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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF KERN

DANIEL ALCOSER, individually, and on behalf of other similarly situated employees,

Plaintiff,

vs.

CVS PHARMACY, INC.; GARFIELD BEACH CVS, L.L.C.; CVS HEALTH CORPORATION; LONGS DRUG STORES CALIFORNIA, LLC; and DOES 1 through 25, inclusive,

Defendants.

Case No. 26CUB02765

Honorable Gregory A. Pulskamp
Department Division J

NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF

Date:	December 4, 2026
Time:	8:30 a.m.
Dept./Div.:	J
Complaint Filed:	July 17, 2026
Trial Date:	Not Set

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE THAT on December 4, 2026 at 8:30 a.m. in Division J of the above-captioned Court located at 1215 Truxtun Avenue, Bakersfield, California 93301, pursuant to California Code of Civil Procedure section 382 and Rule 3.769 of the California Rules of Court, Plaintiff Daniel Alcoser ("Plaintiff") will and hereby does move the Court for an Order granting preliminary approval of the proposed class action and PAGA settlement between Plaintiff and Defendants CVS Pharmacy, Inc., Garfield Beach CVS, L.L.C., Longs Drug Stores California, L.L.C., and CVS Health Corporation (together, "Defendants").

Plaintiff requests that the Court enter an Order:

1. Preliminarily approving the Class and PAGA Settlement Agreement and Release ("Settlement" or "Settlement Agreement") attached as Exhibit 4 to the Declaration of Annabel Blanchard in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ("Blanchard Decl.");

2. Certifying the Class for Settlement purposes;

3. Appointing Plaintiff Daniel Alcoser as the Class Representative for Settlement purposes;

4. Appointing Jonathan M. Genish, Barbara DuVan-Clarke, Danielle L. GruppChang, P.J. Van Ert, Alexandra Rose, and Annabel Blanchard of Blackstone Law, APC as Class Counsel for Settlement purposes;

5. Approving the proposed Notice of Class Action Settlement ("Class Notice"), attached as Exhibit A to the Settlement Agreement, to be mailed to the Class;

6. Approving the opt-out and objection procedures provided in the Settlement Agreement and set forth in the Class Notice;

7. For each Class Member, directing Defendants to furnish the Settlement Administrator with each Settlement Employee's full name, last known mailing address, employee number, Social Security number, respective number of Workweeks worked for Defendants during the Class Period, number of Pay Periods worked for Defendants during the PAGA Period, and such other information as is necessary for the Settlement Administrator to calculate Workweeks and Pay Periods within thirty (30) calendar days after entry of the order granting preliminary approval of the Settlement;

8. Approving the proposed deadlines for the settlement administration process; and

9. Setting a Final Approval Hearing.

Pursuant to California Labor Code section 2699(s)(2), on October 2, 2026, a copy of the Settlement was submitted to the California Labor and Workforce Development Agency ("LWDA") via online submission through the LWDA's website. (Blanchard Decl., ¶ 47 and Exh. 5).

This Motion is based upon this Notice, the attached Memorandum of Points and Authorities, the Declaration of Annabel Blanchard, the Declaration of Plaintiff Daniel Alcoser, the Declaration of the Settlement Administrator (Apex Class Action LLC), the pleadings and other records on file with the Court in this matter, and any other further evidence or argument that the Court may properly receive at or before the hearing.

Respectfully submitted,

Dated: October 5, 2026

BLACKSTONE LAW, APC

By: A. Blanchard
Annabel Blanchard
Attorneys for Plaintiff Daniel Alcoser

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Daniel Alcoser ("Plaintiff") seeks preliminary approval of the Class and PAGA Action Settlement Agreement and Release ("Settlement" or "Settlement Agreement") entered into between Plaintiff and Defendants CVS Pharmacy, Inc., Garfield Beach CVS, L.L.C., Longs Drug Stores California, L.L.C., and CVS Health Corporation (together, "Defendants" or "CVS") (collectively, with Plaintiff, the "Parties"). (Declaration of Annabel Blanchard in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ["Blanchard Decl."], Exh. 4). The Settlement terms are outlined as follows:

- Class Size: Approximately 676 individuals.
- Gross Settlement Amount: Two Million Dollars ($2,000,000).
- Attorneys' Fees and Costs: Attorneys' fees of thirty-five percent (35%) of the Gross Settlement Amount, i.e., Seven Hundred Thousand Dollars ($700,000) if the Gross Settlement Amount is Two Million Dollars ($2,000,000), plus actual litigation costs and expenses not to exceed Twenty-Five Thousand Dollars ($25,000), to be paid from the Gross Settlement Amount.
- Service Enhancement: Seven Thousand Five Hundred Dollars ($7,500), to be paid from the Gross Settlement Amount.
- Settlement Administration Expenses: Not to exceed Thirty Thousand Dollars ($30,000), to be paid from the Gross Settlement Amount.
- PAGA Amount: Fifty Thousand Dollars ($50,000) from the Gross Settlement Amount, 75% of which, or Thirty-Seven Thousand Five Hundred Dollars ($37,500), will be paid to the Labor and Workforce Development Agency ("LWDA"), and the remaining 25%, or Twelve Thousand Five Hundred Dollars ($12,500), will be paid to the PAGA Employees.
- Estimated Net Settlement Amount: One Million One Hundred Eighty-Seven Thousand Five Hundred Dollars ($1,187,500) to be distributed to Participating Class Members.

As set forth herein, the Settlement is the product of informed discovery and arms-length negotiations, and provides a fair, adequate, and reasonable recovery for the Class. Plaintiff therefore respectfully requests that the Court grant preliminarily approval of the Settlement, conditionally certify

the Class, approve the proposed Notice of Class Action Settlement ("Class Notice"), and set a hearing date for final settlement approval, among other requested relief.

II. FACTUAL AND PROCEDURAL BACKGROUND

Defendants are a retail drug store. Plaintiff was employed by Defendants as a Store Manager, then as a Store Team Leader, from approximately March 2020 through approximately February 2024. (Declaration of Plaintiff Daniel Alcoser in Support of Motion for Preliminary Approval of Class Action and PAGA Settlement ["Alcoser Decl."], ¶ 2).

On December 16, 2022, Claimant Steven Keller ("Keller") provided written notice to the California Labor and Workforce Development Agency ("LWDA") by online submission and to defendants CVS Pharmacy, Inc., Garfield Beach CVS, L.L.C., and CVS Health Corporation by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3 of the specified provisions of the California Labor Code alleged to have been violated by Defendants, initiating LWDA Case No. LWDA-CM-924854-22.. (Blanchard Decl., ¶ 10).

On July 17, 2026, Plaintiff filed a Class Action Complaint in the action entitled *Daniel Alcoser v. CVS Pharmacy, Inc., et al.*, Kern County Superior Court Case No. 26CUB02765 ("Action"), against Defendants CVS Pharmacy, Inc., Garfield Beach CVS, L.L.C., Longs Drug Stores California, L.L.C., and CVS Health Corporation ("Defendants" or "CVS"), thereby commencing a putative class action against Defendants. (*Id*., ¶ 11).

On September 15, 2026 Plaintiff and Keller submitted an amended written notice to the LWDA and Defendants. The amended written notice of September 15, 2026 is referred to as the "PAGA Letter." (Blanchard Decl., ¶ 12, and Exh. 2).

Plaintiff will file a First Amended Class and Representative Action Complaint ("Operative Complaint") in the Action, which adds a cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 et seq. ("PAGA"). The Operative Complaint alleges eleven (11) causes of action for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages during employment, failure to provide one day's rest in seven, failure to provide

compliant wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq*. based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations. (Blanchard Decl., ¶ 13).

On May 10, 2023, Plaintiff's Counsel and Defendants' Counsel participated in a formal mediation conducted by Tripper Ortman Esq. ("Mediator"), a neutral and respected mediator with extensive experience in complex wage and hour matters. The Action did not reach a settlement at mediation. Through ongoing negotiations, and with the assistance of the Mediator's evaluations, Plaintiff and Defendants (the "Parties") ultimately were able to reach an agreement to resolve this dispute on a class and representative basis. (*Id*., ¶ 14). The Parties then worked diligently to negotiate and memorialize the terms in a long form settlement agreement. (Ibid).

On September 23, 2026, the Parties executed the Settlement Agreement. (*Id*., ¶ 15 and Exh. 4).

III. THE SETTLEMENT TERMS

A. Class Definition

For purposes of settlement only, the Parties have agreed that the Class shall be defined as "all current and former CVS employees who were given the title 'store manager' and classified as exempt employees in California at any time during the Class Period" ("Class" or "Class Member(s)"). (Blanchard Decl., ¶ 16; Settlement Agreement, ¶ 4). The Class Period is defined as the period from December 20, 2018, through September 15, 2022. (Blanchard Decl., ¶ 16; Settlement Agreement, ¶ 6). Based on information provided by Defendants, it is estimated that there are a total of six hundred seventy-six (676) Class Members. (Blanchard Decl., ¶ 16).

B. Amount of Settlement

The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint for a non-reversionary Gross Settlement Amount of Two Million Dollars ($2,000,000), exclusive of employer-side payroll taxes. (Blanchard Decl., ¶ 17; Settlement Agreement, ¶¶ 18, 53).

C. Allocation and Funding of the Gross Settlement Amount

The Gross Settlement Amount is a common fund and includes Class Counsel's attorneys' fees and actual litigation costs, Settlement Administration Expenses, the PAGA Payment, Class Settlement

Payments to Participating Class Members, and the Service Enhancement to Plaintiff. (Blanchard Decl., ¶ 17; Settlement Agreement, ¶ 18). The Gross Settlement Amount includes: (1) Class Counsel's attorneys' fees in the amount of thirty-five percent (35%) of the Gross Settlement Amount, i.e., Seven Hundred Thousand Dollars ($700,000); (2) Class Counsel's actual litigation costs and expenses, not to exceed Twenty-Five Thousand Dollars ($25,000); (3) Settlement Administration Expenses, not to exceed Thirty Thousand Dollars ($30,000); (4) a Service Enhancement to Plaintiff in the amount of Seven Thousand Five Hundred Dollars ($7,500); and (5) a PAGA Payment in the amount of Fifty Thousand Dollars ($50,000). (Blanchard Decl., ¶ 17; Settlement Agreement, ¶¶ 18, 53(a)-(c), 53(e)). After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount currently available for Participating Class Members is estimated to be One Million One Hundred Eighty-Seven Thousand Five Hundred Dollars ($1,187,500). (Blanchard Decl., ¶ 17). Additionally, twenty-five percent (25%) of the PAGA Payment, or Twelve Thousand Five Hundred Dollars ($12,500) out of the Fifty Thousand Dollar ($50,000) PAGA Payment, will be distributed to PAGA Employees on a pro rata basis based on the number of Pay Periods each PAGA Employee was employed by Defendants during the PAGA Period. (Blanchard Decl., ¶ 17; Settlement Agreement, ¶¶ 26, 28, 53(e)). "PAGA Employees" means all current and former CVS employees who were given the title of "store manager" and were classified as exempt employees in California at any time during the PAGA Period. (Blanchard Decl., ¶ 17; Settlement Agreement, ¶ 25). The PAGA Period is defined as the period from October 16, 2021, through September 15, 2022. (Blanchard Decl., ¶ 17; Settlement Agreement, ¶ 29).

The Net Settlement Amount will be distributed to all Class Members who do not opt out of the Class Claims portion of the Settlement ("Participating Class Members") on a pro rata basis. The Settlement Administrator will calculate each Participating Class Member's Class Settlement Payment based on each Participating Class Member's relative percentage of Workweeks in the Class Period, as reflected in CVS's internal records. "Workweek" means any week in which a Class Member was employed by Defendants during the Class Period, and each Class Member will be credited with at least one Workweek. The pro rata share of the Net Settlement Amount that each Participating Class Member may be eligible to receive under the Class Settlement will be calculated by the Settlement Administrator in accordance with the Settlement Agreement. (Blanchard Decl., ¶ 18; Settlement Agreement, ¶¶ 7, 21,

30, 44, 67).

The PAGA Employee Payment will be distributed to each PAGA Employee on a pro rata basis based on the number of Pay Periods each PAGA Employee was employed by Defendants during the PAGA Period. The Settlement Administrator will calculate each PAGA Employee's share based on each PAGA Employee's relative percentage of Pay Periods in the PAGA Period, as reflected in CVS's internal records. "Pay Period" means any pay period in which a PAGA Employee was employed by Defendants during the PAGA Period. The pro rata share of the PAGA Employee Payment that each PAGA Employee may be eligible to receive under the PAGA Settlement will be calculated by the Settlement Administrator in accordance with the Settlement Agreement. (Blanchard Decl., ¶ 19; Settlement Agreement, ¶¶ 26, 32, 67).

Each Class Settlement Payment to Participating Class Members will be allocated as twenty-five percent (25%) wages, fifty percent (50%) penalties, and twenty-five percent (25%) interest. The PAGA Employee Payments will be allocated entirely to penalties. Plaintiff and Participating Class Members will be responsible for their own payroll and income taxes on the wage portion of the Class Settlement Payments, and those amounts will be withheld by the Settlement Administrator before checks are issued. CVS will separately fund the employer-side tax contributions required by law. (Blanchard Decl., ¶ 20; Settlement Agreement, ¶ 68). Each individual PAGA Employee Payment will be treated as miscellaneous income and reported on an IRS Form 1099 without withholdings. (Settlement Agreement, ¶ 53(e)).

The Settlement Agreement is a non-reversionary and non-claims made settlement. The Net Settlement Amount will be fully distributed to Participating Class Members, and the PAGA Payment will be fully distributed to the LWDA and PAGA Employees, in accordance with the Settlement Agreement. No money will revert to Defendants. (Blanchard Decl., ¶ 21; Settlement Agreement, ¶¶ 53, 53(e), 72).

Each settlement check issued to a Participating Settlement Employee will remain valid for one hundred eighty (180) calendar days after mailing. If a Participating Settlement Employee does not cash their check within that 180-day period, the check will become void. Funds associated with settlement checks that are returned as undeliverable or remain uncashed for more than one hundred eighty (180) calendar days after issuance will be sent to the State Controller's Office under the Unclaimed Property Law Statutes. (Blanchard Decl., ¶ 22; Settlement Agreement, ¶ 72).

D. Released Claims

Upon the Effective Date and full funding of the Settlement, Plaintiff and all Participating Class Members will be deemed to have fully, finally, and forever released all Released Parties from the Released Class Claims, as set forth in Section VII of the Settlement Agreement. (Settlement Agreement, ¶¶ 56, 77-78).

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, on behalf of himself, the State of California, and all PAGA Employees, will be deemed to have fully, finally, and forever released all Released Parties from the Released PAGA Claims. No PAGA Employee may opt out of this release. (Settlement Agreement, ¶¶ 56, 79-80).

"Released Class Claims" means the Class Claims that Participating Class Members are fully and irrevocably releasing against the Released Parties in exchange for the consideration provided by the Settlement Agreement, whether arising at law, in contract, or in equity, and whether for economic or non-economic damages, restitution, injunctive relief, penalties or liquidated damages. (Settlement Agreement, ¶ 33). "Class Claims" means all claims for wages, benefits, and related penalties actually asserted or that could have been asserted in the Action on behalf of Class Members based on the facts alleged in the Action, including but not limited to all of the following: (1) Failure to Pay Minimum Wages for All Hours Worked in Violation of the Industrial Welfare Commission Order (IWC) 8-2001, California Labor Code §§ 200-204, 226, 500, 510, 558, 1182.12, 1194, 1197, 1197.1, and 1198, and 8 CCR § 11070; (2) Failure To Pay Overtime Premium Pay in Violation of California Labor Code §§ 200-203, 226, 500, 510, 558, 1194, and 1198; (3) Meal Period Violations, California Labor Code §§ 226.7, 512, and 1198, and 8 CCR § 11070; (4) Rest Period Violations, California Labor Code §§ 226.7, and 1198, and 8 CCR § 11070; (5) Failure to Timely Pay Wages During Employment in Violation of California Labor Code §§ 204 and 210; (6) Failure to Provide One Day's Rest In Seven in Violation of California Labor Code §§ 551, 552, and 852; (7) Failure to Provide Accurate Itemized Wage Statements in Violation of California Labor Code § 226(a); (8) Failure to Pay Wages At Time of Termination in Violation of California Labor Code §§ 201-203 and 1194; (9) Failure to Reimburse Reasonable and Necessary Business Expenses In Violation of California Labor Code §§ 2800 and 2802; (10) Unfair Competition in Violation of Business & Professions Code §§ 17200, *et seq.* based on the California Labor Code and Wage Order violations

alleged; and (11) all damages, penalties, interest, attorneys' fees, costs, and other amounts recoverable under said claims under California law. (Settlement Agreement, ¶ 2).

"Released PAGA Claims" means the PAGA Claims that Plaintiff, on behalf of himself, the State of California, and the PAGA Employees, is fully and irrevocably releasing the Released Parties from, as provided by the Settlement Agreement. (Settlement Agreement, ¶ 34). "PAGA Claims" means all claims for PAGA civil penalties that were stated or could have been stated based on the facts alleged in the Action and in the PAGA Letter, including but not limited to claims for PAGA civil penalties based on the following: (1) Failure to Pay Wages For All Hours Worked in Violation of the Industrial Welfare Commission Order (IWC) 8-2001, California Labor Code §§ 200-204, 226, 500, 510, 558, 1182.12, 1194, 1197, 1197.1, and 1198, and 12 CCR § 11040; (2) Failure To Pay Overtime Premium Pay in Violation of California Labor Code §§ 200-203, 226, 500, 510, 558, 558.1, 1194, 1194.2, and 1198 and IWC Wage Order 7-2001, § 3; (3) Meal and Rest Break Violations, California Labor Code §§ 226.7, 512, and 1198, and 12 CCR § 11040; (4) Failure to Timely Pay Wages During Employment in Violation of California Labor Code §§ 204 and 210; (5) Failure to Provide One Day's Rest In Seven in Violation of California Labor Code §§ 551, 552, and 852; (6) Failure to Provide Accurate Itemized Wage Statements in Violation of California Labor Code §§ 226, 226.3, 1174, and 1198 and Wage Order 7-2001; (7) Failure to Pay Wages At Time of Termination in Violation of California Labor Code §§ 201-203 and 1194; and (8) Failure to Reimburse Reasonable and Necessary Business Expenses In Violation of California Labor Code §§ 2800 and 2802 and IWC Wage Order 7-2001. (Settlement Agreement, ¶ 24).

"Released Parties" means CVS Pharmacy, Inc., Longs Drug Stores California LLC, Garfield Beach CVS, LLC, CVS Health Corporation, and their affiliates, divisions, subsidiaries, parents, predecessors, any merged entity or merged entities and/or its or their present and former officers, partners, directors, managers, supervisors, employees, attorneys, agents, shareholders and/or successors, assigns, trustees, heirs, administrators, executors, representatives and/or principals thereof. (Settlement Agreement, ¶ 35).

IV. STANDARD OF REVIEW FOR PRELIMINARY APPROVAL

The settlement of a class action requires court approval. (*See Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794 (1996)). "In general, questions whether a settlement was fair and reasonable, whether

notice to the class was adequate, whether certification of the class was proper, and whether the attorney fee award was proper are matters addressed to the trial court's broad discretion." (*Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 234-35 (2001) (disapproved on other grounds)).

The review and approval of a proposed class action settlement involves a two-step process. (*See* Cal. Rules of Court, Rule 3.769(c)). First, counsel submit the proposed terms of the settlement and the Court makes a preliminary assessment of whether the settlement appears to be sufficiently within the range of a fair settlement to justify providing notice of the proposed settlement to class members. After notice is provided to the class, the Court must conduct a second inquiry into whether the proposed settlement is fair, reasonable, and adequate. (Ibid).

The initial evaluation of the settlement at the preliminary approval step "is not a fairness hearing." (*Armstrong v. Board of School Directors of City of Milwaukee*, 616 F.2d 305, 314 (7th Cir. 1980)). Rather, the limited purpose of this initial inquiry is to determine, at a threshold level, only whether the proposed settlement is within the range of possible approval and, as a result, "whether there is any reason to notify the class members of the proposed settlement and to proceed with a fairness hearing." A presumption of fairness exists where: (1) the settlement is reached through arm's length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*See In re Microsoft I-V Cases*, 135 Cal. App. 4th 706, 723 (2006)).

Preliminary approval does not require a court to make a final determination that the settlement is fair, reasonable, and adequate. Rather, that decision is made only at the final approval stage, after notice of the settlement has been given to the class members and they have had an opportunity to object or exclude themselves from the settlement. (*See* Cal. Rules of Court, Rule 3.769(g)). In considering a potential class settlement, the court need not reach any ultimate conclusions on the issues of fact and law which underlie the merits of the dispute and need not engage in a trial on the merits. (*See Officers for Justice v. Civil Service Commission*, 688 F.2d 615, 625 (9th Cir. 1982)).

V. THE SETTLEMENT IS PRESUMED FAIR

A. The Settlement Was Reached as a Result of Arm's-Length Bargaining

California courts recognize that "a presumption of fairness exists where . . . [a] settlement is

reached through arm's-length bargaining." (*Wershba*, 91 Cal.App.4th at 245; *see also Clark v. Am. Residential Servs. LLC*, 175 Cal.App.4th 785, 799 (2009)). Here, the Parties' settlement negotiations were at all times made at arm's-length and were adversarial. (Blanchard Decl., ¶ 20). The Settlement was reached following a full day of mediation with a highly respected mediator with substantial experience mediating wage and hour cases. (Ibid).

B. Sufficient Investigation and Discovery by Experienced Class Counsel

Courts typically assess the status of discovery in determining whether a class action settlement agreement is fair, reasonable, and adequate. (*Dunk*, 48 Cal.App.4th at 1801). Prior to mediation, Defendants produced a sampling of putative class members' job descriptions, payroll documents, time data ("punch report"), Defendants' company policies and procedures. and information regarding the average rate of pay for the putative class members. The parties also met and conferred on numerous occasions over issues relating to the pleadings, jurisdiction, and the production of documents and data prior to and after the mediation. (Blanchard Decl., ¶¶ 23-24).

This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and weaknesses of the claims and the potential class-wide damages. (*Id*., ¶ 25). Based on information exchanged, the Parties extensively briefed issues regarding class certification and liability and provided their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective positions. (*Id*., ¶ 26). At all times, Plaintiff was willing and prepared to litigate this matter through class certification and trial if the Parties had been unable to reach a favorable resolution. (Ibid). Additionally, settlement negotiations were conducted by highly capable and experienced counsel. (Blanchard Decl., ¶¶ 1-8). Accordingly, Class Counsel had sufficient information and experience to act intelligently in negotiating the Settlement.

C. The Settlement is Fair and Reasonable in Light of the Parties' Respective Legal Positions and Recovery Risks

A settlement is not judged against what might have been recovered had a plaintiff prevailed at trial, nor does the settlement have to obtain 100% of the damages sought to be fair and reasonable. (*Wershba*, 91 Cal.App.4th at 246, 250). In evaluating the reasonableness of a settlement, a trial court must consider "the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further

litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement." (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008)).

Here, the reasonableness of the Settlement is underscored by the fact that Defendants have legal and factual grounds for defending the Action. Based upon Class Counsel's experience litigating similar complex matters, Plaintiff reasonably expected a vigorous and lengthy defense to both class certification and the merits of the Action absent a settlement.

1. Class Counsel's Analysis of the Maximum Available Liability and Damages

Class Counsel analyzed all available data and estimated Defendants' maximum potential exposure to be approximately $30,820,206.20, assuming the litigation was successful at trial on all claims at issue and every employee had a violation for each claim on every shift worked. (Blanchard Decl., ¶ 27). This total maximum value was then discounted at varying levels based on factors such as the likelihood of obtaining class certification, prevailing at trial, and other attendant risks. Plaintiff used an hourly rate of $39.30 to calculating damages; this average hourly rate was arrived at by taking the average salary of $82,027.82 per year, dividing that by 2,087 hours in the year. (Ibid).

For the Court's convenience, Plaintiff has prepared the following table which reflects both the total maximum value and the reasonable settlement value of the Action after discounting for risk and other factors:

Claim	Maximum Value	Value after discounting for risks of certification	Value after discounting for risks of prevailing on the merits, including but not limited the underlying misclassification theory	Value after discounting for the risk of the Court not finding willfulness
Off the Clock Work	$2,515,750.20	$628,937.50	$157,234.38	
Unpaid Meal Period Premiums	$12,578,751.00	$3,144,687.75	$943,406.33	
Unpaid Rest Period Premiums	$12,578,751.00	$3,144,687.75	$943,406.33	

Waiting Time Penalties	$1,575,144.00	$393,786.00	$98,446.50	$24,611.63
Failure to Provide One Day's Rest in Seven	$699,400.00	$174,850.00	$43,712.50	
Failure to Provide Accurate Wage Statements	$699,400.00	$174,850.00	$43,712.50	
Failure to Reimburse Necessary Business Expenses	$173,010.00	$43,252.50	$10,813.13	
Civil Penalties pursuant to PAGA	$720,900.00	$180,225.00 (*discounted for lack of efficiency risk)*	$45,056.25	$11,264.06

As indicated by the table above, after discounting for the attendant risks, costs, and time required by further litigation and taking the Action to trial, the reasonable settlement value of the Action is $2,211,953.03. (Blanchard Decl., ¶ 29).

2. Class Counsel's Risk-Based Analysis and Risk-Based Adjustments

While Plaintiff believes that Defendants faced significant exposure, substantial barriers to a recovery existed. Defendants contended that Plaintiff's claims are not suitable for class certification because individual issues and affirmative defenses would predominate should this case go to trial. Defendants emphasized that several of the Class Members had signed arbitration agreement with class waivers. Defendants also argued that Plaintiff would not be able to establish that the Class Members were misclassified as exempt and raised the inherent difficulties in establishing misclassification (such as highly individualized circumstances, Class Members managed different locations with different layouts, employee counts, and customer needs). (Blanchard Decl., ¶ 32; *See Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012); *Duran v. U.S. Bank Nat. Assn.*, 59 Cal.4th 1, 35-36 (2014); *Wal-Mart Stores, Inc. v. Dukes*, 131 S.Ct. 2541, 2551 (2011)). While Plaintiff and Class Counsel disagree with Defendants' predictions, they also recognize that there is a significant risk that the Court may deny class certification. (Blanchard Decl., ¶ 35; *see also*, *Findings of the Study of California Class Action Litigation*,

2000-2006, available at http://www.courts.ca.gov/documents/class-action-lit-study.pdf (finding that only 21.4% of all class actions were certified either as part of a settlement or as part of a contested certification motion)).

Plaintiff noted and argued that despite the variations between store locations, the exemption analysis was the same: employees given the title and classification of Exempt Store Manager were not able to spend the majority of their time performing exempt tasks. Therefore, Plaintiff believed that he would be successful in a motion for class certification regarding the exemption issue. However, Defendants argued that, even if a class was certified based on the issue of exemption, Plaintiff and Class Members still may not recover any damages on their meal and rest period claims, given that Class Members had the opportunity to take these breaks, and Defendants need only provide meal and rest periods. Defendants further argued that Plaintiff would not be able to adequately substantiate damages, due to the lack of time records given the Class Members were classified as exempt and did not maintain time records. Moreover, Defendants argued that Plaintiff would not be able to prove typicality and commonality. Defendants maintained that each store had individualized circumstances which contributed to the allocation of job duties between exempt tasks (such as interfacing with district offices, hiring, payroll, staffing, managing inventory) and non-exempt tasks (such as manning cash registers, interfacing with customers, and restocking shelves, among other tasks) and hours worked by the putative class members. Consideration of these risks factored into Plaintiffs' calculation of the reasonable settlement value of the Action, the negotiations, and ultimately the decision to enter the Settlement. (Blanchard Decl., ¶ 32).

Class Counsel is aware of Defendants' defenses and arguments and has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation, including those risks specific to misclassification cases, as well as general those involved in class and/or representative adjudication. Plaintiff further recognizes the burdens of proof necessary to establish liability for the claims asserted in the Action, Defendants' defenses, and the difficulties in establishing entitlement to monetary recovery. (Blanchard Decl., ¶ 33).

Defendants denied and continue to deny any liability and wrongdoing of any kind associated with the claims alleged in the Action and further deny that class certification is appropriate for any purpose other than the Settlement. Defendants believe that they would ultimately prevail in the Action.

Defendants proffered defenses to both certification and to the merits of Plaintiff's claims. Defendants contended, in addition to their arguments listed above regarding typicality and damages, that their policies and practices fully complied with California law, that their Store Managers were properly classified as exempt, that misclassification claims were particularly ill-suited for class treatment, and that the majority of the putative class was bound by arbitration agreements containing a class action waiver. Further, as with all class actions, these complex cases raise difficult management and proof issues and, accordingly, there is a significant risk that the Court may deny class certification. (*Id.*, ¶ 34).

Class Counsel also recognized that, even if Plaintiff was able to show that the Class was misclassified as exempt and prevailed at class certification, proving the amount of wages and premiums due to each Class Member would be an expensive, time-consuming, and frankly uncertain proposition. In order to prove liability and damages, Class Counsel would need to request and analyze thousands of additional pages of documents, obtain contact information for additional putative Class Members, contact, interview, depose, and/or obtain declarations from them, and obtain multiple additional witness declarations at great expense and risk. Obtaining the cooperation of current employees would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current employer. On the other hand, Defendants would be more likely be able to obtain the cooperation of their employees. Moreover, even if Plaintiff prevailed at class certification and trial, possible appeals would substantially delay any recovery by the Class. (*Id.*, ¶ 35).

Class Counsel also contemplated the risks of proceeding with the PAGA claims and potential liability Defendants could face from these claims as part of the global resolution. (*Id.*, ¶ 35). Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying wage claims. (Blanchard Decl., ¶ 36; see, *Elliot v. Spherion Pac. Work, LLC*, 572 F.Supp.2d 1169, 1181-82 (C.D. Cal. 2008) ("Plaintiff's claim under [PAGA] is wholly dependent upon her other claims. Because all of Plaintiff's other claims fail as a matter of law, so does her PAGA claim")). Class Counsel also anticipated that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory, and that Defendants would argue that they made a good faith attempt to comply with their

legal obligations warranting a reduction in penalties. (Blanchard Decl., ¶ 36).[1] Class Counsel also anticipated Defendants would argue that the violations per pay period were low, warranting an additional reduction in civil penalties. (Ibid). Finally, Class Counsel was also mindful of the fact that PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate enforcement of California's labor laws by financing state activities and educating and deterring non-compliance. (Ibid).

Accordingly, after considering these factors, Class Counsel concluded that it was in the best interest of the State of California and the PAGA Employees to enter into the Settlement and to allocate Fifty Thousand Dollars ($50,000) of the Gross Settlement Amount toward the PAGA claims. (Id., ¶ 37) Of that amount, 75% ($37,500) will be allocated to the LWDA and 25% ($12,500) will be allocated to PAGA Employees on a pro-rata basis. (Ibid) This PAGA allocation represents approximately 2.5% of the Two Million Dollar ($2,000,000) Gross Settlement Amount. (Blanchard Decl., ¶ 37.) The Settlement also provides relief consistent with the public policy objectives of PAGA because the Parties will ask the Court to approve the PAGA portion of the Settlement as providing genuine and meaningful relief consistent with PAGA's purpose of benefiting the public. (Ibid).

Therefore, Class Counsel considered how the above risks could affect Plaintiff's ability to obtain class certification and prove the underlying violations, as well as the Court's discretion regarding civil penalties and the cost and delay associated with further litigation. While Class Counsel disagreed with Defendant's arguments and factual contentions, Class Counsel recognized the circumstances and realities of the case (such as the arbitration agreements and underlying misclassification theory), applicable case law and regulations, costs and expenses of further litigation and certification, and risks of records, and applied appropriate discounts for them. (*Id*., ¶38).

[1] See, e.g., *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1131 (2012) (imposition of both statutory and civil penalties for same conduct is impermissible double recovery) (disapproved on other grounds); *Aguirre v. Genesis Logistics*, 2013 WL 10936035, at *3 (C.D. Cal. 2013) ("duplicative effect" of penalties is a factor in favor of "reducing ...the PAGA penalty"); *Smith v. Lux Retail North America, Inc.*, 2013 WL 2932243, at *3 (N.D. Cal. June 13, 2013) (declining to stack penalties based on the same conduct); *Castillo v. ADT, LLC*, 2017 WL 363108, at *4 (E.D. Cal. Jan. 25, 2017); *Sanchez v. McDonalds Restaurants of California, Inc.*, 2017 WL 4620746 (LA Super. Ct. July 6, 2017) (declining to stack penalties arising out of the same conduct); *Fleming v. Covidien, Inc.*, 2011 WL 756304718, at *4 (C.D. Cal. Aug. 12, 2011) (reducing PAGA penalties by 80%); *Cotter v. Lyft, Inc.*, 193 F.Supp.3d 1030 (N.D. Cal. 2016) (indicating that a substantial reduction is warranted where good faith dispute exists in legal obligations); *Carrington v. Starbucks Corp*., 30 Cal.App.5th 504, 529 (2018) (approving reduction in penalties from $50 per pay period to $5 per pay period based on good faith attempts to comply with obligations and minimal violations).

Therefore, as stated above, Class Counsel estimated that the maximum settlement value, if Plaintiff was successful at trial on all of the claims, prior to applying any adjustments for the risks Plaintiff faced in certifying his claims and then succeeding on those claims post-certification, is $31,541,106.20. The reasonable settlement value, after taking into account the risks discussed above is $2,211,953. Therefore, the Gross Settlement Amount of $2,000,000 represents 90.4% of the risk-adjusted value of the claims. (*Id*., ¶ 40).

Class Counsel therefore submits that the Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation. (*Id*., ¶ 41).

VI. CERTIFICATION FOR SETTLEMENT PURPOSES IS WARRANTED

Code of Civil Procedure Section 382 provides that three basic requirements must be met in order to sustain any class action: (1) there must be an ascertainable class; (2) there must be a well-defined community of interest in the question of law or fact affecting the parties to be represented; and (3) certification will provide substantial benefits to litigants and the courts, i.e., proceeding as a class action is superior to other methods. (*See Dunk*, 48 Cal.App.4th at 1806). Plaintiff contends that the Action, which is based upon Defendants' wage and hour policies and practices, satisfies the class certification requirements under California Code of Civil Procedure section 382. Defendants deny Plaintiff's allegations, but for purposes of the Settlement only, Defendants have stipulated to certification of the Class.

A. An Ascertainable Class Exists Which is So Numerous That Joinder of All Members is Impracticable

Whether an ascertainable class exists turns on the class definition, the size of the class, and the means of identifying class members. In this case, all three considerations support certification for settlement purposes. Here, the Class is defined as "all current and former CVS employees who were given the title 'store manager' and classified as exempt employees in California at any time during the Class Period." (Blanchard Decl., ¶ 16; Settlement Agreement, ¶ 4). The Class Period is defined as the period from December 20, 2018, through September 15, 2022. (Blanchard Decl., ¶ 16; Settlement Agreement, ¶

6). This definition provides a clear and definite scope for the proposed settlement class.

Next, the Class is sufficiently numerous. There is no magic number that satisfies the numerosity requirement. Courts have certified classes with as few as ten or twenty-eight class members. (*Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981); *Bowles v. Superior Court*, 44 Cal. 2d 574 (1995); *Hebbard v. Colgrove*, 28 Cal.App.3d 1017, 1030 (1972)). Here, the estimated Class size of six hundred seventy-six (676) individuals meets the numerosity requirement.

Finally, the question of whether class members are easily identifiable turns on whether a plaintiff can establish "the existence of an ascertainable class." (*Daar v. Yellow Cab Co.*, 67 Cal.2d 695 at 706 (1967)). The existence of an ascertainable class in this case can be established through Defendants' payroll records, and the Class definition is sufficiently specific to enable the Parties, Class Members, and the Court to determine the parameters of the Class. (*See Clothesrigger, Inc. v. GTE Corp.*, 191 Cal.App.3d 605, 617 (1987)).

B. The Class Shares a Well-Defined Community of Interest

The community of interest requirement embodies three factors: (1) predominant questions of law and fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class. (*Dunk*, 48 Cal.App.4th at 1806). Here, all three requirements are easily satisfied.

The commonality criterion requires the existence of common question of law or fact and is generally established with the issues of predominance and typicality. (*See Daar*, 67 Cal.2d 695, 706). What is required is that a common question of fact or law exists which predominates over issues unique to individual plaintiffs. The existence of individual issues or facts—generally present in any case arising from employment—is not a bar to class certification as long as they do not render class litigation unmanageable or predominate over the common issues. (*See B.W.I. Custom Kitchen v. Owens-Illinois, Inc.*, 191 Cal.App.3d 1341, 1354 (1987)).

Here, Plaintiff's claims present common issues of law and fact that predominate and warrant class certification. Plaintiff alleges that Defendants misclassified their employees, and therefore denied compliant meal and rest periods to employees, required employees to perform work off-the-clock, and failed to fully compensate employees for all time actually worked. These policies and practices meant

that Defendants allegedly failed to pay minimum and overtime wages, and other related claims. Plaintiff alleges that Defendants' policies and practices were uniform as to all Class Members. Thus, class treatment is appropriate.

To satisfy the typicality requirement, California law does not require that plaintiffs' claims be identical to the other class members. Rather, the test of typicality for a class representative is whether other members have the same or similar injury, whether the action is based on conduct which is not unique to the named plaintiff, and whether other class members have been injured by the same course of conduct. (*See Seastrom v. Neways, Inc.*, 149 Cal.App.4th 1496, 1502 (2007)). The typicality requirement for a class representative refers to the nature of the claim or defense of the representative, and not to the specific facts from which it arose or the relief sought. (*See* Ibid).

Here, Plaintiff alleges that his claims are similar to those of the other Class Members and that Plaintiff's claims arise out of the same alleged course of conduct giving rise to the claims of the other Class Members. Because Plaintiff's claims are based upon the same alleged conduct and business practices as those of Class Members, the typicality requirement has been satisfied.

Finally, adequacy of representation turns on whether Class Counsel is qualified to conduct the litigation and whether Plaintiff's interests are aligned with, and not antagonistic to, the interests of the Class. Here, those considerations are satisfied. Class Counsel is qualified and experienced in employment-related class and PAGA litigation. (Blanchard Decl., ¶¶ 1-8). Blackstone Law, APC represents plaintiffs in individual and representative employment litigation, including labor and employment class actions and PAGA cases, and the attorneys primarily responsible for this matter have substantial experience litigating, negotiating, and resolving wage-and-hour class and representative matters. (Blanchard Decl., ¶¶ 2-8). Plaintiff will vigorously, adequately, and fairly represent the interests of the Class. Plaintiff's claims arise from the same alleged wage-and-hour practices applicable to the Class Members, including alleged misclassification of Store Manager employees, unpaid regular and overtime wages, meal and rest period violations, inaccurate wage statements, final pay violations, and unreimbursed business expenses. (Settlement Agreement, ¶ 45). Because Plaintiff's claims are typical of those of the Class Members and are not based on unique circumstances, there is no apparent antagonism between Plaintiff's interests and the interests of the Class.

C. A Class Action is Superior to a Multiplicity of Litigation

Under the circumstances, proceeding as a class action is a superior means of resolving this dispute, as the Class Members and the Court will derive substantial benefits. Class certification would serve as the only means to deter and redress the alleged violations. (*See Linder v. Thrifty Oil Co.*, 23 Cal.4th 429, 434 (2000) (relevant considerations include the probability that each class member will come forward to prove his or her separate claim and whether the class approach would actually serve to deter and redress the alleged wrongdoing)). Further, individual actions arising out of the same operative facts would unduly burden the courts and could result in inconsistent results. Therefore, class action proceedings are superior to individual litigation.

VII. THE REQUESTED SERVICE ENHANCEMENT IS REASONABLE

Plaintiffs in class action lawsuits are eligible for reasonable incentive payments as compensation "for the expense or risk they have incurred in conferring a benefit on other members of the class." (*Munoz v. BCI Coca-Cola Bottling Co.*, 186 Cal.App.4th 399, 412 (2010)). Courts routinely grant approval of class action settlement agreements containing enhancements for the class representative, which are necessary to provide incentive to represent the class and are appropriate given the benefit the class representatives help to bring about for the class. (*See In re Online DVD Rental*, 779 F.3d 934, 947-948 (9th Cir. 2014) (approving incentive award 417 times larger than individual payments where incentive award made up a mere .17% of the settlement); *Gaudin v. Saxon Mortgage Servs., Inc.*, 2015 WL 7454183, at *10 (N.D. Cal. Nov. 23, 2015) (finding service award of $15,000 to be "fair and reasonable")).

Plaintiff initiated this litigation on behalf of his former co-workers who will now be entitled to receive payment from the Settlement. Plaintiff invested substantial time and effort into litigation, including his own research, reviewing documents, and extensive discussions with Class Counsel. (Alcoser Decl., ¶¶ 3-5). Further, the requested amount for Plaintiff is also reasonable given the average award and the benefit gained by other Class Members. For these reasons, Plaintiff requests that a Service Enhancement of Thousand Five Hundred Dollars ($7,500) be preliminarily approved by the Court. (Blanchard Decl., ¶ 42; Alcoser Decl., ¶ 12).

VIII. THE REQUESTED ATTORNEYS' FEES AND COSTS ARE REASONABLE

Trial courts have "wide latitude" in assessing the value of attorneys' fees and their decisions are "not to be disturbed on appeal absent a manifest abuse of discretion." (*Lealao v. Beneficial Cal, Inc.*, 82 Cal.App.4th 19, 41 (2000)). California law provides that attorney fee awards should be equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred. (*Id*. at 47). In cases where class members present claims against a common fund and the defendant agrees to a percentage of the fund as part of the settlement, use of the percentage method is appropriate. (*Id.* at 32).

Here, the requested attorneys' fees of thirty-five percent (35%) of the Gross Settlement Amount, i.e., Seven Hundred Thousand Dollars ($700,000) if the Gross Settlement Amount is Two Million Dollars ($2,000,000), is disclosed to Class Members in the proposed Class Notice. The requested fee was freely negotiated, is common in the legal marketplace, and will not be opposed by Defendants. (Blanchard Decl., ¶ 43; Settlement Agreement, ¶ 53(a)). The Motion for Final Approval will elaborate on the nature of the legal services provided, the time incurred in performing those services, Class Counsel's hourly rates, and Class Counsel's request for reimbursement of litigation costs and expenses not to exceed Twenty-Five Thousand Dollars ($25,000). (Blanchard Decl., ¶¶ 43, 45.) Any attorneys' fees, litigation costs, Service Enhancement, or Settlement Administration Expenses not approved by the Court will be added to the Net Settlement Amount and apportioned equally to Participating Class Members. (Settlement Agreement, ¶ 53(d)).

IX. THE CLASS NOTICE AND THE OPT-OUT AND OBJECTION PROCESS MEETS DUE PROCESS REQUIREMENTS

The Settlement Administrator will prepare and mail the Class Notice to Class Members. (Settlement Agreement, ¶¶ 60, 74). The Class Notice will include estimated Class Settlement Payment amounts for Class Members and estimated PAGA Employee Payment amounts for PAGA Employees. (Settlement Agreement, ¶ 60). The Settlement Administrator will also receive Requests for Exclusion and objections, provide reports to counsel and the Court, respond to inquiries from Settlement Employees, determine and pay final amounts due, prepare and deliver necessary tax reporting documents, and carry out other related tasks under the Settlement Agreement. (Ibid).

Within thirty (30) calendar days after the Date of Preliminary Approval, CVS will provide the

Settlement Administrator with the Settlement Employee Data. (Settlement Agreement, ¶¶ 73, 84). The Settlement Employee Data will identify Settlement Employees and include, without limitation, their names, addresses, employee numbers, Social Security numbers, the respective number of Workweeks each Class Member worked during the Class Period, and the number of Pay Periods each PAGA Employee worked during the PAGA Period. (Settlement Agreement, ¶ 42). Before mailing the Class Notices, the Settlement Administrator will update the Settlement Employee Data using the National Change of Address database and other available resources deemed suitable by the Settlement Administrator, and will use appropriate tracing methods, including skip tracing, to locate Settlement Employees whose Class Notice is returned as undeliverable. (Settlement Agreement, ¶ 75). The Parties have agreed to retain Apex Class Action LLC as the Settlement Administrator. (Blanchard Decl., ¶ 46; Settlement Agreement, ¶ 38).

In determining whether to approve a class action settlement, the Court has discretion to approve a notice procedure that is reasonable under the circumstances and calculated to provide notice to the Class. Here, Class Counsel is not aware of an alternative method of providing notice to the Class that would result in a higher likelihood of actual notice. (Blanchard Decl., ¶ 47). The original source of the mailing addresses is from each Class Member, who provided the information to Defendants. (Ibid.) As a fail-safe to this reliable method, skip tracing will be performed if necessary. (Ibid.; Settlement Agreement, ¶ 75).

Class Members will have forty-five (45) days from the date of mailing of the Class Notice to submit a Request for Exclusion or written objection to the settlement of the Class Claims. (Settlement Agreement, ¶¶ 64-65, 89). Class Members may also dispute the Workweeks credited to them by submitting a written dispute to the Settlement Administrator, as described in the Class Notice. (Settlement Agreement, ¶ 62).

Before mailing the Class Notices, the Settlement Administrator will update the Settlement Employee Data using the National Change of Address database and other available resources deemed suitable by the Settlement Administrator. (Settlement Agreement, ¶ 75). Any returned envelopes from the initial mailing with forwarding addresses will be used by the Settlement Administrator to locate Settlement Employees and re-mail the Class Notice to the correct or updated address. (Ibid). The

Settlement Administrator will use all appropriate tracing methods, including skip tracing, to ensure that the Class Notices are received by Settlement Employees, and will take reasonable steps, including skip tracing, to locate any Settlement Employees whose Class Notice is returned as undeliverable. (Settlement Agreement, ¶¶ 75-76).

Class Members may dispute the Workweeks credited to them by submitting a written dispute to the Settlement Administrator, as described in the Class Notice. (Settlement Agreement, ¶ 62). The Settlement Administrator will calculate Class Settlement Payments based on each Participating Class Member's relative percentage of Workweeks in the Class Period and will calculate PAGA Employee Payments based on each PAGA Employee's relative percentage of Pay Periods in the PAGA Period, as reflected in CVS's internal records. (Blanchard Decl., ¶¶ 16-17; Settlement Agreement, ¶ 67).

Any Class Member wishing to be excluded from the settlement of the Class Claims must submit a timely and valid written Request for Exclusion to the Settlement Administrator. (Settlement Agreement, ¶ 65). The Request for Exclusion must be postmarked within forty-five (45) days from the date of mailing of the Class Notice and must include: (a) the Class Member's name; (b) a statement that the Class Member desires to exclude himself or herself from the case; and (c) the last four digits of the Class Member's Social Security number. (Ibid). Requests for Exclusion must be exercised individually by a Class Member, and any attempted group, class, or subclass Requests for Exclusion will be ineffective and disregarded by the Settlement Administrator. (Ibid). Class Members who submit untimely or deficient Requests for Exclusion will become Participating Class Members, will be bound by the Settlement, and will receive a Class Settlement Payment. (Ibid). Even if a Settlement Employee opts out of the settlement of the Class Claims, if he, she, or they is a PAGA Employee, he, she, or they will still be bound by the release of the Released PAGA Claims and will receive the applicable PAGA Employee Payment. (Settlement Agreement, ¶¶ 55, 78-79).

To object to the settlement of the Class Claims, Participating Class Members must submit a timely written objection to the Settlement Administrator. (Settlement Agreement, ¶ 64). All objections must be mailed to the Settlement Administrator no later than forty-five (45) days from the date of mailing of the Class Notice, and the date of the postmark on the envelope containing the objection will be the exclusive means used to determine whether the objection was timely submitted. (Ibid). The Parties may file a

response to any objections submitted by Participating Class Members at or before the Fairness Hearing. (Ibid). Participating Class Members may withdraw their objections in writing by submitting a withdrawal statement to the Settlement Administrator not later than one (1) business day before the Fairness Hearing, or as otherwise ordered by the Court. (Ibid). Participating Class Members may also orally object at the Fairness Hearing, regardless of whether they submitted a written objection. (Ibid).

X. CONCLUSION

For all of the foregoing reasons, Plaintiff respectfully requests that this Court grant the Motion for Preliminary Approval of Class Action and PAGA Settlement and the relief requested herein.

Respectfully submitted,

Dated: October 5, 2026

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