's Case Contribution Award.

11.4 In the event that the Settlement Agreement is terminated, Administrative Expenses incurred prior to the termination shall be paid first from the interest earned, if any, on the Qualified Settlement Fund. Administrative Expenses in excess of the interest earned on the Qualified Settlement Fund shall be split evenly and paid by Class Counsel, on the one hand, and the Defendants, on the other hand.

## **ARTICLE 12**

### **Confidentiality of Settlement Negotiations**

12.1 Except as set forth explicitly below, the Settling Parties and Class Counsel agree to keep confidential all statements, positions, and offers made during settlement negotiations relating to the Class Action and the Settlement Agreement. Accordingly, neither the negotiations, nor any agreement between the Settling Parties (including December 22, 2022 Memorandum of Understanding) may be disclosed, except: (i) insofar as may be necessary to obtain court approval of the Settlement; (ii) to management employees of Defendants and other employees of

Defendants as necessary to implement the Settlement, service providers to the Plan as necessary to implement the Settlement, and to Defendants' affiliates provided they agree to maintain confidentiality; (iii) as may be necessary for Defendants to meet any federal, state or local reporting obligations; (iv) to enforce its terms; (v) to the Independent Fiduciary, or (vi) as otherwise required by law. Provided however, that any such person or entity to whom information is disclosed must promise in writing: (a) that such information shall not be further disclosed, and (b) to comply with this Article 12 in all other respects. The limitations in this paragraph will also apply to the Settlement Agreement, until such time as it is filed with the Court.

12.2 The Settlement Administrator will establish a Settlement Website on which it will post the following documents or links to the following documents on or following the date of the Preliminary Order: the operative Complaint; Settlement Agreement and its Exhibits; Settlement Notice; Class Representative's Motions for Preliminary and Final Approval of the Settlement, Attorneys' Fees and Costs and Award of Compensation to Class Representative, with any accompanying briefs and exhibits; any Court orders related to the Settlement; any amendments or revisions to these documents; and any other documents or information mutually agreed upon by the Settling Parties ("Settlement Website Information"). The Settling Parties will agree to the URL for the Settlement Website before it goes live. No other information or documents will be posted on the Settlement Website unless agreed to in advance by the Settling Parties in writing. The Settlement Administrator will take down the Settlement Website 90 calendar days after the Settlement Administrator certifies that distribution of the Qualified Settlement Fund is complete.

12.3 Within 30 calendar days of the filing of the motion for preliminary approval of the Settlement, Defendants may issue a communication to Plan participants and beneficiaries explaining the terms of the Settlement and Plan of Allocation. Defendants shall provide a draft of the communication to Class Counsel in advance of the dissemination of the communication.

### **ARTICLE 13** General Provisions

13.1 The Settling Parties, agree to cooperate fully with each other in seeking Court approvals of the Preliminary Order and the Final Order, and to do all things as may reasonably be required to effectuate preliminary and final approval and the implementation of the Settlement Agreement according to its terms. The Settling Parties agree to provide each other with copies of any filings necessary to effectuate this Settlement at least 3 business days in advance of filing.

13.2 Within 60 calendar days of the Settlement Effective Date, the Settling Parties shall either return to the producing Settling Parties or destroy, all documents produced in discovery, including but not limited to documents produced under a claim of privilege or confidentiality. Each Settling Party shall serve a written notice to each producing party certifying that the Settling Party has carried out the obligations imposed by this Paragraph 13.2 but as limited by the Confidentiality Order. The Settling Parties agree that at all times they will honor the requirements of the Confidentiality Order, notwithstanding Settlement of the Class Action. After the Settlement Effective Date, Class Counsel agree that any documents retained as part of their legal files for this case pursuant to the Confidentiality Order shall not be accessed except to respond to formal inquiries about the Class Action made by or on behalf of Class Members.

13.3 The Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder are not, and shall not be construed as, deemed to be, or offered or received as evidence of an admission by or on the part of any Released Settling Party of any wrongdoing, fault, or liability whatsoever by any of the Released Settling Parties, or give rise to any inference of any wrongdoing, fault, or liability or admission of any wrongdoing, fault, or liability in the Class Action or any other proceeding, and Defendants admits no wrongdoing, fault or liability with respect to any of the allegations or claims in the Class Action. The Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder, shall not constitute admissions of any liability of any kind, whether legal or factual.

13.4 Neither the Settling Parties, Class Counsel, nor Defense Counsel shall have any responsibility for or liability whatsoever with respect to: (i) any act, omission, or determination of the Settlement Administrator, or any of their respective designees or agents, in connection with the administration of the Gross Settlement Amount or otherwise; (ii) the determination of the Independent Fiduciary; (iii) the management, investment, or distribution of the Qualified Settlement Fund; (iv) the Plan of Allocation as approved by the Court; (v) the determination, administration, calculation, or payment of any claims asserted against the Qualified Settlement Fund; (vi) any losses suffered by, or fluctuations in the value of, the Qualified Settlement Fund; or (vii) the payment or withholding of any taxes, expenses, and/or costs incurred in connection with the taxation of the Qualified Settlement Fund or tax reporting, or the filing of any returns. Further, neither Defendants nor Defense Counsel shall have any responsibility for, or liability whatsoever with respect to, any act, omission, or determination of Class Counsel in connection with the administration of the Gross Settlement Amount or otherwise.

13.5 Only Class Counsel shall have standing to seek enforcement of the Settlement Agreement on behalf of Plaintiff and Class Members. Any individual concerned about Defendants' compliance with the Settlement Agreement may notify Class Counsel and direct any requests for enforcement to Class Counsel. Class Counsel shall have the full and sole discretion to take whatever action they deem appropriate, or to refrain from taking any action, in response to such request. Any action by Class Counsel to monitor or enforce the Settlement Agreement shall be done without additional fee or reimbursement of expenses beyond the Attorneys' Fees and Costs determined by the Court.

13.6 The Settlement Agreement shall be interpreted, construed, and enforced in accordance with applicable federal law and, to the extent that federal law does not govern, by California law.

13.7 The Settling Parties agree that the Court has personal jurisdiction over the Settlement Class and Defendants and shall maintain that jurisdiction for purposes of resolving any disputes between the Settling Parties concerning compliance with the Settlement Agreement. Any motion or action to enforce the Settlement Agreement (including by way of injunction) or asserted by way of an affirmative defense or counterclaim in response to any action asserting a violation of the Settlement Agreement may be filed either in the U.S. District Court for the Central District of California or the Northern District of Illinois, at the direction of Class Counsel.



13.8 The Settlement Agreement may be executed by exchange of executed signature pages, and any signature transmitted by facsimile or e-mail attachment of scanned signature pages for the purpose of executing the Settlement Agreement shall be deemed an original signature for purposes of the Settlement Agreement. The Settlement Agreement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed an original, and all such counterparts shall together constitute the same instrument. The Settlement Agreement may also be executed via an electronic signature using the DocuSign service.

13.9 Each Settling Party to the Settlement Agreement hereby acknowledges that he, she, or it has consulted with and obtained the advice of counsel prior to executing the Settlement Agreement and that the Settlement Agreement has been explained to that party by his, her, or its counsel.

13.10 Any headings included in the Settlement Agreement are for convenience only and do not in any way limit, alter, or affect the matters contained in the Settlement Agreement or the Articles or Paragraphs they caption. References to a person are also to the person's permitted successors and assigns, except as otherwise provided herein. Whenever the words "include," "includes" or "including" are used in the Settlement Agreement, they shall not be limiting but shall be deemed to be followed by the words "without limitation."

13.11 The Settlement Agreement may be modified or amended only by written agreement signed by or on behalf of all Settling Parties and only if the Independent Fiduciary approves such modification or amendment in writing. Following entry of the Preliminary Approval Order, the Settlement Agreement may be modified or amended only by written agreement signed on behalf of all Settling Parties, and only if the modification or amendment is approved by the Independent Fiduciary in writing and approved by the Court.

13.12 The Settlement Agreement and the exhibits attached hereto constitute the entire agreement among the Settling Parties and no representations, warranties, or inducements have been made to any Settling Party concerning the Settlement other than those contained in the Settlement Agreement and the exhibits thereto.

13.13 The provisions of the Settlement Agreement may be waived only by an instrument in writing executed by the waiving party and specifically waiving such provisions. The waiver of any breach of the Settlement Agreement by one of the Settling Parties shall not be deemed to be or construed as a waiver of any other breach or waiver by any other of the Settling Parties, whether prior, subsequent, or contemporaneous, of the Settlement Agreement.

13.14 Each of the Settling Parties agrees, without further consideration, and as part of finalizing the Settlement hereunder, that it will in good faith execute and deliver such other documents and take such other actions as may be necessary to consummate and effectuate the subject matter of the Settlement Agreement.

13.15 The provisions of the Settlement Agreement are not severable.

13.16 All of the covenants, representations, and warranties, express or implied, oral, or written, concerning the subject matter of the Settlement Agreement are contained in the Settlement Agreement. None of the Settling Parties is relying on any oral representations or oral

agreements. All such covenants, representations, and warranties set forth in the Settlement shall be deemed continuing and shall survive the Effective Date of Settlement.

13.17 All of the exhibits attached hereto are incorporated by reference as though fully set forth herein. The exhibits shall be: Exhibit 1 – Preliminary Order; Exhibit 2 – Notice of Class Action Settlement and Fairness Hearing; Exhibit 3 – Postcard Notice Exhibit 4 – Final Order; Exhibit 5- Form of CAFA Notice.

13.18 No provision of the Settlement Agreement or of the exhibits attached hereto shall be construed against or interpreted to the disadvantage of any Settling Party to the Settlement Agreement because one of the Settling Parties is deemed to have prepared, structured, drafted, or requested the provision.

13.19 Any notice, demand, or other communication under the Settlement Agreement (other than the Settlement Notice, or other notices given at the direction of the Court shall be in writing and shall 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;

IF TO THE CLASS REPRESENTATIVE

Ronald S. Kravitz  
Miller Shah LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

D. Joshua Staub  
Law Office of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
T : (310) 929-5269  
josh@djoshuastaub.com

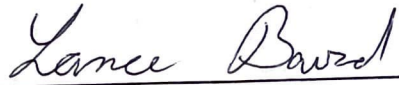
IF TO DEFENDANTS:

Samuel Schwartz-Fenwick sschwartz-fenwick@seyfarth.com)  
Seyfarth Shaw, LLP  
233 S. Wacker Drive, Ste. 8000  
Chicago, IL 60606-6448  
Tel: (312) 460-5000  
Fax: (312) 460-7000



ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: 11/6/23

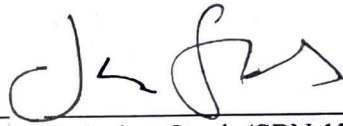
  
\_\_\_\_\_  
Lance Baird  
Plaintiff and Class Representative

ON BEHALF OF CLASS COUNSEL

Dated: 11/06/2023

  
\_\_\_\_\_  
Ronald S. Kravitz  
Miller Shah LLP  
456 Montgomery Street, Suite 1900  
San Francisco, CA 94104  
T: (415) 429-5275  
rskravitz@millershah.com

Dated: 11/6/2023


  
\_\_\_\_\_  
D. Joshua Staub (SBN 170568)  
Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : josh@djoshuastaub.com

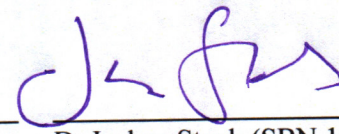
*Attorneys for Plaintiff and Putative Class*

ON BEHALF OF PLAINTIFF Individually and as Class Representative:

Dated: \_\_\_\_\_  
Lance Baird  
Plaintiff and Class Representative

ON BEHALF OF CLASS COUNSEL

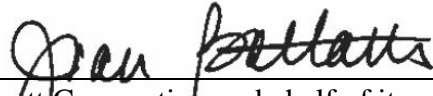
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Dated: 11/6/2023 \_\_\_\_\_  
  
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Law Office Of D. Joshua Staub  
13015 Washington Blvd.  
Los Angeles, CA 90066  
Telephone : (310) 929-5269  
Email : josh@djoshuastaub.com


*Attorneys for Plaintiff and Putative Class*

ON BEHALF OF DEFENDANTS:

Dated: 11 8 2023


  
\_\_\_\_\_  
Hyatt Corporation on behalf of its  
subsidiaries, affiliates and its and their,  
officers and directors

Dated: 11 8 2023

  
\_\_\_\_\_  
Hyatt Corporation Benefits Committee on  
behalf of its members

ON BEHALF OF COUNSEL FOR  
DEFENDANTS

Dated: 11-9-2023

  
\_\_\_\_\_  
Samuel Schwartz-Fenwick (PHV)  
233 S. Wacker Drive, Ste. 8000  
Chicago, IL 60606-6448  
Tel: (312) 460-5000  
Fax: (312) 460-7000  
sschwartz-fenwick@seyfarth.com

Eric May  
2029 Century Park East Suite 3500  
Los Angeles, CA 90067-3021  
Tel: (310) 277-7200  
Fax: (310) 201-5219  
emay@seyfarth.com

*Attorneys for Defendants*

# EXHIBIT 1

1 UNITED STATES DISTRICT COURT  
2 CENTRAL DISTRICT OF CALIFORNIA

3  
4 LANCE BAIRD, individually, and on  
5 behalf of all others similarly situated,  
6 and on behalf of the HYATT  
7 CORPORATION RETIREMENT  
8 SAVINGS PLAN,

9 Plaintiff(s),

10 v.

11 HYATT CORPORATION; BENEFITS  
12 COMMITTEE and its members,

13 Defendants.  
14

Case No.: 2:22-cv-01620-DSF-E

**[PROPOSED] FINAL APPROVAL  
ORDER AND JUDGMENT**

Judge: Honorable Dale S. Fischer

Complaint filed: March 10, 2022

15  
16 **FINAL APPROVAL ORDER AND JUDGMENT**

17 WHEREAS, Plaintiff Lance Baird (“Plaintiff”) in *Lance Baird v. Hyatt Corporation et*  
18 *al.*, C.D. Cal. Case No. 2:22-cv-01620-DSF-E on his own behalf and on behalf of the Class and  
19 the Hyatt Corporation 401(k) Plan (the “Plan”), on the one hand, and Defendants Hyatt  
20 Corporation and the Hyatt Corporation Benefits Committee (the “Committee”) (incorrectly  
21 named and sued as the “Benefit Committee”) (collectively, the “Defendants”), on the other hand,  
22 have entered into a Settlement Agreement and Release dated \_\_\_\_\_ (the “Agreement” or  
23 the “Settlement Agreement”), which provides for a complete dismissal with prejudice of all  
24 claims asserted in the Actions against Defendants by the Settlement Class (the “Class”) on the  
25 terms and conditions set forth in the Agreement, subject to the approval of this Court (the  
26 “Settlement”);

27 WHEREAS, the capitalized terms not defined in this Final Approval Order and Judgment  
28 shall have the same meaning ascribed to them in the Agreement;

1 WHEREAS, by Order dated \_\_\_\_\_ (the “Preliminary Approval Order”),  
2 this Court (1) preliminarily certified the Class for settlement purposes only; (2) preliminarily  
3 approved the Settlement; (3) appointed a Settlement Administrator; (4) directed notice be given  
4 to the Class and approved the form and manner of Notice; (5) approved the Plan of Allocation;  
5 (6) scheduled a Final Approval Hearing; and (7) scheduled a hearing on Class Counsel’s Fee and  
6 Expense Application and Plaintiff’s request for a Case Contribution Award;  
7

8 WHEREAS, the Court conducted a hearing on (the “Final Approval Hearing”) to  
9 consider, among other things: (1) whether the Class should be certified for settlement purposes  
10 only; (2) whether the proposed Settlement on the terms and conditions provided for in the  
11 Agreement is fair, reasonable, adequate, and in the best interests of the Class and should be  
12 finally approved by the Court; (3) whether Class Counsel’s Fee and Expense Application is  
13 reasonable and should be approved; (4) whether Plaintiff’s requests for a Case Contribution  
14 Award is reasonable and should be approved; and (5) whether this Final Approval Order and  
15 Judgment should be entered dismissing with prejudice all claims asserted in the Actions against  
16 Defendants; and

17 WHEREAS, the Court having reviewed and considered the Agreement, all papers filed  
18 and proceedings held herein in the Actions in connection with the Settlement, all oral and written  
19 comments received regarding the Settlement, and the record in the Class Action, and good cause  
20 appearing therefor;

21 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

22 1. **Jurisdiction:** The Court has jurisdiction over the subject matter of the Class  
23 Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the  
24 Settling Parties and Settlement Class Members.

25 2. **Incorporation of Settlement Documents:** This Final Approval Order and  
26 Judgment incorporates and makes a part hereof: (a) the Agreement filed with the Court on  
27 \_\_\_\_\_ including the exhibits submitted therewith; and (b) the Notice approved by the  
28 Court on \_\_\_\_\_.

1           3.       **Class Certification:** The Court has held that the non-opt out Class should be  
2 certified under Federal Rule of Civil Procedure 23(a) and 23(b)(1), under the terms of the  
3 Agreement. The Court confirms that the class preliminarily certified under Fed. R. Civ. P.  
4 23(b)(1) is appropriate for the reasons set forth in its Preliminary Approval Order, and hereby  
5 finally certifies the following non-opt-out class:  
6

7           “All current and former participants of the Hyatt Corporation Retirement Savings Plan  
8 who are located in California, Illinois, and New York, receive the full-value of their credit-card  
9 tips outside of their regular paycheck and had a deferral election in place at the time they  
10 received the reported tips from March 10, 2016, through the date of the Preliminary Order  
11 (“Class Period”). Excluded from the Class are members of the Committee.”

12           4.       **Notice:** The Court finds that the dissemination of the Notice: (a) was  
13 implemented in accordance with the Preliminary Approval Order; (b) constituted appropriate  
14 notice that was reasonably calculated, under the circumstances, to apprise all Class Members of  
15 the pendency of the Actions, of the effect of the Settlement (including the releases provided for  
16 therein), of their right to object to the Settlement and appear at the Final Approval Hearing, of  
17 Class Counsel’s Fee and Expense Application, and of Plaintiff’s request for Case Contribution  
18 Award; (c) constituted appropriate notice to all persons or entities entitled to receive notice of the  
19 proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil  
20 Procedure, the United States Constitution including the Due Process Clause, and all other  
21 applicable law and rules.

22           5.       **Objections:** The Court finds \_\_\_\_\_.

23           6.       **Final Settlement Approval:** Pursuant to Fed. R. Civ. P. 23(e), the Court hereby  
24 approves the Settlement and the terms therein as a fair, reasonable, and adequate settlement and  
25 compromise of the claims asserted in the Class Action. The Court finds that the Settlement is  
26 fair, reasonable, and adequate to the Plan and Settlement Class Members based on the following  
27 findings of fact, conclusions of law, and determinations of mixed fact/law questions:  
28

a. The Settlement resulted from arm’s-length negotiations by experienced and



1 competent counsel overseen by a neutral mediator;

2 b. The Settlement was negotiated only after Class Counsel had conducted a  
3 Presettlement investigation and received pertinent information and documents from Defendants  
4 in discovery;

5 c. The Settlement was reviewed and approved by an independent fiduciary.

6 d. Class Counsel and Plaintiff were well-positioned to evaluate the value of the  
7 Actions;

8 e. If the Settlement had not been achieved, Plaintiff's and the Class Members faced  
9 significant expense, risk, and uncertainty in connection with the litigation, which likely would  
10 have been prolonged;

11 f. The amount of the Settlement is fair, reasonable, and adequate in light of the  
12 claims that were asserted, the risks of litigation, and settlements in other similar cases, and the  
13 Plan of Allocation is also fair, reasonable, and appropriate;

14 g. The Class Representative and Class Counsel support the Settlement, and have  
15 concluded that the Settlement Agreement is fair, reasonable, and adequate;

16 h. Class Members had the opportunity to be heard on all issues relating to the  
17 Settlement and the requested Administrative Expenses, Attorneys' Fees and Costs, and Class  
18 Representative's Contribution Award by submitting objections to the Settlement Agreement to  
19 the Court. There were \_\_ objections to the Settlement.

20 i. The Settlement also was reviewed by an Independent Fiduciary, \_\_\_\_\_,  
21 who has approved and authorized the Settlement.

22 j. The Settlement treats Class Members equitably relative to each other.

23 7. The Motion for Final Approval of the Settlement Agreement is hereby  
24 GRANTED, the settlement of the Class Action is APPROVED as fair, reasonable, and adequate  
25 to the Plan and the Settlement Class, and the Parties are hereby directed to take the necessary  
26 steps to effectuate the terms of the Agreement.  
27  
28

1           8.       Plaintiff’s Motion for Attorneys’ Fees and Expenses and request for Case  
2 Contribution Award, is hereby approved.

3           9.       Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil  
4 Procedure, this Court fully and finally approves the Settlement set forth in the Agreement in all  
5 respects including, without limitation, the terms of the Settlement; the releases provided for  
6 therein; and the dismissal with prejudice of the claims asserted in the Actions, and finds that the  
7 Settlement is, in all respects, fair, reasonable, and adequate, and is in the best interests of  
8 Plaintiff, the Class, and the Plan. The Parties are directed to implement, perform, and  
9 consummate the Settlement in accordance with the terms and provisions of the Agreement.  
10

11           10.      The Settlement Administrator shall have final authority to determine the share of  
12 the Net Settlement Amount to be allocated to each Settlement Class Member pursuant to the Plan  
13 of Allocation.

14           11.      Within twenty-one (21) calendar days following the issuance of all settlement  
15 payments to Class Members as provided by the Plan of Allocation, the Settlement Administrator  
16 shall prepare and provide to Class Counsel and Defense Counsel a list of each person who  
17 received a settlement payment or contribution from the Qualified Settlement Fund and the  
18 amount of such payment or contribution.

19           12.      **Dismissal of Claims:** As of the Effective Date, pursuant to Fed. R. Civ. P. 54(b),  
20 all of the Claims against Defendants are dismissed with prejudice. The Parties shall bear their  
21 own costs and expenses, except as otherwise expressly provided in the Agreement.

22           13.      **Binding Effect:** The terms of the Agreement and of this Final Approval Order  
23 and Judgment shall be forever binding on Defendants, the Released Settling Parties, Plaintiff,  
24 and all Class Members, as well as their respective heirs, beneficiaries, executors, administrators,  
25 estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors,  
26 and assigns, and as described in the Agreement.

27           14.      **CAFA:** Pursuant to the Class Action Fairness Act, 29 U.S.C. § 1711, et seq., a  
28 separate notice of the Settlement (“CAFA Notice”) was provided to the Attorneys General for

1 each of the states in which a Class Member resides, the Attorney General of the United States,  
2 and the United States Secretary of Labor. All requirements of the Class Action Fairness Act  
3 (“CAFA”), 29 U.S.C. § 1711, et seq., have been met, and Defendants have fulfilled their  
4 obligations under CAFA.

5  
6 15. **Releases:** The releases of the Released Claims, as set forth in the Agreement (the  
7 “Releases”), are expressly incorporated herein in all respects. The Releases are effective as of the  
8 date of the entry of this Final Approval Order and Judgment.

9  
10 16. **No Admissions:** This Final Approval Order and Judgment, the Preliminary  
11 Approval Order, the Agreement (whether or not consummated), including the exhibits thereto  
12 and the Plan of Allocation contained therein (or any other plan of allocation that may be agreed-  
13 upon by the Parties or approved by the Court) and any other supporting papers, and any related  
14 negotiations or proceedings: (a) shall not give rise to any inference of, and shall not be construed  
15 or used as an admission, concession, or declaration against any of the Defendants or Defendant  
16 Released Parties of wrongdoing or liability in the Actions or any other proceeding; (b) are not an  
17 admission of any liability of any kind, whether legal or factual; (c) shall not be used or received  
18 in evidence in any action or proceeding for any purpose, except in an action or proceeding to  
19 enforce the Agreement, whether affirmatively or defensively; (d) shall not be construed or used  
20 as an admission, concession, or declaration by or against Plaintiff, the Plan, or the Class that their  
21 claims lack merit or that the relief requested in the Actions is inappropriate, improper, or  
22 unavailable; and (e) shall not be construed or used as an admission, concession, declaration, or  
23 waiver by any Party of any arguments, defenses, or claims he, she, or it may have in the event  
24 that the Agreement is terminated. This Order and the Agreement and any proceedings taken  
25 pursuant to the Agreement are for settlement purposes only.

26  
27 17. **Retention of Jurisdiction:** Without affecting the finality of this Final Approval  
28 Order and Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a)  
the Parties for purposes of the administration, interpretation, implementation, and enforcement of  
the Settlement; (b) the disposition of the Settlement Fund; (c) Class Counsel’s Fee and Expense

Application and Plaintiff’s request for Case Contribution Award; and (d) the Class Members for all matters relating to the Actions.

18. **Modification of the Agreement:** Without further approval from the Court, Plaintiff and Defendants are authorized to agree to and adopt such amendments or modifications of the Agreement or any exhibits attached thereto to effectuate this Settlement that: (a) are not materially inconsistent with this Final Approval Order and Judgment; and (b) do not materially limit the rights of Class Members in connection with the Settlement.

19. **Termination:** If the Settlement does not go into effect or is terminated as provided for in the Agreement, then this Final Approval Order and Judgment (and any orders of the Court relating to the Settlement) shall be vacated, rendered null and void, and be of no further force or effect, except as otherwise provided by the Agreement.

20. **Entry of Final Judgment:** There is no just reason to delay entry of this Final Approval Order and Judgment as a final judgment with respect to the claims asserted in the Actions. Accordingly, the Clerk of the Court is expressly directed to immediately enter this Final Approval Order and Judgment pursuant to Fed. R. Civ. P. 54(b) as against Defendants.

**SO ORDERED** this \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
The Honorable Dale Fischer \_\_\_\_\_  
United States District Judge

# EXHIBIT 2

**IN THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

**If you were or are a participant in the Hyatt Corporation 401(k) Plan your legal rights will be affected by this class action settlement.**

***The case is called Lance Baird v. Hyatt Corporation et al., C.D. Cal. Case No. 2:22-cv-01620. A Court authorized this Notice. This is not a solicitation from a lawyer.***

This Notice advises you of the settlement (“Settlement”) of a lawsuit against Hyatt Corporation (“Hyatt”) and the Hyatt Corporation Benefits Committee (collectively, the “Hyatt Defendants”). In the lawsuit, Plaintiff Lance Baird (“Plaintiff Baird”) alleges that Defendants violated the Employee Retirement Income Security Act of 1974 (“ERISA”) by, among other things, failing to defer credit card tipped income in accordance with the terms of the Hyatt Corporation 401(k) Plan (“Plan”). Defendants deny these allegations and deny that they engaged in any improper conduct. You should read this entire Notice carefully because your legal rights will be affected by whether you act or not.

Your rights and options, and the deadline for you to object if you are opposed to the Settlement, are explained in this Notice.

**WHAT THIS NOTICE CONTAINS**

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**BASIC INFORMATION**

**1. Why did I get this Notice?**



You have been identified as a Participant, Former Participant, Beneficiary or Alternate Payee of a Participant, of the Plan at any time on or after March 10, 2016 through February 1, 2022.

You are receiving this Notice because you have a right to know about the proposed Settlement of a class action lawsuit in which you are a Class Member before the Court decides whether to approve the Settlement.

This Notice summarizes the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The lawsuit is pending in the United States District Court for the Northern District of California (the “Court”). It is known as *Lance Baird v. Hyatt Corporation et al.*, C.D. Cal. Case No. 2:22-cv-01620 (C.D. Cal.), and is brought against Defendants.

## **2. What is this lawsuit about?**

On March 10, 2022, Plaintiff Baird filed an action against Hyatt Corporation and the Benefits Committee, alleging that they violated ERISA by, among other things, failing to defer credit card tipped income in accordance with the terms of the Plan. Since the filing of the action, the parties engaged in litigation, including exchanging substantial documentation and engaging in extensive fact and expert discovery and a lengthy mediation. In the mediation, the parties ultimately were able to reach the terms of the Settlement explained in this Notice.

Defendants have denied and continue to deny any wrongdoing or liability and would continue to vigorously defend the lawsuit if the proposed Settlement is not approved.

## **3. What is a class action lawsuit?**

In a class action lawsuit, one or more people called “class representatives” sue on their own behalf and on behalf of other people who they allege may have similar claims. One court resolves all the issues for all class members in a single lawsuit. Plaintiff Lance Baird is the class representative in this lawsuit, and is sometimes referred to in this Notice as the “Class Representative” or as the “Plaintiff.”

## **4. Why is there a Settlement?**

The Parties have agreed to the Settlement after extensive negotiations. By agreeing to a Settlement, the Parties avoid the costs and risks of further litigation, and Plaintiff and the other members of the Class will get compensation. Class Counsel have conducted an extensive review of the evidence in the case and the potential risks and benefits of continued litigation. Plaintiff and Class Counsel agree that the Settlement is in the best interest of the Class. The Court has not made any finding that Defendants have done anything wrong or violated any law or regulation.

## **5. How do I get more information about the Settlement?**

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com), by contacting Class Counsel (*see* answer to question 12 for contact information) or the Settlement Administrator (*see* answer to question 6 for contact information), by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Central District of California, First Street Courthouse, 350 West 1st Street, Courtroom 7D, Los Angeles, California, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.**

**6. Who will administer the Settlement?**

The Settlement Administrator, Strategic Claims Services, will administer the Settlement. You may contact the Settlement Administrator by: (a) sending a letter to Baird 401k Settlement Administrator, c/o \_\_\_\_\_; (b) sending an e-mail to \_\_\_\_\_; (c) visiting the Settlement website at \_\_\_\_\_; or (d) calling \_\_\_\_\_.

**THE SETTLEMENT BENEFITS – WHAT DOES THE SETTLEMENT PROVIDE**

**7. What does the Settlement provide?**

Defendants have agreed to pay a total of \$1,475,000 to the Class Members with up to 25% of that amount to be paid to Class Counsel in attorneys' fees to the extent approved by the Court, reimburse Class Counsel's expenses, including expert costs, and up to \$17,500 to be paid to the Class Representative, to the extent approved by the Court. The amount that will be available for distribution to Class Members (known as the "Net Settlement Amount") will be the Settlement Amount *minus* the amounts used for other Settlement purposes (Case Contribution Award, Court-approved Attorneys' Fees and Expenses to Class Counsel, Administration Expenses, and certain taxes and tax-related costs).

**8. How may I benefit from the Settlement?**

You may benefit by receiving payment of a portion of the Net Settlement Amount. The amount paid to each Current Participant and Authorized Former Participant will be determined by a Plan of Allocation. As explained below, if you are a Current Participant, or Beneficiary or Alternate Payees of a Plan participant and you have an active account in the Plan, you do not need to take any action in order to receive payment under the Settlement. If you are a Former Participant, or a Beneficiary or Alternate Payee of a Plan participant and you do not have an active account in the Plan, you will be paid directly by the Settlement Administrator by check if the value of your portion of the Net Settlement Amount exceeds \$10. All such payments are intended by the Settlement Class to be "restorative payments" in accordance with Internal Revenue Service Revenue Ruling 2002-45. Checks issued to Former Participants shall be valid for 180 days from

the date of issue. All checks that are undelivered or are not cashed before their expiration date shall revert to the Qualified Settlement Fund.

**9. What is the Plaintiff receiving from the Settlement?**

In this case, there is one Class Representative, Lance Baird. Class Counsel intends to ask the Court to award the Class Representative a Case Contribution Award of \$17,500 in recognition of the work and effort he expended on behalf of the Class.

**THE LAWYERS REPRESENTING YOU**

**10. Do I have a lawyer in this case?**

Yes. The Court has appointed the law firms of Miller Shah LLP and D. Joshua Staub as co-lead Class Counsel. You will not be charged for the work of these lawyers. If you want to be represented by a different lawyer in this case, you may hire one at your own expense.

**11. How will the lawyers (Class Counsel) be paid?**

Class Counsel will ask the Court for an award of attorneys' fees and expenses of up to 25% of the Gross Settlement Amount plus expenses, based upon the value of the Settlement, the time they have devoted to this engagement, and the expenses they have advanced in prosecuting this matter.

**OPTING OUT OF THE SETTLEMENT**

**12. Can I exclude myself from the Class?**

No. The Class has been certified under Federal Rule of Civil Procedure 23(b)(1). Therefore, as a Class Member, you are bound by any judgments or orders that are entered in the lawsuit for all claims that were asserted in the lawsuit or are otherwise included as Released Claims as defined in the Settlement Agreement. If you wish to object to any part of the Settlement, you may (as discussed below) write to the Court and counsel about why you object to the Settlement.

**OBJECTING TO THE SETTLEMENT**

**13. What does it mean to object?**

Objecting is simply telling the Court that you do not like something about the Settlement. Objecting will not have any bearing on your right to receive the benefits of the Settlement if it is approved by the Court.

**14. What is the procedure for objecting to the Settlement?**

You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Fairness Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number *Lance Baird v. Hyatt Corporation et al.*, C.D. Cal. Case No. 2:22-cv-01620 (C.D. Cal.), (b) be submitted to the Court either by mailing them to the Clerk, United States District Court for the Central District of California, First Street Courthouse, 350 West 1st Street, Los Angeles, California, or by filing them in person at any location of the United States District Court for the Central District of California, 90012, (c) be sent to Class Counsel and Defense Counsel at the below addresses, and (d) be filed or postmarked on or before 30 days before the Fairness Hearing. Your objection must also include (1) your full name, current address, and current telephone number, and, if represented by counsel, any of your counsel's name and contact information; (2) whether the objection applies only to the objecting Class Member, to a specific subset of the Class, or to the entire Class; (3) a statement of the position(s) the objector wishes to assert; and (4) copies of any other documents that the objector wishes to submit in support of his/her/its position.

**ANY CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED ABOVE SHALL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL NOT HAVE ANY RIGHT TO OBJECT TO THE FAIRNESS OR ADEQUACY OF THE SETTLEMENT.**

| <u>Clerk of the Court</u>  | <u>Class Counsel</u>   | <u>Defense Counsel</u>   |
|--|--|--|
| U.S. District Court for the Central District of California<br>First Street Courthouse<br>350 West 1st Street<br>Los Angeles, California<br>90012 | Ronald S. Kravitz<br>Miller Shah LLP<br>456 Montgomery Street<br>Suite 1900<br>San Francisco, CA<br>94104<br>Tel: (415) 479-5292<br><br>D. Joshua Staub<br>Law Office of D. Joshua Staub<br>13015 Washington Blvd.<br>Los Angeles CA 90066<br>(310) 929-5269 | <u>Samuel Schwartz-Fenwick (PHV)</u><br><u>233 S. Wacker Drive, Ste. 8000</u><br><u>Chicago, IL 60606-6448</u><br><u>Tel: (312) 460-5000</u><br><u>Fax: (312) 460-7000</u><br><a href="mailto:sschwartz-fenwick@seyfarth.com">sschwartz-fenwick@seyfarth.com</a> |

### THE COURT'S FAIRNESS HEARING

**15. When/where will the Court decide whether to approve the Settlement?**

On **[date]**, 2023 at **[time]** \_\_.m., in Courtroom \_\_ of the United States District Court for the Central District of California, \_\_\_\_\_ the Court will hold a Fairness Hearing to determine whether the proposed Settlement is fair, reasonable, and adequate and whether it should be approved. The hearing may be continued from time to time by the Court without further notice.

**16. Do I have to attend the Fairness Hearing?**

No; however, you are welcome to attend at your own expense. If you file an objection to the Settlement, you do not have to go to Court to talk about it. As long as your objection is filed by **[date]** and you comply with the requirements in answer to question 16 above, the Court will consider it. You also may send your own lawyer to attend the Fairness Hearing.

**17. May I speak at the Fairness Hearing?**

You may ask the Court for permission to speak at the hearing. Anyone wishing to appear must state in their written objection their intention to appear at the Fairness Hearing, at your own expense.

### IF YOU DO NOTHING

**18. What happens if I do nothing at all?**

You will receive a settlement payment, to the extent you are due such a benefit under the plan of allocation in the Agreement. Each Member of the Class gives Defendants a "release." A release means you give up your rights to sue Defendants or receive any benefits from any other lawsuit against Defendants if the lawsuit asserts claims or relates in any way to the practices at issue in this lawsuit.

DATED: \_\_\_\_\_, 2023

**THIS NOTICE HAS BEEN SENT TO YOU BY ORDER  
OF THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

# EXHIBIT 3

A federal court authorized this Notice.

This is not a solicitation from a lawyer.

If you are or were a participant in the Hyatt

Corporation 401(k) Plan between

March 10, 2016 until February 1, 2021,

a \$1.475 million Settlement may affect your rights.

Questions? Call (888) \_\_\_\_\_ or

Visit [www.\\_\\_\\_\\_\\_.com](http://www._____.com)

Hyatt 401(k) Class Settlement

c/o Strategic Claims Services

600 N. Jackson Street, Suite 205

Media, PA 19063

Class Member Name

Class Member Address

Class Member City/State/Zip



### **What is this notice?**

On DATE, 2023, the Honorable Dale Fischer of the U.S. District Court for the Central District of California granted preliminary approval of this class action Settlement. The Court directed the parties to send this notice. Hyatt 401(k) Plan records show that you may be a Settlement Class Member. You may be eligible to receive a payment from the Settlement in *Baird et. al. v. Hyatt Corporation*, Civil Action No. 2:22-cv-01620.

### **What is the lawsuit about?**

Plaintiffs claim that Hyatt Corporation and the Hyatt Benefits Committee (collectively, "Settling Defendants") violated ERISA by failing to pay benefits and breaching their fiduciary duties under ERISA. Plaintiffs' allegations are described in more detail in the Complaint ("Complaint") available on the Settlement website. All Defendants deny any wrongdoing. Both sides agreed to the Settlement to avoid the cost and risk of further litigation.

### **Who is affected?**

You may be eligible to receive payment if you were a participant in the Plan at any time during the period from March 10, 2016 until February 1, 2021, inclusive, or you were a beneficiary or alternate payee of any such participant (a "Settlement Class Member").

### **What can you get from the Settlement?**

Class Members who submit valid claims may receive a cash payment from the Net Settlement Fund. The Net Settlement Fund is estimated to be approximately \$1.1 million. This is after deducting attorneys' fees, administration expenses, and other costs from the \$1.475 million Settlement Fund. For more details on the Plan of Distribution, read the Long Form Notice available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com). You can also call (888) 681-1142.

### **How do you get a payment?**

If you are a Settlement Class member, are a current participant in the Plan, or you are a beneficiary or alternate payee of a Plan participant who has an active account in the Plan, and you are entitled to a share of the Settlement Fund according to the Agreement, you are not required to do anything to receive a payment. The payment will be made directly to your Plan account(s). If you are no longer a participant in the Plan, or you are a beneficiary or alternate payee of a Plan participant who does not have an active account in the Plan, payment will be made by check. All such payments are intended by the Settlement Class to be "restorative payments" in accordance with Internal Revenue Service Revenue Ruling 2002-45. If your address has changed since you closed your Plan account(s), please contact the Settlement Administrator toll free at \_\_\_\_\_ to advise of the change of address.

For details on how to object to the settlement, read the Long Form Notice available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com). Objections must be postmarked by Month x, 202x. The Court will hold a Fairness Hearing to consider whether the Settlement is fair, reasonable, and adequate. The Fairness Hearing is on [Month Day, Year] at [Time]. The Court will also decide whether to approve attorneys' fees and expenses up to 25% of the gross Settlement Fund and additional costs and a case contribution award for the named plaintiff Mr. Baird. These amounts will be deducted from the \$1.475 million

Settlement Fund. You may ask to attend the Fairness Hearing, on your own or through counsel, but you do not have to do so. Please Do Not Contact The Court Regarding This Notice.

**QUESTIONS?**

Visit [www.\\_\\_\\_\\_\\_.com](http://www._____.com), email [info@\\_\\_\\_\\_\\_](mailto:info@_____), call (888) \_\_\_\_\_, or write Hyatt 401(k) Settlement c/o Strategic Claims Services, 600 N. Jackson Street, Suite 205, Media, PA 19063.

Place Stamp Here

Carefully separate this Address Change Form at the perforation

Name: \_\_\_\_\_

Current Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Address Change Form

To make sure your information remains up-to-date in our records, please confirm your address by filling in the above information and depositing this postcard in the U.S. Mail.

Hyatt 401(k) Settlement c/o Strategic Claims Services  
600 N. Jackson Street, Suite 205,  
Media, PA 19063

# EXHIBIT 4

1 UNITED STATES DISTRICT COURT  
2 CENTRAL DISTRICT OF CALIFORNIA

3 LANCE BAIRD, individually, and on  
4 behalf of all others similarly situated,  
5 and on behalf of the HYATT  
6 CORPORATION RETIREMENT  
7 SAVINGS PLAN,

8 Plaintiff(s),

9 v.

10 HYATT CORPORATION; BENEFITS  
11 COMMITTEE and its members,

12 Defendants.  
13  
14

Case No.: 2:22-cv-01620-DSF-E

[PROPOSED] FINAL APPROVAL  
ORDER AND JUDGMENT

Judge: Honorable Dale S. Fischer

Complaint filed: March 10, 2022

15 **FINAL APPROVAL ORDER AND JUDGMENT**

16 WHEREAS, Plaintiff Lance Baird (“Plaintiff”) in *Lance Baird v. Hyatt Corporation et*  
17 *al.*, C.D. Cal. Case No. 2:22-cv-01620-DSF-E on his own behalf and on behalf of the Class and  
18 the Hyatt Corporation 401(k) Plan (the “Plan”), on the one hand, and Defendants Hyatt  
19 Corporation and the Hyatt Corporation Benefits Committee (the “Committee”) (incorrectly  
20 named and sued as the “Benefit Committee”) (collectively, the “Defendants”), on the other hand,  
21 have entered into a Settlement Agreement and Release dated \_\_\_\_\_ (the “Agreement” or  
22 the “Settlement Agreement”), which provides for a complete dismissal with prejudice of all  
23 claims asserted in the Actions against Defendants by the Settlement Class (the “Class”) on the  
24 terms and conditions set forth in the Agreement, subject to the approval of this Court (the  
25 “Settlement”);  
26

27 WHEREAS, the capitalized terms not defined in this Final Approval Order and Judgment  
28 shall have the same meaning ascribed to them in the Agreement;

1 WHEREAS, by Order dated \_\_\_\_\_ (the “Preliminary Approval Order”),  
2 this Court (1) preliminarily certified the Class for settlement purposes only; (2) preliminarily  
3 approved the Settlement; (3) appointed a Settlement Administrator; (4) directed notice be given  
4 to the Class and approved the form and manner of Notice; (5) approved the Plan of Allocation;  
5 (6) scheduled a Final Approval Hearing; and (7) scheduled a hearing on Class Counsel’s Fee and  
6 Expense Application and Plaintiff’s request for a Case Contribution Award;  
7

8 WHEREAS, the Court conducted a hearing on (the “Final Approval Hearing”) to  
9 consider, among other things: (1) whether the Class should be certified for settlement purposes  
10 only; (2) whether the proposed Settlement on the terms and conditions provided for in the  
11 Agreement is fair, reasonable, adequate, and in the best interests of the Class and should be  
12 finally approved by the Court; (3) whether Class Counsel’s Fee and Expense Application is  
13 reasonable and should be approved; (4) whether Plaintiff’s requests for a Case Contribution  
14 Award is reasonable and should be approved; and (5) whether this Final Approval Order and  
15 Judgment should be entered dismissing with prejudice all claims asserted in the Actions against  
16 Defendants; and

17 WHEREAS, the Court having reviewed and considered the Agreement, all papers filed  
18 and proceedings held herein in the Actions in connection with the Settlement, all oral and written  
19 comments received regarding the Settlement, and the record in the Class Action, and good cause  
20 appearing therefor;

21 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

22 1. **Jurisdiction:** The Court has jurisdiction over the subject matter of the Class  
23 Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the  
24 Settling Parties and Settlement Class Members.

25 2. **Incorporation of Settlement Documents:** This Final Approval Order and  
26 Judgment incorporates and makes a part hereof: (a) the Agreement filed with the Court on  
27 \_\_\_\_\_ including the exhibits submitted therewith; and (b) the Notice approved by the  
28 Court on \_\_\_\_\_.

1           3.       **Class Certification:** The Court has held that the non-opt out Class should be  
2 certified under Federal Rule of Civil Procedure 23(a) and 23(b)(1), under the terms of the  
3 Agreement. The Court confirms that the class preliminarily certified under Fed. R. Civ. P.  
4 23(b)(1) is appropriate for the reasons set forth in its Preliminary Approval Order, and hereby  
5 finally certifies the following non-opt-out class:  
6

7           “All current and former participants of the Hyatt Corporation Retirement Savings Plan  
8 who are located in California, Illinois, and New York, receive the full-value of their credit-card  
9 tips outside of their regular paycheck and had a deferral election in place at the time they  
10 received the reported tips from March 10, 2016, through the date of the Preliminary Order  
11 (“Class Period”). Excluded from the Class are members of the Committee.”

12           4.       **Notice:** The Court finds that the dissemination of the Notice: (a) was  
13 implemented in accordance with the Preliminary Approval Order; (b) constituted appropriate  
14 notice that was reasonably calculated, under the circumstances, to apprise all Class Members of  
15 the pendency of the Actions, of the effect of the Settlement (including the releases provided for  
16 therein), of their right to object to the Settlement and appear at the Final Approval Hearing, of  
17 Class Counsel’s Fee and Expense Application, and of Plaintiff’s request for Case Contribution  
18 Award; (c) constituted appropriate notice to all persons or entities entitled to receive notice of the  
19 proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil  
20 Procedure, the United States Constitution including the Due Process Clause, and all other  
21 applicable law and rules.

22           5.       **Objections:** The Court finds \_\_\_\_\_.

23           6.       **Final Settlement Approval:** Pursuant to Fed. R. Civ. P. 23(e), the Court hereby  
24 approves the Settlement and the terms therein as a fair, reasonable, and adequate settlement and  
25 compromise of the claims asserted in the Class Action. The Court finds that the Settlement is  
26 fair, reasonable, and adequate to the Plan and Settlement Class Members based on the following  
27 findings of fact, conclusions of law, and determinations of mixed fact/law questions:  
28

a. The Settlement resulted from arm’s-length negotiations by experienced and

1 competent counsel overseen by a neutral mediator;

2 b. The Settlement was negotiated only after Class Counsel had conducted a  
3 Presettlement investigation and received pertinent information and documents from Defendants  
4 in discovery;

5 c. The Settlement was reviewed and approved by an independent fiduciary.

6 d. Class Counsel and Plaintiff were well-positioned to evaluate the value of the  
7 Actions;

8 e. If the Settlement had not been achieved, Plaintiff's and the Class Members faced  
9 significant expense, risk, and uncertainty in connection with the litigation, which likely would  
10 have been prolonged;

11 f. The amount of the Settlement is fair, reasonable, and adequate in light of the  
12 claims that were asserted, the risks of litigation, and settlements in other similar cases, and the  
13 Plan of Allocation is also fair, reasonable, and appropriate;

14 g. The Class Representative and Class Counsel support the Settlement, and have  
15 concluded that the Settlement Agreement is fair, reasonable, and adequate;

16 h. Class Members had the opportunity to be heard on all issues relating to the  
17 Settlement and the requested Administrative Expenses, Attorneys' Fees and Costs, and Class  
18 Representative's Contribution Award by submitting objections to the Settlement Agreement to  
19 the Court. There were \_\_\_ objections to the Settlement.

20 i. The Settlement also was reviewed by an Independent Fiduciary, \_\_\_\_\_,  
21 who has approved and authorized the Settlement.

22 j. The Settlement treats Class Members equitably relative to each other.

23 7. The Motion for Final Approval of the Settlement Agreement is hereby  
24 GRANTED, the settlement of the Class Action is APPROVED as fair, reasonable, and adequate  
25 to the Plan and the Settlement Class, and the Parties are hereby directed to take the necessary  
26 steps to effectuate the terms of the Agreement.  
27  
28



1           8.       Plaintiff’s Motion for Attorneys’ Fees and Expenses and request for Case  
2 Contribution Award, is hereby approved.

3           9.       Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil  
4 Procedure, this Court fully and finally approves the Settlement set forth in the Agreement in all  
5 respects including, without limitation, the terms of the Settlement; the releases provided for  
6 therein; and the dismissal with prejudice of the claims asserted in the Actions, and finds that the  
7 Settlement is, in all respects, fair, reasonable, and adequate, and is in the best interests of  
8 Plaintiff, the Class, and the Plan. The Parties are directed to implement, perform, and  
9 consummate the Settlement in accordance with the terms and provisions of the Agreement.  
10

11           10.      The Settlement Administrator shall have final authority to determine the share of  
12 the Net Settlement Amount to be allocated to each Settlement Class Member pursuant to the Plan  
13 of Allocation.

14           11.      Within twenty-one (21) calendar days following the issuance of all settlement  
15 payments to Class Members as provided by the Plan of Allocation, the Settlement Administrator  
16 shall prepare and provide to Class Counsel and Defense Counsel a list of each person who  
17 received a settlement payment or contribution from the Qualified Settlement Fund and the  
18 amount of such payment or contribution.

19           12.      **Dismissal of Claims:** As of the Effective Date, pursuant to Fed. R. Civ. P. 54(b),  
20 all of the Claims against Defendants are dismissed with prejudice. The Parties shall bear their  
21 own costs and expenses, except as otherwise expressly provided in the Agreement.

22           13.      **Binding Effect:** The terms of the Agreement and of this Final Approval Order  
23 and Judgment shall be forever binding on Defendants, the Released Settling Parties, Plaintiff,  
24 and all Class Members, as well as their respective heirs, beneficiaries, executors, administrators,  
25 estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors,  
26 and assigns, and as described in the Agreement.

27           14.      **CAFA:** Pursuant to the Class Action Fairness Act, 29 U.S.C. § 1711, et seq., a  
28 separate notice of the Settlement (“CAFA Notice”) was provided to the Attorneys General for

1 each of the states in which a Class Member resides, the Attorney General of the United States,  
2 and the United States Secretary of Labor. All requirements of the Class Action Fairness Act  
3 (“CAFA”), 29 U.S.C. § 1711, et seq., have been met, and Defendants have fulfilled their  
4 obligations under CAFA.

5  
6 15. **Releases:** The releases of the Released Claims, as set forth in the Agreement (the  
7 “Releases”), are expressly incorporated herein in all respects. The Releases are effective as of the  
8 date of the entry of this Final Approval Order and Judgment.

9  
10 16. **No Admissions:** This Final Approval Order and Judgment, the Preliminary  
11 Approval Order, the Agreement (whether or not consummated), including the exhibits thereto  
12 and the Plan of Allocation contained therein (or any other plan of allocation that may be agreed-  
13 upon by the Parties or approved by the Court) and any other supporting papers, and any related  
14 negotiations or proceedings: (a) shall not give rise to any inference of, and shall not be construed  
15 or used as an admission, concession, or declaration against any of the Defendants or Defendant  
16 Released Parties of wrongdoing or liability in the Actions or any other proceeding; (b) are not an  
17 admission of any liability of any kind, whether legal or factual; (c) shall not be used or received  
18 in evidence in any action or proceeding for any purpose, except in an action or proceeding to  
19 enforce the Agreement, whether affirmatively or defensively; (d) shall not be construed or used  
20 as an admission, concession, or declaration by or against Plaintiff, the Plan, or the Class that their  
21 claims lack merit or that the relief requested in the Actions is inappropriate, improper, or  
22 unavailable; and (e) shall not be construed or used as an admission, concession, declaration, or  
23 waiver by any Party of any arguments, defenses, or claims he, she, or it may have in the event  
24 that the Agreement is terminated. This Order and the Agreement and any proceedings taken  
25 pursuant to the Agreement are for settlement purposes only.

26  
27 17. **Retention of Jurisdiction:** Without affecting the finality of this Final Approval  
28 Order and Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a)  
the Parties for purposes of the administration, interpretation, implementation, and enforcement of  
the Settlement; (b) the disposition of the Settlement Fund; (c) Class Counsel’s Fee and Expense

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Application and Plaintiff's' request for Case Contribution Award; and (d) the Class Members for all matters relating to the Actions.

18. **Modification of the Agreement:** Without further approval from the Court, Plaintiff and Defendants are authorized to agree to and adopt such amendments or modifications of the Agreement or any exhibits attached thereto to effectuate this Settlement that: (a) are not materially inconsistent with this Final Approval Order and Judgment; and (b) do not materially limit the rights of Class Members in connection with the Settlement.

19. **Termination:** If the Settlement does not go into effect or is terminated as provided for in the Agreement, then this Final Approval Order and Judgment (and any orders of the Court relating to the Settlement) shall be vacated, rendered null and void, and be of no further force or effect, except as otherwise provided by the Agreement.

20. **Entry of Final Judgment:** There is no just reason to delay entry of this Final Approval Order and Judgment as a final judgment with respect to the claims asserted in the Actions. Accordingly, the Clerk of the Court is expressly directed to immediately enter this Final Approval Order and Judgment pursuant to Fed. R. Civ. P. 54(b) as against Defendants.

**SO ORDERED** this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_   
The Honorable Dale Fischer \_\_\_\_\_   
United States District Judge

# EXHIBIT 5



Seyfarth Shaw LLP

233 South Wacker Drive

Suite 8000

Chicago, Illinois 60606-6448

T (312) 460-5000

F (312) 460-7000

sschwartz-fenwick@seyfarth.com

T (312) 460-5948

S

www.seyfarth.com

[DATE]

**VIA USPS**

***Re: Notice under the Class Action Fairness Act of 2005, 28 U.S.C. § 1711 et seq., Lance Baird, et.al. v. Hyatt Corporation, et.al., Case No. 2:22-cv-01620-DSF-E, U.S. District Court for the Central District of California.***

Pursuant to the Class Action Fairness Act, 28 U.S.C. § 1715 (“CAFA”), I am writing, on behalf of Defendants in the above-referenced matter, to provide your office with notice of the parties’ proposed settlement. Please take notice of the following information.

With Defendants’ consent, Plaintiffs in the above-captioned matter filed a motion with the United States District Court for the Central District of California on [REDACTED], requesting preliminary approval of the parties’ proposed settlement. As part of this notice, please find copies of the following documents associated with this matter on the enclosed flash drive:

1. The Complaint;
2. The motion for preliminary approval of the settlement and all of its supporting documents, which include the proposed notice to be distributed to class members and the proposed settlement agreement. Class members do not have rights to request exclusion from the class;
3. At this time, it is not feasible to provide a list of the class members who reside in each state and the estimated proportionate share of the claims of such members to the entire settlement. However, enclosed is a chart showing the approximate percentage of the estimated class members who reside in each state, based on data regarding current and former participants in the Hyatt Corporation Retirement Savings Plan. Because of the calculations that must be performed to determine class members’ allocations, it is not feasible at this time to provide further detail regarding the claims of class members in each state;
4. A copy of the Court’s docket sheet; and
5. A copy of the Court’s order [REDACTED] granting preliminary approval.

There are no contemporaneous agreements between class counsel and counsel for Defendants in conjunction with the proposed settlement, other than the enclosed settlement agreement. At this time, there has been no final judgment or notice of dismissal, and there are no written judicial opinions relating to the matters detailed in this notice, except for the opinion



[DATE]

Page 2

enclosed granting preliminary approval. The Court has scheduled the fairness hearing for [REDACTED], at [REDACTED] in courtroom 7D at the First Street Courthouse, 350 West 1<sup>st</sup> Street, Los Angeles, California 90012.

If you have questions about this notice, the settlement, or the enclosed materials, or if you did not receive any of the above-listed materials, please contact this office.

Very truly yours,

SEYFARTH SHAW LLP

Sam Schwartz-Fenwick

Enclosure

# EXHIBIT D



Report of the Independent Fiduciary  
for the Settlement in  
*Baird et al. v. Hyatt Corporation*

June 26, 2023



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## **I. Introduction**

Fiduciary Counselors has been appointed as an independent fiduciary for the Hyatt Corporation Retirement Savings Plan (the “Plan”), in connection with the settlement (the “Settlement”) reached in *Baird et al. v. Hyatt Corporation*, Civil Action No. 2:22-cv-01620, (the “Litigation” or “Action”), which was brought in the United States District Court for the Central District of California (the “Court”). Fiduciary Counselors has reviewed over 100 previous settlements involving ERISA plans.

## **II. Executive Summary of Conclusions**

After a review of key pleadings, decisions and orders, selected other materials and interviews with counsel for the parties, Fiduciary Counselors has determined that:

- There is a genuine controversy involving the Plan.
- The Settlement terms, including the scope of the release of claims, the amount of cash received by the Plan and the amount of any attorneys’ fee award or any other sums to be paid from the recovery, are reasonable in light of the Plan’s likelihood of full recovery, the risks and costs of litigation, and the value of claims forgone.
- The terms and conditions of the transaction are no less favorable to the Plan than comparable arm’s-length terms and conditions that would have been agreed to by unrelated parties under similar circumstances.
- The transaction is not part of an agreement, arrangement or understanding designed to benefit a party in interest.
- The transaction is not described in Prohibited Transaction Exemption (“PTE”) 76-1.
- All terms of the Settlement are specifically described in the written settlement agreement and the plan of allocation.
- The Plan is receiving no assets other than cash in the Settlement.

Based on these determinations about the Settlement, Fiduciary Counselors hereby approves and authorizes the Settlement on behalf of the Plan in accordance with PTE 2003-39.

## **III. Procedure**

Fiduciary Counselors reviewed key documents, including the Complaint, the Settlement Agreement, the parties’ Mediation Statements, the Plan Amendment, the Plan of Allocation and an email dated May 12, 2023 from Class Counsel detailing attorneys’ fees, lodestar, expenses and case contribution award. In order to help assess the strengths and weaknesses of the claims and defenses in the Litigation, as well as the process leading to the Settlement, the members of

the Fiduciary Counselors Litigation Committee conducted separate telephone interviews with counsel for Defendants and for the Plaintiff.

#### **IV. Background**

##### **A. Plan Provisions, Treatment of Cashed-Out Tips, and the Plan Amendment**

The Litigation arose as a result of the impact of cashed-out tips, described below, on the deferrals elected by Plan participants to be treated as contributions to the Plan. The Plan provides that each participant in the Plan may elect to designate “1% to 30% of Pay as 401(k) Contributions.” (Plan § 3.3(a)). The Plan defines “Pay” as “the amount of his Compensation payable to him for a Payroll Period but without regard to any limitation imposed by Code Section 401(a)(17).” (Plan § 1.53). The Plan in turn defines Compensation in pertinent part as “the amount reported for a Participant on IRS Form W-2, Box 1 for the Plan Year by a Participating Company or Company Affiliate plus amounts excluded from taxable income by reason of Code Sections 125, 132(f)(4), 402(e)(3), 402(h) or 403(b).” (Plan § 1.17). Internal Revenue Code (26 U.S.C. § 3401(f)) provides that “wages” for Box 1 of form W-2 includes tips received by an employee in the course of his employment.

California state law and the collective bargaining agreements in certain states require that employee tips be paid out promptly. Tipped income in these locations is paid in full to employees on the day the tips were received (and before the payroll date), and no deductions are taken from it. Thus, deductions from payroll need to cover not only amounts related to payroll income, but also amounts related to cashed-out tips.

The Plan has always treated all tips, including these cashed-out tips, as part of Pay when applying the deferral percentages elected by participants, and as part of Compensation when applying the non-discrimination tests applicable to the Plan under ERISA and the Internal Revenue Code. However, if the amount of a participant’s paycheck, after taking into consideration other deductions and withholdings, is insufficient to allow the participant to contribute the amount of Pay he or she actually elected, the amount deferred and treated as a contribution to the Plan is limited to the amount remaining after taking into consideration such other deductions and withholdings.

At around the same time the Complaint was filed, the Plan was amended to conform the Plan terms to this practice. Specifically, the Plan was amended effective February 1, 2022, adding a new Section 3.3(a)(iii) to the Plan (the “Amendment”) which read as follows:

“(iii) Automatic Reduction of Pay Contribution Election. Notwithstanding anything in the Plan to the contrary, if the amount of an Active Participant’s paycheck, after taking into consideration other deductions and withholdings, is insufficient to allow the Active Participant to contribute the amount of Pay he or she actually elected, his or her election shall be automatically reduced to a

percentage of Pay that he or she may contribute after taking into consideration such other deductions and withholdings.”

## **B. Procedural History of Case**

### ***Litigation.***

On March 10, 2022, Plaintiff Lance Baird (“Plaintiff” or “Class Representative”), filed a Complaint against Defendants Hyatt Corporation (“Hyatt”) and Hyatt Corporation Benefits Committee (the “Committee”). Hyatt and the Committee are referred to collectively as Defendants, and Defendants and Plaintiff are referred to collectively as the “Settling Parties.” The Complaint asserted various claims under the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001, et seq. (“ERISA”) based on Defendants’ management, operation and administration of the Plan. Specifically, the Complaint alleged the following: Count 1 violation of ERISA § 502(a)(3) by denying Plan participants who are tipped employees the right to defer reported tips, Defendants have violated ERISA § 510, 29 U.S.C. § 1140, by discriminating against plan participants or beneficiaries and interfering with participants’ or beneficiaries’ attainment of rights under ERISA. While highly-compensated and/or non-tipped employees are permitted to apply their pre-tax deferral election to the entirety of their reported income, Defendants have knowingly and intentionally interfered with the rights of the tipped employees through its mandatory Tips Policy precluding Mr. Baird from deferring a substantial portion of their reported income, i.e., the income they receive from payroll, but not the income from reported credit card tips; and Count II violation of ERISA § 502(a)(2) by denying Plan participants who are tipped employees the right to defer reported tips, Defendants have violated the anti-discrimination provision of ERISA § 510, 29 U.S.C. § 1140 and breached their duties of loyalty and prudence by interfering with Mr. Baird’s ability to defer income under the terms of the Plan.

Subsequent to the filing of the Class Action Complaint, the Settling Parties began settlement discussions. These discussions included the exchange of discovery sought by Plaintiff to substantiate his theories of liability and damages.

### ***Settlement and Preliminary Approval.***

On October 6, 2022, the Settling Parties held a full-day private mediation with Robert Meyer of JAMS, a well-respected mediator of ERISA cases. The Settling Parties reached agreement on the monetary terms of a potential settlement during the mediation and signed a Memorandum of Understanding regarding the principal settlement terms dated December 22, 2022. Thereafter, the Settling Parties continued negotiations regarding the terms of the Settlement Agreement.

## V. Settlement

### A. Settlement Consideration

The Settlement provides for a Settlement Amount of \$1,475,000. After deducting (a) all attorneys' fees and costs paid to Class Counsel; (b) Class Representative case contribution award as authorized by the Court; (c) all administrative expenses; and (d) a contingency reserve not to exceed an amount to be mutually agreed upon by the Settling Parties that is set aside by the Settlement Administrator for: (1) administrative expenses incurred before the Settlement Effective Date but not yet paid; (2) administrative expenses estimated to be incurred after the Settlement Effective Date; and (3) an amount estimated for adjustments of data or calculation errors, the remainder (known as the "Net Settlement Amount") will be distributed to the Class Members in accordance with the Plan of Allocation.

### Class and Class Period

The Settlement defines the Settlement Class as follows:

all current and former participants of the Hyatt Corporation Retirement Savings Plan who are located in California, Illinois, and New York, receive the full-value of their credit-card tips outside of their regular paycheck and had a deferral election in place at the time they received the reported tips from March 10, 2016, through the date of the Preliminary Order ("Class Period").

The Settlement Agreement excludes members of the Committee from the Class.

The Settlement defines Class Period as the period from March 10, 2016, through the date of the Preliminary Order.

### B. The Release

The Settlement defines Released Claims as follows:

any and all actual or potential claims, actions, demands, rights, obligations, liabilities, damages, attorneys' fees, expenses, costs, and causes of action, whether arising under local, state, or federal law, whether by statute, contract, common law, equity, or otherwise, whether brought in an individual, representative, or any other capacity, whether involving legal equitable, injunctive, declarative, or any other type of relief (including, without limitation, indemnification or contribution), whether, known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, that have been, could have been, or could be brought by or on behalf of all or any member of the Settlement Class or the Plan at any point prior to the Court's final approval of the Settlement, and that were asserted in the Class Action or that might have been asserted in the Class Action under any legal or

equitable basis related in any way to deferral of credit card tips under the terms of the Plan, the Amendment to the Plan, employer matching under the Plan relating to credit card tip income, any claim that the Settlement Agreement or any aspect of its implementation violates any applicable law or right of any Settlement Class Member, or any claim that would have been barred by the doctrine of res judicata or claim preclusion had the Lawsuit been fully litigated to a final judgment.

Released Claims specifically exclude any claims that cannot be waived by law, or any claims arising out of or related to the Hyatt Hotels Corporation Employee Stock Purchase Plan as amended.

The terms of the release, including the provision for the Independent Fiduciary to provide a release of claims by the Plan, are reasonable.

### **C. The Plan of Allocation**

The Settlement Administrator will allocate the Net Settlement Amount as follows:

1. The Plan will provide the Settlement Administrator with data reflecting the differential between potential earnings that could have been deferred to the Plan by each Class Member, based on their deferral elections and funds available to them after other deductions were made, if credit card tipped earnings had been available for deferral (“Potential Deferral”) and the amount actually deferred by the Class Member during each pay period in the Class Period (“Actual Deferral”). The difference between the Potential Deferral and the Actual Deferral is referred to as the Delta.
2. The Settlement Administrator shall calculate lost investment earnings to the Delta for each Class Member by applying an annual interest factor based on IRC section 6621(c)(1), from the date the deferral should have been made to the settlement date (“Investment Earnings”).
3. To calculate the Total Delta for each participant, the Settlement Administrator shall add the Delta and Investment Earnings (“Total Delta”).
4. The Settlement Administrator shall calculate the Total Class Delta, which is the sum of the Total Deltas for all Class Members.
5. The Settlement Administrator will calculate each Class Member’s Preliminary Allocation as the Class Member’s proportionate share of the Net Settlement Amount. The calculation for each class Member will be the Class Member’s Total Delta, divided by the Total Class Delta, multiplied by the Net Settlement Amount.

Class Members who no longer have an account in the Plan and who have a Class Member Preliminary Allocation of less than \$10 (ten dollars) (the “De Minimis Amount”) shall receive no allocation from the Net Settlement Amount. The Settlement Administrator

shall then, taking into account the Class Members who will receive nothing because they do not satisfy the De Minimis Amount, recalculate the amount to distribute to Class Members to arrive at the amount to be paid to each remaining Class Member. The amount paid to each individual Class Member is referred to as the Payment. The sum of the Payments must equal the Net Settlement Amount.

For Class Members with a Plan account at the time of distribution, their Payment will be allocated into their Plan account. In order for this allocation to occur, after the Effective Date, the Settlement Administrator shall wire to the Plan recordkeeper funds that total the sum of the Payments to be deposited into accounts of Class Members along with the information and/or data needed to determine the Payment due to each of these Class Members. The Settlement Administrator will then allocate each Payment into the account of each Class Member with a Plan account. The Recordkeeper will allocate the Payment pursuant to the Class Member's investment elections on file for new contributions. If the Class Member has no election on file, the Payment will be invested in any default investment option(s) designated by the Plan. All such allocations will be treated for administrative and reporting purposes as investment earnings. Class Members who no longer have a Plan account ("Former Participants") will be paid directly by the Settlement Administrator by check.

Checks issued to Former Participants will be valid for 180 days from the date of issue. All checks that are undelivered or are not cashed before their expiration date shall revert to the Qualified Settlement Fund. If a Former Participant's check is undelivered or not cashed, the Settlement Administrator shall use commercially reasonable efforts to locate the Former Participants and re-send the check one additional time.

We find the Plan of Allocation to be reasonable, including:

- (1) the pro rata distribution of funds based on each Class Member's Total Delta compared to the Total Delta;
- (2) the application of a De Minimis amount of \$10 to Class Members who are Former Participants; and
- (3) the provisions for payments into Plan accounts for Class Members with Plan accounts when possible and by check for Class Members without Plan accounts.

The provisions are cost-effective and fair to Class Members in terms of both calculation and distribution.

**D. Attorneys' Fees, Litigation Expenses and Case Contribution Award**

Class Counsel plan to seek an award of attorneys' fees in the amount of \$368,750, which represents 25% of the Settlement Amount of \$1,475,000. Class Counsel's lodestar was \$368,950, which would produce a lodestar multiplier of 1.0 if the requested \$368,750 were awarded. We note that Class Counsel estimates it will expend an additional \$8,000 - \$18,000 in attorneys' time.



In our experience, the percentage requested and the lodestar multiplier are within the range of attorney fee awards for ERISA cases, with fees ranging up to one-third of the settlement amount and lodestar multipliers well above the requested 1.0. The Litigation also involved novel issues. In light of the work performed, the result achieved, the litigation risk assumed by Class Counsel, and the combination of the percentage and the lodestar multiplier, Fiduciary Counselors finds the requested attorneys' fees to be reasonable.

Class Counsel also plan to request reimbursement of \$14,010 in litigation costs, including expert (\$5,450), mediation fees (\$8,475) and miscellaneous expenses (\$85). Fiduciary Counselors finds those expenses to be reasonable. We note that Class Counsel expects to spend approximately \$8,000 - \$12,000 in additional expenses. We expect Class Counsel will request reimbursement for those expenses. We have no reason to believe they will be unreasonable, but we are unable to make a specific finding at this point.

Class Counsel also plan to seek a case contribution award of \$17,500 for Plaintiff Lance Baird. Mr. Baird provided approximately 100 hours of time working on issues relating to this case, finding the alleged error in his 401k account, evaluating the plan and account statements, talking to management and co-workers about the claims, meeting with counsel and the expert witness hired to help prosecute the action, preparing for and attending the mediation, and working with counsel on the settlement agreement. Fiduciary Counselors finds the requested case contribution award to be reasonable.

In sum, although the Court ultimately will decide what fees, expenses and case contribution award to approve, we find that the requested amounts are reasonable under ERISA.

## VI. PTE 2003-39 Determination

As required by PTE 2003-39, Fiduciary Counselors has determined that:

- **There is a genuine controversy involving the Plan.** We have determined that there is a genuine controversy involving the Plan. Based on the documents we reviewed and our calls with counsel, we find that there is a genuine controversy involving the Plan within the meaning of the Department of Labor Class Exemption, which the Settlement will resolve.
- **The Settlement terms, including the scope of the release of claims, the amount of cash received by the Plan, and the amount of any attorneys' fee award or any other sums to be paid from the recovery, are reasonable in light of the Plan's likelihood of full recovery, the risks and costs of litigation, and the value of claims foregone.**
- Plaintiff Lance Baird filed the Action under ERISA against his employer Hyatt. In the Complaint, he alleged that Hyatt breached its fiduciary obligations by excluding tipped income from the income eligible for deferral to the Plan, when the Plan defines tips as income subject to deferral. Mr. Baird asserted that the exclusion of credit-card tipped



income was “mandated” at all Hyatt locations, and that the failure to defer credit-card tipped income harmed participants by causing under-contribution to their 401(k) accounts.

Contrary to the allegations in the Complaint, (1) the issue arose only with respect to cashed-out tips, which only occurred in California and in a few other locations that required daily cash-outs of tipped earnings under the applicable collective bargaining agreement (2) tipped income, including cashed-out tips, was subject to deferral to the Plan; and (3) the issue only arose if the amount of a participant’s paycheck, after taking into consideration other deductions and withholdings, was insufficient to allow the participant to contribute the amount of Pay he or she actually elected. Plaintiff had a reasonable argument that in those circumstances, Plan practice before the February 1, 2022 effective date of the amendment did not conform to the terms of the Plan. Defendants had a reasonable argument that there was no practical way to conform to the literal terms of the Plan in those circumstances, and that the approach followed was the only reasonable way to administer the Plan.

After the effective date of the amendment, Plan practice conformed to the terms of the Plan, so the only remaining argument would be whether the amendment is contrary to the requirements of ERISA and the Internal Revenue Code because it is discriminatory. However, cashed-out tips are included for non-discrimination testing, whether for the Average Deferral Percentage test for 401(k) plans or, to the extent it applies, for the Average Benefit Percentage test under Section 410(b) of ERISA. Thus, we find that the amendment is consistent with ERISA and the Internal Revenue Code, and that it resolves the issues raised by the Litigation prospectively, so no injunctive relief is necessary.

Prior to Settlement, the remaining issues in dispute included (1) whether a three or six year “lookback period” applies, and (2) the proper rate of return. In addition, the parties disputed whether the February 1, 2022 amendment to the Plan prospectively cured the dispute. If the Action continued to trial, Defendants would have argued that the claims were subject to a three-year statute of limitations and relief should be measured from March 10, 2019 (three years before the filing of the Complaint); that the weighted average rate of return was the proper rate to use as to the missed deferrals; and that the Amendment cured the dispute prospectively. Plaintiffs would have argued that a six-year statute of limitations applies, that the Department of Labor’s VFCP Calculator should be used to calculate lost earnings, and possibly that the Amendment did not cure the dispute prospectively.

To calculate losses, Defendants provided data relating to the missed deferral opportunities and a schedule for the average weighted returns to determine lost earnings. Plaintiffs used the data but applied the Department of Labor’s VFCP Calculator to calculate lost earnings<sup>1</sup>.

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<sup>1</sup> We reviewed and took into account the detailed discussion of the issues, calculations and results in the parties’ Mediation Statements. We do not discuss them in detail here because they are confidential documents and were provided to us on the condition of confidentiality.

The size of the Settlement is \$1,475,000, which represents approximately 57% of the upper end of Plaintiff's estimated damages. The \$1,475,000 Settlement Amount is a fair and reasonable recovery given the defenses the Defendants would have asserted, the range of potential damages, the risks involved in proceeding to trial, and the possibility of reversal on appeal of any favorable judgment.

Given the substantial expense and risk involved in further litigation, the risks involved in prevailing on the merits and establishing damages, and the delay that would have resulted in providing any relief to the Class if the matter had been prolonged through trial and appeal, the amount of the Settlement is reasonable.

Fiduciary Counselors also finds the other terms of the Settlement to be reasonable, including the scope of the release, attorneys' fees, the requested Case Contribution Award to the Class Representative, and the Plan of Allocation.

- **The terms and conditions of the transaction are no less favorable to the Plan than comparable arm's-length terms and conditions that would have been agreed to by unrelated parties under similar circumstances.** As indicated in the finding above, Fiduciary Counselors determined that Class Counsel obtained a favorable agreement from Defendants in light of the challenges in proving the underlying claims. The agreement also was reached after arm's-length negotiations supervised by mediator Robert Meyer.
- **The transaction is not part of an agreement, arrangement or understanding designed to benefit a party in interest.** Fiduciary Counselors found no indication the Settlement is part of any broader agreement between Defendants and the Plan.
- **The transaction is not described in PTE 76-1.** The Settlement did not relate to delinquent employer contributions to multiple employer plans and multiple employer collectively bargained plans, the subject of PTE 76-1.
- **All terms of the Settlement are specifically described in the written settlement agreement and the plan of allocation.**
- **The Plan is receiving no assets other than cash in the Settlement.** Therefore, conditions in PTE 2003-39 relating to non-cash consideration and extensions of credit do not apply.
- **Acknowledgement of fiduciary status.** Fiduciary Counselors has acknowledged in its engagement that it is a fiduciary with respect to the settlement of the Litigation on behalf of the Plan.
- **Recordkeeping.** Fiduciary Counselors will keep records related to this decision and make them available for inspection by the Plan's participants and beneficiaries as required by PTE 2003-39.

- **Fiduciary Counselors' independence.** Fiduciary Counselors has no relationship to, or interest in, any of the parties involved in the litigation, other than the Plan, that might affect the exercise of our best judgment as a fiduciary.

Based on these determinations about the Settlement, Fiduciary Counselors (i) authorizes the Settlement in accordance with PTE 2003-39; and (ii) gives a release in its capacity as a fiduciary of the Plan, for and on behalf of the Plan. Fiduciary Counselors also has determined not to object to any aspect of the Settlement.

Sincerely,



Stephen Caflisch

Senior Vice President & General Counsel

# EXHIBIT E1

**STRATEGIC CLAIMS SERVICES  
225 STATE ROAD  
MEDIA, PA 19063  
610-298-1193**

September 21, 2023

Ronald S. Kravitz, Esquire  
MILLER SHAH LLP  
456 Montgomery Street, Ste. 1900  
San Francisco, CA 94104

Re: BAIRD VS HYATT CORPORATION - ERISA CASE

Dear Mr. Kravitz:

Enclosed please find a proposal on which Strategic Claims Services (SCS) would provide administrative services in the above-referenced matter. Our services will include:

- Establishing and monitoring a website for this settlement to include change of address form; information form regarding a direct rollover request; Long Notice; Summary Notice; settlement agreement and other settlement documents.
- Set up a toll-free number for Class Members to call.
- Bank set-up and other bank matters.
- Issue 1099 forms for counsel and other payments.
- Assist in type-set preparation of Notice Form and Summary Notice.
- Publication of Summary Notice in nation distribution newswire.
- Set up a database with names, addresses, etc. of all Class Members.
- Update and maintain a database to include updated contact information as provided from phone calls, emails, skip tracing, forwarding mail and other sources.
- Mailing and labeling 1,048 Notice Forms.
- Handle and track all phone calls related to this settlement.
- Perform upfront skip tracing searches for updated addresses.

Ronald S. Kravitz, Esquire /September 21, 2023/ Page 2

- Re-mailing of returned Notice Forms to the extent forwarding addresses are provided.
- Answer and maintain files of all incoming correspondence.
- Perform an IRS TIN verification and obtain corrected TINS, if required.
- Update database to include changes to names and addresses.
- Provide periodic status reports. Provide information and compile reports upon request by counsel and/or the Court.
- Provide affidavits on administrative procedures performed and results thereof.
- Calculation and verification of each class member's payout amount.
- Coordinate stuffing, labeling, postal metering and mailing checks to 728 class members.
- Print and mail 1099R forms to 728 class members.
- Form 945 federal withholding tax filing including one amended Form 945 tax filing.
- Compliance with IRS 468 regulations for Qualified Settlement Funds and preparation and filing of 1120 SF income tax return.

SCS will bill for our services at hourly rates as listed in Exhibit A. In addition, we will be reimbursed for our out-of-pocket expenses for printing, postage, supplies, phone, copying, skip-tracing and other out of pocket expenses. **Attached as Exhibit B is an estimate of our fees and out of pocket expenses, excluding costs to publish a national distribution newswire, totaling \$13,750<sup>1</sup> for performing the above tasks. SCS will cap its fees and expenses at \$14,450.**

Please review the attached proposal and contact me if there are any questions or comments you may have. We appreciate this opportunity to be of service and look forward to working on this project with you.

Sincerely,

*Paul Mulholland*

Paul Mulholland

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<sup>1</sup> This excludes the "pass through" costs of publication of a summary notice in a national distribution newswire.

EXHIBIT A

**Strategic Claims Services - Hourly Rates**

|   |                    |
|---|--------------------|
| Data Entry/Clerical/Customer Service Reps | \$55.00 to \$75.00 |
| Administrative                            | \$95.00            |
| Assistant Project Administrators          | \$95.00            |
| Project Administrators                    | \$115.00           |
| Senior Project Administrators             | \$125.00           |
| Project Supervisors                       | \$155.00           |
| Project Manager                           | \$170.00           |
| Directors                                 | \$185.00-\$250.00  |
| President                                 | \$425.00           |

EXHIBIT B

|   | <u>#</u>            |
|---|---------------------|
| <b><u>Assumptions:</u></b>  |                     |
| Number of Notice Printed and Mailed                                       | 1,078               |
| Active Class Members  | 350                 |
| Former Class Members  | 728                 |
| Estimated Undeliverable Mailings (15% of Former and 5% of Active)         | 127                 |
|   | <u>\$</u>           |
| <b><u>Types of Costs:</u></b>   |                     |
| Case set up fee (phone, notice and other set-up)                          | \$1,000             |
| Publication of Summary Notice in Newswire                                 | TBD                 |
| Printing and mailing 1,078 Notice Forms and                               | \$1,617             |
| Emails  | \$100               |
| Skip Tracing charges  | \$32                |
| Handling undeliverables   | \$190               |
| Forwarding and remails  | \$171               |
| Website set up and monitoring   | \$2,140             |
| Labor cost for handling and responding to questions from phone calls      | \$1,000             |
| Labor cost for providing reports, affidavits, consulting and project mgt. | \$2,250             |
| Mailing out checks  | \$1,100             |
| 1099Rs for former class members   | \$1,500             |
| Phone charges   | \$500               |
| Filing a federal and state income for one year under the 468 Regulations  | \$1,750             |
| Other out-of-pocket expenses  | <u>\$400</u>        |
| Total estimated fees and out of pockets                                   | <u>\$13,750</u>     |
|   | CAP <u>\$14,450</u> |



# EXHIBIT E2

**ILYM | GROUP, Inc.**

SETTLEMENT ADMINISTRATION EXPERTS

**Case Name: Lance Baird v. Hyatt Corporation et al., C.D. Cal.****Wednesday, August 30, 2023**

|                     |                       |
|---------------------|-----------------------|
| Attorney Contact:   | Josh Staub            |
| E-Mail Address:     | josh@djoshuastaub.com |
| ILYM Group Contact: | Lisa Mullins          |
| E-Mail Address:     | Lisa@ilymgroup.com    |
| Contact Number:     | 714.878.8836          |

**ESTIMATE FOR ADMINISTRATION SOLUTIONS****ASSUMPTIONS**

|  |     |
|--|-----|
| Estimated Class Size                       | 900 |
| Estimated Percentage of Undeliverable Mail | 20% |
| ILYM Group Dynamic Website                 | Yes |
| Certified Spanish Translation              | No  |
| NCOA                                       | No  |

**Activity****Rate Type****Unit Cost****Volume****Amount****CASE STARTUP**

|   |        |          |   |          |
|---|--------|----------|---|----------|
| Initial Setup - <i>Import and Formatting of Data*</i> | Hourly | \$150.00 | 3 | \$450.00 |
| Programming of Class Database                         | Hourly | \$175.00 | 3 | \$525.00 |

*\*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

**Subtotal \$975.00****PROJECT MANAGEMENT**

|  |          |            |   |            |
|--|----------|------------|---|------------|
| Project Manager (Case notification and maintenance)                  | Hourly   | \$120.00   | 4 | \$480.00   |
| Staff Hours for Processing Returned Mail                             | Hourly   | \$70.00    | 3 | \$210.00   |
| Staff Hours for Processing Opt-Outs, Disputes & Objections via, Mail | Hourly   | \$70.00    | 3 | \$210.00   |
| Report Processing  | Hourly   | \$70.00    | 4 | \$280.00   |
| NCOA   | Flat Fee | \$200.00   | 1 | \$200.00   |
| Toll-Free Call Center Support  | Flat Fee | \$250.00   | 1 | \$250.00   |
| ILYM Group Dynamic Website, with SignBlue                            | Flat Fee | \$2,500.00 | 1 | \$2,500.00 |
| Website Hosting  | Monthly  | \$150.00   | 6 | \$900.00   |
| Status Reports   | Flat Fee | \$750.00   | 1 | Waived     |

**Subtotal \$5,030.00**

**ILYM | GROUP, Inc.**

SETTLEMENT ADMINISTRATION EXPERTS

| Activity | Rate Type | Unit Cost | Volume | Amount |
|----------|-----------|-----------|--------|--------|
|----------|-----------|-----------|--------|--------|

**NOTIFICATION/MAILING**

|  |           |          |     |            |
|--|-----------|----------|-----|------------|
| Fulfillment of Notice, English & Spanish     | Per Piece | \$1.50   | 900 | \$1,350.00 |
| USPS First Class Postage                     | Per Piece | \$0.63   | 900 | \$567.00   |
| Re-Mails (Skip Trace/Undeliverable/Requests) | Per Piece | \$2.00   | 180 | \$360.00   |
| Storage, Photocopies, Deliveries             | Flat Fee  | \$336.00 | 1   | \$336.00   |

**Subtotal      \$2,613.00**

**DISTRIBUTION (Includes EIN, Bank Acct \* /QSF Setup)**

|   |           |            |     |            |
|---|-----------|------------|-----|------------|
| Distribution Setup & Management                 | Hourly    | \$150.00   | 4   | \$600.00   |
| Account Reconciliation & Distribution Reporting | Hourly    | \$125.00   | 4   | \$500.00   |
| Check Stub & Release - (including W-2 & 1099)   | Per Check | \$1.00     | 900 | \$900.00   |
| Check Mailing Postage                           | Per Piece | \$0.63     | 900 | \$567.00   |
| Re-Mails (Skip Trace/Undeliverable/Requests)    | Per Piece | \$1.50     | 90  | \$135.00   |
| Preparation of Taxes                            | Hourly    | \$125.00   | 5   | \$625.00   |
| Annual Filing of Tax Return                     | Per Year  | \$1,500.00 | 1   | \$1,500.00 |

*\*Additional Bank fees may apply*

**Subtotal      \$4,827.00**

**CASE CONCLUSION**

|  |          |          |   |          |
|--|----------|----------|---|----------|
| Data Manager Final Reporting                 | Hourly   | \$100.00 | 4 | \$400.00 |
| Project Manager Final Reporting              | Hourly   | \$120.00 | 4 | \$480.00 |
| Process Uncashed Funds to Unclaimed Property | Flat Fee | \$750.00 | 1 | \$750.00 |
| Declarations                                 | Hourly   | \$125.00 | 3 | \$375.00 |

**Subtotal      \$2,005.00**

**Total Case Estimate:    \$15,450.00**

# Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

**Services:** Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

**Mailing and Data Conversion:** ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

**Charges for Services:** Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

**Indemnification:** Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

**Payment of Charges:** ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

**Confidentiality:** ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

**Data Rights:** ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

**Document Retention:** Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

**Limitation of damages:** ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

**Termination:** The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

**Notice:** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

**Force Majeure:** To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

**Waiver of Rights:** No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

**Jurisdiction:** The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

**Entire Agreement:** These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

# EXHIBIT E3



3194-C Airport Loop Drive  
Costa Mesa, CA 92626  
800-779-2104  
www.simpluris.com

|                           |                 |              |                        |
|---------------------------|-----------------|--------------|------------------------|
| Estimate Number:          | 20230830-JJK-02 | Prepared By: | Jacob Kamenir          |
| Estimate Date:            | 8/30/2023       |              | 612-208-7322           |
| Estimate Expiration Date: | 11/28/2023      |              | jkamenir@simpluris.com |

| Primary Contact |                               | Additional Contact |  |
|-----------------|-------------------------------|--------------------|--|
| Name:           | <b>D. Joshua Staub</b>        | Attorney:          |  |
| Firm:           | Law Office of D. Joshua Staub | Firm:              |  |
| Email:          | josh@djoshuastaub.com         | Email:             |  |

**Case Name:** *Lance Baird v. Hytatt Corporation, et al*  
Case No. 2:22-CV-01620

## Assumptions

In addition to the assumptions enumerated below, this estimate assumes that

- (1) Simpluris will receive data in a single, complete file; (2) there will be no substantial change to class size or in response rate;
- (3) administration costs will be paid from the QSF, and (4) Simpluris will submit revisions to this estimate to account for any material changes to scope.

|                               |            |                                |           |
|-------------------------------|------------|--------------------------------|-----------|
| Anticipated Class Size:       | 900        | Undeliverable Rate:            | 10%       |
| Claims Rate:                  | n/a        | Mail Skip Trace Success Rate:  | 75%       |
| Opt-out Rate:                 | 0.1%       | Email Skip Trace Success Rate: | 70%       |
| Language(s) for Communication | EN         | Call Rate:                     | n/a       |
| Reminder Mailing:             | n/a        | Average Call Length:           | n/a       |
| Unclaimed Funds:              | TBD        | Fund Distribution:             | Simpluris |
| State(s):                     | CA, IL, NY | Number of Distributions:       | 2         |
| Length of Administration:     | 24 Months  | Tax Year(s):                   | 2         |

## Case Setup

- Data compilation: develop case-specific response tracking
- Establish case website with functionality for class members to opt out, or change contact information

| Category   | Unit Value | # of Units | Total             |
|--|------------|------------|-------------------|
| Project Manager - Case Setup                         | \$125.00   | 4          | \$500.00          |
| Interactive Class Website                            | \$2,500.00 | 1          | \$2,500.00        |
| Website Hosting and Security Monitoring and Tracking | \$135.00   | 24 Months  | \$3,240.00        |
| Database Manager - Initial Data Analysis             | \$140.00   | 2          | \$280.00          |
| Weekly Reporting for 24 months (hourly rate)         | \$100.00   | 11         | \$1,100.00        |
| <b>Total:</b>  |            |            | <b>\$7,620.00</b> |

## Notice and Communications

- Email notice, if email address is available; assume 50%
- Postcard notice, if email address is not available; assume 50%

| Category  | Unit Value | # of Units | Total             |
|---|------------|------------|-------------------|
| CAFA Notice, State                                | \$250.00   | 3          | \$750.00          |
| Establish Email Campaign                          | \$400.00   | 1          | \$400.00          |
| Email Notice                                      | \$0.04     | 450        | \$18.00           |
| Undeliverable Processing and Skip Trace           | \$0.35     | 45         | \$15.75           |
| Re-email Notice (assuming 70% skip trace success) | \$0.05     | 32         | \$1.60            |
| Notice Postcard                                   | \$0.15     | 463        | \$69.45           |
| Postcard Postage                                  | \$0.48     | 463        | \$222.24          |
| NCOA/CASS/LACS                                    | \$0.10     | 463        | \$46.30           |
| Undeliverable Processing and Skip Trace           | \$0.35     | 47         | \$16.45           |
| Remail Notice (assuming 75% skip trace success)   | \$0.85     | 36         | \$30.60           |
| Remail Postage                                    | \$0.48     | 36         | \$17.28           |
| Mailing Supervisor                                | \$50.00    | 4          | \$200.00          |
| <b>Total:</b>                                     |            |            | <b>\$1,787.67</b> |

## Administration

- Process incoming class and counsel communications, opt-outs, and objections for duration of 24-month administration

| Category           | Unit Value | # of Units | Total             |
|--------------------|------------|------------|-------------------|
| Database Manager   | \$140.00   | 2          | \$280.00          |
| Project Manager    | \$125.00   | 20         | \$2,500.00        |
| Opt-out Processing | \$3.50     | 1          | \$3.50            |
| <b>Total:</b>      |            |            | <b>\$2,783.50</b> |

## Award Disbursement

- Establish 26 CFR § 1.468B-1 compliant Qualified Settlement Fund ("QSF")
- Conduct regular and annual IRS-mandated QSF reporting and reconciliation (one per calendar year)
- Complete all required filings with state and federal tax authorities
- Assuming 50% of class will be "Former Participants" entitled to a payment by check
- Assuming 25% of checks will be uncashed after initial disbursement check-cashing deadline passes

| Category                                    | Unit Value | # of Units | Total              |
|---|------------|------------|--------------------|
| Disbursement Data Preparation               | \$140.00   | 8          | \$1,120.00         |
| Disbursement Manager - Data Validation      | \$100.00   | 1          | \$100.00           |
| Setup Banking Account/QSF                   | \$750.00   | 1          | \$750.00           |
| QSF Monthly Reconciliation and Maintenance  | \$200.00   | 24         | \$4,800.00         |
| <b>Initial Disbursement</b>                 |            |            |                    |
| Print & Mail Check and Tax Documents        | \$0.75     | 450        | \$337.50           |
| Postage                                     | \$0.63     | 450        | \$283.50           |
| Process Returned Checks (assuming 5%)       | \$0.25     | 23         | \$5.75             |
| Skip Trace Search Undeliverable Checks      | \$0.35     | 23         | \$8.05             |
| Remail Checks (includes postage)            | \$2.50     | 23         | \$57.50            |
| <b>Second Attempt Disbursement</b>          |            |            |                    |
| Print & Mail Check and Tax Documents        | \$0.65     | 113        | \$73.45            |
| Postage                                     | \$0.48     | 113        | \$54.24            |
| Process Returned Checks (assuming 5%)       | \$0.25     | 6          | \$1.50             |
| Skip Trace Search Undeliverable Checks      | \$0.35     | 6          | \$2.10             |
| Remail Checks (includes postage)            | \$2.50     | 6          | \$15.00            |
| QSF Reporting and Final Declaration         | \$500.00   | 1          | \$500.00           |
| QSF Annual Tax Reporting and Reconciliation | \$1,350.00 | 2          | \$2,700.00         |
| Distribution Manager                        | \$125.00   | 8          | \$1,000.00         |
| <b>Total:</b>                               |            |            | <b>\$11,808.59</b> |

## Case Completion

- Final audit and review
- Send final declaration and reporting to counsel

| Category                             | Unit Value | # of Units | Total           |
|--------------------------------------|------------|------------|-----------------|
| Data Manager-Final Reporting         | \$140.00   | 2          | \$280.00        |
| Clerical-Clean Up Any Misc.          | \$50.00    | 1          | \$50.00         |
| Project Manager-Wrap-up Final Issues | \$125.00   | 2          | \$250.00        |
| <b>Total:</b>                        |            |            | <b>\$580.00</b> |

**Total Estimated Cost of Administration: \$24,579.76**

**Total Capped Cost of Administration: \$30,000.00**

## Below-the-Line Options

| Category   | Unit Value | # of Units | Total      |
|--|------------|------------|------------|
| Call Center with Dedicated 800 Number, 24 Months | \$2,500.00 | 1          | \$2,500.00 |



# Simpluris Overview

Simpluris has administered over 9,000 matters, managed over \$8 billion in settlement funds, and provided its services for over 15 years. Our beginning-to-end services include complete project management, mailings & notification campaigns, contact center, legal intake, data management, disbursements & tax reporting, among others. Our offices are in California & Florida to provide comprehensive coverage across the US.

## Technology Driven Legal Administration

Our internally developed Cadence™ case management platform was designed from the ground up to serve a multitude of industries and verticals in the federal, state, and private sectors, including consumer, employment, insurance, banking, data breach, remediation, and mass tort cases. Simpluris built the platform to handle the entire lifecycle of a project alongside our highly trained in-house experts.

## Extensible Solution, Flexible Architecture

With an extensible application model, we can provide your firm with the ability to manage all your matters in a highly flexible architecture while enhancing your existing processes, document management, and reporting tools. Add to this Simpluris' LiveCase™ real-time case/matter reporting dashboard, and you have 24/7 access to all your matters with a click of a button.

## Cadence™ – Robust Enterprise Software For Legal And Financial Administration

Cadence™ provides for a centralized, unified legal processing platform. It includes detailed QA and audit controls and history in over 30 areas and the flexibility to handle nearly any legal process. It has proven to scale across thousands of projects and millions of records with Amazon's secure AWS cloud hosting. With a comprehensive security posture, we can meet various compliance & regulatory requirements.

## Technology Infrastructure

Simpluris has invested in a single, central, robust operational web application for the past 15+ years employing best-of-breed technologies (e.g., C#/.Net/SQL Microsoft stack, Amazon AWS, JavaScript frameworks) and Agile software development methodologies. We utilize multiple environments to test and ensure a consistent operation of our platform. We also employ redundant application and database servers to prevent downtime and data loss.

## Security Focused

Security must be a primary goal in everything a data handling firm does in today's world. Simpluris starts with industry best practices role-based functionality, where users only have access to information and functionality determined by their respective roles. Simpluris utilizes encryption at rest (storage & database column level) and encryption in transit to protect your data throughout your matter. Simpluris routinely conducts penetration tests to validate and harden our security infrastructure to ensure client data is well protected.

Strategize with one of our experts

(800) 779-2104 | 3194-C Airport Loop Dr., Costa Mesa, CA 92626 | [simpluris.com](https://www.simpluris.com)





# Security Summary – White Paper



Simpluris is committed to the security and overall protection of its own and its customer's data and information. As demonstration of our commitment, we maintain SOC 2 certification which requires us to adhere to strict policies and procedures surrounding information security including processing and storage of confidential customer data. Simpluris has and maintains a comprehensive, written Information Security Program that complies with all applicable laws and regulations (e.g. HIPAA, Gramm-Leach-Bliley Act, MA 201 CMR 17.00) and that is designed to (a) ensure the security, privacy and confidentiality of Client and Class Member Information, (b) protect against any reasonably anticipated threats or hazards to the security or integrity of Client or Class Member Information, and (c) protect against unauthorized access to, use, deletion, or modification of Class Member Information. Simpluris has designated specific employees to be responsible for the administration of its Information Security Program. In addition, Simpluris regularly monitors, tests, and updates its Information Security Program.

Simpluris uses Client and Class Member Information only for the purposes for which its' clients provide it, as described in any Agreements or Court Orders governing the provision of Simpluris' services in any particular case. Simpluris has and maintains a process for identifying, assessing, and mitigating the risks to Class Member Information in each relevant area of Simpluris' operations and evaluating the effectiveness of the safeguards for controlling these risks. Simpluris restricts access to Class Member Information only to those employees, agents, or subcontractors who need to know the information to perform their jobs. Simpluris performs background checks of all its employees that will have access to Sensitive Personal Information, including a review of their references, employment eligibility, education, and criminal background to ensure they do not pose a risk to the security of Client or Class Member Information.

Simpluris adheres to the following industry best practices to safeguard its systems which process, store or transmit Client and Class Member Information:

- Identity and Access Management.
- Complex passwords that must be changed regularly.
- Role-based access control systems to limit individual employee access to network applications and systems based on their specific job role and function.
- Data Loss Prevention and Intrusion Prevention System software at multiple layers to prevent from internal and external threats of data leaks, malicious activity, and policy violations.
- Encryption of Class Member Information in if it is transmitted over public or wireless networks (e.g., via email, ftp, Internet, etc.).
- Implementation of a Secure File Transfer system (using SSL encryption) for transmitting documents back and forth to clients.
- Encryption of servers, portable media, laptops, desktops, smartphones, mobile devices, and new technologies that store Class Member Information.
- Complex password authentication for remote access to Company's networks.
- Upon hire and annually thereafter, training of all employees with access to Class Member Information, (including any agents, and subcontractors with access to Class Member Information) about their obligations to implement the Information Security Program.
- Disciplinary measures for employees who violate the Information Security Program.
- Preventing terminated employees from accessing Class Member Information.
- Appropriately configured and updated firewall, antivirus, and spyware software.
- Prompt application of vendor-recommended security patches and updates to systems and other applications to avoid any adverse impact to Class Member Information.
- Separation of Duties.
- Infrastructure and Physical Security.
- Business Continuity Planning.
- Disaster Recovery Planning.

# Terms and Conditions

All administration services to be provided by Simpluris to Client, are provided subject to the following terms and conditions ("Agreement"):

**1. Services:** Simpluris agrees to provide Client those services set forth in the Proposal (the "Services") to which these terms and conditions are attached and which has been provided to Client. As compensation for such Services, Client agrees to pay the fees for Services outlined in the Proposal. Simpluris will often take direction from Client's representatives, employees, agents and or professionals (collectively, the "Client Parties") with respect to the Services. The parties agree that Simpluris may rely upon, and Client agrees to be bound by, any direction, advice or information provided by the Client Parties to the same extent as if provided by Client. Client agrees and understands that Simpluris shall not provide Client or any other party with any legal advice.

**2. Fee Estimates Not Binding:** Simpluris and Client acknowledge that it is difficult to determine all necessary work required for the Services or the total amount of fees that may be incurred in performing the Services. Client agrees that fees for Services described in the Proposal are estimated based on the requirements provided by Client. Actual fees charged by Simpluris may be greater or less than such estimate. Client specifically agrees that it will be responsible for the payment of all such fees. Simpluris will provide estimates and budgets, but they are not intended to be binding; are subject to unforeseen circumstances, and by their nature are inexact.

**3. Billing and Payment:** Simpluris will invoice Client on a regular basis unless a specific timeframe is otherwise set forth in the Proposal. Client shall pay all invoices within 30 days of receipt. Amounts unpaid after thirty (30) days are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Services are not provided on a contingency basis and Client shall remain liable to Simpluris for all fees incurred by Simpluris in performing the Services, regardless of any circumstance that impacts the outcome of Client's matter, including but not limited to, court decisions, actions by the parties, or a failure to consummate a settlement.

**4. Further Assurances:** Client agrees that it will use its best efforts to include provisions reasonably acceptable to Simpluris in any relevant court order, settlement agreement or similar document that provide for the payment of Simpluris' fees and expenses hereunder. No agreement to which Simpluris is not a party shall reduce or limit the full and prompt payment of Simpluris' fees and expenses as set forth herein and in the Proposal.

**5. Rights of Ownership:** The parties understand that the software programs and other materials furnished Simpluris to Client and/or developed during the course of the performance of Services are the sole property of Simpluris. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. Client agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished to Client. Fees and expenses paid by Client do not vest in Client any rights in such property, it being understood that such property is only being made available for Client's use during and in connection with the Services provided by Simpluris.

**6. Bank Accounts:** Simpluris will establish a demand deposit checking account (i.e. non-interest bearing) for funds received related to a distribution, unless directed otherwise in writing by the parties or unless the settlement agreement stipulates otherwise. Simpluris may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and compensation for services Simpluris performs for financial institutions to be eligible for FDIC deposit insurance. The amounts held pursuant to these Terms and Conditions are at the sole risk of Client and, without limiting the generality of the foregoing, Simpluris shall have no responsibility or liability for any diminution of the fund that may result from any deposit made with a financial institution including any losses resulting from a default by such institution or other credit losses. It is acknowledged and agreed that Simpluris will have acted prudently in depositing the fund at such institution.

**7. Retention of Documents & Data:** Unless otherwise required in writing by the Client or court orders, all returned/undeliverable physical documents will be securely shredded after the data has been confirmed uploaded to our systems. Simpluris will retain bank and tax documents for such period of time as it determines is required to maintain compliance with various federal and state law requirements. Unless otherwise required in writing by the Client or court orders, Simpluris will adhere to the Company's data deletion policies and will destroy all remaining project-related information from our systems three (3) years after the conclusion of the project. Storage beyond three (3) years is available upon request and will be billed as incurred.

**8. Limitation of Liability; Disclaimer of Warranties:** Simpluris warrants that it will perform the Services diligently, with competence and reasonable care. In no event will Simpluris be liable to Client or any third party for any claims, losses, costs, penalties, fines, judgments, tax activities, lost profits or business opportunities, business interruptions or delay, special, exemplary, punitive, consequential, indirect or incidental damages relating to the performance of the Services, regardless of whether Client's claim is for breach of contract, tort (including negligence and strict liability) or otherwise, regardless of whether such damage was foreseeable and whether such party has been advised of the possibility of such damages. Simpluris' cumulative liability for damages to Client hereunder will be limited to the total fees charged or chargeable to Client for the particular portion of the Services affected by Simpluris' omission or error. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

**9. Force Majeure:** To the extent performance by Simpluris of any of its obligations hereunder is substantially prevented or delayed by reason of any act of God, flood, fire, earthquake or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date

that Simpluris began performing Services, epidemic, pandemic, quarantine, civil commotion, national or regional emergency, strikes, labor stoppages or slowdowns or other industrial disturbances, passage of Law or any action taken by a governmental or public authority, including imposing an export or import restriction, quota, or other restriction or prohibition or any complete or partial government shutdown, or national or regional shortage of adequate power or telecommunications or transportation or because of any other matter beyond Simpluris' reasonable control, then Simpluris' performance shall be excused and this Agreement, at Simpluris' option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

**10. Rights in Data:** Client agrees that it will not obtain, nor does Simpluris convey, any rights of ownership in the programs, system data, or materials provided or used by Simpluris in the performance of the Services.

**11. Electronic Communications:** During the provision of the Services, the parties may wish to communicate electronically with each other at a business e-mail address. However, the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, each party agrees to use commercially reasonable procedures to check for the then most commonly known viruses and to check the integrity of data before sending information to the other electronically, but each party recognizes that such procedures cannot be a guarantee that transmissions will be virus free. It remains the responsibility of the party receiving an electronic communication from the other to carry out a virus check on any attachments before launching any documents whether received on disk or otherwise.

**12. Notice:** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, by, or sent by registered mail, postage prepaid, or overnight courier to the address identified by each Party in the Proposal. Notice shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service. Notice should be addressed to an officer or principal of Client and Simpluris, as the case may be.

**13. Waiver:** Failure or delay on the part of a party to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any of other subject, right, power or privilege.

**14. Termination:** Client may terminate the Services at any time upon 30 days prior written notice to Simpluris. Termination of Services shall in no event relieve Client of its obligation make any payments due and payable to Simpluris for Services rendered up to the effective date of Termination. Simpluris may terminate this Agreement (i) for any reason upon no less than 60 days prior written notice to the Client; or (ii) upon 15 calendar days' prior written notice if the Client is not current in payment of fees.

**15. Jurisdiction:** These Terms and Conditions will be governed by and construed in accordance with the laws of the state of California, without giving effect to any choice of law principles.

**16. Survival:** Any remedies for breach of this Agreement, this Section and the following Sections will survive any expiration or termination of this Agreement: Section 4 - Limitation of Liability; Disclaimer of Warranties, Section 6 – Rights in Data, and Section 12- Jurisdiction, 14 -Confidentiality, and Section 15 – Indemnification.

**17. Confidentiality:** Simpluris maintains reasonable and appropriate safeguards to protect the confidentiality and security of data provided by Client to Simpluris in connection with the Services. If, pursuant to a court order or other proceeding, a third-party requests that Simpluris to disclose any confidential data provided by or for Client, Simpluris will promptly notify the Client unless prohibited by applicable law. Client will then have the option to provide Simpluris with qualified legal representation at Client's expense to defend against such request. If, pursuant to a court order, Simpluris is required to disclose data, produce documents, or otherwise act in contravention of the obligation to maintain confidentiality set forth in these terms and conditions, Simpluris will not be liable for breach of said obligation.

**18. Indemnification:** Client will indemnify and hold Simpluris (and the officers, employees, affiliates and agents) harmless against any losses whatsoever incurred by Simpluris, arising out of any action by a third party, including governmental agencies, in connection with , or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by Simpluris in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by Simpluris pursuant to Client's instructions.

**19. Severability:** If any term or condition or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**20. Database Administration:** Simpluris' database administration for Client assumes that Client will provide complete data that includes all information required to send notifications and calculate and mail settlement payments. Data must be provided in a complete, consistent, standardized electronic format. Simpluris' standardized format is Microsoft Excel, however, Simpluris may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by Simpluris on a time and materials basis according to Simpluris' Standard Rates.

**21. Entire Agreement:** These Terms and Conditions together with the Proposal constitutes the entire agreement between the parties with respect of the subject matter hereof and supersede all prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

# EXHIBIT F

*Phone Calls*

We tailor our Call Center to the needs of each settlement, we can provide an automated approach using the latest IVR technology or, if counsel prefers, we offer a more personal approach and have one of our highly trained staff answer the phone and help the Class member with any issue they may have. We also offer Call tracking for each case, detailing the claimants question, and reporting on the total number of calls received.

*Email*

If a client requests it, we can provide a dedicated email address for each settlement where Class members can correspond and receive prompt answers from one of our highly trained staff.

*Website*

On request, we can provide a dedicated website for a settlement where all pertinent data and forms can be easily accessed by class members. Using these websites class counsel can quickly and easily communicate the class with ongoing updates and status changes in the Settlement.

**DISTRIBUTION**

*Checks*

We have handled distributions of all sizes and values, ranging from a few hundred checks, to hundreds of thousands of checks worth millions of dollars. We monitor all our bank accounts on a daily basis using a Postive Pay system to ensure our clients that only checks we issued will be cashed

*Taxation*

SCS can handle all taxation needs for a settlement. From calculating and paying taxes on the interest earned in the Settlement Fund, to withholding Federal and State taxes on wage cases, our staff of Certified Public Accounts ensure that all filing requirements are met

**Paul Mulholland, CPA, CVA**  
President

*As the founder, Mr. Mulholland is the key liaison with counsel on all administrative cases. He holds a BS degree in Accounting from Wheeling Jesuit University and is a Certified Public Accountant and a Certified Valuation Analyst. He is a member of the AICPA and NACVA.*

**Matthew Shillady**  
Operations Manager

*Mr. Shillady overlooks all areas of operations and systems management. Matthew is an expert in database management and computer systems. Matthew Shillady is a graduate of Penn State University. He holds a BS degree in Information Sciences and Technology Integration with substantial experience in data integration and database systems. Mr. Shillady has been with Strategic Claims since June of 2003.*

**Josephine Bravata**  
Quality Assurance Manager

*Ms. Bravata is involved with all areas of claims administration. She supervises the claims processing, database management, notification, bank reconciliations, check distributions and preparation of reports. Ms. Bravata joined the Company in 2001 after graduating from Neumann College. She has a BS degree in Accounting and a Minor in Computer and Information Management.*

**"I want to express my appreciation for the excellent work that Strategic Claims Services has provided to-date in administering the Blue Cross settlement. You and your staff have been timely, responsive and have made the claims administration process efficient and effective. Thank you for all your hard work."**

**Mike Karnuth, Esq.**  
**Krislov & Associates, Ltd.**

# STRATEGIC CLAIMS SERVICES

Strategic Claims Services  
600 North Jackson Street  
Suite 3  
Media, PA 19063

PHONE  
866.274.4004  
610.891.9852

FAX  
610.565.7985

EMAIL  
pmulholland@strategicclaims.net

**"Your able and conscientious handling of this matter is much appreciated."**

**Honorable William C. Connor**  
United States District Judge  
Southern District of New York  
Administration of the Texaco ERISA  
Litigation Settlement



## OUR MISSION

*Strategic Claims Services strives to offer high quality claims administration and unmatched solutions to its clients while maintaining exceptional client relationships.*

» *We supply customized reports and detailed reviews of the Administration process so clients can stay well informed and up-to-date on any aspect of the administration process.*

» *We provide unsurpassed customer relations through our fully trained claims administrators who answer each call personally and assist our clients with their knowledge and expertise.*

» *We tailor a solution to each class action to ensure compliance with all the court and settlement documents.*

» *We strive to be proactive to alert our clients of any shortfalls or hang-ups in the administration process*

## OUR HISTORY

Strategic Claims Services (SCS) was established in 1999 to provide support in managing, planning, implementing and administering class action litigations. The highly skilled staff consists of Certified Public Accountants, Information Technology professionals, experienced managers, bookkeepers and support staff.

With over a decade of experience in hundreds of cases involving notification, claims processing and distribution. SCS develops a custom solution for each and every client to ensure the highest quality service at a competitive price. SCS is devoted to offering paramount quality control throughout all dimensions of the claims administration process.

As an innovator in claims administration services, SCS is a technology driven organization with a proven track record to handle cases of all sizes in a cost-effective and efficient manner. The firm also provides tailored proposals, data management, and consultation.

## CLASS NOTIFICATION

Strategic Claims Services offers many different options for both notices and claim forms. Based on the Client's requirements, SCS can compare the notice documents to ensure compliance with the settlement documents and the Court's requirements. SCS can also design Claim Forms to ensure Class Members fully understand and comply with the requirements of each settlement.

We can also provide assistance with publishing Legal Notice through newspapers, press releases, and websites. Using our contacts in the publishing industry we can negotiate favorable rates in most major newspapers, allowing the class to benefit from reduced publication costs.

*Our Services Include:*

» *Direct Mailed Notice*

» *Email Campaigns*

» *Notice Design and Proofing*

» *Claim Form Design*

» *Custom Websites for each settlement*

» *Customize Class Data*

» *Updating Out-of-Date Class Data (National Change of Address, Skip-tracing methods)*

» *Providing compliance affidavits for publications and direct mailin*

*"Strategic Claims Services (SCS) provides excellent customer service, and the best price in the business. SCS's attention to detail, high quality work, quick and accurate turn around are the hallmarks of its true professionalism. Ready access to SCS's president, Paul Mulholland, and his personal involvement assures me everything is done right. You can't beat SCS – they're simply the best in the industry."*

*John F. Innelli  
Innelli & Robertson*

## DATA MANAGEMENT

One of the most important steps in class action administration is creating and maintaining accurate class lists. Based on the client's needs we develop a custom database to hold all the class member's pertinent data.

*Our Information Technology Specialists can:*

» *Convert most data formats for use in the class database*

» *Database Management and Design*

» *Website Design and Updates*

» *Design custom reports for clients based on class data*

» *Removal of duplicate records*

» *Class-wide loss calculations*

## CLAIMS PROCESSING

Our staff is well trained in all aspects of claims processing, with a focus on quality control and customer service. Each claim is reviewed in detail to ensure compliance with all settlement requirements. Using our custom built software, we ensure each claim is calculated accurately and quickly. The scope of our work includes, but is not limited to the following:

» *Determining the validity of each claim filed*

» *Calculation of losses for each claim*

» *Communication with claimants to cure invalid claims*

» *Quality assurance for all high value claims*

» *Final reporting to Counsel and the Court*

» *Electronic Claim Processing*

During the administration process we are in constant communication with counsel concerning all matters. We provide regular status reports from the initial mailing through the final disposition of funds.

## **SUMMARY OF DATA PROTECTION PROCEDURES FOR STRATEGIC CLAIMS SERVICES**

### **Technical Controls**

All class members data is fully encrypted and all computers require a login to access. Class members data is restricted to only employees with access permission. Only authenticated clients can access the file shares (i.e. only trusted devices can access the network). SCS uses anti-virus, malware protection and other methods to protect data.

### **Administrative Policies**

SCS has a firewall security system that monitors and controls network traffic and is used as a barrier against untrusted networks. There are access controls to systems and data. All employees are briefed on privacy matters and data security. All terminated/departed employees are immediately cut off from access. SCS is currently implementing additional pre-hire background checks and non-disclosure and confidentiality agreements.

### **Crisis and Risk Management**

Upon a data breach SCS will immediately contact attorneys, claimants and other stakeholders as well as the proper authorities. Nearly all notice and claims administration work is performed "in-house" with very little outsourcing to vendors, especially as it relates to private information such as tax identification numbers.

### **Physical Access Controls Access**

SCS servers are secured in a locked room within the office plus there are two other locked doors requiring a key fob to gain entrance into the office. SCS also has a security camera at its office entrance inside the building.

### **Data Collection and Retention**

SCS minimizes collection of personal information and obtains personal data collection only if necessary to complete its administration work. Any transfer of personal data is done securely with password protection.

### **Data Destruction**

Physical copies are destroyed by shredding with a certification document from a reputable shredding firm. Electronic files are securely deleted. Any physical electronic hardware is written over prior to physical drive destruction. Manager performs periodic checks throughout the year to comply with any court orders regarding destruction of hard copies and electronic files.

### **Applicable Laws, Standards and Other Regulations**

SCS information technology department follows industry standards and complies with privacy regulations and laws.

### **Ethical Rules**

The SCS staff is made aware of ethical rules and standards of ethical and legal behavior. Violation of ethical rules may lead to termination of employment.

### **Customer Serviced Measures**

SCS policy does not allow for confidential information to be sent via email. SCS utilizes email verification software to verify and authenticate email addresses when appropriate. SCS will be updating its website to include its relevant privacy policies.



**PAUL MULHOLLAND**  
**(CURRICULUM VITAE)**

Mr. Mulholland is the President and founder of Strategic Claims Services (SCS) in April of 1999. SCS is a litigation support firm specializing in the administration of class action cases. SCS has administered over 600 class action settlements involving the distribution of over \$3 billion in settlement/judgment funds, and the management of more than 3.5 million claims with mailings of notices to over 33 million potential class members. For more information on SCS visit its website at [www.strategicclaims.net](http://www.strategicclaims.net).

From 1992 to 1999, Mr. Mulholland was Senior Vice President of Valley Forge Administrative Services, Inc. Mr. Mulholland was responsible for overseeing all aspects preparation of damage/expert reports in class action matters and for claims processing and administration of class action settlements. He also was responsible for areas of federal and state income taxes for settlement funds and for compliance with all treasury regulations.

From 1986 to 1992, Mr. Mulholland was Chief Financial Officer of Terramics Property Company, a Philadelphia-based regional commercial real estate company with a \$150 million real estate portfolio. He was responsible for asset management, financial reporting, budgets, bank and investor liaison, debt restructurings, refinancings, contract negotiations, tax matters, treasury functions and cash management.

From 1984 to 1986, Mr. Mulholland was Chief Financial Officer of American Health Systems, Inc., a \$40 million (revenue) nursing home management company, and was responsible for financial reporting, taxation, budgeting, cash management, cost containment, risk management and regulatory reporting.

From 1980 to 1984, Mr. Mulholland was employed at Coopers & Lybrand. He planned and directed audit engagements in a variety of industries, including preparation of financial statements, SEC reporting, and evaluation of internal accounting systems and supervision of staff accountants.

Mr. Mulholland holds a BS in Accounting from Wheeling University and is a Certified Public Accountant (inactive). He was an adjunct professor of accounting and finance at Neumann University and currently serves on its business advisory board.

PAUL MULHOLLAND  
EXPERT TESTIMONY AND DEPOSITIONS

**Expert Testimony:**

Celia L. Hale., et al., v. Wal-Mart Stores, Inc  
Jackson County, Missouri  
Case No. 01-CV-218710 (Division 1)

June 2008

Jitendra V. Singh v. vCustomer Corporation, et al.  
Eastern District of Pennsylvania  
Civil Action No. 03-4439

June 2004

Barter v. Southmoore Golf Associates  
(Common Pleas of Northhampton County (No. 199-C-1815)

March 21, 2000 and  
March 22, 2000

Pearl and Hoffman v. Geriatric & Medical Center, Inc (Eastern  
District of Pennsylvania (No.92-CV-5113 and No.93-CV-2129)

March 1995

**Depositions:**

Fosamax Products  
Liability Litigation No. 1:06-MD-1789 (JFK)  
(MDL No. 1789)  
USDC for the Southern District of New York

June 14, 2007

Aredia and Zometa Products  
Liability Litigation No. 3:06-MD-1760  
(MDL No. 1760)  
USDC for the Middle District of Tennessee  
at Nashville

May 31, 2007

Jitendra V. Singh v. vCustomer Corporation, et al.  
Eastern District of Pennsylvania  
Civil Action No. 03-4439

June 2004

In Re: Curative Health Services, Inc. Securities Litigation  
(Master File No. CV99-2074) United States District Court  
Eastern District of New York

February 2002

Pearl and Hoffman v. Geriatric & Medical Center, Inc (Eastern  
District of Pennsylvania (No.92-CV-5113 and No.93-CV-2129)

January 1995

**Mediation Presentation:**

Alibaba Group Holding Limited Securities Litigation  
Civil Action 1:15-md-02361 (CN)  
USDC Southern District of New York  
Mediation Presentation to Honorable Layne R Phillips

March 2019