

NOTICE OF CLASS ACTION SETTLEMENT

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

MARCIE LE and KAREN DAO, individually and on behalf of all others similarly situated,

Plaintiffs,

v.

WALGREEN CO., an Illinois corporation;
WALGREEN PHARMACY SERVICES MIDWEST, LLC, an Illinois limited liability company; and
WALGREENS BOOTS ALLIANCE, a Delaware corporation,

Defendants.

Case No. 8:18-cv-01548 DOC (ADSx)
Hon. David O. Carter
Courtroom: 9D

**IMPORTANT LEGAL NOTICE –
THIS LAWSUIT SETTLEMENT MAY
AFFECT YOUR RIGHTS**

A federal court authorized this notice. This is not a solicitation from a lawyer. This is not a lawsuit against you, and you are not being sued. However, your legal rights are affected whether you act or don't act.

IMPORTANT: YOU ARE ENTITLED TO MONEY IF THE COURT APPROVES THE SETTLEMENT DESCRIBED HEREIN.

Mr./Ms. «FullName»:

THE RECORDS OF WALGREEN CO.; WALGREEN PHARMACY SERVICES MIDWEST, LLC; AND WALGREENS BOOTS ALLIANCE, INC. (“DEFENDANTS”) SHOW YOU WERE EMPLOYED BY DEFENDANTS AS A NON-EXEMPT PHARMACIST, PHARMACY MANAGER, STAFF PHARMACIST, MULTI-LOCATION PHARMACIST (BOTH ASSIGNED AND UNASSIGNED), PHARMACY INTERN, OR PHARMACY INTERN GRADUATE IN CALIFORNIA BETWEEN JULY 27, 2014, AND MARCH 14, 2021, AND YOU ARE ENTITLED TO A PAYMENT FROM A CLASS ACTION SETTLEMENT.

IT IS ESTIMATED THAT YOUR PAYMENT UNDER THIS SETTLEMENT WILL BE «EstAmount».

**IMPORTANT: IF THE COURT APPROVES THIS SETTLEMENT, YOU WILL BE BOUND AND YOUR RIGHTS WILL BE AFFECTED UNLESS YOU EXCLUDE YOURSELF FROM THE CLASS AS EXPLAINED BELOW.
PLEASE READ THIS NOTICE CAREFULLY.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	You will receive a payment under the Settlement.
Exclude Yourself	Receive no payment under the Settlement and retain all rights you may have against Walgreens.
Object	Write to the Court about why you believe the settlement is unfair.
Go to a Hearing	Ask to speak in Court about the fairness of the settlement.

YOUR RIGHTS AND OPTIONS - AND THE DEADLINES TO EXERCISE THEM - ARE EXPLAINED IN THIS NOTICE.

WHY DID YOU RECEIVE THIS NOTICE?

You are receiving this notice because you may be a member of a class on whose behalf the class action lawsuit described in this notice has been brought. As such, you are entitled to a payment under the proposed settlement. The Court has conditionally certified a Class for settlement purposes comprised of:

All persons who are and/or were employed by Defendants in California at any time between July 27, 2014 and March 14, 2021 (“Class Period”) as hourly, non-exempt pharmacy interns, pharmacy intern graduates, pharmacists, staff pharmacists, multi-location pharmacists (both assigned and unassigned), and/or pharmacy managers (“Class” or “Class Members”).

The Court has appointed as class counsel Elliot Siegel and Julian Burns King of King & Siegel LLP and Daniel Hutchinson and Lin Chan of Lief Cabraser Heimann & Bernstein, LLP (“Class Counsel”).

WHAT IS THIS LAWSUIT ABOUT?

This settlement is the result of a lawsuit filed by Plaintiffs Marcie Le and Karen Dao (“Plaintiffs”). On July 27, 2018, Plaintiff Marcie Le filed a Class Action Complaint against Defendants in the Superior Court of the State of California, County of Orange, Case No. 30-2018-01008756-CU-OE-CXC (the “Action”). Plaintiff Marcie Le’s Class Action Complaint asserted five causes of action for: (1) failure to provide rest and meal periods or premium pay in lieu thereof; (2) failure to provide complete and accurate wage statements; (3) failure to pay earned wages when due; (4) failure to maintain accurate records; and (5) unfair business practices. Defendants removed the case to the United States District Court for the Central District of California, where it was assigned Case No. 8:18-cv-01548 DOC (ADSx). On April 9, 2019, Plaintiff Marcie Le amended her Class Action Complaint to add a cause of action for Private Attorneys General Act (“PAGA”) penalties recoverable for any of the claims alleged in the Class Action Complaint and to add Plaintiff Karen Dao as a named plaintiff.

Defendants denied the allegations in the Action. Defendants denied any liability or wrongdoing of any kind associated with any of the claims alleged in the Action. In addition, Defendants denied, and continue to deny, that the Action could or should be certified to proceed as a class action.

THE COURT HAS NOT RULED ON THE MERITS OF PLAINTIFFS’ CLAIMS, DEFENDANTS’ DEFENSES, OR THE SUBSTANTIVE CONTENTIONS OF THE PARTIES. NO INFERENCES REGARDING THE MERITS OF THE LITIGATION SHOULD BE DRAWN FROM THE SENDING OF THIS NOTICE. THIS NOTICE IS NOT MEANT TO IMPLY THAT THERE HAS BEEN ANY VIOLATION OF LAW OR WRONGDOING BY ANY PARTY.

SUMMARY OF THE SETTLEMENT

A. Why is there a settlement?

After conducting a substantial investigation, including review of Defendants' policies, payroll records and personnel files, both sides agreed to the Settlement with the assistance of a mediator to avoid the cost, risk, and delay of further litigation.

Class Counsel have investigated and researched the facts and circumstances underlying the issues raised in this case and the applicable law.

While Class Counsel believe Plaintiffs' claims in this lawsuit have merit, Class Counsel also believe that the risk and expense of continued litigation justify settlement. Because of this, Class Counsel believe the proposed Settlement is fair, adequate, reasonable, and in the best interests of the Class Members.

Defendants have strongly denied, and continue to deny, Plaintiffs' factual and legal allegations. By agreeing to settle, Defendants are not admitting liability on any of the factual or legal allegations or claims in this case or that this case can or should proceed as a class action.

B. Who is in the Class?

All Class Members who do not opt out of the settlement as explained below are part of the "Class" (also referred to as a "Class Member").

C. Who are the attorneys representing the parties?

<u>Class Counsel</u>	<u>Counsel for Defendants</u>
<p>KING & SIEGEL LLP Julian Burns King, Esq. Elliot J. Siegel, Esq. 724 S. Spring St., Suite 201 Los Angeles, California 90014 Telephone: (213) 465-4802 Facsimile: (213) 465-4803</p> <p>LIEFF CABRASER HEIMANN & BERNSTEIN, LLP Daniel Hutchinson, Esq. Lin Y. Chan, Esq. 275 Battery Street, 29th Floor San Francisco, California 94111 Telephone: (415) 956-1000 Facsimile: (415) 956-1008</p>	<p>BRYAN CAVE LEIGHTON PAISNER LLP Allison C. Eckstrom, Esq. Christopher J. Archibald, Esq. Karina Lo, Esq. 1920 Main Street, Suite 1000 Irvine, California 92614-7276 Telephone: (949) 223-7000 Facsimile: (949) 223-7100</p>

D. What does the settlement provide?

Under the terms of the Settlement, Defendants agree to pay a “Gross Settlement Amount” of \$6,800,000 (the “Gross Settlement Fund”). Deducted from the Gross Settlement Fund shall be sums approved of by the Court for attorneys’ fees (not to exceed \$2,266,666.67), attorney’s reasonable costs incurred in the action (not to exceed \$300,000), Plaintiffs’ Class Representative Enhancements (not to exceed \$10,000 each), the payment of \$375,000 to the California Labor & Workforce Development Agency, and Settlement Administration Costs (not to exceed \$30,000). It is estimated that the Net Settlement Amount will be approximately three million eight hundred eight thousand three hundred thirty-three dollars and thirty-three cents (\$3,808,333.33).

Class Members are not required to submit any proof or claim form as a condition of receiving an Individual Settlement Payment. Instead, Class Members will automatically receive an Individual Settlement Payment based on the number of Compensable Workweeks set forth below unless they timely opt out of the Settlement.

The Defendants shall pay, or cause to be paid, cash compensation to each Class Member based on the number of workweeks in which each Class Member worked during the Class Period (“Compensable Workweeks”). All Compensable Workweeks shall be subject to adjustment as follows: (1) Compensable Workweeks prior to June 1, 2018 shall be subject to a 2.0 multiplier; and (2) Compensable Workweeks after June 1, 2018 shall be subject to a 1.0 multiplier. The Individual Settlement Payment shall be determined by dividing the Net Settlement Amount distributable to the Class by the total Compensable Workweeks that have accrued for the Class during the Class Period, and multiplying that amount by the number of Compensable Workweeks applicable to the individual Class Member. Compensable Workweeks will be separately and distinctly calculated for each Class Member. Only Class Members who can be identified by the Settlement Administrator will receive a Settlement Payment. No Settlement Payments will be sent to any Class Member for whom a current address has not been identified.

If any Class Member does not cash his/her settlement check within one hundred eighty (180) days after the Settlement Administrator mails the Settlement Payment to the Class Member, the Settlement Administrator shall transmit the Settlement Payment to the California State Controller’s Office’s Unclaimed Property Division in the name of the Class Member.

All Individual Settlement Payments shall be allocated for taxes as follows: one-third (33.4%) shall be allocated to wages, subject to applicable withholdings, to be reported on a W-2 form; one-third (33.3%) to penalties, not subject to withholdings and reported on a 1099 form to be issued by the Settlement Administrator; and one-third (33.3%) to interest, not subject to withholdings and reported on a 1099 form to be issued by the Settlement Administrator. No taxes will be withheld or paid by Defendants with respect to the Settlement Payments allocated to interest or penalties. Each individual Class Member shall be responsible for his/her share of taxes due on the portion of his or her Settlement Payment. To ensure compliance with requirements imposed by the IRS, we inform you that any United States federal tax advice contained in this Notice was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Once the Court grants Final Approval of this Settlement, Plaintiffs’ Class Representative Service Awards, the payment to Class Counsel for their awarded attorneys’ fees, costs and expenses, and the Individual Settlement Payments to Class Members will be made within 14 calendar days following the date that the Settlement becomes final (*i.e.*, the “Effective Date”).

E. What will I get?

The records of the Defendants indicate that, during the Class Period, the number of workweeks that you worked was: «FinalWorkWeeksTotal» **Compensable Workweeks**

Based on this number of Compensable Workweeks, it is estimated that your Individual Settlement Payment will be «EstAmount». If you dispute the number of Compensable Workweeks, you must mail a letter to the Settlement Administrator stating the reasons why you dispute your number of estimated workweeks and provide any supporting documentation that you have (*e.g.*, payroll records, paystubs, etc.) evidencing your claim. Your letter should also include the estimated number of weeks that you claim to have performed work for during the Class Period. Compensable Workweeks do not include leaves of absence.

Any dispute over the number of Compensable Workweeks that cannot be resolved by the parties shall be submitted to the Settlement Administrator for a final and binding determination.

Any disputes and supporting documentation must be mailed to the Settlement Administrator at the address listed below by First Class U.S. Mail, postmarked no later than July 19, 2021.

Le v. Walgreen Co.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE CLAIMS ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

F. What is the payment to the Class Representatives?

Subject to Court approval, Plaintiffs Marcie Le and Karen Dao will be paid a “Class Representative Enhancement” in an amount up to ten thousand dollars (\$10,000) each for their service as class representatives, providing Defendants with a general release of claims they may have, as well as their willingness to accept the risk of paying Defendants’ attorneys’ fees and costs in the event of an unsuccessful outcome.

G. How will Class Counsel be paid?

Class Counsel will apply to the Court for an award of reasonable attorneys’ fees in an amount up to one-third (33.33%) of six million eight hundred thousand dollars (\$6,800,000) recovered for the Class (*i.e.*, \$2,266,666.67) and reasonable costs of up to three hundred thousand dollars (\$300,000) (“Class Counsel Award”).

H. What are you giving up to get a payment or stay in the Class?

In exchange for the payment provided, Plaintiffs and each Class Member who does not submit a valid Request for Exclusion will release Defendants and their past, present and/or future, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, joint ventures, and all of their shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns (“Released Parties”), for all claims against Defendants that were plead or could have been plead under the Labor Code, Wage Orders, or state or local wage and hour laws, based on the facts alleged in the Action, including claims for: (a) failure to provide rest periods; (b) failure to provide meal periods; (c) failure to provide

complete and accurate wage statements; (d) failure to pay earned wages when due; (e) failure to maintain accurate records; (f) Private Attorneys General Act (“PAGA”) penalties recoverable for any of the foregoing claims; (g) unlawful business practices in violation of Business and Professions Code section 17200 *et seq.* and (h) all damages, including, but not limited to, civil and statutory penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief identified above in (a)-(g).

I. What are the Released Claims?

Plaintiffs and the Class Members fully and finally release the Released Parties from the following claims: any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney’s fees, damages, action or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, that are alleged, related to or that reasonably could have arisen out of the same facts alleged in the Action on a class or representative basis, including, but not limited to: (1) failure to provide rest periods; (2) failure to provide meal periods; (3) failure to provide complete and accurate wage statements; (4) failure to pay earned wages when due; (5) failure to maintain accurate records; (6) PAGA penalties based on any of the foregoing claims in subsections (1)-(5); and (7) unlawful business practices in violation of Business and Professions Code section 17200 *et seq.* based on any of the foregoing claims in subsections (1)-(5) above. This Release shall include, without limitation, claims that were raised, or that reasonably could have been raised, under the applicable Wage Orders and California Labor Code provisions, including Labor Code §§ 201, 202, 203, 226, 226.3, 226.7, 512, 558, 1174(d), 1174.5, 1198 and/or 2698 *et seq.*, based on alleged violations of these Labor Code provisions and applicable Wage Orders (collectively, the “Released Claims”). The period of the Released Claims shall be the Class Period. The Parties agree that the judgment, and release of claims provided herein, shall have *res judicata* effect.

This means that if you currently have a case pending, or plan to file a case based on the above claims, you must exclude yourself from this class action in order to proceed on your own. You will be solely responsible for the costs of hiring your own attorney and proceeding on your own. If you wish instead to receive the benefits of this Settlement, and waive your right to proceed on your own, you should participate in this Settlement (do not exclude yourself).

THE SETTLEMENT HEARING

The Court will conduct a final fairness hearing regarding the proposed Settlement (the “Final Approval/Settlement Fairness Hearing”) on August 2, 2021 at 8:30 a.m., in Courtroom 9D of United States District Court for the Central District of California, 411 West Fourth Street, Santa Ana, CA 92701. The Court will determine: (i) whether the Action should be finally certified as a class action solely and exclusively for Settlement purposes; (ii) whether the Settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Class Members, and if so, whether to enter a judgment fully and finally resolving Plaintiffs’ and Class Members’ claims against Defendants; (iii) whether the Class Members should be bound by the terms of the Settlement, including the release of claims; (iv) the amount of the attorneys’ fees and expenses to be awarded to Class Counsel; and (v) the amount that should be awarded to Plaintiffs Marcie Le and Karen Dao for the Class Representative Enhancements.

At the Final Approval/Settlement Fairness Hearing, the Court will hear all timely and properly filed objections, as well as arguments for and against the proposed Settlement. Assuming you do not elect to exclude yourself from the Settlement, you have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself. The Court has reserved the right to adjourn the Final Approval/Settlement Fairness Hearing to consider any issue, without further notice of any kind.

WHAT ARE YOUR OPTIONS?

OPTION 1 – REMAIN A CLASS MEMBER. IF YOU WISH TO REMAIN A CLASS MEMBER AND OBTAIN ANY SHARE OF THE SETTLEMENT THAT YOU ARE ENTITLED TO RECEIVE, YOU DO NOT NEED TO DO ANYTHING. If the Court approves the proposed Settlement, you automatically will be mailed your share of the Settlement proceeds. If the Court does not approve the Settlement, the lawsuit will continue, and you may or may not be designated a Class Member at a later time. If your address information is incorrect or you move, provide your current address to: CPT Group, Inc. (the “Settlement Administrator”) at 50 Corporate Park, Irvine, CA 92606.

OPTION 2 – REMAIN A CLASS MEMBER AND OBJECT TO THE SETTLEMENT.

You can ask the Court to deny approval by filing an Objection. You can’t ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object in writing.

Your written objection should be signed and state: (a) your full name; (b) your dates of employment; (c) the last four digits of your Social Security number and/or the Employee ID number; (d) the basis for the objection; (e) whether you intend to appear at the Final Approval/Settlement Fairness Hearing; and (f) be submitted to Le v. Walgreen Co. c/o CPT Group, Inc., Settlement Administrator, 50 Corporate Park, Irvine, CA 92606.

To be valid and effective, all objections to approval of the Settlement and all notices of intention to appear must be mailed and postmarked to the Settlement Administrator no later than July 19, 2021. **DO NOT CONTACT THE COURT.** Any Class Member who fails to object to the proposed Settlement as described above will lose the right to object to it.

OPTION 3 – EXCLUDE YOURSELF FROM THE CLASS. You have a right to exclude yourself (“opt out”) from the Class, but if you choose to do so, **YOU WILL NOT RECEIVE ANY BENEFITS FROM THE PROPOSED SETTLEMENT AND YOU WILL NOT HAVE STANDING TO OBJECT TO THE SETTLEMENT.** You will not be bound by a judgment in this case, you will not release your claims against the Defendants, and you will have the right to file your own lawsuit against the Defendants and pursue your own claims in a separate suit. If you want to exclude yourself from the Class, you must complete and sign the written request for exclusion, which is attached to this Notice, and provide your name, address and telephone number to: Le v. Walgreen Co. c/o CPT Group, Inc., Settlement Administrator, 50 Corporate Park, Irvine, CA 92606. Your written request for exclusion must be postmarked on or before July 19, 2021 and received by the Settlement Administrator. Any request for exclusion post-marked after this date or not received by the Settlement Administrator shall be of no force and effect. Any Class Member who files a complete and timely request for exclusion shall, upon receipt by the Settlement Administrator, no longer be a member of the Class, shall be barred from objecting to and participating in any portion of the Settlement, and shall receive no benefits from the Settlement. Any such person, at their own expense, may pursue any claims he/she may have against Defendants.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement, approval papers, and any attorneys’ fee motions available at www.cptgroupcaseinfo.com/walgreensettlement, or contact the Settlement Administrator at 1-888-672-0799.

**ALL OTHER INQUIRIES REGARDING THIS LITIGATION SHOULD BE MADE TO CLASS
COUNSEL**

KING & SIEGEL LLP

Julian Burns King, Esq.
Elliot J. Siegel, Esq.
724 S. Spring St., Suite 201
Los Angeles, California 90014
Telephone: (213) 465-4802
Facsimile: (213) 465-4803
Julian@kingsiegel.com
Elliot@kingsiegel.com

LIEFF CABRASER HEIMANN & BERNSTEIN, LLP

Daniel Hutchinson, Esq.
Lin Y. Chan, Esq.
275 Battery Street, 29th Floor
San Francisco, California 94111
Telephone: (415) 956-1000
Facsimile: (415) 956-1008
dhutchinson@lchb.com
lchan@lchb.com

DO NOT CONTACT THE COURT OR DEFENDANTS' COUNSEL FOR INFORMATION.