

**IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO**

In The Matter of
Wilcox v. Albertson's, Inc.
San Diego County Superior Court, Case No. GIC 833922

NOTICE OF CLASS ACTION SETTLEMENT

To: All persons who have worked in California for Albertson's, Inc. in hourly key-carrier positions, including service operations manager, assistant service operations manager, fifth person key carrier, fourth person key carrier, third person key carrier, service supervisor, front end manager, and assistant front end manager, in a Northern California Albertson's store at any time from August 6, 2000 through February 22, 2007, or in any of these positions in a Southern California Albertson's store from August 6, 2000 through June 2, 2006.

**PLEASE READ THIS NOTICE CAREFULLY.
IT MAY AFFECT YOUR LEGAL RIGHTS.**

YOU ARE ENTITLED TO MONEY FROM THIS SETTLEMENT.

**PLEASE DO NOT CONTACT THE COURT OR THE COURT CLERK REGARDING THIS
ACTION.**

I. INTRODUCTION

This "NOTICE OF CLASS ACTION SETTLEMENT" ("NOTICE") is to inform you that this Court has preliminarily approved a class action settlement between the Class Representative Plaintiffs, Sally Wilcox and Dennis Taber, on behalf of themselves and all others similarly situated, who have worked in California for Albertson's, Inc. at any time between August 6, 2000 and February 22, 2007 in Northern California Albertson's stores, and between August 6, 2000 and June 2, 2006 in Southern California Albertson's stores ("Class Periods").

THIS NOTICE IS TO INFORM YOU ABOUT THE STATUS OF THE LAWSUIT, INCLUDING A STATEMENT OF YOUR RIGHTS WITH RESPECT TO A PROPOSED SETTLEMENT OF THE CASE; YOUR NUMBER OF WEEKS WORKED DURING THE CLASS PERIOD, THE FORMULA FOR DETERMINING THE AMOUNT OF MONEY YOU WILL RECEIVE AND THE PROCEDURE FOR CLAIMING THAT SHARE; YOUR OPTION TO FILE WITH THE COURT ANY OBJECTIONS YOU MAY HAVE TO THE SETTLEMENT; AND YOUR OPTION TO EXCLUDE YOURSELF FROM THE PROPOSED SETTLEMENT BY "OPTING OUT."

II. DESCRIPTION OF THE LAWSUIT

On August 6, 2004, a complaint was filed by Plaintiff Sally Wilcox as a Class Action against Albertson's in the Superior Court of the State of California for the County of San Diego ("the Court"). A Second Amended Complaint was subsequently filed adding Plaintiff Dennis Taber. Plaintiffs allege on behalf of a class comprised of hourly key-carrier positions, including service operations manager, assistant service operations manager, fifth person key carrier, fourth person key carrier, third person key carrier, service supervisor, front end manager, and assistant front end manager, who worked at Albertson's stores in California that Albertson's failed to provide all rest and meal periods or denied rest and meal compensation (Labor Code §226.7); failed to pay wages for time worked while clocked out during meal periods; failed to accurately report hours of employment on itemized wage statements (Labor Code §226); failed to timely pay wages due at termination (Labor Code §203); and violated the Unfair Competition Law (Business & Professions Code §17200, *et seq.*), during the Class Periods, between August 6, 2000 and June 2, 2006 in Southern California Albertson's stores, and August 6, 2000 and February 22, 2007 in Northern California Albertson's stores (collectively referred to as "Claims").

Plaintiffs sought rest and meal period compensation, unpaid off-the-clock wages, wage statement penalties, waiting time penalties, restitution, disgorgement, costs, interest, reasonable attorneys' fees and injunctive relief on behalf of the Class.

The Court certified the Class on July 31, 2006, and certified Cohelan & Khoury as Class Counsel to represent your interests in this lawsuit.

Albertson's denied and continues to deny all of the allegations in Plaintiffs' complaint and contends that it has acted in compliance with the law at all times. There has been no finding of any wrongdoing by Albertson's, and Albertson's does not admit to any wrongdoing or liability. Albertson's wishes to settle to avoid further costly, disruptive, and time-consuming litigation. This Settlement is the result of extensive negotiations between Albertson's, the Plaintiffs, and their attorneys ("Class Counsel"). Class Counsel believe that the Settlement is fair, reasonable, and in the best interests of the Plaintiffs and the Class.

On March 21, 2008, the Court preliminarily approved the Settlement. This Notice was sent to you because Albertson's records indicate that you were employed by Albertson's in an hourly key-carrier position, including service operations manager, assistant service operations manager, fifth person key carrier, fourth person key carrier, third person key carrier, service supervisor, front end manager, or assistant front end manager, at Albertson's in California during the Class Periods. If you are included in the Class described above, you are entitled to money from the Settlement and this Settlement may affect your rights.

III. SUMMARY OF TERMS OF THE SETTLEMENT AGREEMENT

Albertson's has agreed to pay up to \$22.5 million (the "Settlement Amount") to resolve all the Claims of those employed in California in hourly key-carrier positions, including service operations manager, assistant service operations manager, fifth person key carrier, fourth person key carrier, third person key carrier, service supervisor, front end manager, and assistant front end manager, at Albertson's. There are about 5,500 employees in the proposed Class. The proposed Settlement provides that Class Counsel may apply to the Court for reasonable compensation for their work in this matter, in an amount up to \$7,450,000 (up to 33.3% of the Settlement Amount), plus reimbursement of expenses and costs, estimated at \$100,000, and the costs of the Settlement Claims Administrator, Rust Consulting, Inc. estimated to be \$90,000, which will be paid out of the Settlement Amount. The proposed Settlement also provides that the Plaintiffs/Class Representatives Sally Wilcox and Dennis Taber may apply to the Court for Class Representative enhancements in a sum up to \$25,000 each for their time and effort in investigating and prosecuting this case on behalf of the Class, the risks of coming forward on behalf of the Class, and the risks undertaken for payment of attorneys' fees and costs in the event of an unsuccessful outcome.

The attorneys' fees and costs, enhancement and costs of Settlement claims administration will be deducted from the Settlement Amount prior to calculation of the Settlement share for each Class member.

The balance that remains after these deductions are taken will be paid on a proportionate basis to each Class member who files a claim and does not "opt out" (see Section VI below) ("Settlement Class Member"), based on the number of weeks the Settlement Class Member worked during the Class Periods. The compensation rate is estimated to be approximately \$13.53 per week worked, less taxes, during the Class Period. In order to calculate the approximate amount of the compensation you will receive, multiply the compensation rate by the number of weeks you worked during the Class Period, which number is in the enclosed Claim Form. This amount will be allocated 75% to wages, subject to income tax for which an IRS W-2 form will be issued, and 25% to penalties and interest for which an IRS 1099 form will be issued to you. You will be responsible for paying any applicable local, state, or federal income taxes on your Settlement payment.

You must submit the Claim Form enclosed with this Notice to receive your Settlement share. You do not need to return this Notice. See Section V below for directions on how to submit your Claim Form.

The summary of the proposed Settlement Agreement in this Notice does not include all of the terms and conditions of the Settlement. The only complete statement of the terms of the proposed Settlement is in the actual Settlement Agreement and Stipulation ("the Settlement Agreement") that has been tentatively approved by the Court. The proposed Settlement Agreement is available for inspection at the Office of the Clerk of the Superior Court of California for the County of San Diego, which is located at 330 West Broadway, San Diego, CA 92101. PLEASE DO NOT CALL THE COURT OR JUDGE.

IV. BINDING EFFECT OF SETTLEMENT

If approved by the Court, the proposed Settlement Agreement will be binding on you in the following manner. It will be binding on all Settlement Class Members who do not timely "opt out" of the Settlement, and such Settlement Class Members will give up the right to assert any of the claims, including claims unknown and unsuspected as of this time, for rest and meal period violations, unpaid off-the-clock wages, and all related claims, regardless of legal theory, alleged in the Amended Complaint relating to rest and meal period violations and unpaid wage violations against Albertson's and its parents, subsidiaries, affiliates, employees, officers, agents, attorneys, stockholders, representatives, predecessors, successors, and assigns, for the period between August 6, 2000 and February 22, 2007 for Northern California Albertson's stores, and between August 6, 2000 and June 2, 2006 for Southern California Albertson's stores.

V. SUBMITTING A CLAIM

You must sign the Claim Form enclosed with this Notice (and the enclosed signature copy, which you should keep for your own records) and return the Claim Form in the enclosed envelope addressed to the Claims Administrator whose address is listed in this Notice and on the Claim Form, postmarked by **no later than** June 19, 2008 to receive your Settlement share. To verify that your Claim Form is timely, you should send the Claim Form by U.S. Mail, preferably by way of a return receipt requested. If you believe that the Claim Form incorrectly lists your total weeks worked during the respective Class Periods while working in an hourly key-carrier position, including service operations manager, assistant service operations manager, fifth person key carrier, fourth person key carrier, third person key carrier, service supervisor, front end manager, or assistant front end manager, or lists your employment dates incorrectly, you may submit documentation to challenge the workweeks and/or the dates of employment.

The Claims Administrator will calculate your share of the Net Settlement Amount, and will mail your check to the address noted on the Claim Form, unless otherwise notified. This check will be in full settlement of any and all claims for rest and meal period violations, unpaid wage violations, and all related claims and damages, including compensation or penalties, waiting time penalties, restitution, disgorgement, costs, interest and attorneys' fees and injunctive relief on behalf of the Class.

Whether or not you cash the Settlement check, the Settlement will be binding. If you do not cash your check within 180 days after it is sent to you, your check will be void and the amount of your Settlement check will be returned to Albertson's. If you do not cash your check, you will be deemed to have waived irrevocably any right in or claim to your Settlement share and will be bound by the terms of the Settlement and the release.

VI. OPT-OUT PROCEDURE

If you choose not to participate in this lawsuit and this Settlement, ("request exclusion" or "opt out"): (a) you will have no right to receive any money under the Settlement of this case; (b) you will not be bound by the Settlement in this lawsuit; and (c) you may bring or participate in a separate lawsuit against Albertson's. To opt out of this lawsuit, you must submit a written notice stating that you want to opt out of this Settlement to the Wilcox v. Albertson's Claims Administrator, c/o Rust Consulting, Inc., PO Box 189, Minneapolis, MN 55440-0189. The written notice must state:

"I wish to opt out of the lawsuit and the Settlement of this case, Wilcox v. Albertson's, Inc. (San Diego Superior Court, Case No. GIC 833922). I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement funds created in accordance with the Settlement Agreement entered into by Albertson's." To be timely, your opt-out statement must be sent postmarked no later than June 4, 2008, by certified mail with return receipt requested to the Claims Administrator.

VII. OBJECTIONS TO THE PROPOSED SETTLEMENT

If you believe that the proposed Settlement Agreement should not be finally approved by the Court for any reason, you may object to the proposed Settlement Agreement in writing or in person. If you want to object to the proposed Settlement Agreement, you may file an objection in writing with the Wilcox v. Albertson's Claims Administrator, c/o Rust Consulting, Inc., PO Box 189, Minneapolis, MN 55440-0189, in which you state the basis of your objection. To be timely, you must postmark your objection by no later than June 4, 2008.

If you have any objections or comments, you or your counsel may appear, but are not required to appear, at the hearing scheduled for August 8, 2008 at 1:30 p.m. in Department 74 of the Superior Court of the State of California for the County of San Diego, located at 330 West Broadway, San Diego, California 92101, to have your objection heard by the Court. You have a right to appear by counsel at this hearing. Any attorney who will represent an individual objecting to the Settlement Agreement should file a notice of appearance with the Court and serve counsel for Plaintiff and Albertson's on or before June 4, 2008. All objections or other correspondence must state the name and number of the case, which is Wilcox v. Albertson's, SDSC, GIC 833922.

VIII. ATTORNEYS' FEES AND COSTS

You will not have to pay Class Counsel for representing you in this lawsuit. As noted above in Section III, the Court will consider and award at the time of final hearing an amount to be paid to Class Counsel as reasonable compensation for their time incurred in this matter and for their actual expenses and costs incurred, which will be paid by Albertson's from the Settlement Amount.

IX. FURTHER INFORMATION AND ADDRESS OF CLASS COUNSEL

PLEASE DO NOT CALL OR CONTACT THE COURT. If you have any questions about the Settlement Agreement or the process for filing your Claim Form, you may contact the Claims Administrator at 1-800-410-9734. You also may contact Class Counsel listed below for more information:

Timothy D. Cohelan, Esq.
Isam C. Khoury, Esq.
Diana M. Khoury, Esq.
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X. IF THE SETTLEMENT AGREEMENT IS NOT APPROVED

If the Settlement Agreement is not approved by the Court, or if any of its conditions are not satisfied, the conditional Settlement will be voided, no money will be paid, and the case will revert to litigation. However, if that happens there is no assurance: (a) that any decision at trial would be in favor of Settlement Class Members; (b) that a favorable trial decision, if any, would be as favorable to the Settlement Class Members as this Settlement; or (c) that any favorable trial decision would be upheld if an appeal was filed.

XI. NO RETALIATION OR DISCRIMINATION

California and federal law prohibit Albertson's from discharging you or in any other manner retaliating or discriminating against you because you have exercised your right under California and federal law to participate in this Settlement. **Albertson's has agreed that information concerning who has, or who has not, presented a claim will not be made available to Settlement Class Members' supervisors.**

XII. NO OPINION EXPRESSED AS TO THE MERITS OF THE CASE

On March 21, 2008, the Court preliminarily approved the Settlement Agreement and found that the Settlement Agreement is fair and reasonable. However, the Court has expressed no opinion regarding the merits of the Plaintiffs' claims or Albertson's liability. **DO NOT WRITE OR CALL THE COURT REGARDING THIS SETTLEMENT.**

XIII. ADDRESS CHANGES

It is your responsibility to keep the Claims Administrator apprised of your correct address at all times until receipt of your Settlement check. Please sign and mail any change of address along with your Social Security number, date of birth, former address and new address to:

Wilcox v. Albertson's Claims Administrator
c/o Rust Consulting, Inc.
PO Box 189
Minneapolis, MN 55440-0189

VERY IMPORTANT INFORMATION:

- 1) KEEP A RECORD OF THE MAILING OF YOUR CLAIM FORM TO THE CLAIMS ADMINISTRATOR. YOU MAY CONTACT THE CLAIMS ADMINISTRATOR DIRECTLY AT THE 800 NUMBER LISTED ON THE BOTTOM OF EACH PAGE TO CONFIRM RECEIPT OF YOUR CLAIM FORM.**
- 2) IF YOU SHOULD MOVE AFTER YOU SUBMIT THIS CLAIM FORM, YOU MUST NOTIFY THE CLAIMS ADMINISTRATOR TO ENSURE RECEIPT OF YOUR SHARE OF THE SETTLEMENT.**
- 3) DO NOT SUBMIT BOTH A REQUEST FOR EXCLUSION ("OPT OUT") AND A CLAIM FORM.**