

The Honorable William L. Dixon

**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
COUNTY OF KING**

ALEXANDRA BRADLEY, LENA ZELL and  
EVAN GALLO, on behalf of themselves and all  
others similarly situated,

Plaintiff,

v.

CANLIS, INC., a Washington Corporation;  
BRIAN CANLIS, an individual, MARK CANLIS,  
an individual,

Defendants.

Case No.: 23-2-12427-8 SEA

**DECLARATION OF KAYLIE  
O’CONNOR (ON BEHALF OF CPT  
GROUP, INC.) WITH RESPECT TO  
NOTIFICATION AND  
ADMINISTRATION**

1 I, Kaylie O'Connor, declare as follows:

2 1. I am employed as a Senior Case Manager by CPT Group, Inc. ("CPT") the Court-  
3 approved class action Settlement Administrator for *Bradley v. Canlis, Inc.* I have personal  
4 knowledge of the facts set forth in this Declaration, and if called as a witness, I could and would  
5 testify competently thereto.

6 2. CPT has extensive experience in providing notice of class actions and  
7 administering class action settlements. In the past 30-plus years, we have provided notification  
8 and/or claims administration services in thousands of class action cases.

9 3. CPT was selected by the parties to administer the settlement in this action. In this  
10 capacity, CPT has been, and if the Court grants final approval of the Settlement, will be  
11 responsible for: (a) printing and mailing the *Notice of Class Action Settlement* and *Class Action*  
12 *Exclusion Form*, (together "Notice Packet"), to the Proposed Class (b) establishing and  
13 maintaining a toll free case hotline where Class Members can speak to case representatives  
14 regarding case specific questions; (c) establishing and maintaining a website containing case  
15 information; (d) processing undeliverable mail and locating updated addresses for Class  
16 Members; (e) recording and tracking responses to the mailings to the Proposed Class; (f)  
17 tracking and responding to any inquiries made by any member of the Proposed Class; (g)  
18 calculating and distributing the Individual Settlement Payments; (h) establishing a Qualified  
19 Settlement Funds pursuant to Section 468B(g) of the Internal Revenue Code; (i) completing any  
20 associated tax reporting to the State and Federal tax authorities; and (j) any other tasks mutually  
21 agreed to by the parties.

22 4. CPT received the Court-approved text for the Notice from Counsel on August 1,  
23 2024. CPT prepared a draft of the Notice Packet for mailing to the class members. Attached  
24 hereto as Exhibit A is a true and correct copy of the Notice Packet.

25 5. On June 12, 2024, June 26, 2024 and July 2, 2024, CPT received data files from  
26 Counsel that contained names, last known mailing addresses, email addresses, Social Security  
27 numbers, phone numbers and other information necessary to calculate individual settlement  
28 amounts. The finalized class list contained a total of 309 Class Members, including 218

1 members of the Stage Class, 309 members of the Service Charge subclass and 100 members of  
2 the Rest Break Subclass.

3 6. On August 7, 2024, CPT caused a National Change of Address (NCOA) database  
4 search to be performed in an attempt to update the addresses on the class list and ensure it was  
5 accurate as possible. A search of this database provides updated addresses for any individual  
6 who had moved in the previous four years and notified the U.S. Postal Service of their change  
7 of address.

8 7. The Notice Packets were enclosed in envelopes with the Class Member's name  
9 and known address printed on the envelope. On August 9, 2024, the Notice Packets were mailed  
10 via U.S. first class mail to the 309 Class Members.

11 8. As of the date of this declaration, 31 Notice Packets have been returned by the  
12 Post Office. CPT performed skip traces to locate better mailing addresses using Accurant, one of  
13 the most comprehensive address databases available. It utilizes hundreds of different databases  
14 supplied by credit reporting agencies, public records, and a variety of other national databases.

15 9. As a result of skip trace efforts and remail requests from class members, a total of  
16 30 Notice Packets have been re-mailed to date. As of this date, there are ultimately 4 Notice  
17 Packets that have been deemed undeliverable.

18 10. The Notice indicated a deadline date of September 9, 2024, to object or request  
19 exclusion from the settlement.

20 11. As of the date of this declaration, CPT has not received any written objections to  
21 the settlement.

22 12. As of the date of this declaration, CPT has not received any requests for  
23 exclusion.

24 13. As of the date of this declaration, CPT will report a total of 309 Participating  
25 Class Members, representing a 100% participation rate.

26 14. Pursuant to the Settlement Agreement, each Stage Class Member will be paid  
27 \$160.00 from the Net Settlement Fund ("NSF"). The remainder of the NSF is allocated 95% to  
28

1 the service charge subclass, and 5% to the Rest Break Subclass. The amount of the Net  
2 Settlement Fund was calculated as follows:

3		
4	<b>Total Settlement Amount</b>	<b>\$1,450,000.00</b>
5	Less Class Counsel Fees	\$362,500.00
6	Less Class Counsel Costs	\$4,792.39
7	Less Named Plaintiff Service Awards	\$45,000.00
8	Less Settlement Administration Costs	\$10,000.00
9	<hr/> <b>Net Settlement Fund</b>	<hr/> <b>\$1,027,707.61</b>
10	<b>Settlement Amount to Stage Class</b>	<b>\$34,880.00</b>
11	<b>Settlement Amount to Service Charge Subclass (95% of NSF)</b>	<b>\$943,186.23</b>
12	<b>Settlement Amount to Rest Break Subclass (5% of NSF)</b>	<b>\$49,641.38</b>
13		

14 15. Each Service Charge Subclass Member's share of the portion of the Remaining  
15 Net Settlement Fund allocated to the Service Charge Subclass will be proportional to their hours  
16 worked during the Settlement Class Period. Defendant's records show that during the  
17 Settlement Class Period, Qualified Subclass Members worked in aggregate 443,969.55 hours.  
18 Accordingly, each hour worked is valued at \$2.12. The average individual Service Charge  
19 Subclass settlement amount is \$3,052.38, the highest is \$20,909.64 and the lowest is \$15.93,  
20 prior to the deduction of employee side payroll taxes.

21 16. Each Rest Break Subclass Member's share of the portion of the Remaining Net  
22 Settlement Fund allocated to the Rest Break Subclass will be proportional to their hours worked  
23 during the Settlement Class Period. Defendant's records show that during the Settlement Class  
24 Period, Qualified Subclass Members worked in aggregate 200,115.17 hours. Accordingly, each  
25 hour worked is valued at \$0.25. The average individual Service Charge Subclass settlement  
26 amount is \$496.41, the highest is \$1,757.77 and the lowest is \$1.86, prior to the deduction of  
27 employee side payroll taxes.



# EXHIBIT A

SUPERIOR COURT FOR THE STATE OF WASHINGTON IN AND FOR KING COUNTY

Alexandra Bradley, et al. v. Canlis, Inc., et al., Case No. 23-2-12427-8 SEA

NOTICE OF CLASS ACTION SETTLEMENT

A court authorized this notice. This is not a solicitation from a lawyer.

TO: All current and former non-managerial employees who have worked at Canlis restaurant in Seattle, Washington between July 11, 2020 and February 23, 2024.

PLEASE READ THIS NOTICE. A Class Action Settlement may affect your rights. You may be entitled to a payment from the Class Action Settlement. You do not need to do anything to receive a payment so long as your contact information is current.

- Three former employees of Canlis brought claims against Canlis, Inc., Brian Canlis, and Mark Canlis (“Canlis”) for allegedly violating Washington’s service charge disclosure requirements, failing to properly pay employees service charges collected, engaging in unlawful rest break practices, and failing to pay wages for the first day of work under Washington law. Canlis denies these allegations. The parties to the Case have reached a Class Action Settlement.
• The Class Action Settlement will include a total settlement payment by Canlis of \$1,450,000.00.
• To receive a share of the settlement payment, you must not exclude yourself from the Class Action Settlement.

Table with 2 columns: Action and Description. Rows include: DO NOTHING, OPT OUT, OBJECT, GOTO A HEARING.

- These rights and options – and the deadlines to exercise them – are explained in this Notice.
• The Court in charge of this case still has to decide whether to approve the Settlement. If the Court approves the Settlement, payments will be made after any appeals are resolved. Please be patient.

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

Canlis's records show that you worked as a non-managerial employee at Canlis between July 11, 2020 and February 23, 2024. The Court has allowed this Notice to be sent to you to inform you about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to eligible Settlement Class Members who have not opted out of the Settlement.

This Notice explains the Case, the Class Action Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

**2. What is the Case about?**

The lawsuit claims that Canlis violated Washington State wage and hour and consumer protection laws between July 11, 2020 and February 23, 2024. More specifically, the lawsuit claims that Canlis failed to pay its employees the full amount of automatic service charges collected from customers without properly disclosing that fact to customers. The lawsuit also claims Canlis failed to provide servers with paid ten-minute rest breaks in conformity with the requirements of Washington law. The lawsuit also claims that Canlis failed to pay wages for work performed on the first day of work. Canlis denies all of the claims.

Judge William L. Dixon of King County Superior Court is overseeing this Class Action. The Case is known as *Alexandra Bradley, et al. v. Canlis, Inc., et al.*, Case No. 23-2-12427-8 SEA (the "Case").

**3. What is a class action and who is involved?**

In a class action lawsuit, "Class Representatives" (in this case Alexandra Bradley, Lena Zell, and Evan Gallo) sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The employees who sued, and who represent the Class, are called Plaintiffs. The attorneys who represent the Plaintiff and the Class are called "Class Counsel." The entities or persons the Plaintiffs sue are called the Defendants. In this case, the Defendants are Canlis, Inc., Brian Canlis, and Mark Canlis. One court resolves the issues for everyone in the Class – except for those people who choose to exclude themselves from the Class.

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

The Court did not decide in favor of the Plaintiff or the Defendants. Instead, both sides agreed to a Settlement. This allows the parties to avoid the cost of a trial, and the people allegedly affected will be entitled to compensation. The Class Representatives and Class Counsel believe the Settlement is best for everyone in the Class.

**WHO IS IN THE SETTLEMENT****5. How do I know whether I am part of the Settlement?**

As part of the Settlement of the Case, the judge has decided that everyone who fits the following description is a Settlement Class Member:

*Stage Class: All current and former non-managerial employees of Canlis who performed unpaid work on their first day of work or "stage" shift for Canlis during the time period from July 11, 2020, through February 23, 2024.*

As part of the Settlement of the Case, the judge also has decided that a "Settlement Class Member" includes the following two subgroups of employees (which are called "Subclasses"), namely:

*Service Charge Subclass: All current and former non-managerial employees of Canlis working in positions participating in the tip pool system used by Canlis, including servers, hosts, and kitchen staff, during the time period from July 11, 2020, through February 23, 2024.*



*Rest Break Subclass: All current and former employees of Canlis working as servers who were not provided rest breaks during the time period from July 11, 2020, through February 23, 2024.*

If approved, the Settlement will cover all Settlement Class and Subclass Members who have not excluded themselves from the Case (“Qualified Class Members”). If you are a Settlement Class or Subclass Member, you do not exclude yourself from the Settlement, and the Settlement Administrator has your correct address, you will receive money pursuant to the Settlement.

## THE TERMS OF THE SETTLEMENT

### 6. What claims are covered by the Settlement?

The Settlement will resolve all of the claims Qualified Class Members could have brought against Canlis regarding any failure to provide or pay for rest breaks, any failure to pay wages for the first day of work, and any failure regarding automatic service charge disclosures and payment of automatic service charges.

### 7. What are the basic terms of the Settlement?

Subject to Court approval, the essential terms of the Settlement are as follows:

**Settlement Fund:** Canlis will pay \$1,450,000.00 (“Settlement Amount”) to resolve all claims alleged in this lawsuit. Following the Court-approved deductions set forth below, the remaining amount, the “Net Settlement Fund,” will fund all settlement payments to Qualified Class Members. From the Settlement Amount, if approved by the judge, (a) \$45,000 will be used to compensate the three named plaintiffs who brought the Case for their service and assistance in prosecuting the lawsuit (“Service Award”); (b) 25% of the Settlement Amount will be used to compensate Class Counsel for the attorneys’ fees they have incurred and will incur through the end of the case in representing the Settlement Class; (c) no more than \$5,000 will be used to reimburse Class Counsel for litigation costs; and (d) no more than \$10,000 will be used to pay for the expenses of providing notice of the Settlement to Settlement Class Members and handling the settlement administration process (“Settlement Administration Expenses”).

**Monetary Relief:** The Net Settlement Fund is estimated to be no less than \$1,027,707. The Net Settlement Fund will compensate Qualified Class Members for wages allegedly lost and damages they are purportedly owed as a result of the practices alleged in the Case. After payment of the *Stage Class*, the remainder of the Net Settlement Fund will be allocated based on the relative amount of damages for each claim with 95% of the remaining Net Settlement Fund to be allocated to the Service Charge Subclass and 5% allocated to the Rest Break Subclass.

**Distribution of Net Settlement Fund:** Each Settlement Class Member who does not submit a valid and timely request for exclusion will become a Qualified Class Member and will be eligible to receive a settlement payment. Your settlement payment will be calculated based on a detailed analysis of your Canlis time records during the claim period. The payment to each Qualified Class Member will consist of a proportional amount of the Net Settlement Fund based on the following:

**Stage Class.** Each Qualified Class Member’s gross share of the Class Portion of the Net Settlement Fund will be based on one eight-hour day at the rate of \$20 an hour during the Class Period.

**Service Charge Subclass.** Each Qualified Subclass Member’s gross share will be based on the total hours worked for each Qualified Subclass Member during the Settlement Class Period in relation to the total hours worked cumulatively by all Qualified Subclass Members during the Subclass Period.

**Rest Break Subclass.** Each Qualified Subclass Member’s gross share will be based on the total hours worked for each Qualified Subclass Member during the Settlement Class Period in relation to the total hours worked cumulatively by all Qualified Subclass Members during the Subclass Period.

Checks will be mailed to the last known address of all Settlement Class Members who do not submit a valid and timely request for exclusion.

Canlis will receive no reversion from the settlement funds. This means that if you opt out of the Settlement, the money

that would have been paid to you will not be returned to Canlis. Instead, it will be paid to the other Qualified Class Members. Also, if you do not cash your settlement check, that check amount will not be returned to Canlis. You will have 60 days from the date of mailing to cash your settlement check. After that date, if you have not cashed your settlement check, you will have no interest in the settlement funds. If, after 60 days following issuance of checks to Qualified Class Members (“the First Distribution”), the amount of checks remaining uncashed exceeds \$100,000, the Settlement Administrator will redistribute the remaining amount (except for a \$15,000 reserve fund to address payment discrepancies) proportionally to all Qualified Class Members who cashed their original checks (“the Second Distribution”). The proceeds of any uncashed checks after 30 days following the Second Distribution (or if there is no Second Distribution and no necessity to use any of the reserve fund to ensure appropriate payments) will be considered Residual Funds and will be paid to the Legal Foundation of Washington and Columbia Legal Services for programs supporting low-wage workers.

**Tax Treatment of Settlement Awards:** 50% of each Qualified Class Member’s settlement award will be allocated to wage claims, and the final wage amounts will be reported to the taxing authorities and the Qualified Class Member on an IRS Form W-2. After the parties have agreed to each Qualified Class Member’s gross settlement share, the Settlement Administrator will calculate and deduct all employee and employer payroll tax amounts from this wage allocation of each such share. The remaining 50% of each Qualified Class Member’s settlement award will be treated as non-wages (prejudgment interest and exemplary damages) on which there will be no tax withholding and for which an IRS Form 1099 (marked “Other Income”) will be issued to the taxing authorities and the Qualified Class Member. Each Qualified Class Member will be responsible for paying taxes on the 1099 portion of the settlement award.

**Release of Claims:** Upon final approval by the Court, the Settlement Class and each Settlement Class Member who has not submitted a valid and timely written request to be excluded from the Settlement will release all claims or causes of action relating to payment or distribution of service charges or service charge disclosures, unpaid wages for rest breaks, and unpaid wages for the first day of work, as well as any attendant claims for enhancements, penalties, attorneys’ fees and/or costs, which were or could have been asserted based on the facts alleged in this lawsuit on behalf of the Settlement Class and which arose on or before July 11, 2020, whether premised on an express or implied cause of action under any statutory or regulatory provision.

## HOW YOU CAN GET PAYMENT

### 8. How can I get a payment?

**To get a payment, you must not submit a request for exclusion.** If your address listed on the envelope containing this notice is correct and you do not request exclusion, you will receive a payment. If you need to update your address, please call 1-888-628-5804.

### 9. When would I get my payment?

The King County Superior Court will hold a hearing on October 11, 2024 to decide whether to finally approve the settlement. If there is an appeal, it may take up to a year or more to resolve. In the event of an appeal, information regarding the appeal’s progress will be available to you by calling Class Counsel at (206) 513-7485. If there is no appeal, we expect payments will go out approximately three weeks after the Court’s final approval of the Settlement. Please be patient.

## THE LAWYERS REPRESENTING YOU

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

The Court has decided that Matt J. O’Laughlin, Amy K. Maloney, and Steven A. Toff from the law firm of Maloney O’Laughlin, PLLC of Seattle, Washington are qualified to represent you and all Settlement Class Members and Subclass Members. These lawyers are called “Class Counsel.” You will not be charged for these lawyers. If you want to be represented by our own lawyer, you may hire one at your own expense.

### 11. How will the lawyers be paid?

As indicated above, Class Counsel will seek payment of their attorneys' fees in the amount of 25% of the total settlement amount, which must be approved by the Court as part of the final approval of this Settlement. Class Counsel have been working on this case since 2023 and have not received any fees or reimbursements for the costs of the lawsuit.

### EXCLUDING YOURSELF FROM THE SETTLEMENT

### 12. How do I exclude myself from the Settlement?

If you fit the definition of a Settlement Class Member and want to exclude yourself from the Settlement, you must request exclusion in writing by September 9, 2024. You may be excluded as a member of the class by submitting a written request stating, "I request that I be excluded from the Settlement Class in the case of *Alexandra Bradley, et al. v. Canlis, Inc., et al.*, Case No. 23-2-12427-8 SEA." The request must include your name, your address, and your signature. You must mail a copy of the letter postmarked no later than September 9, 2024 to Maloney O'Laughlin, PLLC, 200 W. Mercer Street, Suite 506, Seattle, Washington 98119.

If you exclude yourself from the Settlement (i.e., opt out), you will not receive any payment from the Settlement. You will also not be entitled to object to the Settlement. If you exclude yourself, you will not be bound by the terms of the Settlement, including the Release described in Section 7, above. This means you will retain the right at your own expense, to pursue any claims you may have against Canlis.

### OBJECTING TO THE SETTLEMENT

### 13. If I don't like the Settlement, how do I tell the Court?

If you are a Settlement Class Member, have not excluded yourself from the Settlement, and do not like the Settlement or any aspect of it, you can object. You must do so in writing and you must state the reasons why you think the Court should not approve the Settlement. If you object, be sure to include your name, address, and telephone number, the name of the Case (*Alexandra Bradley, et al. v. Canlis, Inc., et al.*, Case No. 23-2-12427-8 SEA), the reasons you object to the Settlement (along with any supporting documentation that you wish the Court to consider), and a signature. You must file your objection with the King County Superior Court and mail a copy of the objection to the following addresses **postmarked no later than September 9, 2024**:

Matt J. O'Laughlin  
Maloney O'Laughlin, PLLC  
Counsel for Plaintiff and Settlement Class  
200 W. Mercer Street, Suite 506  
Seattle, Washington 98119

Darren A. Feider  
Sebris Busto James  
Counsel for Defendants  
5375 SE 30<sup>th</sup> Place, Suite 310  
Bellevue, Washington 98007

### THE COURT'S FAIRNESS HEARING

### 14. When and where will the Court decide to approve the Settlement?

The Court will hold a Fairness Hearing at 9:00 a.m. on October 11, 2024, before the Honorable Judge William L. Dixon at King County Superior Court, 401 4th Ave. N, Room 2D, Kent, WA 98032, Courtroom MRJC 4B. If there are objections, the judge will consider them. The judge will listen to people who have asked to speak at the hearing (see Section 16). After the hearing, the Court will decide whether to approve the Settlement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and Service Awards for the named Plaintiffs. We do not know how long that decision will take.

### 15. Do I have to come to the hearing?

No. Class Counsel will answer any questions the judge may have. But you are welcome to attend at your own expense.

If you send an objection, you do not have to come to Court to talk about it. As long as you filed and mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but that is not necessary.

### 16. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying it is your “Notice of Intention to Appear in *Alexandra Bradley, et al. v. Canlis, Inc., et al.*, Case No. 23-2-12427-8 SEA.” Be sure to include your name, address, phone number, and your signature.

Your Notice of Intention to Appear must be **postmarked no later than September 9, 2024**, and be sent to the Court, Class Counsel, and Defense Counsel at the three addresses set forth below:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
King County Superior Court 401 4th Ave. N, Room 2D, Kent, WA 98032	Matt J. O’Laughlin Maloney O’Laughlin, PLLC 200 W. Mercer Street, Suite 506 Seattle, WA 98119	Darren A. Feider Sebris Busto James 15375 SE 30 <sup>th</sup> Pl., Suite 310 Bellevue, WA 98007

### IF YOU DO NOTHING

#### 17. What happens if I do nothing at all?

If you do nothing – that is, if you do not mail or deliver a timely request for exclusion – you will be entitled to a share of the Settlement if it is approved by the Court. Please contact the Settlement Administrator, CPT Group, Inc., at 1-888-628-5804 if you need to update your address.

### GETTING MORE INFORMATION

#### 18. Are there more details about the Settlement?

This Notice summarizes the Settlement. More details are in the Settlement Agreement, which is available on the settlement website at [www.cptgroupcaseinfo.com/CanlisSettlement](http://www.cptgroupcaseinfo.com/CanlisSettlement). Plaintiffs’ motion for final approval of the settlement agreement, including Class Counsel’s request for attorneys’ fees, costs, Settlement Administration Expenses, and Service Award for the named Plaintiff will also be available for you to review on the settlement website by September 23, 2024. All other documents filed in the case are available in the King County Superior Court file for *Alexandra Bradley, et al. v. Canlis, Inc., et al.*, Case No. 23-2-12427-8 SEA.

SUPERIOR COURT FOR THE STATE OF WASHINGTON IN AND FOR KING COUNTY

Alexandra Bradley, et al. v. Canlis, Inc., et al., Case No. 23-2-12427-8 SEA

CLASS ACTION EXCLUSION FORM

If you do not want to participate in the settlement that is described in the accompanying Notice of Class Action Settlement, you must return this form on or before September 9, 2024 to:

Maloney O’Laughlin, PLLC
200 W. Mercer Street, Suite 506
Seattle, Washington 98119

Must be postmarked on or before September 9, 2024.

DO NOT COMPLETE THIS FORM IF YOU WANT TO PARTICIPATE IN THE SETTLEMENT

Right to Opt Out of Settlement. Only complete this form if you do not wish to be included in the settlement. If you opt out, it means your rights will not be determined by the settlement and you will not receive any money from the settlement.

To be excluded from the lawsuit, please check the box below and complete this section.

[ ] I wish to be excluded from the settlement of the case entitled Alexandra Bradley, et al. v. Canlis, Inc., et al., Case No. 23-2-12427-8 SEA.

Name (please print): First Middle Last

Date of Birth:

Address: Street (current or mailing address)

City State Zip Code

Date: \_\_\_\_\_, 2024

Signature