

## **NOTICE OF CLASS ACTION SETTLEMENT AND SETTLEMENT APPROVAL HEARING**

**Please read this notice carefully.**

**The United States District Court for the Northern District of California has authorized this notice.  
This is not a solicitation from a lawyer.**

**To: All non-managerial Banquet department servers and bussers who were employed at the San Francisco Union Square Hilton during the time period from January 6, 2010, through March 24, 2026 (the “Class Period”) and who have received a portion of the food and beverage service charge for banquet events.**

You are receiving this notice to inform you of a proposed class action settlement in *Khanal v. San Francisco Hilton, Inc.*, Case No. 4:14-cv-01523-JSW (U.S. District Court for the Northern District of California) (the “Action”). Plaintiff Baikuntha Khanal (“Plaintiff”) on behalf of himself and members of the certified class in the Action and Defendant Hilton Management LLC (“Defendant” or “Hilton”), have entered into a settlement agreement to effect a full and final settlement and preclusive judgment resolving all claims brought against Hilton in the Action. This notice describes the terms of the parties’ agreement. **You do not need to take any action to receive payment under this settlement.**

This case was filed in 2014 as a class action on behalf of non-managerial banquet service employees who worked at the San Francisco Union Square Hilton hotel, contending that Hilton should have paid such banquet service employees the full amount of the banquet food and beverage service charges added to banquet bills. Plaintiff contended that reasonable banquet customers would have understood these service charges to be gratuities that must be paid to service employees under California law. Hilton strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws. The Court has made no determination whether Hilton or Plaintiff are correct on the merits. The Court certified this case as a class action on January 3, 2022, and notice of the class action was sent to class members shortly thereafter. Following lengthy litigation, and on the verge of a trial, the parties mediated and reached a proposed settlement of this case. The settlement is conditioned upon court approval.

Under the settlement, Hilton will pay \$12,000,000 (the “Gross Settlement Amount”). Plaintiff will request that the court award 25% of the Gross Settlement Amount to pay attorneys’ fees incurred by counsel for bringing and prosecuting the lawsuit. In addition, Plaintiff will request that the court reimburse counsel for costs incurred in the case (not to exceed \$150,000) and approve a service award for the named plaintiff, Baikuntha Khanal, in the amount of \$20,000. Plaintiff will also request that the costs of the Settlement Administrator, which are estimated to be \$19,380, be paid from the Gross Settlement Amount. Any amounts allocated to individuals who opt out of settlement shall be retained in a separate fund to facilitate the resolution of the claims of opt outs.

For the precise terms of the settlement, please see the settlement agreement available at [www.SFHiltonUnionSquareSettlement.com](http://www.SFHiltonUnionSquareSettlement.com), by contacting class counsel at the email address, phone number, or mailing address listed at the bottom of this Notice, by accessing the Court docket in this case, for a fee, through the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 1301 Clay Street, Oakland, CA 94612, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK’S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.**

<b>What are your options?</b>	
<b>Participate in Settlement Class</b>	<p><b>Do nothing. Give up certain rights. Receive share of settlement funds.</b></p> <p>If you participate in the class and this settlement, you will receive a share of the settlement funds as described in this notice. You will also give up certain legal rights, including the right to sue Hilton for claims you may have against it.</p>
<b>Exclude Yourself from Settlement Class</b>	<p><b>“Opt out” of the settlement. Do not receive share of settlement funds. Preserve certain legal rights.</b></p> <p>You may “opt out” or exclude yourself from the settlement by sending a letter to the Settlement Administrator as described in this notice. You will not receive a share of the settlement, you will not be allowed to object to the settlement, and you will not give up any rights against Hilton.</p>
<b>Object to Settlement</b>	<p><b>Remain in the settlement class, but oppose it. Explain to the court why the settlement should not be approved, but receive a share of settlement funds and other benefits if it is approved.</b></p> <p>If you disagree with the settlement, you can oppose it. To object, you must send a written objection letter to the Settlement Administrator as described in this notice, who will provide a copy to the lawyers in this case. Objections may also be submitted directly to the Court as described in this notice. You will remain a part of the settlement class and the judge will consider your objection. If the settlement is approved, you will participate in the settlement.</p>

**To receive a settlement payment, you do not need to do anything.**

The Gross Settlement Amount (less any court approved amounts for attorneys’ fees and costs, any service award to Plaintiff, the opt-out dispute resolution fund, and settlement administration costs) will be distributed to all non-managerial Banquet department servers and bussers who were employed at the San Francisco Union Square Hilton during the time period from January 6, 2010, through March 24, 2026 (“Class Members”). The fund will be distributed to Class Members based on their pro rata portion of the total service charge payments received by the Class Members during the time period from January 6, 2010, through March 24, 2026. **Hilton’s records show that you received SINSERT in service charges during the class period. As a result, your estimated share of the Settlement Amount is SINSERT.** If you believe that the amount of your service charges is incorrect, you may dispute your share by contacting the Settlement Administrator before **June 23, 2026** at the email address, phone number, or mailing address listed at the bottom of this Notice. If you have any supporting documentation, you can provide it to the Settlement Administrator.

The parties have agreed that 50% of payments to class members constitute wages that are reportable on an IRS Form W-2, and the remaining 50% do not constitute wages (but instead prejudgment interest) and shall therefore be reported on an IRS Form 1099. Although Plaintiff and Hilton have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Payment checks remaining uncashed for more than 120 calendar days after issuance will be void. The funds from any voided checks will be redistributed to Class Members who cashed their settlement checks and whose residual shares would be no less than \$50. Payment checks for the residual shares remaining uncashed for more than 120 days after issuance will be void. Funds remaining from uncashed residual distribution checks shall be donated to a *cy pres* recipient, Legal Aid at Work.

In exchange for receiving this settlement payment, you will release and discharge (i) Hilton Management LLC and Hilton Hotel Employer LLC and their respective former and present parents, subsidiaries, affiliated corporations and entities, and each of their respective current, former, and future officers, directors, members, managers, employees, partners, shareholders, joint venturers and third-party agents, and any successors, assigns, legal representatives, or any individual

or entity which could be jointly or severally liable with Hilton and all persons or entities acting by, through, under, or in concert with any of them; (ii) former, current and future owners of the San Francisco Union Square Hilton, 333 O'Farrell St, San Francisco, CA 94102, including but not limited to Park Hotels and Resorts Inc.; (iii) the holders of Hilton USA Trust 2016-SFP, Commercial Mortgage Pass-Through Certificates, Series 2016-SFP (collectively the "Holders"), Wilmington Trust, National Association, as trustee for the Holders (the "Trustee") and Key Bank, as special servicer for the Trustee and each of their predecessors, successors and assigns and (iv) Michelle Russo, court-appointed receiver in the receivership proceeding currently pending in the Superior Court of the State of California, Case No. CGC-23-609935 ("Released Parties") from all claims alleged in or arising from the facts and theories that were or could have been asserted based on the allegations asserted in any of the complaints filed in the Action, including claims alleged in or arising from the facts and theories that were or could have been asserted based on the allegations asserted in any of the complaints filed in the Action under the California Unfair Competition Law, Business and Professions Code § 17200, *et seq.* and California Labor Code §§ 203, 204b, 226, 350, and 351, that accrued during the period January 6, 2010, through March 24, 2026.

**If you disagree with the settlement, you have two options.**

**First**, you may choose to opt out of the settlement class. If you opt out, you will not be bound by the settlement and will be free to bring your own claims against Hilton, but you will not receive any of the payments under the settlement or its other benefits. To opt out, you must send a letter to the Settlement Administrator at the address listed below. That letter must include your name, your address, and your telephone number and must state that you choose to opt out of the settlement. This letter must be postmarked no later than **June 23, 2026** for it to be effective.

**Second**, you may remain in the settlement class but ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out, and the lawsuit will continue. If that is what you want to happen, you should object.

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Khanal v. San Francisco Hilton, Inc.*, Case No. 4:14-cv-01523-JSW), (b) be mailed to the Settlement Administrator at *Khanal v. San Francisco Hilton, Inc.*, c/o Analytics Consulting LLC, PO Box 2002, Chanhassen MN 55317-2002, or submitted to the Court either by filing them electronically or in person at any location of the United States District Court for the Northern District of California or by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, 1301 Clay Street, Oakland, CA 94612, and (c) be filed or postmarked on or before **June 23, 2026**.

**You may not opt out of the settlement and also object to it.** If you attempt to do both, your objection will be effective, and you will be included in the settlement class.

There will be a court hearing on **August 14, 2026 at 9:00 a.m.** at the United States District Court for the Northern District of California, in Courtroom 5 of this Court, located at 1301 Clay Street, Oakland, CA 94612, to determine whether the settlement should be approved. You are free to attend the final approval hearing, but you are not required to attend. The date for the hearing may change without further notice to the class, so class members should check the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov> to confirm the date has not changed. Under California law, if the settlement is approved by the Court, you will be bound by the settlement and will not be permitted to pursue separate claims that were pursued in the lawsuit unless you choose to opt out of the settlement.

All settlement-related documents, as well as the complaint and certain other papers related to the case, are available at [www.SFHiltonUnionSquareSettlement.com](http://www.SFHiltonUnionSquareSettlement.com). If you have any remaining questions about the settlement, you may contact the settlement administrator or the attorneys representing the class:

**Settlement administrator:**

Khanal v. San Francisco Hilton, Inc.  
c/o Analytics Consulting LLC  
PO Box 2002  
Chanhassen, MN 55317-2002  
Website: [www.SFHiltonUnionSquareSettlement.com](http://www.SFHiltonUnionSquareSettlement.com)  
Email: [SFHiltonUnionSquareSettlement@noticeadministrator.com](mailto:SFHiltonUnionSquareSettlement@noticeadministrator.com)  
Phone: (888) 354-9671

**Class counsel:**

Shannon Liss-Riordan  
Lichten & Liss-Riordan, P.C.  
729 Boylston Street, Suite 2000  
Boston, MA 02116  
Website: [www.llrlaw.com](http://www.llrlaw.com)  
Email: [claims@llrlaw.com](mailto:claims@llrlaw.com)  
Phone: (855) 590-2600