

AMERICAN ARBITRATION ASSOCIATION
Commercial and Class Arbitration Tribunal

In the Matter of the Arbitration between

Re: 01-15-0003-4601

Melody Schofield (Claimant)

-vs-

Delilah's Den of Philadelphia, Inc. (Respondent)

ORDER GRANTING APPROVAL OF
CLASS ACTION SETTLEMENT

Upon consideration of the Claimant's request for final approval of the Class Action Settlement, Claimant's Unopposed Motion for Conditional Class Certification and Preliminary Approval of the Proposed Class Settlement dated October 12, 2015, Claimant's additional submissions in support of the proposed class settlement dated October 15, 2018, the Declaration of Tina Chiango regarding Notice to the Class dated December 10, 2018, all other supporting materials, the full record of this matter, and the submissions of counsel and the parties, including those made at the Final Approval and Fairness Hearing held on December 11, 2018,

IT IS HEREBY ORDERED:

1. Unless otherwise stated herein, all terms in this Order Granting Approval of Class Action Settlement ("Approval Order") shall have the same

meanings as set forth in the October 26, 2018 Order Conditionally Certifying a Settlement Class and Granting Preliminary Approval of Class Settlement.

2. Pursuant to Rule 4 of the Supplementary Rules of Class Arbitrations of the American Arbitration Association, this Arbitrator grants final certification of the following Settlement Class:

All persons who executed a Stage Lease Agreement and worked as a dancer for six or more shifts for Delilah's Den of Philadelphia, Inc. in Pennsylvania between February 13, 2012 and September 30, 2018.

3. The Arbitrator finds that for purposes of approving the settlement terms, the Settlement Class meets all prerequisites of Rule 4 of the Supplementary Rules of Class Arbitrations of the American Arbitration Association, including:

a. The Settlement Class is so numerous that joinder of all members is impracticable;

b. There are questions of law or fact common to the Settlement Class;

c. The claims and defenses of the Claimant are typical of the claims or defenses of the members of the Settlement Class;

d. Claimant and her Counsel are capable of fairly and adequately protecting the interests of the Settlement Class;

e. Each member of the Settlement Class has entered into an agreement with Respondent which contains an arbitration clause that is substantially

similar to the clause contained in either or both of the two standard “Stage Lease Agreements” that were signed by Claimant;

f. No member of the Settlement Class, other than Claimant, has shown an interest in controlling the prosecution of his/her own claims against Respondent;

g. There are no other proceedings concerning this controversy;

h. It is desirable to concentrate the claims of the Settlement Class in one arbitration; and,

i. Approval of the Settlement Class does not pose any manageability issues.

4. The Arbitrator grants final appointment of Claimant Melody Schofield as the Settlement Class Representative.

5. The Arbitrator grants final appointment of Jeremy E. Abay and John K. Weston of Sacks Weston Diamond, LLC as Class Counsel for the Settlement Class.

6. The Arbitrator grants final appointment of RG/2 Claims Administration LLC as the Claims Administrator for the Settlement Class.

7. Claimant, Class Counsel and the Claims Administrator are authorized to take all appropriate action required or permitted to be taken to effectuate the terms of the Class Settlement.

8. The Arbitrator finds that Notice was provided to the Settlement Class Members by the Claims Administrator in the form approved by the Arbitrator on October 26, 2018. The Notice was reasonably calculated to give actual notice to Settlement Class Members of their right to receive benefits from the Class Settlement, request exclusion from the Class Settlement and object to the Class Settlement. The Notice met the requirements of Rules 5 and 6 of the Supplementary Rules of Class Arbitrations of the American Arbitration Association and due process and constituted the best notice practicable under the circumstances.

9. Settlement Class Members were provided thirty (30) days to request exclusion from the Settlement Class. Only one (1) member requested to be excluded from the Settlement, and that one (1) member is hereby excluded from the Settlement and is not bound by this Order.

10. Settlement Class Members were provided thirty (30) days to object to the terms of settlement, and this Arbitrator notes that there were no objections to the Settlement. No Class Member appeared at the Final Approval and Fairness Hearing held on December 11, 2018.

11. The Arbitrator finds that the Settlement was arrived at as a result of arm's length negotiations conducted in good faith by the Parties, and that both sides were represented by experienced attorneys. The Arbitrator notes that the Settlement follows three years of contentious litigation and discovery.

12. The consideration provided to the Settlement Class under the Settlement is fair and reasonable under the circumstances of the claims and defenses asserted herein, and the potential risks and likelihood of success of alternatively continuing litigation.

13. The Arbitrator grants final approval of the Settlement Terms set forth in the October 26, 2018 Order, specifically:

a. Class Members who wish to receive compensation from this Settlement shall submit a Proof of Claim Form and Internal Revenue Service W-9 Form, which must be mailed to the Claims Administrator and post-marked by January 10, 2019 to be valid and timely. Delilah's shall pay valid and timely claims by May 10, 2019. Payments to individual Class Members who submit valid and timely claims shall not exceed \$2,000, and total payment to the Settlement Class shall not exceed \$1,400,000. Payment to individual Class Members shall be reported in the year of payment as miscellaneous income to the Class Member on a Form 1099-MISC issued by Delilah's;

b. Delilah's shall pay Claimant \$50,000 by certified or cashier's check on the next business day following the date this Order;

c. Delilah's shall pay Class Counsel \$466,666 for their fees and \$33,124 for their costs by certified or cashier's check on the next business day following the date this Order;

d. Payment to Claimant and Class Counsel shall be paid directly by Delilah's, and shall not affect the amount available to the Settlement Class; and,

e. Delilah's shall pay all costs associated with effectuating settlement, including without limitation: the Claims Administrator's fees and all remaining fees and balances assessed by the American Arbitration Association or the Arbitrator. Nothing in this sub-paragraph should be construed as requiring Delilah's to pay Class Counsel any costs or fees beyond those identified in Paragraph 13(c).

14. The Claims Administrator is authorized to continue its duties.

15. As soon as practicable after May 10, 2019, but no later than June 10, 2019, the Claims Administrator shall provide the Arbitrator, Class Counsel and Counsel for Respondent a Settlement Administration Report documenting all submissions from and payments to Class Members, as well as an electronic copy of all Requests for Exclusions, Objections, Proof of Claim Forms, W-9 Forms, proof of payment, and any and all other written communications from Class Members.

16. The Arbitrator hereby grants final approval of the Class Settlement, and all claims asserted by Claimant and the Settlement Class are hereby dismissed with prejudice. Claimant and the Settlement Class Members (except for those members who submitted a timely and valid Request for Exclusion Form pursuant to the

Notice) are deemed to have forever released Delilah's Den of Philadelphia, Inc. from all claims asserted in this action/arbitration.

17. The American Arbitration Association and this Arbitrator shall retain continuing jurisdiction over the Parties and all matters relating to the Settlement, including the administration, interpretation, construction, effectuation, enforcement, and consummation of the Settlement.

18. Following this Arbitrator's satisfactory review of the Settlement Administration Report, a Final Award confirming compliance with this Order shall be entered, at which point this action shall be terminated with prejudice. Neither this Order nor the Final Award shall bind any Settlement Class Member who submitted a valid and timely Request for Exclusion Form pursuant to the Notice.

19. Nothing in this Approval Order or otherwise relating to this Arbitration shall be construed as an admission by Delilah's and shall not be used as an admission of any fault or liability by Delilah's.

20. The American Arbitration Association shall file this Order on the publicly available docket and shall mark this action as settled and ended.

21. As soon as practicable after the entry of the Final Award, the Parties shall make the necessary filings in the Philadelphia County Court of Common Pleas to discontinue the court action (Case ID No. 150201960) with prejudice.

22. The Claims Administrator shall preserve all Requests for Exclusions, Objections, Proof of Claim Forms, W-9 Forms, proof of payment, and any and all other written communications from Class Members until January 10, 2020, at which point the Claims Administrator shall have thirty (30) days to destroy the Class List and all other information regarding Settlement Class Members received in connection with Settlement, and shall provide to Class Counsel and Counsel for Respondent a declaration certifying that such information was destroyed.

It is so ordered this 13th day of December 2018.



Joseph M. Matthews

I, Joseph M. Matthews, Esq., do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument which is my Approval Order.



December 13, 2018
Date

Joseph M. Matthews