

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN BERNARDINO***Elizabeth Partida v. Stater Bros. Markets*

Case No. CIVDS1828290

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT.**STATER BROS. MARKETS WILL NOT RETALIATE AGAINST YOU FOR PARTICIPATING IN THIS SETTLEMENT.****THIS NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.***A California State Court authorized this notice. This is not a solicitation from a lawyer.*

YOU ARE HEREBY NOTIFIED that a proposed settlement (the “Settlement”) of the above-captioned class action lawsuit brought on behalf of hourly, non-exempt employees of Stater Bros. Markets (“Company”) in California from November 1, 2014 to February 4, 2020 (“Settlement Class”). Plaintiff Elizabeth Partida (“Plaintiff”) alleges the following claims in this lawsuit: The Company has failed to provide all required meal and rest periods; failed to pay wages timely upon termination; and failed to maintain accurate payroll records. A Settlement has been reached by the Parties and has been granted Preliminary Approval by the Court supervising the lawsuit. The Court has ordered that this Class Notice be sent to you because you may be a Settlement Class member. The purpose of this Class Notice is to inform you about the Settlement and your legal rights under the Settlement as follows:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

Get a Payment	If you want to participate in the Settlement, <u>do nothing</u> and you will automatically receive a payment check. You will give up your right to sue the Company for the legal claims in this Action. After final approval by the Court, payment will be mailed to you at the same address as this Notice. If your address changes, please notify the Settlement Administrator as explained on Page 5.
Exclude Yourself	If you do not want to participate in the Settlement, send the Request for Exclusion to the Settlement Administrator as provided on Page 4, which will remove you from the Settlement Class and the Action. You will not receive any payment. You will keep your right to sue the Company for the legal claims in this Action. The Settlement will bind all Settlement Class members who do not request exclusion.
Object	File with the Court and serve on all parties a written objection about why you do not like the Settlement, as provided on Page 5. You cannot both object and exclude yourself from the Settlement.

WHY DID YOU RECEIVE THIS NOTICE?

This Class Notice explains the proposed Settlement of a lawsuit and informs you of your legal rights under the proposed Settlement. You are receiving this Class Notice because you may be a member of the Settlement Class, which means all current and former hourly, non-exempt employees of the Company who worked at Company’s Distribution Center located in San Bernardino, California, at any time from November 1, 2014 to February 4, 2020.

WHAT IS THIS LAWSUIT ABOUT?

On November 1, 2018, Plaintiff Elizabeth Partida filed the Complaint initiating this lawsuit asserting claims on behalf of herself and on behalf of a putative class, which is now defined as “all current and former hourly, non-exempt employees of the Company who worked at Company’s Distribution Center located in San Bernardino, California, at any time from November 1, 2014 to February 4, 2020.” The lawsuit alleges that the Company did not provide all required second meal and rest breaks, failed to pay for required off the clock work, failed to pay all wages timely upon termination, and failed to maintain accurate payroll records. The lawsuit asserted claims based on Labor Code Sections 201, 202, 203, 226, 226.7, 512, 558, 1174, 1198, Wage Order 9, as well as Business and Professions Code Section 17200, *et seq.*, and the Private Attorneys General Act at Labor Code Section 2698, *et seq.* (“PAGA”). The lawsuit seeks to recover unpaid overtime wages, as well as related penalties and interest.

The Company denies any liability or wrongdoing of any kind associated with the claims alleged in the lawsuit and further denies that, for any purpose other than that of settling this lawsuit, the lawsuit is appropriate for class treatment. Defendant contends, among other things, that it complied at all times with the California Labor Code, and all other applicable laws. The Court has made no ruling and will make no ruling on the merits of the lawsuit and its allegations and claims.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did **not** decide in favor of Plaintiff or Defendant. Plaintiff thinks she would have prevailed at a trial. Defendant does not think that Plaintiff would have won anything at trial. But there was no trial. Instead, both sides agreed to a Settlement to avoid the costs, risks, and uncertainty of a trial, and the Settlement Class members will get compensation for the claims released by the Settlement. Plaintiff and her attorneys believe the Settlement is fair, reasonable and adequate and in the best interests of all Settlement Class members.

B. Who is in the Class?

The “Settlement Class” consists of all current and former hourly, non-exempt employees of the Company who worked at Company’s Distribution Center located in San Bernardino, California, at any time from November 1, 2014 to February 4, 2020.

C. What does the Settlement provide?

1. Settlement Amount.

The Net Settlement Amount will be the overall Class Settlement Amount minus Class Counsel Fees (not to exceed \$291,667), Class Counsel Expenses (up to \$15,000), Class Representative Service Award to Plaintiff (up to \$7,500), Settlement Administration Costs (not to exceed \$20,000), and the PAGA Payment (\$15,000). Should you have any questions, please call the Settlement Administrator at the number listed below.

2. Your Individual Payment Amount.

The amount of your Individual Settlement Payment will be determined based on the number of weeks when you performed work as an hourly, non-exempt employee of the Company at Company’s Distribution Center located in San Bernardino, California, at any time from November 1, 2014 to February 4, 2020. (“Eligible Workweeks”).

The Settlement Administrator will calculate Individual Settlement Payments based on the following allocation formula: (a) add all Eligible Workweeks for all Settlement Class members together to obtain the “Denominator”; (b) divide the number of Eligible Workweeks for each Settlement Class member by the Denominator to obtain each Settlement Class member’s “Payment Ratio”; and (c) multiply each Settlement Class member’s Payment Ratio by the Net Settlement Amount to determine his or her Individual Settlement Payment.

Based on the Company’s records, you have «Workweeks» Eligible Workweeks. If you disagree about your number of Eligible Workweeks, you must notify the Settlement Administrator at **1-888-992-0517** and provide any evidence supporting your challenge to the Settlement Administrator by May 29, 2020. The Settlement Administrator will ask the Company to verify its records for your number of Eligible Workweeks. The Settlement Administrator will examine any evidence that you provide and any revised information from the Company. The Settlement Administrator, in its sole discretion, will then make a determination about your number of Eligible Workweeks. The Settlement Administrator’s determination will be final.

Currently, it is estimated that that you will receive a total Individual Settlement Payment of «TotalEstAmount». Please note that this amount may change based on how much the Court awards in attorney fees’ and costs and the number of individuals who ask to be excluded from the Settlement.

3. Tax Matters.

Individual Settlement Awards shall be allocated as follows: (i) 20% as wages, subject to tax withholdings; and (ii) 80% as penalties and interest. Pursuant to applicable law, the Settlement Administrator will distribute IRS Forms W2 and 1099 (and any equivalent California forms) to Settlement Class members who do not opt-out of the Settlement reflecting the payment he or she receives under the Settlement. Tax forms will be distributed at times and in the manner required by the Internal Revenue Code.

Settlement Class members should consult with their tax advisors concerning the tax consequences of the payment they receive under the Settlement.

D. How will the lawyers and representative for the class be paid?

The lawyers representing Plaintiff and the Settlement Class will be paid from the overall Class Settlement Amount, subject to approval of the Court. The lawyers will request approval from the Court for payment of attorneys’ fees of up to 33 1/3% of the total Settlement, plus reimbursement of actual litigation costs up to \$15,000. The Court will review this request to determine if the amounts requested are fair. These payments are for services provided, and to be provided, to the Class, and to compensate the lawyers for the risk of bringing this case on a “contingent basis” where they invested time and all litigation costs with the chance of no recovery.

The lawyers will also ask the Court to approve an individual service award to Plaintiff of up to \$7,500 for her willingness to accept the risks of bringing this case as a service to the Class. The amount is also subject to Court review and approval.

E. What are you giving up to get a payment and stay in the Settlement Class?

Each member of the Settlement Class, except those that make a valid and timely Request for Exclusion, will release the Company, any parents or subsidiaries, corporations, or affiliates of the Company, and each of their owners, officers, directors, employees, attorneys, insurers, successors, predecessors, and agents (collectively, the “Released Parties”). “Released Claims” means any and all claims that are asserted in the Complaint, or that could have been asserted by Plaintiff or any Settlement Class member based on any of the factual allegations contained in the Complaint. The Released Claims shall be released as to the Released Parties

from the period beginning November 1, 2014 through February 4, 2020.

THE FINAL APPROVAL HEARING

The Court will conduct a final approval hearing regarding the Settlement (the “Final Approval Hearing”) on August 3, 2020 at 9:30 a.m. in Department S26, 247 West 3rd Street, San Bernardino, California, 92415-0210. The Court will determine: (a) whether the Settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Settlement Class members; (b) whether the Settlement Class members should be bound by the terms of the Settlement; (c) the amount of the attorneys’ fees and expenses awarded to Plaintiff’s attorneys; and (d) the amount that should be awarded to Plaintiff as a Class Representative Service Award. At the Final Approval Hearing, the Court will hear all objections as well as arguments for and against the proposed Settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or you can appear without an attorney and represent yourself.

The Final Approval Hearing may be continued to a different date without further notice to the Class. You may contact Plaintiff’s counsel, listed in this Class Notice, to inquire into the date and time of the Final Approval Hearing.

Condition of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – GET A PAYMENT**

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS AND WISH TO RECEIVE YOUR SHARE OF THE SETTLEMENT, THEN YOU DO NOT HAVE TO DO ANYTHING, AND YOU WILL AUTOMATICALLY RECEIVE A SETTLEMENT PAYMENT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.

The estimated amount of your Individual Settlement Payment is approximately «TotalEstAmount». The Individual Settlement Payment you will receive will be a full and final settlement of your released claims described above.

- **OPTION 2 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself (“opt out”) from the Settlement Class, but if you choose to do so, you will not receive any payment from the proposed Settlement. You will not be bound by a judgment in this case, and you will have the right to file your own lawsuit against the Company and to pursue your own claims in a separate suit.

You can opt out of the Settlement Class by completing and returning the enclosed Request for Exclusion form to the Settlement Administrator. To opt out, your Request for Exclusion form must: (a) be filled in and contain your name, address, telephone number, and last four digits of your Social Security number; (b) must be signed and dated by you; and (c) must be postmarked no later than May 29, 2020 and mailed to: Partida v. Stater Bros. Markets, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

• **OPTION 3 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class member, but you object to the proposed Settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed Settlement by completing and returning the enclosed Notice of Objection. The Notice of Objection must: (a) be filled in and contain your name, address, telephone number, and last four digits of your Social Security number; (b) must describe the basis for your objection; (c) must be signed and dated by you; and (d) must be postmarked no later than May 29, 2020 and mailed to: Partida v. Stater Bros. Markets, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

In order to object, you must not have submitted a Request for Exclusion. You must sign the Notice of Objection, and it must state: (1) your full name; (2) your dates of employment with the Company; (3) the last four digits of your Social Security number and/or any Employee ID number; (4) the basis for the objection; and (5) whether you intend to appear at the Final Approval Hearing. Settlement Class members who fail to make objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. Settlement Class members who submit a timely Notice of Objection will have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court. If a Settlement Class member objects to the Settlement, the Settlement Class member will remain a member of the Settlement Class and if the Court approves this Settlement, that Settlement Class member will be bound by the terms of the Settlement and Final Approval in the same way and to the same extent as a Settlement Class member who does not object.

WHAT IF YOU NEED TO CHANGE OR UPDATE MY ADDRESS?

If you move after receiving this Class Notice, if it was misaddressed, or if for any reason you want your Individual Settlement Payment or future correspondence concerning this Action to be sent to a different address, you must supply your preferred address to the Settlement Administrator at Partida v. Stater Bros. Markets, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606 as soon possible.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may request a copy of the “Joint Stipulation for Class Action Settlement and Release” from the Settlement Administrator.

PLAINTIFF’S/CLASS COUNSEL:

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ALL INQUIRIES REGARDING THIS LITIGATION SHOULD BE MADE TO THE SETTLEMENT ADMINISTRATOR at Partida v. Stater Bros. Markets, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

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