

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.

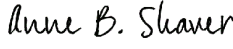
14. Waiver of Compliance

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:

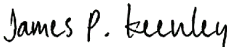
Docusign Envelope ID: 30CBB19B-47B1-47CA-932C-ADAC5BD48A5F

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
/s/ B0E132DD7BFD40B...

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**