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6 MAY, individually and on behalf of others
similarly situated
7

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SAN FRANCISCO
10

11 PABLO DZUL MAY, individually and on
behalf of all others similarly situated,

12 Plaintiff,

13 vs.
14

15 HWA MAY MARKET INC. D/B/A
PACIFIC SUPERMARKET, a California
corporation; and DOES 1 through 50,
16 inclusive,

17 Defendants.
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CASE NO. CGC-21-594169

CLASS ACTION

[Assigned to Hon. Ethan P. Schulman, Dept.
304]

**AMENDED STIPULATION OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT**

Complaint filed: July 29, 2021
Trial date: None set

1 IT IS HEREBY STIPULATED, by and between plaintiff Pablo Dzul May, individually
2 and on behalf of all others similarly situated, on the one hand, and defendant HWA May Market
3 Inc. d/b/a Pacific Supermarket, on the other hand, and subject to the approval of the Court, that
4 the claims alleged in the Action are hereby compromised and settled pursuant to the terms and
5 conditions set forth in this Stipulation of Class and Representative Action Settlement
6 (“Stipulation”) and that the Court shall make and enter judgment, subject to the continuing
7 jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and terms set
8 forth herein which by this reference become an integral part of this Stipulation.

9 **DEFINITIONS**

10 1. “Action” means the class and representative action entitled *Dzul May v. HWA May*
11 *Market, Inc. d/b/a Pacific Supermarket*, San Francisco County Superior Court Case No. CGC-21-
12 594169.

13 2. “Aggrieved Employees” means all persons employed by Defendant as non-exempt
14 employees in California at any time during the PAGA Period.

15 3. “Class Counsel” means Matthew J. Matern, Launa Adolph, and Clare E. Moran of
16 Matern Law Group, PC.

17 4. “Class Counsel Award” means reasonable attorneys’ fees for Class Counsel’s
18 litigation and resolution of this Action (not to exceed one-third of the Maximum Settlement
19 Amount), and Class Counsel’s expenses and costs reasonably incurred in connection with this
20 Action.

21 5. “Class Information” means information regarding Class Members that Defendant
22 shall in good faith compile from its records and shall be authorized by the Court to transmit in a
23 secured manner to the Settlement Administrator. Class Information shall be transmitted in
24 electronic form and shall include each Class Member and Aggrieved Employee’s full name; last
25 known address; email address, if available; Social Security number; total number of Workweeks;
26 and total number of Pay Periods.

27 6. “Class Members” means all persons employed by Defendant as non-exempt
28 employees in California at any time during the Class Period.

1 7. “Class Notice” means the Notice of Class and Representative Action Settlement,
2 substantially in the form attached hereto as **Exhibit 1**, which the Settlement Administrator shall
3 mail to each Class Member and Aggrieved Employee in English explaining the terms of this
4 Stipulation and the Settlement.

5 8. “Class Period” means the period from July 29, 2017 to February 2, 2024.

6 9. “Class Representative Service Award” means the amount the Court authorizes to
7 be paid to Plaintiff, in addition to Plaintiff’s Individual Class Payment and Individual PAGA
8 Payment, in recognition of Plaintiff’s effort and risk in prosecuting the Action.

9 10. “Defendant” means defendant HWA May Market, Inc. d/b/a Pacific Supermarket.

10 11. “Defense Counsel” means Jeffrey G. McClure and Anne Kelson Hummel of
11 Davenport Gerstner & McClure.

12 12. “Effective Date” means the latter of: (a) if there are no objections to the
13 Settlement, the date upon which the Judgment is entered by the Court; (b) if there are objections
14 to the Settlement, and if an appeal, review or writ is not sought from the Judgment, the sixty-first
15 (61st) day after the date upon which the Judgment is entered; or (c) if an appeal, review or writ is
16 sought from the Judgment, the date upon which all appellate and/or other proceedings resulting
17 from the appeal, review or writ have been finally terminated in such a manner as to permit the
18 Judgment to take effect in substantially the form described herein.

19 13. “Employer Taxes” means Defendant’s portion of payroll taxes, including but not
20 limited to taxes under the Federal Insurance Contributions Act, the Federal Unemployment Tax
21 Act, and/or any similar state taxes and contributions required of employers, on the portion of the
22 Individual Class Payments that constitutes wages. The Employer Taxes will be submitted by
23 Defendant to the Settlement Administrator in addition to the Maximum Settlement Amount.

24 14. “Final Approval Hearing” means the hearing to be conducted by the Court after
25 the filing of an appropriate motion by Plaintiff and following appropriate notice to Class
26 Members giving Class Members an opportunity to request exclusion from or object to the class
27 settlement, at which time Plaintiff shall request that the Court finally approve the Settlement,
28 enter the Judgment, and take other appropriate action.

1 15. “Individual Class Payment” means a Participating Class Member’s pro rata share
2 of the Net Settlement Amount calculated according to the number of Workweeks during the Class
3 Period.

4 16. “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share of
5 25% of the PAGA Payment calculated according to the number of Pay Periods during the PAGA
6 Period.

7 17. “Judgment” means the judgment to be entered by the Court upon granting final
8 approval of the Settlement and this Stipulation as binding upon the Parties, Participating Class
9 Members, and Aggrieved Employees.

10 18. “LWDA” means the California Labor and Workforce Development Agency.

11 19. “LWDA Payment” means the portion of the PAGA Payment payable to the
12 LWDA.

13 20. “Maximum Settlement Amount” means the maximum amount Defendant shall
14 have to pay in connection with this Settlement, by way of a common fund, which shall be
15 inclusive of all Individual Class Payments, Individual PAGA Payments, the Class Counsel
16 Award, the Class Representative Service Award, Settlement Administration Costs, and the
17 LWDA Payment. Subject to Court approval and the terms of this Stipulation, the Maximum
18 Settlement Amount that Defendant shall be required to pay is One Million Eight Hundred Fifty
19 Thousand Dollars (\$1,850,000.00).

20 21. “Net Settlement Amount” means the Maximum Settlement Amount, less the Class
21 Counsel Award, the Class Representative Service Award, Settlement Administration Costs, and
22 the PAGA Payment.

23 22. “Notice of Objection” means a Class Member’s written objection to the
24 Settlement.

25 23. “PAGA” means the Labor Code Private Attorneys General Act of 2004, California
26 Labor Code sections 2698, et seq.

27 24. “PAGA Payment” means the amount payable from the Maximum Settlement
28 Amount to resolve the PAGA claim alleged in the Action, of which seventy-five percent (75%)

1 shall be paid to the LWDA and twenty-five percent (25%) shall be paid to Aggrieved Employees.

2 25. "PAGA Period" means the period from May 25, 2020 to November 15, 2024.

3 26. "Participating Class Members" means Plaintiff and all other Class Members who
4 do not submit a valid and timely Request for Exclusion.

5 27. "Parties" means Plaintiff and Defendant.

6 28. "Pay Period" means a pay period during which an Aggrieved Employee performed
7 one or more days of work as a non-exempt employee of Defendant in California during the
8 PAGA Period, based on Defendant's records, and which shall be used to calculate Individual
9 PAGA Payments.

10 29. "Plaintiff" means plaintiff Pablo Dzul May.

11 30. "Preliminary Approval Order" means the order to be issued by the Court
12 approving and authorizing the mailing of the Class Notice by the Settlement Administrator,
13 setting the date of the Final Approval Hearing and granting preliminary approval of the
14 Settlement set forth in this Stipulation, among other things.

15 31. "Released Parties" means Defendant and each of its former and present directors,
16 officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns,
17 subsidiaries, and affiliates.

18 32. "Request for Exclusion" means a written request by a Class Member to opt out of,
19 or exclude oneself from, the class settlement.

20 33. "Response Deadline" means the date forty-five (45) days after the Settlement
21 Administrator mails the Class Notices to Class Members and Aggrieved Employees and the last
22 date on which Class Members may submit a Request for Exclusion, Notice of Objection, or
23 dispute regarding the number of Workweeks stated on their respective Class Notice.

24 34. "Settlement" means the final and complete disposition of the Action pursuant to
25 this Stipulation.

26 35. "Settlement Administration Costs" means the reasonable costs and fees of
27 administering the Settlement to be paid from the Maximum Settlement Amount, including, but
28 not limited to: (i) translating the Class Notice into Spanish, Burmese, Cantonese, and Mandarin;

(ii) printing, mailing and re-mailing (if necessary) of Class Notices to Class Members and Aggrieved Employees; (iii) establishing a settlement website; (iv) preparing and submitting to Participating Class Members and government entities all appropriate tax filings and forms; (v) computing the amount of and distributing Individual Class Payments, Individual PAGA Payments, the Class Representative Service Award, the Class Counsel Award, and the LWDA Payment; (vi) processing and validating Requests for Exclusion and Notices of Objection; (vii) establishing a Qualified Settlement Fund (“QSF”), as defined by the Internal Revenue Code; and (viii) calculating and remitting to the appropriate government agencies all employer and employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement.

36. “Settlement Administrator” means Xpand Legal Consulting.

37. “Workweek” means a week during which a Class Member performed one or more days of work as a non-exempt employee of Defendant in California during the Class Period, based on Defendant’s records, and which shall be used to calculate Individual Class Payments.

RECITALS

38. Procedural History. On July 29, 2021, Plaintiff filed this wage and hour class action lawsuit against Defendant in San Francisco County Superior Court alleging causes of action for: (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (9) unfair and unlawful business practices; and (10) penalties under PAGA, as a representative action. Defendant filed an answer to Plaintiff’s complaint on October 28, 2021.

39. On February 7, 2022, the Parties attended a mediation with the Honorable James Lambden (Ret.), but were unable to reach a resolution.

40. On March 21, 2023, the Parties attended a second mediation with Tripper Ortman, but again were unable to reach a settlement.

1 41. On November 13, 2024, the Parties attended a third mediation with the Honorable
2 Bonnie Sabraw (Ret.). Following the mediation, Judge Sabraw made a mediator's proposal,
3 which the Parties accepted on November 15, 2024.

4 42. Prior to mediation, Plaintiff obtained through formal discovery the class list, the
5 time and payroll records of the Class Members, and Defendant's wage and hour policies and
6 procedures. Plaintiff took the depositions of Defendant's person most qualified and class members
7 who submitted declarations in support of Defendant's opposition to the motion for class
8 certification. Defendant took Plaintiff's deposition and the depositions of class members who
9 submitted declarations in support of Plaintiff's motion for class certification.

10 43. On February 2, 2024, the Court certified Plaintiff's meal break, rest break, and
11 derivative claim subclasses.

12 44. Benefits of Settlement to Plaintiff and the Class Members. Plaintiff and Class
13 Counsel recognize the expense and length of continued proceedings necessary to litigate
14 Plaintiff's claims in the Action through trial and through any possible appeals. Plaintiff also has
15 taken into account the uncertainty and risks of the outcome of further litigation, and the
16 difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of
17 the burdens of proof necessary to establish liability for the claims asserted in the Action, both
18 generally and in response to Defendant's defenses thereto, and the difficulties in establishing
19 damages, penalties, restitution and other relief sought in the Action. Plaintiff and Class Counsel
20 also have taken into account Defendant's agreement to enter into a settlement that confers
21 substantial benefits upon the Class Members. Based on the foregoing, Plaintiff and Class
22 Counsel have determined that the Settlement set forth in this Stipulation is fair, adequate, and
23 reasonable and is in the best interests of all Class Members.

24 45. Defendant's Reasons for Settlement. Defendant has concluded that any further
25 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
26 Defendant's time, energy, and resources have been, and unless this Settlement is completed, shall
27 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also
28 taken into account the risks of further litigation in reaching their decision to enter into this

1 Settlement. Even though Defendant contends it is not liable for any of the claims alleged by
2 Plaintiff in the Action, Defendant has agreed, nonetheless, to settle in the manner and upon the
3 terms set forth in this Stipulation and to put to rest the claims alleged in this Action. Defendant
4 has asserted and continues to assert that the claims alleged by Plaintiff have no merit and do not
5 give rise to any liability, damages, restitution, penalties or other payments. This Stipulation is a
6 compromise of disputed claims. Nothing contained in this Stipulation, no documents referred to
7 herein, and no action taken to carry out this Stipulation, shall be construed or used as an
8 admission by or against Defendant as to the merits or lack thereof of the claims asserted in the
9 Action. Defendant contends it has complied with all applicable state, federal and local laws.

10 **TERMS OF SETTLEMENT**

11 NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements
12 set forth herein, the Parties agree, subject to the Court's approval, as follows:

13 46. **Binding Settlement.** This Settlement shall bind the Parties and all Participating
14 Class Members and Aggrieved Employees, subject to the terms and conditions hereof and the
15 Court's approval.

16 47. **Tax Liability.** The Parties make no representations as to the tax treatment or legal
17 effect of the payments specified herein, and Class Members are not relying on any statement or
18 representation by the Parties, Class Counsel, or Defense Counsel in this regard. Participating
19 Class Members and Class Counsel understand and agree that they shall be responsible for the
20 payment of all taxes and penalties assessed on the payments specified herein, and shall hold the
21 Parties, Class Counsel, and Defense Counsel free and harmless from and against any claims
22 resulting from treatment of such payments as non-taxable, including the treatment of such
23 payments as not subject to withholding or deduction for payroll and employment taxes.

24 48. **Circular 230 Disclaimer.** THE PARTIES ACKNOWLEDGE AND AGREE
25 THAT (1) NO PROVISION OF THIS STIPULATION, AND NO WRITTEN
26 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES, CLASS
27 COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS INTENDED
28 TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE

1 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING
2 OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
3 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
4 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR
5 ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS STIPULATION,
6 (B) HAS NOT ENTERED INTO THIS STIPULATION BASED UPON THE
7 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
8 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
9 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
10 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
11 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
12 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
13 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
14 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
15 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
16 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
17 STIPULATION.

18 49. Preliminary Approval of Settlement. Plaintiff shall move the Court to enter the
19 Preliminary Approval Order, thereby provisionally certifying the class for settlement purposes
20 and setting a Final Approval Hearing date. The Parties agree to work diligently and cooperatively
21 to have this Settlement presented to the Court for preliminary approval. The Preliminary
22 Approval Order shall provide for, among other things, the Class Notice to be sent to Class
23 Members and Aggrieved Employees as specified herein. Class Counsel will prepare the Motion
24 for Preliminary Approval.

25 50. Release of Claims.

26 a. Participating Class Members' Released Claims. Upon Defendant funding
27 the Maximum Settlement Amount and Employer Taxes in full, all Participating Class Members
28 shall be deemed to have released the Released Parties of any and all claims, demands, rights,

1 liabilities, and/or causes of action that were pleaded or could have been pleaded based upon the
2 factual allegations set forth in the operative complaint and arising at any time during the Class
3 Period, including claims for (1) failure to provide meal periods; (2) failure to authorize and permit
4 rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to
5 pay all wages due to discharged and quitting employees; (6) failure to maintain required records;
6 (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for
7 necessary expenditures incurred in discharge of duties; and (9) unfair and unlawful business
8 practices..

9 b. Aggrieved Employees' Released Claims. In addition to the release set
10 forth in Paragraph 50.a. above, upon Defendant funding the Maximum Settlement Amount and
11 Employer Taxes in full, all Aggrieved Employees shall be deemed to have released the Released
12 Parties of any and all claims and/or causes of action under PAGA which are based upon the
13 factual allegations set forth in the operative complaint and arising at any time during the PAGA
14 Period ("Released PAGA Claims").

15 c. Plaintiff's Released Claims. Upon Defendant funding the Maximum
16 Settlement Amount and Employer Taxes in full, Plaintiff shall be deemed to have released any
17 and all claims, demands, rights, liabilities, and/or causes of action, of any form whatsoever,
18 whether known or unknown, unforeseen, unanticipated, unsuspected or latent, that have been or
19 could have been asserted by Plaintiff, or Plaintiff's heirs, successors and/or assigns, whether
20 directly, indirectly, representatively, derivatively or in any other capacity, against the Released
21 Parties which arose at any time prior to entry of the Judgment, including but not limited to any
22 and all claims which arose out of or are in any way connected with Plaintiff's employment with
23 Defendant or Plaintiff's separation from employment with Defendant. This release specifically
24 excludes claims for unemployment insurance, disability, social security, and workers'
25 compensation (except for claims pursuant to Labor Code Sections 132a and 4553).

26 As to the released claims only, Plaintiff expressly waives all rights and benefits under the
27 terms of section 1542 of the California Civil Code. Section 1542 reads as follows:

28 "A general release does not extend to claims that the creditor or releasing party

1 does not know or suspect to exist in his or her favor at the time of executing the
2 release and that, if known by him or her, would have materially affected his or her
3 settlement with the debtor or released party.”

4 Notwithstanding the provisions of section 1542, and for the purpose of implementing a
5 full and complete release and discharge of all of their released claims, Plaintiff expressly
6 acknowledges that this Settlement is intended to include in its effect, without limitation, all
7 released claims which Plaintiff does not know or suspect to exist in her favor at the time of
8 execution hereof, and that the Settlement contemplates the extinguishment of all such released
9 claims.

10 51. Settlement Administration.

11 a. Within twenty (20) days of entry of the Preliminary Approval Order,
12 Defendant shall provide the Settlement Administrator with the Class Information for purposes of
13 mailing the Class Notices to Class Members.

14 i. Notice by First Class U.S. Mail. Upon receipt of the Class
15 Information, the Settlement Administrator shall perform a search based on the National Change
16 of Address Database maintained by the United States Postal Service to update and correct any
17 known or identifiable address changes. Within ten (10) days after receiving the Class Information
18 from Defendant as provided herein, the Settlement Administrator shall mail copies of the Class
19 Notice to all Class Members and Aggrieved Employees in English via regular First Class U.S.
20 Mail. The Class Notice shall advise the Class Members and Aggrieved Employees that the Class
21 Notice is available in Spanish, Cantonese, Burmese, and Mandarin on the settlement website.
22 The Settlement Administrator shall exercise its best judgment to determine the current mailing
23 address for each Class Member and Aggrieved Employee. The address identified by the
24 Settlement Administrator as the current mailing address shall be presumed to be the most current
25 mailing address for each Class Member and Aggrieved Employee. The Parties agree that this
26 procedure for notice provides the best notice practicable to Class Members and Aggrieved
27 Employees and fully complies with due process.

28 ii. Undeliverable Class Notices. Any Class Notice returned to the

1 Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-
2 mailed to the forwarding address affixed thereto within three (3) business days of receipt by the
3 Settlement Administrator. If no forwarding address is provided, the Settlement Administrator
4 shall promptly attempt to determine a correct address by the use of skip-tracing, or other type of
5 automated search, using the name, address and/or Social Security number of the Class Member
6 involved, and shall then perform a re-mailing to the Class Member whose Class Notice was
7 returned as non-deliverable, assuming another mailing address is identified by the Settlement
8 Administrator. If a Class Notice is re-mailed to a Class Member less than ten (10) days prior to
9 the Response Deadline, the Class Member shall have their Response Deadline extended by ten
10 (10) days from the date the Settlement Administrator re-mails the Class Notice. If these
11 procedures are followed, notice to Class Members shall be deemed to have been fully satisfied,
12 and if the intended recipient of the Class Notice does not receive the Class Notice, the intended
13 recipient shall nevertheless remain a Class Member and shall be bound by all terms of the
14 Settlement and the Judgment.

15 iii. Notice by Email. Within ten (10) days after receiving the Class
16 Information from Defendant as provided herein, the Settlement Administrator shall email the
17 Class Notice in English, Spanish, Cantonese, Burmese, and Mandarin to all Class Members for
18 whom Defendant has an email address.

19 iv. Determination of Individual Class Payments and Individual PAGA
20 Payments. The Settlement Administrator shall determine the eligibility for, and the amount of,
21 each Individual Class Payment and Individual PAGA Payment under the terms of this Stipulation.
22 The Settlement Administrator's determination of the eligibility for and amount of each Individual
23 Class Payment and Individual PAGA Payment shall be binding upon the Class Member and/or
24 Aggrieved Employee, yet subject to review by Class Counsel, Defense Counsel, and the Court.
25 In the absence of fraud or gross negligence, Defendant's records shall be presumed accurate.

26 v. Disputes Regarding Administration of Settlement. Any dispute not
27 resolved by the Settlement Administrator concerning the administration of the Settlement shall be
28 resolved by the Court. Prior to any such involvement of the Court, counsel for the Parties shall

1 confer in good faith to resolve the dispute without the necessity of involving the Court.

2 b. Settlement Website. Within ten (10) days after receiving the Class
3 Information from Defendant, the Settlement Administrator shall establish a settlement website,
4 which shall include the operative complaint, this Stipulation, the Class Notice in English,
5 Spanish, Cantonese, Burmese, and Mandarin, and information regarding the Final Approval
6 Hearing.

7 c. Exclusions. The Class Notice shall explain that Class Members who wish
8 to exclude themselves from the class settlement must submit a Request for Exclusion to the
9 Settlement Administrator by the Response Deadline. The Request for Exclusion must: (1)
10 contain the name, address, and telephone number of the person requesting exclusion; (2) be
11 signed by the Class Member; and (3) be postmarked and returned to the Settlement Administrator
12 at the specified mailing address or emailed to the Settlement Administrator at the specified email
13 address by the Response Deadline. For Requests for Exclusion submitted via mail, subject to
14 review by Class Counsel, Defense Counsel, and the Court, the date of the postmark on the return
15 mailing envelope shall be the exclusive means used by the Settlement Administrator to determine
16 whether a Class Member has timely requested exclusion from the class and Settlement. Any
17 Class Member who timely and properly requests to be excluded from the class and Settlement
18 shall not be entitled to any benefits under the Settlement and shall not be bound by the terms of
19 the Settlement nor shall the Class Member have any right to object to the Settlement or appeal
20 from the entry of the Judgment. Class Members who do not submit a valid and timely Request
21 for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement
22 and the Judgment entered in this Action if the Settlement is finally approved by the Court. No
23 later than ten (10) days after the Response Deadline, the Settlement Administrator shall provide
24 counsel for the Parties a complete list of all Class Members who submitted a timely and valid
25 Request for Exclusion. In light of the binding nature of a PAGA judgment on non-party
26 employees pursuant to *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal.4th 969, Aggrieved
27 Employees are not permitted to opt-out of the settlement of the PAGA claim and shall receive an
28 Individual PAGA Payment, and shall be deemed to release the Released PAGA Claims..

1 d. Objections. The Class Notice shall state that Class Members who wish to
2 object to the Settlement must submit to the Settlement Administrator a Notice of Objection by the
3 Response Deadline or appear at the Final Approval Hearing to explain their objection(s). A
4 Notice of Objection must (1) state the full name of the Class Member; (2) be signed by the Class
5 Member; (3) state the grounds for the objection; and (4) be postmarked and returned to the
6 Settlement Administrator at the specified mailing address or emailed to the Settlement
7 Administrator at the specified email address by the Response Deadline. The Settlement
8 Administrator shall immediately upon receipt transmit to Class Counsel and Defense Counsel
9 copies of all objections and supporting papers. Plaintiff shall file the objections and all
10 supporting papers with the Court at the same time that Plaintiff files the motion for final approval.
11 For Notices of Objection submitted via mail, subject to review by Class Counsel, Defense
12 Counsel, and the Court, the date of the postmark on the return mailing envelope shall be the
13 exclusive means used by the Settlement Administrator to determine whether a Class Member has
14 timely objected to the Settlement. The Court, however, shall retain final authority with respect to
15 the consideration and admissibility of any Class Member objections. A Class Member may
16 appear personally or through an attorney, at his or her own expense, at the Final Approval
17 Hearing to present his or her objection directly to the Court. Class Members who do not submit a
18 Notice of Objection or appear at the Final Approval Hearing to explain their objection(s) shall be
19 deemed to have waived any objections and shall be foreclosed from making any objections
20 (whether by appeal or otherwise) to the Settlement. If a Class Member objects to this Settlement,
21 the Class Member will remain a member of the class and if the Court approves this Stipulation,
22 the Class Member will be bound by the terms of the Settlement and Judgment in the same way
23 and to the same extent as a Participating Class Member who does not object. At no time shall any
24 of the Parties, Class Counsel, or Defense Counsel seek to solicit or otherwise encourage or
25 discourage Class Members from objecting to the Settlement or filing an appeal from the
26 Judgment.

27 e. Disputes Regarding the Number of Workweeks. If a Class Members
28 disagrees with the number of Workweeks stated on the Information Sheet, the Class Member

1 must send a letter to the Settlement Administrator via mail or email by the Response Deadline
2 stating the reasons why he or she disputes the number of Workweeks and provide any supporting
3 documentation. The Settlement Administrator will evaluate the evidence submitted by the Class
4 Member, as well as any evidence submitted by Defendant, and make a decision as to the number
5 of Workweeks that should be applied and/or the Individual Class Payment to which the Class
6 Member is entitled. The Settlement Administrator's decision as to the total number of
7 Workweeks shall be final and non-appealable, yet subject to review by the Court. The Settlement
8 Administrator shall send written notice of the decision on any such dispute to the Class Member,
9 Class Counsel, and Defense Counsel within ten (10) days of receipt of the dispute.

10 f. Monitoring and Reviewing Settlement Administration. The Parties have
11 the right to monitor and review the administration of the Settlement to verify that the monies
12 allocated under the Settlement are distributed in the correct amount, as provided for in this
13 Stipulation.

14 g. Best Efforts. The Parties agree to use their best efforts to carry out the
15 terms of this Settlement.

16 52. Funding and Allocation of Maximum Settlement Amount. No later than ten (10)
17 days after the Effective Date, Defendant shall provide to the Settlement Administrator in any
18 feasible manner, including, but not limited to, by way of a wire transfer, the Maximum Settlement
19 Amount. If this Settlement is not finally approved by the Court in full, or is terminated,
20 rescinded, canceled or fails to become effective for any reason, or if the Effective Date does not
21 occur, then no portion of the Maximum Settlement Amount shall be paid.

22 a. Individual Class Payments and Individual PAGA Payments. Class
23 Members shall not be required to submit a claim in order to receive a share of the Net Settlement
24 Amount, and no portion of the Maximum Settlement Amount shall revert to Defendant or result
25 in an unpaid residue. Individual Class Payments and Individual PAGA Payments shall be paid by
26 the Settlement Administrator from the Net Settlement Amount pursuant to the formula set forth
27 herein. Individual Class Payments and Individual PAGA Payments shall be mailed by the
28 Settlement Administrator by regular First-Class U.S. Mail to each Participating Class Member

1 and/or Aggrieved Employee's last known mailing address within ten (10) days after Defendant
2 provides the Settlement Administrator with the Maximum Settlement Amount. Prior to mailing
3 the Individual Class Payments and Individual PAGA Payments, the Settlement Administrator
4 shall perform a search based on the National Change of Address Database maintained by the
5 United States Postal Service to update and correct any known or identifiable address changes.

6 i. Each Participating Class Member's Individual Class Payment shall
7 be calculated solely by the Settlement Administrator according to the following formula:
8 Defendant shall provide the Settlement Administrator with the Workweeks for each Participating
9 Class Member. The Settlement Administrator shall then divide the Net Settlement Amount by the
10 total number of Workweeks for all Participating Class Members resulting in a value for each
11 week worked by the Participating Class Members during the Class Period ("Workweek Value").
12 The Settlement Administrator shall then multiply the number of Workweeks for each
13 Participating Class Member by the Workweek Value. In addition, all Aggrieved Employees shall
14 receive a pro rata share of the portion of the PAGA Payment allocated to Aggrieved Employees
15 based on their Pay Periods during the PAGA Period.

16 ii. Individual Class Payments and Individual PAGA Payments shall be
17 made by check and shall be made payable to each Participating Class Member as set forth in this
18 Stipulation.

19 iii. Individual Class Payments shall be allocated as follows: twenty
20 percent (20%) as wages subject to all applicable tax withholdings, and eighty percent (80%) as
21 non-wage penalties, interest, and reimbursement of employment-related expenses not subject to
22 payroll tax withholdings. Individual PAGA Payments shall be allocated as 100% non-wage
23 penalties. The Settlement Administrator shall issue an IRS Form W-2 to each Participating Class
24 Member for the portion of each Individual Class Payment allocated as wages and subject to all
25 applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each
26 Participating Class Member and Aggrieved Employee for the portion of each Individual Class
27 Payment and Individual PAGA Payment allocated as non-wage penalties, interest, and
28 reimbursement of employment-related expenses not subject to payroll tax withholdings. The

1 Settlement Administrator shall calculate the amount of the Employer Taxes and shall remit and
2 report the applicable portions of the payroll tax payment to the appropriate taxing authorities in a
3 timely manner.

4 iv. Individual Class Payment and Individual PAGA Payment checks
5 shall remain negotiable for one hundred eighty (180) days from the date of mailing. If an
6 Individual Class Payment and/or Individual PAGA Payment check remains uncashed after one
7 hundred eighty (180) days from issuance, the Settlement Administrator shall distribute the value
8 of the uncashed check to the State Controller's Office Unclaimed Property Fund in the name of
9 the Participating Class Member and/or Aggrieved Employee. In such event, such Participating
10 Class Members and/or Aggrieved Employees shall nevertheless remain bound by the Settlement.

11 v. All monies received by Class Members under the Settlement which
12 are attributable to wages shall constitute income to such Class Members solely in the year in
13 which such monies actually are received by the Class Members. It is expressly understood and
14 agreed that the receipt of Individual Class Payments shall not entitle any Class Member to
15 additional compensation or benefits under any collective bargaining agreement or under any
16 bonus, contest or other compensation or benefit plan or agreement in place during the period
17 covered by the Settlement, nor shall it entitle any Class Member to any increased pension and/or
18 retirement, or other deferred compensation benefits. It is the intent of the Parties that Individual
19 Class Payments provided for in this Stipulation are the sole payments to be made by Defendant to
20 Class Members in connection with this Settlement, with the exception of Plaintiff, and that the
21 Class Members are not entitled to any new or additional compensation or benefits as a result of
22 having received the Individual Class Payments. Furthermore, the receipt of Individual Class
23 Payments by Class Members shall not, and does not, by itself establish any general, special, or
24 joint employment relationship between and among the Class Member(s) and Defendant.

25 b. Class Representative Service Award. Subject to Court approval, Plaintiff
26 shall be paid a Class Representative Service Award not to exceed Ten Thousand Dollars
27 (\$10,000.00), or any lesser amount as awarded by the Court, for his time and effort in bringing
28 and presenting the Action and for releasing his claims. Defendant shall not oppose or object to

1 Plaintiff's request for a Class Representative Service Award in an amount not to exceed Ten
2 Thousand Dollars (\$10,000.00). The Class Representative Service Award shall be paid to
3 Plaintiff from the Maximum Settlement Amount no later than ten (10) days after Defendant
4 provide the Settlement Administrator with the Maximum Settlement Amount. The Settlement
5 Administrator shall issue an IRS Form 1099 to Plaintiff for the Class Representative Service
6 Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on the
7 Class Representative Service Award and shall hold harmless Defendant, Class Counsel, and
8 Defense Counsel from any claim or liability for taxes, penalties, or interest arising as a result of
9 payment of the Class Representative Service Award. The Class Representative Service Award
10 shall be made in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment.
11 Any amount requested by Plaintiff for the Class Representative Service Award and not awarded
12 by the Court shall become part of the Net Settlement Amount and shall be distributed to
13 Participating Class Members as part of their Individual Class Payments.

14 c. Class Counsel Award. Subject to Court approval, Class Counsel shall be
15 entitled to receive reasonable attorneys' fees in an amount not to exceed one-third (1/3) of the
16 Maximum Settlement Amount, which amounts to Six Hundred Sixteen Thousand Six Hundred
17 Sixty Six Dollars and Sixty Seven Cents (\$616,666.67). In addition, subject to Court approval,
18 Class Counsel shall be entitled to an award of reasonable costs associated with Class Counsel's
19 prosecution of the Action in an amount not to exceed One Hundred Fifty Thousand Dollars
20 (\$150,000.00). Class Counsel shall provide the Settlement Administrator with a properly
21 completed and signed IRS Form W-9 in order for the Settlement Administrator to process the
22 Class Counsel Award approved by the Court. Defendant shall not oppose or object to Plaintiff's
23 request for an award of attorneys' fees in an amount not to exceed Six Hundred Sixteen Thousand
24 Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$616,666.67) and request for an award of
25 reasonable costs not to exceed One Hundred Fifty Thousand Dollars (\$150,000.00). In the event
26 the Court awards Class Counsel less than Six Hundred Sixteen Thousand Six Hundred Sixty Six
27 Dollars and Sixty Seven Cents (\$616,666.67) in attorneys' fees and/or less than One Hundred
28 Fifty Thousand Dollars (\$150,000.00) in costs, the difference shall become part of the Net

1 Settlement Amount and shall be distributed to Participating Class Members as part of their
2 Individual Class Payments. Class Counsel shall be paid any Court-awarded attorneys' fees and
3 costs no later than ten (10) days after Defendant provide the Settlement Administrator with the
4 Maximum Settlement Amount. Class Counsel shall be solely and legally responsible to pay all
5 applicable taxes on the Class Counsel Award. The Settlement Administrator shall issue an IRS
6 Form 1099 to Class Counsel for the Class Counsel Award. This Settlement is not conditioned
7 upon the Court awarding Class Counsel any particular amount of attorneys' fees or costs.

8 d. PAGA Payment. One Hundred Thousand Dollars (\$100,000.00) from the
9 Maximum Settlement Amount shall be allocated as penalties under PAGA, of which Seventy
10 Five Thousand Dollars (\$75,000.00) shall be paid by the Settlement Administrator directly to the
11 LWDA. The remaining Twenty Five Thousand Dollars (\$25,000.00) shall be distributed to
12 Aggrieved Employees as Individual PAGA Payments.

13 e. Settlement Administration Costs. The Settlement Administration fees and
14 expenses, which are estimated not to exceed Sixteen Thousand Dollars (\$16,000.00), shall be paid
15 from the Maximum Settlement Amount. Prior to Plaintiff filing a motion for final approval of the
16 Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the
17 Settlement Administration Costs to date. The Parties agree to cooperate in the Settlement
18 Administration process and to make all reasonable efforts to control and minimize Settlement
19 Administration Costs.

20 i. The Parties each represent they do not have any financial interest in
21 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator
22 that could create a conflict of interest.

23 ii. The Settlement Administrator shall keep the Parties timely apprised
24 of the performance of all Settlement Administrator responsibilities required by the Settlement.
25 The Settlement Administrator shall be authorized to establish a QSF pursuant to IRS rules and
26 regulations in which the Maximum Settlement Amount shall be placed and from which payments
27 required by the Settlement shall be made.

28 53. Final Settlement Approval Hearing and Entry of Judgment. Following expiration

1 of the Response Deadline, a Final Approval Hearing shall be conducted to determine whether to
2 grant final approval of the Settlement, including determining the amounts properly payable for:
3 (i) the Class Counsel Award; (ii) the Class Representative Service Award; and (iii) the PAGA
4 Payment. Prior to the Final Approval Hearing, the Settlement Administrator shall provide a
5 written report or declaration to the Parties describing the process and results of the administration
6 of the Settlement to date, which report or declaration shall be filed by Plaintiff with the Court
7 prior to the Final Approval Hearing. If the Court grants final approval of the Settlement, the
8 Settlement Administrator shall post notice of final judgment on its website within seven (7)
9 calendar days of entry of the Judgment.

10 54. Defendant's Right to Reject Settlement. If five percent (5%) or more of the Class
11 Members submit valid Requests for Exclusion, Defendant will have the right, but not the
12 obligation, to void the Settlement and the Parties will have no further obligations under the
13 Settlement, including any obligation by Defendant to pay the Maximum Settlement Amount, or
14 any amounts that otherwise would have been owed under this Stipulation, except that Defendant
15 will pay the Settlement Administration Costs incurred as of the date that Defendant exercises its
16 right to void the Settlement. Defendant shall notify Class Counsel and the Court whether it is
17 exercising this right to void not later than seven (7) days after the Settlement Administrator
18 notifies the Parties of the number of valid Requests for Exclusion it has received.

19 55. Nullification of Settlement. In the event: (i) the Court does not enter the
20 Preliminary Approval Order; (ii) the Court does not grant final approval the Settlement; (iii) the
21 Court does not enter the Judgment; or (iv) the Settlement does not become final for any other
22 reason, this Stipulation shall be rendered null and void, any order or judgment entered by the
23 Court in furtherance of this Settlement shall be treated as void from the beginning and this
24 Stipulation and any documents related to it shall not be used by any Class Member or Class
25 Counsel to support any claim or request for class certification in the Action, and shall not be used
26 in any other civil, criminal or administrative action against Defendant or any of the other
27 Released Parties. In the event an appeal is filed from the order granting final approval or
28 Judgment, or any other appellate review is sought, administration of the Settlement shall be

1 stayed pending final resolution of the appeal or other appellate review. Any fees incurred by the
2 Settlement Administrator prior to it being notified of the filing of an appeal from the Judgment, or
3 any other appellate review, shall be paid by Defendant to the Settlement Administrator.

4 56. No Admission by Defendant. Defendant denies all claims alleged in this Action
5 and denies all wrongdoing whatsoever by Defendant. Neither this Stipulation, nor any of its
6 terms and conditions, nor any of the negotiations connected with it, is a concession or admission,
7 and none shall be used against Defendant as an admission or indication with respect to any claim
8 of any fault, concession, or omission by Defendant. The Parties agree that this Stipulation shall
9 not be admissible in this or any other proceeding as evidence that Defendant is liable to Plaintiff
10 or any Class Member, other than according to the terms of this Stipulation.

11 57. Exhibits and Headings. The terms of this Stipulation include the terms set forth in
12 any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
13 The Exhibits to this Stipulation are an integral part of the Settlement. The descriptive headings of
14 any paragraphs or sections of this Stipulation are inserted for convenience of reference only.

15 58. Stay of Action. The Parties agree that upon the execution of this Agreement the
16 Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further
17 agree that pursuant to Code of Civil Procedure section 583.330, the time to bring this case to trial
18 pursuant to Code of Civil Procedure shall be extended from the date this Stipulation is fully
19 executed through the entirety of the settlement approval process.

20 59. Amendment or Modification. This Stipulation may be amended or modified only
21 by a written instrument signed by all Parties or their representatives, and approved by the Court.

22 60. Entire Agreement. This Stipulation and any attached Exhibits constitute the entire
23 agreement between the Parties, and no oral or written representations, warranties, or inducements
24 have been made to Plaintiff or Defendant concerning this Stipulation or its Exhibits other than the
25 representations, warranties, and covenants contained and memorialized in this Stipulation and its
26 Exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding
27 on the Parties.

28 61. Authorization to Enter into Settlement Agreement. Class Counsel and Defense

1 Counsel warrant and represent they are expressly authorized by the Parties whom they represent
2 to negotiate this Stipulation and to take all appropriate actions required or permitted to be taken
3 by such Parties pursuant to this Stipulation to effectuate its terms, and to execute any other
4 documents required to effectuate the terms of this Stipulation. The Parties, Class Counsel, and
5 Defense Counsel shall cooperate with each other and use their best efforts to effect the
6 implementation of the Settlement. In the event the Parties are unable to reach agreement on the
7 form or content of any document needed to implement the Settlement, or on any supplemental
8 provisions that may become necessary to effectuate the terms of this Settlement, the Parties may
9 seek the assistance of the Court to resolve such disagreement. The person signing this Stipulation
10 on behalf of Defendant represents and warrants that he/she is authorized to sign this Stipulation
11 on behalf of Defendant. Plaintiff represents and warrants that he is authorized to sign this
12 Stipulation and that he has not assigned any claim, or part of a claim, covered by this Settlement
13 to a third-party. The Parties have cooperated in the drafting and preparation of this Stipulation.
14 Hence, in any construction made of this Stipulation, the same shall not be construed against any
15 of the Parties.

16 62. Binding on Successors and Assigns. This Stipulation shall be binding upon, and
17 inure to the benefit of, the successors and assigns of the Parties.

18 63. California Law Governs. All terms of this Stipulation and the Exhibits hereto shall
19 be governed by and interpreted according to the laws of the State of California, without giving
20 effect to any law that would cause the laws of any jurisdiction other than the State of California to
21 be applied.

22 64. Counterparts. This Stipulation may be executed in one or more counterparts. All
23 executed counterparts and each of them shall be deemed to be one and the same instrument.

24 65. Jurisdiction of the Court. Following entry of the Judgment, pursuant to Code of
25 Civil Procedure section 664.6, the Court shall retain jurisdiction of this Action solely for the
26 purpose of interpretation, implementation, and enforcement of the terms of this Stipulation and all
27 orders and judgments entered in connection therewith, and the Parties, Class Counsel, and
28 Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting,

1 implementing, and enforcing the Settlement embodied in this Stipulation and all orders and
2 judgments entered in connection therewith.

3 66. Invalidity of Any Provision. Before declaring any term or provision of this
4 Stipulation invalid, the Parties request that the Court first attempt to construe the terms or
5 provisions valid to the fullest extent possible consistent with applicable precedents so as to define
6 all provisions of this Stipulation as valid and enforceable.

7 67. Binding Nature of Notice of Class Action Settlement. It is agreed that because the
8 Class Members are so numerous, it is impossible or impractical to have each Class Member
9 execute the Stipulation. The Class Notice shall advise all Class Members of the binding nature of
10 the Settlement, and the release of Released Claims and shall have the same force and effect as if
11 this Stipulation were executed by each Participating Class Member.

12
13 Dated: Feb 11, 2025, 2025


Pablo Dzul May (Feb 11, 2025 15:16 PST)
Plaintiff Pablo Dzul May

14
15 Dated: February 13, 2025, 2025


Defendant HWA May Market, Inc.

17 By: James Tran

18 Its: President

1 Approved as to form and content:

2 Dated: February 12, 2025

MATERN LAW GROUP, PC

3
4 By:


LAUNA ADOLPH
Attorneys for Plaintiff PABLO DZUL MAY,
individually and on behalf of all others similarly
situated

5
6
7
8 Dated: _____, 2025

DAVENPORT GERSTNER & McCLURE
a Professional Corporation

9
10
11 By:

JEFFREY G. McCLURE
Attorneys for Defendant HWA MAY MARKET,
INC.

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

Dzul May v. HWA May Market, Inc. d/b/a Pacific Supermarket
San Francisco County Superior Court Case No. CGC-21-594169

The Superior Court of California, County of San Francisco authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

A proposed settlement (the “Settlement”) has been reached in a class and representative action lawsuit entitled *Dzul May v. HWA May Market, Inc. d/b/a Pacific Supermarket*, San Francisco County Superior Court Case No. CGC-21-594169 (the “Action”). The purpose of this Notice of Class and Representative Action Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement.

To obtain copies of this Notice in Spanish, Cantonese, Burmese, or Mandarin, please visit [www. \[REDACTED\]](#).

[Spanish translation:] To obtain a copy of this Notice in Spanish, please visit [www. \[REDACTED\]](#).

[Cantonese translation:] To obtain a copy of this Notice in Cantonese, please visit [www. \[REDACTED\]](#).

[Burmese translation:] To obtain a copy of this Notice in Burmese, please visit [www. \[REDACTED\]](#).

[Mandarin translation:] To obtain a copy of this Notice in Mandarin, please visit [www. \[REDACTED\]](#).

The proposed Settlement has two main parts: (1) a class settlement on behalf of all persons employed by Defendant as non-exempt employees in California during the Class Period (July 29, 2017 to February 2, 2024) (“Class Members”); and (2) a settlement under the Private Attorneys General Act (“PAGA”) on behalf of all persons employed by Defendant as non-exempt employees in California during the PAGA Period (May 25, 2020 to November 15, 2024) (“Aggrieved Employees”).

According to Defendant’s records, you worked **<<Workweeks>>** workweeks during the Class Period. Based on the number of Workweeks, your estimated Individual Class Payment is **<<EstClassPayment>>**.

According to Defendant’s records, you worked **<<PayPeriods>>** pay periods during the PAGA Period. Based on the number of Pay Periods, your estimated Individual PAGA Payment is **<<EstPAGAPayment>>**.

Please note that these are only estimates, and your actual payments may be greater or smaller than the amounts reported above.

The Superior Court of California, County of San Francisco (the “Court”) has preliminarily approved the Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. A hearing concerning the Settlement (the “Settlement Hearing”) will be held before the Hon. Ethan P. Schulman on [\[REDACTED\]](#), 2025 at [\[REDACTED\]](#) in Department 304 of the San Francisco County Superior Court, located at 400 McAllister Street, San Francisco, California 94102, to determine whether the Settlement is fair, adequate and reasonable and should be finally approved by the Court.

Your legal rights may be affected whether you act or not. Read this Notice carefully.

If you were a non-exempt employee for Defendant in California during the Class Period and/or PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the Settlement and be eligible for an Individual Class Payment and/or Individual PAGA Payment. However, you will give up your right to assert wage claims against Defendant which arose during the Class Period and/or to seek penalties for claims during the PAGA Period.

- (2) **Opt-Out of the Class Settlement.** If you are a Class Member, you can exclude yourself from the class settlement (opt out) by submitting a written Request for Exclusion. If you opt out of the class settlement, you will not receive an Individual Class Payment. However, you will preserve your right to pursue wage claims against Defendant which arose during the Class Period. If you are an Aggrieved Employee, you will remain eligible for an Individual PAGA Payment because you cannot opt out of the PAGA portion of the Settlement.

These options are discussed in more detail below.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you are a Class Member and do nothing, you will remain a part of the Class and will receive an Individual Class Payment. If you are an Aggrieved Employee, you will also receive an Individual PAGA Payment. In exchange, you will give up the right to pursue claims against Defendant and affiliated persons and entities that are covered by the Settlement (Released Claims), as explained more fully below.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you are a Class Member, you have the option to pursue separate legal action against Defendant about the claims in this lawsuit. If you choose to do so, you must exclude yourself, in writing, from the class settlement. As a result, you will not receive any benefits under the class settlement. You cannot opt out of the PAGA portion of the Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees, and the Aggrieved Employees will give up the right to pursue the Released PAGA Claims (defined below).
OBJECT TO THE CLASS SETTLEMENT	If you are a Class Member, you may object to the class settlement by submitting a written statement explaining why you do not like the Settlement or explaining your objections in person at the Settlement Hearing. This option is available only if you do not exclude yourself from the class settlement. You may not object to the PAGA portion of the Settlement.
CHALLENGE THE NUMBER OF WORKWEEKS AND/OR PAY PERIODS	The amounts of your Individual Class Payment and Individual PAGA Payment, if any, are based on how many weeks you worked during the Class Period and how many pay periods you worked during the PAGA Period, respectively. The number of workweeks you worked during the Class Period and the number of pay periods you worked during the PAGA Period, if any, are listed on the first page of this Notice. If you disagree with the number of workweeks and/or pay periods listed on this Notice, you can submit a challenge to the number of workweeks and/or pay periods.

Who is affected by this proposed Settlement?

There are two groups of employees affected by this Settlement:

- (1) **Class Members:** all persons employed by Defendant as non-exempt employees in California at any time during the Class Period (July 29, 2017 to February 2, 2024); and

- (2) **Aggrieved Employees:** all persons employed by Defendant as non-exempt employees in California at any time during the PAGA Period (May 25, 2020 to November 15, 2024).

If you worked one or more workweeks during the Class Period, you are a Class Member. If you worked one or more pay periods during the PAGA Period, you are an Aggrieved Employee.

What is a class action?

A class action is a lawsuit brought by one or more plaintiffs on behalf of a group or “class” of other similarly situated people seeking to have their claims and rights against the same defendant decided in one proceeding. In a class action, the plaintiff and his or her attorneys represent the interests of the class. When a class action settles, the judge presiding over the case must approve the fairness and propriety of the settlement.

What is a representative action?

A representative action, as that phrase is used in this lawsuit, is an action under PAGA which allows one or more employees who worked for the same employer and suffered Labor Code violations to represent other employees and collect penalties for the employer’s Labor Code violations during the PAGA period.

What is this case about?

In the Action, plaintiff Pablo Dzul May (“Plaintiff”) alleges on behalf of himself and the Class Members the following claims against Defendant: (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (9) unfair and unlawful business practices. Plaintiff also asserts a claim for penalties under PAGA as a representative action. Plaintiff seeks unpaid wages, statutory penalties, restitution, interest, attorneys’ fees, and costs.

Defendant denies all liability and is confident it has strong legal and factual defenses to these claims.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff also believes the Settlement is in the best interests of all Class Members.

The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses.

Who are the attorneys representing the Class Members and Aggrieved Employees?

The attorneys representing the Class Members and Aggrieved Employees in the Action are:

Matthew J. Matern
Launa Adolph
Clare E. Moran
MATERN LAW GROUP, PC
2101 E. El Segundo Blvd., Suite 403
El Segundo, California 90245
310-531-1900

What are the Settlement terms?

Subject to final Court approval, Defendant will pay \$1,850,000.00 (the “Maximum Settlement Amount”)

for: (a) Individual Class Payments to Class Members who do not request to be excluded from the Settlement (“Participating Class Members”); (b) Individual PAGA Payments to Aggrieved Employees; (c) the Court-approved Service Award to Plaintiff; (d) the Court-approved attorneys’ fees and costs to Class Counsel; (e) the costs of administering the Settlement; and (f) the payment to the California Labor and Workforce Development Agency (“LWDA”) for its share of the PAGA penalties.

Individual Settlement Payments. After deduction from the Maximum Settlement Amount for Class Counsel’s attorneys’ fees and costs, the Service Award to Plaintiff, the PAGA Payment, and the costs of administering the Settlement, there will be a Net Settlement Amount. From the Net Settlement Amount, each Participating Class Member will receive an Individual Class Payment. The Net Settlement Amount shall be divided pro rata among all Participating Class Members based on the total number of weeks worked during the Class Period. In addition, all Aggrieved Employees shall receive a pro rata share of the portion of the PAGA Payment allocated to Aggrieved Employees based on the number of pay periods worked during the PAGA Period. Your estimated Individual Class Payment and Individual PAGA Payment are listed on the first page of this Notice.

If a settlement check remains uncashed after 180 days from issuance, the Settlement Administrator will pay the amount represented by the check to the State Controller’s Office Unclaimed Property Fund, with the identity of the Class Member and/or Aggrieved Employee to whom the funds belong. In such event, the Class Member and/or Aggrieved Employee will remain bound by the terms of the Settlement.

For tax reporting purposes, Individual Class Payments will be allocated 20% as wages and 80% as non-wages. The wage portion of the Individual Class Payments shall be subject to the withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable payroll taxes from the wage portion of the Individual Class Payments. Individual PAGA Payments shall be allocated 100% as non-wage penalties.

The Parties and their attorneys do not make any representations concerning the tax consequences of this Settlement or your participation in it and are unable to offer tax advice. Class Members and Aggrieved Employees should consult with their own tax advisors concerning the tax consequences of the Settlement.

Class Counsel Attorneys’ Fees and Costs, Service Award, Settlement Administration Costs and PAGA Payment. Class Counsel will ask the Court to award attorneys’ fees up to \$616,666.67 (one-third of the Maximum Settlement Amount) and reimbursement of actual and reasonable costs incurred in the Action not to exceed \$150,000.00. In addition, Class Counsel will ask the Court to authorize a Service Award payment of up to \$10,000.00 to Plaintiff for his effort in prosecuting the Action on behalf of the Class Members. The Parties estimate the cost of administering the Settlement will not exceed \$16,000.00. In addition, \$100,000.00 will be allocated to penalties under PAGA, of which 75%, or \$75,000.00, will be paid to the LWDA, and the remaining 25%, or \$25,000.00, will be distributed to Aggrieved Employees. Any amounts not requested or awarded by the Court will be included in the Net Settlement Amount and will be distributed to Participating Class Members, as set forth above.

What claims are being released by the proposed Settlement?

Release by Participating Class Members. Upon Defendant funding the Maximum Settlement Amount and Employer Taxes in full, all Participating Class Members shall be deemed to have released the Released Parties of any and all claims, demands, rights, liabilities, and/or causes of action that were pleaded or could have been pleaded based upon the factual allegations set forth in the operative complaint and arising at any time during the Class Period, including claims for (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (9) unfair and unlawful business practices.

Release by Aggrieved Employees. Upon Defendant funding the Maximum Settlement Amount and Employer Taxes in full, all Aggrieved Employees shall be deemed to have released the Released Parties

of any and all claims and/or causes of action under PAGA which are based upon the factual allegations set forth in the operative complaint and arising at any time during the PAGA Period (“Released PAGA Claims”).

The “Released Parties” are Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

What are my options in this matter?

You have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Class and receive an Individual Class Payment; or (B) exclude yourself from the class settlement. If you choose option (A), you may also object to the Settlement and/or challenge the number of workweeks and/or pay periods reported on the first page of this Notice, as explained below.

OPTION A. Remain in the Settlement Class. If you wish to remain in the Class and be eligible to receive an Individual Class Payment, **you do not need to take any action.** By remaining in the Class, you consent to the release of claims as described above. If you remain in the Class, you will be represented at no cost by Class Counsel.

Object to the Settlement. If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you must appear at the Settlement Hearing to explain your objection or submit a written brief or statement of objection (“Notice of Objection”) to the Settlement Administrator. The Notice of Objection must: (1) state your full name; (2) state the grounds for the objection; (3) be signed by you; and (4) be postmarked and returned to the Settlement Administrator or emailed to the Settlement Administrator on or before **<<Response Deadline>>** at the following addresses:

Dzul May v. HWA Market, Inc. Settlement Administrator

P.O. Box
[City], [State] [Zip]
Email address

You can also hire an attorney at your own expense to represent you in your objection. Any Class Member who does not object in writing or at the Settlement Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of claims as set forth above, unless the Settlement is not finally approved by the Court.**

Challenge the Number of Workweeks and/or Pay Periods. If you disagree with the number of workweeks and/or pay periods listed on the first page of this Notice, you must send a letter to the Settlement Administrator stating the reasons why you dispute the number of workweeks and/or pay periods and provide any supporting documentation that you have, such as paystubs. The information you provide should include the estimated number of workweeks or pay periods you claim you performed work as a non-exempt employee of Defendant in California during the Class Period or PAGA Period, respectively. Any disputes and supporting documentation must be mailed or emailed to the Settlement Administrator at the addresses listed above and must be postmarked on or before **<<Response Deadline>>**.

OPTION B. Request Exclusion from the Settlement. If you do not want to be part of the Settlement, you must submit a written request to be excluded from the Settlement (“Request for Exclusion”). In order to be valid, your Request for Exclusion must (1) state your full name, address, and telephone number and the last four digits of your Social Security Number (for identification purposes only); (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in *Dzul May v. HWA May Market*; (3) be signed by you; and (4) be postmarked and returned to the Settlement Administrator or emailed to the Settlement Administrator on or before **<<Response Deadline>>** at the addresses listed above.

If you do not submit a valid Request for Exclusion, you will be deemed a Participating Class Member and you will be bound by the release of claims as described above and all other terms of the Settlement. If you submit a valid Request for Exclusion, you will have no further role in the Action, and you will not be entitled to any benefit as a result of the Action and Settlement and will not be entitled to or permitted to object to the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, on [REDACTED], 2025 at [REDACTED] in Department 304 of the San Francisco County Superior Court, located at 400 McAllister Street, San Francisco, California 94102. The Settlement Hearing may be continued without further notice to Class Members. However, the Parties will notify any Class Members who submit a Notice of Objection of any continuances. You are not required to attend the Settlement Hearing to receive an Individual Class Payment or Individual PAGA Payment.

If the Court grants final approval of the Settlement, notice of final judgment will be posted on the Settlement Administrator's website (www.[REDACTED]) within seven days after entry of the Judgment.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More details are in the Settlement Agreement. You may review the Settlement Agreement and other settlement documents at www.[REDACTED]. You may also request a copy of the Settlement Agreement from Class Counsel, at the address and telephone number listed above. If you have questions regarding the Settlement, you may contact the Settlement Administrator at 1-[REDACTED].

PLEASE DO NOT CONTACT THE COURT REGARDING THIS SETTLEMENT.