CLASS MEMBER IDENTIFIER: XXXXXXXXX

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA

Karla Maree et al. v. Deutsche Lufthansa AG, Case No. 8:20-cv-00885-MWF-MRW

If you purchased tickets for travel on a Lufthansa flight scheduled to fly to or from the United States between January 1, 2020 and August 16, 2021 and your flight was cancelled by Lufthansa, you may be entitled for benefits from a class action settlement.

A federal court authorized this Notice. This is not a solicitation from a lawyer. You are not being sued.

- A Settlement has been reached in a class action lawsuit. In the lawsuit, Plaintiffs allege that Deutsche Lufthansa AG ("Lufthansa") breached its General Conditions of Carriage ("GCC") by failing to refund them for flights cancelled due to Covid-19 at all or within a reasonable amount of time. By entering the Settlement, Lufthansa does not concede the truth of any of the claims against it; Lufthansa maintains that it did not breach the GCC, that it did provide refunds within a reasonable amount of time particularly given Covid-19's impact on Lufthansa's operations and the airline industry generally, and it denies that it did anything wrong. The Court has not decided who is right. Instead, the parties agreed to a compromise.
- The Settlement only impacts you if you are a Settlement Class Member. A Settlement Class Member is a United States resident who purchased tickets for travel on a Lufthansa flight scheduled to operate to or from the United States between January 1, 2020 and the Date of Notice whose flights were cancelled by Lufthansa (the "Settlement Class"). Settlement Class Members consist of two categories of individuals: (1) Settlement Class Members who have received refunds from Lufthansa for Qualifying Flights; and (2) Settlement Class Members who have not, to date, received a refund for Qualifying Flights.
- Under the Settlement, Settlement Class Members who have already received a refund from Lufthansa and who submit a Claim Form will have the option to elect either (1) the Cash Option: \$10 per person, or (2) the Voucher Option: a Voucher for future travel on Lufthansa, Swiss International Airlines, Austrian Airlines, or Brussels Airlines in the amount of \$45. Settlement Class Members who have not, to date, received a refund (but are entitled to one) can request a refund on the Claim Form and, upon submission of a valid Claim Form, Lufthansa will (i) provide them with a full refund, and (ii) provide an additional Interest Payment of one percent (1%) of the refund due. The Cash Option, Voucher Option, and Interest Payment are subject to a cap of \$3.5 million (which is inclusive of all Attorneys' Fees, expenses, service awards, and Claims Administration Expenses). Refunds available for Settlement Class Members that had not yet received a refund are not subjected to the cap. If the value of the total Valid Claims exceeds the Net Claim Amount, Settlement Class Members who submitted a Valid Claim will receive a cash or voucher amount payout on a *pro rata* basis until the total Net Claim Amount has been paid.
- To obtain any Settlement Consideration, you must submit a valid Claim Form.
- Whether you act or not, your legal rights as a Settlement Class Member are affected by the Settlement. Your rights and options-and the deadlines to exercise them-are explained in this Class

Notice. Please read this Class Notice carefully in its entirety. Defined terms have the meanings in the Settlement Agreement.

SETTLEMENT CLASS MEMBERS' LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:			
YOUR RIGHTS AND OPTIONS	WHAT THEY MEAN	DEADLINES	
DO NOTHING	If you are a Settlement Class Member and do not take any action, you will not receive anything under the Settlement. However, if the Settlement is finally approved, you will be bound by the Court's Final Judgment and the release of claims explained in the Settlement Agreement.	None	
SUBMIT A CLAIM FORM	You must submit a Valid Claim to select either the \$10 cash payment or \$45 voucher if you have already received a refund for your cancelled flight from Lufthansa, or to receive your refund plus one percent of the refund due if you have not received a refund from Lufthansa to date. To find out how to submit a Claim Form, please read Questions 8-10.	Received on or before May 9, 2023.	
EXCLUDE YOURSELF (OPT OUT)	Get no benefits from the Settlement. Requesting exclusion from the Settlement (also called "opting out") would allow you to file or continue your own lawsuit against Lufthansa about the legal claims involved in the Settlement, individually. To find out how to opt out, please read Questions 12-13.	Received on or before May 15, 2023.	
OBJECT OR COMMENT	Write to the Court about why you do or do not like the Settlement. To find out how to object or comment, please read Question 14.	Filed and served on or before May 15, 2023.	
GO TO FINAL APPROVAL HEARING	Whichever of the above options you choose, you may also ask to speak in Court about the Settlement. To find out how to do so, please read Questions 11 and 14.	Served on or before May 15, 2023.	

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1. Why did you receive this notice?

This notice ("Class Notice") has been sent because the Court has given its preliminary approval to the Settlement of the Litigation.

If you received an e-mail or a postcard concerning the Settlement, that means that Lufthansa's records indicate you may be a Settlement Class Member who is affected by the Settlement.

2. What is this case about?

Plaintiffs filed a lawsuit in which they allege that Lufthansa breached its General Conditions of Carriage ("GCC") by failing to refund class members for flights cancelled due to Covid-19 at all or within a reasonable amount of time. Lufthansa denies that it did anything wrong or breached the GCC, and maintains that it did provide refunds within a reasonable amount of time particularly given Covid-19's impact on Lufthansa's operations and the airline industry generally. Accordingly, Lufthansa has vigorously defended Plaintiffs' allegations. The Parties, however, have agreed to settle the Litigation to avoid the cost, delay, and uncertainty of continuing the Litigation.

3. Why is this a class action?

In a class action, one or more "Class Representatives" or "Named Plaintiffs" sue on behalf of all those with the same types of claims arising from the same events. Here, the Class Representatives filed the Litigation as a proposed class action and asked to represent a class of residents of the United States whose flights were cancelled by Lufthansa between January 1, 2020 and August 16, 2021. They sue on behalf of people who have similar claims – called the "Settlement Class" or "Settlement Class Members" – which in this case may include you.

When this case settled, the Court had not yet decided whether the case could be a class action. Lufthansa disputes that a class is appropriate for trial purposes, but the Parties have agreed to the certification of the Settlement Class, as defined below, for purposes of the Settlement, and the Court has certified a class action for settlement purposes only. More information about why this is a class action can be found in the Court's Class Certification Order, which is available at <u>www.cancelledflightsettlement.com</u>.

4. Why is there a settlement?

The Court has not decided which side is right or wrong in the Litigation. Instead, both sides agreed to a settlement to avoid the costs and risks of a lengthy trial and appeals process.

After extensive, arm's-length negotiations overseen by a JAMS mediator, a former federal judge, the lawyers representing the Parties agreed to settle the Litigation to avoid the cost, delay, and risk of continuing

the Litigation. The Class Representatives and their lawyers think the Settlement is fair, reasonable, adequate, and in the best interests of all Settlement Class Members.

WHO DOES THE SETTLEMENT APPLY TO?

5. Who is in the Settlement Class?

The Settlement Class under the Settlement includes: all persons who purchased tickets for travel on a Lufthansa flight scheduled to operate to or from the United States between January 1, 2020 and August 16, 2021 whose flights were cancelled by Lufthansa.

6. Are there exceptions to being included in the Settlement Class?

The Settlement Class under the Settlement excludes: (1) all persons who validly opt out of the Settlement in a timely manner; (2) governmental entities; (3) counsel of record (and their respective law firms) for the Parties; (4) Lufthansa's officers, directors, and employees; (5) any judge to whom the Litigation is assigned, along with his or her staff; and (6) anyone who has already released the Released Claims.

7. I'm still not sure if I am included.

If you are still not sure whether you are included in the Settlement Class, you can call toll-free 1-888-290-8313 or visit www.cancelleflightsettlement.com for more information.

THE SETTLEMENT BENEFITS AND OPTIONS

If the Settlement is approved and becomes final, it will provide the benefits described below to Settlement Class Members. The benefit you may receive from the Settlement depends upon whether you (1) have already received a refund from Lufthansa or (2) have not already received a refund from Lufthansa.

8. What are the benefits of the Settlement for Settlement Class Members who have already received a refund from Lufthansa?

Each Settlement Class Member who has already received a refund from Lufthansa for a Qualifying Flight may elect to receive either:

- (1) \$10 cash (the "Cash Option") or
- (2) a \$45 Voucher to use on future travel with Lufthansa, Swiss International Airlines, Austrian Airlines, or Brussels Airlines (the "Voucher Option").

The Cash Option and the Voucher Option, along with the Interest Payments discussed below, are subject to a cap of \$3.5 million, which is inclusive of Attorneys' Fees, costs and expenses, service awards, and Claims

Administrative Expenses. The amount paid to each Settlement Class Member will be reduced *pro rata* if Valid Claims plus Attorneys' Fees, costs and expenses, service awards, and Claims Administrative Expenses exceed \$3.5 million.

To receive either the Cash Option, or the Voucher Option, you must submit a Claim Form by following the directions set forth at www.cancelledflightsettlement.com, as set forth in the next section of this Class Notice.

To receive the Cash Option or Voucher Option, you must submit your Claim Form by the Claims Deadline – no later than May 9, 2023.

Settlement Consideration for all Valid Claims will be paid within forty-five (45) days of the Effective Date, as set forth below.

9. What are the benefits of the Settlement for Settlement Class Members who have not, to date, received a refund from Lufthansa?

Each Settlement Class Member who has not already received a refund from Lufthansa for a Qualifying Flight, upon submission of a Valid Claim, will receive:

- (1) the full amount of the refund due; plus
- (2) an additional Interest Payment of one percent (1%) of the refund due.

The Interest Payments, plus the Cash Option and the Voucher Option discussed above, are subject to a cap of \$3.5 million, which is inclusive of Attorneys' Fees, costs and expenses, service awards, and Claims Administrative Expenses. The amount paid to each Settlement Class Member will be reduced *pro rata* if claims plus Attorneys' Fees, cost and expenses, service awards, and Claims Administrative Expenses exceed \$3.5 million. The refunds available to Settlement Class Members who have not already received a refund are not subjected to the \$3.5 million cap.

To receive your refund and the additional one percent Interest Payment, you must submit a Claim Form by following the directions set forth at www.cancelledflightsettlement.com, as set forth in the next section of this Class Notice.

To receive your refund plus one percent of the refund value, you must submit your Claim Form by the Claims Deadline – no later than May 9, 2023.

Settlement Consideration for all Valid Claims will be paid within forty-five (45) days of the Effective Date, as set forth below.

If you are a Settlement Class Member who has not received a refund from Lufthansa, even if you do not fill out a Claim Form in a timely fashion, you may still later request a refund from Lufthansa. Whether that refund will be paid will depend on the circumstances of your flight, its fare rules, and the time that has passed since the flight was cancelled. No interest will be paid on refunds requested outside the Claim Form process.

10. What do I need to do to participate in the Settlement?

If you are a Settlement Class Member who has already received a refund from Lufthansa and would like to receive the \$10 Cash Option or \$45 Voucher Option, you must submit a Claim Form by following the directions set forth at www.cancelledflightsettlement.com.

If you are a Settlement Class Member who has not, to date, received a refund from Lufthansa and would like to receive your refund plus an additional one percent (1%) Interest Payment of the refund due, you must submit a Claim Form by following the directions set forth at www.cancelledflightsettlement.com.

Settlement Class Members who fail to submit a Valid Claim will not receive any compensation from the Settlement. However, if you are a Settlement Class Member who has not received a refund from Lufthansa, even if you do not fill out a Claim Form in a timely fashion, you may still later request a refund from Lufthansa – without interest. Whether that refund will be paid will depend on the circumstances of your flight, its fare rules, and the time that has passed since the flight was cancelled; no interest will be paid on refunds requested outside the Claim Form process.

To receive the \$10 Cash Payment or \$45 Voucher, or to receive the full value of your ticket in addition to the Interest Payment, you must submit your Claim Form by the Claims Deadline – no later than May 9, 2023.

11. When will the Settlement go into effect?

The Court will hold a Final Approval Hearing on June 5, 2023 to decide whether to approve the Settlement. Even if the Court approves the Settlement, there could be appeals. The time for an appeal varies and could take more than a year.

The Effective Date is the date when all appeals are completed, and the Settlement becomes final. You can visit the Settlement Website at www.cancelledflightsettlement.com to check the progress of the Courtapproval process and the Effective Date. Please be patient.

Settlement Consideration for all Valid Claims will be paid (or in the case of refunds, processed) within thirty (30) days of the Effective Date. The Court will have the power to enforce the terms of the Settlement Agreement.

EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

If you do not want to participate in the Settlement and instead you want to keep all of your rights to sue Lufthansa individually about the Claims being resolved in the Settlement, then you must take steps to get out of the Settlement Class. This is called asking to be excluded from, or "opting out" of, the Settlement Class.

12. If I do not want to participate in the Settlement, what must I do?

To exclude yourself from the Settlement, you must send a signed statement to RG/2 Claims Administration that includes your name, address, and telephone number stating that you wish to exclude yourself from the case and including your handwritten signature. Your written request should be mailed to:

Cancelled Flight Settlement c/o RG/2 Claims Administration LLC P.O. Box 59479 Philadelphia, PA 19102-9479.

Your written request must be **received** by May 15, 2023. If your request is not received by that date, your right to opt out will be waived and you will be bound by all orders and judgments entered in connection with the Settlement.

13. If I exclude myself, can I get anything from the Settlement?

If you choose to exclude yourself from the Settlement Class: (1) you will not be entitled to receive the benefits of the Settlement; (2) you will not be legally bound by the Settlement Agreement; and (3) you will keep any rights you may have to sue Lufthansa individually for the Claims included in the Settlement Agreement, as long as suit is filed before the relevant statute of limitations expires.

14. How do I tell the Court if I do not like the Settlement or the attorneys' fees request?

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it. You can also object to Class Counsel's request for attorneys' fees, expenses, and costs, and the service awards for the Class Representatives. You can give reasons why you think the Court should not approve the Settlement or award the requested fees, costs, or expenses. The Court will consider your views.

Anyone who objects to the Settlement, the Settlement Agreement, the application for attorneys' fees, costs, or expenses, or service awards for the Class Representatives, or the other matters to be considered at the Final Approval Hearing may appear and present such objections. To be permitted to do so, however, you must, on or before May 15, 2023, serve on the Settlement Claims Administrator your written objection and must include the following information:

- Your name, address, telephone number and, if represented by counsel, the name, address, and telephone number of your counsel;
- Your flight numbers for all flights at issue in this Settlement, the flight dates, and the flight route (destination and origin airports);
- A statement whether you intend to appear at the Final Approval Hearing, either in person or through counsel;
- All grounds for your objection, accompanied by any legal support for the objection known by you or your counsel;

- Copies of any papers, briefs, or other documents upon which the objection is based or upon which you or your counsel intend to rely; and
- Your handwritten signature.

You must sign your own objection. Attorneys' signatures on objections will not be accepted.

If you do not comply with the foregoing procedures and deadlines for submitting written objections, you may lose substantial legal rights to contest the orders or judgments of the Court entered in connection with the Settlement.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

The Court has appointed the law firm of Bursor & Fisher, P.A. as Class Counsel to represent the Settlement Class Members. The only fees, costs, and expenses these lawyers will seek are those described in Question 16 below. If you want to be represented by your own lawyer in this case, you may hire one at your own expense.

16. How will the lawyers be paid?

For more than a year, Class Counsel have worked without compensation on this case. In connection with the Final Approval Hearing on the Settlement, Class Counsel will apply to the Court for an award of expenses, costs, and attorneys' fees, with the total amount not to exceed \$875,000, which is equal to twenty-five (25) percent of the \$3,500,000 Settlement Cap.

In the event the Court declines to approve, in whole or in part, the payment of attorneys' fees, costs, and expenses in the amount requested by Class Counsel, the amount not awarded will be available to be claimed by Settlement Class Members.

Class Counsel will also apply to the Court for a service award for the Class Representatives in an amount not to exceed \$2,000 each. The service award compensates the Class Representatives for their efforts and commitment on behalf of the Settlement Class during the Litigation, including responding to discovery, and communicating with Class Counsel on behalf of Class Members.

THE COURT'S FINAL APPROVAL HEARING

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement and whether to grant Class Counsel's motion for attorneys' fees, costs, and expenses. You may attend and you may ask to speak, but you do not have to do either one.

The Final Approval Hearing will be held before the Honorable Stephen V. Wilson on June 5, 2023 at **1:30 Pacific Time**, at First Street Courthouse, 350 W. 1st Street, Courtroom 10A, 10th Floor, Los Angeles, California 90012.

Do not write or call the judge or the clerk concerning this Class Notice or the Litigation.

The purpose of the Final Approval Hearing will be for the Court to determine whether the Settlement should be finally approved as fair, reasonable, and adequate, and in the best interests of the Settlement Class, and to consider awarding attorneys' fees, costs, and expenses to Class Counsel, as well as service awards to the Class Representatives. At the hearing, the Court will hear any objections and arguments concerning the fairness of the Settlement or the fees that have properly been submitted, as set forth above.

The date of the Final Approval Hearing may change without further notice to the Settlement Class. Settlement Class Members should be advised to check the Settlement Website at <u>www.cancelledflightsettlement.com</u> to check on the date of the Final Approval Hearing, the Court-approval process, and the Effective Date.

18. Do I have to come to the Final Approval Hearing?

No, you are not required to come to the Final Approval Hearing. Class Counsel will answer any questions the Court may have.

If you send an objection, you do not have to come to the Court to talk about it. As long as you served your written objection on time and complied with the other requirements for a proper objection, the Court will consider it.

19. May I speak at the Final Approval Hearing?

You or your lawyer may ask the Court for permission to speak at the Final Approval Hearing.

You may not be able to speak at the hearing if you do not comply with the procedures set out in this notice.

IF YOU DO NOTHING

20. What happens if I do nothing?

If you are a Settlement Class Member, you must file a Claim Form by the Claims Deadline, May 9, 2023, as described in response to Question 10, to receive any Settlement benefits.

IF YOU DO NOTHING AND THE SETTLEMENT IS FINALLY APPROVED, YOU WILL BE BOUND BY THE COURT'S FINAL JUDGMENT AND RELEASE OF CLAIMS EXPLAINED IN THE SETTLEMENT AGREEMENT.

If, however, you are a Settlement Class Member who has not received a refund from Lufthansa, even if you do not fill out a Claim Form in a timely fashion, you may still later request a refund from Lufthansa – without interest. Whether that refund will be paid will depend on the circumstances of your flight, its fare rules, and the time that has passed since the flight was cancelled; no interest will be paid on refunds requested outside the Claim Form process.

GETTING MORE INFORMATION

21. How do I get more information?

This Class Notice is only a summary of the terms of the Settlement. More details about the Settlement, the Effective Date, the deadlines, and your options are available in a longer document called the Settlement Agreement. This Settlement Agreement can be reviewed by clicking here: <u>www.cancelledflight</u> <u>settlement.com</u>.

The Settlement Website also contains answers to common questions about the Settlement, plus other information to help you determine whether you are a Settlement Class Member. In addition, some of the key documents in the case will be posted on the Settlement Website. If you would like this Class Notice, the Claim Form, or the Settlement Agreement mailed to you, please call 1-888-290-8313 or write to RG/2 Claims Administration at:

Cancelled Flight Settlement c/o RG/2 Claims Administration LLC P.O. Box 59479 Philadelphia, PA 19102-9479.

Alternatively, all of the court documents in this case are on file and available for review during regular office hours at the Clerk of the Court, United States District Court for the Central District of California, 350 West First Street, Los Angeles, California 90012.

Please do not call the Court or the Court Clerk's Office to inquire about this Settlement or the Claims Process.