SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA (CASE NO. RG 17878467)

This is a court-authorized notice.

This is not a lawsuit against you and you are not being sued.

However, read this carefully because your legal rights may be affected.

NOTICE OF CLASS ACTION, PROPOSED SETTLEMENT, YOUR RIGHTS, AND OPTIONS FOR YOU TO CONSIDER

The records of Safeway Inc. ("Safeway") show that you (or another person using your Safeway Club Card) made one or more purchases on or after November 9, 2016 at a Safeway store using an EBT card or a WIC voucher and were also charged a bag fee during that same transaction. As a result, Safeway and counsel for Plaintiff in a class action lawsuit have determined that you are entitled to a refund of some portion of those bag fees IF THE COURT APPROVES THE SETTLEMENT DESCRIBED HEREIN.

PLEASE READ THIS NOTICE CAREFULLY.

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I. What is the purpose of this Notice?

The purpose of this notice is to let you know that there is a class action lawsuit pending in the Superior Court of California, County of Alameda, that you may be a member of the Class in the lawsuit; AND THAT YOU MAY BE ENTITLED TO A PAYMENT AS PART OF THE SETTLEMENT OF THE LAWSUIT. Plaintiff BRIAN WOMACK filed this action against SAFEWAY INC. ("Safeway") in Alameda County Superior Court, Case No. RG 17878467 ("the lawsuit"). The lawsuit alleges that on and after November 9, 2016, Safeway improperly charged bag fees to customers using EBT payment cards or WIC vouchers in certain jurisdictions within California when such customers were entitled to one or more free bags, in violation of California law.

There was a mediation on October 29, 2018, after which the parties to the lawsuit agreed to settle the matter. On March 22, 2019, in Department 21 of the Superior Court of California, County of Alameda, the Court held a hearing in which it approved the parties' motion for a court order, as modified, that does the following:

- 1.) conditionally certifies the Class Action for settlement purposes only;
- 2.) grants preliminary Court approval of the proposed settlement;
- 3.) grants Court approval of this notice, grants Court approval of this notice, which includes setting a schedule and procedure for filing objections and exclusion notices; and
- 4.) schedules a Final Fairness Determination Hearing for final Court approval of the Settlement for October 4, 2019, 11 a.m. in Dept. 21 of the Superior Court of California, County of Alameda, located at 1221 Oak Street, Oakland, California.

The Court file contains the settlement documents with more information on the lawsuit.

II. Why does Plaintiff Seek Settlement Approval?

Plaintiff seeks approval of the Settlement because he reached a proposed Settlement with Safeway that he believes is fair, reasonable, adequate, and in the best interests of the members of the Class and all parties.

III. What is the Safeway's Position on Settlement?

Safeway views this Settlement as a compromise made solely to avoid lengthy and costly litigation. Safeway does not admit the allegations raised by Plaintiff in the case. Safeway denies that any of its practices at issue in the lawsuit were or are unlawful and reserves the right to object to all claims if the settlement fails for any reason. The Court file contains the settlement documents with more information on the lawsuit.

IV. Why Did I Get this Notice?

You received this notice because Safeway's records identify you as a member of the settlement class.

V. Who are the Parties in this Class Action?

BRIAN WOMACK is the Plaintiff who brought the action on behalf of himself and on behalf of all similarly situated customers in certain jurisdictions in the State of California who used EBT payment cards or WIC vouchers to pay for purchases on or after November 9, 2016 and who were charged a bag fee as part of the same transaction.

SAFEWAY, INC. is the Defendant.

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VI. Who are the Attorneys for Parties?

Counsel for Plaintiff

GLANCY, PRONGAY & MURRAY, LLP

Lionel Z. Glancy, Esq. Kevin F. Ruf, Esq. Marc. L. Godino, Esq. Danielle L. Manning, Esq.

1925 Century Park East, Suite 2100

Los Angeles, CA 90067 Telephone: 310-201-9150 Facsimile: 310-201-9160 Email: kruf@glancylaw.com Email: mgodino@glancylaw.com

Counsel for Safeway

DILLINGHAM & MURPHY LLP John N. Dahlberg, Esq. William F. Murphy, Esq. J. Cross Creason, Esq. 601 Montgomery Street, Suite 1900 San Francisco, CA 94111

Telephone: (415) 397-2700 Facsimile: (415) 397-3300

Email: jnd@dillinghammurphy.com

VII. What is the Proposed Settlement?

Safeway agrees to pay a Settlement Amount of \$30,000 to resolve the claims of all customers who made one or more purchases at Safeway stores in certain jurisdictions in California using an EBT payment card or WIC vouchers on or after November 9, 2016 and who were charged a bag fee as part of the same transaction. In addition, the Settlement calls for the payment of attorneys' fees and costs to counsel for Plaintiff in the amount of \$85,000.00, and an enhancement payment of \$2,500.00 to class representative Womack. The Court must approve all of these amounts before any payments are made.

The following is a summary of the Settlement provisions. The specific and complete terms of the proposed Settlement are stated in the Settlement Agreement and Release Between Plaintiff and Defendant, ("Settlement Agreement"), a copy of which is filed with the Clerk of the Court and can be accessed at http://apps.alameda.courts.ca.gov/domainweb/html/index.html. From this screen, you can click on the Complex Litigation hyperlink. Then you can click on the Department 21 tab at the top of the screen. Then a case list will appear, and you can click on Womack v. Safeway Inc. to access the electronic case file. You may also type the case number, RG 17878467, directly into the Case Summary link. Information about the case can also be obtained at class counsel's website, http://www.safeway.com/bfs.html

<u>Settlement Payment.</u> Safeway agrees to pay all valid claims in accordance with the terms of the Settlement Agreement, after Final Approval of the Class Action Settlement, in consideration for this settlement and a release of all claims asserted against it in the lawsuit.

The claims you are releasing ("Class Released Claims") consist of any and all claims arising out of any fees charged for recyclable grocery bags or reusable bags, as well as all other rights, demands, liabilities and causes of action of every nature and description, whether known or unknown, arising from or related to the Action against Safeway, including without limitation statutory, constitutional, contractual or common law claims for actual damages, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, equitable relief based on or related to any such claims, including but not limited to any and all claims for unfair business practices relating to the above categories pursuant to California Business and Professions Code section § 17200 or California Civil Code § 1750 et seq. as well as any claims for interest, attorneys' fees or costs associated with the claims asserted in the Action.

The \$30,000.00 in refunds will be distributed by Safeway as a cash-off coupon attached to each class member's Club Card account and applied automatically on the customer's next use of the Club Card. The \$30,000 in refunds shall be allocated among the Class members in the relative proportion that the Club Card holder's bag fee charges during the applicable period bear to the total sum of all such charges for all Class Members during the Class Time Period. The distribution formula for the \$30,000.00 Class Settlement Fund as set forth in the Settlement Agreement is based on ratio of (a) the total bag fees Safeway's records show you paid in certain California jurisdictions from and after November 9, 2016 in transactions in which you paid in whole or in part with an EBT payment cards or a WIC voucher, to (b) the total bag fees Safeway's records were paid in those same California jurisdictions from and after November 9, 2016 in transactions in which the customers paid in whole or in part with an EBT payment cards or a WIC voucher. For example, if a Class Member had \$5.00 in bag charges during the applicable time period when using an EBT card, and the total of such bag charges for the entire settlement class for that time period was determined to be \$40,000, then that class member would receive \$3.75 as a cash coupon attached to his or her Club Card ($\$5.00/\$40.000 \times \$30.000 = \3.75). Cash-off coupons applied to Club Card accounts that remain unused after 12 months will be removed from the Club Card accounts and the amount of such unused cash-off coupons shall be paid by Safeway as follows pursuant to Code of Civil Procedure Section 384: 25% to the State Treasury for deposit in the Trial Court Improvement and Modernization Fund, and 75% to the State Treasury for deposit into the Equal Access Fund of the Judicial Branch.

Safeway's records, subject to review and approval by the Court and counsel for Plaintiff and the Settlement Class, will determine that settlement amounts to be received by Class members. Safeway will distribute these settlement payments approximately ten (10) business days after the Court enters its order granting Final Approval, provided no objector files an appeal of the Court's Final Approval of the Class Action Settlement.

VIII. What Are My Rights with Regard to This Matter?

If you fit the description of a Class Member as set forth in this notice, you have three options. Each option has its own consequences, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are as follows:

A. Option One. Participation as a Class Member.

As a California resident who [1] made payment with an EBT card or voucher from the State of California Special Supplemental Food Program for Women, Infants and Children, [2] used a Safeway Club Card and [3] was charged for reusable grocery bags or recycled paper bags on any date between November 9, 2016 through the present, in the same transaction, at a California Safeway Inc. store (including Vons, Pavilions and Pak 'N Save stores) in any of the following cities or unincorporated communities: Agoura Hills, Alamo, American Canyon, Anaheim, Anaheim Hills, Anderson, Antioch, Aptos, Arcadia, Auburn, Avalon, Bakersfield, Barstow, Bay Point, Benicia, Big Bear Lake, Bishop, Bonita, Brawley, Brea, Brentwood, Burbank, Burney, Camarillo, Cameron Park, Carlsbad, Carmichael, Chico, Chula Vista, Citrus Heights, Claremont, Clayton, Clearlake, Clovis, Concord, Corning, Corona, Coronado, Corte Madera, Costa Mesa, Covina, Crescent City, Del Ray Oaks, Discovery Bay, Dixon, Eastvale, El Cajon, El Centro, El Dorado Hills, Elk Grove, Escondido, Eureka, Fair Oaks, Fairfield, Felton, Fillmore, Folsom, Fontana, Fortuna, Freedom, Fresno, Garden Grove, Gardena, Gilroy, Glendora, Goleta, Gridley, Hermosa Beach, Hollister, Huntington Beach, Inglewood, Irvine, Jackson, Kings Beach, La Habra, La Jolla, La Mesa, La Quinta, La Verne, Laguna Niguel, Lake Isabella, Lakeport, Lakewood, Lancaster, Lincoln, Lodi, Lompoc, Los Alamitos, Madera, Mammoth Lakes, Manteca, Martinez, McKinleyville, Milpitas, Mission Viejo, Modesto, Montebello, Montecito, Moorpark, Moraga, Morgan Hill, Murrieta, Newport Beach, Oakhurst, Oceanside, Orange, Orinda, Oxnard, Palmdale, Paradise, Pinole, Placerville, Pollock Pines, Poway, Quincy, Rancho Cordova, Rancho Cucamonga, Rancho Santa Margarita, Redding, Redlands, Redondo Beach, Riverside, Rocklin, Rodeo, Rolling Hills Estates,

Roseville, Sacramento, San Diego, San Dimas, San Francisco, San Marcos, San Ramon, San Juan, Capistrano, Santa Ana, Santa Clarita, Santa Cruz, Santa Maria, Santa Paula, Santee, Saratoga, Saugus, Scotts Valley, Seal Beach, Simi Valley, Sonora, Soquel, Stockton, Sun City, Sunnyvale, Susanville, Tahoe City, Temecula, Thousand Oaks, Torrance, Tracy, Turlock, Upland, Vacaville, Valencia, Vallejo, Ventura, Victorville, Vista, Walnut, West Covina, Westminster, Whittier, Willits, Yorba Linda, Yucaipa, or Yucca Valley, you are a participating member of the Settlement Class unless you elect to exclude yourself as a participating Class Member under Option Two.

Class Counsel, appointed and approved by the Court for Settlement purposes only, will represent you. Payment will be issued to you by Safeway through the issuance of a cash-off electronic coupon attached to the Safeway Club Card account you have used, which will automatically deduct the amount of the settlement from your next purchase at Safeway, Vons, Pavilions or Pak N Save.

B. Option Two. You Can Exclude Yourself ("Opt Out") From The Settlement.

If you do not wish to participate in or be bound by the Settlement, you must mail to the attorneys for Plaintiff, at the address set forth in Section VI above, the enclosed "Request for Exclusion from the Class Action Settlement", **postmarked on or before July 5, 2019**. The Request for Exclusion must be signed and dated with the last four digits of your Social Security Number inserted.

If you request exclusion, you will neither receive any money from the Settlement, nor will you be considered to have released your claims alleged in the class action. If you request exclusion from the Class Action Settlement, you may not pursue any recovery under the Class Action Settlement. You may, however, pursue other remedies separate and apart from the Class Action Settlement that may be available to you.

C. Option Three. You May Object to the Settlement.

If you are a Class Member, and you do not exclude yourself from the Settlement Class (opt out), you may object to the settlement before final approval of the settlement by the Court. If you choose to object to the settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

In order to object to the settlement, or any portion of it, you must file and serve any such written objection on or before **July 26, 2019**. Objections must be timely filed in the Superior Court for the State of California, County of the Superior Court of California, County of Alameda, located at 1221 Oak Street, Oakland, CA 94612, and timely served on the attorneys for Plaintiff and the attorneys for Safeway at the addresses set forth in Section VI above to be considered by the Court.

IX. How Much Money Will I Get If I Do Not Request Exclusion?

As mentioned above, Safeway agrees to pay a Settlement Amount of \$30,000.00 to the Settlement Class Members in consideration for this settlement and a release of all claims asserted in the lawsuit by the Settlement Class against it.

The \$30,000 in refunds shall be allocated among the Class members in the relative proportion that the Club Card holder's bag fee charges during the applicable period bear to the total sum of all such charges for all Class Members during the Class Time Period. The distribution formula for the \$30,000.00 Class Settlement Fund as set forth in the Settlement Agreement is based on ratio of (a) the total bag fees Safeway's records show you paid in certain California jurisdictions from and after November 9, 2016 in transactions in which you paid in whole or in part with an EBT payment cards or a WIC voucher, to (b) the total bag fees Safeway's records were paid in those same California jurisdictions from and after November 9, 2016 in transactions in which the customers

paid in whole or in part with an EBT payment cards or a WIC voucher. For example, if a Class Member had \$5.00 in bag charges during the applicable time period when using an EBT card, and the total of such bag charges for the entire settlement class for that time period was determined to be \$40,000, then that class member would receive \$3.75 as a cash coupon attached to his or her Club Card (\$5.00/\$40,000 x \$30,000 = \$3.75). Cash-off coupons applied to Club Card accounts that remain unused after 12 months will be removed from the Club Card accounts and the amount of such unused cash-off coupons shall be paid by Safeway as follows pursuant to Code of Civil Procedure Section 384: 25% to the State Treasury for deposit in the Trial Court Improvement and Modernization Fund, and 75% to the State Treasury for deposit into the Equal Access Fund of the Judicial Branch.

X. Who can I contact if I have further questions?

Further questions may be directed to counsel for Plaintiff, GLANCY, PRONGAY & MURRAY, LLP, Marc. L. Godino, Esq. or Danielle L. Manning, Esq., 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, Telephone: 310-201-9150, Facsimile: 310-201-9160, and Email: mgodino@glancylaw.com

If you have questions, please call any of the attorneys for Plaintiff listed in Section VI above. **PLEASE DO NOT CALL THE COURT.**