

**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT AND HEARING DATE
FOR COURT APPROVAL**

IF YOU ARE A CURRENT OR FORMER EMPLOYEE WHO WORKED AS A SERVER OR BARTENDER AT CAPO RESTAURANT AT ANY TIME FROM JULY 19, 2012 TO APRIL 19, 2022, A CLASS ACTION SETTLEMENT HAS BEEN REACHED THAT MAY PROVIDE YOU WITH MONETARY BENEFITS AND COULD AFFECT YOUR RIGHTS.

A court authorized this notice. You are not being sued. This is not a solicitation.

YOUR RIGHTS AND OPTIONS REGARDING THE SETTLEMENT	
ACCEPT OR CHALLENGE YOUR SHARE OF THE SETTLEMENT MONIES	The enclosed Payment Form will tell you the amount of the settlement funds we estimate you will receive or state the reasons why you will not receive a share of those funds. If you agree with the decision, you need do nothing further. If you disagree, you must challenge the decision by mailing your statement by July 11, 2022 and the deadline for personal delivery is July 25, 2022.
REQUEST TO BE EXCLUDED FROM THE SETTLEMENT	Ask to be excluded. You will retain the choice to file your own lawsuit for the same claims but will not receive most, if any, of the monetary benefit from this settlement. If you want to be excluded, you must mail or deliver your request to the Settlement Administrator. The deadline for mailing your request is July 11, 2022 and the deadline for personal delivery is July 25, 2022.
OBJECT TO THE TERMS OF THE SETTLEMENT	Write to the Settlement Administrator about why you don't like any aspect of this settlement and believe all or any of it is unfair or inadequate. The deadline for mailing your objection to the Settlement Administrator is July 11, 2022. The deadline for personally delivering the objection is July 25, 2022.

Please read this Notice carefully. It describes your rights, the benefits of the settlement, and the steps that you will need to follow if you wish to exclude yourself from the settlement.

Additional copies of this Notice are available by calling (888) 250-6810. If you need another copy of your Payment Form, please call (888) 250-6810.

If you know of anyone who may be a member of the Class, please share this information with them.

1. What is this proposed class action about?

This proposed class action, known as, *Brittney Krasts Stolpe v. Capo, LP, et al.*, pending in the Superior Court for the State of California, Los Angeles County, Central District, Case No. BC627575, alleges that defendants Capo, LP, Capo, LLC, Foodco West, LLC and Bruce Marder violated California's Labor Code, the Private Attorney General Act ("PAGA") (Labor Code §2698, et seq.), Business & Professions Code, and the common law. The plaintiff alleges that she and other servers and bartenders at Capo restaurant were required to give a portion of their tips to the manager(s) of Capo restaurant, denied meal and rest breaks and misclassified as essentially independent contractors at private events and parties in violation of these laws. The defendants deny that their conduct violated the law.

Capo restaurant is located at 1810 Ocean Avenue, Santa Monica, California, 90401.

2. Is this a class action?

This case is a class action for settlement only. In other words, the Court has not approved this case as a class action for all claims, but the parties have agreed to have the case treated as a class action for the purpose of this settlement. In a class action, one or more people, called “Class Representatives” sue on behalf of people who have similar claims. In this case, plaintiff Brittney Krasts Stolpe is the Class Representative. If you fall within the definition of the class of bartenders and/or servers in this case, you are referred to as a “Class Member.” If you fall within the definition of an aggrieved bartender and/or server in this case, you are referred to as an “Aggrieved Employee.” The Court has not decided whether to approve the settlement. The settlement benefits will be available if the Court approves the settlement and appeals, if any, are resolved in favor of the settlement. Please be patient.

3. Do I have a lawyer in this case?

The Court has determined that George A. Shohet of the Law Offices of George A. Shohet, A Professional Corporation, and Jill Piano, Esq. are qualified to represent you and all settlement Class Members. The firm and the lawyers are called “Class Counsel.” They are experienced in handling similar cases. The contact information for Mr. Shohet’s law firm is 269 S. Beverly Drive, Suite 1800, Beverly Hills, CA 90212, Tel: (310) 452-3176. You do not need to hire your own lawyer because Class Counsel is working on your behalf. Nonetheless, you may hire your own lawyer if you wish. If you hire your own lawyer, however, you are responsible for paying for that lawyer.

The attorney representing the Defendants in this case is Jesse M. Caryl of the law firm Bent Caryl & Kroll, LLP, 6300 Wilshire Boulevard, Suite 1415, Los Angeles, CA 90048, Tel.: (323) 315-0510.

4. Why is there a settlement?

The parties and their counsel determined that settling this matter is preferable to continuing to litigate. There are a number of reasons that the parties made this decision, including, among other things, the risk of further litigation, the delay and expense of bringing the case to trial and the complexity of the case. Prior to reaching the settlement, the Court ruled that class certification was conditionally appropriate as to Capo, LP, but not to the other defendants. This ruling was based on the lack of proof that the other defendants employed Class Members or could be legally responsible for the alleged violations of law. In deciding to settle, Class Counsel and the Class Representative also considered potential difficulties in collecting on any judgment that they might obtain. The United States restaurant industry, including Capo restaurant and its owner Capo, LP, are struggling financially due to the COVID-19 pandemic. Continued litigation of this case may result in additional economic harm to Capo, LP and Capo restaurant and jeopardize a recovery in this case. Before reaching settlement, the parties engaged in discovery, including document productions and depositions, exchanged settlement proposals over several weeks, and negotiated the settlement terms.

5. How do I know if I am part of the Settlement?

You are part of the Settlement Class if you are a current or former employee who worked as a server or bartender at Capo restaurant at any time from July 19, 2012 to April 19, 2022. Excluded from Class membership is the individual defendant and his spouse. You are an Aggrieved Employee if you are a current or former employee who worked as a server or bartender at Capo restaurant at any time from April 22, 2015 to April 19, 2022.

6. What does the settlement provide and how do I participate?

Once the Court approves the settlement and it becomes final, Defendants will collectively pay amounts totaling the sum of \$125,000 to the Settlement Administrator. This amount is subject to reduction for attorney's fees, costs of the lawsuit, and certain other deductions that the Court may approve. The Plan of Allocation is set forth in more detail in Section 7 below. In addition, the Parties propose that the sum of \$5,000 be paid from the settlement fund in satisfaction of all PAGA claims in this Action. Of that amount, the law requires, that seventy-five percent or \$3,750 be paid to the California Labor & Workforce Development Agency and twenty-five percent or \$1,250 be paid, on a pro-rata basis, to Aggrieved Employees who were employed by Capo, LP on or after April 22, 2015 to April 19, 2022.

7. How will my monetary payment be decided?

After any award the Court may make for attorney's fees, costs and other payments (including the PAGA payment to the LWDA and the incentive awards described below), the remaining settlement funds ("Net Settlement Fund") will be distributed to Class Members and Aggrieved Employees with approved claims based on the following Plan of Allocation or such alternative plan as the Court may approve. The manner and timing of payment is as follows:

(a) The Settlement Administrator will first identify Aggrieved Employees. It will then separate the sum of \$1,250 from the Settlement Fund as the "PAGA Settlement Fund." The PAGA Settlement Fund will be divided on a pro-rata basis among the Aggrieved Employees as follows: \$1,250 divided by the total Aggrieved Employees' work weeks to determine the work week share, which is then multiplied by the respective Aggrieved Employee's number of work weeks to determine their individual pro-rata share. The Settlement Administrator, in consultation with Class Counsel, will then calculate the pro-rata share of the Net Settlement Fund to be paid to Settlement Class Members. To determine the pro-rata share, the total number of weeks worked by a Participating Class Member will be divided by the total number of weeks worked by all Participating Class Members.

(b) Class Members who signed a release with Defendants and received payment from them will have their approved claims reduced by the amount they previously received. However, if a Class Member's prior payment exceeds their pro-rata share of the Net Settlement Fund, they shall be entitled to an additional minimum payment of \$100 from the Net Settlement Fund.

(c) Defendants will make an initial payment of \$50,000 within 10 business days after the settlement becomes final. The Parties propose that after deducting the actual out-of-pocket costs and expenses incurred by Class Counsel, the incentive awards, the PAGA payment to the LWDA, the Settlement Administrator's costs and the PAGA allocation to Aggrieved Employees, the net balance of the funds will be distributed pro-rata to Class Members with approved claims. Thereafter, Defendants will deposit two installments of \$37,500 each. The first installment will be made on or before the one hundred and fiftieth (150th) day after the settlement is final and the second and final installment will be made on or before the three hundredth (300th) day after finality. The first installment of \$37,500 will be made to Class Members with approved claims based on the same distribution formula set forth above in paragraph 7(a). The second and final installment will likely be reduced by an award of attorneys' fees, which may result in no further distribution to Class Members with approved claims. If the attorneys' fees awarded do not exhaust the Net Settlement Fund, a further distribution will be made to Class Members with approved claims. Please note that whether Class Members participate or exclude themselves, those Class Members who are Aggrieved Employees will receive a pro rata share of the \$1,250 in settlement of the PAGA claims.

8. How much can I expect to receive?

The enclosed Payment Form lists the amount you may expect to receive if you participate in the settlement or states that you will not receive a share of the Net Settlement Fund for the reasons stated in the form. This decision is based on the information collected from the Defendants and other sources. **IF YOU AGREE WITH THE DECISION ON THE PAYMENT FORM AND ARE WILLING TO BE BOUND BY THE SETTLEMENT TERMS, YOU DO NOT NEED TO DO ANYTHING FURTHER (OTHER THAN REPORT A NEW MAILING ADDRESS TO THE SETTLEMENT ADMINISTRATOR IF YOU HAVE CHANGED ADDRESSES). THE SETTLEMENT ADMINISTRATOR WILL MAIL YOU A CHECK IF YOU ARE ELIGIBLE TO RECEIVE A SHARE OF THE NET SETTLEMENT FUND.**

Please be advised that your payment amount may be reduced or increased based on the number of participating Class Members, the number of Class Members or Aggrieved Employees who do not cash their checks, the number of Requests for Exclusion submitted, whether additional Class Members or Aggrieved Employees are identified or come forward, and the terms of the Court's final approval order, including the amount of any fees, costs, and other payments approved by the Court.

You have a right to challenge the Settlement Administrator's determination by following the instructions on the Payment Form. **TO CHALLENGE THE DECISION ON THE PAYMENT FORM YOU MUST MAIL OR DELIVER YOUR CHALLENGE TO THE SETTLEMENT ADMINISTRATOR NO LATER THAN JULY 25, 2022.** All challenges will be resolved by the Settlement Administrator and Class Counsel. Their decision will be final and binding unless you timely seek Court review. You will be advised how to do so if the dispute remains unresolved.

Additional copies of your Payment Form are available by calling (888) 250-6810.

9. How will Class Counsel be paid? Will the Class Representative receive any amount above her share of the Net Settlement Fund? What will the Settlement Administrator receive?

You do not have to pay Class Counsel's fees and expenses. The Court will determine those amounts. Class Counsel is requesting that the Court approve 30% of the total portion of the settlement or \$37,500 plus out-of-pocket costs and expenses not to exceed \$7,500. The total amount of attorney's fees, out-of-pocket costs and expenses requested by Class Counsel will not exceed \$45,000. In addition, the Court will be asked to approve incentive payments to the Class Representative and Brian Everingham, one of the Class Members, for their considerable effort in prosecuting the action. The total of these incentive payments will not exceed \$5,000.

The Settlement Administrator is ILYM Group, Inc. It will receive payment from the settlement fund for their services in an amount not to exceed \$3,500.

A former attorney who once represented Mr. Everingham when he was the named plaintiff in this case may seek compensation and reimbursement of costs and expenses. Class Counsel and Defendants' Counsel believe that any such request would be unjustified. Nevertheless, it is possible that an award to the former attorney would further deplete the settlement proceeds.

10. How do I request to be excluded from the Class?

Class Members may exclude themselves from the settlement by mailing to the Settlement Administrator a written request to opt out postmarked no later than July 11, 2022, delivering to the Settlement Administrator a written exclusion request no later than July 25, 2022, or by appearing at the Final Approval Hearing and requesting exclusion. **Mail or deliver your exclusion request to the address below:**

Capo Restaurant Settlement Administrator
ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

If you do not request exclusion and the proposed settlement becomes final, you will be bound by all terms and conditions of the settlement, including the release of claims. If you submit a timely and valid request to be excluded, you will not receive any monetary benefit from the settlement as a Class Member, but you will retain the choice to sue the Defendants separately about the same legal claims in this lawsuit. However, you will be bound by the release to the extent that you are an Aggrieved Employee, but only as to the PAGA release. In other words, whether you exclude yourself or not you will be unable to assert the Labor Code violations alleged in the Complaint under PAGA if the settlement becomes final.

11. May I object to the settlement?

If you believe any aspect of the settlement is unfair or inadequate, you may object, personally or through an attorney of your choosing. Class Members may object to the settlement by mailing to the Settlement Administrator a written objection postmarked no later than July 11, 2022, delivering to the Settlement Administrator a written objection no later than July 25, 2022, or by appearing at the Final Approval Hearing and objecting. **Mail or personally deliver the objection to:**

Capo Restaurant Settlement Administrator
ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

A Class Member who does not submit a written objection or appear at the Final Approval Hearing and object will be deemed to have waived any objections and will be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement.

If the Court rejects your objection, you will still be bound by the terms of the settlement. You will not be able to exclude yourself from the settlement if you file an objection.

12. What claims are being released as part of the settlement?

Upon final approval of this Settlement by the Court, and after Defendants deposit all of the Gross Settlement Funds with the Settlement Administrator, except as to such rights or claims as may be created by this Agreement, each Participating Class Member will fully release and discharge Defendants and each of their past and present subsidiaries, parents, successors, predecessors, officers, directors, agents, employees, and

stockholders from any and all claims and causes of action that arose during the Class Period and are based on the facts asserted in the wage and hour claims that were plead or could have been plead based on the facts in the Complaint including, but not limited to, those under the Labor Code, Business & Professions Code, common law and federal, state or local wage and hour laws, including claims for failure to pay overtime compensation, failure to pay all regular wages, failure to pay minimum wages, failure to pay all wages due, unpaid tips, failure to allow and pay for meal periods, failure to allow and pay for rest periods, waiting time penalties, failure to provide accurate itemized wage statements, statutory and civil penalties, liquidated damages, and punitive damages. However, no claims under the Fair Labor Standards Act, 29 U.S.C. § 201, et seq., are released by Class Members, except by Ms. Stolpe, the Class Representative, and Class Member Everingham. For the sake of clarity, the Class Member release period shall be from July 19, 2012 through April 19, 2022.

In addition, upon final approval of this Settlement by the Court, and after Defendants deposit all of the Gross Settlement Funds with the Settlement Administrator, the Named Plaintiff and Class Member Everingham, on behalf of themselves, each Aggrieved Employee, and the State of California will fully release and discharge Defendants and each of their past and present subsidiaries, parents, successors, predecessors, officers, directors, agents, employees, and stockholders from any and all claims, rights, demands, liabilities, and causes of action of every nature and description, under PAGA, which were alleged or which could have been alleged based on the facts asserted in the operative complaint in the Action or the operative administrative exhaustion letter filed with the Labor and Workforce Development Agency that accrued during the release period. For the sake of clarity, the Aggrieved Employee release period shall be from April 22, 2015 through April 19, 2022.

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

The Court will hold a hearing in Department 9 of the Superior Court for the State of California, Los Angeles County, Central District, located at 312 N. Spring Street, Los Angeles, California 90012, at 10:00 AM on August 9, 2022, to decide whether to approve the (i) settlement; (ii) Plan of Allocation; (iii) Class Counsel's request for attorney's fees and reimbursement of out-of-pocket costs; and (iv) the incentive payments to the Class Representative and Mr. Everingham. **It is not necessary for you to appear at this hearing.** If you have timely submitted an objection or want to appear at the hearing and request exclusion or object, you or your attorney may appear at the hearing and make a presentation to the Court. If the Court postpones the hearing, Class Members will be notified by mail of the new date and notice of the new date will be posted on the Settlement Administrator's website. You may also call (888) 250-6810 to confirm the date of the hearing.

14. How do I get more information?

The information above is a summary of the basic terms of the settlement. For more information about the settlement, you are referred to the detailed Class Action Settlement Agreement. The Court records about this case may be examined through the Clerk of Court, Superior Court for the State of California, Los Angeles County, Central District, 111 N. Hill Street, Los Angeles, CA 90012. **However, please check with Class Counsel at (310) 452-3176 to obtain information regarding the Court's social distancing procedures, including how to appear at the final approval hearing or how to review court files.**

PLEASE DO NOT TELEPHONE OR WRITE THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT