# IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

ANTHONY RODRIGUEZ and RYAN WELLCOME, individually and on behalf of all others similarly situated,

Plaintiffs.

v.

PYRAMID OPERATING GROUP, INC. d/b/a INTERNATIONAL HOUSE OF PANCAKES a/k/a IHOP, *et al*.

Defendants.

Case No. 2:20-cv-01207-JS

# COURT-AUTHORIZED NOTICE OF LAWSUIT AND SETTLEMENT

TO: JOHN Q CLASSMEMBER

123 MAIN ST

APT 1

ANYTOWN, ST 12345

Claim Number 1111111

You are receiving this Notice because you are entitled to a payment in the amount of \$XXXX from a settlement in a collective action lawsuit filed against Emad Elgeddawy, Pyramid Operating Group, Inc. d/b/a International House of Pancakes a/k/a IHOP, Exton Operating Group, Inc. d/b/a/ International House of Pancakes a/k/a IHOP, and HEM Management, Inc. ("Defendants"). This Notice and the settlement was recently approved by the United States District Court for the Eastern District of Pennsylvania.

A lawsuit captioned *Rodriguez*, et al. v. Pyramid Operating Group, Inc., d/b/a International House of Pancakes a/k/a IHOP, et al is proceeding in the United States District Court for the Eastern District of Pennsylvania, Case No. 2:20-cv-01207-JS. Two individuals, Anthony Rodriguez and Ryan Wellcome (collectively, the "Plaintiffs"), commenced the lawsuit on behalf of themselves and all salaried, exempt "Assistant Managers" ("AMs") who worked at any IHOP restaurant owned and operated by Defendants in the United States at any time between October 5, 2019 and October 5, 2022. The Plaintiffs alleged that they worked more than forty (40) hours in one or more work weeks and should have received overtime compensation from Defendants. However, they assert they were misclassified as "exempt" and, instead, were paid a flat salary regardless of the number of hours they worked each week. Plaintiffs claim that Defendants' policy violated the federal Fair Labor Standards Act (or "FLSA"). Defendants deny Plaintiffs' claims and maintains that AMs were properly classified as exempt from overtime.

The parties have reached a \$67,500.00 settlement which resolves Plaintiffs' claims and the claims of all AMs eligible to participate, including you. The Court has approved the parties' settlement. Neither the Court nor a jury has decided the merits of the parties' claims and defenses.

#### YOUR LEGAL RIGHTS IN THIS SETTLEMENT:

By signing and cashing, depositing, or presenting the enclosed check(s) for payment by January 17, 2024, you consent to join the litigation and agree to participate in the settlement. You also agree to release certain claims (as explained in section 3). If you do not sign and cash the enclosed check(s), you will not receive any money and the statute of limitations (the time you have to bring a claim) will continue to run. After 180 days your checks will be voided.

#### 1. How much is my payment and how was it calculated?

You are entitled to a gross (*i.e.*, pre-tax) settlement payment of § \_\_\_\_\_\_. This amount is your pro rata share based on the number of weeks you worked as a AM between October 5, 2019 and October 5, 2022. Half of your settlement payment will be subject to deductions for applicable taxes and withholding like any other paycheck, and for which you will receive an IRS Form W-2. The other half will be reported on an IRS Form 1099. **Neither Plaintiffs' Counsel nor Defendants or its counsel make any representations concerning the tax obligations of your settlement payment.** 

## 2. How do I receive my payment?

Your payment is enclosed. To receive your payment, you must sign and cash, deposit, or otherwise negotiate the enclosed check(s) date no later than **January 17**, **2024**. Settlement checks that are not cashed on or before **January 17**, **2024** will be null and void. If you have any questions about your payment, please Plaintiffs' Counsel (listed in section 5).

## 3. What am I giving up by accepting the settlement?

By signing, cashing, depositing, or otherwise negotiating your settlement check(s), you shall, will behalf of yourself and each of your heirs, representatives, successors, assigns, and attorneys, be deemed to release and forever discharge all claims for unpaid wages, overtime, failure to pay timely wages, wage statement violations, and other compensation, fees/costs, expenses, liquidated damages, penalties, interest, and all other relief under the Fair Labor Standards Act and all other state and local wage/hour and wage payment laws and common law theories arising or accruing while employed as an AM at any point prior March 8, 2023 that you have or may have against Defendants, including its former and present officers, directors, employees, attorneys, insurers, benefit plans, predecessors, successors, parents, sponsors, subsidiaries, and affiliates.

## 4. How will the lawyers be paid?

The Court has approved payment of one-third of the settlement to Plaintiffs' Counsel for attorneys' fees and reasonable out-of-pocket costs. These fees compensate Plaintiffs' Counsel for investigating the facts, litigating the case, and negotiating and finalizing the settlement. The costs of the Settlement Administrator, in the amount of \$3,474.00, will also be paid from the settlement. In addition, the Court has approved payments of service awards to the 2 Plaintiffs and 2 other service award recipients totaling \$6,000.00 to recognize the risks they took and their service to the lawsuit.

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

This Notice summarizes the settlement. More details are in the parties' Settlement Agreement. You may obtain a copy of the Settlement Agreement by contacting Plaintiffs' Counsel at:

#### **CONWAY LEGAL, LLC**

Jason Conway 1700 Market Street, Suite 1005 Philadelphia, PA 19103 Telephone: (215) 278-4782

Facsimile: (215) 278-4807

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THIS NOTICE HAS BEEN APPROVED BY THE COURT. PLEASE DO NOT CONTACT THE COURT WITH QUESTIONS ABOUT THIS NOTICE OR THE SETTLEMENT.

DATED: July 21, 2023.