

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO**

JASON V. NASH, TORREY L. HUGHES, individually
and on behalf of all others similarly situated,
Plaintiffs,

v.

DARDEN RESTAURANTS, INC.,
DOES 1 through 100, inclusive,
Defendants.

MICHELLE WHALEN-CAMACHO,
MIGUEL PEREZ, and JESSICA SPRINGER,
Intervenors,

v.

DARDEN RESTAURANTS, INC., and
DOES 1 through 100, inclusive,
Defendants.

KELLY MANCUSO,
Intervenor,

v.

DARDEN RESTAURANTS, INC., and
DOES 1 to 100, Inclusive,
Defendants.

CASE NO. 04AS01949

CLASS ACTION

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT AND HEARING DATE
FOR COURT APPROVAL OF THE RED LOBSTER
SETTLEMENT CLASS**

ATTENTION: ALL PERSONS WHO WERE EMPLOYED BY GMRI, INC. AND/OR DARDEN RESTAURANTS, INC. IN A RED LOBSTER RESTAURANT WITHIN THE STATE OF CALIFORNIA, AS HOURLY PAID EMPLOYEES, BETWEEN FEBRUARY 21, 1998 AND JUNE 28, 2005:

THIS NOTICE REQUESTS THAT YOU POSTMARK A CLAIM FORM OR A WRITTEN REQUEST FOR EXCLUSION ON OR BEFORE SEPTEMBER 12, 2005, IF YOU WISH TO RECEIVE PAYMENT FOR YOUR SHARE OF THE SETTLEMENT DESCRIBED BELOW, OR TO BE EXCLUDED FROM THE SETTLEMENT CLASS.

IF YOU SUBMIT A WRITTEN REQUEST FOR EXCLUSION WHICH IS NOT POSTMARKED BY SEPTEMBER 12, 2005, YOUR REQUEST FOR EXCLUSION WILL BE REJECTED AND YOU WILL BE BOUND BY THE RELEASE OF CLAIMS AND ALL OTHER SETTLEMENT TERMS.

IF YOU SUBMIT A CLAIM FORM WHICH IS NOT POSTMARKED BY SEPTEMBER 12, 2005, OR IF YOU SUBMIT A CLAIM FORM WHICH IS NOT COMPLETELY FILLED OUT, YOU WILL NOT RECEIVE ANY PAYMENT BUT YOU WILL BE BOUND BY THE RELEASE OF CLAIMS AND ALL OTHER SETTLEMENT TERMS.

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION AS TO YOUR RIGHT TO MAKE A CLAIM FOR PAYMENT OR TO ELECT NOT TO BE INCLUDED IN THE SETTLEMENT CLASS AS FURTHER DESCRIBED BELOW.

Pursuant to the order of the Superior Court of the State of California for Sacramento County entered June 28, 2005, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A Settlement has been reached between the parties in the above-captioned lawsuit pending in the Superior Court of the State of California for the County of Sacramento on behalf of the Red Lobster Settlement Class, which is defined as all individuals who were employed in Red Lobster restaurants in California in hourly paid positions between February 21, 1998 and June 28, 2005 (the "Class Members"). You have received this Notice because records indicate that you worked in one or more hourly paid positions for Red Lobster in California within the applicable time period. This Notice is designed to advise you of how you can participate in this Settlement and how you can be excluded from this Settlement.

I. BACKGROUND OF THE CASE

On February 21, 2002, a class action lawsuit was filed in the Orange County Superior Court by Plaintiffs and Class Representatives Michelle Whalen-Camacho and Miguel Perez on behalf of all individuals formerly and currently employed in hourly paid positions at Red Lobster restaurants in California during the Class Period. On May 11, 2004, Plaintiffs Jason V. Nash and Torrey L. Hughes filed their Class Action Complaint in Sacramento County Superior Court alleging substantially the same causes of action alleged in the Whalen-Camacho action. Thereafter, in order to facilitate the resolution of the cases and other pending litigation on the same issues against Defendant, Plaintiffs Michelle Whalen-Camacho and Miguel Perez intervened in the present case brought by Class Representatives Jason V. Nash and Torrey L. Hughes in the Sacramento Superior Court. A Settlement has been negotiated by all parties, which has been preliminarily approved by the Court. The Class Settlement Period is February 21, 1998 to and including June 28, 2005. Class Counsel are Walsh & Walsh, A.P.L.C., Langford & Langford, A.P.L.C. and The Law Offices of Michael L. Carver.

Plaintiffs allege in their Complaint that hourly paid employees who worked in Red Lobster restaurants in California during the Class Settlement Period were not allowed to take meal periods and rest breaks, and were not reimbursed for the cost of purchasing, wearing and maintaining uniforms, as required by California law. Plaintiffs seek restitution, various penalties and other relief on behalf of themselves and the Class Members under the California Labor Code and the California Business and Professions Code associated with Defendant Darden Restaurants, Inc. and GMRI, Inc.'s alleged failure to provide meal and rest periods, and Defendant's alleged failure to reimburse employees for the costs of purchasing, wearing and maintaining uniforms, as required by law.

Notice Of Pendency Of Class Action, Proposed Settlement And Hearing Date For Court Approval Of the Red Lobster Settlement Class

These cases have been actively litigated since they were filed. There have been on-going investigations, and there has been an exchange of a large amount of information. Furthermore, the parties have participated in extensive settlement discussions, including a full-day mediation conference before a widely respected Mediator in San Francisco. At the mediation, the parties were able to reach a settlement based on the Mediator's proposal and recommendations.

The parties then entered into a Stipulation of Settlement, which has been given preliminary approval by the Court. The Settlement Class consists of current and former hourly paid employees who worked at Red Lobster restaurants in California during the period from February 21, 1998 to and including June 28, 2005, and who do not exclude themselves from the Settlement as explained herein.

If you are part of the Settlement Class, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Settlement, Defendant has agreed to pay money to finally and forever resolve each Class Member's respective claims which are alleged in the Class Action Complaints, up to a maximum amount of Five Million Five Hundred Thousand Dollars (\$5,500,000.00). Deducted from this Settlement amount will be sums approved by the Court for attorneys' fees (not to exceed \$1,833,333.00), attorneys' costs (not to exceed \$15,000.00), enhancement awards to Class Representatives (not to exceed \$40,000.00), claims administration expenses, and Defendant's share of payroll taxes on the Settlement awards. This will leave a Net Settlement Fund for distribution to Class Members of approximately \$3,611,667.00 (assuming the Court approves attorneys' fees and costs, enhancement awards and other expenses in the amounts indicated).

As explained below, the amount of a Class Member's respective Settlement award will depend on the number of workweeks he or she worked during the following three Class Periods: (a) Class Period One: February 21, 1998 through December 31, 2000; (b) Class Period Two: January 1, 2001 through April 30, 2002; and (c) Class Period Three: May 1, 2002 through June 28, 2005. Class Members may be a member of one, two or all three of these Class Periods, depending on their dates of employment as a Class Member. The Net Settlement Fund (i.e., the amount of the Settlement after deducting attorneys' fees and costs, enhancement awards for Class Representatives, claims administration expenses, and employer taxes) will be divided such that Class Period One will receive 15.92 percent, Class Period Two will receive 72.62 percent, and Class Period Three will receive 11.46 percent. To determine the amount to be paid per workweek worked in each Class Period, the Claims Administrator will divide the portion of the Net Settlement Fund available to that Class Period by the number of validly claimed workweeks for that Class Period. Your Settlement award for a particular class period will depend on the number of workweeks you worked in the Class Period and the amount the Claims Administrator calculates is payable per workweek for that same Class Period.

For settlement calculations, workweeks will be calculated by the Claims Administrator for each Class Member by dividing the total days the Class Member was employed as an hourly employee in California at a Red Lobster restaurant during the Class Period, by seven (7). Partial workweeks will not be counted, but each Class Member who files a valid claim will receive credit for having worked at least one workweek. The number of workweeks on this Claim Form will likely not be the same as the number of calendar workweeks you worked. For example, if you worked January 1, 2005 to February 28, 2005, the number of days you were employed would be fifty-nine (59). Dividing by seven, means that you will be considered to have worked eight (8) workweeks.

The Claim Form accompanying this Notice lists for each Class Member the number of workweeks he or she worked in Class Period One, Class Period Two and Class Period Three, according to the Company's records.

Defendant will pay Settlement awards, as described below, to each Class Member who submits a valid and timely Claim Form. All Claim Forms must be signed under penalty of perjury and completed in their entirety to be considered valid. **All Settlement awards are subject to tax.**

B. Calculations to Be Based on Defendant's Records

For each Class Member submitting a claim, the amount payable to the Class Member will be calculated by the Claims Administrator from Defendant's records. Defendant's records will be presumed correct with respect to the number of workweeks worked by Class Members. Those records will be reviewed by the Claims Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, and the dispute cannot be resolved informally, the dispute will be resolved by the Claims Administrator as described in Section D below. Any such Class Member who disputes the accuracy of the number of workweeks the Claims Administrator has calculated he or she worked, must submit any documentation directly to the Claims Administrator, at the address stated below, at the same time the Class Member postmarks and mails the Claim Form to the Claims Administrator, and before the deadline.

C. Release

The Joint Stipulation of Settlement and Release between Plaintiffs and Defendant contains a release, which releases GMRI, Inc. and Darden Restaurants, Inc. ("Defendant") and its present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be jointly liable with Defendant, or any of them, from any and all actions or causes of action which relate to the Claims and allegations in this case, including the alleged failure of Defendant to provide Class Members meal periods and/or rest breaks, and/or failure to reimburse Class Members for the cost of purchasing, wearing and/or maintaining uniforms, as well as any and all penalties, interest, attorneys' fees and costs, liquidated damages and punitive damages on such claims whether under federal, state or local law, for employment at Red Lobster restaurants in California, from February 21, 1998 to and including June 28, 2005 (the "Released Claims"). In addition, the Settlement Class and each member of the class who has not submitted a valid Request for Exclusion forever agrees that it, he or she shall not institute, nor accept back pay, penalties or compensation for the Released Claims. For the precise terms of the release, you should consult the Joint Stipulation of Settlement (see Section VI below).

D. Resolution of Disputes

If a Class Member disputes the accuracy of Defendant's records as to the number of workweeks worked, the matter will be referred to the Claims Administrator, who will review all pertinent documentation and issue a non-appealable decision as to the number of workweeks worked.

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The submission of any dispute to the Claims Administrator will be made at the time the Claim Form is submitted. Following any such submission to the Claims Administrator, counsel for the parties will confer in a good faith effort to resolve the dispute. If the parties are unable to resolve the dispute, the Claims Administrator will decide the issue within fourteen (14) days after the time for filing Claim Forms has expired.

E. Enhancement Awards for the Class Representatives

The Class Representatives will each receive enhancement awards in the following sums: Jason V. Nash: Five Thousand Dollars (\$5,000.00); Torrey L. Hughes: Five Thousand Dollars (\$5,000.00); Michelle Whalen-Camacho: Fifteen Thousand Dollars (\$15,000.00); and Miguel Perez: Fifteen Thousand Dollars (\$15,000.00). These payments are for their services as Class Representatives as well as their willingness to accept the risk of agreeing to advance Class Counsel's costs and/or paying Defendant's attorneys' fees and costs in the event of an unsuccessful outcome on a motion for summary judgment, on a motion for class certification, at trial or on appeal.

F. Attorneys' Fees and Costs

In consideration for the Settlement and in exchange for the Release by the Settlement Class, Defendant agrees to pay to Class Counsel attorneys' fees to be set by the Court up to a maximum of Thirty-Three and One-Third Percent (33 1/3%) of the total Settlement, which is One Million Eight Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$1,833,333.00), and attorneys' costs to be set by the Court up to a maximum of Fifteen Thousand Dollars (\$15,000.00). All attorneys for the parties to this action believe the amounts for attorneys' fees and costs requested are fair and reasonable. The Class Representatives and Class Counsel support this Settlement. Among the reasons for support are the complete defenses to liability potentially available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER?

A. Submitting a Claim

If you wish to submit a claim, you must complete and sign the Claim Form and return it, by First-Class U.S. Mail, to:

Red Lobster Claims Administrator
c/o Rosenthal & Company LLC
P.O. Box 6177
Novato, CA 94948-6177
Telephone: 1-800-207-0343

The Claim Form must be postmarked no later than September 12, 2005. **If your Claim Form is not postmarked by September 12, 2005, you will not receive any payment but you will be bound by the Release and all terms of the Settlement.** If the Claim Form is sent from within the United States, it must be sent through the United States Postal Service by First-Class U.S. Mail or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Claim Form. If you lose, misplace or need another Claim Form, you should contact the Claims Administrator. You must retain a copy of your postmarked Claim Form.

The parties will not discourage or encourage Class Members from filing claims. In addition, California law protects Class Members from retaliation based on their decision to participate in a class action settlement.

B. Excluding Yourself from the Settlement

Persons who do not wish to participate in the Settlement may exclude themselves (i.e., "opt out") by mailing a written Request for Exclusion to the Claims Administrator. The written Request for Exclusion must clearly and unequivocally indicate the Class Member desires to be excluded from the Settlement. The written Request for Exclusion must be signed, dated, returned by First-Class U.S. Mail, or the equivalent, to:

Red Lobster Claims Administrator
c/o Rosenthal & Company LLC
P.O. Box 6177
Novato, CA 94948-6177
Telephone: 1-800 207-0343

The Request for Exclusion must be postmarked no later than September 12, 2005. **If you submit a Request for Exclusion which is not postmarked by September 12, 2005, your Request for Exclusion will be rejected and you will be bound by the Settlement and all terms of the Settlement.** If the Request for Exclusion is sent from within the United States, it must be sent through the United States Postal Service by First-Class U.S. Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Request for Exclusion.

Any person who files a complete and timely Request for Exclusion shall, upon receipt, no longer be a member of the Settlement Class, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. Any such person, at his or her own expense, may pursue any claims he or she may have against Defendant.

DO NOT SUBMIT BOTH THE CLAIM FORM AND A REQUEST FOR EXCLUSION. IF YOU SUBMIT BOTH, THE REQUEST FOR EXCLUSION WILL BE INVALID, YOU WILL BE INCLUDED IN THE SETTLEMENT CLASS, AND YOU WILL BE BOUND BY THE TERMS OF THE SETTLEMENT.

C. Objection to Settlement

You can object to the terms of the Settlement before final approval. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement unless you have submitted a valid and timely Request for Exclusion. To object, you must file a written objection and a notice of intention to appear at the Final Approval hearing currently set for October 18, 2005, at 2:00 p.m. in Department 53, with the Clerk of the Superior Court of the State of California, for the County of Sacramento, 800 Ninth Street, Sacramento, California 95814, and send copies to the following:

CLASS COUNSEL:

Michael S. Langford
Langford & Langford, APLC
1502 N. Broadway
Santa Ana, CA 92706
Telephone (714) 953-9700

Michael J. Walsh
Walsh & Walsh, A.P.L.C.
420 Exchange, Suite 270
Irvine, CA 92602
Telephone (714) 544-6609

Michael L. Carver
Law Offices of Michael L. Carver
1550 Humboldt Rd., Suite 1
Chico, CA 95928
Telephone (530) 891-8503

DEFENDANT'S COUNSEL:

Cary G. Palmer
Jackson Lewis LLP
801 K Street, Suite 2300
Sacramento, CA 95814
Telephone (916) 341-0404

Any written objections must state each specific reason in support of your objection and any legal support for each objection. Your objection must also state your full name, address, date of birth, and the dates of your employment by Red Lobster. To be valid and effective, any objections to approval of the Settlement must be filed with the Clerk of the Court and delivered to each of the above-listed attorneys no later than September 12, 2005. **DO NOT TELEPHONE THE COURT.**

If you choose to file an objection to the terms of this Settlement, you may enter an appearance in propria persona (meaning you choose to represent yourself) or through your own attorney. To do so, you must file an Entry of Appearance with the Clerk of the Sacramento County Superior Court, and deliver copies to each of the attorneys listed above. Such Entry of Appearance must be filed with the Court and delivered to the above attorneys no later than September 12, 2005. You will then continue as a Class Member either *in propria persona* or with representation by your own attorney, and you will be solely responsible for the fees and costs of your own attorney. The Final Approval hearing at which the Court will be asked to approve the Settlement will be at 2:00 p.m. (Pacific Time) on October 18, 2005, in Department 53 of the Sacramento County Superior Court, 800 Ninth Street, Sacramento, California 95814, or such other, later date as the Court may authorize.

IF YOU INTEND TO OBJECT TO THE SETTLEMENT, BUT WISH TO RECEIVE YOUR SHARE OF THE SETTLEMENT FUNDS, YOU MUST TIMELY FILE YOUR CLAIM FORM AS STATED ABOVE. IF THE COURT APPROVES THE SETTLEMENT DESPITE ANY OBJECTIONS, AND YOU DO NOT HAVE A CLAIM FORM ON FILE, YOU WILL NOT RECEIVE ANY SETTLEMENT PROCEEDS.

IV. EFFECT OF THE SETTLEMENT

A. Released Rights and Claims

The Settlement is intended to settle all actions or causes of action which relate to the Claims and allegations in this case, including the alleged failure of Defendant to provide hourly paid employees in its restaurants in California during the Class Period with meal periods and/or rest breaks, and/or to reimburse employees for the cost of purchasing, wearing and/or maintaining uniforms, as well as any and all penalties, interest, attorneys' fees and costs, liquidated damages and punitive damages on such claims whether under federal, state or local law, for employment at Red Lobster restaurants in California, from February 21, 1998 to and including June 28, 2005 (the "Released Claims"). The release includes all claims against Defendant that members of the Settlement Class have asserted in the Jason V. Nash v. Darden Restaurants, Inc. and Whalen-Camacho v. Darden Restaurants, Inc. cases. The Released Claims will extend to Defendant, its present or former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be jointly liable with Defendant.

If you were employed as a current or former hourly paid employee in a Red Lobster restaurant in California between February 21, 1998 and June 28, 2005, and do not elect to exclude yourself from the Class, you will be deemed to have entered into this Release and to have released the above-described claims even if you do not submit a Claim Form. In addition, you will be barred from ever suing Defendant again with respect to the matters covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue. For the precise terms of the release, you should consult the Stipulation of Settlement and Release (see Section VI below).

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing on October 18, 2005, at 2:00 p.m. (Pacific Time), in Department 53 of the Sacramento County Superior Court, 800 Ninth Street, Sacramento, California 95814, to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs and the enhancement awards to be paid to the Class Representatives. Class Counsel's application for attorneys' fees and costs will be on file with the Court no later than September 26, 2005, and will be available for review after that date. Class Counsel are seeking approval of a total of not more than Thirty-Three and One Third Percent (33 1/3%) of the Settlement for attorneys' fees, which is One Million Eight Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$1,833,333.00), and approval for not more than Fifteen Thousand Dollars (\$15,000.00) for costs.

The hearing may be continued without further notice to the Settlement Class. **It is not necessary for you to appear at this hearing.**

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed Stipulation of Settlement which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including that stipulation, may be examined at any time during regular business hours at the Office of the Clerk of the Sacramento County Superior Court, 720 Ninth Street, Sacramento, California 95814.

**PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK
FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS!**

BY ORDER OF THE SUPERIOR COURT

Notice Of Pendency Of Class Action, Proposed Settlement And Hearing Date For Court Approval Of the Red Lobster Settlement Class