Hearing Date: No hearing scheduled Location: <<CourtRoomNumber>> Judge: Calendar, 14

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# **ATTACHMENT 1**

## IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT, CHANCERY DIVISION

HERMELINDA LOPEZ, on behalf of herself and other similarly situated laborers,	)
Plaintiff, v.	) ) ) Case No.: 2019-CH-10438
RESTAURANT MANAGEMENT CORP, d/b/a McDonald's,	) ) Judge Clare Quish )
Defendant.	)

#### **CLASS ACTION SETTLEMENT AGREEMENT**

This Class Action Settlement Agreement ("Settlement Agreement" or "Agreement") is made and entered into by and between Plaintiff Hermelinda Lopez ("Plaintiff), on behalf of herself and a class of similarly situated employees of the four McDonald's stores located in Chicago, Illinois (the "Class") and managed by the Defendant Restaurant Management Corporation d/b/a McDonald's ("Defendant" or "RMC") for their claims arising under the Chicago Minimum Wage and Paid Sick Leave Ordinance, Chicago, Ill., Municipal Code of Chi. § 1-24-010, *et seq.* (hereafter the "CPSLO"). This Agreement shall be binding on: (1) Plaintiff and the Class; and (2) Defendant, subject to the terms and conditions hereof and the approval of this Court.

#### **SECTION I**

#### **RECITALS**

1. On September 10, 2019, Plaintiff Hermelinda Lopez, on behalf of herself and other similarly situated individuals, filed a complaint in the Circuit Court of Cook County, County Department, Chancery Division, Case No. 2019-CH-10438 (hereafter, "the Lawsuit"), against Defendant alleging that Defendant failed to provide: (a) the failure to post notification of the right to earned paid sick leave in a conspicuous place at each location as required by the CPSLO; (b)

the failure to provide written notice advising Class Members of their rights to earned paid sick leave as required by the CPSLO; (c) the failure to permit a Class Member to take earned paid sick leave as required by the CPSLO; and (d) the failure to pay a Class Member for earned paid sick leave as required by the CPSLO.

2. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the claims alleged in Plaintiff's Complaint. Specifically, Defendant denies that its employment practices failed to comply with the CPSLO or any other federal, state, or local law.

3. Nothing in this agreement may be used in any way, whether in court or otherwise, to assert or argue that Defendant has agreed it has violated the CPSLO or any other federal, state, or local law.

4. Counsel for the Parties have pursued their positions and the rights of their clients through thorough discovery, legal and factual analysis, several discussions regarding possible resolution of the Lawsuit, and an ongoing exchange of information related to all claims and defenses.

5. In light of discovery conducted to date, as well as the time and expense associated with briefing and arguing class certification and other motion practice, along with the risks to both parties associated with a trial of Plaintiff's claims, the Parties to the Lawsuit elected to engage in settlement discussions.

6. Beginning in April 2021 and continuing thereafter, the Parties engaged in settlement discussions. After months of back-and-forth negotiations, the Parties reached an agreement as to how the claims in the Lawsuit should be resolved. The settlement terms set forth in this Agreement reflect this agreement.

7. Plaintiff, Defendant, and their respective counsel believe that it is in their best

interests to resolve this matter at this time.

8. Class Counsel, acting in the best interest of the Class Members, wishes to resolve this matter through a fair and cost-effective method that confers a benefit to the Class while avoiding the expense, delay, diversion, and risk of protracted and complex litigation.

9. Defendant and its counsel also wish to avoid the expense, burden, diversion, and uncertainty of protracted litigation and wish to resolve this matter.

10. Should the Settlement Agreement not become final for any reason, nothing from the settlement process, including documents created or obtained from the settlement process and settlement administration, shall be admissible evidence in this action or used in any way contrary to Defendant's interests or to Plaintiff's and the Class Members' interests. Regardless of whether the Settlement Agreement is finally approved, neither the Settlement Agreement nor any document, statement, proceeding, or conduct related to this Agreement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted into evidence as, received as, or deemed to be evidence for any purpose adverse to any party.

11. This Settlement Agreement contains all of the agreements between Plaintiff, Defendant, and their respective counsel relating to settlement of the Lawsuit. At all times, the negotiations leading to the Settlement Agreement were adversarial, non-collusive, and at arm's length.

#### SECTION II

#### **DEFINITIONS**

 "Agreement" or "Settlement Agreement" refers to this Class Action Settlement Agreement.

2. The "Class" or "Settlement Class" refers to "Plaintiff and all current and former

hourly employees who were covered by the Chicago Minimum Wage and Paid Sick Leave Ordinance, Chicago, Ill., Municipal Code of Chi. § 1-24-010, *et seq.*, and employed from July 1, 2017 up through and including May 31, 2021 at any of the following four restaurants managed by Restaurant Management Corporation:

- Store No. 4061, located at 180 W. Adams Street, Chicago, IL 60603;
- Store No. 5813, located at 4047 E. 106th Street, Chicago, IL 60617;
- Store No. 13838, located at 225 S. Canal Street, Chicago, IL 60606; and
- Store No. 31049, located at 23 S Clark Street, Chicago, IL 60603."

3. "Class Claims Certified" means the claims being certified for class treatment pursuant to 735 ILCS 5/2-801, *et seq.*, including and limited to any claim of any Class Member against the Released Parties as defined in Section II,  $\P$  26, *infra*, while working at one of the RMC Chicago Restaurants during the Class Period for: (a) the failure to post notification of the right to earned paid sick leave in a conspicuous place at each location as required by the CPSLO; (b) the failure to provide written notice advising Class Members of their rights to earned paid sick leave as required by the CPSLO; (c) the failure to permit a Class Member to take earned paid sick leave as required by the CPSLO; and (d) the failure to pay a Class Member for earned paid sick leave as required by the CPSLO.

4. "Class Counsel" refers to Christopher J. Williams and Sheila Maddali of the National Legal Advocacy Network ("NLAN") and Ada Sandoval, Mark H. Birhanu, and Kevin Herrera of the Raise the Floor Alliance Legal Department ("RTF").

5. "Class Members" refers to all persons who meet the Class definition identified in this Settlement Agreement, a list of whom is identified on Exhibit A, which shall be filed under seal, and who do not timely exclude themselves from the Class Settlement consistent with the exclusion procedures set forth in this Settlement Agreement. In the event of a dispute about Class Membership, Exhibit A shall control as to the identity of putative Class Members.

6. "Class Representative" refers to Named Plaintiff Hermelinda Lopez.

7. "Class Notice" or "Notice Packets" refers to the notice to the Class, attached hereto as Exhibit B, which shall provide information about the terms of this Agreement, including the Dispute Resolution Process ("DRP") and the DRP Claim Form attached as Exhibit D, set forth in Section VI, ¶ 11, and how a Class Member may participate in the DRP.

8. The "Class Period" refers to the period from July 1, 2017 up through and including May 31, 2021.

9. The "Court" refers to the Circuit Court of Cook County, County Department, Chancery Division, which has jurisdiction over this Lawsuit.

10. The "Database" means the digital data, provided by Defendant to Class Counsel in Excel format containing the following information with respect to each Class Member: their (1) name; (2) last known home address; (3) store location, if currently working for Defendant; and (4) employee identification number.

11. "Defendant" or "RMC" refers to Restaurant Management Corporation, d/b/a McDonald's. For purposes of this Agreement, only employees employed at one of the following four restaurants operated by RMC during the Class Period are covered by this Agreement (hereafter and collectively referred to as to as the "RMC Chicago Restaurants"):

• Store No. 4061, located at 180 W. Adams Street, Chicago, IL 60603;

- Store No. 5813, located at 4047 E. 106th Street, Chicago, IL 60617;
- Store No. 13838, located at 225 S. Canal Street, Chicago, IL 60606; and

• Store No. 31049, located at 23 S Clark Street, Chicago, IL 60603.

12. "Defendant's Counsel" refers to Martin LaPointe, and any other attorneys of the law firm LaPointe Law, P.C.

13. "Dispute Resolution Process" or "DRP" refers to a procedure agreed to by the Parties to resolve any claim of a Class Member as their exclusive remedy for any alleged violation

of any Class Claim Certified as defined in Section I,  $\P$  3, *supra*, alleged violation of any rights to earned paid sick leave as provided in the CPSLO. The DRP is set for in Section VI,  $\P$  11, *infra*.

14. "DRP Claim Form" is the form which shall be provided to Class Members upon request to make a claim for unpaid sick pay pursuant to the CPSLO during the Class Period. Information on how a Class Member can receive a copy of the DRP Claim Form shall be included in the Notice to the Class.

15. "Effective Date" refers to the first business day after the last day of the period for appeal of the entry of a Final Approval Order, or if an appeal has been filed, the date on which the appeal is final. The Parties agree to waive all rights to appeal upon entry of the Final Approval Order.

16. The "Final Approval Hearing" means the hearing on Plaintiff's Motion for Final Approval of the Settlement at which the Court shall consider whether to enter a Final Approval Order of this Class Action Settlement Agreement.

17. "Final Approval Order" means the order entered by the Court following the Final Approval Hearing which, if entered, shall resolve all Released Claims of Plaintiff and the Class, shall result in the dismissal of Defendant and the Released Parties from this Lawsuit with prejudice and shall serve as a final judgment in this matter.

18. An "Opt-Out" is a Class Member who has timely files a Request for Exclusion using the process specified in the Agreement.

19. The "Opt-Out/Objection Period/DRP Claim Period" means sixty (60) calendar days after the mailing date of the Class Notices, and shall be the last date by which any of the following must be postmarked in order to be timely and effective: (a) a Request for Exclusion from a Class Member who wishes to be excluded from the Settlement; (b) a written objection from a Class

Member who wishes to object to the Settlement; or (c) a DRP Claim Form for Class Members who believe they are entitled to payment pursuant to the CPSLO for denied sick pay during the Class Period.

20. The "Parties" refers to the Named Plaintiff, the Class Members, and the Defendant, and in the singular refers to any of them as context makes apparent.

21. "Plaintiff" or "Named Plaintiff" means Hermelinda Lopez.

22. The "Preliminary Approval Date" is the date on which the Court issues the Preliminary Approval Order.

23. The "Preliminary Approval Order" means the Order of the Court pursuant to 735 ILCS 5/2-801, *et seq.* granting preliminary approval of this Settlement Agreement, or as may be modified by subsequent mutual agreement of the Parties in writing and approved by the Court.

24. "Released Class Claims" means the Class Claims Certified as defined in Section I, ¶ 3.

25. The "Released Parties" refers to Defendant (as defined in the recitals) and its agents, parents, subsidiaries, divisions, directors, officers, partners, shareholders, managers, members, employees, insurers, affiliates, and legal representatives.

26. "Service Payment" refers to the total payment from the Class Settlement Amount to the Plaintiff for her service to the Class in litigating this matter and assisting with its settlement as follows: One Thousand and 00/100 Dollars (\$1,000.00) to Hermelinda Lopez. Service Payments to Plaintiffs shall be subject to Court approval.

27. "Settlement Administration Costs" means the costs associated with administering the Settlement, including the fees and costs of the Settlement Administrator. Defendant shall pay the Settlement Administration Costs separate and apart from the Class Settlement Amount up to a

maximum of Seven Thousand and 00/100 Dollars (\$7,000.00). Any Settlement Administration Costs in excess of \$7,000.00 shall be paid by Defendant but deducted from any amount awarded to Class Counsel as for attorneys' fees and costs.

28. "Settlement Administrator" means Atticus Administration, LLC, a third-party company, or other third party settlement administrator as appointed by the Court, which shall be responsible for the Settlement Administration, including, but not limited to, issuing Notice to Class Members, processing Opt-Out forms and executing a declaration regarding the Notice process for submission with the Motion for Final Approval.

29. The "Settlement Amount" is the total amount of Thirty-three Thousand and Five Hundred and 00/100 Dollars (\$33,500.00), inclusive of all payments to Plaintiff, attorneys' fees and costs as approved by the Court, but exclusive of any Settlement Administration Costs up to Seven Thousand and 00/100 Dollars (\$7,000.00), which shall be paid separately by Defendant. Any additional Settlement Administration Costs above \$7,000.00 shall be deducted from any attorneys' fees and costs awarded to Class Counsel by the Court.

#### **SECTION III**

## CERTIFICATION OF THE SETTLEMENT CLASS FOR SETTLEMENT PURPOSES ONLY

1. For settlement purposes only, the Parties agree that the class shall be certified as defined in Section II,  $\P$  2, *supra*.

2. This Settlement Agreement is contingent upon the approval and certification by the Court of the Class for settlement purposes only pursuant to 735 ILCS 5/2-801, *et seq*. Defendant does not waive, and instead expressly reserves, its right to challenge the propriety of class or conditional certification for any purpose as if this Settlement Agreement had not been entered into by the Parties should the Court not grant final approval the Settlement Agreement by entering a

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Final Approval Order. The Parties shall cooperate and present to the Court for its consideration in connection with the proposed certification of the Class competent evidence, as may be requested by the Court, under the applicable due process requirements and standards for class action certification under pursuant to 735 ILCS 5/2-801, *et seq*.

# SECTION IV

# SETTLEMENT APPROVAL PROCEDURE

1. This Agreement will become final and effective only upon the occurrence of all of the following events:

- a. the Agreement is executed by Plaintiff or Class Counsel, and Defendant or Defendant's Counsel;
- b. the Court enters an order granting preliminary approval of the material terms of the Settlement pursuant to 735 ILCS 5/2-801, *et seq.*, including (i) certification of the Class for settlement purposes only, (ii) appointment of Class Counsel, and (iii) appointment of a Representative for the Class;
- c. the Court enters, without material change, the Preliminary Approval Order attached as Exhibit E;
- d. the Class Notice is sent to or published for the Class Members;
- e. Class Members are afforded the opportunity to exclude themselves from the Settlement by submission of a Request for Exclusion, to file written objections or to file and have resolved a claim pursuant to the DRP process as set forth in Section VI,  $\P$  11, *infra*;
- f. the Court holds the Fairness Hearing, approves the settlement, and enters Final Judgment; and
- g. the time for appeals from the Final Judgment has expired or appeals have been exhausted if any timely objections are filed.

# **SECTION V**

# **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

1. As soon as is practicable, the Parties shall submit this Settlement Agreement to the

Court for preliminary approval. Promptly upon execution of this Settlement Agreement, the Parties

shall apply to the Court for the entry of an order substantially in the following form:

- a. Preliminary approving the Settlement Agreement, subject only to the objections of Class Members, if any, and final review by the Court;
- b. Certifying the Class for settlement purposes only, appointing Class Counsel, and appointing a Class Representative for the Class;
- c. Approving as to form and content the Notice Packet and DRP Form, attached as Exhibit B, C and D, respectively;
- d. Directing the mailing of the Notice Packets by first class U.S. Mail to Class Members who are former employees;
- e. Directing the distribution of Notice Packets through paycheck distribution or the employee online portal for Class members currently working for Defendant; and
- f. Scheduling a final hearing on the question of whether the proposed settlement, including without limitation payment of attorneys' fees, costs, and service payments should be finally approved as fair and reasonable.

# **SECTION VI**

# **NOTICE AND DRP PROCEDURE FOR THE CLASS**

1. No later than seven (7) calendar days following the Preliminary Approval Date, Defendant shall provide the Database to Class Counsel which will include the last known address for each Class Member who no longer works for Defendant as of the date on which the Preliminary Approval Order is entered and which shall include the email address Defendant has on file for all Class Members where available. The Database will be true and correct to the best of Defendant's knowledge based on Defendant's records.

2. No later than twenty-eight (28) calendar days following entry of Preliminary Approval Date, the Settlement Administrator shall cause to be mailed to each Class Member who is not currently employed for Defendant as of the Preliminary Approval Date a Notice Packet to that person's last known address. This mailing shall be made via first class mail through the U.S. Postal Service, postage pre-paid ("First Mailing"). Prior to the First Mailing, the Settlement Administrator shall run the addresses through the U.S. Postal Service's National Change of Address Database and update the Database. The Settlement Administrator shall also send copies of the Notice Packets to each Class Member by electronic mail where there is an email address available.

3. The Settlement Administrator shall promptly conduct a second mailing for any Class Member whose notice is returned as undelivered and for whom a new address is obtained ("Second Mailing"). If, after this Second Mailing the Class Notice is again returned as undeliverable, or if no new address is obtained for the Class Member, the notice mailing process shall end for that Class Member, who will be deemed not to have opted out of the Settlement and who shall be bound by this Agreement as a Class Member.

4. No later than twenty-eight (28) calendar days following entry of the Preliminary Approval Date, RMC shall also post the Notice Packet in each of the four RMC Chicago Restaurants and provide a paper copy of the Notice Packet to each currently employed Class Member on their first shift worked after the Preliminary Approval Date.

5. No later than the first pay period following twenty-eight (28) calendar days after entry of the Preliminary Approval Date, RMC shall post the Notice Packet on the online portal where Class Members have access to their paystubs.

6. To object to the Class Settlement, a Class Member must submit a written objection to the Settlement Administrator by no later than sixty (60) days after the date of the First Mailing ("Opt-Out/Objection Period"). The objection must set forth, in clear and concise terms, the legal and factual arguments supporting said objection.

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7. To exclude themselves from the Class Settlement, a Class Member must submit a written letter ("Request for Exclusion") no later than the Opt-Out/Objection Period Deadline that states: "I request to be excluded from the Settlement in *Lopez v. Restaurant Management Corp., d/b/a McDonald's*, Case No. 2019-CH-10438 (Circuit Court of Cook County, Chancery Division)." The Class Member must also include their full name, address, and telephone number, and they must personally sign the letter.

8. The date of submission of an Objection or a Request for Exclusion is deemed to be the earlier of: (a) the date the Objection or Request for Exclusion is deposited in the U.S. Mail, postage pre-paid, as evidenced by the postmark; (b) the date the Objection or Request for Exclusion is tendered to an overnight service for delivery, as indicated by a shipping envelope; or (c) the date the Objection or Request for Exclusion is received by the Settlement Administrator.

9. Any Class Member who submits a timely and valid Request for Exclusion Form shall NOT: (i) be bound by any orders or judgments entered in this Lawsuit; (ii) be entitled to benefits or relief under this Settlement Agreement; (iii) gain any rights by virtue of this Settlement Agreement; and (iv) be entitled to object to the Settlement or appeal from any order of the Court. Upon receipt of a Request for Exclusion, the Settlement Administrator shall promptly notify and send a copy of the Request for Exclusion to counsel for the Class and for Defendant. If a fully completed and properly executed Request for Exclusion is not timely received by the Settlement Administrator from a Class Member, then that Class Member will be deemed to have forever waived their right to opt out of the Class.

10. A Class Member who has excluded themselves from the Settlement may not file an objection to the Settlement or a DRP Claim.

11. Resolution of Disputes for Paid Sick Leave During Class Period: Any Class

Member who believes s/he was denied compensation pursuant to the CPSLO during the Class Period must file a DRP Claim by the Opt-Out/Objection Period/DRP Claim Period. The procedure

to resolve DRP Claims shall be as follows:

a. Application of Dispute Resolution Process to Claims of Class Members: The DRP described below shall be the exclusive manner to resolve any claim by any Class Members who do not exclude themselves from the Settlement and allege that: (a) they were not permitted to take paid sick leave they had earned pursuant to the CPSLO during the Class Period; or (b) they were not paid sick leave that they had taken during the Class Period and had earned pursuant to the CPSLO (collectively "Sick Pay DRP Claims").

# b. Dispute Resolution Process:

- a. Within twenty-eight (28) days after the Effective Date, Defendant shall make payments to directly to Class Members who have filed Sick Pay DRP Claims which Defendant does not dispute. Defendant shall provide Class Counsel with a copy of any such payment at the time of the payment.
- b. For all Class Members who file a timely Sick Pay DRP Claim which Defendant disputes:
  - i. Class Counsel and Defendant's Representative shall meet and work in good faith to resolve the dispute.
  - ii. Defendant shall provide Class Counsel, upon request, any documents and information related to establishing the elements of the Sick Pay DRP Claim to the extent such documents and information are in Defendant's possession and control.
  - iii. In the event any disputes cannot be resolved, Defendant shall notify Class Counsel and the Class Member in writing. If the Class Member wishes to pursue the Sick Pay DRP Claim, the Class Member, either directly or through Class Counsel, shall submit the dispute to the Office of Labor Standards (hereafter, "OLS") for resolution within 30 days. If a Class Member has not submitted a claim to OLS within 30 days, such Class Member will be deemed to have waived and released the Sick Pay DRP Claim.
  - iv. In the event Defendant disputes any Sick Pay DRP Claims in which Class Counsel represents the Class Member before OLS pursuant to the DRP in this Agreement, Defendant agrees to pay Class Counsel Five Hundred and 00/100 Dollars (\$500.00) for each Sick Pay DRP Claim in which Class Counsel successfully assists the Class Member in recovering any portion of the Sick Pay DRP Claim

("DRP Representation Payment"). Any DRP Representation Payment is separate from and in addition to the Totals Settlement Amount in this case and shall be capped at Forty-Five Thousand and 00/100 Dollars (\$45,000.00). Class Counsel shall be entitled to no additional DRP Representation Payment or attorneys' fees or costs in representing Class Members in the DRP beyond the \$45,000.00 cap. Defendant shall pay Class Counsel any DRP Representation Payment within fourteen (14) calendar days following receipt of the determination by the OLS.

- v. Plaintiff, the Class and Defendant shall be bound by the decision of the OLS as to any Sick Pay DRP Claim and waive all rights to appeal. Defendant agrees to pay any Sick Pay DRP Claim within thirty (30) calendar days of the Effective Date.
- vi. In the event this Settlement is not given Final Approval, Defendant shall have no obligation to make any payments pursuant to this Section. Such payments shall be separate from and in addition to the Settlement Amount.
- vii. Within thirty (30) calendar days of the resolution of any dispute, Class Counsel shall return any originals and destroy any copies of all documents provided by Defendant pursuant to the DRP.
- c. The DRP shall be the sole and exclusive remedy for any Class Member to make a Sick Pay DRP Claim during the Class Period who has not submitted a valid and timely Request for Exclusion.

12. No later than seven (7) calendar days following the Opt-Out/Objection/DRP Claim Period, the Settlement Administrator shall prepare and tender a report to counsel for the Class and for Defendant containing the list of all Class Members who have submitted a valid Objection, Request for Exclusion or filed a DRP Claim ("Report") and shall provide copies of all filed DRP Claims to Class Counsel and Counsel for the Defendant.

13. No later than twenty-one (21) calendar days after the Opt-Out/Objection Period/DRP Claim Period or by such other date as the Court may direct, Class Counsel shall file a report with the Court identifying Class Members who have submitted a valid Objection, Request for Exclusion or filed a DRP Claim and the status of each DRP Claim and the parties shall appear at a hearing before the Court at which Class Members may be heard and the Court shall set further dates for the parties, including a date to report on the outcome of any disputed claims and a deadline for Class Counsel to file and serve a motion for final approval of the Settlement and a proposed order granting final approval of the Settlement.

#### **SECTION VII**

#### **SETTLEMENT AMOUNT AND ALLOCATION**

1. The Settlement Amount is the total amount of Thirty-three Thousand and Five Hundred Dollars and 00/100 Dollars (\$33,500.00), inclusive of the Service Payment to Plaintiff and attorneys' fees and costs, but exclusive of Settlement Administration Costs of up to \$7,000.00, which costs Defendant shall pay directly to the Settlement Administrator within seven (7) days of the Preliminary Approval Date, and the General Release (with an Excluded Claim) Payment to the Named Plaintiff. Any Settlement Administration Costs above \$7,000.00 shall be paid by Defendant to the Settlement Administrator, but such amount shall be deducted from any amount awarded to Class Counsel as for attorneys' fees and costs by the Court.

#### **SECTION VIII**

#### **IMPLEMENTATION OF INJUNCTIVE RELIEF**

1. **CPSLO Training:** RMC shall provide an one-time mandatory training for its managers at four stores identified in the definition of the Class regarding compliance with the CPSLO within sixty (60) days after the Effective Date. An authorized representative of Defendant shall execute a sworn affidavit certifying that the training has been completed and provide such affidavit to Class Counsel within fourteen (14) days of the completion of the training.

2. **CPSLO Poster:** RMC shall post in each of the four RMC Restaurants the CPSLO poster provided by the City of Chicago informing employees of their rights under the CPSLO in a

location where notices for employees are normally posted and easily accessible and visible to employees within sixty (60) days after the Effective Date and certify that the poster has been posted. RMC agrees to ensure the posted notice remains for not less than one (1) year from the date of posting, or for any period required by law. An authorized representative of RMC shall execute a sworn affidavit certifying that the posting has been made and provide such affidavit to Class Counsel within fourteen (14) days after the poster has been posted.

#### SECTION IX

#### **RELEASE BY THE SETTLEMENT CLASS**

1. Upon Final Approval, the Settlement Class Members, who have not filed a valid Request for Exclusion, shall be deemed to have released and forever discharged on behalf of themselves, and each of their heirs, representatives, successors, assigns, and attorneys, the Released Parties of all Released Claims as those terms are defined in Section II,  $\P$  25 and 26, respectively, *supra*. This Release shall become effective on the Effective Date.

#### SECTION X

#### **RELEASE BY PLAINTIFF AND SERVICE AND GENERAL RELEASE PAYMENT**

1. Upon Final Approval, the Named Plaintiff shall also be deemed to have released and forever discharged on behalf of herself, and each of her heirs, representatives, successors, assigns, and attorneys, the Released Parties of all Released Claims as those terms are defined in Section II, ¶ 25 and 26, respectively, *supra*. This Release shall become effective on the Effective Date.

2. Class Counsel will move for a Service Award to the Class Representative Hermelinda Lopez in the amount of One Thousand Dollars (\$1,000.00) for the Named Plaintiff's assistance in litigating and settling this Lawsuit. No later than fourteen (14) calendar days

following the Effective Date, Defendant shall pay the Service Payment to the Named Plaintiff in the amount approved by the Court. Defendant shall report the Service Payment as non-wage income on an IRS Form 1099 where mandated by the IRS.

3. In addition to the claims being released by Class Members, upon Final Approval, the Named Plaintiff shall also be deemed to have released and forever discharged on behalf of herself, and each of her heirs, representatives, successors, assigns, and attorneys, all claims against the Released Parties as that term is defined in Section II, ¶ 26, *supra*, except that the Named Plaintiff shall not be deemed to have released any claim for unlawful retaliation arising from the reduction of her scheduled hours of work ("General Release (with an Excluded Claim)"). This General Release (with an Excluded Claim) shall become effective on the Effective Date.

4. In exchange for the Named Plaintiff's agreeing to a General Release (with an Excluded Claim), something no other Class Member is being asked to do, Defendant shall make a General Release (with an Excluded Claim) Payment to the Named Plaintiff in the amount of Six Thousand and 00/100 Dollars (\$6,000.00). This General Release (with an Excluded Claim) Payment shall be separate from and in addition to the Class Settlement Amount as defined in Section II, ¶ 8. No later than fourteen (14) calendar days following the Effective Date, Defendant shall pay the General Release (with an Excluded Claim) Payment to the Named Plaintiff. Defendant shall report the General Release (with an Excluded Claim) Payment as non-wage income on an IRS Form 1099 where mandated by the IRS.

#### SECTION XI

#### SETTLEMENT ADMINISTRATOR

1. The Parties agree that Atticus Administration, LLC shall serve as the Settlement Administrator.

2. The Settlement Administrator will be responsible for mailing the Class Notice; receiving and logging the Class Notices, Objections and Requests for Exclusion; updating addresses; reporting on the status of the administration of the Settlement to the Parties; preparing a declaration for final approval regarding its due diligence in the claims administration process; providing the Parties with all necessary data; and performing such additional duties as the Parties may mutually direct. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement until all payments and obligations contemplated by this Settlement Agreement have been fully carried out.

3. The Settlement Administration Costs will be paid by Defendant upon receiving an invoice from the Settlement Administrator up to a maximum of Seven Thousand and 00/100 Dollars (\$7,000.00). Any Settlement Administration Costs in excess of Seven Thousand and 00/100 Dollars (\$7,000.00) shall be paid by Defendant upon receiving an invoice from the Settlement Administrator in the first instance but shall be deducted from any attorneys' fees and costs Class Counsel as awarded by the Court.

4. The actions of the Settlement Administrator shall be governed by the terms of the Settlement Agreement. Class Counsel and Defendant's Counsel may provide relevant information and guidance as needed by the Settlement Administrator in the performance of its duties and engage in related communications with the Settlement Administrator.

#### SECTION XII

#### ATTORNEYS' FEES AND EXPENSES

1. The Parties have agreed that Defendant shall have no obligation to pay attorneys' fees or costs incurred by Plaintiff, the Class, and/or Class Counsel in this matter beyond

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Defendant's payment of the Class Settlement Amount as set forth herein, other than any payments as provided for under the DRP as described in Section VI, ¶ 11, *supra*. Class Counsel agrees to seek, and Defendant agrees not to contest, an award of attorneys' fees and costs to Class Counsel by the Court of no more than Thirty-Two Thousand and Five Hundred and 00/100 Dollars (\$32,500.00) from the Class Settlement Amount.

2. Class Representative Hermelinda Lopez and Class Counsel understand and agree that any fee and cost payments made under this Agreement will be the full, final, and complete payment of all attorneys' fees and costs arising from or relating to the representation of Class Representative and the Class Members, other than any payments as provided for under the DRP as described in Section VI,  $\P$  11, *supra*.

3. No later than fourteen (14) calendar days following the Effective Date, Defendant shall pay to Class Counsel the attorneys' fees and costs as approved by the Court in the Final Approval Order.

#### SECTION XIII

#### RELEASE BY THE SETTLEMENT CLASS

1. Upon Final Approval, the Class Members (excluding those who have filed a valid Request for Exclusion), on behalf of themselves and each of their heirs, representatives, successors, assigns, and attorneys shall be deemed to have released and forever discharged any and all claims related to pay for sick leave during the period of July 1, 2017 through and including May 31, 2021. This release shall become effective on the Effective Date.

#### SECTION XIV

#### **REPRESENTATION BY CLASS COUNSEL**

1. Class Counsel warrants and represents that Christopher J. Williams and Sheila

Maddali and Tyler Sprague, and no other employee of the National Legal Advocacy Network or Ada Sandoval, Mark H. Birhanu and Kevin L. Herrera, and no other employee of the of Raise the Floor Alliance Legal Department currently represent any other current or former employee of Defendant, including in a claim for sick pay, other than the Named Plaintiff and pursuant this Class Action Lawsuit.

#### SECTION XV

#### **NO ADMISSION OF LIABILITY**

1. This Agreement shall not in any way be construed as an admission by Defendant that it has acted wrongfully with respect to Plaintiff or the Class Members, collectively or individually or to any other person, or that those individuals have any rights whatsoever against Defendant or the Released Parties, and Defendant and the Released Parties specifically disclaim any liability to or wrongful acts against Plaintiff and any of the Class Members or any other person, on the part of Defendant or the Released Parties. Furthermore, the Parties agree that this Agreement does not constitute an adjudication of the merits of the Lawsuit or any other matters released in this Agreement. Accordingly, the Parties agree that none of them have prevailed on the merits, nor shall this Agreement serve or be construed as evidence that any party has so prevailed or that Defendant or the Released Parties have engaged in any wrongdoing.

2. This Agreement is a settlement document and shall be inadmissible into evidence in any proceeding, except an action or proceeding to approve, interpret, or enforce its terms.

#### SECTION XVI

#### **DUTIES OF THE PARTIES RELATED TO FINAL COURT APPROVAL**

a. 1. No later than twenty-one (21) calendar days after the Opt-Out/Objection Period/DRP Claim Period or by such other date as the Court may direct, Class Counsel shall file a report with the Court identifying Class Members who have submitted a valid Objection, Request for Exclusion or filed a DRP Claim and the status of each DRP Claim and the parties shall appear at a hearing before the Court at which Class Members may be heard and the Court shall set further dates for the parties, including a date to report on the outcome of any disputed claims and a deadline for Class Counsel to file and serve a motion for final approval of the Settlement and a proposed order granting final approval of the Settlement: Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;

- b. Approving the Settlement Award for the Named Plaintiff;
- c. Approving the Settlement Administration Costs;
- d. Approving Class Counsel's attorneys' fees and costs; and
- e. Dismissing the Lawsuit with prejudice.

#### SECTION XVII

#### PARTIES' AUTHORITY AND MUTUAL FULL COOPERATION

1. The signatories hereto hereby represent that they are fully authorized to enter into this Settlement and bind the Parties hereto to its terms and conditions.

2. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including but not limited to execution of such documents and taking such other action as reasonably may be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as practicable after execution of this Settlement, Class Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's final approval of this Settlement.

3. Should the Court not approve the Agreement, or should the Court not approve and enter the Preliminary Approval Order (or in a form without any changes by the Court that either

of the Parties deem material), the terms of this Agreement will be null and void, the Parties will retain all rights and defenses in the Lawsuit, and all negotiations and information and materials pertaining in any way to this Agreement or the settlement of this Lawsuit will be inadmissible in further proceedings of the Lawsuit. In such an event, the Parties agree in good faith to negotiate about appropriate revisions and in the event such revisions are agreed upon to re-submit for the Court's approval. In the event this Settlement is never approved by the Court, the Parties will retain all rights and defenses in the Lawsuit, and all negotiations and information and materials pertaining in any way to the settlement of the Litigation will be inadmissible.

#### SECTION XVIII

#### **TERMINATING THE AGREEMENT**

1. If this Settlement Agreement is not ultimately approved by the Court, the Settlement shall be deemed null and void, of no force and effect, of no probative value, and the Parties hereto represent, warrant, and covenant that it will not be used or referred to for any impermissible purpose.

#### SECTION XIX

#### **NO PRIOR ASSIGNMENTS**

1. The Parties represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights released and discharged in this Settlement.

#### SECTION XX

#### **COMMUNICATIONS**

1. Unless otherwise specifically provided, all notices, demands, or other communications given under this Settlement shall be in writing and shall be deemed received on the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

- a. To Class Counsel: Christopher J. Williams, National Legal Advocacy Network, 1 N. LaSalle Street, Suite 1275, Chicago, Illinois 60602; Telephone: (312) 795-9121; Email: <u>cwilliams@n-lan.org</u> or to any other address designated by Christopher J. Williams in writing.
- b. To Counsel for Defendant: Martin LaPointe, LaPointe Law, P.C., 1200 N. Shermer Road, Northbrook, Illinois 60062 Telephone: (847) 786-2500 Email: <u>mlapointe@lapointelaw.com</u> or to any other address designated by Martin LaPointe in writing.

### SECTION XXI

#### **CONSTRUCTION, CAPTIONS AND INTERPRETATIONS AND MODIFICATION**

1. The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties, and that the Settlement shall not be construed in favor of or against any Party by reason of the extent to which any Party or their counsel participated in the drafting of this Settlement.

2. Paragraph titles or captions contained in this Settlement are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any of its provisions.

3. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties and approved by the Court. This Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties and approved by the Court.

### SECTION XXII

#### **INTEGRATION CLAUSE AND BINDING ON ASSIGNS**

1. This Settlement Agreement and attached Exhibits contain the entire agreement between the Parties relating to the settlement of the Lawsuit, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or a Party's legal counsel, are merged in this Settlement. No rights under this Settlement may be waived except in writing.

2. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, successors, assigns, guardians, conservators, and court-appointed representatives.

#### SECTION XXIII

#### **COUNTERPARTS**

1. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and when taken together with other signed counterparts, shall constitute one Settlement Agreement.

#### SECTION XXIV

#### APPLICABLE LAW

1. This Settlement Agreement shall be governed by and construed in accordance with Illinois law without regard to choice of law principles.

#### SECTION XXV

#### **RETENTION OF JURISDICTION**

1. The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Settlement, and all Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the terms of this Settlement Agreement.

# \*\*\* THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK \*\*\*

# **ATTORNEYS FOR PLAINTIFF AND THE CLASS:**

CHRISTOPHER J. WILLIAMS on behalf of NATIONAL LEGAL ADVOCACY NETWORK 1 N. LaSalle Street, Suite 1275 Chicago, IL 60602 (312) 795-9121

ADA SANDOVAL on behalf of RAISE THE FLOOR ALLIANCE – LEGAL DEPARTMENT 1 N. LaSalle Street, Suite 1275 Chicago, IL 60602 (312) 795-9115

# **ATTORNEYS FOR DEFENDANT:**

MARTIN LAPOINTE on behalf of LAPOINTE LAW, P.C. 1200 Shermer Road Northbrook, Illinois 60062 (847) 786-2500

# Lopez v. Restaurant Management Corp., d/b/a McDonald's – Exhibit List

- Exhibit A: List of members of the Class
- Exhibit B: Short form Class Notice
- Exhibit C: Long form Notice of Class Action Settlement
- Exhibit D: Dispute Resolution Process Claim Form
- Exhibit E: Preliminary Approval Order

# EXHIBIT A

# LIST OF CLASS MEMBERS TO BE FILED UNDER SEAL

Una copia de la Notificación Completa está disponible en español. Para obtenerla llame al (312) 795-9120.

#### CIRCUIT COURT OF COOK COUNTY COUNTY DEPARTMENT CHANCERY DIVISION CASE NO. 2019-CH-10438

Lopez v. Restaurant Management Corp. c/o Class Counsel, National Legal Advocacy Network 1 N. LaSalle Street, Suite 1275 Chicago, Illinois 60602

## WHY YOU ARE RECEIVING THIS NOTICE

A class action lawsuit alleging violations of the Chicago Paid Sick Leave Ordinance ("CPSLO") was filed against four restaurants managed by Restaurant Management Corporation, d/b/a McDonald's ("RMC" or "Defendant") which are the RMC-managed Chicago restaurants located at:

- Store No. 4061, located at 180 W. Adams Street, Chicago, IL 60603;
- Store No. 5813, located at 4047 E. 106th Street, Chicago, IL 60617;
- Store No. 13838, located at 225 S. Canal Street, Chicago, IL 60606; and
- Store No. 31049, located at 23 S Clark Street, Chicago, IL 60603.

The lawsuit alleges that, from July 1, 2017 through and including May 31, 2021 (the "Class Period") at the four RMC-managed Chicago restaurants, Defendant (a) failed to post notification of the right to earned paid sick leave in a conspicuous place at each location as required by the CPSLO; (b) failed to provide written notice advising Class Members of their rights to earned paid sick leave as required by the CPSLO; (c) failed to pay a Class Member to take earned paid sick leave as required by the CPSLO; and (d) failed to pay a class Member for earned paid sick leave as required by the CPSLO. Defendant's records show that you were employed at one or more of the RMC-managed Chicago restaurants during the Class Period.

Accordingly, you may be covered by a class action settlement which does the following:

- 1. Requires RMC to provide a copy of employees' rights to earned paid sick leave to each employee and post the notice in the restaurant;
- 2. Provide a mandatory training to all managers at the restaurants on the right employees have to paid sick leave;
- 3. Creates a Dispute Resolution Process ("DRP") that allow you to seek payment for paid sick leave claims that may have occurred during the Class Period if: (a) *you requested paid sick leave and believe you had earned paid sick leave available but were not permitted to take paid sick leave when you were legally entitled to do so*; and (b) *you took sick leave covered by the CPSLO and you believe you had earned sick leave available but were not paid for that time.* While the DRP does not guarantee that you will be paid for earned sick leave you believe you are entitled to, the DRP does the following:
  - a. Provides you with assistance from Class Counsel, at no cost to you, to recover earned paid sick leave;
  - b. Requires that Defendant provide Class Counsel with information to evaluate your claim;
  - c. Creates an informal process to attempt to resolve your claim with Defendant with the assistance of Class Counsel; and
  - d. If Defendant disputes your claim for paid sick leave, allows your claim to be heard before the Chicago Office of Labor Standards ("OLS"), a neutral government agency. If Class Counsel believe the records and other evidence supports your claim, Class Counsel may assist you in pursuing your claim before the OLS, but you will always have the option of pursuing your claim through the OLS.

## How Do I Submit a Claim to the Dispute Resolution Process?

If you believe you were denied sick pay as outlined above between July 1, 2017 and May 31, 2021, you must file a DRP Claim by [insert DRP Claim Period 60 days from mailing] on the enclosed DRP Claim

Form to attempt to recover owed sick pay. If you do not opt-out of this Settlement, the DRP will be the only way for you to pursue a claim for earned paid sick leave during the Class Period.

*To object to the Class Settlement*, you must submit a written objection to the Settlement Administrator to [insert Settlement Administrator address] by no later than [insert Objection Period 60 days from mailing]. The objection must set forth, in clear and concise terms, the legal and factual arguments supporting your objection.

*To exclude yourself from the Class Settlement*, you must submit by no later than [insert Opt-Out Period 60 days from mailing] the following written statement to the Settlement Administrator to [insert Settlement Administrator address]: "I request to be excluded from the Settlement in *Lopez v. Restaurant Management Corp., d/b/a McDonald's*, Case No. 2019-CH-10438 (Circuit Court of Cook County, Chancery Division)." You must also include your full name, address, and telephone number, and must personally sign the letter. If you exclude yourself, you cannot participate in the Dispute Resolution Process described above.

A hearing on this Settlement will be held before Judge Quish on \_\_\_\_\_, 2023 at \_\_\_\_\_\_, in Courtroom 2301 of the Daley Center, Circuit Court of Cook County, Illinois, located at 50 W. Washington St., Chicago IL 60602, for a report on opt-outs, objections and DRP Claims and to set a date for a "Fairness Hearing" to determine whether the proposed settlement described in the Class Action Settlement Agreement (the "Settlement") fairly resolves the claims against defendant as explained below. You may also join the "Fairness Hearing" virtually by Zoom Meeting ID: 953 7174 9534, Password: 253498, Dial-In: (312) 626-6799.

# PLEASE REVIEW THE COMPLETE NOTICE PRIOR TO EXCLUDING YOURSELF FROM THE SETTLEMENT OR OBJECTING TO THE TERMS OF THE SETTLEMENT.

*PLEASE NOTE*: This is only a summary of the settlement terms. A Complete Notice is available that provides the details of this lawsuit and settlement. To obtain a copy of the Complete Notice, contact the Class Counsel at (312) 795-9121 or <u>cwilliams@n-lan.org</u>.

\_\_\_\_\_

# EXHIBIT C Long Form Class Action Settlement Notice

# IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT, CHANCERY DIVISION

HERMELINDA LOPEZ, on behalf	)
of herself and other similarly situated laborers,	)
	)
Plaintiff,	)
V.	) Case No.: 2019-CH-10438
	)
RESTAURANT MANAGEMENT CORP,	) Judge Clare J. Quish
d/b/a McDonald's,	)
	)
Defendant.	)

# **NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT AND FAIRNESS HEARING**

**TO:** All current and former employees working at the four Chicago Restaurants managed by Restaurant Management Corporation from July 1, 2017 through and including May 31, 2021 who were covered by the Chicago Minimum Wage and Paid Sick Leave Ordinance, specifically the following four restaurants:

- Store No. 4061, located at 180 W. Adams Street, Chicago, IL 60603;
- Store No. 5813, located at 4047 E. 106th Street, Chicago, IL 60617;
- Store No. 13838, located at 225 S. Canal Street, Chicago, IL 60606; and
- Store No.31049, located at 23 S Clark Street, Chicago, IL 60603.

# Please Read This Notice Carefully. This Notice Relates to a Proposed Class Action Settlement of Litigation. If You Are a Class Member, It Contains Important Information as to Your Rights.

# What is this Notice about?

This Notice is to tell you about the settlement of a "class action" lawsuit (the "Litigation") that was filed against Restaurant Management Corp, d/b/a McDonald's ("Defendant") and to tell you about a hearing before Judge Quish on \_\_\_\_\_\_, 2023 at \_\_\_\_\_\_ in Courtroom 2301 of the Daley Center, Circuit Court of Cook County, Illinois, located at 50 W. Washington St., Chicago IL 60602, for a report on opt-outs, objections and DRP Claims and to set a date for a "Fairness Hearing" to determine whether the proposed settlement described in the Class Action Settlement Agreement (the "Settlement") fairly resolves the claims against defendant as explained below. You may also join the hearing virtually by Zoom Meeting ID: 953 7174 9534, Password: 253498, Dial-In: (312) 626-6799.

This Notice is not a notice of a lawsuit against you. An Illinois Court has authorized this Notice.

# What is the Litigation about?

On September 10, 2019, a class action lawsuit was filed in the Circuit Court of Cook County, Illinois. The case is currently titled *Lopez v. Restaurant Management Corp, d/b/a McDonald's*, Case No. 2019-CH-10438. Plaintiff alleged that Defendant violated the Chicago Minimum Wage and Paid Sick Leave Ordinance ("CPSLO"), Chicago, Ill., Municipal Code of Chi. § 1-24-010, *et seq.* by: (a) failing to post notification of the right to earned paid sick leave in a conspicuous place at each location as required by the CPSLO; (b) failing to provide written notice advising Class Members of their rights to earned paid sick leave as required by the CPSLO; (c) failing to pay a Class Member for earned paid sick leave as required by the CPSLO. Defendant denies Plaintiffs' claims and denies that any damages are owed.

# Why did I get this Notice?

You received this Notice because the lawyers for the Plaintiff and Defendant have identified you as a person in the Class, defined as:

"Plaintiff and all current and former hourly employees who were covered by the Chicago Minimum Wage and Paid Sick Leave Ordinance, Chicago, Ill., Municipal Code of Chi. § 1-24-010, *et seq.*, and employed from July 1, 2017 through and including May 31, 2021 at any of the following four restaurants managed by Restaurant Management Corporation:

- Store No. 4061, located at 180 W. Adams Street, Chicago, IL 60603;
- Store No. 5813, located at 4047 E. 106th Street, Chicago, IL 60617;
- Store No. 13838, located at 225 S. Canal Street, Chicago, IL 60606; and
- Store No. 31049, located at 23 S Clark Street, Chicago, IL 60603."

If you received this Notice, you are covered by this settlement and are eligible to participate in a Dispute Resolution Process described below to attempt to recover earned paid sick leave.

# What is the "Settlement" and how was it agreed upon?

The Settlement is a compromise of Plaintiff's claim in this litigation to provide class members with adequate notice and information of their rights to Paid Sick Leave under CPSLO and the opportunity to recover for Paid Sick Leave that may be owed to class members. The Settlement is not to be construed as an admission of liability on the part of Defendant. The Court has granted preliminary approval of the Settlement, and the Plaintiff and Defendant (collectively, "the Parties") are now seeking final Court approval, which is required for the Settlement to become effective.

The Settlement: (1) requires Defendant to provide written notice to all employees employed at the four Chicago RMC-managed restaurants listed above on their rights to earned paid sick leave under the CPSLO as well as information on how to make a complaint if those rights are violated; (2) requires Defendant to provide a mandatory training to all managers in those restaurants on the CPSLO; and (3) creates a Dispute Resolution Process ("DRP") for class members to seek payment for paid sick leave claims that may have occurred during the Class Period.

You may use the DRP if: (1) you requested paid sick leave and believe you had earned paid sick leave available but were not permitted to take paid sick leave when you were legally entitled to do so; and (2) you took sick leave covered by the CPSLO and you believe you had earned sick leave available but were not paid for that time. While the DRP does not guarantee that you will be paid for earned sick leave you believe you are entitled to, the DRP does the following:

- a. Provides you with assistance from Class Counsel, at no cost to you, to recover earned paid sick leave;
- b. Requires that Defendant provide Class Counsel with information to evaluate your claim;
- c. Creates an informal process to attempt to resolve your claim with Defendant with the assistance of Class Counsel; and
- d. If Defendant disputes your claim for paid sick leave, allows your claim to be heard before the Chicago Office of Labor Standards ("OLS"), a neutral government agency. If Class Counsel believe the records and other evidence supports your claim, Class Counsel may assist you in pursuing your claim before the OLS. If Class Counsel assists you in pursuing your claim, Defendant has agreed to pay a Class Counsel \$500 per successful claim for the first 90 successful claims to assist you. However, whether Class Counsel assists you are not, you will always have the option of pursuing your claim through the OLS.

# How Do I Submit a Claim to the Dispute Resolution Process?

If you believe you were denied sick pay as outlined above between July 1, 2017 and May 31, 2021, you must file a DRP Claim by [insert DRP Claim Period 60 days from mailing] on the enclosed DRP Claim Form to attempt to recover owed sick pay. If you do not opt-out of this Settlement, the DRP will be the only way for you to pursue a claim for earned paid sick leave during the Class Period.

In addition to the above, Defendant has agreed to pay a \$1,000 Service Award Payment to the Named Plaintiff for her assistance in litigating and resolving this case over the past three years and has agreed to pay \$32,500.00, subject to approval by the Court, for Plaintiff's reasonable attorneys' fees and costs incurred over the past three years of this litigation. Defendant will also contribute an additional \$7,000 to pay the cost of settlement administration. Class Counsel will cover any claims administration costs above \$7,000.00.

Substantial amounts of time, energy, and other resources have been devoted by the Parties in prosecuting and in defending the Litigation. Unless there is a settlement, that Litigation will continue. In settlement negotiations, the Parties have taken into account the uncertainty of the outcome and the risk of litigation. In light of these factors, the Parties believe that the Settlement is the best way to resolve the Litigation while minimizing further expenditures.

The Parties and their attorneys believe that the Settlement is fair, reasonable, and adequate, and in the best interests of all Parties, including the Settlement Class.

# What can I do if I object to the Settlement?

*If you object to the Class Settlement*, you must submit a written objection to the Settlement Administrator by no later than [insert Objection Period 60 days from mailing] to [insert address of

Settlement Administrator]. The objection must set forth, in clear and concise terms, the legal and factual arguments supporting your objection.

# Am I required to participate in the Settlement?

No, you have the right to exclude yourself from the lawsuit and "opt-out" of the Settlement if you comply with the opt-out procedure stated below.

To effectively opt-out, you must mail a letter to the Settlement Administrator. The letter must include the following:

- 1. The written statement "I request to be excluded from the Settlement in *Lopez v. Restaurant Management Corp., d/b/a McDonald's*, Case No. 2019-CH-10438 (Circuit Court of Cook County, Chancery Division),"
- 2. Your full name, address, and telephone number, and
- 3. Your personal signature on the letter.

The Request for Exclusion must be postmarked no later than [insert Opt-Out Period 60 days from mailing] to be effective.

*If you opt-out of the Settlement you will not be able to participate in the DRP process.* You may, however, pursue other legal remedies apart from the Settlement that may be available to you, if you so choose. Neither the Parties nor their attorneys make any representations to you regarding what, if any, legal remedies are available to you should you choose to opt-out.

# You Should Not Opt-Out If You Wish To Participate In The Settlement.

# What is the Fairness Hearing and do I need to attend?

The purpose of the Fairness Hearing in this case is to determine whether the proposed Settlement of the Litigation is fair, reasonable, and adequate, and whether the proposed Settlement should be finally approved by the Court and the Litigation dismissed. Any Class Member who is satisfied with the proposed Settlement does not have to appear at the Fairness Hearing.

Any person who has not validly and timely opted-out of the Settlement but who objects to the proposed Settlement may appear in person or through counsel at the Fairness Hearing and be heard as to why the Settlement should not be approved as fair, reasonable, and adequate, or why a final judgment should or should not be entered dismissing the Litigation with prejudice. No attorneys' fees will be paid by Defendant to an objector's counsel for any work related to an objection to this Settlement. If you choose to object to the settlement, you must mail your written objection to Class Counsel with a copy to Defendant's counsel on or before [insert Objection Period 60 days from mailing]. The objection must set forth, in clear and concise terms, the legal and factual arguments supporting the objection. Your written objection must also include (a) your full name, address, and, telephone number, (b) dates of your employment with Defendant and job title(s) while employed with Defendant; (c) last four digits of your employee identification number or social security number, (d) copies of papers, briefs, or other documents upon which the objection is based, (e) a list of all persons who will be called to testify in support of your objection, and (f) your signature, even if you are represented by counsel. Class Members who do not timely make their objections in this manner will be deemed to have waived all objections and shall not be heard or have the right to appeal approval of the settlement.

If you file an objection and wish it to be considered, you must also appear at hearing on [INSERT DATE], at [INSERT TIME], at the Daley Center, Circuit Court for Cook County at the Circuit Court of Cook County, Illinois, located at 50 W. Washington St., Chicago, Illinois 60602, at which time the presiding judge in this case (Hon. Judge Quish) will consider whether to grant final approval of this settlement. You may also join the "Fairness Hearing" virtually by Zoom Meeting ID: 953 7174 9534, Password: 253498, Dial-In: (312) 626-6799.

# YOU ARE NOT REQUIRED TO ATTEND THIS HEARING UNLESS YOU PLAN TO OBJECT TO THE SETTLEMENT.

# When is the Court hearing to determine if the Settlement is fair?

A hearing on this Settlement will be held before Judge Quish on \_\_\_\_\_, 2023 at \_\_\_\_\_\_. in Courtroom 2301 of the Daley Center, Circuit Court of Cook County, Illinois, located at 50 W. Washington St., Chicago IL 60602, for a report on opt-outs, objections and DRP Claims and to set a date for a "Fairness Hearing" to determine whether the proposed settlement described in the Class Action Settlement Agreement (the "Settlement") fairly resolves the claims against defendant as explained below. You may also join the "Fairness Hearing" virtually by Zoom Meeting ID: 953 7174 9534, Password: 253498, Dial-In: (312) 626-6799.

If you are a member of the Settlement Class, you will be bound by the proposed Settlement if it is approved, unless you opt-out by making a timely Request for Exclusion as described above.

# What rights am I giving up if I participate in the Settlement?

Persons who do not opt out of the Settlement will release and discharge, on behalf of themselves and their heirs, legatees, personal representatives and assigns, Restaurant Management Corporation d/b/a McDonald's, as well as its former and current directors, officers, owners and agents, not otherwise individually named as Defendants (collectively "Defendant"), from all claims related to Paid Sick Leave arising between July 1, 2017 through and including May 31, 2021.

# What if the court does not approve the settlement?

If the Court does not approve the settlement, the case will proceed as if no settlement had been attempted, and there can be no assurance that the class will recover more than is provided for in the Settlement, or indeed, anything.

# Can I review a copy of the Settlement or other papers that were filed with the Court?

Yes, for a detailed statement of the matters involved in the Litigation and the proposed Settlement, you may review the pleadings and other papers filed in the Litigation, which may be inspected at the Clerk's Office of the Circuit Court for Cook County, Illinois located at 50 W. Washington St., Chicago, Illinois 60602, during regular business hours of each court day. The Settlement Agreement and all relevant documents for this Settlement will be available on the settlement website [INSERT WEBSITE URL]. You may also request copies of any relevant documents for this Settlement by contacting Class Counsel at (312) 795-9121 or <a href="mailto:cwilliams@n-lan.org">cwilliams@n-lan.org</a>. PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES ABOUT THIS SETTLEMENT.

FILED DATE: 6/22/2023 11:22 PM 2019CH10438

## EXHIBIT D

## **DRP Claim Form**

# Lopez v. Restaurant Management Corp., d/b/a McDonald's **Dispute Resolution Claim Form**

[print your name], [include employee ID if I, available], state that to the best of my knowledge, I was denied or not compensated for earned paid sick leave that I had accrued and requested between July 1, 2017 through and including May 31, 2021 while working at one of the following RMC-managed Chicago Restaurants (Store No. 4061, located at 180 W. Adams Street, Chicago, IL 60603; Store No. 5813, located at 4047 E. 106th Street, Chicago, IL 60617; Store No. 13838, located at 225 S. Canal Street, Chicago, IL 60606; or Store No. 31049, located at 23 S Clark Street, Chicago, IL 60603) on the following approximate date(s).

Phone Number: \_\_\_\_\_\_ Email Address: \_\_\_\_\_

Address:

**Approximate Date of Paid Sick Leave Request** 

#### (use reverse side if there are additional dates)

I attest, under penalty of perjury, that the information provided above and on the reverse of this form (if applicable) is true and correct to the best of my knowledge. I understand and agree that the records of Restaurant Management Corp., must show that I had accrued Paid Sick Leave available when I requested the dates I identified above and that I was not paid any Sick Leave for those dates to make a claim. I further understand and agree that the decision on my claim(s) may be appealed to the Chicago Office of Labor Standards which shall be binding and may not be appealed further.

Signature

Date

#### **IMPORTANT DEADLINE**

This form must be postmarked and mailed, emailed or delivered to the Claims Administrator by no later than [insert DRP deadline].

#### <u>EXHIBIT E</u>

## IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT, CHANCERY DIVISION

HERMELINDA LOPEZ, on behalf of herself	)
and other similarly situated laborers,	)
•	)
Plaintiff,	)
V.	) Case No.: 2019-CH-10438
RESTAURANT MANAGEMENT CORP,	) ) Judge Clare J. Quish
d/b/a McDonald's,	)
	)
Defendant.	)

#### **ORDER GRANTING PRELIMINARY APPROVAL**

Hermelinda Lopez ("Plaintiff"), on behalf of herself and a class of similarly situated employees employed at four McDonald's restaurants managed by Restaurant Management Corporation d/b/a McDonald's in Chicago, Illinois (specifically Store No. 4061 located at 180 W. Adams Street, Chicago, IL 60603; Store No. 5813 located at 4047 E. 106th Street, Chicago, IL 60617; Store No. 13838 located at 225 S. Canal Street, Chicago, IL 60606; and Store No. 31049 located at 23 S. Clark Street, Chicago, IL 60603, hereafter referred to the "RMC Chicago Restaurants") and Restaurant Management Corporation ("Defendant" or "RMC")(collectively the "Parties"), having reached a settlement in this matter on a class-wide basis, the Court having reviewed the Class Action Settlement Agreement ("Settlement Agreement"), attached hereto as Exhibit 1 and incorporated herein, and the record in this Litigation, including the Plaintiff's Unopposed Motion for Preliminary Approval of the Parties' Class Action Settlement Agreement and for Approval of Class Certification, Form and Manner of Class Notice and Scheduling Hearing for Final Approval of Settlement.

IT IS HEREBY ORDERED AS FOLLOWS:

1. The Court hereby preliminarily approves the Settlement Agreement as being fair, reasonable, and adequate. The Settlement Agreement is the result of arm's-length negotiations between experienced attorneys who are familiar with class action litigation in general and with the legal and factual issues of this case in particular.

2. The Court has jurisdiction over the subject matter of this lawsuit and the Parties, including the members of the Settlement Class, as defined below.

3. The Court has considered the pleadings and arguments made by the Parties in support of the Motion for Preliminary Approval and finds that the proposed Settlement Class is proper and should be provisionally certified. The following Settlement Class is hereby provisionally certified for purposes of settlement only pursuant to 735 ILCS 5/2-801 as follows:

"Plaintiff and all current and former hourly employees who were covered by the Chicago Minimum Wage and Paid Sick Leave Ordinance, Chicago, Ill., Municipal Code of Chi. § 1-24-010, *et seq.*, and employed from July 1, 2017 up through and including May 31, 2021 at any of the following four restaurants managed by Restaurant Management Corporation:

- a. Store No. 4061, located at 180 W. Adams Street, Chicago, IL 60603;
- b. Store No. 5813, located at 4047 E. 106th Street, Chicago, IL 60617;
- c. Store No. 13838, located at 225 S. Canal Street, Chicago, IL 60606; and
- d. Store No. 31049, located at 23 S Clark Street, Chicago, IL 60603."

4. The claims certified for purposes of class treatment pursuant to 735 ILCS 5/2-801,

*et seq.*, include and are limited to any claim of any Class Member against the Released Parties, as defined in Section II,  $\P$  26 of the Settlement Agreement, while working at one of the RMC Chicago Restaurants during the Class Period for: (a) the failure to post notification of the right to earned paid sick leave in a conspicuous place at each location as required by the CPSLO; (b) the failure to provide written notice advising Class Members of their rights to earned paid sick leave as required by the CPSLO; (c) the failure to permit a Class Member to take earned paid sick leave as

required by the CPSLO; and (d) the failure to pay a Class Member for earned paid sick leave as required by the CPSLO.

5. Solely for the purposes of settlement, the Court finds that: (1) the Settlement Class is so numerous that joinder is impracticable; (2) questions of law and fact are common to the Settlement Class; (3) Certification of this matter as a Class for settlement purposes is a fair an efficient way of adjudicating the claims in controversy; and (4) the Class Representative will fairly and adequately protect the interests of the Settlement Class. Certification of the Class for settlement purposes is the best means of protecting the interests of all of the Class Members.

6. The Court appoints Plaintiff Hermelinda Lopez as the Class Representative. The Court further appoints Christopher J. Williams and Sheila Maddali of the National Legal Advocacy Network and Ada Sandoval, Mark H. Birhanu, and Kevin Herrera of the Raise the Floor Alliance Legal Department. The Court finds that the Class Representative and Class Counsel have provided adequate representation to the members of the class.

7. The Court further approves, as to form and content, the proposed Class Notice and Dispute Resolution Process ("DRP") Claim Form attached to the Agreement as Exhibits B, C and D. The Court finds that the procedures for notifying the Class about the Settlement as described in the Agreement provide the best notice practicable under the circumstances and therefore meet the requirements of due process.

8. A hearing on this Settlement will be held before Judge Quish on \_\_\_\_\_, 2023 at \_\_\_\_\_\_. in Courtroom 2301 of the Circuit Court of Cook County, Illinois, located at the Daley Center, 50 W. Washington St., Chicago IL 60602 and held virtually at by Zoom Meeting ID: 953 7174 9534, Password: 253498, Dial-In: (312) 626-6799., for a report on opt-outs, objections and DRP Claims and to set a date for a "Fairness Hearing" to determine whether the proposed

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settlement described in the Class Action Settlement Agreement (the "Settlement") fairly resolves the claims against defendant as explained below.

9. No less than fourteen (14) days prior to the fairness hearing, Class Counsel shall submit to the Court any necessary documents for the Court's consideration of Final Approval of the Settlement Agreement, including any Motions, and responses to any objections and/or comments.

10. Pending final approval of the Settlement Agreement, the prosecution and defense of the case is hereby stayed; the Class Representative, all members of the Class, and anyone who acts or purports to act on their behalf, shall not threaten, institute commence, or prosecute any action that seeks to assert claims against any Released Party related to the subject matter of this lawsuit.

11. The Court reserves exclusive and continuing jurisdiction over this Litigation, the Class Representative, the Members of the Class, and the Released Parties for the purposes of: (1) supervising the implementation, enforcement, construction, and interpretation of this Order and the Settlement Agreement and, following a fairness hearing, granting final approval of the Settlement Agreement and dismissing this Litigation and (2) resolving any disputes or issues that may arise in connection with this Litigation or the Settlement of this Litigation.

12. All Class Members who fail to exercise their right to Opt-Out of the Settlement Class shall be bound by all determinations and judgments in the Litigation concerning the Settlement Agreement, whether favorable or unfavorable to the Settlement Class.

13. All Class Members objecting to the terms of the Settlement must do so in writing no later than the Objection Deadline in the Settlement Agreement and specified in the Notice. The

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written objection must be sent to the Settlement Administrator and postmarked on or before this date.

14. Any Class Member who wishes to be excluded (Opt Out) from the Settlement Class and not participate in the proposed Settlement must complete and mail a Request for Exclusion to the Settlement Administrator no later than the Opt-Out Deadline in the Settlement Agreement and specified in the Notice.

15. Any Class Member may appear at the Final Approval Hearing and show cause, if he or she has any, why the proposed Settlement Agreement should or should not be approved as fair, reasonable, and adequate, or why a judgment should or should not be entered thereon; provided, however, that no Class Member or any other person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement, or, if approved, the Judgment to be entered thereon approving the same, unless that Class Member has, no later than the Objection Deadline, served by first class mail on the Settlement Administrator written objections, and copies of any papers and briefs in support thereof, explaining the basis of the objection. All timely filed and served objections shall be considered and ruled upon by the Court at the Final Approval Hearing. Any Class Member who does not timely file and serve his or her objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement as incorporated in the Agreement unless otherwise ordered by the Court.

16. In the event that the Effective Date (as explained in the Agreement) does not occur, the Settlement and the Agreement shall be deemed null and void and shall have no effect whatsoever.

17. The parties are directed to carry out the Settlement Agreement according to the terms of the Settlement Agreement.

18. To the extent any prior order of this Court related to this Court action is inconsistent with the activities contemplated by the Agreement, said orders are hereby modified so as to allow the activities contemplated by the Agreement until such time as the Settlement Agreement is finally approved or deemed null and void.

IT IS SO ORDERED

Dated: [Insert Date]

Hon. Clare J. Quish Cook County Circuit Judge