

Arby Aiwazian (SBN 269827)
Ryan Slinger (SBN 351297)
Harris Koepenick (SBN 364423)
LAWYERS for JUSTICE, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Attorneys for Plaintiffs

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

JORGE NAREZ, individually, and on behalf
of other members of the general public
similarly situated; ABRAHAM CHAVEZ,
individually, and on behalf of other members
of the general public similarly situated and on
behalf of other aggrieved employees pursuant
to the California Private Attorneys General
Act;

Plaintiffs,

vs.

HILLSIDE FOODMART, INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. 34-2021-00310762-CU-OE-GDS

Honorable Jill H. Talley
Department 8A

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: June 12, 2026
Time: 9:00 a.m.
Department: 8A

Complaint Filed: November 3, 2021
FAC Filed: October 6, 2025
Trial Date: None Set

1 This matter has come before the Honorable Jill H. Talley in Department 8A of the Superior
2 Court of the State of California, for the County of Sacramento, on June 12, 2026 at 9:00 a.m. for
3 Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement. Lawyers *for*
4 Justice, PC appears as counsel for Plaintiff Jorge Narez ("Plaintiff Narez") and Plaintiff Abraham
5 Chavez ("Plaintiff Chavez") (together, "Plaintiffs"), individually and on behalf of all others
6 similarly situated and other aggrieved employees, and Klinedinst, PC appears as counsel for
7 Defendant Hillside Foodmart, Inc. ("Defendant").

8 The Court, having carefully considered the papers, argument of counsel, and all matters
9 presented to the Court, and good cause appearing, hereby GRANTS Plaintiffs' Motion for
10 Preliminary Approval of Class Action and PAGA Settlement.

11 **IT IS HEREBY ORDERED THAT:**

12 1. The Court preliminarily approves the Joint Stipulation of Class Action and PAGA
13 Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement"), attached as
14 "**EXHIBIT 2**" to the Declaration of Ryan Slinger in Support of Plaintiff's Motion for Preliminary
15 Approval of Class Action and PAGA Settlement. This is based on the Court's determination that
16 the Settlement falls within the range of possible approval as fair, adequate, and reasonable.

17 2. This Order incorporates by reference the definitions in the Settlement Agreement,
18 and all capitalized terms defined therein shall have the same meaning in this Order as set forth in
19 the Settlement Agreement.

20 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate,
21 and reasonable. It appears to the Court that extensive investigation and research have been
22 conducted such that counsel for the parties at this time are able to reasonably evaluate their and
23 each other's respective positions. It further appears to the Court that the Settlement, at this time,
24 will avoid substantial additional costs by all parties, as well as avoid the delay and risks that would
25 be presented by the further prosecution of the case. It further appears that the Settlement has been
26 reached as the result of intensive, serious and non-collusive, arms-length negotiations, and was
27 entered into in good faith.

1 4. The Court preliminarily finds that the Settlement, including the allocations for the
2 Attorneys' Fees and Costs, Enhancement Payments, PAGA Amount, Settlement Administration
3 Costs, and payments to the Settlement Class Members and PAGA Employees provided thereby,
4 appear to be within the range of reasonableness of a settlement that could ultimately be given final
5 approval by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted
6 as part of the Settlement and preliminarily finds that the monetary settlement awards made
7 available to the Class Members and PAGA Employees are fair, adequate, and reasonable when
8 balanced against the probable outcome of further litigation relating to certification, liability, and
9 damages issues.

10 5. The Court concludes that, for settlement purposes only, the proposed Class meets
11 the requirements for certification under section 382 of the California Code of Civil Procedure in
12 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
13 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
14 community of interest amongst the members of the Class with respect to the subject matter of the
15 litigation; (c) Plaintiffs' claims are typical of the claims of the members of the Class; (d) Plaintiffs
16 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
17 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
18 Counsel are qualified to act as counsel for Plaintiffs individually and as the Class Representatives.

19 6. The Court conditionally certifies, for settlement purposes only, the Class, defined
20 as follows:

21 All current and former non-exempt or hourly-paid employees who were employed by
22 Defendant in California at any time during the time period from November 3, 2017 through
May 23, 2024.

23 7. The Court provisionally appoints Arby Aiwazian, Yasmin Hosseini, Ryan Slinger,
24 and Harris Koepenick of Lawyers for Justice, PC as Class Counsel.

25 8. The Court provisionally appoints Plaintiffs Jorge Narez and Abraham Chavez as
26 the Class Representatives.

27 9. The Court provisionally appoints ILYM Group, Inc. to handle the administration
28 of the Settlement ("Settlement Administrator").

1 10. Within twenty-one (21) calendar days after entry of the Preliminary Approval
2 Order, Defendant shall provide the Settlement Administrator with the Class List in conformity
3 with the Settlement Agreement.

4 11. The Court approves, both as to form and content, the Notice of Class Action
5 Settlement (“Class Notice”) attached hereto as “**EXHIBIT A.**” The Class Notice shall be provided
6 to Class Members in the manner set forth in the Settlement. The Court finds that the Class Notice
7 appears to fully and accurately inform the Class Members of all material elements of the
8 Settlement, of Class Members’ right to be excluded from the Class Settlement by submitting a
9 Request for Exclusion, of Class Members’ and PAGA Employees’ right to dispute the
10 Workweek(s) credited to each of them, and of each Settlement Class Member’s right and
11 opportunity to object to the Class Settlement. The Court further finds that distribution of the Class
12 Notice substantially in the manner and form set forth in the Settlement Agreement and this Order,
13 and that all other dates set forth in the Settlement Agreement and this Order, meet the requirements
14 of due process and shall constitute due and sufficient notice to all persons entitled thereto. The
15 Court further orders the Settlement Administrator to mail the Class Notice to all Class Members
16 within fourteen (14) calendar days after receiving the Class List from Defendant, pursuant to the
17 terms set forth in the Settlement Agreement.

18 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
19 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
20 choose to be excluded from the Class Settlement by submitting a timely and valid written Request
21 for Exclusion no later than forty-five (45) calendar days from the initial mailing of the Class Notice
22 (“Response Deadline”), unless the 45th day falls on a Sunday or Federal holiday, in which case the
23 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. In
24 the case of a re-mailed Class Notice, the Response Deadline shall be extended by fifteen (15)
25 calendar days from the initial Response Deadline. Any Class Member who submits a Request for
26 Exclusion from the Class Settlement is prohibited from making any objections to the Class
27 Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be
28 a Settlement Class Member and will not have any right to object, appeal, or comment on the Class

1 Settlement. Class Members who do not submit a timely and valid Request for Exclusion by the
2 Response Deadline shall be bound by the terms of this Agreement, any Court order approving the
3 terms of the Settlement, and the Final Approval Order and Judgment entered thereon. PAGA
4 Employees shall be bound to the PAGA Settlement irrespective of whether they exercise their
5 option to opt out of the Class Settlement.

6 13. A Final Approval Hearing shall be held before this Court on
7 _____ at _____ a.m./p.m. in
8 Department 8A of the Superior Court of California for the County of Sacramento, located at 500
9 G Street, Sacramento, California 95814, to determine all necessary matters concerning the
10 Settlement, including: whether the proposed settlement of the action on the terms and conditions
11 provided for in the Settlement is fair, adequate, and reasonable and should be finally approved by
12 the Court; whether a judgment, as provided in the Settlement, should be entered herein; whether
13 the plan of allocation contained in the Settlement should be approved as fair, adequate, and
14 reasonable to the Class Members and PAGA Employees; and determine whether to finally approve
15 the requests for the Attorneys' Fees and Costs, Enhancement Payments, PAGA Amount, and
16 Settlement Administration Costs.

17 14. Class Counsel shall file a Motion for Final Approval of the Settlement and for
18 Attorneys' Fees and Costs, Enhancement Payments, PAGA Amount, and Settlement
19 Administration Costs, along with the appropriate declarations and supporting evidence, including
20 the Settlement Administrator's declaration by _____,
21 to be heard at the Final Approval Hearing.

22 15. Only Class Members who do not request exclusion from the Class Settlement may
23 object to the Class Settlement by submitting an Objection to the Settlement Administrator prior to
24 the Response Deadline or by presenting their objection orally at the Final Approval Hearing,
25 regardless of whether they submitted a written objection. The Objection must be signed by the
26 Settlement Class Member and contain all information required by this Settlement Agreement. A
27 Settlement Class Member who does not object prior to or at the Final Approval Hearing will be
28

1 deemed to have waived any objections and will be foreclosed from making any objections
2 (whether at the Final Approval Hearing, by appeal or otherwise) to the Settlement.

3 16. The Settlement is not a concession or admission and shall not be used against
4 Defendant as an admission or indication with respect to any claim of any fault or omission by
5 Defendant. Nor shall it or this Order constitute any finding, decision, or determination of fault,
6 wrongdoing, or misconduct by Defendant. Whether or not the Settlement is finally approved,
7 neither the Settlement, nor any document, statement, proceeding or conduct related to the
8 Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or
9 admitted into evidence as, received as or deemed to be in evidence for any purpose adverse to the
10 Defendant, including, but not limited to, evidence of a presumption, concession, indication or
11 admission by Defendant of any liability, fault, wrongdoing, omission, concession, or damage, or
12 to establish the existence of any condition constituting a violation of, or a non-compliance with
13 state, federal, local or other applicable law. except for legal proceedings concerning the
14 implementation, interpretation, or enforcement of the Settlement.

15 17. In the event the Settlement does not become effective in accordance with the terms
16 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled,
17 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
18 vacated, and the Parties shall revert back to their respective positions as of before entering into the
19 Settlement Agreement.

20 18. The Court reserves the right to adjourn or continue the date of the Final Approval
21 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
22 Members and retains jurisdiction to consider all further applications arising out of or connected
23 with the Settlement.

24
25 **IT IS SO ORDERED.**

26 Dated: _____

27 By: _____
The Honorable Jill H. Talley
Judge of the Superior Court

EXHIBIT A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

Jorge Narez, et al. v. Hillside Foodmart, Inc.

Superior Court of California for the County of Sacramento, Case No. 34-2021-00310762

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options, and how you can request to be excluded from the class action settlement, object to the class action settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class action settlement has been reached between Plaintiff Jorge Narez ("Plaintiff Narez"), Plaintiff Abraham Chavez ("Plaintiff Chavez") (together, "Plaintiffs"), and Defendant Hillside Foodmart, Inc. ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the case entitled *Jorge Narez, et al. v. Hillside Foodmart, Inc.*, Sacramento County Superior Court, Case No. 34-2021-00310762 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former non-exempt or hourly-paid employees who were employed by Defendant in California at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the period from November 3, 2017 through May 23, 2024.

"Class Settlement" means the settlement and resolution of all Released Class Claims (described in Section III.D below).

"PAGA Employees" means all current and former non-exempt or hourly-paid employees who were employed by Defendant in California at any time during the PAGA Period.

"PAGA Settlement" means the settlement and resolution of Released PAGA Claims (described in Section III.D below).

"PAGA Period" means the time period from May 21, 2023 through May 23, 2024.

II. BACKGROUND OF THE ACTION

On November 3, 2021, Plaintiff Narez filed a Class Action Complaint for Damages, thereby commencing a putative class action entitled *Jorge Narez v. Hillside Foodmart, Inc.* in the Superior Court of California for the County of Sacramento, Case No. 34-2021-00310762 ("Action") against Defendant for alleged violations of the California Labor Code. On May 21, 2024, Plaintiff Chavez provided notice by electronic upload to the Labor and Workforce Development Agency and written notice by certified mail to Defendant of his intent to pursue civil penalties under California Labor Code section 2698, *et seq.* ("PAGA") for Defendant's alleged violations of the California Labor Code ("PAGA Notice"). On October 6, 2025, Plaintiff Narez filed a First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* ("First Amended Complaint"), thereby adding Plaintiff Chavez as an additional plaintiff and adding a claim for civil penalties pursuant to PAGA, on behalf of the State of California in connection with Plaintiff Chavez and aggrieved employees.

Plaintiffs allege that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide compliant wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under California Labor Code section 2698, *et seq.* ("PAGA"). Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

After investigation and analysis of the claims, the Parties engaged in good faith, arms-length negotiations, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release ("Agreement," "Settlement," or "Settlement Agreement").

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed [Settlement Administrator] as the administrator of the Settlement ("Settlement Administrator"), Plaintiffs Jorge Narez and Abraham Chavez as representatives of the Class ("Class Representatives"), and the following counsel as counsel for the Class ("Class Counsel"):

Arby Aiwarzian, Esq.
Yasmin Hosseini, Esq.
Ryan Slinger, Esq.
Harris Koepenick, Esq.
Lawyers for Justice, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Employees. The Court has made no ruling on the merits of the claims asserted in the Action and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount to be paid by Defendant is \$895,000.00 (the "Maximum Settlement Amount"). The portion of the Maximum Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Maximum Settlement Amount, less the following payments which are subject to approval by the Court: (1) attorneys' fees in an amount up to 35% of the Maximum Settlement Amount (i.e., \$313,250.00 if the Maximum Settlement Amount remains \$895,000.00) and reimbursement of litigation costs and expenses in an amount up to \$30,000.00 (together, "Attorneys' Fees and Costs") to Class Counsel; (2) Enhancement Payments in an amount up to \$7,500.00 each to Plaintiffs; (3) Settlement Administration Costs in an amount up to \$15,000.00 to the Settlement Administrator; and (4) the amount of \$135,000.00 allocated toward civil penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* ("PAGA Amount"). The PAGA Amount will be distributed 75% (\$101,250.00) to the LWDA ("LWDA Payment") and the remaining 25% (i.e., \$33,750.00) will be distributed to PAGA Employees ("PAGA Employee Amount").

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks (starting with Sunday and ending on Saturday) each Class Member was employed by Defendant as a non-exempt or hourly-paid employee in California during the Class Period or PAGA Period ("Workweeks"). The Settlement Administrator has divided the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the "Estimated Workweek Value," and multiplied each Class Member's individual Workweeks during the Class Period by the Estimated Workweek Value to arrive at each Class Member's Individual Settlement Share that he or she may be eligible to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Members") will be issued payment of their final Individual Settlement Share, net of applicable taxes.

Each Individual Settlement Share will be allocated as 10% wages, which will be reported on an IRS Form W-2, and 90% penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099. Each Individual Settlement Share shall be subject to reduction for the employee's share of payroll taxes due on the wages portion of Individual Settlement Share. The employer's share of payroll taxes and contributions in connection with the wages portion of the Individual Settlement Shares ("Employer Taxes") will be paid by Defendant separately and in addition to the Maximum Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount ("Individual PAGA Payment"), based on the number of Workweeks of each PAGA Employee during the PAGA Period. The Settlement Administrator has divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks of all PAGA Employees during the PAGA Period to yield the "PAGA Workweek Value," and multiplied each PAGA Employee's individual Workweeks during the PAGA Period by the PAGA Workweek Value to

arrive at each PAGA Employee's Individual PAGA Payment that he or she may be eligible to receive under the PAGA Settlement (which is listed in Section III.C below).

Each Individual PAGA Payment will be allocated as 100% penalties, which will be reported on an IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must contact the Settlement Administrator as soon as possible and provide your corrected and/or updated mailing address to the Settlement Administrator; this will make it more likely that you will receive any payments or other notices that may be issued to you.**

B. Your Workweeks Based on Defendant's Records

According to Defendant's records:

From November 3, 2017 through May 23, 2024 (i.e., Class Period), you are credited with <<____>> Workweeks.

From May 21, 2023 through May 23, 2024 (i.e., PAGA Period), you are credited with <<____>> Workweeks.

If you wish to dispute the Workweeks credited to you, you must submit a written dispute ("Workweeks Dispute") that: (a) contains the case name and number of the Action, (b) contains the Class Member's and/or PAGA Employee's full name, signature, address, telephone number, and last four (4) digits of Social Security Number, (c) clearly states that the Class Member disputes the number of Workweeks credited to him or her during the Class Period and/or PAGA Period and what he or she contends is the correct number to be credited to him or her, (d) attaches any documentation that he or she has to support the dispute, and (e) is submitted to the Settlement Administrator by mail at the specified address listed in Section IV.B below, postmarked **no later than [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment

As explained above, your estimated Individual Settlement Share and/or Individual PAGA Payment is based on the number of Workweeks credited to you. Under the terms of the Settlement:

Your Individual Settlement Share is estimated to be \$<<____>>. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share.

Your Individual PAGA Payment is estimated to be \$<<____>>.

Payments under the Settlement will only be distributed if the Court approves the Settlement and after the Settlement goes into effect. The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiffs and all Class Members who do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released Class Claims.

Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiff Chavez, the State of California with respect to PAGA Employees, and PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released PAGA Claims pertaining to Plaintiff Chavez and the PAGA Employees.

"Released Class Claims" means all claims under state, federal, or local law, alleged in the Operative Complaint and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Operative Complaint, arising during the Class Period, for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198, (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512, (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7, (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq., (5) failure to timely pay wages upon termination under Labor Code Sec. 203, (6) failure to timely pay wages during employment under Labor Code

Sec. 204, 210, (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226, (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d), (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802, (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200, including without limitation all related claims for compensatory damages, restitution, and other equitable relief, conversion, liquidated damages, punitive damages, and penalties.

“Released PAGA Claims” means all claims for civil penalties under the Private Attorneys General Act, California Labor Code section 2698, et seq. that were alleged in the PAGA Notice and Operative Complaint or that reasonably could have been alleged based on the factual allegations in the PAGA Notice and Operative Complaint, arising during the PAGA Period, against any of the Released Parties, for violations of the California Labor Code, including inter alia sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and applicable Industrial Welfare Commission Wage Orders (including, inter alia, Nos. 4-2001 and 5-2001 for failure to pay all and overtime wages due, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to pay all minimum wages due, failure to pay all wages timely during employment, failure to pay all wages timely at the time of termination, failure to provide complete, accurate, or properly formatted wage statements, failure to maintain requisite payroll records, and failure to reimburse business expenses, including without limitation all related claims for compensatory damages, restitution, and other equitable relief, conversion, liquidated damages, punitive damages, and penalties.

“Released Parties” means Hillside Foodmart, Inc., Mi Rancho Supermercado including its two locations, Mi Rancho at 2355 Florin Rd., Sacramento, CA 95822 and Mi Rancho RC at 10669 Coloma Rd., Rancho Cordova, CA 95670, and any of their former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members or PAGA Employees as well as each of their officers, directors (Ki Jin Song and Jinny Song), managers, owners, executives, partners, executive-level employees, shareholders, agents, attorneys, and any other predecessors, successors, assigns or legal representatives.

E. Attorneys’ Fees and Litigation Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty five percent (35%) of the Maximum Settlement Amount (i.e., an amount of up to \$313,250.00 if the Maximum Settlement Amount is \$895,000.00) and reimbursement of litigation costs and expenses in an amount of up to Thirty Thousand Dollars (\$30,000.00) (together, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Maximum Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500.00) each (“Enhancement Payments”), in recognition of their services in connection with the Action and their broader individual release and waiver of claims. The Enhancement Payments will be paid from the Maximum Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to any Individual Settlement Payment and/or Individual PAGA Payment that Plaintiffs may be entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Fifteen Thousand Dollars (\$15,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, written Objections to the Class Settlement, and Workweeks Disputes, calculating and distributing payments, and preparing and issuing tax forms, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

IV. WHEN WILL SETTLEMENT PAYMENT BE DISTRIBUTED?

Within thirty (30) days after the execution of an Order by the Court approving the settlement of this matter, Defendant will make a first deposit in the amount of \$223,750.00 and the Employer Taxes, into the settlement account to be established by the Settlement Administrator (“First Installment”). Within one hundred eighty-three (183) calendar days after the execution of an Order by the Court approving the settlement of this matter, Defendant will make a second deposit in the amount of \$223,750.00 into the settlement account to be established by the Settlement Administrator (“Second Installment”). Within three hundred sixty-five (365) calendar days after the execution of an Order by the Court approving the settlement of this matter, Defendant will make a third deposit in the amount of \$223,750.00 into the settlement account to be established by the Settlement Administrator (“Third Installment”). Within five hundred forty-eight (548) calendar days after the execution of an Order by the Court approving the settlement of this matter, Defendant will make a final deposit in the amount of \$223,750.00 into the settlement account to be established by the Settlement Administrator (“Fourth Installment”). Within

seven (7) calendar days of the full funding of the Maximum Settlement Amount, the Settlement Administrator will issue payments due under the Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement Class Members, (b) Individual PAGA Payments to PAGA Employees, (c) LWDA Payment to the LWDA, (d) Enhancement Payments to Plaintiffs, (e) Attorneys' Fees and Costs to Class Counsel, and (f) Settlement Administration Costs to itself (the Settlement Administrator).

“Effective Date” means the later of (a) the last day on which any appeal might be filed with respect to the Final Approval Order and Judgment, assuming no appeal is filed, or (b) the date of successful resolution of any appeal(s) with respect to Final Approval Order and Judgment - including expiration of any time to seek reconsideration or further review.

V. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims described in Section III.D above.

If you are a PAGA Employee, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

Class Members and PAGA Employees will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless they retain their own counsel, in which event they will be responsible for their own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a written request (“Request for Exclusion”), which must: (a) contain the case name and number of the Action, (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number, (c) contain a clear written statement indicating that the Class Member seeks exclusion from the Class Settlement, and (d) be submitted by mail to the Settlement Administrator, postmarked **no later than [Response Deadline]**, at the following address:

[Settlement Administrator]
[Address]

If the Court grants final approval of the Settlement, any Class Member who submits a timely and validly Request for Exclusion will not be entitled to receive an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of Released Class Claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. All PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection to the Settlement Administrator. Alternatively, or in addition, you can present your objection orally at the Final Approval Hearing.

An objection must: (a) contain the case name and number of the Class Action, (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number, (c) contain a written statement of all grounds for the objection accompanied by any legal and factual support for such objection, (d) contain copies of any papers, briefs, or other documents upon which the objection is based, and (e) be submitted by mail to the Settlement Administrator at the address listed in Section IV.B above, postmarked **no later than [Response Deadline]**.

VI. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 8A of the Sacramento County Superior Court, located at Tani G. Cantil-Sakauye Courthouse, 500 G Street, Sacramento California 95814, on <<date>>, at <<time>>, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

The hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear through the Department's Zoom link (<https://saccourt-ca-gov.zoomgov.com/j/16108301121>) or phone number (Telephone: (833) 568- 8864 / ID: 161 0830 1121) if you wish to. Instructions are provided by the Court at: <https://www.saccourt.ca.gov/civil/complex-civil-cases.aspx>.

VII. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other imaged documents filed in the Action for a fee by visiting the Office of the Clerk of the Court, located at 720 9th Street, Sacramento, California 95814, during business hours, or online by visiting the following website: <https://services.saccourt.ca.gov/PublicCaseAccess/Civil/SearchByCaseNumber>.

If the Court grants final approval of the Settlement, the Settlement Administrator will post the Court's order granting final approval of the settlement and judgment on its website: [Settlement Administrator Website].

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.