

**NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT
APPROVAL**

Arauz v. Shaw Bakers LLC (Case No. 24-CIV-01006)

Coordinated With *Sanchez v. Shaw Bakers LLC* (Case No. 24CV065408) and *Alonzo v. Shaw Bakers LLC*
(Case No. 24CV067493)

The Superior Court for the State of California authorized this Class Notice. Read it carefully! It's not junk mail, spam, advertisement, or solicitation by an attorney. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendants Shaw Bakers LLC and Premium Brands (USA) Holdings Corp. ("Defendant") for alleged wage and hour violations. The Action was filed by Plaintiffs Ingrid Alonzo, Damaris Arauz, and Angel Lagos ("Plaintiffs"). The Action seeks payment of:

- (1) Unpaid wages for a class of all current and former hourly-paid or non-exempt employees of Defendants within the State of California at any time during the period from February 21, 2020, through February 19, 2025, who have not already provided Defendants with releases of claims asserted in this Action ("Class," "Class Members," "Class Period"); and
- (2) Penalties under the Private Attorneys General Act of 2004 ("PAGA") for all Class Members who are current and former hourly-paid or non-exempt employees of Defendants within the State of California at any time during the period from February 21, 2023, through February 19, 2025 ("Aggrieved Employees" and "PAGA Period").

The settlement has two parts: (1) Class Settlement requiring Defendant to fund Individual Class Payments; and (2) PAGA Settlement requiring Defendant to fund Individual PAGA Payments.

Based on Defendant's records, your Individual Class Payment is estimated to be <<SubClass1_Amt>> (less withholding) and your Individual PAGA Payment is estimated to be <<PAGAClass_Amt>>. The actual amount you may receive likely will be different and will depend on several factors. If no amount is stated for your Individual PAGA Payment, then according to Defendant's records, you are not eligible for an Individual PAGA Payment under the settlement because you didn't work during the PAGA Period.

The above estimates are based on Defendant's records showing that you worked <<SubClass1_Weight>> Workweeks during the Class Period and worked <<PAGAClass_Weight>> PAGA Pay Periods during the PAGA Period. If you believe that you worked more Workweeks or PAGA Pay Periods during either period, you can submit a challenge by the deadline date. See Section IV of this Class Notice.

Read this Class Notice carefully. The Court has already preliminarily approved the settlement and approved this Class Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. At the Final Approval Hearing, the Court will decide whether to finally approve the settlement and how much of the settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will decide whether to enter a judgment that requires Defendant to make payments under the settlement and for Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or PAGA Period, you have two (2) basic options under the settlement:

1. **Do Nothing.** You don't have to do anything to participate in the settlement and be eligible for an Individual Class Payment and/or Individual PAGA Payment. As a Participating Class Member, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.

2. **Opt Out of the Class Portion of the Settlement.** You can exclude yourself from the Class portion of the Settlement (opt out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the settlement, you will not receive an Individual Class Payment but will preserve your right to personally pursue Class Period wage claims against Defendant. If you are an Aggrieved Employee, you remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the settlement.

Defendant won't retaliate against you for any actions you take with respect to the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant covered by this settlement (Released Claims).
You Can Opt Out of the Class Portion of the Settlement but not the PAGA Portion of the Settlement The Opt Out Deadline is August 3, 2026	If you don't want to fully participate in the settlement, you can opt out of the Class portion of the Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and will no longer be eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the settlement. See Section VI of this Class Notice. You cannot opt out of the PAGA portion of the settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees, and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Portion of the Settlement but not the PAGA Portion of the Settlement Written Objections Must be Submitted by August 3, 2026	All Class Members who do not opt out ("Participating Class Members") can object to any aspect of the settlement. The Court's decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section VII of this Class Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on October 21, 2026. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person or by telephone. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section VIII of this Class Notice.
You Can Challenge the Calculation of Your Workweeks / PAGA Pay Periods Written Challenges Must be Submitted by August 3, 2026	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Workweeks you worked at least one (1) day during the Class Period and how many PAGA Pay Periods you worked at least one (1) day during the PAGA Period, respectively. The number of Workweeks and PAGA Pay Periods you worked according to Defendant's records is stated on the first page of this Class Notice. See Section IV of this Class Notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action accuses Defendant of violating California labor laws by failing to: (1) pay overtime wages; (2) provide meal period premiums; (3) provide rest period premiums; (4)

pay minimum wages; (5) timely pay final wages; (6) provide compliant wage statements; (7) reimburse business expenses; and (8) comply with the requirements of Business & Professions Code section 17200. Plaintiffs also asserted a claim for civil penalties under Labor Code section 2698 (PAGA). Plaintiffs are represented by attorneys of Justice Law Corporation, Melmed Law Group P.C., and Protection Law Group, LLP.

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination whether Plaintiffs or Defendant is correct on the merits. In the meantime, the Parties hired an experienced, neutral mediator to resolve the Action by negotiating a settlement to the case rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful following a full day of mediation.

By signing the Amended Class Action and PAGA Settlement Agreement (“Settlement Agreement,” “Settlement,” or “Agreement”) and agreeing to jointly ask the Court to enter a judgment concluding the Action and enforcing the Settlement Agreement, the Parties negotiated a settlement that is subject to the Final Approval. Both sides agree that the settlement is a compromise of disputed claims. Defendant does not admit any violations or concede the merit of any claims.

The Court preliminarily approved the Settlement as fair, reasonable, and adequate, authorized the mailing of this Class Notice, and scheduled a hearing to determine Final Approval.

III. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$1,750,000 as the Gross Settlement Amount. Defendant agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, Administration Expenses Payment, Individual Class Payments, Individual PAGA Payments, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”).
 - a. Assuming the Court grants Final Approval, Defendant shall fund the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator within thirty (30) days of the Effective Date. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the Administrator will mail checks to the appropriate entities and persons.
 - b. “Effective Date” means: (i) the first date after a Final Order and Judgment is entered in the Action granting Approval to the terms of this Agreement without modification (unless said modification is accepted by Defendants); **and** (ii) either of the following events has also occurred: (1) the date upon which the time to appeal the Final Order and Judgment expires with no appeal having been filed, or (2) the date upon which any such appeal of the Final Order and Judgment is successfully resolved such that, in either case, the Final Order and Judgment approving this Agreement is no longer subject to any challenge on direct appeal.
2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - a. Up to \$612,500 (35% of the Gross Settlement Amount) to Class Counsel as their Class Counsel Fees Payment and up to \$50,000 as their Class Counsel Litigation Expenses Payment. To date, Class Counsel have worked and incurred expenses on the Action without payment.

- b. Up to \$5,000 to each Plaintiff (totaling \$15,000) as their Class Representative Service Payments for filing the Action, working with Class Counsel, and effectively representing the Class. The Class Representative Service Payments will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payments and any Individual PAGA Payments.
 - c. Up to \$20,000 to the Administrator as the Administration Expenses Payment for services administering the Settlement.
 - d. Up to \$100,000 for PAGA Penalties, seventy-five percent (75%) of which (\$75,000) will be paid to the LWDA as the LWDA PAGA Payment and twenty-five percent (25%) of which (\$25,000) will be paid to the Aggrieved Employees as their Individual PAGA Payments based on their PAGA Pay Periods.
3. Net Settlement Amount Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount ("Net Settlement Amount") by making Individual Class Payments to Participating Class Members based on their Workweeks.
4. Taxes Owed on Payments to Class Members. The Parties are asking the Court to approve an allocation of twenty percent (20%) of each Individual Class Payment to taxable wages ("Wage Portion") and eighty percent (80%) to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS Form W-2. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and Non-Wage Portions of the Individual Class Payments on IRS Form 1099.
- a. While the Parties agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the settlement.
5. Need to Promptly Cash Payment Checks. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. For any Class Member whose settlement check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member. If the monies represented by your check is sent to the California Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Portion of the Settlement. You will be treated as a Participating Class Member, participating fully in the Class portion of the Settlement, unless you timely notify the Administrator in writing that you wish to opt out. Non-Participating Class Members will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.
- a. You cannot opt out of the PAGA portion of the Settlement. In other words, Non-Participating Class Members remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. Right to Object. Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.
8. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. The Parties agreed, in either case, the Settlement will be void: (a) Defendant will not pay any money; and (b) Class Members will not release any claims against Defendant.
9. Administrator. The Court has appointed a neutral company CPT Group, Inc. (“Administrator”) to send this Class Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section IX of this Class Notice.
10. Release by Participating Class Members. After Defendant has fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. The Participating Class Members will be bound by the following release:
 - a. All Participating Class Members, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or could have been alleged, relating to or arising from the allegations in the Operative Complaints and the Action. The Released Class Claims includes any and all state and local demands, rights, liabilities, claims, and/or causes of action that are alleged in the Action, or could have been alleged in the Action, relating to Defendant’s alleged: (i) failure to properly pay its hourly-paid or non-exempt employees for all hours worked; (ii) failure to compensate minimum and overtime wages; (iii) failure to provide mandated meal and rest breaks or pay wages in lieu thereof; (iv) failure to provide compliant wage statements; (v) failure to reimburse for all necessary business related costs and expenses; (vi) failure to pay wages at separation or waiting time penalties, and (vii) violations of the Labor Code including but not limited to sections 201, 202, 203, 204, 210, 218.5, 221, 226, 226.3, 226.7, 246, 432.5, 510, 512, 551, 552, 558, 1174, 1194, 1197, 1197.1, 1198, 1998, 2800, 2802, any provision of the Industrial Welfare Commission’s Wage Orders, any provision of PAGA or any provisions of California’s Unfair Competition Law. Moreover, all the federal claims that are predicated on the state counterparts shall be released and barred by virtue of res judicata in accordance with *Rangel v. PLS Check Cashers of Cal., Inc.* (9th Cir. 2018) 899 F.3d 1106. Except as set forth in Section E.3. of the Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.
11. Release by Aggrieved Employees. After Defendant has fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant even if they exclude themselves from the Settlement. The Aggrieved Employees will be bound by the following release:
 - a. All Participating and Non-Participating Class Members, who are Aggrieved Employees, shall release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all violations of

PAGA that were alleged, or could have been alleged, relating to or arising from the Operative Complaints, Action, and PAGA Notices, and which are set forth in Section E.2 of the Agreement. This Release is binding upon all Aggrieved Employees, and no Aggrieved Employee may opt out of this release.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member during the Class Period.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by: (a) dividing \$25,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.
3. Workweek / PAGA Pay Period Challenges. The number of Workweeks you worked during the Class Period and number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated on the first page of this Class Notice. You have until August 3, 2026 to challenge the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section IX of this Class Notice has the Administrator's contact information.
 - a. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or PAGA Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or PAGA Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defense Counsel. The Administrator's decision is final. You cannot appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, via first-class United States Postal Service ("USPS") mail, postage prepaid, a single check to every Participating Class Member, including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, via first-class USPS mail, postage prepaid, a single Individual PAGA Payment check to every Aggrieved Employee who is a Non-Participating Class Member.
3. **Your check will be sent to the same address as this Class Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section IX of this Class Notice has the Administrator's contact information.**

VI. HOW DO I OPT OUT OF THE CLASS PORTION OF THE SETTLEMENT?

Submit a written and signed letter with your full name, present address, email address or telephone number, and simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the

Action as *Arauz v. Shaw Bakers LLC* (Case No. 24-CIV-01006), and include your identifying information (full name, present address, and email address or telephone number). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by August 3, 2026, or it will be invalid. Section IX of the Class Notice has the Administrator's contact information.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments may wish to object. The deadline for sending written objections to the Administrator is August 3, 2026. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Arauz v. Shaw Bakers LLC* (Case No. 24-CIV-01006) and include your full name, present address, email address or telephone number, and signature. Section IX of this Class Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain an attorney to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section VIII of this Class Notice for specifics regarding the Final Approval Hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on October 21, 2026 at 2:00 p.m. in Department 28 of the San Mateo County Superior Court located at 800 North Humboldt Street, San Mateo, California 94401. At the Final Approval Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiffs, and Administrator. The Court will invite comments from objectors, Class Counsel, and Defense Counsel before deciding.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website www.cptgroupcaseinfo.com/arauszshawbakerssettlement beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

IX. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything the Parties have promised to do under the Settlement Agreement. The easiest way to read the Settlement Agreement, Judgment, or any other Settlement documents is to go to Administrator's website at www.cptgroupcaseinfo.com/arauszshawbakerssettlement. You can also telephone or send an email to Class Counsel or Administrator using the contact information listed below or consult the Court's website by going to <https://sanmateo.courts.ca.gov/online-services/online-case-access> and entering the Case No. 24-CIV-01006. You can also go to the Court in person at the address listed in Section VIII of this Class Notice and request copies of the court documents.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

Class Counsel:

Douglas Han
Shunt Tatavos-Gharajeh
Justice Law Corporation
751 North Fair Oaks Ave., Suite 101
Pasadena, California 91103
(Tel) (818) 230-7502
(Fax) (818) 230-7259
ghan@JusticeLawCorp.com
statavos@JusticeLawCorp.com

Maria Burciaga
Laura Supanich
Jonathan Melmed
Melmed Law Group P.C.
1801 Century Park East, Suite 850
Los Angeles, California 90067
mb@melmedlaw.com
lms@melmedlaw.com
jm@melmedlaw.com

Susan Huerta
Brendan J. Burton
Shadi Sahebghalam
Protection Law Group, LLP
149 Sheldon Street
El Segundo, California 90245
susan@protectionlawgroup.com
brendan@protectionlawgroup.com
shadi@protectionlawgroup.com

Administrator:

Arauz v. Shaw Bakers, LLC c/o CPT Group, Inc.
PO Box 19504 Irvine, CA 92623
Toll-Free Number: 1- 888-593-1039
Fax Number: 949-419-3446
arauzshawbakerssettlement@cptgroup.com

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund at https://www.sco.ca.gov/search_upd.html for instructions on how to retrieve the funds.

XI. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.