

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

KARLA MAREE and MOURAD
GUERDAD, on behalf of themselves and
all others similarly situated,

Plaintiff,

v.

DEUTSCHE LUFTHANSA AG, a
German public limited company,

Defendant.

CASE NO. 8:20-cv-885-MWF-MRW

SETTLEMENT AGREEMENT

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Subject to the approval of the Court and pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Class Action Settlement Agreement and Release, including the attached Exhibits (“Settlement Agreement” or “Settlement”), is entered into between plaintiffs Karla Maree and Mourad Guerdad (“Plaintiffs”), on behalf of themselves and on behalf of each of the Settlement Class Members, and Defendant Deutsche Lufthansa AG (“Lufthansa” or the “Company”) (collectively, the “Parties”) in the action entitled *Karla Maree v. Deutsche Lufthansa AG.*, Case No. 8:20-cv-00885-MWF-MRW in the United States District Court for the Central District of California.

RECITALS

WHEREAS, on May 12, 2020, Plaintiff Karla Maree (“Maree”) filed a putative class action in the United States District Court for the Central District of California (the “Complaint”) against Lufthansa on behalf of herself and all others similarly situated, alleging claims for breach of contract, conversion, unjust enrichment, and money had and received and alleging that Lufthansa failed to refund Maree and similarly situated passengers for her cancelled flight in violation of Lufthansa’s General Conditions of Carriage (“GCC”); and

WHEREAS, on May 21, 2020, Maree filed a Notice of Related Case stating that the instant action (“*Maree*”) is related to *Castanares et al. v. Deutsche Lufthansa AG*, No. 2:20-cv-04261-MWF-MRW (C.D. Cal.) (“*Castanares*”); and

WHEREAS, on May 22, 2020, the cases were deemed related; and

WHEREAS, on July 31, 2020, after Lufthansa refunded Maree the cost for her cancelled flights, Maree filed a First Amended Class Action Complaint in the United States District Court for the Central District of California (the “FAC”) against Lufthansa on behalf of herself and all others similarly situated, alleging claims for breach of contract and rescission and alleging that Lufthansa’s refund practices violated Lufthansa’s GCC; and

WHEREAS, on October 7, 2020, the Court granted Lufthansa's motion to dismiss the FAC with leave to amend the breach of contract claim; and

WHEREAS, on October 21, 2020, Maree filed a Second Amended Class Action Complaint in the United States District Court for the Central District of California (the "SAC") against Lufthansa on behalf of herself and all others similarly situated, alleging a claim for breach of contract and alleging that Lufthansa was "grossly negligent" in failing to issue refunds for cancelled flights at all or within a reasonable time and caused Maree and class members to suffer injury in the form of incidental, consequential, and indirect damages; and

WHEREAS, on January 26, 2021, the Court denied Lufthansa's motion to compel arbitration and dismiss the SAC; and

WHEREAS on February 8, 2021, Lufthansa filed its Answer to the SAC, denying the allegations of the SAC and raising affirmative defenses; and

WHEREAS, on February 19, 2021, Lufthansa filed a Notice of Appeal to the Ninth Circuit of the Court's order denying Lufthansa's motion to compel arbitration and dismiss the SAC; and

WHEREAS, on April 26, 2021, Lufthansa filed a motion to stay both *Maree* and *Castanares* pending the Ninth Circuit appeal; and

WHEREAS, on June 21, 2021, the Court granted Lufthansa's motion to stay *Maree* pending appeal and denied Lufthansa's motion to stay *Castanares*, but in so doing, the Court ordered Lufthansa to choose between two options: either allow Maree to participate in discovery, despite the stay in that case and thereby not be required to repeat discovery if the Ninth Circuit affirmed the motion to dismiss order, or maintain the *Maree* stay, but in that event, Lufthansa would have to resume discovery from scratch, notwithstanding any discovery taken in *Castanares*;

WHEREAS, Lufthansa has elected to allow Maree to participate in discovery and the parties in *Maree* in fact participated in discovery; and

WHEREAS on August 12, 2021, Maree filed a Third Amended Complaint in the United States District Court for the Central District of California against Lufthansa (the “TAC”), adding Mourad Guerdad as a named plaintiff (Maree and Guerdad collectively, the “Plaintiffs”); and

WHEREAS, Plaintiffs have asserted their claim for breach of contract in briefing and argument before this Court; and

WHEREAS, Lufthansa denies each and every one of Plaintiffs’ allegations of breach of contract and damages, Lufthansa has asserted numerous defenses to Plaintiffs’ claims, Lufthansa disclaims any liability whatsoever, and Lufthansa further denies that this case satisfies the requirements to be tried as a class action under Federal Rule of Civil Procedure 23; and

WHEREAS, this Settlement has been reached after hard-fought litigation and is the product of extensive, arm’s-length settlement negotiations and a June 28, 2021 mediation session conducted first before the Honorable Wayne R. Andersen (Ret.); and

WHEREAS, the parties in *Maree* have engaged in significant discovery that has allowed the parties to adequately apprise themselves of the strengths, merits, risks, potential damages, and complexities of the case should it have proceeded in litigation, and to allow them to objectively analyze the fairness, reasonableness, and adequacy of the Settlement. To that end, the parties exchanged and met and conferred concerning a number of discovery requests, including interrogatories and requests for production. In response, Lufthansa produced critical information concerning the merits of the case to Plaintiff Maree, including information concerning the number of class members, the amount of flights at issue that had been cancelled within the class period, the amount of money that had been refunded, the amount of money that had not yet been refunded

or was the subject of an “open ticket” request, the amount of vouchers claimed by U.S. customers, and information concerning processes available for contacting class members; and

WHEREAS, the Parties recognize that the outcome of this Litigation is uncertain, and that a final resolution through the litigation process would require several more years of appeals, substantial risk and expense, the distraction and diversion of Lufthansa’s personnel and resources, and the expense of any possible future litigation raising similar or duplicative claims; and

WHEREAS, the Parties believe that this Settlement Agreement is fair, reasonable, and adequate because it provides substantial economic consideration to the Settlement Class in exchange for Settlement Class Members’ release of certain Claims.

NOW, THEREFORE, without (a) any admission or concession on the part of Plaintiffs about the likelihood of success at trial, on appeal, or in other motions practice, or (b) any admission or concession of the merit of this Litigation or of liability or wrongdoing or the lack of merit of any defense whatsoever by Lufthansa, it is hereby stipulated and agreed by the undersigned, on behalf of Plaintiffs, the Settlement Class and Lufthansa, that this Litigation and all Claims of the Settlement Class be settled, compromised, and dismissed on the merits and with prejudice as to Lufthansa, subject to Court approval as required by Federal Rule of Civil Procedure 23, on the terms and conditions set forth herein.

The recitals stated above are true and accurate and are hereby made a part of this Settlement Agreement.

I. DEFINITIONS

For the purposes of this Settlement Agreement, the following terms shall have the following meanings:

A. “**CAFA Notice**” means notice of this Settlement to the appropriate federal and state officials, as provided by the Class Action Fairness Act of 2005, 28 U.S.C. § 1715, and the form of which is attached in **Exhibit A**.

B. “**Cash Option**”,

(1) for Settlement Class Members who have already received a refund of their tickets for a Qualifying Flight, means the election that those Settlement Class Members will have to receive a payment of \$10 (instead of a \$45 Voucher) and,

(2) for Settlement Class Members who have not previously received a refund of their Qualifying Flight, but are entitled to a refund, a full cash refund of their tickets plus a payment of one percent (1%) of their ticket price.

C. “**Claim**” or “**Claims**” mean all claims, counterclaims, demands (including, without limitation, demands for arbitration), actions, suits, causes of action, allegations of wrongdoing, and liabilities.

D. “**Claim Form**” means the proposed Claim Form in substantially the form attached hereto as **Exhibit B** to be used by Settlement Class Members to make a Claim for the Cash Option or Voucher Option, which form is to be approved by the Court and to be posted on the Settlement Website in accordance with Section VI of this Settlement Agreement.

E. “**Claims Administration Expenses**” means the Class Notice expenses and other expenses incurred by the Settlement Claims Administrator in administering this Settlement, including, without limitation: preparing and disseminating Class Notice and CAFA Notice; responding to inquiries from Settlement Class Members; creating and maintaining a Settlement Website; setting up and administering any digital notice, setting up and administering a press release, coordinating Cash Option and Voucher Option request information with Lufthansa and Class Counsel; accepting, validating, maintaining and processing Cash Option and Voucher Option requests submitted by Settlement Class Members; and maintaining all Claims and other

Settlement Agreement-related data through the conclusion of the settlement administration process.

F. “**Claims Deadline**” means the date by which a Claim Form must be received via electronic submission by 11:59 p.m. Pacific Time to be considered timely. The Claims Deadline shall be clearly set forth in the Preliminary Approval Order as well as in the Class Notice, and shall not be less than sixty (60) consecutive days from the Class Notice Date.

G. “**Class Counsel**” or “**Plaintiffs’ Counsel**” means Bursor & Fisher, P.A.

H. “**Class Notice**” means the form of notice to be disseminated to Settlement Class Members informing them about the terms of the Settlement Agreement, their right to participate in this Settlement, to opt out, or to object to same, and to appear at the Final Approval Hearing, and instructing Settlement Class Members on how to submit requests for the Cash Option or Voucher Option. A copy of the proposed Long Form Notice is attached as **Exhibit C** and the proposed Summary Notice is attached as **Exhibit D**.

I. “**Class Notice Date**” means the first date on which Class Notice is sent by the Settlement Claims Administrator to each Settlement Class Member.

J. “**Class Representatives**” or “**Plaintiffs**” means named Plaintiffs Karla Maree and Mourad Guerdad.

K. “**Class Period**” means the period commencing January 1, 2020 to the Class Notice Date.

L. “**Court**” means the United States District Court for the Central District of California, the Honorable Michael W. Fitzgerald.

M. “**Effective Date**” means the date on which all appellate rights with respect to the Final Order and Judgment have expired or have been exhausted in such a manner as to affirm the Final Order and Judgment, and when no further appeals are possible.

N. “**Final Approval Hearing**” means the hearing to be held by the Court to consider and determine whether the proposed Settlement of this Litigation as contained in this Settlement Agreement should be approved as fair, reasonable, and adequate, whether Plaintiffs’ request for

an award of attorneys' fees and expenses should be granted, and whether the Final Order and Judgment approving this Settlement should be entered.

O. **"Final Order and Judgment"** means the order and judgment entered by the Court giving approval to the terms of this Settlement Agreement as fair, reasonable and adequate, certifying a class for settlement purposes, providing for the orderly performance and enforcement of the terms of this Settlement Agreement, discharging the Released Parties of and from all further liability for the Released Claims to the Releasing Parties, and permanently barring and enjoining the Releasing Parties from instituting, filing, commencing, prosecuting, maintaining, continuing to prosecute, directly or indirectly, as an individual or collectively, representatively, derivatively, or in any other capacity of any kind whatsoever, any action in any state court, federal court, or any other tribunal, forum, or proceeding of any kind, against the Released Parties that asserts any Released Claims.

P. **"Interest Payments"** means the one percent (1%) interest Lufthansa will pay to Settlement Class Members who have not previously received a refund of their Qualifying Flight, but are entitled to a refund.

Q. **"Litigation"** means the civil action captioned *Karla Maree v. Deutsche Lufthansa AG.*, Case No. 8:20-cv-00885 in the United States District Court for the Central District of California.

R. **"Long Form Notice"** means the proposed notice in substantially the form attached as **Exhibit C**.

S. **"Notice Plan"** means the plan created by the Parties for the purpose of providing notice of this Settlement to the Settlement Class Members, as described in Section VI.

T. **"Opt-Out and Objection Date"** means the date ordered by the Court, which the Parties shall request be set at twenty-one (21) days prior to the Final Approval Hearing.

U. **"Preliminary Approval Order"** means the proposed order preliminarily approving this Settlement, substantially in the form of **Exhibit E** attached hereto.

V. **“Qualifying Flight”** means a Lufthansa flight scheduled to operate to or from the United States during the Class Period which Lufthansa cancelled.

W. **“Release”** means the release set forth in Section VII.

X. **“Released Claims”** means, to the full extent allowed by law, any and all causes of action, Claims, damages, equitable relief, legal relief, and demands or rights, whether known or unknown, liquidated or unliquidated, accrued or unaccrued, fixed or contingent, or based on any contract, statute, regulation, or common law that have been, could have been, may be, or could be alleged or asserted now or in the future, all demands, rights, damages, obligations, suits, debts, liens, and causes of action of every nature and description whatsoever, ascertained or unascertained, suspected or unsuspected, existing or claimed to exist, including unknown claims as of the notice date, by Plaintiffs and all Settlement Class Members against the Released Parties in the Litigation or in any other court action or before any administrative body, tribunal or arbitration panel arising out of or related to the claims asserted by Plaintiffs and the Settlement Class Members in the Litigation or arising from or related to tickets for Qualifying Flights that Lufthansa cancelled during the Class Period against the Released Parties under federal, state, or any other law or regulation. The Released Claims shall include, but are not limited to, all claims that have or could have been asserted by any Settlement Class Member in this Litigation or in *Castanares, et al. v. Deutsche Lufthansa AG.*, Case No. 2:20-cv-04261 (C.D. Cal.). The Released Claims, however, shall not extinguish any right that a Settlement Class Member may have to receive a refund of the amount of their booking for a Qualified Flight Lufthansa cancelled during the Class Period for which that Settlement Class Member had not received a refund upon the Court’s entry of the Final Approval Order. The Released Claims shall also not include any claims for personal injury, and no such claims are released as part of this Settlement.

Y. **“Released Parties”** means Lufthansa and each and all of its respective subsidiaries, affiliates, successors and assigns, and each and all of the respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, investment bankers, representatives, general and limited partners and

partnerships, any trust of which Lufthansa is a settlor, trustee or beneficiary, heirs, executors, administrators, successors, affiliates, and assigns of each of them.

Z. **“Releasing Parties”** means Class Representatives Karla Maree and Mourad Guerdad, and all Settlement Class Members who have not validly and timely opted out of the Settlement Class, and all those who claim through them or who assert or could assert claims on their behalf.

AA. **“Settlement Claims Administrator”** means RG2 Claims Administration LLC or such other entity that the Court shall approve with the consent of the Parties to administer the Notice Plan and to oversee the processing and resolution of Claim Forms as set forth in this Settlement Agreement.

BB. **“Settlement Class”** or **“Settlement Class Member(s)”** means all United States residents who purchased tickets for travel on a Lufthansa flight scheduled to operate to or from the United States during the Class Period whose flights were cancelled by Lufthansa. Excluded from the Settlement Class are all persons who validly opt out of the Settlement in a timely manner; governmental entities; counsel of record (and their respective law firms) for the Parties; Lufthansa and any of its affiliates, subsidiaries, and all of its respective employees, officers, and directors; the presiding judge in the Litigation or judicial officer presiding over the matter, and all of their immediate families and judicial staff; and any natural person or entity that entered into a release with Lufthansa prior to the Effective Date concerning the Released Claims in the Litigation.

CC. **“Settlement Consideration”** means the benefits available to Settlement Class Members as described in detail in Section III.

DD. **“Settlement Website”** means the website established by the Settlement Claims Administrator at cancelledflightsettlement.com, on which the Class Notice and other information relevant to this Settlement will be posted for Settlement Class Members’ benefit.

EE. **“Summary Notice”** means the proposed postcard notice in substantially the form attached as **Exhibit D**.

FF. “**Valid Claim**” means a timely Claim Form submitted by a Settlement Class Member that: (a) is submitted in accordance with the directions accompanying the Claim Form and the terms of this Settlement Agreement; (b) is accurately, fully, and truthfully completed and executed by a Settlement Class Member; (c) is signed physically or by e-signature by a Settlement Class Member personally, subject to the penalty of perjury; (d) is received by the Claims Deadline; and (e) is determined to be valid by the Settlement Claims Administrator.

GG. “**Voucher**” means a \$45 voucher or value for redemption good for future travel on Lufthansa or these Lufthansa group airlines, Swiss International Air Lines, Austrian Airlines and Brussels Airlines. The Vouchers will consist of a credit code that can be redeemed upon booking any published fare. To redeem the Vouchers, Settlement Class Members must book tickets through one of the designated Lufthansa group airlines’ websites. The Vouchers are freely transferable, and expire within twenty-four (24) months of issuance. The Vouchers cannot be redeemed for cash.

HH. “**Voucher Option**” means the election that qualifying Settlement Class Members will receive a Voucher in lieu of a cash payment.

II. MOTION FOR PRELIMINARY APPROVAL

As soon as reasonably practicable after execution of this Settlement Agreement, but no later than August 16, 2021, Plaintiffs shall file with the Court a Motion for Preliminary Approval of the Settlement, Approval and Direction of Notice Plan, and Appointment of Settlement Claims Administrator that seeks entry of an order that, by its terms, shall:

1. Preliminarily approve this Settlement as fair, reasonable, and adequate;
2. Approve the proposed notice plan and Class Notice in forms substantially similar to those attached hereto as **Exhibit C** and **Exhibit D**;
3. Establish deadlines for the filing of objections and notice of opting out of the Settlement;
4. Appoint the Settlement Claims Administrator; and

5. Set a date for the Final Approval Hearing at which the Court will consider final approval of the Settlement and Plaintiffs' motion for attorneys' fees and expenses.

III. SETTLEMENT CONSIDERATION

Lufthansa shall provide the following Settlement Consideration in exchange for the Release detailed in Section VII:

A. Settlement Class Members Who Have Received Refunds. For those Settlement Class Members who have received refunds from Lufthansa for Qualified Flights, they shall have the option to submit a Claim Form electing:

1. The Cash Option: \$10 per person; or
2. The Voucher Option: a Voucher for future travel in the amount of \$45 USD.

B. Settlement Class Members Who Have Not Received Refunds. For those Settlement Class Members who have not received a refund for Qualified Flights, but are entitled to a refund:

1. Lufthansa will remind them in the class notice that they are eligible to receive a refund of the purchase price and they can indicate their desire to request a refund on the Claim Form; and

2. Upon submission of a Valid Claim, Lufthansa will (i) process their refund for the full value of any cancelled leg of the booking, and (ii) make an additional Interest Payment of one percent (1%) of the refund due.

C. Settlement Cap. Lufthansa shall pay the value of all Valid Claims, Cash Options, Interest Payments, and Voucher Options up to a maximum dollar amount yielded by deducting the following from \$3.5 million (the "**Settlement Cap**"):

1. Any attorneys' fees, expenses, and costs awarded to Settlement Class Counsel or other counsel for class members;
2. Any service award payments to the plaintiffs; and
3. Claims Administration Expenses.

Lufthansa shall have no obligation to any amount of money above the amount set out in the Settlement Cap.

The refunds provided under Section III.B.2.i. shall not count against the Settlement Cap and shall be paid in full separately by Lufthansa, regardless of the number of claims or other relief or awards made available under the Settlement.

D. Net Claim Amount and Pro Rata Distribution. The “**Net Claim Amount**” is derived by subtracting the value of attorneys’ fees, expenses, and costs to be awarded to Class Counsel or other counsel for Settlement Class Members, any service awards to be awarded to the Plaintiffs, and any Claims Administration Expenses from the Settlement Cap. Receipt of total Valid Claims of greater than the Net Claim Amount will reduce the Cash Option, Interest Payments, and Voucher Option payouts for each eligible Settlement Class Member that submitted a Valid Claim on a *pro rata* basis to ensure that no more than the total Net Claim Amount for Valid Claims is paid by Lufthansa.

E. Payment Date. Settlement Consideration for all Valid Claims will be paid (or for refunds, processed) within thirty (30) days of the Effective Date.

IV. CLASS CERTIFICATION

A. Certification of Settlement Class. For Settlement purposes only, and without any finding or admission of any wrongdoing or fault by Lufthansa, and solely pursuant to the terms of this Settlement Agreement, the Parties consent to, and agree to, the establishment of a conditional certification of the nationwide Settlement Class, pursuant to Federal Rule of Civil Procedure 23(b)(3).

B. Certification is Conditional. This certification is conditional on the Court’s approval of this Settlement Agreement. In the event the Court does not approve all terms of the Settlement Agreement, or if the Settlement Agreement is voluntarily or involuntarily terminated for any reason, then certification of the Settlement Class shall be void and this Settlement Agreement and all orders entered in connection therewith, including, but not limited to, any order conditionally certifying the Settlement Class, shall become null and void and shall be of no further force and effect and shall not be used or referred to for any purposes whatsoever in the Litigation or in any other case or controversy. And, in such an event, this Settlement Agreement and all

negotiations and proceedings related thereto shall be deemed to be without prejudice to the rights of any and all parties hereto, who shall be restored to their respective positions as of the date of this Settlement Agreement, and Lufthansa shall not be deemed to have waived any opposition or defenses it has to any aspect of the claims asserted herein or to whether those claims are amenable to class-based treatment.

C. Lufthansa Reservation of Rights: Lufthansa contends that this Litigation could not be certified as a class action under Federal Rule of Civil Procedure 23(b), other than for settlement purposes. Nothing in this Settlement Agreement shall be construed as an admission by Lufthansa that this Litigation or any similar case is amenable to class certification for trial purposes. Furthermore, nothing in this Settlement Agreement shall prevent Lufthansa from opposing class certification or seeking decertification of the Settlement Class if final approval of this Settlement Agreement is not obtained, or not upheld on appeal, including review by the United States Supreme Court, for any reason. Lufthansa supports certification of the class for settlement purposes only.

V. CLASS SETTLEMENT NOTICE

A. Settlement Claims Administrator

1. In their motion for preliminary approval, Plaintiffs will propose that the Court appoint RG2 Claims Administration LLC as the Settlement Claims Administrator. The Settlement Claims Administrator shall develop a notice and claims administration program, subject to the approval of the Parties and the Court, designed to achieve at least 90% reach.

2. The Settlement Claims Administrator will facilitate the notice process by providing professional guidance and support in the implementation of the Notice Plan and by overseeing the Claim Form submission process.

B. Notice Plan

1. The Parties and the Settlement Claims Administrator have developed an appropriate and reasonable Notice Plan to reach Settlement Class Members. The Class Notice is designed to provide clear and concise notice of the terms of this Settlement Agreement in plain, easily understood language. The Parties acknowledge and expressly agree that the Notice Plan

constitutes due and sufficient notice under Federal Rule of Civil Procedure 23. The Parties will recommend to the Court the Notice Plan, which will be administered by the Settlement Claims Administrator.

2. Under the Notice Plan, upon Preliminary Approval of this Settlement, the Settlement Claims Administrator shall cause the Long Form Notice to be disseminated to Settlement Class Members via e-mail, and the Summary Notice by U.S. mail for any Settlement Class Members with respect to whom Lufthansa does not have an e-mail address on file as of the Class Notice Date. The Class Notice shall conform substantially with the notices attached as **Exhibit C** and **Exhibit D**.

3. For any e-mails to Settlement Class Members that are returned to the Settlement Claims Administrator as undeliverable and for Settlement Class Members for whom Lufthansa does not have an e-mail address, a Summary Notice shall be sent to each Settlement Class Member's last known address on a double-sided postcard with a change of address form on the back flap.

4. The Settlement Claims Administrator will also create and maintain a Settlement Website to be activated within five (5) days following entry of the Preliminary Approval Order. The Settlement Claims Administrator has secured an appropriate URL, www.cancelledflightsettlement.com. The Settlement Website will have a Claim Form submission capability, contain the Preliminary Approval Order, the Class Notice, this Settlement Agreement, and other information regarding the Court approval process as agreed to by the Parties. The Settlement Website will also contain other important case documents, which will be updated from time to time, including the Complaints in the *Maree* action, any motion for attorney's fees, costs, expenses and service awards (and supporting documentation), and motions for preliminary and final approval. In addition, the Settlement Website will include a section for frequently asked questions and procedural information regarding the status of the Court-approval process, such as an announcement when the final approval hearing is scheduled, deadlines for opting out and objecting, when the Final Order and Judgment has been entered, and when the Effective Date is

expected or has been reached. The Settlement Claims Administrator will terminate the Settlement Website forty-five (45) days after either (1) the Effective Date, or (2) the date on which the Settlement is terminated or otherwise not approved by a court. The Settlement Claims Administrator will then promptly transfer ownership of the URL to Lufthansa.

5. The Settlement Claims Administrator will also establish a toll-free telephone number for Settlement Class Members to call, receive pre-recorded answers to questions regarding this Settlement and also speak to a live operator and will also set up an email address to handle Settlement Class Members' inquiries.

6. Upon preliminary approval of the Settlement, the Settlement Claims Administrator shall also cause notice of the Settlement to be provided through digital advertising, pursuant to the Settlement Administrator's notice plan set forth in the declaration of the Settlement Administrator to be filed in support of preliminary approval of the Settlement.

7. The Settlement Claims Administrator shall also cause a press release to be issued informing Class Members of the pendency of Settlement, and a link to the Settlement Website.

8. Lufthansa shall serve notice of the Settlement that meets the requirements of CAFA, 28 U.S.C. § 1715, on the appropriate federal and state officials not later than ten (10) days after the Court grants Preliminary Approval of the Settlement. A proposed form of CAFA Notice, without the accompanying attachments, is attached as **Exhibit A**. Within a reasonable time thereafter, Lufthansa shall file with the Court a certification of the date(s) on which the CAFA Notice was served.

VI. CLAIMS SUBMISSION PROCESS AND ADMINISTRATION

A. Lufthansa shall provide the Settlement Claims Administrator with a listing of the names, mailing addresses (if available), e-mail addresses (if available), passenger name records, refund amounts, and refund statuses for Settlement Class Members.

B. The Settlement Claims Administrator shall cause the Claim Form to be available on the Settlement Website. The Claim Form shall conform with the form attached as **Exhibit B**.

C. The Settlement Website will permit Settlement Class Members to input their class member identifier to determine the Cash Option or Voucher Option available to them if they file a Valid Claim.

D. All Claim Forms must be electronically submitted and received by the Claims Deadline. Class Members may, at their option, contact the Settlement Claims Administrator for a copy of a paper Claim Form, which will be accepted upon receipt as valid by the Settlement Claims Administrator if the claims are otherwise valid.

E. The Settlement Claims Administrator shall use adequate and customary procedures and standards to prevent the payment of fraudulent claims, including, but not limited to: (i) validating claims against Lufthansa's records, (ii) determining the amount of the Cash Option and the Interest Payments based upon Lufthansa's records, (iii) using a class member identifier, which will be matched to the notice list, and (iv) screening for multiple or fraudulent claims which are not consistent with the facts. The Settlement Claims Administrator shall have the right to audit claims and the Settlement Claims Administrator, when necessary, may request additional information from Settlement Class Members submitting Claim Forms and from Lufthansa.

F. The Settlement Class Administrator shall approve or deny all Claim Forms and will only pay Valid Claims. If any fraud is detected or reasonably suspected, the Settlement Claims Administrator may request further information from the Settlement Class Member and from Lufthansa or deny claims, subject to the ultimate oversight of the Court.

G. Cash Option payments and Interest Payments shall be issued via PayPal (electronically) or check (standard mail) at the election of the Settlement Class Member. Checks will be valid for one hundred twenty (120) days from the date of issuance.

H. The Settlement Claims Administrator shall maintain records of all Claim Forms until ninety (90) days after all Valid Claims have been finally resolved and the Settlement Claims Administrator has issued payment to those Settlement Class Members who submitted Valid Claims, and such records will be made available upon request to Lufthansa's counsel at the end of the ninety (90) day period. The Settlement Claims Administrator also shall provide such reports,

declarations, and such other information to the Court as the Court may require or as Class Counsel or Lufthansa requests.

VII. RELEASE

Upon the Effective Date and by operation of the judgment, the Releasing Parties shall have, fully, finally, and forever released, relinquished, and discharged against the Released Parties all Released Claims (including, without limitation, any unknown claims), as well as any claims arising out of, relating to, or in connection with, the defense, settlement or resolution of this Litigation or the Released Claims.

VIII. OBJECTIONS, NOTICES TO APPEAR, AND OPT-OUTS (REQUESTS FOR EXCLUSION)

A. Any Settlement Class Member who wishes to object to this Settlement must serve the Settlement Claims Administrator his or her objection no later than the Opt-Out and Objection Date, which shall be set by the Court in its Preliminary Approval Order. The Parties shall request an Opt-Out and Objection Deadline of twenty-one (21) days prior to the Final Approval Hearing.

B. The Parties shall request that the Court require any objection to be in writing and include the following information: (a) the objector's name, address, telephone number and, if represented by counsel, the name, address, and telephone number of his or her counsel; (b) the objector's flight numbers for all flights at issue in this Settlement, the flight dates, and the flight route (destination and origin airports) (c) a statement whether the objector intends to appear at the Final Approval Hearing, either in person or through counsel; (d) all grounds for his or her objection, accompanied by any legal support for the objection known to the objector or his or her counsel; (e) copies of any papers, briefs, or other documents upon which the objection is based or upon which the objector or his or her counsel intends to rely; and (f) the objector's handwritten signature.

C. Any Settlement Class Member who wishes to be excluded from the settlement; (i.e., to opt out of the Settlement Class), must mail or deliver a written request for exclusion to the

Settlement Claims Administrator, received by the Opt-Out and Objection Date, which shall be no later than twenty-one (21) days before the Final Approval Hearing. The written request must provide the Settlement Class Member's name, address and telephone number, state that the Settlement Class Member requests exclusion from the Settlement Class, and the Settlement Class Member's handwritten signature. Any Settlement Class Member who does not submit a timely request for exclusion shall be bound by all subsequent proceedings, orders, and the Final Order and Judgment in this Litigation relating to this Settlement, even if he or she has pending, or subsequently initiates, litigation, arbitration, or any other proceeding against Lufthansa relating to the Released Claims.

D. The Settlement Claims Administrator shall receive and maintain the exclusion requests and objections and provide copies of the exclusion requests and objections to the Parties' counsel. At least fourteen (14) court days before the Final Approval Hearing, the Settlement Claims Administrator shall provide the Parties' counsel with a list of all Settlement Class Members who submitted timely, valid exclusion requests, as well as all objections.

IX. ATTORNEYS' FEES, COSTS, OTHER EXPENSES AND CLASS REPRESENTATIVES' SERVICE AWARDS

A. Class Counsel will ask the Court for an award of reasonable expenses, costs, and attorneys' fees in connection with this Litigation, with the total amount not to exceed 25% of \$3.5 million. Lufthansa will have the right to oppose the amount of attorney's fees, costs, and expenses sought by Class Counsel, but not Class Counsel's entitlement to fees under the Settlement Agreement.

B. Class Counsel shall file, and the Settlement Claims Administrator shall post to the Settlement Website, its papers supporting the petition for attorneys' fees, expenses, and costs at least fourteen (14) days before the Opt-Out and Objection Date.

C. This agreement with respect to attorneys' fees and expenses was not negotiated until after the substantive terms of the Settlement, including the consideration to the Settlement Class, had been negotiated and agreed upon. The amount of the attorneys' fees, costs, and

expenses to be sought by Class Counsel was mediated by Hon. Wayne R. Anderson (Ret.) of JAMS.

D. To the extent awarded by the Court and subject to Class Counsel's undertaking to repay attorneys' fees, costs, and expenses in the event of an adverse ruling on appeal, Lufthansa will wire the attorneys' fees, costs, and expenses into an account specified by Class Counsel within twenty (20) business days of the District Court's order awarding such fees, costs, and expenses, provided that Lufthansa has received the applicable completed W-9 form and any necessary wiring instructions.

E. In the event the Court declines to approve, in whole or in part, the payment of attorneys' fees, expenses, and costs in the amounts requested, the remaining provisions of this Settlement Agreement shall remain in full force and effect. The amounts awarded by the Court in attorneys' fees, expenses, and costs shall be the sole aggregate compensation paid by Lufthansa to Class Counsel in connection with this Litigation.

F. Class Counsel may make an application for service awards, in amounts not to exceed \$2,000 each, for the Class Representatives to compensate them for their efforts and commitment on behalf of the Settlement Class.

G. In the event the Court declines to approve, in whole or in part, the payment of service awards in the amounts requested, the remaining provisions of this Settlement Agreement shall remain in full force and effect.

H. Lufthansa shall pay any Class Representatives' service awards granted by the Court within thirty (30) calendar days after the Effective Date, provided that Lufthansa has received a completed W-9 form and any necessary wiring instructions for each Class Representative.

X. ENTRY OF FINAL ORDER AND JUDGMENT

This Settlement is subject to and conditioned upon the issuance by the Court of a Final Order and Judgment that grants approval of this Settlement and orders the consideration specified herein, which consideration shall be subject to the terms and conditions of this Settlement

Agreement and the Parties' performance of their continuing rights and obligations hereunder. Such Final Order and Judgment shall:

1. Grant final approval of this Settlement and direct its implementation pursuant to the terms and conditions of the Settlement Agreement;
2. Confirm that the Notice Plan complies in all respects with the requirements of due process and Rule 23 by providing due, adequate, and sufficient notice to the Settlement Class;
3. Determine that this Settlement is fair, reasonable, and adequate;
4. Effect the Release as provided in Section VII;
5. Permanently bar and enjoin all Settlement Class Members from initiating, maintaining, prosecuting or pursuing, either directly or indirectly, any claim or action asserting Released Claims;
6. Direct that this Litigation be dismissed with prejudice;
7. State pursuant to Federal Rule of Civil Procedure 54(b) that there is no just reason for delay and direct that the Final Order and Judgment is a final, appealable order; and
8. Retain the Court's continuing and exclusive jurisdiction over the Parties, including all Settlement Class Members, to construe and enforce this Settlement Agreement in accordance with its terms for the mutual benefit of the Parties.

XI. DISMISSAL

Upon final approval of this Settlement by the Court, this Litigation will be dismissed with prejudice, including the Plaintiffs' individual claims, as provided for in the Final Order and Judgment.

XII. TERMINATION

Lufthansa's willingness to settle this Litigation is dependent upon achieving finality in this Litigation and the desire to avoid the expense of this and other litigation, except to the extent certain individual lawsuits are preserved by those Settlement Class Members who opt out of the Settlement

Agreement. The Parties have the right to terminate this Settlement Agreement, declare it null and void, and have no further obligations under this Settlement Agreement, if any of the following conditions subsequent occurs:

1. The Parties fail to obtain and maintain preliminary approval of the proposed Settlement in part or in full;

2. Any court requires a notice plan materially different from the plan specifically set forth in Section VI and attached **Exhibit C** and **Exhibit D** or a material change to the submission process and administration specifically set forth in Section IV;

3. Any court orders Lufthansa to pay, in the aggregate, attorneys' fees, costs, and other expenses in connection with this Litigation in excess of \$3,500,000 or requires material changes to the Settlement Consideration as specifically set forth in Section III and Section VII;

4. The Court fails to enter a Final Order and Judgment consistent with the provisions in Section X; or

5. This Settlement is not upheld on appeal, including review by the United States Supreme Court.

The decision of any court not to approve in full the request by Class Counsel for attorneys' fees, costs, and other expenses, however, shall not be grounds for Plaintiffs, the Settlement Class, or Class Counsel to cancel or terminate this Settlement Agreement.

6. If this Settlement Agreement is not finally approved, is not upheld on appeal, or is otherwise terminated for any reason before the Effective Date, this Settlement Agreement and all negotiations, proceedings, and documents prepared, and statements made in connection therewith, shall be without prejudice to any Party and shall not be deemed or construed to be an admission or confession by any Party of any fact, matter, or proposition of law; and all Parties shall stand in the same procedural position as if this Settlement Agreement had not been negotiated, made, or filed with the Court.

XIII. DENIAL OF WRONGDOING AND LIABILITY

1. Lufthansa has denied and continues to deny that it has breached any contract with Settlement Class Members as alleged in this Litigation or failed to issue, or issue within a reasonable time, refunds. In addition, Lufthansa maintains that it has meritorious defenses to the claims alleged in this Litigation, believes that a litigation class cannot be certified here, and that it would have prevailed at trial.

2. Nonetheless, taking into account the uncertainty, risks and costs inherent in any litigation, Lufthansa has concluded that further conduct of this Litigation could be protracted, burdensome, expensive and distracting. Lufthansa has, therefore, determined that it is desirable and beneficial to the Company that this Litigation be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement. As set forth in Section XIV(B) below, this Settlement shall in no event be construed as or deemed to be evidence of an admission or concession by Lufthansa with respect to any claim or fault, liability, wrongdoing or damage whatsoever.

XIV. ADDITIONAL PROVISIONS

A. Best Efforts to Obtain Court Approval

The Parties and the Parties' counsel agree to use their best efforts to obtain Court approval of this Settlement, subject to the Parties' rights to terminate this Settlement Agreement as stated in Section XIII.

B. No Admission

This Settlement Agreement, whether or not it shall become final, and any and all negotiations, communications, and discussions associated with it, shall not be:

1. Offered or received by or against any Party as evidence of, or be construed as or deemed to be evidence of, any presumption, concession, or admission by a Party, of the truth of any fact alleged by Plaintiffs or defense asserted by Lufthansa of the validity of any Claim that has been or could have been asserted in this Litigation, or the deficiency of any defense that has been or could have been asserted in this Litigation, or of any liability, negligence, fault, or wrongdoing on the part of Plaintiffs or Lufthansa;

2. Offered or received by or against Plaintiffs or Lufthansa as a presumption, concession, admission, or evidence of any violation of any state or federal statute, law, rule, or regulation or of any liability or wrongdoing by Lufthansa, or of the truth of any of the claims made in this Litigation, and evidence thereof shall not be directly or indirectly admissible in any way (whether in this Litigation or in any other action or proceeding), except for purposes of enforcing this Settlement Agreement and the Final Order and Judgment including, without limitation, asserting as a defense the Release and waivers provided herein;

3. Offered or received by or against Plaintiffs or Lufthansa as evidence of a presumption, concession, or admission with respect to a decision by any court regarding the certification of a class, or for purposes of proving any liability, negligence, fault, or wrongdoing, or in any way referred to for any other reason as against Lufthansa, in any other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Settlement Agreement; provided, however, that if this Settlement Agreement is approved by the Court, the Plaintiffs or Lufthansa may refer to it to enforce their rights hereunder; or

4. Construed as an admission or concession by Plaintiffs, the Settlement Class, or Lufthansa that the consideration to be given hereunder represents the consideration that could or would have been obtained through trial in this Litigation.

These prohibitions on the use of this Settlement Agreement include, but are not limited to, any individual lawsuit preserved from release by an individual Settlement Class Member opting out of this Settlement.

C. Communications with Lufthansa's Customers and Other Members of the Public

1. Lufthansa reserves the right to communicate with its customers and members of the public in the ordinary course of business. Similarly, Lufthansa can answer any inquiries initiated by Settlement Class Members.

2. With the exception of Class Notice, no Party or counsel shall make any mass or generalized communications to the public, media or press regarding the Settlement. To avoid contradictory, incomplete, or confusing information about the Settlement, the Parties agree that if Class Counsel wants to make any written press releases, disclosures on their website, or statements to the media about the Settlement before the conclusion of the Claims Deadline, such releases or statements will have to be approved by Lufthansa in advance. Such approval shall not be unreasonably withheld. Except as noted herein and by mutual agreement of the Parties, the Class Notice shall constitute the only communication from either Lufthansa or Class Counsel to Settlement Class Members regarding the Settlement prior to the Final Approval Hearing.

3. The Parties and their counsel agree that no party or counsel shall make any disparaging public announcements about the other and any such breach of this provision will constitute a material breach of the Settlement Agreement.

D. Entire Agreement

1. This Settlement Agreement, including all Exhibits hereto, shall constitute the entire agreement among the Parties with regard to the Settlement and shall supersede any previous agreements, representations, communications and understandings among the Parties with respect to the subject matter of this Settlement Agreement. This Settlement Agreement may not be changed, modified, or amended except in a writing signed by all Parties and, if required, approved by the Court.

E. Governing Law

This Settlement Agreement shall be construed under and governed by the laws of the State of California, applied without regard to laws applicable to choice of law.

F. Execution by Counterparts

This Settlement Agreement may be executed by the Parties in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile signatures or signatures sent by e-mail shall be treated as original signatures and shall be binding.

G. No Assignment

Plaintiffs and Class Counsel represent and warrant that none of Plaintiffs' Claims referred to in this Litigation or this Settlement Agreement have been assigned, encumbered, or in any manner transferred in whole or in part.

H. Binding Effect

This Settlement Agreement shall be binding upon, and inure to the benefit of, the heirs, successors, assigns, executors and legal representatives of the Parties and all Released Parties.

I. Severability

In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Settlement Agreement shall continue in full force and effect without said provision.

J. Reasonable Extensions

The Parties may agree to reasonable extensions of time to carry out any of the provisions of this Settlement Agreement. Consent to a request for extension of time shall not be unreasonably withheld.

K. No Primary Drafter of Settlement Agreement

The determination of the terms of, and the drafting of, this Settlement Agreement has been by mutual understanding after negotiation, with consideration by, and participation of, the Parties hereto and their counsel.

None of the Parties shall be considered to be the primary drafter of this Settlement Agreement.

L. Effect of Waiver of Provisions

The waiver by any Party of any provision of this Settlement Agreement shall not constitute a waiver of any other provision of this Settlement Agreement.

M. Variance in Terms

In the event of any variance between the terms of this Settlement Agreement and any of the Exhibits hereto, the terms of this Settlement Agreement shall control and supersede the Exhibit(s).

N. Exhibits to Settlement Agreement

All Exhibits to this Settlement Agreement are material and integral parts hereof, and are incorporated by reference as if fully rewritten herein.

O. Authorization to Enter Settlement Agreement

The individuals signing this Settlement Agreement on behalf of Lufthansa represent that they are fully authorized by Lufthansa to enter into, and to execute, this Settlement Agreement on behalf of Lufthansa. Class Counsel represent that they are fully authorized to conduct settlement negotiations with Lufthansa's counsel on behalf of the Class Representatives, and to enter into, and to execute, this Settlement Agreement on behalf of the Settlement Class, subject to Court approval pursuant to Federal Rule of Civil Procedure 23(e). The Class Representatives enter into and execute this Settlement Agreement on behalf of themselves, and as representatives of and on behalf of the Settlement Class, subject to Court approval pursuant to Federal Rule of Civil Procedure 23(e).

P. Tax Consequences

No opinion concerning the tax consequences of this Settlement Agreement to any Settlement Class Member is given or will be given by Lufthansa, Lufthansa's counsel, or Class Counsel, nor is any Party or his/her/its counsel providing any representation or guarantee respecting the tax consequences of the Settlement as to any Settlement Class Member. The Class Notice will direct Settlement Class Members to consult their own tax advisors regarding the tax consequences of the Settlement and any tax reporting obligations with respect thereto. Each Settlement Class Member is responsible for his/her tax reporting and other obligations respecting the Settlement, if any.

Q. Notices

All notices to the Parties or counsel required by this Settlement Agreement shall be made in writing and communicated by mail and e-mail to the following addresses:

If to the Class Representatives or Class Counsel:

BURSOR & FISHER, PA

L. Timothy Fisher
Yeremey Krivoshey
1990 North California Blvd., Suite 940
Walnut Creek, CA 94596
Tel: (925) 300-4455
ltfisher@bursor.com
ykrivoshey@bursor.com

If to Lufthansa or Lufthansa’s counsel:

DLA PIPER LLP (US)

Keara M. Gordon
Colleen Carey Gulliver
1251 Avenue of the Americas
New York, NY 10020-1104
Tel: 212-335-4500
keara.gordon@dlapiper.com
colleen.gulliver@dlapiper.com

Dated: August 14, 2021


Karla Maree (Aug 14, 2021 19:05 CDT)

Karla Maree

Dated:

Mourad Guerdad

Dated:

DEUTSCHE LUFTHANSA AG

By _____
Dr. Stephan Zilles
Head of Legal and Compliance

By _____
Axel Tillmann
Senior Vice President Corporate Finance

Dated: August 16, 2021

BURSOR & FISHER, PA

By *Yeremey O. Krivoshey*
Yeremey Krivoshey
Attorney for Plaintiffs and the Settlement Class

BURSOR & FISHER, PA

L. Timothy Fisher
Yeremey Krivoshey
1990 North California Blvd., Suite 940
Walnut Creek, CA 94596
Tel: (925) 300-4455
ltfisher@bursor.com
ykrivoshey@bursor.com

If to Lufthansa or Lufthansa’s counsel:

DLA PIPER LLP (US)

Keara M. Gordon
Colleen Carey Gulliver
1251 Avenue of the Americas
New York, NY 10020-1104
Tel: 212-335-4500
keara.gordon@dlapiper.com
colleen.gulliver@dlapiper.com

Dated:

Karla Maree

Dated: August 14, 2021



mourad guerdad (Aug 14, 2021 18:59 PDT)

Mourad Guerdad

Dated:

DEUTSCHE LUFTHANSA AG

By _____
Dr. Stephan Zilles
Head of Legal and Compliance

By _____
Axel Tillmann
Senior Vice President Corporate Finance

Dated:

BURSOR & FISHER, PA

By _____
Yeremey Krivoshey
Attorney for Plaintiffs and the Settlement Class

BURSOR & FISHER, PA

L. Timothy Fisher
Yeremey Krivoshey
1990 North California Blvd., Suite 940
Walnut Creek, CA 94596
Tel: (925) 300-4455
ltfisher@bursor.com
ykrivoshey@bursor.com

If to Lufthansa or Lufthansa's counsel:

DLA PIPER LLP (US)

Keara M. Gordon
Colleen Carey Gulliver
1251 Avenue of the Americas
New York, NY 10020-1104
Tel: 212-335-4500
keara.gordon@dlapiper.com
colleen.gulliver@dlapiper.com

Dated:

Karla Maree

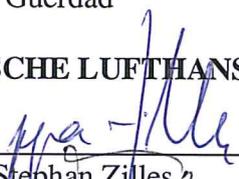
Dated:

Mourad Guerdad

Dated: August 16, 2021

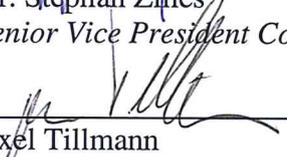
DEUTSCHE LUFTHANSA AG

By



Dr. Stephan Zilles
Senior Vice President Corporate Legal & Compliance

By



Axel Tillmann
Senior Vice President Corporate Finance

Dated: August 16, 2021

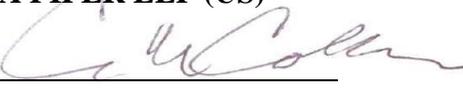
BURSOR & FISHER, PA

By

Yeremey Krivoshey
Attorney for Plaintiffs and the Settlement Class

Dated: August 16, 2021

DLA PIPER LLP (US)

By 

Colleen Carey Gulliver

Attorney for Deutsche Lufthansa AG