

**SECOND NOTICE OF PROPOSED WAGE/HOUR CLASS AND COLLECTIVE ACTION SETTLEMENT,  
FAIRNESS HEARING, AND CLAIMS PROCEDURE**

*Lauren Byrne v. Santa Barbara Hospitality, Inc., et al.*

Case No. 5:17-CV-00527 JGB (KKx)

*Jenetta L. Bracy v. DG Hospitality Van Nuys, LLC, et al.*

Case No. 5:17-CV-00854 JGB (KKx)

United States District Court for the Central District of California

**ATTENTION: This is a court-ordered second notice sent by email to remind you that, if you have not already done so, you must timely complete, sign and return the attached Class Action Claim/Credit Benefit Form (“Claim/Credit Benefit Form”) and W-9 Form (the “Class Notice Documents”) to Kurtzman Carson Consultants, LLC (KCC, LLC), the Settlement Administrator, so that it is emailed or postmarked on or before October 29, 2018 if you are to receive Settlement proceeds or Overhead Credit Benefits in Lieu of Cash. If you fail to email or mail a valid and timely claim, you will not receive any Cash or Credit Benefits in Lieu of Cash under the Settlement.**

**THIS IS A SECOND NOTICE. IF YOU ALREADY SUBMITTED A CLAIM OR OBJECTION OPT-OUT FORM, THERE IS NOTHING FUTHER FOR YOU TO DO. YOU MAY CONTACT THE CLAIMS ADMINISTRATOR BELOW TO INQUIRE IF THEY HAVE THE FORM YOU PREVIOUSLY SUBMITTED.**

**I. DESCRIPTION OF THE ACTION**

Plaintiffs contend that entertainers performing for customers at the adult clubs doing business as Spearmint Rhino, Blue Zebra, and Dames N Games, in the states of California, Idaho, Iowa, Florida, Kentucky, Minnesota, Oregon and Texas owned by City of Industry Hospitality Venture, Inc. (Spearmint Rhino – City of Industry, CA), Farmdale Hospitality Services, Inc. (Blue Zebra – North Hollywood, CA), High Expectations Hospitality, LLC (Spearmint Rhino – Dallas, TX), Inland Restaurant Venture I, Inc. (Spearmint Rhino – Van Nuys, CA), Kentucky Hospitality Venture, LLC (Spearmint Rhino – Lexington, KY), L.C.M., LLC (Spearmint Rhino – Boise Idaho), Midnight Sun Enterprises, Inc. (Spearmint Rhino – Torrance, CA), Nitelife, Inc. (Spearmint Rhino – Minneapolis, MN), Olympic Avenue Venture, Inc. (Spearmint Rhino – Los Angeles, CA), The Oxnard Hospitality Services, Inc. (Spearmint Rhino – Oxnard, CA), Rialto Pockets, Incorporated (Spearmint Rhino – Rialto, CA), Rouge Gentlemen’s Club, Inc. (Dames N Games – Van Nuys, CA), Santa Barbara Hospitality Services, Inc. (Spearmint Rhino – Santa Barbara, CA), Santa Maria Restaurant Enterprises, Inc. (Spearmint Rhino – Santa Maria, CA), Sarie’s Lounge, LLC (Spearmint Rhino – Omaha, NE), Washington Management, LLC (Dames N Games – Los Angeles, CA) Wild Orchid, Inc. (Spearmint Rhino – Portland, OR), World Class Venues, LLC (Spearmint Rhino – Omaha, NE), (the “Clubs”) should have been treated as employees rather than as owners (i.e., members of limited liability companies), and as a result were entitled to but did not receive adequate compensation and benefits in exchange for the services they provided to the Club(s). Plaintiffs further contend that Defendants failed to pay overtime, failed to provide meal and rest periods, failed to provide accurate, itemized wage statements, that Defendants were engaged in unlawful tip-sharing arrangements with the entertainers and that Defendants violated the Private Attorneys General Act (“PAGA”) (Cal. Labor Code §§ 2699, et seq.). Defendants in the Action dispute and deny any and all claims asserted in the Action. Defendants deny that they engaged in any wrongdoing, and deny that they are liable to the Class Members in any way.

Intervenors are current entertainers who have declined employment status and entered into individual LLC agreements to become Owners and/or LLC Members to perform at any of the above-referenced Clubs. Intervenors seek an order and/or injunctive relief preserving their ownership status and their rights to continue to perform at Clubs pursuant to the individual LLC agreements as Owners and/or LLC Members. Intervenors seek to remain classified as Owners and/or LLC Members and not to be classified as employees.

The United States District Court for the Central District of California has *not* ruled on the merits of the foregoing claims.

**II. PRELIMINARY APPROVAL AND CERTIFICATION OF SUBCLASSES**

On November 7, 2017, the United States District Court for the Central District of California granted preliminary approval of the proposed Settlement of this Action. The following Settlement Class has been certified: all individuals, who performed as an entertainer at any of the Clubs and fall within at least one of the following subclasses:

- (1) “California Settlement Class”: the individuals who worked as entertainers and who have provided nude, semi-nude and/or bikini entertainment for customers at one or more of the Clubs owned by the following entities at some point during the period of time from February 3, 2013 up to and including the entry of the Preliminary Approval Order: City of Industry Hospitality Venture, Inc. (Spearmint Rhino – City of Industry, CA); Farmdale Hospitality Services, Inc. (Blue Zebra – North Hollywood, CA); Inland Restaurant Venture I, Inc. (Spearmint Rhino – Van Nuys, CA); Midnight Sun Enterprises, Inc. (Spearmint Rhino, Torrance, CA); Olympic Avenue Venture, Inc. (Spearmint Rhino, Los Angeles, CA); The Oxnard Hospitality Services, Inc. (Spearmint Rhino, Oxnard, CA); Rialto Pockets, Incorporated (Spearmint Rhino, Rialto, CA);

Rouge Gentlemen's Club, Inc. (Dames N Games, Van Nuys, CA); Santa Barbara Hospitality Services, Inc. (Spearmint Rhino, Santa Barbara, CA); Santa Maria Restaurant Enterprises, Inc. (Spearmint Rhino, Santa Maria, CA); and Washington Management, LLC (Dames N Games, Los Angeles, CA).

- (2) "Florida Settlement Class": the individuals who performed as entertainers and who have provided nude, semi-nude, and/or bikini entertainment for customers at the Club owned by WPB Hospitality, LLC from February 3, 2012 to the entry of the Preliminary Approval Order.
- (3) "Idaho Settlement Class": the individuals who performed as entertainers and who have provided nude, semi-nude, and/or bikini entertainment for customers at the Club owned by L.C.M., LLC from February 3, 2014 to the entry of the Preliminary Approval Order.
- (4) "Iowa Settlement Class": the individuals who performed as entertainers and who have provided nude, semi-nude, and/or bikini entertainment for customers at the Club owned by Sarie's Lounge, LLC and World Class Ventures, LLC from February 3, 2014 to the entry of the Preliminary Approval Order.
- (5) "Kentucky Settlement Class": the individuals who performed as entertainers and who have provided nude, semi-nude, and/or bikini entertainment for customers at the Club owned by Kentucky Hospitality Venture, LLC from February 3, 2014 to the entry of the Preliminary Approval Order.
- (6) "Minnesota Settlement Class": the individuals who performed as entertainers and who have provided nude, semi-nude, and/or bikini entertainment for customers at the Club owned by Nitelife, Inc. from February 3, 2014 to the entry of the Preliminary Approval Order.
- (7) "Oregon Settlement Class": the individuals who performed as entertainers and who have provided nude, semi-nude, and/or bikini entertainment for customers at the Club owned by Wild Orchid, Inc. from February 3, 2014 to the entry of the Preliminary Approval Order.
- (8) "Texas Settlement Class": the individuals who performed as entertainers and who have provided nude, semi-nude, and/or bikini entertainment for customers at the Club owned by High Expectations Hospitality Venture, LLC from May 3, 2014 to the entry of the Preliminary Approval Order.
- (9) "FLSA Settlement Class": the individuals who are members of the California, Idaho, Iowa, Florida, Kentucky, Minnesota, Oregon and Texas Settlement Classes who elect to participate in the Settlement and timely submit a Valid Claim/Credit Benefit Form.
- (10) "Intervenors": the individuals who have intervened in this lawsuit and who currently perform as members of limited liability companies at any Existing Clubs and wish to perform and remain classified as Owners or LLC Members and not as employees.

According to the Clubs' records, you fall within one or more of the subclasses.

### **III. SUMMARY OF THE SETTLEMENT AGREEMENT**

A. The Settlement provides for a Gross Cash Settlement Amount of up to five million five hundred thousand dollars (\$5,500,000); and a Credit Benefit Settlement Amount up to three million dollars (\$3,000,000). Class Members may also elect to receive Credit Benefits in Lieu of Cash in a sum equal to two (2) times the cash amount. Said election, however, shall not reduce the amount of Credit Benefits available when elected in lieu of cash.

B. The Gross Cash Settlement Amount shall be used first to pay the following, as directed by the Court:

1. The attorneys' fees and costs of Class Counsel, not to exceed 25% percent of the combined value to the Gross Cash Settlement Amount and the Credit Benefit Settlement Amount plus reasonable costs and expenses, not to exceed \$2,144,646 (\$2,125,000 in fees and \$19,646.86 in costs);

2. Incentive fees to the Class Representatives – Lauren Byrne, Jenetta L. Bracy, Jennifer Perez, and Jennifer Disla. Class Counsel may apply to the Court for an award of incentive fees up to Two Thousand Five Hundred Dollars (\$2,500) to each Class Representative.

3. The Administrative Costs of Settlement, including Class Notice, internet notice, claims administration, and any fees and costs incurred or charged by the Settlement Administrator, in connection with the execution of its duties under the Agreement, in an amount not to exceed Eighty-Five Thousand Dollars (\$85,000.)

4. A total of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) shall be allocated to PAGA (Cal Labor Code § 2699). Seventy-five (75) percent of that amount or Seventy Five Thousand Dollars and Zero Cents (\$75,000.00) shall be paid by the following entities to the LWDA for penalties under the Private Attorneys General Act: City of Industry Hospitality Venture, Inc., Farmdale Hospitality Services, Inc., Inland Restaurant Venture I, Inc., Midnight Sun Enterprises, Inc., Olympic Avenue Venture, Inc., The Oxnard Hospitality Services, Inc., Rialto Pockets, Incorporated, Rouge Gentlemen's Club, Inc., Santa Barbara Hospitality Services, Inc., and Santa Maria Restaurant Enterprises, Inc. The Seventy Five Thousand Dollars and Zero Cents (\$75,000.00) shall be deducted from the portion of the Net Settlement Fund or the pool allocated for payment to the California Settlement Class. The Twenty Five Thousand Dollars and Zero Cents (\$25,000.00) remaining of the amount allocated to the Labor Code Section 2699 claim shall remain a part of the pool allocated to the payment of claims for the California Settlement Classes.

C. The amount remaining after payment of the amounts referred to above in paragraph B is the Net Cash Settlement Amount from which the individual Members of the Settlement Classes will be paid. This amount will result in an estimated payment to eligible Class Members of between \$6.90 and \$11.93 per dance day. This amount is an estimate only, and various factors may lead to this number being different at the time of final approval of the Settlement, e.g., which pool the Class Member is a member of, the number of dance days being used to calculate the amount per dance day which Class Members are eligible to receive, and the amount of the attorney fee award, and the amount of the incentive fee awards. The Class Members will receive Settlement payments on a pro rata basis, based upon the number of Dance Days performed. In lieu of receiving the Settlement payment by check, each individual Class Member may elect in writing to receive credit in the amount of two (2) times the Settlement payment to be applied solely towards the amount of the Overhead Payment(s) at her Qualifying Club, such credit to be in an amount equivalent to two (2) times the Settlement payment attributable to such Class Member. Application of the Settlement payment towards Overhead Payment(s) shall be subject to the satisfaction of certain criteria, including without limitation, submitting a valid Overhead Payment Voucher to the Settlement Administrator, the existence of a valid LLC Contract, redemption of the Overhead Payment Voucher within a specified period, and other related criteria to effectively administer the Overhead Payment Voucher benefits among eligible Class Members. This Credit Benefit will be good for twelve (12) months following the Effective Date.

D. Credit Benefit. Class Members who do not opt out of the Settlement and who do not validly select to receive a cash fee award will be eligible to receive a Credit Benefit. The Credit Benefit will be based on the total number of Dance Days performed at her Qualifying Club during the applicable Class Period, and will provide Credit Benefits of two to twenty Overhead Payments depending upon the amount of service at her Qualifying Club. Receipt of the Credit Benefit by Class Members is subject to applicable redemption criteria such as submitting a Claim/Credit Benefit Form, scheduling the Credit Benefit redemption date on available redemption dates, the existence of a valid LLC Contract, redemption within twelve (12) months of the Effective Date, and other related criteria to effectively administer the Credit Benefit among eligible Class Members.

E. Injunctive Relief. The Clubs will continue to make available and prominently publicize the options available to entertainers to elect employee or owner status. Such prominent displays will include reference to state and federal laws relating to employee status and will reference rules regarding prohibitions on mandatory tipping of certain employees, such as Club managers. Entertainers electing owner status will not be required to pay "fines" for violations of Club rules. Entertainers electing owner status will not be subject to dance performance minimum quotas. Entertainers may, on an elective rather than mandatory basis, participate in an in-person meeting with Club representatives to resolve any disputes that may arise. The Clubs shall maintain a hotline number for reporting entertainer related claims as well as any fines levied against entertainers, which may be reported on a confidential basis.

F. Intervenor Injunctive Relief. Intervenor shall seek and Plaintiffs and Defendants shall not oppose the entry of a Declaratory Judgment which shall allow the Intervenor to perform as members of an LLC and be classified as members of the LLC and owners and not as employees as that term is defined by the Fair Labor Standards Act or any state law in California, Idaho, Iowa, Florida, Kentucky, Minnesota, Oregon and Texas; and that they may continue to perform as members of the LLC agreement. This Settlement Agreement is expressly conditioned upon entry of the Declaratory Judgment by the Court. The Court shall maintain jurisdiction for a period of ten years. Intervenor Counsel shall file semi-annual reports with the Court and provide status reports using Assessment Criteria and Assessment Criteria Forms as to whether entertainers are being treated as and wish to be classified as owners and members of LLCs.

F. The Settlement Administrator shall cause the Settlement payment(s) to the Class Members who have made Valid Claims to be mailed thirty (30) days following the date on which the Court's decision regarding the last dispute by the Members of the Settlement Classes becomes Final.

G. In addition to the effect of any final Judgment that the Court will enter if the Settlement is approved by the Court, the Settlement Agreement provides a full and complete release by each Class Member and her heirs, successors, and assigns, to City of Industry Hospitality Venture, Inc. (Spearmint Rhino – City of Industry, CA); Farmdale Hospitality Services, Inc. (Blue Zebra –

North Hollywood, CA); High Expectations Hospitality, LLC (Spearminth Rhino – Dallas, TX); Inland Restaurant Venture I, Inc. (Spearminth Rhino – Van Nuys, CA); Kentucky Hospitality Venture, LLC (Spearminth Rhino – Lexington, KY); L.C.M., LLC (Spearminth Rhino – Boise, Idaho); Midnight Sun Enterprises, Inc. (Spearminth Rhino – Torrance, CA); Nitelife, Inc. (Spearminth Rhino – Minneapolis, MN); Olympic Avenue Venture, Inc. (Spearminth Rhino – Los Angeles, CA); The Oxnard Hospitality Services, Inc. (Spearminth Rhino – Oxnard, CA); Rialto Pockets, Incorporated (Spearminth Rhino – Rialto, CA); Rouge Gentlemen’s Club, Inc. (Dames N Games – Van Nuys, CA); Santa Barbara Hospitality Services, Inc. (Spearminth Rhino – Santa Barbara, CA); Santa Maria Restaurant Enterprises, Inc. (Spearminth Rhino – Santa Maria, CA); Sarie’s Lounge, LLC (Spearminth Rhino – Omaha, NE); Washington Management, LLC (Dames N Games – Los Angeles, CA); Wild Orchid, Inc. (Spearminth Rhino – Portland, OR); World Class Venues, LLC (Spearminth Rhino – Omaha, NE); W P B Hospitality, LLC (Spearminth Rhino – West Palm Beach, FL); Industry Hospitality Venture, LLC (Spearminth Rhino – City of Industry, CA); DG Hospitality Van Nuys, LLC (Dames N Games – Van Nuys, CA); Farmdale Hospitality Services, LLC (Blue Zebra – North Hollywood, CA); High Expectations Hospitality Dallas, LLC (Spearminth Rhino – Dallas, TX); Inland Restaurant Venture I, LLC (Spearminth Rhino – Van Nuys, CA); Kentucky Hospitality Venture Lexington, LLC (Spearminth Rhino – Lexington, KY); LCM1, LLC (Spearminth Rhino – Boise Idaho); Midnight Sun Enterprises, LLC (Spearminth Rhino – Torrance, CA); Nitelife Minneapolis, LLC (Spearminth Rhino – Minneapolis, MN); Olympic Avenue Ventures, LLC (Spearminth Rhino – Los Angeles, CA); The Oxnard Hospitality Services, LLC (Spearminth Rhino – Oxnard, CA); Rialto Pockets, LLC (Spearminth Rhino – Rialto, CA); Santa Barbara Hospitality Services, LLC (Spearminth Rhino – Santa Barbara, CA); Santa Maria Restaurant Enterprises, LLC (Spearminth Rhino – Santa Maria, CA); Washington Management Los Angeles, LLC (Dames N Games – Los Angeles, CA); Wild Orchid Portland, LLC (Spearminth Rhino – Portland, OR); World Class Venues Iowa, LLC (Spearminth Rhino – Omaha, NE/Carter Lake, IA); WPB Hospitality West Palm Beach, LLC (Spearminth Rhino – West Palm Beach, FL); The Spearminth Rhino Companies Worldwide, Inc., and Spearminth Rhino Consulting Worldwide, Inc., and their current or former officers, directors, employees, agents, insurers, attorneys, auditors, accountants, experts, parent companies, subsidiaries, affiliates, divisions, stockholders, members, heirs, executors, representatives, predecessors, successors, and/or assigns from any and all actions and/or causes of action, suits, obligations, etc. whether asserted in the Action, with respect to the allegations in the Second Amended Complaint. All Class Members who submit Valid Claims shall also be deemed to have opted in to the FLSA Settlement Class and shall be deemed to have released all claims relating to the FLSA.

The summary of the terms of the release should be read in conjunction with, and is entirely qualified by, the complete text of the release set forth in the Settlement Agreement, which can be found at [www.santabarbarahospitalityservicessettlement.com](http://www.santabarbarahospitalityservicessettlement.com).

H. If the Court approves the Settlement, lawsuits by Class Members who made claims or did not exclude themselves from the Settlement, related to any Released Claims (including Unknown Claims) which arose or may have arisen, in connection with work performed at any of the Clubs by Class Members, and which could have been asserted in the Action, and up to preliminary approval of the Settlement in the Action, but only with respect to claims related to misclassification of entertainers as independent contractors, stage fees, and allocation of dance fees, will be prohibited.

I. Defendants have denied that they have any liability as a result of the claims brought in the Action.

**IV. TO RECEIVE MONEY AND CLAIM YOUR SHARE OF THE SETTLEMENT OR CREDIT BENEFITS IN LIEU OF CASH**

If you want to claim your share of the Settlement in Cash or Credit Benefits in Lieu of Cash, you must complete and email or mail the Claim/Credit Benefit Form (which is attached to this Class Notice and W-9) to the Settlement Administrator at the address listed below.

*Lauren Byrne v. Santa Barbara Hospitality, Inc., et al.*  
*Jenetta L. Bracy v. DG Hospitality Van Nuys, LLC, et al.*  
**KCC Class Action Services**  
info@santabarbarahospitalityservicessettlement.com  
Settlement Administrator Address:  
P.O. Box 404017  
Louisville, KY 40233  
Phone: 866-644-9959

**YOUR CLAIM MUST BE EMAILED OR MAILED BACK TO THE CLAIMS ADMINISTRATOR ON OR BEFORE October 29, 2018.** The Claim/Credit Benefit Form may be also sent by United States Postal Service first class mail or the equivalent. If a Claim/Credit Benefit Form is not received by **October 29, 2018** by email or U.S. Mail, it will be accepted as long as it bears a postmark bearing that date. (If you email the claim form, please ensure that you include your correct address for mailing purposes.)

IF YOU HAVE ALREADY RESPONDED TO THIS NOTICE WHICH WAS SENT TO YOU BY MAIL ON DECEMBER 4, 2017, THERE IS NOTHING FURTHER FOR YOU TO DO AND YOU MAY DISCARD THIS EMAIL.

If you do not submit the Claim/Credit Benefit Form and a W-9 Form, or if you do not exclude yourself from the Settlement, you will be bound by all the terms of the Settlement, including a full release of claims that will prevent you from suing Defendants, their employees, officers, directors, parent companies, or any other related persons or entities for the matters being settled in this Action.

If you submit the Claim/Credit Benefit Form and W-9 form to receive Cash or Credit Benefits in Lieu of Cash or accept Credit Benefits, you will be opting into the Federal Labor Standards Act claims and the release of those claims in addition to other claims.

You have the option to elect on the Claim/Credit Benefit Form to receive Cash or you may receive Credit Benefits in Lieu of Cash in an amount of two (2) times any cash amount.

If your submitted Claim/Credit Benefit Form contains a number of Dance Days that does not exceed 10% of the number of Dance Days reflected in the Clubs' records, the amount requested on your Claim/Credit Benefit Form shall be paid. The Settlement Administrator will email each Class Member whose Claim/Credit Benefit Form contains a number of Dance Days that exceeds 10% of the number of Dance Days reflected in the Clubs' records, within 10 days of receipt of the completed Class Action Documents, a statement informing her of this fact and that she has the option of: (i) accepting the number of Dance Days for that Class Member contained in the Clubs' records as the basis for her claim; or (ii) submitting supporting documentation and evidence supporting the number of Dance Days in the Claim/Credit Benefit Form pursuant to the procedures set forth below. If the Class Member does nothing further or fails to timely submit additional documentation supporting the number of Dance Days stated on her Claim/Credit Benefit Form, her claim shall be calculated based on the number of Dance Days for that Class Member contained in the Clubs' records.

If the Claim/Credit Benefit Form you email or mail back lists Dance Days that are greater than 10% of those Dance Days contained in the Clubs' records, you shall have the right to challenge payment based upon the number of Dance Days contained in the Clubs' records. The challenge shall be made as follows:

(1) You must submit by email or US Mail, within 10 days of the notification described above, additional documentation supporting the number of Dance Days stated on your Claim/Credit Benefit Form to the Settlement Administrator who will provide the information to Class Counsel and Defendants' Counsel;

(2) Class Counsel and Defendants' Counsel will then meet and confer in an attempt to resolve the dispute. Such a decision must be made within seven (7) days of the receipt of your submission of the additional documentation.

(3) If the dispute cannot be resolved informally between the Parties, Class Counsel will notify the Settlement Administrator and the dispute shall be submitted to the Settlement Administrator for a non-binding ruling, which shall be made within fourteen (14) days of the notification by Class Counsel.

(4) Within fourteen (14) days after emailing of the Settlement Administrator's non-binding ruling, either you or the Clubs may request by email a hearing with the Court for a ruling.

If the Club(s) listed on your submitted Claim/Credit Benefit Form matches the information contained in the Clubs' records reflecting the Clubs at which you performed, your payment will be calculated using the names of the Clubs on the Claim/Credit Benefit Form. The Settlement Administrator will mail and email each Class Member whose Claim/Credit Benefit Form contains a statement that she danced at any Club(s) not reflected in the Clubs' records, within ten (10) days of receipt of the completed Claim/Credit Benefit Form, a statement informing her of this fact and that she has the option of: (i) accepting the identity of the Club(s) at which the entertainer worked that are contained in the Clubs' records as the basis for her claim; or (ii) submitting supporting documentation and evidence supporting her claim that she danced at additional or different Club(s) pursuant to the procedures set forth below. If the Class Member does nothing further or fails to timely submit additional documentation supporting her claim that she worked at additional or different Clubs, her claim shall be calculated based on the Clubs' records regarding the identity of the Clubs at which the Class Member performed.

If your submitted Claim/Credit Benefit Form states that you performed at any Club(s) that are not contained in the Clubs' records, you will have the right to challenge the information contained in the Clubs' records. The challenge shall be made as follows:

(1) You must submit by email or US Mail, within ten (10) days of the notification described above additional documentation supporting your claim that you performed at Club(s), different from or in addition to those contained in the Clubs' records, to the Settlement Administrator who will provide the information to Class Counsel and Defendants' Counsel;

(2) Class Counsel and Defendants' Counsel will meet and confer in an attempt to reach a joint decision regarding whether your Settlement payment should be based upon Dance Days at Clubs at which the Clubs' records reflect you did not work. Such a decision must be made within seven (7) days of receipt of your submission of the additional documentation.

(3) If the determination of whether your Settlement payment should be based on the information in your submitted Claim/Credit Benefit Form or not cannot be resolved informally between the Parties, Class Counsel will notify the Settlement Administrator and the dispute shall be submitted to the Settlement Administrator for a non-binding ruling, which shall be made within fourteen (14) days of the notification by Class Counsel.

(4) Within fourteen (14) days after mailing of the Settlement Administrator's non-binding ruling, you or the Club(s) may by email or US Mail request a hearing with the Court for a ruling, subject only to applicable appeals of orders of the Court.

The Settlement Administrator shall cause the Settlement payment(s) to the Class Members who have made Valid Claims to be mailed thirty (30) days following the date on which the Court's decision regarding the last dispute by the Members of the Settlement Classes becomes Final.

## **V. TAXES**

The Settlement Administrator will issue 1099 forms or other applicable tax forms to each recipient of any monies paid from the Gross or Net Settlement Amount pursuant to this Settlement. You will be obligated to obtain your own tax advice concerning the proper reporting and tax consequences of any payments received under this Settlement Agreement, and you shall assume the responsibility of remitting to the Internal Revenue Service and any other relevant taxing authority, any amounts required by law for any monies paid under this Agreement without any further contribution from any of the Defendants or Clubs.

## **VI. EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not wish to participate in the Settlement, you may exclude yourself by submitting a request for exclusion. An exclusion form is also attached to this email. Your request for exclusion must be signed, dated, completed and returned by email or by first class U.S. mail, or the equivalent to the Settlement Administrator at the address set forth below:

**KCC Class Action Services**  
info@santabarbarahospitalityservicessettlement.com  
Settlement Administrator Address:  
P.O. Box 404017  
Louisville, KY 40233  
Phone: 866-644-9959

The request for exclusion must be received by the Settlement Administrator no later than October 29, 2018. The request for exclusion must be sent by United States Postal Service first class mail or the equivalent or by email. If the request for exclusion is received after October 29, 2018, it will be accepted as long as it bears a postmark or email date that bears that date.

If you submit a complete and timely request for exclusion, you shall, upon receipt, no longer be a Member of the Settlement Classes, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. You will retain whatever rights or claims you may have, if any, against Defendants or related persons or entities, and you will be free to pursue them on an individual basis, if you choose to do so.

Do not submit both a Claim/Credit Benefit Form and W-9 and a request for exclusion. If you submit both a Claim/Credit Benefit Form and W-9 and also a request for exclusion, the request for exclusion will be disregarded and you will be included in the Settlement Classes, you will be paid your portion of the Settlement, and you will be bound by the terms of the Settlement, including the release of all claims.

If you do not request to be excluded from the Action, and you do not object to the proposed Settlement in the manner provided above, you will be deemed to have approved the proposed Settlement and to have waived any objections, and you will be forever foreclosed from objecting to the fairness or adequacy of the proposed Settlement, the payment of attorneys' fees and costs, the claims process, the payments to the Class Representatives, or any other aspect of the Settlement. If the Settlement is not approved, the Action will continue to be prepared for trial or other judicial resolution.

## **VII. OBJECTING TO THE SETTLEMENT AND ENTRY OF APPEARANCE**

If you believe the Settlement is unfair or inadequate in any respect, you may object to the Settlement by filing a written objection with the United States District Court for the Central District of California and emailing or mailing a copy of your objection to Class Counsel, Intervenor's Counsel and Defense Counsel, at the addresses listed below, and to the Settlement Administrator at the address listed above.

**CLASS COUNSEL**

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 Ricardo J. Prieto, Esq.  
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**COURT**

United States District Court, Central  
 District of California  
 3470 Twelfth Street, Riverside, CA  
 92501-3801

All objections must be filed with the Court no later than **October 29, 2018**. Copies of your objections emailed or mailed to Class Counsel, counsel for Defendants, Intervenor's Counsel and the Class Administrator must be emailed or postmarked no later than **October 29, 2018**. All objections must state with particularity the factual and legal bases for each objection raised; furnish copies of any documents you wish to submit in support of your position; and provide a list of any other objections you have submitted to any class action settlements in any state or federal court in the United States in the past five (5) years. If you have not objected to any other class action settlement in any court in the United States in the past five (5) years, you shall affirmatively so state in the written materials provided in connection with the objection to this Settlement. All objections must be signed and set forth your name and the name of the case and case number *Lauren Byrne v. Santa Barbara Hospitality, Inc., et al.* Case No. 5:17-CV-00527 JGB (KKx); *Jenetta L. Bracy v. DG Hospitality Van Nuys, LLC, et al.*; Case No. 5:17-CV-00854 JGB (KKx) United States District Court for the Central District of California. In addition, the following information must be sent to the Settlement Administrator along with a copy of your objection (but not filed with the Court): your current address, telephone number, California (or other applicable jurisdiction), any Stage Name(s), the Club(s) you performed at; the approximate date ranges (month(s)/year(s)) you performed as an entertainer at each Club, and your mailing address and telephone number at the time you performed as an entertainer at each Club.

Further, if you object and intend to appear at the Fairness Hearing, either in person or through counsel, you must include with the objection a written statement of the purpose for your appearance. The notice of intention to appear must: (i) state how much time you and/or counsel anticipates needing to present the objection; (ii) identify, by name, address, and telephone number any witnesses you and/or your attorney intends to present; (iii) identify all exhibits you and/or your attorney intends to offer in support of the objection; and (iv) attach complete copies of all such exhibits. If you do not provide an objection and/or notice of intention to appear in complete accordance with the deadlines and other requirements set forth herein you will be deemed to have waived any objections to the Settlement and shall be barred from speaking or otherwise presenting any views at the Fairness Hearing or from pursuing any appeals.

If you intend to file an objection, but you also wish to preserve your right to receive benefits under the Settlement in the event your objection is overruled, you must file a Claim/Credit Benefit Form and W-9 Form in the manner described above. If the Court approves the Settlement despite any objections, and you do not have a Claim/Credit Benefit Form and W-9 Form on file, you will not receive any Settlement proceeds and you will be barred from filing a lawsuit in the future relating to the allegations of the Action.

If you object to this Settlement and if any proponent of the Settlement chooses to take a deposition or requests that you respond to written discovery, you must make yourself available upon reasonable notice for a deposition taken by the proponents of the Settlement and/or to respond to written discovery.

**VIII. FINAL HEARING ON PROPOSED SETTLEMENT**

The Final Hearing on the fairness and adequacy of the proposed Settlement, the plan of distribution, the enhancement awards to the named class representatives, and Class Counsel's request for attorneys' fees and costs will be held on **December 10, 2018** at 9 a.m., in Courtroom 1 of the United States District Court, Central District of California, located at 3470 Twelfth Street, Riverside, CA 92501-3000. This Hearing may be continued to a later date without further notice.

You have the right to appear at the Final Hearing, or to otherwise intervene in the Action through an attorney of your own choosing, at your own expense.

#### **IX. OTHER LAWSUITS**

The Parties are aware of a similar putative class collective/PAGA actions filed in the Los Angeles Superior Court and in the Federal District Court for the Central District of California on behalf of groups of individuals who performed as entertainers and who provided nude, semi-nude, and/or bikini entertainment for customers at nightclubs in the State of California doing business as Spearmint Rhino, Blue Zebra and Rouge (the “Other Lawsuits”). None of these classes in these cases have been certified. The following are the Other Lawsuits: *Adriana Ortega v. The Spearmint Rhino Companies Worldwide, Inc.*, *Spearmint Rhino Consulting Worldwide, Inc. and Midnight Sun Enterprises, LLC*, United States District Court for the Central District of California, Eastern Division; Case No. 5:17-cv-00206-JGB-KK; and *Shala Nelson v. Farmdale Hospitality Services, LLC*, Los Angeles Superior Court, Case No. BC671852. If a judgment is entered in this Action and it becomes Final, the parties will ask those Courts not to proceed with those actions.

#### **X. ADDITIONAL INFORMATION**

This Class Notice only summarizes the Action, the Settlement and related matters. For more information, you may:

(a) Inspect the Court files at the United States District Court, Central District of California, located at 3470 Twelfth Street, Room 134, Riverside, CA 92501-3000, from 10:00 a.m. to 4:00 p.m. Monday through Friday.

(b) Log on to PACER at <https://ecf.cacd.uscourts.gov/cgi-bin/login.pl> using the case name and number listed on page 1 of this notice to examine the pleadings in this Action for minimal cost.

(c) Examine the full Settlement Agreement, the notice and the claim form maintained online at [www.santabarbarahospitalityservicessettlement.com](http://www.santabarbarahospitalityservicessettlement.com).

(d) Contact the Settlement Administrator at the email address, physical address and telephone number noted above; or

(e) Class Counsel can be contacted by writing to Todd Slobin, Esq. or Ricardo J. Prieto, Esq. at the following email address or physical address or by calling them at the following number:

Todd Slobin, Esq.

tslobin@eeoc.net

Ricardo J. Prieto, Esq.

rprieto@eeoc.net

SHELLIST | LAZARZ | SLOBIN LLP

11 Greenway Plaza, Suite 1515

Houston, TX 77046

Tel: (713) 621-2277

(f) Intervenors’ Counsel can be contacted by writing to Casey T. Wallace, Esq. at the following email address or physical address or calling him at the following number:

Casey T. Wallace, Esq.

casey.wallace@feldman.law

Feldman & Feldman, PC

3355 W. Alabama St. Suite 1220

Houston, TX 77098

Tel: (713) 986-9471

**PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS CLASS NOTICE**