

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

*Scott Hines v. Northwest Restaurants, Inc.
King County Superior Court Civil Case No. 23-2-04367-7 SEA*

— NOTICE OF SETTLEMENT —

A court authorized this notice. This is not a solicitation from a lawyer. This is not a lawsuit against you and you are not being sued. However, your legal rights are affected whether you act or not. Please read this notice carefully.

TO: All persons who, at any time between March 10, 2020, and December 31, 2023, were employed by Northwest Restaurants, Inc., and worked as an hourly-paid, non-exempt, non-management restaurant employee in the State of Washington and who did not sign an arbitration agreement with a class action waiver as a condition of initial employment.

- A former employee brought claims against Northwest Restaurants, Inc. (“The Company”) alleging that the Company failed to provide compliant meal periods and rest breaks under Washington law. The Company strongly denies these claims. The parties have reached a proposed Class Action Settlement.
- The Company strongly denies any fault, wrongdoing, or liability. If the Parties had not reached a Settlement, the Company would have continued to vigorously defend against Plaintiff’s claims, including seeking a denial of class certification and a full defense verdict at trial. The Company agreed to this Settlement to avoid the risk, burden, and expense of further litigation, and as a means of making its employees whole for even any arguable claims relating to the lawsuit.
- The Class Action Settlement includes a total gross settlement payment by the Company of **\$2,149,280.00**.
- To qualify for a share of this payment: (A) you must have been employed by the Company and worked as an hourly-paid, non-exempt, non-management restaurant employee in the State of Washington between March 10, 2020, and December 31, 2023; (B) you must not have signed an arbitration agreement with a class action waiver as a condition of initial employment; and (C) you must not exclude yourself from the Class Action Settlement in the manner outlined below.
- **If you were employed by the Company and worked as an hourly-paid, non-exempt, non-management restaurant employee in the State of Washington between March 10, 2020, and December 31, 2023, and did not sign an arbitration agreement with a class action waiver as a condition of initial employment, you do not have to do anything to be eligible to receive a share of the settlement payment.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will be eligible to get a payment for your share of the Class Action Settlement. (You may need to provide the Settlement Administrator any updated contact information to ensure you receive a payment). You will give up rights relating to the legal claims in this Case.
ASK TO BE EXCLUDED	Get no payment. This is the only option that allows you to ever be a part of any other lawsuit against the Company with respect to the legal claims in this Case.
OBJECT	Write to the Court if you do not like the settlement and explain why. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.
GO TO A HEARING	Ask to speak in Court about the fairness of the Class Action Settlement. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.

- 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 finally 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?

The Company’s records show that you were employed by the Company and worked as hourly-paid, non-exempt, non-management restaurant employee in the State of Washington between March 10, 2020, and December 31, 2023 (the “Settlement Class Period”), and that you did not sign an arbitration agreement with a class action waiver as a condition of initial employment. 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 finally approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Settlement Class Members who do not affirmatively request to be excluded from 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 Plaintiff, former employee Scott Hines, claims that the Company violated Washington State wage and hour laws by failing to provide meal periods and rest breaks in conformity with the requirements of Washington law. The Company has denied the Plaintiff’s claims.

The Honorable Angela Kaake, of the Superior Court for the State of Washington in and for King County, is overseeing this Class Action. The lawsuit is known as *Scott Hines v. Northwest Restaurants, Inc.*, King County Superior Court Civil Case No. 23-2-04367-7 SEA (the “Case”).

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

In a class action lawsuit, one or more people called a “Class Representative” sues on behalf of other people whom they believe have similar claims. The people together are a “Class” or “Class Members.” The employee(s) who sued, and who represent(s) the Class, are called the Plaintiff(s).

The person the Plaintiff(s) sue(s) (in this case the Company) is called the Defendant. In a class action, 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 Company. Instead, both sides agreed to a Settlement. This allows the parties to avoid the cost of a trial, and the people affected will be entitled to compensation. The Class Representative and his attorneys think 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 King County Superior Court has decided that everyone who fits the following description is a Class Member:

All hourly-paid, non-exempt individuals who worked as a non-management restaurant employee for the Company in Washington State at any time during the Settlement Class Period [between March 10, 2020, and December 31, 2023], exclusive of any individuals who signed an arbitration agreement with a class action waiver as a condition of initial employment.

If it is approved, the Settlement will cover all Settlement Class Members who have not timely and affirmatively excluded themselves from the Case. To be a part of and receive any money pursuant to the Settlement, Settlement Class Members need do nothing (other than refrain from affirmatively opting out of the Settlement).

THE TERMS OF THE SETTLEMENT

6. What claims are covered by the Settlement?

The Settlement will resolve all of the claims Settlement Class Members could have brought against the Company regarding an alleged failure to provide the meal periods and rest breaks required by Washington law (collectively, the “Released Claims”). The Released Claims include all claims during the Settlement Class Period in the Complaint asserted against the Company, including claims for failing to provide complaint meal periods and rest breaks and/or failing to provide compensation for non-compliant and/or missed meal periods and rest breaks under RCW 49.12, WAC 296-126-092, and claims for exemplary damages, penalties, and interest pursuant to RCW 49.52.050 and 070, as well as attorneys’ fees and costs, and any claims under any state, federal, or local law arising from the claims in the Complaint based on the same factual predicates as alleged therein, to the fullest extent permitted by law.

7. What are the basic terms of the Settlement?

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

The Company will pay a total of \$2,149,280.00 as part of the Settlement, apportioned as follows:

- **Class Fund:** An estimated \$1,332,353.33 of the money the Company pays will be available for the payment of Settlement Awards to Settlement Class Members who do not timely opt out of this Settlement.
- **Service Award:** The Company will pay up to \$10,000.00 to Plaintiff and Class Representative Scott Hines as a service award in recognition of his efforts in prosecuting the Case.
- **Settlement Administration Expenses Award:** The Company will pay up to \$75,000.00 to the Settlement Administrator for the processing of the Settlement, including the expenses of providing notice of the Settlement to Settlement Class Members, handling the settlement administration process, processing payments to Settlement Class Members, and handling tax reporting requirements.
- **Attorney’s Fees and Costs Award:** The Company will pay up to \$716,426.67 to Plaintiff’s attorneys for the attorneys’ fees award and up to \$12,500.00 for actual litigation costs they have incurred and will incur through final judgment in representing Plaintiff and the Settlement Class.
- **Reserve Fund:** The Company will pay up to \$3,000.00 to a Reserve Fund that will be set aside for disputed settlement shares and/or individuals inadvertently left off the list of Proposed Class Members who have a good-faith claim. Any unclaimed amounts from the Reserve Fund shall be disbursed to the Legal Foundation of Washington.

Monetary Relief: The amount available to the Settlement Class is intended to compensate Settlement Class Members for the wages and other compensation they allegedly lost and damages they are allegedly owed as a result of the practices alleged in the Case.

Distribution of Settlement Fund: Each Settlement Class Member who does not submit a valid and timely request for exclusion will automatically receive a settlement payment. The class fund will be allocated to individual Settlement Class Members on a pro rata basis, based on the number of shifts worked during the Settlement Class Period, with the amounts being calculated by dividing each Settlement Class Member’s total shifts during the Settlement Class Period by the total aggregate shifts worked by all Settlement Class Members during the Settlement Class Period and then multiplying the resulting ratio by the portion of the class fund allocated to these payments. Checks will be mailed to Settlement Class Members by the Settlement Administrator. If any checks have not been negotiated within one hundred twenty (120) days after distribution, the funds from those checks will be sent in the corresponding Settlement Class Member’s name to the Unclaimed Property Fund for the State of Washington pursuant to the Unclaimed Property Act (RCW 63.29 et seq). The Company will not receive funds from any uncashed checks.

Tax Treatment of Settlement Awards: One-third of each Settlement Class Member’s settlement award will be treated as wages and subject to normal tax withholding and shall be reported to the taxing authorities and the Settlement Class Member on an IRS Form W-2. Two-thirds of each Settlement Class Member’s settlement award will be treated as non-wages (a combination of penalties, enhancements, and prejudgment interest) on which there will be no tax withholding and for which an IRS Form 1099-MISC (marked “Other Income”) shall be issued to the taxing authorities and the Settlement Class Member. In addition to the monies it is contributing to the Settlement Fund described above, the Company is also paying all required employer-paid taxes incurred as part of the Settlement. The Company’s payment of these employer-paid taxes will not decrease the funds available to Settlement Class Members.

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 irrevocably release all of the Released Claims against the Company relating to the period from March 10, 2020, to December 31, 2023. This Release requires you to waive and precludes you from bringing any Released Claims against the named Defendant in the case, Northwest Restaurants, Inc., as well as its parents, subsidiaries, and affiliates, and each of their respective past and present directors, officers, agents, shareholders, members, managers, employees, attorneys, insurers, successors, and assigns, along with any other individual or entity who could be jointly or severally liable for any of the Released Claims.

Dismissal of Action: Upon final approval, the Court will enter a judgment of dismissal of the Case with prejudice, but shall retain jurisdiction to enforce the terms of the settlement.

HOW YOU CAN GET PAYMENT

8. How can I get a payment?

To get a payment, you need do nothing. As long as you do not submit a written request to be excluded from the Settlement, you will be a Settlement Class Member and will be entitled to payment.

9. What is my Settlement Award amount and when would I get my payment?

Based on the Company’s records, you worked <<Ind_Shifts>> total shifts during the Settlement Class Period. If you believe the number of shifts you worked during the Settlement Class Period is incorrect, you may dispute the information by mailing what you contend is the correct information, along with your supporting documentation, to the Settlement Administrator at the following address above no later than September 21, 2024 (the Settlement Administrator, in connection with the Company’s records, will make an ultimate determination of the number of shifts worked for you pursuant to the Settlement):

Hines v. Northwest Restaurants, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Tel: 1-888-427-0715

The Court will hold a hearing on October 18, 2024 to decide whether to finally approve the settlement. If the King County Superior Court approves the settlement, the parties will then have to wait to see whether there is an appeal. This will take at least thirty (30) days and, if there is an appeal, can take up to a year of more to resolve. In the event of an appeal, information regarding the appeal’s progress will be made available at www.cptgroupcaseinfo.com/NorthwestRestaurantsSettlement. If there is no appeal, we expect payments will go out within approximately sixty (60) days of 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 lawyers from the law firm of Ackermann & Tilajef, P.C. are qualified to represent you and all Settlement Class 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 attorney’s fees in the amount of \$716,426.67, and their litigation costs in an amount of up to \$12,500.00, each of which must be approved by the Court as part of the final approval of this Settlement. Class Counsel has been working on this case 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 21, 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 Class in the case of Scott Hines v. Northwest Restaurants, Inc.” The request must include your name, address, and signature. You must mail a copy of the letter to the Settlement Administrator at the following address postmarked no later than September 21, 2024:

Hines v. Northwest Restaurants, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Tel: 1-888-427-0715

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 Sections 6 and 7, above. This means you will retain the right at your own expense to pursue (or not pursue) any claims you may have against the Company.

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 the fee request, 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 (*Scott Hines v. Northwest Restaurants, Inc.*, King County Superior Court Civil Case No. 23-2-04367-7 SEA), the reasons you object to the Settlement, and a signature. You must mail a copy of the objection to the following address postmarked no later than September 21, 2024:

Hines v. Northwest Restaurants, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Tel: 1-888-427-0715

THE COURT’S FINAL APPROVAL HEARING

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

The Court will hold a Final Approval Hearing at 9:00 a.m. on October 18, 2024, at the King County Superior Court, Department 34, 516 Third Avenue, Seattle, WA 98104.

If there are objections, the Court will consider them. Judge Angela Kaake will listen to people who have asked to speak at the hearing (*see* Section 16). After the hearing, the Court will decide whether to finally approve the Settlement, including Class Counsel’s request for attorney’s fees, costs, Settlement Administration Expenses, Reserve Fund, and Service Award for the named Plaintiff. 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 Judge Angela Kaake 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 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 Final Approval Hearing. To do so, you must send a letter saying it is your “Notice of Intention to Appear in *Scott Hines v. Northwest Restaurants, Inc.*, King County Superior Court Civil Case No. 23-2-04367-7 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 21, 2024**, and be sent to the Court, Class Counsel, and Defense Counsel at the three addresses set forth below:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Hon. Angela Kaake King County Superior Court Department 34 516 Third Avenue Seattle, WA 98104	Brian Denlinger Ackermann & Tilajef, P.C. 2602 North Proctor Street, Suite 205 Tacoma, WA 98406	Peter Nohle Jackson Lewis P.C. 520 Pike Street, Suite 2300 Seattle, WA 98101

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 written request to exclude yourself from the Settlement—you will be part of the Settlement Class and will be entitled to a share of the Settlement. You will also be bound by the terms of the Settlement, including the Release described in Sections 6 and 7, above.

GETTING MORE INFORMATION

18. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting the website www.cptgroupcaseinfo.com/NorthwestRestaurantsSettlement, which has a copy of the Settlement Agreement posted. Plaintiff’s motion for final approval of the settlement agreement, including Class Counsel’s request for attorney’s fees, costs, Settlement Administration Expenses, Reserve Fund, and a Service Award for the named Plaintiff will be available for you to review on October 10, 2024 at www.cptgroupcaseinfo.com/NorthwestRestaurantsSettlement.