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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

KATHY SLOAN, individually and on behalf
of all others similarly situated,

Plaintiff,

vs.

JENSEN'S COMPLETE SHOPPING INC.
dba JENSEN'S FINEST FOODS, a California
corporation; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO. CIVSB2228859

**SETTLEMENT AGREEMENT AND
RELEASE OF PAGA CLAIMS**

1 IT IS HEREBY STIPULATED, by and between plaintiff Kathy Sloan ("Plaintiff"),
2 individually and on behalf of all other Aggrieved Employees, on the one hand, and defendant
3 Jensen's Complete Shopping, Inc. dba Jensen's Finest Foods ("Defendant"), on the other hand, and
4 subject to the approval of the Court, that the Action is hereby compromised and settled pursuant to
5 the terms and conditions set forth in this Settlement Agreement and Release of PAGA Claims and
6 Plaintiff's Individual Labor Code Claims ("Settlement Agreement") and that the Court shall enter
7 judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the
8 definitions, recitals, and terms set forth herein which by this reference become an integral part of
9 this Settlement Agreement.

10 DEFINITIONS

11 1. "Action" means the representative action entitled *Sloan v. Jensen's Complete*
12 *Shopping, Inc. dba Jensen's Finest Foods*, San Bernardino Superior Court Case No.
13 CIVSB2228859.

14 2. "Aggrieved Employee(s)" means persons employed by Defendant as non-exempt
15 employees in California at any time during the Settlement Period.

16 3. "Approval Hearing" means the hearing to be conducted by the Court after the filing
17 of an appropriate motion by Plaintiff, at which time Plaintiff shall request that the Court approve
18 the Settlement, enter the Judgment, and take other appropriate action.

19 4. "Defendant" means defendant Jensen's Complete Shopping, Inc. dba Jensen's
20 Finest Foods.

21 5. "Defense Counsel" means Matthew C. Sgnilek and Jessica Abreu of O'Hagan
22 Meyer.

23 6. "Effective Date" means the date upon which the Settlement has been finally
24 approved by the Court and either (1) the Court of Appeal has rendered a final judgment affirming
25 the Court's approval of the Settlement inclusive of Plaintiff's individual Labor Code claims,
26 without material modification and the date for further appeal has passed without further appeal; or
27 (2) the applicable date for seeking appellate review of the Court's final approval of the Settlement
28 has passed without a timely appeal or request for review having been made. If no appeal is filed,

1 the Effective Date occurs 60 calendar days from entry of judgment by the Court. The occurrence
2 of the Effective Date is a prerequisite to any obligation of Defendant to pay any funds in to the
3 Settlement Account.

4 7. "Employee Information" means information regarding the Aggrieved Employees
5 that Defendant shall in good faith compile from its records and shall be authorized by the Court to
6 transmit in a secure manner to the Settlement Administrator. Employee Information shall be
7 transmitted in electronic form and shall include each Aggrieved Employee's full name; last known
8 address; Social Security number; and total number of Pay Periods.

9 8. "Individual Settlement Payment" means the amount payable from the remaining
10 twenty-five percent (25%) of the Net Settlement Amount to be distributed to the Aggrieved
11 Employees on a *pro rata* basis based upon the number of Pay Periods worked by each Aggrieved
12 Employee.

13 9. "Judgment" means the final order and judgment to be entered by the Court granting
14 approval of the Settlement and this Settlement Agreement as binding upon the Parties and the
15 Aggrieved Employees.

16 10. "LWDA" means the California Labor and Workforce Development Agency.

17 11. "LWDA Payment" means the portion of the Net Settlement Amount payable to the
18 LWDA constituting seventy-five percent (75%) of the Net Settlement Amount.

19 12. "Maximum Settlement Amount" means the maximum amount Defendant shall have
20 to pay in connection with this Settlement, which shall be inclusive of all Individual Settlement
21 Payments, Plaintiff's Counsel Award, the Service Award, Settlement Administration Costs, and the
22 LWDA Payment. Subject to Court approval and the terms of this Settlement Agreement, the
23 Maximum Settlement Amount Defendant shall be required to pay is Eight Hundred Twenty-Five
24 Thousand Dollars (\$825,000.00).

25 13. "Notice of PAGA Settlement" means the Notice of PAGA Settlement, substantially
26 in the form attached as **Exhibit 1**, which shall be subject to Court approval and which the Settlement
27 Administrator shall mail to each Aggrieved Employee explaining the terms of this Settlement
28 Agreement and the Settlement. The Notice of PAGA Settlement shall contain (i) an Aggrieved

1 Employee's first and last name, (ii) last known address, (iii) the Aggrieved Employee's Individual
2 Pay Periods, and (iv) the Aggrieved Employee's individual share of the Aggrieved Employees'
3 Payment.

4 14. "PAGA" means the Labor Code Private Attorneys General Act of 2004, California
5 Labor Code sections 2698, et seq.

6 15. "Net Settlement Amount" means the Maximum Settlement Amount, less (i)
7 Plaintiff's Counsel Award, (ii) the Service Award, and (iii) Settlement Administration Costs, of
8 which seventy five percent (75%) shall be distributed to the LWDA and twenty five percent (25%)
9 shall be distributed to the Aggrieved Employees.

10 16. "Parties" means Plaintiff and Defendant.

11 17. "Pay Period" means any pay period in which an Aggrieved Employee received
12 payment from Defendant as an hourly-paid, non-exempt employee. Defendant represents that as
13 of February 22, 2024 the number of pay periods worked by Aggrieved Employees during the PAGA
14 Period is approximately 15,446. If it is determined that the number of pay periods through the
15 PAGA Period exceeds 16,991 (15,446 plus 10% of 15,466), then Defendant shall have the option
16 to either (i) increase the Maximum Settlement Amount by the following formula: Proportionally
17 Increased Maximum Settlement Amount = Actual Number of Pay Periods ÷ 15,446 × \$300,000; or
18 (ii) change the end date of the PAGA Period to a date for which there are no more than 15,446 pay
19 periods.

20 18. "Plaintiff" means plaintiff Kathy Sloan.

21 19. "Plaintiff's Counsel" means Matthew J. Matern, Launa Adolph, and Ellie D.
22 Goralnick of Matern Law Group, PC.

23 20. "Plaintiff's Counsel Award" means reasonable attorneys' fees for Plaintiff's
24 Counsel's litigation and resolution of the Action, and Plaintiff's Counsel's expenses and costs
25 reasonably incurred in connection with the Action.

26 21. "Released Parties" means Defendant and its past, present and/or future, direct and/or
27 indirect, officers, directors, members, managers, employees, agents, representatives, attorneys,
28 including but not limited to O'Hagan Meyer, insurers, partners, investors, shareholders,

1 administrators, parent companies, parent corporations, subsidiaries, affiliates, franchisors,
2 divisions, predecessors, successors, assigns, and joint venturers, and in their business capacities,
3 and their employee benefit plans and programs and the trustees, administrators, fiduciaries and
4 insurers of such plans and programs.

5 22. "Service Award" means the amount that the Court authorizes to be paid to Plaintiff,
6 in addition to Plaintiff's Individual Settlement Payment, in recognition of Plaintiff's effort and risk
7 in prosecuting the Action.

8 23. "Settlement" means the final and complete disposition of the Action pursuant to this
9 Settlement Agreement.

10 24. "Settlement Account" means the account to be established by the Settlement
11 Administrator within 10 days of the Effective Date, in which the Maximum Settlement Amount
12 shall be placed.

13 25. "Settlement Administration Costs" means the reasonable costs and fees of
14 administering the Settlement to be paid from the Maximum Settlement Amount, including, but not
15 limited to: (i) printing, mailing, and re-mailing (if necessary) Settlement Packets to the Aggrieved
16 Employees; (ii) preparing and submitting to Aggrieved Employees and government entities all
17 appropriate tax filings and forms; (iii) computing the amount of and distributing Individual
18 Settlement Payments, the Service Award, Plaintiff's Counsel Award, and the LWDA Payment; (iv)
19 establishing a Qualified Settlement Fund ("QSF"), as defined by the Internal Revenue Code; and
20 (vi) preparing and submitting filings required by law in connection with the payments required by
21 the Settlement.

22 26. "Settlement Administrator" means Phoenix Class Action Administration Solutions,
23 as proposed by the Parties and appointed by the Superior Court to administer the Settlement.

24 27. "Settlement Packet" means the packet of documents which shall be mailed to all
25 Aggrieved Employees by the Settlement Administrator, including the Notice of PAGA Settlement
26 and each Aggrieved Employee's respective Individual Settlement Payment.

27 28. "Settlement Period" means the period from October 23, 2021 to April 22, 2024.

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RECITALS

29. Procedural History. On October 20, 2022, Plaintiff sent notice to the LWDA of her intent to pursue a representative PAGA action on behalf of herself and the State of California as well as on behalf of other allegedly Aggrieved Employees. The LWDA did not provide a response.

30. On December 27, 2022, Plaintiff filed a complaint against Defendant in San Bernardino Superior Court, alleging claims for failure to provide meal periods, failure to authorize and permit rest periods, failure to pay minimum wages, failure to pay overtime wages, failure to pay all wages due to discharged and quitting employees, failure to maintain required records, failure to furnish accurate itemized wage statements, failure to indemnify employees for necessary expenditures incurred in the discharge of duties, unfair and unlawful business practices in violation of Business & Professions Code section 17200, *et seq.*, and penalties under PAGA.

31. On June 15, 2023, Plaintiff filed a request for dismissal of the class allegations without prejudice and asked the Court to stay the PAGA claim pending completion of arbitration of Plaintiff's non-PAGA Labor Code claims. On December 4, 2023, the Court entered an order dismissing the class allegations without prejudice and staying the PAGA claim pending completion of the arbitration.

32. Defendant denies and continues to deny all of Plaintiff's allegations inclusive of the representative manageability of the Action. Specifically, Defendant contends (1) it did not fail to pay Plaintiff or Aggrieved Employees the minimum, straight time, regular rate, and/or overtime wages; (2) it paid Plaintiff and Aggrieved Employees for all hours worked; (3) it provided Aggrieved Employees with all meal periods according to law and/or paid accurate meal period premium wages; (4) it provided Plaintiff and Aggrieved Employees with all rest periods according to law and/or paid accurate rest period premium wages; (5) it did not fail to timely pay Plaintiff or Aggrieved Employees wages due and owing during employment and/or upon separation; (6) it provided Plaintiff and Aggrieved Employees with accurate itemized wage statements, consistent with Labor Code Section 226; (7) it properly maintained all payroll records; (8) it reimbursed Plaintiff and Aggrieved employees for all necessary business expenses; (9) Aggrieved Employees are not entitled to penalties under PAGA; and (10) it is not liable for damages, including civil

1 penalties, attorneys' fees, or costs of litigation to Aggrieved Employees or for any wages,
2 reimbursements or statutory penalties as to Plaintiff.

3 33. On February 22, 2024, the Parties participated in a private mediation session with
4 mediator Steven J. Rottman, Esq. The Parties were unable to reach a resolution at the mediation,
5 but subsequently accepted a mediator's proposal on March 8, 2024, subject to the Parties entering
6 into a more comprehensive written settlement agreement.

7 34. Benefits of Settlement to Plaintiff and the Aggrieved Employees. Plaintiff and
8 Plaintiff's Counsel recognize the expense and length of continued proceedings that would be
9 necessary to litigate Plaintiff's claims in the Action through trial and through any possible appeals.
10 Plaintiff has taken into account the uncertainty and risks of the outcome of further litigation, and
11 the difficulties and delays inherent in such litigation. Plaintiff and Plaintiff's Counsel also are
12 aware of the burdens of proof necessary to establish liability for the claims asserted in the Action,
13 both generally and in response to Defendant's defenses thereto. Based on the foregoing, Plaintiff
14 and Plaintiff's Counsel have determined that the Settlement set forth in this Settlement Agreement
15 is fair, adequate, and reasonable and provides genuine and meaningful relief consistent with the
16 underlying purposes of PAGA.

17 35. Defendant's Reasons for Settlement. Defendant has concluded that any further
18 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
19 Defendant's time, energy, and resources have been, and unless this Settlement is completed, shall
20 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken
21 into account the risks of further litigation in reaching its decision to enter into this Settlement. Even
22 though Defendant contends it is not liable for any of the claims alleged by Plaintiff in the Action,
23 Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this
24 Settlement Agreement and to put to rest the claims alleged in this Action. Defendant has asserted
25 and continues to assert that the claims alleged by Plaintiff have no merit and do not give rise to
26 liability. This Settlement Agreement is a compromise of disputed claims. Nothing contained in
27 this Settlement Agreement, no documents referred to herein, and no action taken to carry out this
28 Settlement Agreement, shall be construed or used as an admission by or against Defendant as to

1 the merits or lack thereof of the claims asserted in the Action. Defendant contends that it has
2 complied with all applicable state, federal and local laws.

3 36. The Settlement described in this Settlement Agreement represents a compromise
4 and settlement of highly disputed claims. Nothing in this Settlement Agreement is intended or will
5 be construed as an admission by Defendant that Plaintiff's claims in the Action have any merit or
6 that Defendant has any liability to Plaintiff, the Aggrieved Employees or the State on those claims,
7 or as an admission by Plaintiff that Defendant's defenses in the Action have any merit. This
8 Settlement is intended to fully, finally, and forever compromise, release, resolve, discharge, and
9 settle the released claims subject to the terms and conditions set forth in this Settlement Agreement.

10 37. Based on its own thorough, independent investigation and evaluation of this case,
11 PAGA Counsel is of the opinion that the Settlement of this Action with Defendant for the
12 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, adequate,
13 and in the best interest of the LWDA and Aggrieved Employees in light of all known facts and
14 circumstances, including the risk of significant costs and delay, the defenses asserted by Defendant
15 including the risks of adverse determinations on the merits and numerous potential appellate issues.
16 Although Defendant contends that it has no liability in the Action, Defense Counsel shares PAGA
17 Counsel's belief that the Settlement represents a fair and adequate settlement given the respective
18 risks associated with the case.

19 **TERMS OF SETTLEMENT**

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

22 38. **Binding Settlement.** This Settlement shall bind the Parties and all Aggrieved
23 Employees, subject to the terms and conditions hereof and the Court's approval.

24 39. **Tax Liability.** The Parties make no representations as to the tax treatment or legal
25 effect of the payments specified herein, and the Aggrieved Employees are not relying on any
26 statement or representation by the Parties, Plaintiff's Counsel or Defense Counsel in this regard.
27 The Aggrieved Employees and Plaintiff's Counsel understand and agree that they shall be
28 responsible for the payment of all taxes and penalties assessed on the payments specified herein,

1 and shall hold the Parties, Plaintiff's Counsel, and Defense Counsel free and harmless from and
2 against any claims resulting from treatment of such payments as non-taxable, including the
3 treatment of such payments as not subject to withholding or deduction for payroll and employment
4 taxes.

5 40. Circular 230 Disclaimer. THE PARTIES ACKNOWLEDGE AND AGREE THAT
6 (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN
7 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES,
8 PLAINTIFF'S COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS
9 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
10 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
11 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR
12 PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
13 EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX
14 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
15 SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT
16 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
17 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO
18 RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR
19 ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE
20 IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER
21 TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
22 CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES
23 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
24 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
25 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
26 CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

27 41. Approval of Settlement. Plaintiff shall be responsible for moving the Court to
28 approve the Settlement and enter the Judgment. The Parties agree to work diligently and

1 cooperatively to have this Settlement presented to the Court for approval. Plaintiff will move the
2 Superior Court for an order granting Approval of the Settlement, and approving the Notice of
3 PAGA Settlement (attached as Exhibit "A" to this Stipulation) ("Motion for Approval"). Any
4 unresolved disagreement among the Parties concerning the Notice of PAGA Settlement or other
5 documents necessary to implement the Settlement will be referred first to Steve Rottman, Esq., and
6 if no resolution is reached, then to the Superior Court.

7 42. At the hearing on the Motion for Approval, the Parties anticipate that they will
8 jointly appear, support the granting of the Motion for Approval, and obtain an order granting
9 approval of the Settlement and granting approval of the Notice of PAGA Settlement. Should the
10 Superior Court require any amendments to this Settlement Agreement or the Motion for Approval,
11 the Parties agree to work jointly to resolve any issues in order to secure the Superior Court's
12 approval.

13 43. Should the Superior Court decline to approve any material aspects of the Settlement,
14 the Settlement will be null and void and the Parties will have no further obligations under it. In
15 such event, the Parties shall be returned to their respective positions as of the date and time
16 immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in
17 all respects as if this Settlement Agreement had not been executed.

18 44. Upon approval of the Settlement by the Superior Court, the Parties will present for
19 the Superior Court's approval and entry a Proposed Final Order and Judgment. The entry of the
20 Order and Judgment shall permanently bar all Aggrieved Employees from prosecuting against
21 Defendant any claims for PAGA penalties during the PAGA Period, which were or could have been
22 brought in this Action, as well as all claims as set forth in the Release contained in Paragraph 46 of
23 this Settlement Agreement.

24 45. After entry of the Judgment, the Superior Court will have continuing jurisdiction
25 over the Action and the Settlement solely for purposes of (i) enforcing this Settlement, (ii)
26 addressing settlement administration matters, and (iii) addressing such post-Judgment matters as
27 may be appropriate under court rules or applicable law.

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1 46. Released Claims.

2 a. Aggrieved Employees' Release. Upon full payment of the Maximum
3 Settlement Amount, the State of California and each Aggrieved Employee, and without the need to
4 manually sign a release document, shall release the Released Parties (including Defendant) from
5 all causes of action and claims for civil penalties under the California Labor Code Private Attorneys
6 General Act of 2004 that were alleged in the operative complaint in the Action or reasonably could
7 have been alleged based on the facts, causes of action and legal theories contained in the operative
8 complaint in the Action or LWDA letter, including but not limited to claims for civil penalties based
9 on the following: (i) failure to pay all regular rate wages, minimum wages, and overtime wages due;
10 (ii) failure to provide compliant meal periods; (iii) failure to provide compliant rest breaks; (iv)
11 failure to timely pay wages during employment; (v) failure to provide complete, accurate wage
12 statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to
13 maintain records in accordance with Labor Code Section 1174; (viii) failure to reimburse necessary
14 expenditures; and/or (ix) claims, causes of action or legal theories of relief seeking civil penalties
15 under the California Labor Code Private Attorneys General Act of 2004 plead in the operative
16 complaint and underlying LWDA exhaustion letter filed by Plaintiff. This release expressly
17 excludes all claims for vested benefits, wrongful termination, unemployment insurance, disability,
18 social security, workers' compensation, claims while classified as exempt, and claims outside of the
19 Settlement Period. In light of the binding nature of a PAGA judgment on non-party employees
20 pursuant to *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal.4th 969 and *Cardenas v. McLane*
21 *Foodservice, Inc.* (2011) 796 F.Supp.2d 1246, aggrieved employees are not permitted to opt-out of
22 the Settlement and shall receive a payment for the amount of their respective share of the Net
23 Settlement Amount, and shall have released PAGA claims, as outlined in this paragraph.

24 b. Plaintiff's Release. Upon full payment of the Maximum Settlement
25 Amount, Plaintiff, individually and on behalf of Plaintiff's heirs, executors, administrators,
26 representatives, attorneys, successors and assigns knowingly and voluntarily release and forever
27 discharges the Released Parties, to the fullest extent permitted by law, of and from any and all
28 claims, known and unknown, asserted and unasserted, which Plaintiff has or may have against the

1 Released Parties as of the date of execution of this Settlement Agreement including but not limited
2 to any individual causes of action under the Labor Code. Plaintiff affirms this release includes the
3 individual Labor Code claims that she asserted in the Action and that such claims are subsumed
4 and included in the order dismissing the Action with prejudice as to Plaintiff's individual claims..
5 Plaintiff is not waiving any rights Plaintiff may have to: (i) Plaintiff's own vested accrued employee
6 benefits under the Defendant's health, welfare or retirement benefits plans, if any, as of the date of
7 execution of this Settlement Agreement; (ii) benefits or rights to seek benefits under applicable
8 workers' compensation (except as to claims under Labor Code §§ 132a and 4553 which are
9 expressly released herein) or unemployment insurance or indemnification statutes; (iii) pursue
10 claims which by law cannot be waived by signing this Settlement Agreement; and (iv) enforce this
11 Settlement Agreement.

12 To affect a full and complete general release as described above, Plaintiff expressly waives
13 and relinquishes all rights and benefits under the terms of section 1542 of the California Civil Code,
14 and does so understanding and acknowledging the significance and consequence of specifically
15 waiving section 1542. Section 1542 reads as follows:

16 **"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
17 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
18 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
19 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
20 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
21 **DEBTOR OR RELEASED PARTY."**

22 Notwithstanding the provisions of section 1542, and for the purpose of implementing a full
23 and complete release and discharge of all released claims, Plaintiff expressly acknowledges that
24 this Settlement is intended to include in its effect, without limitation, all released claims which
25 Plaintiff does not know or suspect to exist in her favor at the time of execution hereof, and that the
26 Settlement contemplates the extinguishment of all such released claims. Plaintiff warrants Plaintiff
27 has read this Settlement Agreement, including this waiver of California Civil Code section 1542,
28 and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's

1 choosing about this Settlement Agreement and specifically about the waiver of section 1542, and
2 that Plaintiff understands this Settlement Agreement and the section 1542 waiver, and so Plaintiff
3 freely and knowingly enter into this Settlement Agreement. Plaintiff further acknowledges that
4 Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or
5 believes to be true regarding the matters released or described in this Settlement Agreement, and
6 even so Plaintiff agrees that the releases and agreements contained in this Settlement Agreement
7 shall remain effective in all respects notwithstanding any later discovery of any different or
8 additional facts. Plaintiff expressly assumes any and all risk of any mistake in connection with the
9 true facts involved in the matters, disputes or controversies released or described in this Settlement
10 Agreement or with regard to any facts now unknown to Plaintiff relating thereto.

11 47. Plaintiff's individual Labor Code claims shall be dismissed with prejudice pursuant
12 to the terms of the Order approving the Settlement.

13 48. Plaintiff's Counsel. Upon full payment of the Maximum Settlement Amount, and
14 except as otherwise provided by this Settlement, Plaintiff's Counsel and any counsel associated
15 with Plaintiff's Counsel waive any further claims to costs and attorneys' fees and expenses against
16 Defendant or the Released Parties based on any claim released by this Settlement Agreement during
17 the PAGA Period.

18 49. Funding and Allocation of the Maximum Settlement Amount. Defendant shall pay
19 a Maximum Settlement Amount not to exceed Eight Hundred Twenty-Five Thousand Dollars
20 (\$825,000.00). Defendant shall provide to the Settlement Administrator in any feasible manner,
21 including, but not limited to, by way of a wire transfer, the Maximum Settlement Amount no later
22 than twenty one (21) days after the Effective Date.

23 a. Individual Settlement Payments.

24 i. Individual Settlement Payments shall be paid by the Settlement
25 Administrator from the Net Settlement Amount no later than ten (10) days after Defendant provides
26 the Settlement Administrator with the Maximum Settlement Amount pursuant to the following
27 formula: Defendant shall provide the Settlement Administrator with the Pay Periods for each
28 Aggrieved Employee. The Settlement Administrator shall then divide the portion of the Net

1 Settlement Amount allocated to the Aggrieved Employees by the total number of Pay Periods for
2 all Aggrieved Employees resulting in a value for each pay period worked by the Aggrieved
3 Employees during the Settlement Period (“Pay Period Value”). The Settlement Administrator shall
4 then multiply the number of Pay Periods for each Aggrieved Employee by the Pay Period Value.

5 ii. Individual Settlement Payments shall be made by check and shall be
6 made payable to each Aggrieved Employee as set forth in this Settlement Agreement.

7 iii. Each Aggrieved Employee’s Individual Settlement Payment is
8 intended to settle the Aggrieved Employee’s claim for civil penalties. Accordingly, one hundred
9 percent (100%) of each Individual Settlement Payment shall represent civil penalties. Individual
10 Settlement Payments shall be allocated as non-wage penalties not subject to payroll tax
11 withholdings. The Individual Settlement Payments shall be paid to the Aggrieved Employee in full
12 without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form 1099
13 to each Aggrieved Employee for that amount. Each Aggrieved Employee shall be individually
14 responsible for his or her own share of applicable income tax withholdings and deductions for his
15 or her Individual Settlement Payment.

16 iv. Individual Settlement Payment checks shall remain negotiable for
17 one hundred eighty (180) days from the date of mailing. If an Individual Settlement Payment check
18 remains uncashed after one hundred eighty (180) days from issuance, the Settlement Administrator
19 shall distribute the value of the uncashed check to the State Controller’s Office Unclaimed Property
20 Fund in the name of the Aggrieved Employee. In such event, such Aggrieved Employees shall
21 nevertheless remain bound by the Settlement.

22 v. Defendant shall determine the total number of Aggrieved Employees
23 and the aggregate number of Pay Periods for the Aggrieved Employees as of the time of the close
24 of the PAGA Period. This information shall be provided to the Settlement Administrator along
25 with the Employee Information as described in Paragraph 7 above.

26 b. Service Award. Subject to Court approval, Plaintiff shall be paid a Service
27 Award not to exceed Ten Thousand Dollars (\$10,00.00), or any lesser amount as awarded by the
28 Court, for her time and effort in bringing and presenting the Action and for releasing her Released

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

13 c. Plaintiff's Counsel Award. Subject to Court approval, Plaintiff's Counsel
14 shall be entitled to receive reasonable attorneys' fees in an amount not to exceed one-third of the
15 Maximum Settlement Amount, which amounts to Two Hundred Seventy-Five Thousand Dollars
16 (\$275,000.00). In addition, Plaintiff's Counsel shall be entitled to an award of reasonable costs
17 associated with Plaintiff's Counsel's prosecution of the Action in an amount not to exceed Forty-
18 Five Thousand Dollars (\$45,000.00). Plaintiff's Counsel shall provide the Settlement
19 Administrator with a properly completed and signed IRS Form W-9 in order for the Settlement
20 Administrator to process the Plaintiff's Counsel Award approved by the Court. Defendant shall
21 not oppose or object to Plaintiff's request for an award of attorneys' fees in an amount not to exceed
22 Two Hundred Seventy-Five Thousand Dollars (\$275,000.00) and request for an award of
23 reasonable costs not to exceed Forty-Five Thousand Dollars (\$45,000.00). In the event that the
24 Court awards Plaintiff's Counsel less than Two Hundred Seventy-Five Thousand Dollars
25 (\$275,000.00) in attorneys' fees and/or less than Forty-Five Thousand Dollars (\$45,000.00) in
26 costs, the difference shall become part of the Net Settlement Amount and shall be distributed to the
27 LWDA and the Aggrieved Employees. The Settlement Administrator shall pay Plaintiff's Counsel
28 any Court-awarded attorneys' fees and costs no later than ten (10) days after Defendant provides

1 the Settlement Administrator with the Maximum Settlement Amount. Plaintiff's Counsel shall be
2 solely and legally responsible to pay all applicable taxes on the Plaintiff's Counsel Award. This
3 Settlement is not conditioned upon the Court awarding Plaintiff's Counsel any particular amount
4 of attorneys' fees or costs.

5 e. Settlement Administration Costs.

6 i. The Settlement Administration fees and expenses, which are
7 estimated not to exceed Six Thousand Nine Hundred Fifty Dollars (\$6,950.00), shall be paid from
8 the Maximum Settlement Amount. The Parties agree to cooperate in the Settlement Administration
9 process and to make all reasonable efforts to control and minimize Settlement Administration
10 Costs.

11 ii. The Parties each represent they do not have any financial interest in
12 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator
13 that could create a conflict of interest.

14 iii. The Settlement Administrator shall keep the Parties timely apprised
15 of the performance of all Settlement Administrator responsibilities required by the Settlement. The
16 Settlement Administrator shall be authorized to establish a QSF pursuant to IRS rules and
17 regulations in which the Maximum Settlement Amount shall be placed and from which payments
18 required by the Settlement shall be made.

19 50. Settlement Administration.

20 a. Mailing of Settlement Packets. Within twenty-one (21) days of approval of
21 the Settlement by the Court, Defendant shall provide the Settlement Administrator the Employee
22 Information for purposes of mailing the Settlement Packets to Aggrieved Employees. If any of the
23 Employee Information is unavailable to Defendant, Defendant will so inform Plaintiff's Counsel
24 prior to the date on which Defendant is required to submit the Employee Information to the
25 Settlement Administrator and the Parties will make their best efforts to reconstruct or otherwise
26 agree upon the Employee Information prior to when it must be submitted to the Settlement
27 Administrator. This information will otherwise remain confidential and will not be disclosed to
28 anyone, except as required to applicable taxing authorities, as required to carry out the reasonable

1 efforts to identify Employee Information, pursuant to Defendant's express written authorization, or
2 by order of the Superior Court. Upon receipt of the Employee Information, the Settlement
3 Administrator shall perform a search based on the National Change of Address Database
4 maintained by the United States Postal Service to update and correct any known or identifiable
5 address changes. Within ten (10) days of receiving the Maximum Settlement Amount from
6 Defendant as provided herein, the Settlement Administrator shall mail the Settlement Packets to all
7 Aggrieved Employees via regular First Class U.S. Mail. The Settlement Administrator shall
8 exercise its best judgment to determine the current mailing address for each Aggrieved Employee.
9 The address identified by the Settlement Administrator as the current mailing address shall be
10 presumed to be the most current mailing address for each Aggrieved Employee. The Parties agree
11 that this procedure for notice provides the best notice practicable to Aggrieved Employees and fully
12 complies with due process.

13 b. Undeliverable Settlement Packets. Any Settlement Packet returned to the
14 Settlement Administrator as non-deliverable shall be re-mailed to the forwarding address affixed
15 thereto. If no forwarding address is provided, the Settlement Administrator shall not later than five
16 (5) days from receipt of the returned packet search for a more current address for the Aggrieved
17 Employee and re-mail the Notice of PAGA Settlement to the Aggrieved Employee. The Settlement
18 Administrator will use the Employee Information and otherwise work with Defense Counsel or
19 utilize its own resources such as skip traces to find a more current address. The Settlement
20 Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job
21 parameters, court orders, and fee, to trace the mailing address of any Aggrieved Employee for
22 whom a Notice of PAGA Settlement is returned by the U.S. Postal Service. These reasonable steps
23 shall include the tracking of all undelivered mail; performing address searches for all mail returned
24 without a forwarding address; and promptly re-mailing to Aggrieved Employees for whom new
25 addresses are found.

26 c. Determination of Individual Settlement Payments. The Settlement
27 Administrator shall determine the eligibility for, and the amount of, each Individual Settlement
28 Payment under the terms of this Settlement Agreement.

1 d. Disputes Regarding Administration of Settlement. Any dispute not resolved
2 by the Settlement Administrator concerning the administration of the Settlement shall be resolved
3 by the Court. Prior to any such involvement of the Court, counsel for the Parties shall confer in
4 good faith and make use of the services of mediator Steven J. Rottman, if necessary, to resolve the
5 dispute without the necessity of involving the Court.

6 e. Accounting. The Settlement Administrator will provide an accounting under
7 oath to the Parties of the amounts paid out.

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

12 g. Final Report by Settlement Administrator to Superior Court. Within ten (10)
13 days after final disbursement of all funds from the Settlement Account, the Settlement
14 Administrator shall provide the Parties a declaration providing a final summary report on the
15 disbursements of all funds from the Settlement Account. Within ten (10) days after transmission
16 of any remaining unclaimed funds to the State Controller's Office Unclaimed Property Fund the
17 Settlement Administrator will provide the Parties a declaration providing a final summary report
18 on the transmission of any remaining unclaimed funds to State Controller's Office Unclaimed
19 Property Fund. Plaintiff's Counsel shall file the declarations with the Superior Court upon receipt
20 of the declarations.

21 51. Establishment of Settlement Account. The Settlement Administrator shall establish
22 a Settlement Account within ten (10) days of the Effective Date and notify the Parties when the
23 Settlement Account has been established. The Settlement Administrator shall also provide
24 Defendant with an itemized statement for the total amount to be deposited into the Settlement
25 Account, which shall equal the Maximum Settlement Amount ("Settlement Account Deposit").
26 Within ten (10) days after receiving notification of the Settlement Account and statement for the
27 Settlement Account Deposit, Defendant shall pay into the Settlement Account an amount equal to
28

1 the Settlement Account Deposit. Defendant shall have no obligation to pay any additional funds
2 into the Settlement Account.

3 52. Best Efforts and Mutual Cooperation. The Parties agree to use their best efforts to
4 carry out the terms of this Settlement. The Parties agree to cooperate fully with one another to
5 accomplish and implement the terms of this Settlement Agreement. Such cooperation shall include,
6 but not be limited to, execution of such other documents and the taking of such other actions as
7 may reasonably be necessary to fulfill the terms of this Settlement unless the Court denies approval
8 the Settlement with prejudice. The Parties shall use their best efforts, including all efforts
9 contemplated by this Settlement Agreement and any other efforts that may become necessary by
10 court order or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As
11 soon as practicable after execution of this Settlement Agreement, Plaintiff's Counsel, with the
12 cooperation of Defendant and Defense Counsel, shall take all necessary and reasonable steps to
13 secure the Court's approval of this Settlement Agreement. The Parties will work together to make
14 any non-material modifications of the Settlement requested by the Court to obtain approval of the
15 Settlement.

16 53. Duty to Support and Defend the Settlement. The Parties agree to abide by all of the
17 terms of the Settlement in good faith and to support the Settlement fully and to use their best efforts
18 to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

19 54. Nullification of Settlement. In the event: (i) the Court does not enter the Judgment;
20 or (ii) the Settlement does not become final for any other reason, this Settlement Agreement shall
21 be rendered null and void, any order or judgment entered by the Court in furtherance of this
22 Settlement shall be treated as void from the beginning, and this Settlement Agreement and any
23 documents related to it shall not be used in any other civil, criminal, or administrative action against
24 Defendant or any of the other Released Parties. In the event an appeal is filed from the Judgment,
25 or any other appellate review is sought, administration of the Settlement shall be stayed pending
26 final resolution of the appeal or other appellate review. Any fees incurred by the Settlement
27 Administrator prior to it being notified of the filing of an appeal from the Judgment, or any other
28 appellate review, shall be paid by Defendant to the Settlement Administrator.

1 55. No Admission of Liability by Defendant. Defendant denies all claims alleged in
2 this Action and denies all wrongdoing whatsoever by Defendant. Defendant denies that it has
3 engaged in any unlawful activity, has failed to comply with the law in any respect, or has any
4 liability to anyone under the claims asserted in the Action. This Settlement is entered into solely
5 for the purpose of compromising highly disputed claims. Neither this Settlement Agreement, nor
6 any of its terms and conditions, nor any of the negotiations connected with it, is a concession or
7 admission, and none shall be used and/or construed against Defendant as an admission or indication
8 with respect to any claim of any fault, concession, or omission by Defendant. The Parties agree
9 that this Settlement Agreement shall not be admissible in this or any other proceeding and/or
10 litigation as evidence that Defendant is liable to Plaintiff or any Aggrieved Employee, other than
11 according to the terms of this Settlement Agreement.

12 56. Whether or not the Judgment becomes final, neither the Settlement, any document,
13 statement, proceeding or conduct related to the Settlement, nor any reports or accounting of those
14 matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be
15 evidence for any purpose adverse to Defendant or any of the Released Parties, including, but not
16 limited to, evidence of a presumption, concession, indication or admission by any of the Released
17 Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed,
18 referred to or offered in evidence against any of the Released Parties, or any other civil, criminal
19 or administrative action or proceeding except for purposes of effectuating this Settlement.

20 57. Notwithstanding Paragraph 55 of this Settlement, any and all provisions of this
21 Settlement may be admitted in evidence and otherwise used in any and all proceedings to enforce
22 any or all terms of this Settlement, or in defense of any claims released or barred by this Settlement.

23 58. Exhibits and Headings. The terms of this Settlement Agreement include the terms
24 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
25 herein. The Exhibits to this Settlement Agreement are an integral part of the Settlement. The
26 descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for
27 convenience of reference only.
28

1 59. Interim Stay of Action. The Parties agree to stay and to request that the Court stay
2 all proceedings in the Action, except such proceedings necessary to implement and complete the
3 Settlement and enter the Judgment.

4 60. Amendment or Modification. This Settlement Agreement, and any and all parts of
5 it, may be amended, changed, waived, or modified only by an express written instrument signed by
6 all Parties, their successors in interest, and/or counsel for all Parties, as authorized, and approved
7 by the Court.

8 61. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
9 the entire agreement between the Parties, and no oral or written representations, warranties, or
10 inducements have been made to Plaintiff or Defendant concerning this Settlement Agreement or its
11 Exhibits other than the representations, warranties, and covenants contained and memorialized in
12 this Settlement Agreement and its Exhibits. No other prior or contemporaneous written or oral
13 agreements may be deemed binding on the Parties.

14 62. Authorization to Enter into Settlement Agreement. Plaintiff's Counsel and Defense
15 Counsel warrant and represent they are expressly authorized by the Parties whom they represent to
16 negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be
17 taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute
18 any other documents required to effectuate the terms of this Settlement Agreement. The Parties,
19 Plaintiff's Counsel, and Defense Counsel shall cooperate with each other and use their best efforts
20 to effect the implementation of the Settlement. In the event that the Parties are unable to reach
21 agreement on the form or content of any document needed to implement the Settlement, or on any
22 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the
23 Parties may seek the assistance of the Court and/or mediator Steven J. Rottman to resolve such
24 disagreement. The person signing this Settlement Agreement on behalf of Defendant represents
25 and warrants that he or she is authorized to sign this Settlement Agreement on behalf of Defendant.
26 Plaintiff represents and warrants that she is authorized to sign this Settlement Agreement and that
27 she has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.
28 Plaintiff acknowledges that she has read this Settlement Agreement, that she fully understands her

1 rights, privileges, and duties under the Settlement Agreement, and that she enters this Settlement
2 Agreement freely and voluntarily. Plaintiff further acknowledges that she has had the opportunity
3 to consult with her attorneys to explain the terms of this Settlement Agreement and the
4 consequences of signing this Settlement Agreement. Additionally, the Parties have cooperated in
5 the drafting and preparation of this Settlement Agreement. Hence, in any construction made of this
6 Settlement Agreement, the same shall not be construed against any of the Parties.

7 63. Binding on Successors and Assigns. This Settlement Agreement shall be binding
8 upon, and inure to the benefit of, the successors and assigns of the Parties.

9 64. California Law Governs. All terms of this Settlement Agreement and the Exhibits
10 hereto shall be governed by and interpreted according to the laws of the State of California, without
11 giving effect to any law that would cause the laws of any jurisdiction other than the State of
12 California to be applied.

13 65. Counterparts. This Settlement Agreement may be executed in one or more
14 counterparts. All executed counterparts and each of them shall be deemed to be one and the same
15 instrument. Facsimile signatures, scanned PDF signatures, and electronic (e.g. DocuSign)
16 signatures will be presumptive evidence of execution of the original, which shall be produced on
17 reasonable request. Any executed counterpart will be admissible to prove the existence and
18 contents of this Settlement.

19 66. Cooperation in Drafting. The Parties have cooperated in the drafting and
20 preparation of this Settlement. This Settlement Agreement will not be construed against any Party
21 on the basis that the Party was the drafter or participated in the drafting.

22 67. Fair Settlement. The Parties and their respective counsel believe and warrant that
23 this Settlement reflects a fair, reasonable, and adequate settlement of the Action and have arrived
24 at this Settlement through arms-length negotiations, taking into account all relevant factors, current
25 and potential.

26 68. Notices/Communications. All notices, demands or other communications given
27 under this Settlement Agreement will be in writing and deemed to have been duly given as of the
28 third business day after mailing by U.S. Mail, addressed as follows:

To Plaintiff's Counsel:

Matthew J. Matern
Launa Adolph
Ellie D. Goralnick
MATERN LAW GROUP, PC
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266
Tel: (310) 531-1900
Facsimile: (310) 531-1901

To Defense Counsel:

Matthew C. Sgnilek, Esq.
Jessica Abreu, Esq.
O'HAGAN MEYER
3200 Park Center Drive, Suite 700
Costa Mesa, CA 92626

69. Jurisdiction of the Court. Following entry of the Judgment, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties, Plaintiff's Counsel, and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

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

Dated: Oct 18, 2024, 2024

Kathy Sloan
Kathy Sloan (Oct 18, 2024 13:47 PDT)
Plaintiff Kathy Sloan

Dated: _____, 2024

Defendant Jensen's Complete Shopping, Inc. dba
Jensen's Finest Foods

By: _____

Its: _____

To Plaintiff's Counsel:

Matthew J. Matern
Launa Adolph
Ellie D. Goralnick
MATERN LAW GROUP, PC
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266
Tel: (310) 531-1900
Facsimile: (310) 531-1901

To Defense Counsel:

Matthew C. Sgnilek, Esq.
Jessica Abreu, Esq.
O'HAGAN MEYER
3200 Park Center Drive, Suite 700
Costa Mesa, CA 92626

69. Jurisdiction of the Court. Following entry of the Judgment, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties, Plaintiff's Counsel, and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

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

Dated: _____, 2024

Plaintiff Kathy Sloan

Dated: 11-15, 2024

Defendant Jensen's Complete Shopping, Inc. dba
Jensen's Finest Foods

By: _____

Its: PRESIDENT

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Approved as to form and content:

Dated: October 18, 2024

MATERN LAW GROUP, PC

By: 

MATTHEW J. MATERN
LAUNA ADOLPH
ELLIE D. GORALNICK
Attorneys for Plaintiff
KATHY SLOAN

Dated: _____, 2024

O'HAGAN MEYER

By: _____
MATTHEW C. SGNILEK
JESSICA ABREU
Attorneys for Defendant
JENSEN'S COMPLETE SHOPPING, INC. DBA
JENSEN'S FINEST FOODS

EXHIBIT 1

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

KATHY SLOAN, individually and on behalf
of all others similarly situated,

Plaintiff,

vs.

JENSEN'S COMPLETE SHOPPING INC.
dba JENSEN'S FINEST FOODS, a California
corporation; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO. CIVSB2228859

**NOTICE OF PRIVATE ATTORNEYS
GENERAL ACT SETTLEMENT**

This is to notify you that you have been designated to receive a settlement award pursuant to the California Private Attorney General Act ("PAGA"), Labor Code § 2699, *et seq.*, in connection with your employment with Jensen's Complete Shopping, Inc. dba Jensen's Finest Foods ("Jensen's"). This settlement award arises from a lawsuit filed by plaintiff Kathy Sloan ("Plaintiff") against Jensen's in San Bernardino Superior Court, entitled *Sloan v. Jensen's Complete Shopping, Inc. dba Jensen's Finest Foods*, Case No. CIVSB2228859 (the "Action").

1. What is the Action About?

In the Action, Plaintiff alleges that Jensen's violated California labor laws by failing to provide non-exempt employees meal and rest breaks, failing to pay minimum and overtime wages, failing to timely pay employees wages during employment and at the time of separation, failing to maintain accurate records of hours worked, failing to furnish accurate itemized wage statements, and failing to reimburse business expenses, and sought civil penalties under PAGA on behalf of all current and former non-exempt employees of Jensen's in the State of California who were employed by Jensen's at any time between October 23, 2021 to April 22, 2024 (the "Settlement Period"). Jensen's denies any wrongdoing and all liability in the Action but has agreed to settle the matter to avoid the expense and disruption of further litigation.

2. Why Are You Receiving This Notice?

You are receiving this notice because the San Bernardino Superior Court has approved a settlement in the Action and ordered that a portion of the settlement funds allocated to civil penalties under PAGA be distributed to non-exempt employees who worked for Jensen's during the Settlement Period. Jensen's records indicate that you were employed by Jensen's in California as a non-exempt employee during the Settlement Period.

Enclosed please find a check in the amount of \$ [REDACTED], which may be cashed until [180 days from date of mailing]. Funds attributable to any uncashed check will be sent to the State Controller's Office Unclaimed Property Fund in your name.

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If

your check is already void you should consult the Unclaimed Property Fund website for instructions on how to retrieve the funds. The amount of your settlement check is based on the number of pay periods you worked for Jensen's as a non-exempt employee in California during the Settlement Period. The amount represents penalties and will be reported on an IRS Form 1099. If you have any questions regarding tax reporting or payment, you should contact a tax professional.

If you lose or misplace your settlement check before cashing it, you may request a new check from the Settlement Administrator before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

3. What are the Important Terms of the Settlement?

Under the terms of the Court-approved settlement, you have released Jensen's and related persons and entities of all causes of action and claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 that were alleged in the operative complaint in the Action or reasonably could have been alleged based on the facts, causes of action and legal theories contained in the operative complaint in the Action or LWDA letter, including but not limited to claims for civil penalties based on the following: (i) failure to pay all regular rate wages, minimum wages, and overtime wages due; (ii) failure to provide compliant meal periods; (iii) failure to provide compliant rest breaks; (iv) failure to timely pay wages during employment; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to maintain records in accordance with Labor Code Section 1174; (viii) failure to reimburse necessary expenditures; and/or (ix) claims, causes of action or legal theories of relief seeking civil penalties under the California Labor Code Private Attorneys General Act of 2004 plead in the operative complaint and underlying LWDA exhaustion letter filed by Plaintiff. This release expressly exclude all claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, claims while classified as exempt, and claims outside of the Settlement Period.

4. Additional Information

If you have questions about this notice, the settlement, or you did not receive this notice in the mail and you believe you are or may be a member of group of employees covered by the settlement, you may contact the Settlement Administrator:

Settlement Administrator
Address
Telephone Number

This notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed settlement, which is on file with the Court. You may also consult the Superior Court Website by going to <https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales> and entering the case number for the Action (Case No. CIVSB2228859).

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.