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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN JOAQUIN

SOMALIA GOODWIN, JOHN A.
MCGEHEE, DUSTIN JOHNSON, and JUAN
CARLOS QUEVEDO as individuals on behalf
of themselves and on behalf of all others
similarly situated,

Plaintiff,

vs.

SAVE MART SUPERMARKETS, LLC, and
DOES 1 through 100, inclusive,

Defendants.

Case No.: STK-CV-UOE-2023-2062

**JOINT STIPULATION OF CLASS ACTION
AND PAGA SETTLEMENT AND RELEASE**

1 although Class Counsel reserve the right to appeal an award of attorneys' fees that is less than one-third
2 of the Gross Settlement Amount.

3 3. "Class Counsel" means Crosner Legal, PC, James Hawkins, APLC, Blumenthal
4 Nordehaug Bhowmik De Blouw LLP, and Haines Law Group, APC.

5 4. "Class List" means a complete list of all Class Members that Defendant will diligently
6 and in good faith compile from its records and provide to the Settlement Administrator within twenty
7 (20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in
8 Microsoft Office Excel and will include each Class Member's full name; most recent mailing address
9 and telephone number; Social Security number; dates of employment; the respective number of
10 Workweeks that each Class Member worked during the Class Period and PAGA Period; and any other
11 relevant information needed to calculate settlement payments.

12 5. "Class Member(s)" or "Settlement Class" means all current or former hourly-paid or
13 non-exempt employees employed by the Defendant in the State of California during the Class Period.

14 6. "Class Period" means the period from July 1, 2021 through the earlier of of the date the
15 Court preliminarily approves the Settlement Agreement, or the date the number of workweeks during the
16 Class Period is 10 percent more than 1,600,000 work weeks.

17 7. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiffs
18 in recognition of their effort and work in prosecuting the Action on behalf of Class Members, and for
19 their general release of any and all claims. Subject to the Court granting final approval of this Settlement
20 Agreement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of
21 a Class Representative Enhancement Payment of up to Ten Thousand Dollars (\$10,000) to be paid out of
22 the Gross Settlement Amount for each Plaintiff. An award of less than the requested amount will not
23 give rise to a basis to abrogate the Settlement Agreement. Further, an award of less than the requested
24 amount will not give rise to a basis to abrogate the general release executed by Plaintiff.

25 8. "Court" means the San Joaquin County Superior Court.

26 9. "Defendant" means Defendant Save Mart Supermarkets LLC.

27 10. "Effective Date" means the later of the following have occurred: (a) approval of the
28 Settlement is granted by the Court, or other court assuming jurisdiction of the Action, and (b) the Court's

Judgment approving the Settlement becomes Final. “Final” means the latest of: (a) if there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for review to the California Supreme Court, or, (b) if a petition for review is filed, the date of the California Supreme Court denies the petition for review or decides not to respond and take no action, or the date the Judgment is affirmed pursuant to such petition; or (c) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment.

11. “Final Approval” means the date on which the Court enters an order granting final approval of the Settlement Agreement.

12. “Gross Settlement Amount” means the maximum Gross Settlement Amount of Five Million Six Hundred Thousand Dollars (\$5,600,000.00) that Defendant may be obligated to make in connection with the Settlement Agreement, except as provided for herein, and will be paid by Defendant in full satisfaction of all Released Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments, Attorneys’ Fees and Costs, the Class Representative Enhancement Payment, the PAGA Settlement Amount, and Settlement Administration Costs. This Gross Settlement Amount has been agreed to by Plaintiff and Defendant based on the aggregation of the agreed-upon settlement value of individual claims. In no event will Defendant be liable for more than the Gross Settlement Amount except as otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to Defendant. Defendant will pay any employer-side payroll taxes owing on the portion of the Gross Settlement Amount allocated toward wages on top of and in addition to the Gross Settlement Amount.

13. “Individual Settlement Payment” means each Participating Class Member’s and PAGA Member’s respective shares of the Net Settlement Fund and PAGA Fund.

14. “Net Settlement Fund” means the portion of the Gross Settlement Amount remaining after deducting the Attorneys’ Fees and Costs, the Class Representative Enhancement Payment[s], the PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be distributed to Participating Class Members.

15. “Notice of Objection” means a Class Member’s valid and timely written objection to the

1 Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full
2 name, signature, address, and telephone number, (b) a written statement of all grounds for the objection
3 accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other
4 documents upon which the objection is based; and (d) a statement whether the objector intends to appear
5 at the final fairness hearing.

6 16. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form
7 attached as Exhibit A.

8 17. "PAGA Members" means all current or former hourly-paid or non-exempt employees
9 employed by the Defendant in the State of California during the PAGA Period.

10 18. "PAGA Period" means the period from March 2, 2022 through the earlier of the date the
11 Court preliminarily approves the Settlement Agreement, or the date the number of workweeks during the
12 Class Period is 10 percent more than 1,600,000 work weeks.

13 19. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to
14 the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with
15 Plaintiff's claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
16 *et seq.*, "PAGA") ("PAGA Settlement"). The Parties have agreed that Two Hundred Thousand Dollars
17 (\$200,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement Amount. Pursuant
18 to PAGA, Seventy-Five Percent (75%), or One Hundred Fifty Thousand Dollars (\$150,000), of the
19 PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency
20 ("Labor and Workforce Development Agency Payment"), and Twenty-Five Percent (25%), or Fifty
21 Thousand Dollars (\$50,000), of the PAGA Settlement will be disbursed to PAGA Members, and
22 regardless whether they request to be excluded from the Settlement Class.

23 20. "Parties" means Plaintiffs and Defendant collectively.

24 21. "Participating Class Members" means all Class Members who do not submit timely and
25 valid Requests for Exclusion.

26 22. "Plaintiffs" means Plaintiffs Somalia Goodwin, John A. McGehee, Dustin Johnson, and
27 Juan Carlos Quevedo.

28 23. "Preliminary Approval" means the date on which the Court enters an order granting

1 preliminary approval of the Settlement Agreement.

2 24. “Released Class Claims” means all claims, rights, demands, liabilities, and causes of
3 action that were alleged or reasonably could have been raised based on the facts alleged in the operative
4 Complaint during the Class Period, regardless of the theory of recovery, including: (a) all claims for
5 unpaid overtime; (b) all claims for meal or rest break violations; (c) all claims for unpaid wages,
6 including unpaid minimum wages; (d) all claims for the failure to reimburse for necessary business
7 expenses; (e) all claims for unpaid vacation, sick pay, or other paid time off; (f) all claims for unpaid
8 reporting time pay; (g) failure to properly calculate rates of pay for overtime, meal and rest period
9 premiums, paid sick pay or other time off, reporting time pay, or any other pay rate, (h) all claims for the
10 failure to timely pay wages upon termination; (i) all claims for the failure to timely pay wages during
11 employment; (j) all claims for wage statement violations and record-keeping violations; (k) all claims
12 asserted through California Business & Professions Code §§ 17200, et seq. for any of the foregoing
13 alleged violations (l) all claims asserted under the applicable California Industrial Welfare Commission
14 Wage Order, and (m) all penalties, including PAGA penalties, liquidated damages, or interest allegedly
15 due to any of the foregoing alleged violations. Settlement Class Members shall further agree to waive
16 their right to pursue individual lawsuits or arbitrations as to any of the Released Class Claims against the
17 Releasees to the extent such Released Class Claims accrued during the Class Period.

18 25. “Released PAGA Claims” means any and all PAGA claims or causes of action of
19 whatever kind or nature which occurred during the PAGA Period that were alleged, or that reasonably
20 could have been alleged, based on the facts alleged in the Action and Plaintiff’s LWDA letter, regardless
21 of theory of recovery, including but not limited to alleged: (a) unpaid overtime; (b) meal or rest break
22 violations; (c) unpaid wages, including unpaid minimum wages; (d) failure to reimburse for necessary
23 business expenses; (e) unpaid vacation, sick pay, or other paid time off; (f) unpaid reporting time pay; (g)
24 failure to properly calculate rates of pay for overtime, meal and rest period premiums, paid sick pay or
25 other time off, reporting time pay, or any other pay rate, (h) failure to timely pay wages upon
26 termination; (i) failure to timely pay wages during employment; (j) wage statement violations and
27 record-keeping violations; and (k) all claims asserted under a the applicable California Industrial Welfare
28 Commission Wage Orders.

1 26. “Released Parties” means Defendant, its present or former officers, directors, trustees,
2 owners, investors, shareholders, agents, servants, principals, heirs, representatives, accountants, auditors,
3 consultants, insurers, reinsurers, employees, registered representatives, attorneys, and its respective
4 successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

5 27. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a
6 request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the
7 name, address, telephone number and last four digits of the Social Security Number of the Class
8 Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement
9 Administrator; (d) clearly state that the Class Member does not wish to be included in the Settlement;
10 and (e) be postmarked on or before the Response Deadline.

11 28. “Response Deadline” means the deadline by which Class Members must postmark to
12 the Settlement Administrator Requests for Exclusion, postmark disputes concerning the calculation of
13 Individual Settlement Payments, or postmark Notices of Objection to the Settlement Administrator. The
14 Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by
15 the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or State
16 holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal
17 Service is open.

18 29. “Settlement Administration Costs” means the costs payable from the Gross Settlement
19 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
20 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross
21 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The
22 Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,
23 any such costs in excess of the amount represented by the Settlement Administrator as being the
24 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
25 approximately 25,288 employees Class Members, the Settlement Administration Costs are currently
26 estimated to be One Hundred Nine Thousand Nine Hundred and Ninety Dollars (\$109,990.00).

27 30. “Settlement Administrator” means APEX Class Action Administration, or any other
28 third-party class action settlement administrator agreed to by the Parties and approved by the Court for

1 the purposes of administering this Settlement. The Parties each represent that they do not have any
2 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
3 Administrator that could create a conflict of interest.

4 31. “Workweeks” means the number of workweeks for each Class Member during the
5 Class Period based on Defendant’s payroll records, exclusive of any leave of absence (if any) and any
6 other week in which work was not performed. All Class Members will be credited with at least one
7 Workweek during the Class Period, and all PAGA Members will be credited with at least one
8 Workweek during the PAGA Period.

9 TERMS OF AGREEMENT

10 Plaintiffs, on behalf of themselves and the Settlement Class, PAGA Group, and State of
11 California, and Defendant agree as follows:

12 32. Johnson and Quevedo Actions. Plaintiffs Dustin Johnson and Juan Carlos Quevedo have
13 filed separate actions against Defendant, entitled *Dustin Johnson v. Save Mart Supermarkets, LLC*, Case
14 No. SCV-273662, Superior Court for the State of California, County of Sonoma, and *Juan Carlos*
15 *Quevedo v. Save Mart Supermarkets, LLC*, et al., Case No. C23-02995, Superior Court for the State of
16 California, County of Contra Costa. For purposes of this Settlement, the Parties shall execute a
17 stipulation to add Plaintiffs Johnson and Quevedo as parties to the Goodwin Action. Plaintiff Quevedo
18 and Plaintiff Johnson will, within 30 calendar days of the filing of the Amended Complaint in the
19 Goodwin Action, take whatever actions are necessary to cause a dismissal of their above-referenced
20 respective actions without prejudice. Class Counsel shall file all papers required by the Court in support
21 of the requests for dismissal. Defendant’s obligations under this Agreement are contingent on Plaintiffs
22 Johnson and Quevedo dismissing their respective Actions with prejudice.

23 33. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of
24 the Gross Settlement Amount of Five Million Six Hundred Thousand Dollars (\$5,600,000.00) into a
25 Qualified Settlement Account to be established by the Settlement Administrator. Defendant will
26 separately pay the employer-side payroll taxes owing on the portion of the Gross Settlement Amount
27 allocated toward wages on top of and in addition to the Gross Settlement Amount. After the Effective
28 Date, the Gross Settlement Amount will be used for: (a) Individual Settlement Payments; (b) the Labor

1 and Workforce Development Agency Payment; (c) the Class Representative Enhancement Payment[s];
2 (d) Attorneys' Fees and Costs; and (e) Settlement Administration Costs. Defendant will deposit the
3 Gross Settlement Amount and the payment of employer-side payroll taxes within thirty (30) calendar
4 days after the Effective Date ("Funding Date").

5 34. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
6 motion by Class Counsel for Attorneys' Fees and Costs of not more than One Million Eight Hundred
7 Sixty Six Thousand Dollars and Sixty Six Cents (\$1,866,666.66), plus the reimbursement of all out-of-
8 pocket costs and expenses associated with Class Counsel's litigation and settlement of the Action
9 (including expert/consultant fees, investigations costs, etc.), not to exceed Fifty Thousand Dollars
10 (\$50,000), both of which will be paid from the Gross Settlement Amount. The total Attorneys' Fees
11 awarded will be divided among Class Counsel as follows: 46.75% to Crosner Legal, PC, 33.25% to
12 James Hawkins, APLC, 10% to Blumenthal Nordehaug Bhowmik De Blouw LLP, and 10% to Haines
13 Law Group, APC.

14 35. Class Representative Enhancement Payment. In exchange for a general release of all
15 known and unknown claims against Defendant and Released Parties under California Civil Code section
16 1542, and in recognition of his effort and work in prosecuting the Action on behalf of Class Members,
17 Defendant agrees not to oppose or impede any application or motion for a Class Representative
18 Enhancement Payments of up to Ten Thousand Dollars (\$10,000), to each Plaintiff. The Class
19 Representative Enhancement Payment[s] will be paid from the Gross Settlement Amount and will be in
20 addition to each Plaintiffs' Individual Settlement Payment paid pursuant to the Settlement. The Class
21 Representative Enhancement Payment will be designated as a non-wage payment and reported on an
22 IRS Form 1099-MISC. Plaintiffs will be solely and legally responsible to pay any and all applicable
23 taxes on the Class Representative Enhancement Payment. Plaintiffs understand and agree that this
24 Settlement Agreement shall remain in full force and effect even if the full amount of Class
25 Representative Enhancement Payment sought by Plaintiffs is not ultimately awarded by the Court.

26 36. Settlement Administration Costs. The Settlement Administrator will be paid for the
27 reasonable costs of administration of the Settlement and distribution of payments from the Gross
28 Settlement Amount, which is currently estimated to be One Hundred Nine Thousand Nine Hundred and

1 Ninety Dollars (\$109,990). These costs, which will be paid from the Gross Settlement Amount, will
2 include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099
3 and W-2 IRS Forms, distributing Notice Packets, calculating and distributing the Gross Settlement
4 Amount, and providing necessary reports and declarations.

5 37. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
6 of Two Hundred Thousand Dollars (\$200,000) from the Gross Settlement Amount will be designated for
7 satisfaction of Plaintiff's PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or One
8 Hundred Fifty Thousand Dollars (\$150,000), of this sum will be paid to the LWDA and Twenty-Five
9 Percent (25%), or Fifty Thousand Dollars (\$50,000), will be paid to PAGA Members in proportion to
10 the number of Workweeks worked during the PAGA Period.

11 38. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement
12 resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private
13 Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
14 Member has the right to exclude themselves from the release of the Released PAGA Claims, and all
15 PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA
16 Member has the right to object to the PAGA Settlement Amount.

17 39. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating
18 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendant.

19 40. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
20 portion of the PAGA Fund will revert to or be retained by Defendant.

21 41. Individual Settlement Payment Calculations. Individual Settlement Payments will be
22 calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of
23 Workweeks a Class Member worked during the Class Period and PAGA Period, respectively. Specific
24 calculations of Individual Settlement Payments will be made as follows:

25 41(a) Payments from the Net Settlement Fund. Defendant will calculate the total
26 number of Workweeks worked by each Class Member during the Class
27 Period and the aggregate total number of Workweeks worked by all Class
28 Members during the Class Period. To determine each Class Member's

1 estimated "Individual Settlement Payment" from the Net Settlement Fund,
2 the Settlement Administrator will use the following formula: The Net
3 Settlement Fund will be divided by the aggregate total number of
4 Workweeks, resulting in the "Workweek Value." Each Class Member's
5 "Individual Settlement Payment" will be calculated by multiplying each
6 individual Class Member's total number of Workweeks by the Workweek
7 Value. The Individual Settlement Payment will be reduced by any required
8 deductions for each Participating Class Member as specifically set forth
9 herein, including employee-side tax withholdings or deductions. The entire
10 Net Settlement Fund will be disbursed to all Class Members who do not
11 submit timely and valid Requests for Exclusion. If there are any valid and
12 timely Requests for Exclusion, the Settlement Administrator shall
13 proportionately increase the Individual Settlement Payment for each
14 Participating Class Member according to the number of Workweeks
15 worked, so that the amount actually distributed to the Settlement Class
16 equals 100% of the Net Settlement Fund.

17 41(b) Payments from the PAGA Fund. Defendant will calculate the total number
18 of Workweeks worked by each PAGA Member during the PAGA Period
19 and the aggregate total number of Workweeks worked by all PAGA
20 Members during the PAGA Period. To determine each PAGA Member's
21 estimated "Individual Settlement Payment," the Settlement Administrator
22 will use the following formula: The PAGA Fund will be divided by the
23 aggregate total number of Workweeks, resulting in the "PAGA Workweek
24 Value." Each PAGA Member's "Individual Settlement Payment" will be
25 calculated by multiplying each individual PAGA Member's total number of
26 Workweeks by the PAGA Workweek Value. The entire PAGA Fund will
27 be disbursed to all PAGA Members.

28 42. No Credit Toward Benefit Plans. The Individual Settlement Payments made to

1 Participating Class Members and PAGA Members under this Settlement, as well as any other payments
2 made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any
3 benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing
4 plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and
5 any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect
6 any rights, contributions, or amounts to which any Class Members or PAGA Members may be entitled
7 under any benefit plans.

8 43. Administration Process. The Parties agree to cooperate in the administration of the
9 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
10 administration of the Settlement.

11 44. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval,
12 Defendant will provide the Class List to the Settlement Administrator.

13 45. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class
14 List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members via
15 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class
16 List.

17 46. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement
18 Administrator will perform a search based on the National Change of Address Database for information
19 to update and correct for any known or identifiable address changes. Any Notice Packets returned to the
20 Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly
21 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
22 Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is
23 provided, the Settlement Administrator will promptly attempt to determine the correct address using a
24 skip-trace, or other search using the name, address and/or Social Security number of the Class Member
25 involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed
26 Notice Packet, whether by skip-trace or by request, will have either (a) an additional fifteen (15) calendar
27 days or (b) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an
28 objection to the Settlement.

1 47. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
2 will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's
3 principal terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of
4 Workweeks each respective Class Member and PAGA Member worked for Defendant during the Class
5 Period and PAGA Period; (e) each Class Member's and PAGA Member's estimated Individual
6 Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which
7 comprise the Class Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion
8 or Notices of Objection; (h) the deadlines by which the Class Member must postmark Request for
9 Exclusions, or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

10 48. Disputed Information on Notice Packets. Class Members will have an opportunity to
11 dispute the information provided in their Notice Packets. To the extent Class Members dispute their
12 employment dates or the number of Workweeks on record, Class Members may produce evidence to the
13 Settlement Administrator showing that such information is inaccurate. Defendant's records will be
14 presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the
15 Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline,
16 and will be decided within ten (10) business days after the Response Deadline.

17 49. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
18 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
19 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
20 receiving the defective submission to advise the Class Member that their submission is defective and that
21 the defect must be cured to render the Request for Exclusion valid. The Class Member will have until (a)
22 the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is
23 later, to postmark a revised Request for Exclusion. If the revised Request for Exclusion is not
24 postmarked within that period, it will be deemed untimely.

25 50. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
26 Settlement Agreement must sign and postmark a written Request for Exclusion to the Settlement
27 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
28 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request

1 for Exclusion has been timely submitted.

2 51. Escalator Clause. This Settlement is premised on the estimate that Class Members
3 would have worked a total of approximately One Million Six Hundred Thousand (1,600,000)
4 Workweeks during the Class Period. In the event it is determined that the actual number of workweeks
5 worked by the Class during the Class Period exceeds 1,600,000 by more than 10% (i.e., exceeds
6 1,760,000 workweeks), Defendant shall have the option to (1) cut off the release period as of the date
7 where the 10 percent overage is reached, or (2) proceed with the release through the Class Period
8 provided herein with a pro rata increase of the Gross Settlement Value, by increasing the Maximum
9 Settlement Amount by the same number of percentage points above 10% by which the actual number of
10 weeks worked exceeds 10%. For example, if the actual number of weeks worked is determined to be
11 11% higher than 1,600,000, then Defendant has the option to increase the Maximum Settlement Amount
12 by 1%. Alternatively, Defendant may elect to back up the end of the release date for the Settlement until
13 the number of workweeks does not exceed 1,760,000.

14 52. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
15 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid
16 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class
17 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
18 Settlement, and shall further agree to waive their right to pursue individual lawsuits or arbitrations as to
19 any of the Released Class Claims.

20 53. Releases by Participating Class Members. Upon the Effective Date, and except as to
21 such rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
22 together and individually, on their behalf and on behalf of their respective heirs, executors,
23 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
24 Parties, or any of them, from each of the Released Class Claims arising during the Class Period. In
25 addition, on the Effective Date, all Participating Class Members will be permanently enjoined and
26 forever barred from prosecuting any of the Participating Class Member's Release Class Claims against
27 any of the Released Parties or participating in any actions, lawsuits, proceedings, complaints, or charges
28 brought individually or by any other agency, persons, or entity in any court or before any administrative

body with regard to any of Participating Class Members' Released Class Claims. Nor will Participating Class Members contest or interfere with efforts by Defendant or a Released Party to oppose any attempt to bring or assert such Released Class Claims against Defendant or a Released Party.

54. Releases by PAGA Members. Upon the Effective Date, and except as to such rights or claims as may be created by this Settlement Agreement, each PAGA Member, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released PAGA Claims during the PAGA Period. In addition, on the Effective Date, all PAGA Members will be permanently enjoined and forever barred from prosecuting any of the Released PAGA Claims against any of the Released Parties.

55. Defendant's Right to Rescind. Defendant will have, in its sole discretion, the right to void and withdraw from the Settlement if, at any time prior to Final Approval, Five Percent (5%) or more of Class Members opt out of the Settlement. Defendant must exercise this right of rescission in writing to Class Counsel within fifteen (15) business days after the Response Deadline. If the option to rescind is exercised, then the Parties shall revert to *status quo ante* prior to the mediation held on April 16, 2024 and Defendant will be solely responsible for all Settlement Administration Costs incurred to the date of rescission.

56. Objection Procedures. To object to the Settlement Agreement, a Class Member may either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the final approval order and judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the

1 Class Member shall not participate in or be bound by the Settlement.

2 57. Certification Reports Regarding Individual Settlement Payment Calculations. The
3 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
4 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
5 the Settlement, and whether any Class Member has submitted a challenge to any information contained
6 in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties
7 any updated reports regarding the administration of the Settlement Agreement as needed or requested.
8 However, the Settlement Administrator will not be authorized to share the Class List (or any portion
9 thereof) with Class Counsel, unless written authorization is provided by Defendant or its counsel.

10 58. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
11 of the Funding Date, the Settlement Administrator will issue the Court-authorized payments to: (a)
12 Participating Class Members and PAGA Members; (b) the Labor and Workforce Development Agency;
13 (c) Plaintiff; and (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for
14 Court-approved services performed in connection with the Settlement.

15 59. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment
16 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
17 more than one hundred and eighty (180) calendar days after issuance will be distributed to the Controller
18 of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §
19 1500, et. seq. for the benefit of the Class Member(s) whose funds are undeliverable and/or who did not
20 cash their checks until such time that they claim their property, or the property is otherwise disposed of
21 pursuant to the Unclaimed Property Laws. The Settlement Administrator will send Defendant a list of
22 any such undeliverable funds and/or uncashed checks seven calendar days prior to distributing those
23 funds to the Controller.

24 60. Certification of Completion. Upon completion of administration of the Settlement, the
25 Settlement Administrator will provide a written declaration under oath to certify such completion to the
26 Court and counsel for all Parties.

27 61. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
28 be allocated as follows: (a) Twenty Percent (20%) of each Individual Settlement Payment will be

1 allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent (80%) will be
2 allocated as non-wages for which IRS Forms 1099-MISC will be issued.

3 62. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
4 will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA Members, and Class
5 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
6 this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes
7 and penalties to the appropriate government authorities.

8 63. Tax Liability. The Parties make no representation as to the tax treatment or legal effect
9 of the payments called for hereunder, and Plaintiffs and Participating Class Members are not relying on
10 any statement, representation, or calculation by Defendant or by the Settlement Administrator in this
11 regard. Each Participating Class Member shall have sole responsibility for any and all tax consequences
12 applicable to any amounts they are paid pursuant to the Settlement. No opinion regarding the tax
13 consequences of this Settlement to any Participating Class Member is being given, or will be given, by
14 the Defendant, counsel for the Defendant, any other Released Party, or Class Counsel. Participating
15 Class Members must consult their own tax advisors regarding the tax consequences of this Settlement,
16 including but not limited to any payments provided or tax reporting obligations. The Defendant, the
17 Released Parties, counsel for the Defendant, and Class Counsel shall have no liability or responsibility
18 whatsoever for any tax consequences resulting from payments made pursuant to the Settlement.

19 64. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
20 OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
21 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
22 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
23 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
24 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
25 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
26 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
27 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
28 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS

1 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
2 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
3 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
4 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
5 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
6 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
7 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
8 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
9 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER
10 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
11 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
12 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
13 AGREEMENT.

14 65. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
15 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
16 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
17 action or right herein released and discharged.

18 66. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally
19 approve the Settlement as provided herein; or (b) the Settlement does not become final for any other
20 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
21 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
22 likewise be treated as void from the beginning.

23 67. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
24 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval
25 Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b)
26 preliminary approval of the proposed Settlement Agreement, (c) setting a date for a final fairness
27 hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class
28 Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will

1 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
2 proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for
3 drafting all documents necessary to obtain preliminary approval. Class Counsel will provide Defendant
4 the Motion for Preliminary Approval at least seven (7) days prior to filing so that Defendant can review
5 and make comments on the motion. Plaintiffs will reasonably consider and incorporate the Defendant's
6 comments.

7 68. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
8 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
9 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
10 Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b)
11 the Class Representative Enhancement Payment; (c) Individual Settlement Payments; (d) the Labor and
12 Workforce Development Agency Payment; (e) all Settlement Administration Costs. The final fairness
13 hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel
14 will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also
15 be responsible for drafting the attorneys' fees and costs application to be heard at the final approval
16 hearing. Class Counsel will provide Defendant the Motion for Final Approval at least seven (7) days
17 prior to filing so that Defendant can review and make comments on the motion. Plaintiff will reasonably
18 consider and incorporate the Defendant's comments.

19 69. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
20 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
21 approval. After entry of the Judgment, the Court will have continuing jurisdiction to enforce the terms of
22 the Settlement Agreement pursuant to Code of Civil Procedure section 664.6.

23 70. Release by Plaintiffs. Upon the Funding Date, in addition to the claims being released by
24 all Participating Class Members, Plaintiffs will release and forever discharge the Released Parties, to the
25 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not
26 asserted, which Plaintiffs have or may have against the Released Parties as of the date of execution of
27 this Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the
28 California Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly

1 waives any and all rights and benefits conferred upon him by the provisions of Section 1542 of the
2 California Civil Code or similar provisions of applicable law which are as follows:

3 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
4 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
5 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
6 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
7 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
8 PARTY.

9 71. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
10 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
11 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

12 72. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
13 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
14 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
15 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
16 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
17 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
18 contradict the terms of this Settlement Agreement.

19 73. Amendment or Modification. No amendment, change, or modification to this Settlement
20 Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved
21 by the Court.

22 74. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
23 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
24 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
25 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
26 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
27 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
28 reach agreement on the form or content of any document needed to implement the Settlement, or on any

1 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
2 may seek the assistance of the Court to resolve such disagreement.

3 75. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
4 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

5 76. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
6 will be governed by and interpreted according to the laws of the State of California.

7 77. Execution and Counterparts. This Settlement Agreement is subject only to the execution
8 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
9 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
10 copies of the signature page, will be deemed to be one and the same instrument.

11 78. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
12 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
13 Settlement after arm's-length negotiations with a respected mediator and in the context of adversarial
14 litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge
15 that they are each represented by competent counsel and that they have had an opportunity to consult
16 with their counsel regarding the fairness and reasonableness of this Settlement.

17 79. Invalidity of Any Provision. Before declaring any provision of this Settlement
18 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
19 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
20 valid and enforceable.

21 80. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
22 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may
23 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court.

24 81. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
25 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
26 approved, the stipulation to certification will be void. The Parties further agree that certification for
27 purposes of the Settlement is not an admission that class action certification is proper under the standards
28 applied to contested certification motions and that this Settlement Agreement will not be admissible in

1 this or any other proceeding as evidence that either (a) a class action should be certified or (b) Defendant
2 is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

3 82. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
4 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
5 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
6 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
7 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
8 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
9 respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
10 of the negotiations connected with it, will be construed as an admission or concession by Defendant of
11 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
12 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be
13 offered or received as evidence in any action or proceeding to establish any liability or admission on the
14 part of Defendant or to establish the existence of any condition constituting a violation of, or a non-
15 compliance with, federal, state, local or other applicable law.

16 83. No Public Comment or Undue Publicity: Neither Plaintiffs nor Class Counsel will cause
17 to be publicized, directly or indirectly, any discussion resulting in or the existence of this Settlement or its
18 terms in any type of media, including, but not limited to, speeches, press conferences, press releases,
19 interviews, television or radio broadcasts, newspapers, website postings, messages on the Internet,
20 Facebook, Twitter, Instagram, or any other social media. Plaintiff and Class Counsel agree that they will
21 not contact the media or press regarding the claims in the Action and further, that if they are contacted by
22 the media or press, Plaintiff or Class Counsel shall respond only that the matter has settled. Defendant
23 may enforce this provision through an action for injunctive relief. This provision does not apply to any
24 publications ordered by the Court.

25 84. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
26 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
27 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

28 85. Enforcement Actions. In the event that one or more of the Parties institutes any legal

1 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
2 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
3 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
4 expert witness fees incurred in connection with any enforcement actions.

5 86. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
6 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
7 more strictly against one party than another merely by virtue of the fact that it may have been prepared
8 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
9 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

10 87. Representation By Counsel. The Parties acknowledge that they have been represented
11 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
12 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
13 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

14 88. All Terms Subject to Final Court Approval. All amounts and procedures described in
15 this Settlement Agreement herein will be subject to final Court approval.

16 89. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
17 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
18 Settlement Agreement.

19 90. Binding Agreement. The Parties warrant that they understand and have full authority to
20 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
21 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in
22 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
23 otherwise might apply under federal or state law.

1 **READ CAREFULLY BEFORE SIGNING**

2 **PLAINTIFF**

3
4 Dated: 12/24/2024



Somalia Goodwin

6 **PLAINTIFF**

7 Dated: 12/30/2024

DocuSigned by:



83994ED69CC34CC

John A. McGehee

9 **PLAINTIFF**

10 Dated: 01/03/2025

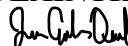


D.L. Johnson (Jan 3, 2025 08:23 PST)

Dustin Johnson

12 **PLAINTIFF**

13 Dated: Jan 1, 2025



Juan Carlos Quevedo Jr. (Jan 1, 2025 10:39 PST)

Juan Carlos Quevedo

15 **DEFENDANT**

16
17 Dated: _____

Stephanie Wu

Save Mart Supermarkets LLC

20 **APPROVED AS TO FORM**

22 **CROSNER LEGAL, PC**

23 Dated: December 26, 2024

24 By: 

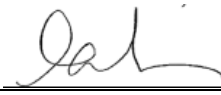
Brandon Brouillette

Attorneys for Plaintiff Somalia Goodwin

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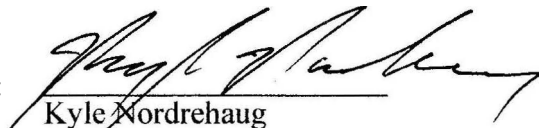
JAMES HAWKINS, APLC

Dated: 12/30/2024

By: 
Greg Mauro
Attorneys for Plaintiff John A. McGehee

**BLUMENTHAL NORDEHAUG BHOWMIK
DE BLOUW LLP**

Dated: 1/3/25

By: 
Kyle Nordrehaug
Attorneys for Plaintiff Dustin Johnson

HAYNES LAW GROUP, APC

Dated: 1/2/2025

By: 
Paul Haines
Attorneys for Plaintiff Juan Carlos Quevedo

SEYFARTH SHAW LLP

Dated: _____

By: _____
Ryan McCoy
Attorneys for Defendant Save Mart Supermarkets
LLC