

EXHIBIT 1

SETTLEMENT AGREEMENT

The undersigned Parties hereby stipulate and agree, subject to the approval of the Court pursuant to Federal Rule of Civil Procedure 23(e), that this Action, as defined herein below, shall be settled pursuant to the terms and conditions set forth in this Settlement Agreement.

ARTICLE I -- RECITALS

1. WHEREAS, Save Mart Supermarkets LLC and Save Mart Select Retiree Health Benefit Plan (collectively, “Defendants” or “Save Mart”) are defendants in this Action;

2. WHEREAS, the named plaintiffs and putative Settlement Class Representatives in this Action are Katherine Baker, José Luna, Edgar Popke, and Denny G. Wraske, Jr.;

3. WHEREAS, the Settlement Class Representatives allege that Save Mart repeatedly represented to them and other similarly situated employees, that: (1) the Company would always provide non-union retirees with medical benefits “as good or better than” benefits provided to union retirees, and (2) non-union retiree medical benefits were guaranteed to qualified and eligible non-union retirees for the life of the retiree;

4. WHEREAS, the Settlement Class Representatives allege they relied on these misrepresentations to their detriment by working for Save Mart long enough to obtain retirement benefit eligibility, leaving or foregoing union membership, and/or retiring earlier than they otherwise would have had they known retiree benefits could be terminated;

5. WHEREAS, the Settlement Class Representatives allege that Save Mart did not properly terminate the Health Reimbursement Arrangement (“HRA”) benefit program according to the Save Mart Select Retiree Health Benefit Plan (“Plan”) requirements;

6. WHEREAS, Defendants deny those allegations in full and assert that Defendants did not make the alleged misrepresentations, the Settlement Class Representatives did not rely upon the alleged misrepresentations, the Settlement Class Representatives were not harmed by the

alleged misrepresentations, and the HRA benefit program was properly terminated pursuant to the Plan, effective June 30, 2022;

7. WHEREAS, the Parties have had a full and fair opportunity to evaluate the strengths and weaknesses of their respective positions, including through mediation, depositions, and receipt and review of substantial document productions and written discovery;

8. WHEREAS, the Parties engaged in a formal mediation process with mediator Margaret Levy beginning in November 2024;

9. NOW, THEREFORE, the Parties stipulate and agree that, in consideration of the agreements, promises, and covenants set forth in this Settlement Agreement; for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged; and subject to the approval of the Court, this Action shall be fully and finally settled and dismissed with prejudice under the following terms and conditions:

ARTICLE II -- DEFINITIONS

As used in this Settlement Agreement, the terms set forth below shall have the following meanings. The singular includes the plural and vice versa.

“Action” means the action styled *Katherine Baker, et al., v. Save Mart Supermarkets and Save Mart Select Retiree Health Benefit Plan*, Case No. 3:22-CV-04645-AMO pending in the U.S. District Court for the Northern District of California.

“Attorneys’ Fees and Litigation Expenses” means all fees and litigation expenses as described in Article IV.3.a, including for Settlement Class Counsel’s filing and prosecution of the Action, and the negotiation, execution, and administration of the Settlement.

“CAFA Notice” means the notice intended to comply with the requirements imposed by the Class Action Fairness Act, 28 U.S.C. § 1715, as described in Article IV.3.

“Class Common Fund” or “Qualified Settlement Fund” means the fund administered by the Settlement Administrator consisting of the Class Settlement Amount (plus any interest earned thereon).

“Class Settlement Amount” means U.S. \$20,545,000 for the benefit of the Class.

“Court” means the U.S. District Court for the Northern District of California.

“Defendants” means Save Mart Supermarkets LLC and Save Mart Select Retiree Health Benefit Plan.

“Dispute Fund” means, subject to Court approval, one percent (1%) of the Class Settlement Amount (\$205,450) to be reserved by the Settlement Administrator and used in the Settlement Administrator’s reasonable discretion to resolve disputes that arise from or relate to the eligibility to be a Settlement Class Member and distribution of Settlement Shares, if any, and that are raised during the time period that is 90 days from the date that the Settlement Shares are first distributed to Participating Settlement Class Members.

“Effective Date” means the first date by which all of the following events and conditions have been met or have been waived (as applicable): (a) the Court has entered a Preliminary Approval Order; (b) Defendants have not exercised their option (if any triggered) to terminate this Settlement pursuant to Section VI.6 hereof, and the option to do so has expired in accordance with the terms of this Settlement Agreement; and (c) the Court’s Final Approval Order is Final.

“Eligibility Criteria” means the criteria set forth by Save Mart in the Save Mart Select Retiree Health Benefit Plan for eligibility to participate in the Plan. To be eligible, as of March 31, 2016, an individual must: (a) either (i) be retired from Save Mart pursuant to the retirement criteria outlined in (b), (ii) be an active employee with 20 or more years of service, or (iii) be an active employee within five years of retirement pursuant to the retirement criteria set forth in (b); and (b)

for individuals hired before January 1, 2010: (i) be age 55 at retirement with 30 or more years of uninterrupted, continuous service as an employee of Save Mart, or (ii) be age 60 at retirement with at least 15 years of uninterrupted, continuous service with Save Mart, or (iii) be age 65 at retirement with at least 10 years of uninterrupted, continuous service with Save Mart; for individuals hired after January 1, 2010: be age 60 or older at retirement with at least 25 years of uninterrupted, continuous service with Save Mart. The individual must also be enrolled in the Save Mart Select Benefits Program at the time of retirement and have been enrolled for at least three full years immediately preceding the date of retirement.¹

“Escrow Account” means an interest-bearing account established and maintained by the Settlement Administrator at Citibank, N.A. wherein Defendants shall deposit the Class Settlement Amount.

“Escrow Agent” means Citibank, N.A.

“Final” means that the Final Approval Order and Final Judgment have been entered on the docket in the Action, and (a) the time to appeal from such order has expired and no appeal has been timely filed; or, (b) if such an appeal has been filed, it has been resolved finally and has resulted in an affirmance of the Final Approval Order in all material respects; or (c) the Court, following the resolution of the appeal, enters a further order or orders approving settlement on the terms set forth herein, and either the time to appeal from such further order or orders has expired and no further appeal has been taken from such order(s) or any such appeal results in affirmation of such order(s). Neither the pendency of the Court’s consideration of the Plan of Distribution, any application for Attorneys’ Fees and Litigation Expenses, or any application for Service Awards,

¹ These eligibility requirements are intended to mirror those set forth in the governing Plan document, as amended and restated. To the extent any discrepancy is discovered, the eligibility requirements set forth in the amended and restated Plan document shall control.

nor any appeals from the Court's order(s) approving those matters, nor the pendency of the implementation of the Plan of Distribution, shall in any way delay or preclude the Final Approval Order from becoming Final.

"Final Approval Hearing" means the hearing scheduled to take place after the entry of the Preliminary Approval Order, at which the Court shall, *inter alia*: (a) determine whether to grant final approval to this Settlement Agreement; (b) consider any timely objections to this Settlement and the Parties' responses to such objections; (c) rule on any application for Attorneys' Fees and Litigation Expenses; (d) rule on any application for Service Awards; and (e) determine whether or not to adopt the Plan of Distribution.

"Net Settlement Fund" means the Settlement Fund less (i) court-awarded Service Awards; (ii) court-awarded Attorneys' Fees and Litigation Expenses; (iii) the Settlement Administrator's court-awarded reasonable fees and expenses; (iv) the Dispute Fund; and (v) any taxes due on interest or income earned on the Settlement Fund while on deposit in the Escrow Account.

"Notice" means notice of this Settlement substantially in the form approved by the Court in its Preliminary Approval Order.

"Participating Settlement Class Member" means a Settlement Class Member who has not excluded themselves from the Settlement Class by submitting a timely and valid opt-out request.

"Parties" means the Settlement Class Representatives, on behalf of themselves and all Putative Class Members, and Defendants.

"Plan" means the Save Mart Select Retiree Health Benefit Plan, as amended and restated from time to time.

“Plan of Distribution” means the methodology proposed by Settlement Class Counsel, subject to Court approval, for the distribution of the Net Settlement Fund to Participating Settlement Class Members.

“Preliminary Approval Order” means the order in which the Court, *inter alia*, grants its preliminary approval of this Settlement Agreement, authorizes dissemination of Notice to the Settlement Class, including publication of the Notice and relevant settlement documents on a website, and appoints the Settlement Administrator.

“Released Parties” means (a) Defendants; (b) Defendants’ counsel, experts, consultants, contractors, and vendors; (c) Defendants’ past and present direct and indirect owners, parents, subsidiaries, and other affiliates; (d) Defendants’ successors and predecessors and their past and present direct and indirect owners, parents, subsidiaries, and other affiliates; and (e) for each of the foregoing, each of their past or present officers, directors, shareholders, owners, employees, representatives, agents, principals, partners, members, insurers, administrators, legatees, executors, heirs, estates, predecessors, successors, or assigns.

“Service Award” means, subject to Court approval, an additional amount to be paid to each Class Representative for their service to the Settlement Class in this Action.

“Settlement Administrator” means the person or entity selected by Settlement Class Counsel, subject to Court approval, to administer the settlement.

“Settlement Agreement,” “Settlement,” or “Agreement” means this Stipulation and Settlement Agreement.

“Settlement Class” means the proposed class, subject to Court approval, defined as follows: “All people who were participants in the Save Mart Select Retiree Health Benefit Plan as of June 30, 2022, all people who retired and met the Eligibility Criteria at any time on or after April 22,

2022, and all current Save Mart employees who have not yet retired but have otherwise met the Eligibility Criteria.

“Settlement Class Counsel” means the law firms of Lief Cabraser Heimann & Bernstein, LLP; Bolt, Keenley, Kim, LLP; and Matern Law Group, PC., subject to the approval of the Court.

“Settlement Class Member” means an individual who belongs to the Settlement Class.

“Settlement Class Representatives” means the putative class representatives (Katherine Baker, José Luna, Edgar Popke, and Denny G. Wraske, Jr.).

“Settlement Share” means the amount to be paid to each Participating Settlement Class Member from the Net Settlement Amount, as determined by the Plan of Distribution, less applicable deductions.

ARTICLE III -- COMMON FUND

In consideration of a full, complete, and final settlement of this Action, dismissal of the Action with prejudice, and the releases below, and subject to the Court’s approval, the Parties agree to the following relief:

Within 20 business days of the Court’s Preliminary Approval Order, Save Mart shall pay the Class Settlement Amount into the Escrow Account. If the Settlement Agreement is terminated or if an appeal of the Final Approval Order or Final Judgment results in termination of this Settlement Agreement under Article VI.5, the funds in the Class Common Fund, including any interest earned, shall be returned to Save Mart as promptly as possible, less costs incurred by the Settlement Administrator in connection with Notice.

The Settlement Administrator shall have exclusive authority to disburse funds from the Class Common Fund pursuant to the terms of this Settlement Agreement and in accordance with the orders of the Court.

In no event shall Defendants' monetary liability under this Settlement Agreement exceed the sum of the Class Settlement Amount, i.e., U.S. \$20,545,000, except for Defendants' share of taxes, if any (i.e., FICA, FUTA, SUTA, and/or Medicare) applicable to the Settlement Shares.

ARTICLE IV -- DISTRIBUTION OF THE COMMON FUND

1. Authority to Determine Amounts of and Eligibility for Settlement Shares

The Settlement Administrator has exclusive authority to determine each Participating Settlement Class Member's eligibility for a Settlement Share, and to resolve any disputes regarding the distribution of Settlement Shares. The Settlement Administrator shall also calculate the amount of each Participating Settlement Class Member's Settlement Share based on the present value of each Settlement Class Member's Health Reimbursement Account benefits as calculated by Plaintiffs' actuarial expert, and in accordance with the Plan of Distribution.

2. Plan of Distribution

Settlement Class Counsel shall propose a Plan of Distribution setting forth a proposed method of distributing the Class Common Fund to members of the Settlement Class. Settlement Class Counsel's motion for preliminary approval will include seeking Court approval for the Plan of Distribution. The Plan of Distribution shall be made known to Settlement Class Members in the Notice.

The Parties agree that any appeals from an order approving the Plan of Distribution, and any modifications or reversals of such order, shall not modify, reverse, terminate, or cancel the Settlement Agreement, increase or affect Defendants' monetary liability, affect the releases, or affect the finality of the order approving the Settlement Agreement.

3. Distribution of the Class Common Fund

a. Attorneys' Fees and Litigation Expenses

No more than twenty-one (21) days after the Notice mailing date, Settlement Class Counsel shall petition the Court for an award of Attorneys' Fees and Litigation Expenses that shall fully compensate Settlement Class Counsel for the attorneys' fees and litigation costs incurred at any time in connection with the Action. Settlement Class Counsel will be issued an IRS Form 1099 for the Attorneys' Fees and Litigation Expenses detailed in this Section and shall be solely and legally responsible for paying all applicable taxes on the payments made pursuant to this Section.

An award of Attorneys' Fees and Litigation Expenses is not a necessary term of this Settlement Agreement and is not a condition of the Settlement. The Court may consider and rule upon the fairness, reasonableness and adequacy of the Settlement independent of any consideration of Settlement Class Counsel's application for an award of Attorneys' Fees and Litigation Expenses, and any decision by the Court not to approve such application, in whole or in part, shall have no effect on the Settlement.

Defendants and their counsel agree not to oppose Settlement Class Counsel's petition for Attorneys' Fees and Litigation Expenses provided that the amount of fees sought (exclusive of litigation expenses) does not exceed one-third of the Class Settlement Amount.

Attorneys' Fees and Litigation Expenses shall be paid from the Class Common Fund by the Settlement Administrator to an account specified by Settlement Class Counsel within 10 days after entry of the Final Approval Order.

b. Service Awards

No more than twenty-one (21) days after the Notice mailing date, Settlement Class Counsel shall petition the Court, and Defendants will not oppose, Court approval for Service Awards of \$25,000 to each of the Settlement Class Representatives to be paid from the Class Common Fund

for the Settlement Class Representatives' participation in the origination, prosecution, and settlement of this case.

The Service Awards and the requirements for obtaining such payments are separate and apart from, and in addition to, the Settlement Class Representatives' Settlement Shares, and are subject to Court approval. Any Service Award approved by the Court shall be distributed to the Settlement Class Representatives within ten (10) days of the Effective Date.

The outcome of the Court's ruling on the application for Service Awards shall not terminate this Agreement or otherwise affect the Court's Final Approval ruling.

c. Distributions to Settlement Class Members

The Net Settlement Fund shall be distributed to individual Settlement Class Members according to the Plan of Distribution. Within thirty (30) days of the Effective Date, the Settlement Administrator shall mail checks to each Participating Settlement Class Member in the amount of their Settlement Share as determined by the Settlement Administrator based on the Plan of Allocation. The face of the check shall clearly state that it must be cashed within one hundred eighty (180) days from the date on the check. Sixty (60) days prior to the check expiration date, the Settlement Administrator shall: (1) provide a list to Settlement Class Counsel and to attorneys for Save Mart of all Participating Settlement Class Members who have not yet deposited their Settlement Share checks; (2) send a reminder postcard to those Participating Settlement Class Members who have not yet deposited their Settlement Share checks, and also attempt to contact them by telephone and email; and (3) take steps to determine whether the intended recipient is deceased, including by conducting a search of the Social Security Administration's Death Master File. Within three (3) business days of receipt of any undeliverable check returned by the United

States Post Office, the Settlement Administrator shall perform an address trace for the Participating Settlement Class Member in question and re-send the check if a different address is found.

If, one hundred and eighty (180) days after the initial distribution of Settlement Shares, there is a remaining balance of more than one hundred and fifty thousand dollars (\$150,000) in the Net Settlement Fund and the Dispute Fund, the remaining balances in those funds shall be combined into a single “Supplementary Share Fund,” and a second distribution will be made from the Supplementary Share Fund to those Participating Class Members who deposited their check for their initial Settlement Share (“Supplementary Shares”). The second distribution will be made in accordance with the Plan of Distribution. Checks for Supplementary Shares, if any, must also be deposited within one hundred and eighty (180) days of the date on the check. If, after all such efforts have been exhausted, there is remaining balance of funds in the Supplementary Share Fund, this amount (the “Remainder”) shall be paid to the *cy pres* recipient, the American Association of Retired Persons.

If a Settlement Class Member is deceased, it is the intention of the parties that the deceased Settlement Class Member’s Settlement Share go to his or her designated heirs. The Settlement Administrator will review the claims of any such heirs and, upon adequate proof of death (such as a death certificate) and designation as heir (such as a marriage certificate, will, or estate document), shall issue the Settlement Share to the heir. The Settlement Administrator shall have sole authority to resolve the claims of heirs.

ARTICLE V -- NOTICE AND SETTLEMENT ADMINISTRATION

1. Settlement Administrator

As part of the Preliminary Approval Order, Settlement Class Counsel shall seek the appointment of a Settlement Administrator. The Settlement Administrator shall administer the

Settlement according to the terms of this Settlement Agreement and orders of the Court. Defendants shall not have any responsibility, authority, or liability whatsoever for the selection of the Settlement Administrator, the administration of the Settlement, the Plan of Distribution, receiving and responding to any inquiries from Settlement Class Members, or disbursement of the Class Common Fund, and except for their payment of the Common Fund as set forth in Article III, Defendants shall have no liability whatsoever to any person or entity, including, but not limited to, the Settlement Class Representatives, any other Settlement Class Members, or Settlement Class Counsel in connection with the foregoing.

The Settlement Administrator shall (1) mail and email the Notice; (2) respond to questions from Settlement Class Members; (3) distribute Settlement Shares to Participating Class Members; (4) maintain a toll-free number for communications with Settlement Class Members and a dedicated website providing information about the Settlement; (5) distribute Service Awards to the Settlement Class Representatives, if any; (6) distribute amounts approved by the Court to Settlement Class Counsel as Attorneys' Fees and Litigation Costs; (7) determine the employer's share of taxes owed and remit them to the taxing authorities, file required state and federal tax returns, and take all other actions required by Article X; (8) if needed, distribute funds to the *cy pres* recipient; (9) resolve any disputes raised in connection with an individual's eligibility to participate in the Settlement as a Settlement Class Member as well as any Settlement Class Member's dispute as to the amount of their Settlement Share; and (10) perform any other duties necessary to carry out its responsibilities as described in this Agreement.

2. Notice to Class Members

In accordance with the terms of the Preliminary Approval Order to be entered by the Court, Settlement Class Counsel shall cause the Settlement Administrator to issue Notice to potential

Settlement Class Members. The form of the Notice will be submitted to the Court for approval in connection with the Motion for Preliminary Approval. The costs of Notice, including costs to enable the Settlement Administrator to begin its work, shall be paid out of the Class Common Fund.

Within five (5) days of the Preliminary Approval Order, Defendants will provide the Settlement Administrator with a list of all Settlement Class Members, including, to the extent reasonably available, the full name, Social Security number, last known home address, and last known email address and phone number. Within the same time period, Settlement Class Counsel will provide the Settlement Administrator with their list of Settlement Class Members who have provided their contact information to Class Counsel so that the Settlement Administrator may cross-reference the contact information and update it where applicable. The Settlement Administrator will maintain this data in strict confidence and will not use it for any purpose other than as authorized by this Agreement.

Within twenty-one (21) days after Defendants and Settlement Class Counsel provide the class list to the Settlement Administrator, the Settlement Administrator will mail and email Notice and a Settlement Share estimate to each Settlement Class Member. If Notices are returned with forwarding addresses, the Settlement Administrator shall re-mail the notice to the new address within three (3) business days. In the event notices are returned as undeliverable, the Settlement Administrator shall perform a standard skip trace to attempt to ascertain the current address of the person in question, and if successful, shall re-mail the notice within three (3) business days. The Settlement Administrator will also call any last known telephone number associated with such Settlement Class Members in order to obtain current addresses.

The Parties agree, and the Preliminary Approval Order shall state, that compliance with the procedures described in this Article is the best notice practicable under the circumstances and shall constitute due and sufficient notice to the Settlement Classes of the terms of the Settlement Agreement and the Final Approval Hearing, and shall satisfy the requirements of the Federal Rules of Civil Procedure, the United States Constitution, and any other applicable law.

3. CAFA Notice

Within 10 days of the filing of this Settlement Agreement and the motion for preliminary approval of the Settlement, Save Mart shall provide CAFA Notice as required under 28 U.S.C. § 1715. CAFA Notice shall be provided to the Attorney General of the United States and the Attorneys General of each state in which Putative Class Members reside. CAFA Notice shall be mailed, can be in an electronic or disc format, and shall include to the extent then available and feasible: (1) the complaint, and all amended complaints, in the Action; (2) notice of any scheduled hearings in the action; (3) a copy of the proposed Notice to Settlement Class Members; (4) this Settlement Agreement; (5) confirmation that there are no additional agreements among the Parties not reflected in the Settlement; (6) the proposed dismissal; (7) a reasonable estimate of the total number of Settlement Class Members and the number of Settlement Class Members residing in each State; and (8) any written judicial opinion relating to the materials described in items (3) through (6). Upon completion of CAFA notice, Save Mart shall file a declaration with the Court so certifying.

The Parties agree that this CAFA Notice shall be sufficient to satisfy the terms of 28 U.S.C. § 1715.

ARTICLE VI -- COURT APPROVAL OF SETTLEMENT

1. Preliminary Approval

As soon as practicable after the full execution of this Settlement Agreement, Settlement Class Counsel, acting on behalf of the Settlement Class Representatives, shall apply for entry of the Preliminary Approval Order. Save Mart will not oppose but does not endorse or approve the content of the motion for Preliminary Approval or the content of the Preliminary Approval Order. The motion must state that Save Mart denies any wrongdoing. The Preliminary Approval Order shall include provisions: (a) preliminarily approving this Settlement and finding this Settlement sufficiently fair, reasonable and adequate to allow Notice to be disseminated; (b) approving the form, content, and manner of the Notice; (c) setting a schedule for proceedings with respect to final approval of this Settlement; and (d) continuing the stay of the Action, other than such proceedings as are related to this Settlement.

2. Objections to Settlement

Any Settlement Class Member wishing to object to or to oppose the approval of (a) this Settlement Agreement, (b) the Plan of Distribution, (c) any application for Attorneys' Fees and Litigation Expenses, and/or (d) any application for Service Awards, shall file a written objection with the Settlement Administrator no more than thirty-five (35) days after the Notice mailing date.

Any written objection must include (1) the case name and number of the Action, (2) the objecting Settlement Class Member's full name, mailing address, email address, and telephone number; (3) a statement specifying whether the objector is objecting to the proposed Settlement, the Plan of Distribution, the application for Attorneys' Fees and Litigation Expenses, the application for Service Awards, or some combination of these elements of the Settlement; (4) a statement of the factual and legal reasons for the objection; (5) a list of all class actions to which the objector has previously objected; (6) the name and contact information of any and all lawyers representing, advising, or in any way assisting the objector in connection with such objection; (7)

a statement of whether either the objector or objector's lawyer intends to appear at the Final Approval Hearing; (8) copies of all documents that the objector wishes to submit in support of their position; and (9) the objector's signature. Any Class Member that fails to submit a timely written objection that meets the requirements of this Article VI.2 shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement (whether by appeal or otherwise).

The Settlement Administrator shall stamp any objection with the date it was received, and shall send copies of each objection to Settlement Class Counsel and Defendants' counsel no later than three (3) business days after receipt thereof.

Any objecting Settlement Class Member who wishes to appear at the Final Approval Hearing must file with the Clerk of the Court a statement that they intend to appear no later than twenty-one (21) days prior to the Final Approval Hearing. The notice of intention to appear must include copies of the objection and any documents that the objector wishes to present to the Court at the Final Approval Hearing. Any objecting Settlement Class Member who does not provide a valid and timely notice of intention to appear consistent with these requirements may be barred from being heard at the Final Approval Hearing, subject to the Court's discretion. A lawyer representing an objector must file a Notice of Appearance with the Court no later than twenty-one (21) days prior to the Final Approval Hearing and must also serve copies of the Notice of Appearance and any documents that the objector proposes to present to the Court by email to Settlement Class Counsel and Defendants' counsel.

3. Requests for Exclusion

A Settlement Class Member may request exclusion from the Settlement by mailing or emailing to the Settlement Administrator a written statement to that effect ("Opt-Out Statement").

To be valid, the Opt-Out Statement must contain the full name, address, and telephone number of the Settlement Class Member who seeks to opt out and must be physically signed by the Settlement Class Member. The Opt-Out Statement should include the statement: “I elect to exclude myself from the Settlement in the *Baker v. Save Mart* class action. I understand that I will not be entitled to any money under the Settlement.” To be timely, the Opt-Out Statement must be received within thirty-five (35) days of the date the Settlement Administrator mails the Notice. No request for exclusion may be made on behalf of a group of Settlement Class Members.

Participating Settlement Class Members will be bound by all terms of the Settlement Agreement if the Settlement is granted Final Approval. A Settlement Class Member who submits a timely and valid Opt-Out Statement shall not be a Participating Settlement Class Member, shall not receive any Settlement Share, and may not object to the Settlement. If a Settlement Class Member submits both an Opt-Out Statement and a Notice of Objection, then the Opt-Out Statement will control and will invalidate the Notice of Objection.

The Settlement Administrator shall stamp on any original Opt-Out Statement that it receives the date it was received, and shall serve copies of each Opt-Out Statement on Settlement Class Counsel and Defendants’ Counsel by email no later than three (3) business days after receipt thereof.

Within five (5) days after the objection and opt-out deadline, the Settlement Administrator shall send to Settlement Class Counsel and Defendants’ Counsel a final list of all objections and Opt-Out Statements received by the Settlement Administrator. The Settlement Administrator shall promptly advise Class Counsel and Defendants’ Counsel of any objection or Opt-Out Statements that are not timely received.

At least ten (10) business days prior to the Final Approval Hearing, the Settlement Administrator will provide to Settlement Class Counsel a signed declaration (i) describing the Settlement Administrator's diligent efforts to provide the Notice to Settlement Class Members and identifying the number (but not the name) of Settlement Class Members for whom the Settlement Administrator was unable to deliver a Notice; (ii) identifying the number of objections and of Opt-Out Statements received by the Settlement Administrator; (iii) attaching true and correct copies of all such objections and Opt-Out Statements; and (iv) detailing its costs of administration incurred to date, and estimated costs to complete its Settlement administration duties as set forth in this Agreement. Settlement Class Counsel will file the declaration with the Court at least seven (7) days prior to the Final Approval Hearing.

4. Motion for Final Approval and Response to Objections

The Settlement Class Representatives, acting through Settlement Class Counsel, will file with the Court their motion for final settlement approval on a date that is no later than twenty-one (21) days before the date of the Final Approval Hearing. The Settlement Class Representatives, acting through Settlement Class Counsel, will file with the Court a supplemental brief in support of final approval that responds to any objections no later than seven (7) days before the date of the Final Approval Hearing. Save Mart will not oppose but does not endorse or approve the content of the motion for final approval.

5. Final Approval Hearing

The Parties shall request that the Court, on the date set forth in the Preliminary Approval Order or on such other date that the Court may set, conduct a Final Approval Hearing to, *inter alia*: (a) determine whether to grant final approval to this Settlement Agreement; (b) consider any timely objections to this Settlement and the responses to such objections; (c) rule on any application for

Attorneys' Fees and Litigation Expenses; (d) rule on any application for Service Awards; and (e) determine whether or not to adopt the Plan of Distribution. At the Final Approval Hearing, the Settlement Class Representatives, acting through Settlement Class Counsel, shall ask the Court to give final approval to this Settlement Agreement. If the Court grants final approval to this Settlement Agreement, the Settlement Class Representatives, acting through Settlement Class Counsel, shall ask the Court to enter a Final Approval Order, which, *inter alia*, approves this Settlement Agreement, authorizes entry of a final judgment, and dismisses Plaintiffs' Second Amended Class Action Complaint with prejudice. Save Mart does not endorse or approve the content of the proposed Final Approval Order. The Settlement Class Representatives, acting through Settlement Class Counsel, also shall ask the Court to enter a Final Judgment separately from the Final Approval Order.

6. Disapproval, Cancellation, Termination, or Nullification of Settlement

Each party shall have the right to terminate this Settlement Agreement if either (i) the Court denies preliminary approval or final approval of this Settlement Agreement; or (ii) the Final Approval Order does not become Final by reason of a higher court reversing final approval by the Court, and the Court thereafter declines to enter a further order or orders approving Settlement on the terms set forth herein. If a Party elects to terminate this Agreement under this paragraph, that Party must provide written notice to the other Parties' counsel within fifteen (15) days of the occurrence of the condition permitting termination. However, a Party may elect to terminate this Settlement Agreement under this paragraph only after it uses its best efforts in good faith to resolve the issue(s) that are the subject of the reason for disapproval of the Settlement.

In addition, in the event that there are opt-outs that exceed in number five percent (5%) or more of the total number of Settlement Class Members, Save Mart shall have the right, in its sole

and absolute discretion, within ten (10) calendar days after the opt-out deadline set by the Court, to notify Settlement Class Counsel in writing that Save Mart has elected to terminate this Settlement Agreement and withdraw from the Settlement.

If this Settlement Agreement is terminated pursuant to its terms, then: (i) this Settlement Agreement shall be rendered null and void; (ii) this Settlement Agreement and all negotiations and proceedings relating hereto shall be of no force or effect, and without prejudice to the rights of the Parties; (iii) all Parties shall be deemed to have reverted to their respective status in the Action as of the date and time immediately preceding the execution of this Settlement Agreement; and (iv) except as otherwise expressly provided, the Parties shall stand in the same position and shall proceed in all respects as if this Settlement Agreement and any related orders had never been executed, entered into, or filed, and specifically reserve their rights, in the event the Settlement Agreement is terminated, to make all arguments regarding class certification that were available at the time immediately preceding the execution of this Settlement Agreement.

ARTICLE VII -- RELEASES UPON EFFECTIVE DATE

1. Binding and Exclusive Nature of Settlement Agreement

On the Effective Date, the Parties and each and every Participating Settlement Class Member shall be bound by this Settlement Agreement and shall have recourse exclusively to the benefits, rights, and remedies provided hereunder. No other action, demand, suit, or other claim of any kind or nature whatsoever may be pursued by Settlement Class Representatives or Participating Settlement Class Members against any Released Parties for any of the Released Claims.

2. Released Claims

On the Effective Date, Settlement Class Representatives and Settlement Class Members shall be deemed to have, and by operation of this Agreement shall have, fully, finally, and forever released, relinquished, and discharged the Released Parties from any and all claims of any kind or nature whatsoever for any losses, damages, or relief of any kind or nature whatsoever, including without limitation any equitable relief, relating to or arising out of the terminability, duration, or quality of Plan benefits, or any allegations contained in the complaint and all amended complaints in this Action. For the avoidance of doubt, this includes without limitation any allegation that Save Mart or its affiliates, agents, employees, or vendors misrepresented the terms of the Plan, promised retiree medical benefits not provided by the Plan, or improperly terminated the Plan, a Plan benefit, or a Plan benefit program, and any related claims for breach of fiduciary duty under ERISA, claims for benefits due under the terms of the Plan, and/or claims for equitable relief to enforce the terms of the Plan.

3. Waiver of Unknown Claims

On the Effective Date, Settlement Class Representatives and Settlement Class Members shall be deemed to have, and by operation of this Agreement shall have, with respect to the subject matter of the Action, expressly waived the benefits of any statutory provisions or common law rule that provides, in substance or effect, that a general release does not extend to claims which the party does not know or suspect to exist in its favor at the time of executing the release, which if known by it, would have materially affected its settlement with any other party. In particular, but without limitation, Settlement Class Representatives and Settlement Class Members waive the provisions of California Civil Code § 1542 (or any like or similar statute or common law doctrine), and do so understanding the significance of that waiver. Section 1542 provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS
THAT THE CREDITOR OR RELEASING PARTY DOES**

NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

4. Assumption of Risk

In entering into this Settlement Agreement, each of the Parties assumes the risk of any mistake of fact or law. If either Party should later discover that any fact which the Party relied upon in entering into this Agreement is not true, or that the Party's understanding of the facts or law was incorrect, the Party shall not be entitled to modify, reform, or set aside this Settlement Agreement, in whole or in part, by reason thereof.

ARTICLE VIII -- TAX TREATMENT

The Settlement Fund shall be established as a Qualified Settlement Fund within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treasury Regulation § 1.468B-1, *et seq.*, and shall be administered by the Settlement Administrator under the Court's supervision. Defendants shall hereby be deemed to have made an election under Section 468B of the Revenue Code to have the Fund treated as a "Qualified Settlement Fund." Defendants shall timely furnish statements to the Settlement Administrator that comply with Treasury Regulation § 1.468B-3(e) and shall attach a copy of the statements to their federal income tax return that are filed for the taxable year in which Defendants make the required payment(s) to the Settlement Fund. The Parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment.

The Parties recognize that the Settlement Shares and the Service Awards will be subject to applicable tax withholding and reporting. The Settlement Administrator shall be responsible for withholding, remitting, and reporting each Participating Settlement Class Member's share of the

payroll taxes from the Net Settlement Fund, and Defendants shall be responsible for the employers' share of payroll taxes as set forth in this Section.

All Settlement Shares and, if applicable, all Supplementary Shares, will be allocated as follows: (i) two-thirds of each Settlement Share (the "Benefits Portion") is intended to settle each Participating Settlement Class Member's claims for benefits owed, and in accordance with applicable IRS guidance will be reduced by payroll tax withholding and deductions, and the Settlement Administrator will issue to the Participating Settlement Class Member a Form W-2 with respect to the Benefits Portion; (ii) one-third of each Settlement Share (the "Interest Portion") is intended to settle the interest portion of each Participating Settlement Class Member's claims. Accordingly, the Interest Portion will not be reduced by payroll tax withholding and deductions, and the Settlement Administrator will issue to the Participating Settlement Class Member a Form 1099 with respect to the Interest Portion.

The Benefits Portion of each Settlement Share shall be made net of all applicable employment taxes, including, without limitation, federal, state, and local income tax withholding and the employee share of the FICA tax, and shall be reported to the Internal Revenue Service ("IRS") and the payee under the payee's name and social security number on an IRS Form W-2. All standard employee payroll deductions will be made for state and federal withholding taxes, including any other applicable payroll deductions owed by the Participating Settlement Class Members as a result of the Benefits Portion, resulting in a net wage portion. The Settlement Administrator will issue a separate check and IRS Form 1099 for the Interest Portion. Any Service Awards made pursuant to Section X.C.1 shall be made without withholding and reported to the IRS and the payee under the payee's name and social security number on an IRS Form 1099.

The Settlement Administrator shall inform Defendants in writing of the employers' share of all taxes or contributions required to be paid by Defendants. Defendants will have five (5) business days to challenge the Settlement Administrator's calculation. If Defendants dispute the Settlement Administrator's calculation, Defendants and the Settlement Administrator will engage in good faith to resolve their disagreement within five (5) business days. If Defendants are in agreement with the Settlement Administrator's calculation, they shall, within twenty (20) business days of such initial notice by the Settlement Administrator regarding taxes and contributions owed, remit all such monies to the Settlement Administrator ("Employer Payroll Tax Payment"). The Settlement Administrator shall be solely responsible for the timely reporting and remitting of the Employer Payroll Tax Payment to the appropriate taxing authorities.

Except with respect to the Employer Payroll Tax Payment, the Settlement Administrator shall be responsible for satisfying from the Settlement Fund any and all federal, state, and local employment and withholding taxes, including, without limitation, federal and state income tax withholding, FICA, FUTA, SUTA, Medicare, and any state employment taxes. The Settlement Administrator shall satisfy all federal, state, local, and other reporting requirements (including any applicable reporting with respect to attorneys' fees and other costs subject to reporting), and any and all taxes, penalties, and other obligations with respect to the payments or distributions from the Settlement Fund not otherwise addressed herein. The Parties hereto agree to cooperate with the Settlement Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions set forth in this paragraph.

ARTICLE IX -- – LIMITATIONS ON USE OF SETTLEMENT AGREEMENT

1. No Admission

This Settlement reflects a compromise of disputed claims and defenses, and neither the acceptance by Defendants of the terms of this Settlement Agreement nor any of the related negotiations or proceedings constitutes an admission with respect to the merits of the claims and defenses alleged in this Action, the validity (or lack thereof) of any claims that could have been asserted by any of the Settlement Class Members in the Action, or the liability of Defendants in the Action. Defendants specifically deny any liability or wrongdoing of any kind associated with the claims alleged in the Action.

2. Limitations on Use

This Agreement shall not be used, offered, or received into evidence in the Action, or in any other action or proceeding, for any purpose other than to enforce, to construe, or to finalize the terms of the Settlement Agreement and/or to obtain the preliminary and final approval by the Court of the terms of the Settlement Agreement, provided, however, that this Agreement may be used as Defendants see fit in any action, proceeding, or communications involving their insurance providers, and nothing in or relating to this Agreement shall be construed as limiting in any respect any rights or claims that any Defendants may have with respect to any insurance or insurance providers.

ARTICLE X -- – MISCELLANEOUS PROVISIONS

1. Cooperation

The Parties and their counsel agree to support approval of this Settlement by the Court and to take all reasonable and lawful actions necessary to obtain such approval.

2. No Assignment

Each party represents, covenants, and warrants that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber any portion of any liability, claim, demand, cause of action, or rights that they herein release.

3. Binding on Assigns

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, successors, and assigns.

4. Captions

Titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.

5. Effect of Release on Settlement Class Members

The Notice will advise all Settlement Class Members of the binding nature of the Release and of the remainder of this Agreement, and entry of the Final Approval Order shall have the same force and effect as if each Settlement Class Member executed this Agreement.

6. Construction

The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms-length negotiations between the Parties, and that this Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party, or their counsel, participated in the drafting of this Agreement.

7. Counterparts

This Agreement and any amendments hereto may be executed in one or more counterparts, and either Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and each of which counterparts taken together shall constitute

but one and the same instrument. A facsimile, verified electronic signature (such as DocuSign), or PDF signature shall be deemed an original for all purposes.

8. Governing Law

Construction and interpretation of this Settlement Agreement shall be determined in accordance with ERISA, to the extent applicable, and otherwise in accordance with California law, without regard to the choice-of-law principles thereof.

9. Integration Clause

This Agreement contains the entire understanding of the Parties with respect to the subject matter contained herein. There are no promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth in this Agreement. This Agreement supersedes all prior agreements and understandings among the Parties with respect to the settlement of the Action. This Agreement may not be changed, altered, or modified, except in a writing signed by the Parties; if any such change, alteration, or modification of the Agreement is material, it must also be approved by the Court. This Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

10. Jurisdiction

The Court shall retain jurisdiction, after entry of the Final Approval Order, with respect to enforcement of the terms of this Settlement, and all Parties and Settlement Class Members submit to the exclusive jurisdiction of the Court with respect to the enforcement of this Settlement and any dispute with respect thereto.

11. No Collateral Attack

This Agreement shall not be subject to collateral attack by any Settlement Class Member at any time on or after the Effective Date. Such prohibited collateral attacks shall include, but shall not be limited to, claims that the payment to a Settlement Class Member was improperly calculated or that a Settlement Class Member failed to receive timely notice of the Settlement Agreement.

12. Parties' Authority

The signatories hereto represent that they are fully authorized to enter into this Agreement and bind the Parties to the terms and conditions hereof.

13. Receipt of Advice of Counsel

The Parties acknowledge, agree, and specifically warrant to each other that they have read this Settlement Agreement, have received legal advice with respect to the advisability of entering into this Settlement, and fully understand its legal effect.

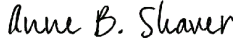
14. Waiver of Compliance

Any failure of any Party to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement on the dates set forth below:

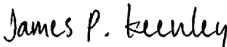
Docusign Envelope ID: 30CBB19B-47B1-47CA-932C-ADAC5BD48A5F

Dated: April 18, 2025

Signed by:

/s/ 7679DA1E251A41A...
Anne B. Shaver

Anne B. Shaver (CA Bar No. 255928)
Michelle A. Lamy (CA Bar No. 308174)
Benjamin A. Trouvais (CA Bar No. 353034)
LIEFF CABRASER HEIMANN & BERNSTEIN LLP
275 Battery St., 29th Floor
San Francisco, CA 94111
Phone: (415) 956-1000
Fax: (415) 956-1008

Dated: April 18, 2025

Signed by:

/s/ 9810A931EBB47A...
James P. Keenley

James P. Keenley (CA Bar No. 253106)
Emily A. Bolt (CA Bar No. 253109)
BOLT KEENLEY KIM LLP
2855 Telegraph Ave., Suite 517
Berkeley, CA 94705
Phone: (510) 225-0696
Fax: (510) 225-1095

Dated: April 21, 2025

Signed by:

/s/ 71E6FE4184EA42D...
Mikael H. Stahle

Matthew J. Matern (CA Bar No. 159798)
Mikael H. Stahle (CA Bar No. 182599)
MATERN LAW GROUP, PC
1230 Rosecrans Ave., Suite 200
Manhattan Beach, CA 90266
Phone: (310) 531-1900
Fax: (310) 531-1901

**ON BEHALF OF NAMED PLAINTIFFS AND THE
SETTLEMENT CLASS**

Docusign Envelope ID: 30CBB19B-47B1-47CA-932C-ADAC5BD48A5F

Dated: April 18, 2025

DocuSigned by:
Shayne Henry
B0E132DD7BFD40B...

/s/

Christopher W. Keegan (SBN 232045)

Shayne Henry (SBN 300188)

KIRKLAND & ELLIS LLP

555 California Street

San Francisco, CA 94104

Tel: 415-439-1400

Fax: 415-439-1500

chris.keegan@kirkland.com

shayne.henry@kirkland.com

**ON BEHALF OF DEFENDANTS SAVE MART
SUPERMARKETS AND SAVE MART SELECT
RETIREE HEALTH BENEFIT PLAN**

EXHIBIT 2



United States District Court

Baker, et al. v. Save Mart Supermarkets, et al.

Case No. 3:22-cv-4645

Class Action Notice

Authorized by the U.S. District Court for the Northern District of California

Are you a non-union Save Mart retiree and/or formerly eligible to enroll in Save Mart retiree medical benefits upon retirement?

Because of a proposed settlement of a lawsuit, you may be entitled to money.

To be part of this settlement, you should:

Read this notice.

Important things to know:

- If you take no action, you will be part of the settlement and receive a payment, be bound by the terms of the settlement, and your rights will be affected.
- If you want to opt out or object, you must do so by [date].
- You can learn more at: [website].

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About This Notice

Why did I get this notice?

A proposed settlement has been reached in a class action lawsuit, *Baker, et al. v. Save Mart Supermarkets, et al.*, against Save Mart Supermarkets LLC and the Save Mart Select Retiree Health Benefit Plan (collectively, “Defendants” or “Save Mart”). This settlement covers non-union Save Mart retirees who were enrolled in the Save Mart Select Retiree Health Benefit Plan (the “Plan”), people who retired after the Plan was terminated and met the eligibility criteria of the Plan, and current non-union employees who have not yet retired but otherwise met the eligibility criteria of the Plan.

Save Mart’s records show that you either received retiree medical benefits under the Plan, retired after April 22, 2022 and met the eligibility criteria for the Plan, or are an active Save Mart employee and meet the eligibility criteria for the Plan other than retirement. This settlement may affect your legal rights and may entitle you to money.

What do I do next?

Read this notice to understand the settlement and to determine if you are a class member. Then, decide if you want to:

Do Nothing	Stay part of the settlement, receive payment, and give up your right to bring your own lawsuit against Save Mart about the same issues.
Opt Out	Get no payment, and retain the right to bring your own lawsuit against Save Mart about the same issues.
Object	Tell the Court why you don’t like the settlement.

Read on to understand the specifics of the settlement and what each choice means for you.

What are the most important dates?

Your deadline to object or opt out: **[date]**
Settlement approval hearing: **[date]**

Learning About the Lawsuit

What is this lawsuit about?

In 2022, Save Mart terminated the Plan, which provided medical benefits to non-union retirees. Four Save Mart retirees (called “Plaintiffs”) filed a proposed class action lawsuit in 2022 claiming that Save Mart misrepresented that non-union retiree medical benefits would last for the life of the retiree. Plaintiffs also claimed that Save Mart improperly terminated its non-union retiree medical benefits, in violation of federal law.

Save Mart denies the allegations in the lawsuit and denies that it did anything wrong.

Where can I learn more?

You can get a complete copy of the proposed settlement and other key documents in this lawsuit at:

[website]

Why is there a settlement in this lawsuit?

Earlier this year, the parties agreed to settle, which means they have reached an agreement to resolve the lawsuit. Both sides want to avoid the risk and expense of further litigation.

The settlement is on behalf of Plaintiffs who brought the case and all members of the Settlement Class (as defined below).

What is a class action settlement?

A class action settlement is an agreement between the parties to resolve and end the case. Settlements can provide money to class members and changes to the practices that caused the harm.

What happens next in this lawsuit?

On [date], the Court preliminarily approved the settlement and authorized this notice to be sent to you. Next, the Court will hold a “Final Approval Hearing” to decide whether to give final approval to the settlement. The Final Approval Hearing will be held at:

Where: Phillip Burton Federal Building and United States Courthouse, 450 Golden Gate Avenue, Courtroom 10, San Francisco, CA 94102

When: [time] on [date]

The settlement terms will go into effect and payments will be made only if the Court approves the settlement following the Final Approval Hearing.

At the Final Approval Hearing, the Court will also decide whether to approve Plaintiffs’ request for: (1) attorneys’ fees and reimbursement of

litigation expenses; and (2) “Service Awards” for the four named Plaintiffs who brought this case.

You don’t have to attend the Final Approval Hearing to participate in the proposed settlement, but you may attend (at your own expense). You may also ask the Court for permission to speak and express your opinion about the settlement. If the Court does not give final approval of the proposed settlement or the parties decide to end the proposed settlement, you will not receive a settlement payment, the settlement will not become effective, and the lawsuit will continue.

The date of the Final Approval Hearing may change without further notice to members of the Settlement Class. To learn more and confirm the hearing date, go to [website] or visit the Court’s PACER website at <https://ecf.cand.uscourts.gov/>.

Learning About the Settlement

What does the settlement provide?

Save Mart has agreed to pay \$20,545,000 into a settlement fund. This money will be divided among the Settlement Class members who do not opt out of the settlement, and will also be used to pay for costs and fees approved by the Court, including the cost of administering this settlement, and to pay “Service Awards” for the Plaintiffs who brought the case (as discussed below). Members of the Settlement Class will “release” their claims as part of the settlement, which means they cannot sue Save Mart for the same issues in this lawsuit. The full terms of the release can be found [here].

Because a portion of this settlement is considered wages under Federal law, two-thirds of your settlement share will be subject to tax withholdings. The settlement check you receive will account for these tax withholdings.

How do I know if I am part of this settlement?

The Court has been asked to approve the following “Settlement Class”:

“All people who were participants in the Save Mart Select Retiree Health Benefit Plan as of June 30, 2022, all people who retired and met the Plan’s Eligibility Criteria at any time on or after April 22, 2022, and all current Save Mart employees who have not yet retired but have otherwise met the Plan’s Eligibility Criteria.”

If the Court approves the Settlement Class and you are a member of the Settlement Class, then you are a part of this settlement.

If you are unsure of whether you are part of this settlement, contact the Settlement Administrator at [phone number].

How much will my payment be?

Your payment amount will depend on several factors:

- Your date of retirement. If you have not yet retired, your estimated date of retirement as determined using standard actuarial methods.
- The life expectancy for someone with your basic demographic data.
- Whether you received spousal benefits under the Plan.
- The amount of money in your HRA account, if any, when the Plan was terminated.

Plaintiffs retained an actuary to use the above factors to calculate the value of each class member's Health Reimbursement Account ("HRA") benefits over the course of their expected lifetime if paid out as a lump sum in present-day dollars. Each class member's payment will reflect their percentage contribution toward the total HRA benefit present value for the entire class, multiplied by the Net Settlement Fund.

Based on these calculations, your potential settlement payment if the Court approves the settlement is approximately \$[x]. This amount may change depending on factors that are not yet known such as the final total number of class members after the period to opt out has passed.

You can find a more detailed explanation of settlement payment calculations by reviewing the "Plan of Distribution" at [website].

Legal Representation

Do I have an attorney in this lawsuit?

In a class action, the court appoints class representatives and attorneys to work on the case and represent the interests of all the class members. For this settlement, the Court has appointed the following individuals (called "Class Representatives" or "Named Plaintiffs") and attorneys (called "Class Counsel").

Class Representatives:

Katherine Baker, José Luna, Edgar Popke, and Denny G. Wraske, Jr.

Class Counsel:

Anne B. Shaver
Michelle A. Lamy
Benjamin A. Trouvais
Lieff Cabraser Heimann & Bernstein, LLP
275 Battery Street, 29th Floor
San Francisco, CA 94111
Telephone: (415) 956-1000
Email: ekeenley@lchb.com

James P. Keenley
Emily A. Bolt
Bolt Keenley Kim LLP
2855 Telegraph Ave., Suite 517
Berkeley, CA 94705
Telephone: (510) 225-0696
Email: info@bkkllp.com

Matthew J. Matern
Mikael H. Stahle
Matern Law Group, PC
1230 Rosecrans Ave., Suite 200
Manhattan Beach, CA 90266
Telephone: (310) 531-1900
Email: [add]

Class Counsel are the attorneys who negotiated this settlement on your behalf.

If you want to be represented by your own attorney, you may hire one at your own expense.

Do I have to pay the attorneys in this lawsuit?

Attorneys' fees and costs, as approved by the Court, will be paid from the Settlement Fund. **You will not have to pay the attorneys directly.**

To date, your attorneys have not been paid any money for their work on this case and have not been reimbursed for any litigation expenses that they have advanced for the class action. To pay for their time, and the risk involved in bringing this case without any guarantee of payment unless they were successful, your attorneys will request, as part of the final approval of this settlement, that the Court approve a payment of up to 30% of the settlement amount in attorneys' fees, plus the reimbursement of out-of-pocket litigation expenses that the attorneys already paid for the class action up to [amount].

Attorneys' fees and expenses will only be awarded if approved by the Court as a fair and reasonable amount. You have the right to object to the attorneys' fees even if you think the settlement terms are fair.

Your attorneys will also ask the Court to approve a payment of \$25,000 to each Class Representative for the time and effort they contributed to the case (called a "Service Award"). The Class Representatives spent substantial time assisting the lawyers in bringing the case, including by locating witnesses, producing evidence, testifying at a deposition, and actively representing the interests of the Class during the course of settlement negotiations. If approved by the Court, these Service Awards will be paid from the Settlement Fund.

Deciding What to Do

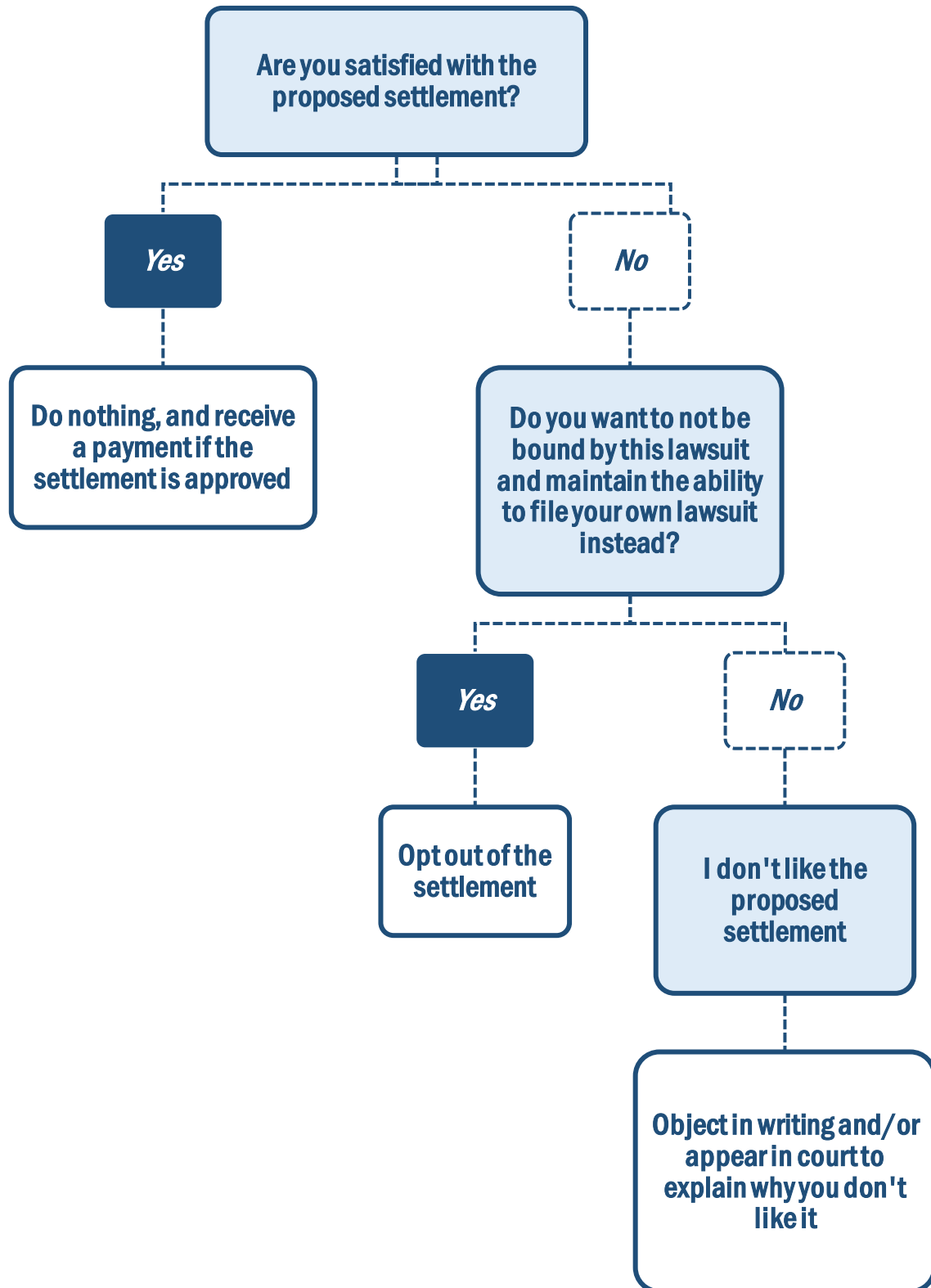
How do I weigh my options?

You have three options. You can do nothing and be part of the settlement, you can opt out of the settlement, and you can object to the settlement. This chart shows the effects of each option:

	Opt out	Object	Do Nothing
Can I receive settlement money if I . . .	NO	YES	YES
Am I bound by the terms of this lawsuit if I . . .	NO	YES	YES
Can I pursue my own case if I . . .	YES	NO	NO
Will class counsel represent me if I . . .	NO	NO	YES

Note that you cannot opt out of the settlement and also object to it. Only participating Settlement Class Members have the right to file an objection.

What is the best path for me?



Doing Nothing

What happens if I do nothing?

If you do nothing, if the Court approves the settlement then you will receive a share of the settlement, and will be bound by the settlement and its “release” provisions. That means you won’t be able to start, continue, or be part of any other lawsuit against Save Mart about the issues in this case. A full description of the claims and persons who will be released if this settlement is approved can be found at [\[website\]](#).

Opting Out

What if I don't want to be part of this settlement?

If you do not wish to participate in the settlement, you can “opt out” by excluding yourself. If you opt out, you will not receive payment and cannot object to the settlement. However, you will not be bound or affected by anything that happens in this lawsuit and may be able to file your own case if you wish, but Class Counsel will not represent you in any such action. There may be tight deadlines, sometimes called Statutes of Limitations, that apply to your claims, and so if you wish to file your own lawsuit, you should act swiftly or you may lose the right to do so.

How do I opt out?

To opt out and exclude yourself from the settlement, you must mail a written document called an “Opt-Out Statement” by [\[date\]](#) to the Settlement Administrator at:

CPT Group, Inc.
50 Corporate Park
Irving, CA 92606
(877) 705-5021

Be sure to include the following information in your Opt-Out Statement:

1. The case name and number (*Baker, et al. v. Save Mart Supermarkets, et al.*, Case No. 3:22-cv-4645);
2. Your full name, mailing address, email address (if you have one), and telephone number;
3. A statement that: “I elect to exclude myself from the Settlement in

the *Baker v. Save Mart* class action. I understand that I will not be entitled to any money under the Settlement.” and

4. Your physical signature.

Objecting

What if I disagree with the settlement?

If you disagree with any part of the settlement but don't want to opt out, you may object. The Court will consider your views. The Court can only approve or deny the settlement — it cannot change the terms of the settlement. You may, but don't need to, hire your own lawyer to help you. If you file a timely objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own lawyer. If you hire your own lawyer to help you with your objection, or if you appear at the Final Approval Hearing through your own lawyer, you are responsible for hiring and paying that lawyer.

To object, you must send a letter to the Settlement Administrator and the Court that:

- (1) is postmarked by [date];
- (2) includes the case name and number (*Baker, et al. v. Save Mart Supermarkets, et al.*, Case No. 3:22-cv-4645);
- (3) includes your full name, mailing address, email address (if you have one), and telephone number;
- (4) states the reasons for your objection, including what aspect of the settlement you are objecting to;
- (5) lists all class actions to which you have previously objected;
- (6) identifies the name and contact information of any and all lawyers representing, advising, or in any way assisting your objection;
- (7) says whether either you or your lawyer intend to appear at the final approval hearing;
- (8) attaches copies of all documents that you wish to submit in support of your objection; and
- (9) includes your physical signature.

Mail the letter to:

CPT Group, Inc.
50 Corporate Park
Irving, CA 92606
(877) 705-5021

U.S. District Court for the Northern
District of California
Philip Burton Federal Building and
United States Courthouse
450 Golden Gate Ave., Box 36060
San Francisco, CA 94102

Please note that if you object and the settlement is approved by the Court,

you will be barred from bringing your own individual lawsuit for the claims covered by this settlement. You will also be bound by the final judgment and release and all orders entered by the Court.

If you fail to timely object to the settlement or to comply with the requirements for submitting an objection, you will waive your right to object to the settlement.

You will not be entitled to speak to the Court at the Final Approval Hearing unless you follow the proper procedures for submitting an objection, as described above, and also file with the Clerk of Court a statement that you intend to appear at the Hearing no later than twenty-one days before the Final Approval Hearing.

Key Resources

How do I get more information?

This notice is a summary of the proposed settlement. The complete settlement with all its terms can be found at [\[website\]](#). To get a copy of the settlement agreement or get answers to your questions:

- visit the case website at [\[website\]](#)
- contact the Settlement Administrator (information below)
- contact Class Counsel (information below)
- access the case docket by visiting the Court's PACER system online (<https://ecf.cand.uscourts.gov/>), for a fee, or by visiting the Clerk's office of the Court (address below) between 9:00 a.m. and 4:00 p.m. PT, Monday through Friday, excluding Court holidays.

Resource	Contact Information
Settlement website	[website]
Settlement Administrator	CPT Group, Inc. 50 Corporate Park Irving, CA 92606 (877) 705-5021
Class Counsel	Anne B. Shaver Michelle A. Lamy Benjamin A. Trouvais Lieff Cabraser Heimann & Bernstein, LLP

	<p>275 Battery Street, 29th Floor San Francisco, CA 94111 Telephone: (415) 956-1000 Email: ekeenley@lchb.com</p> <p>James P. Keenley Emily A. Bolt Bolt Keenley Kim LLP 2855 Telegraph Ave., Suite 517 Berkeley, CA 94705 Telephone: (510) 225-0696 Email: info@bkkllp.com</p> <p>Matthew J. Matern Mikael H. Stahle Matern Law Group, PC 1230 Rosecrans Ave., Suite 200 Manhattan Beach, CA 90266 Telephone: (310) 531-1900 Email: [add]</p>
Court (DO NOT CONTACT)	<p>U.S. District Court for the Northern District of California Philip Burton Federal Building and United States Courthouse 450 Golden Gate Ave. San Francisco, CA 94102</p> <p>PLEASE DO NOT TELEPHONE OR DIRECTLY CONTACT THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THE SETTLEMENT PROCESS.</p>

EXHIBIT 3

PLAN OF DISTRIBUTION

Settlement Class Members will receive a share of the Net Settlement Fund (as defined in the Settlement Agreement)¹ based on the portion of total estimated HRA benefit damages attributable to each Settlement Class Member's claim, as calculated by Plaintiffs' actuarial expert (the "Actuary").

The Actuary has calculated a present value for each individual Settlement Class Member's Health Reimbursement Account ("HRA") benefits ("HRA Present Value"). This calculation represents the value of each Class Member's HRA benefits over the course of their expected lifetime if paid out as a lump sum in present-day dollars. The HRA benefits included in the calculation are as follows: 1) \$500 per month up to age 65 and \$300 per month thereafter beginning at time of retirement or estimated retirement date;² 2) spousal benefits for those who were receiving them at the time Save Mart discontinued HRA contributions; and 3) any unused HRA credits in a Settlement Class Member's HRA account. The Actuary made these calculations using industry-standard actuarial methods and data, with the relevant factors being each individual's date of retirement or estimated retirement date, and mortality risk (which is based on their demographic data and assessed using industry-standard mortality tables).³

The "Total Estimated HRA Damages" is the sum of all individual Settlement Class Member's HRA Present Value amounts.

Each Settlement Class Member's "Settlement Share" will be proportional to their contribution toward the Total Estimated HRA Damages. Once the value of the Net Settlement Fund is established, each Settlement Class Member will receive a percentage of the Net Settlement Fund that corresponds to his or her percentage contribution of the Total Estimated HRA Damages. The formula for determining each Settlement Share is as follows:

$$\frac{(\text{HRA Present Value} \div \text{Total Estimated HRA Damages}) * \text{Net Settlement Fund}}{=}$$

Settlement Share

Expressed linguistically, this means that each individual Settlement Class Member's HRA Present Value will be divided by the Total Estimated HRA Damages for the entire

¹ The Net Settlement Fund is the total Settlement Fund minus the costs of settlement administration, attorneys' fees and litigation expenses, the Dispute Fund, and service awards to the Named Plaintiffs. *See* Settlement Agreement § II. All of these amounts are subject to Court approval; hence, the exact amount of the Net Settlement Fund will not be known until the Court rules on the Settlement at the final approval stage. The Net Settlement Fund numbers provided herein are for illustration purposes only.

² If the Settlement Class Member has not yet retired, the Actuary has determined a future projected retirement date calculated using standard actuarial methods and data sources for calculating expected retirement ages.

³ The underlying data necessary to make these calculations was provided by Save Mart.

Settlement Class to determine each individual Settlement Class Member's percentage contribution toward the total, which will then be multiplied by the Net Settlement Fund to calculate the Settlement Share. The final calculations will be performed by the Settlement Administrator when the total Settlement Class composition (i.e., after potential Settlement Class Members have an opportunity to opt-out) and the amount of the Net Settlement Fund is known.

The Settlement Administrator will withhold taxes from the Settlement Shares and issue checks to each Settlement Class member for their Settlement Share net of tax withholdings.

EXHIBIT 4

Exhibit 4(a) – Table of Comparable Class Action Settlements: Terms and Notice

Case Name	Released Claims	Total Settlement Fund	Total Number of Class Members	Total Number of Class Members to Whom Notice Was Sent
<i>Blenko v. Cabell Huntington Hosp., Inc.</i> , CIVIL ACTION NO. 3:21-0315 (S.D.W.V.)	All “claims against Defendant related to the Cabell Huntington Hospital Inc. Employee Health and Welfare Benefit Plan (the ‘506 Plan’) and any predecessor version, including the Cabell Huntington Hospital, Inc. Employee Health Plan (the ‘501 Plan’), and claims related to life insurance benefits under any such plans . . . [including] any and all past, present and future Released Claims, and potential claims, demands, obligations, damages, actions, assessments, liabilities, fines, losses, judgments, costs, fees, bills, expenses (including without limitation, all legal fees, interest and penalties), suits, at law or in equity, and causes of action of whatsoever kind or nature, whether known or unknown, which are now existing, or which might arise after the Coverage Termination Date, for the Released Claims under the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and all private and other causes of action that arise for the Released Claims under contract, common law, negligence (including but not limited to the negligence of Defendant’s employees, agents, and/or independent contractors), and other expenses or damages, incurred or to be incurred that arise, with respect to the class, that are based upon the Defendant’s curtailment or termination of retiree benefits described above”; except “conduct that arises between the entry of this release and the Coverage Termination Date”	\$5,694,500	211	Unknown

Case Name	Released Claims	Total Settlement Fund	Total Number of Class Members	Total Number of Class Members to Whom Notice Was Sent
<i>Hurtado v. Rainbow Disposal Co., Inc.</i> , Case No. 8:17-cv-01605-JLS-DFM (C.D. Cal.)	All claims “that relate to or arise out of the facts alleged or the claims set forth in the Second Amended Complaint” except for “Claims to enforce this Settlement Agreement”; express waiver of “the protection of [California] Civil Code section 1542”	\$7,900,000	At least 460	All but one class member (could not deliver)
<i>Pfeifer v. Wawa, Inc.</i> , Civ. No. 16-497 (E.D. Pa.)	All claims involving “a) the Action; b) any claim, known or unknown, that the Class has or could have asserted against the Defendants related to or arising out of the adoption or implementation of the 2015 Amendment . . . [and] c) any claim for misrepresentation, fraud, indemnity, contribution, breach of contract, breach of any oral or written promise or breach of any duty grounded in law or in contract, negligence, ‘bad faith,’ violation of any statute or regulation, or damages of any kind whatsoever based upon, arising out of, attributable to or relating to the Action; except claims to enforce this Agreement”	\$25,000,000	~1,260	All
<i>Foster v. Adams & Assocs., Inc.</i> , Case No. 18-cv-02723-JSC (N.D. Cal.)	“[A]ny and all claims or causes of action, including any claims for costs, attorneys’ fees, and/or expenses, whether in law or in equity, whether known or unknown, whether fixed or contingent, that the Class Members have against Defendants that (a) arise out of the 2012 ESOP Transaction or (b) relating to disclosure violations based on the same factual predicate as those set forth in Count IV of the Complaint through the date of Settlement. . . . The Parties acknowledge that they have had the benefit of and the opportunity to consult with their counsel, understand the import of Civil Code section 1542, and	\$3,000,000	3,561	All but 14 class members (could not deliver)

Case Name	Released Claims	Total Settlement Fund	Total Number of Class Members	Total Number of Class Members to Whom Notice Was Sent
	expressly waive the protection of Civil Code section 1542 Notwithstanding the foregoing or any other language in this Settlement Agreement, the Settling Parties are not releasing Claims to enforce this Settlement Agreement.”			

Exhibit 4(b) – Table of Comparable Class Action Settlements: Claims, Recovery, and Cy Pres

Case Name	Method(s) of Notice	Number and Percentage of Claim Forms Submitted	Average Recovery Per Class Member or Claimant	Amounts Distributed to Cy Pres Recipients
<i>Blenko v. Cabell Huntington Hosp., Inc.</i> , CIVIL ACTION NO. 3:21-0315 (S.D.W.V.)	U.S. mail	N/A (no claim forms)	\$26,988.15	Unknown, if any
<i>Hurtado v. Rainbow Disposal Co., Inc.</i> , Case No. 8:17-cv-01605-JLS-DFM (C.D. Cal.)	First class mail	N/A (no claim forms)	\$17,173.91	\$49
<i>Pfeifer v. Wawa, Inc.</i> , Civ. No. 16-497 (E.D. Pa.)	First class mail, and (if available) email	N/A (no claim forms)	\$19,841.27	\$2,400
<i>Foster v. Adams & Assocs., Inc.</i> , Case No. 18-cv-02723-JSC (N.D. Cal.)	U.S. mail, and email to 782 class members for whom email addresses were available	N/A (no claim forms)	\$842.46	\$43,905.72

Exhibit 4(c) – Table of Comparable Class Action Settlements: Fees, Costs, and Exposure

Case Name	Administrative Costs	Attorneys' Fees and Costs	Total Exposure if Plaintiffs Prevailed on All Claims
<i>Blenko v. Cabell Huntington Hosp., Inc.</i> , CIVIL ACTION NO. 3:21-0315 (S.D.W.V.)	\$175,000 (includes administration of HRA accounts)	\$994,900 in fees; costs unknown	Unknown
<i>Hurtado v. Rainbow Disposal Co., Inc.</i> , Case No. 8:17-cv-01605-JLS-DFM (C.D. Cal.)	\$11,500	\$2,370,000 in fees; \$200,644.83 in costs	Between \$23.3 million and \$33.8 million
<i>Pfeifer v. Wawa, Inc.</i> , Civ. No. 16-497 (E.D. Pa.)	Undisclosed (defendant bore administrative costs)	\$5,000,000 in fees; \$80,123 in costs	\$100,000,000
<i>Foster v. Adams & Assocs., Inc.</i> , Case No. 18-cv-02723-JSC (N.D. Cal.)	Undisclosed (defendant bore administrative costs)	\$1,000,000 in fees; \$149,978.03 in costs	\$10.5 million