

SETTLEMENT AGREEMENT AND RELEASE

Plaintiffs Darlene Cabral (“Cabral”), Natayna Jones (“Jones”), Theresa Kincaid (“Kincaid”), and Eden Smiles (“Smiles”) (collectively “Plaintiffs”), as class representatives and as proxies for the State of California pursuant to the Labor Code Private Attorneys General Act of 2004 (“PAGA”), and defendant Walgreen Co. (“Walgreens”) hereby enter into this Settlement Agreement and Release (“Agreement”). Plaintiffs and Walgreens are collectively referred to as the “Parties.”

RECITALS

1. On August 7, 2019, the Hon. Brad Seligman of the Alameda County Superior Court entered judgment in *Smiles v. Walgreen Co.*, Case No. RG17862495. *Smiles* alleged that Walgreens failed to provide suitable seating to employees while they worked at the front-end checkstands of Walgreens’ California retail stores in violation of Wage Order 7-2001, §14.

2. The settlement agreement in *Smiles* (the “Prior *Smiles* Settlement”) imposed certain obligations on Walgreens to place suitable seats at the front-end checkstands of its California retail stores. Judge Seligman retained jurisdiction to enforce the Prior *Smiles* Settlement.

3. On March 25, 2021, Plaintiffs Cabral, Jones, and Kincaid filed a separate lawsuit in the Alameda County Superior Court entitled *Cabral v. Walgreen Co.*, Case No. RG21093196. *Cabral* alleged that Walgreens’ violated Wage order 7-2001 §14 and violated the Prior *Smiles* Settlement.

5. On March 14, 2022 and April 6, 2022, the Parties attended a private mediation before Lou Marlin in an attempt to resolve their disputes regarding the Prior *Smiles* Settlement and *Cabral*. On April 6, 2022, the Parties reached a tentative settlement of all outstanding disputes between them.

6. On April 28, 2022, the Parties fully executed a Binding Memorandum of Agreement (“MOA”) memorializing their settlement, which MOA is attached as Exhibit A and incorporated herein by reference. The Parties are entering into this Agreement to reaffirm and to supplement the terms of the MOA.

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. The Parties reaffirm their respective rights and obligations under the MOA. **This Agreement is intended to supplement the binding terms of the MOA already agreed to by the Parties. Although all of the terms of the MOA are not explicitly stated in this Agreement, all of the terms in the MOA, including the definitions therein, remain in effect, are binding and enforceable, and are hereby incorporated by reference into this Agreement.** The Parties acknowledge and agree that this Agreement cannot stand alone and

must be read in conjunction with the MOA. However, in the event of any inconsistency between the MOA and this Agreement, the Agreement will govern.

2. Additional Definitions.

2.1 “Class Covered Position” means any of the following Walgreens job titles: Beauty Advisor, Beauty Consultant, Customer Service Associate, Look Boutique Beauty Advisor, Look Boutique Lead Beauty Advisor, Look Boutique Assistant Lead Beauty Advisor, Senior Beauty Advisor, and/or Service Clerk.

2.2 “Compliance Reserve” is the sum of \$700,000, to be paid from the Maximum Settlement Amount.

2.3 “Court” means Department 23 of the Superior Court of California, County of Alameda.

2.4 “Defendant’s Counsel” means Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

2.5 “Plaintiffs’ Counsel” means Clapp & Lauinger LLP, Kevin J. McInerney, Esq., Capstone Law, APC, and Altshuler Berzon LLP.

2.6 “Settlement” means the class and representative action settlement memorialized in this Agreement and approved by the Court.

2.7 “Settlement Account” means the interest-bearing account or accounts established by the Settlement Administrator to receive funds from Walgreens and to make the distributions required by this Agreement.

2.8 “Settlement Administrator” means CPT Group.

2.9 “Settlement Administrator Fees” means the fees and costs of the Settlement Administrator to administer the Settlement, capped at \$90,000.

3. Settlement Administration

3.1 The Settlement Administrator will have the following duties: establishing an interest-bearing bank account to collect and distribute settlement funds; printing and mailing notice to the Class Action Members; receiving and reporting to Plaintiffs’ Counsel and Defendant’s Counsel any requests for exclusion from Class Action Members; calculating settlement payments; performing address searches using the National Change of Address database (“NCOA”) and customary skip-trace methods; preparing and mailing settlement payments; disbursing payment of attorneys’ fees, costs, and service payments; preparing necessary tax documents to document the distribution of settlement funds; providing a due diligence declaration for submission to the Court upon completion of the distribution of the settlement fund; and such other tasks as the Parties mutually agree or the Court orders.

3.2 Plaintiffs, Plaintiffs' Counsel, Defendant, and Defendant's Counsel shall not bear any responsibility for errors or omissions in the calculation or distribution of the settlement payments or development of the list of recipients of settlement payments.

4. Class Notice

4.1 No later than fifteen (15) business days following the Court's preliminary approval of the Settlement, Walgreens will provide a list of Class Action Members and a list of Representative Action Members to the Settlement Administrator. Each list will contain, for each Class Action Member or Representative Action Member (as applicable), the person's name, last-known address, and the number of Pay Periods (as defined in the MOA) (rounded to the nearest whole number) for that person during the PAGA Covered Period. (The Parties hereby reaffirm that Class Action Members will receive monetary compensation only for Pay Periods they were paid after August 7, 2019, which is the date of entry of judgment in *Smiles*.)

4.2 As soon as possible, but in no event later than twenty (20) business days following the Court's preliminary approval of the Settlement, the Settlement Administrator will mail the Notice of Class Action Settlement ("Notice") attached hereto as Exhibit B to the Class Action Members. In the event any Notice is returned as undeliverable, the Settlement Administrator will perform a customary skip-trace or similar procedure in an attempt to determine the person's correct address.

4.3 Class Action Members may either object to the Settlement or exclude themselves from the Settlement. Any objection must be filed with the Court and contemporaneously served on Plaintiffs' Counsel and Defendant's Counsel in the manner provided in Code of Civil Procedure §1010 *et seq.* Any request for exclusion must be submitted to the Settlement Administrator by U.S. mail. The deadline for filing any objection or submitting any request for exclusion to the Settlement Administrator is forty-five (45) days following the initial mailing of the Notice. The date of submission of a request for exclusion is the earlier of (a) the date the request for exclusion is actually received by the Settlement Administrator, or (b) if submitted by U.S. mail, the date the request for exclusion is deposited in the U.S. mail, postage pre-paid, as evidenced by the postmark.

5. Distribution to Class Action Members

5.1 No later than three (3) business days after the Settlement Effective date (as defined in the MOA), the Settlement Administrator will provide Defendant's counsel with an appropriate W-9 form and wire instructions for transferring funds to the Settlement Account. No later than fifteen (15) business days after the Settlement Effective Date, Walgreens will deposit the Maximum Settlement Amount, less the Compliance Reserve ("Net Fund"), into the Settlement Account.

5.2 No later than seven (7) days after the deposit of the Net Fund into the Settlement Account, the Settlement Administrator will initiate payment of the Court-approved attorneys' fees and costs via wire transfer to Plaintiffs' Counsel pursuant to instructions provided by Plaintiffs' Counsel.

5.3 No later than seven (7) days after the deposit of the Net Fund into the Settlement Account, the Settlement Administrator will mail checks for the amounts approved by the Court as service awards to Cabral, Jones, Kincaid and Smiles.

5.4 No later than fourteen (14) days after the deposit of the Net Fund into the Settlement Account, the Settlement Administrator will mail the settlement payments to the Class Action Members. The Settlement Administrator will calculate the settlement payments as follows. From the Net Fund, the Settlement Administrator will subtract the Court-approved attorneys' fees, costs, service payments to Plaintiffs, and Settlement Administration Fees. The Settlement Administrator will then divide the resulting amount by the total number of Pay Periods for all Class Action Members during the PAGA Recovery Period to arrive at the per-pay-period settlement amount. Each Class Action Member who does not submit a timely and valid request for exclusion will receive a settlement payment equal to the per-pay-period settlement amount multiplied by the number of Pay Periods that person worked in a Class Covered Position in California as reflected on the list provided by Walgreens.

5.5 Settlement checks to the Class Action Members will remain valid for a period of 180 days from the date of mailing. If any check is returned as undeliverable, the Settlement Administrator will use a skip-trace or other customary procedure to locate a correct address. Any funds remaining in the Settlement Account after the 180-day period will be disbursed pursuant to Section 6 below.

6. Distribution to the LWDA and Representative Action Members.

6.1 No later than five (5) business days after Walgreens serves the Compliance Declaration (as defined in the MOA), Walgreens will transfer to the Settlement Administrator for deposit into the Settlement Account the unspent portion of the Compliance Reserve.

6.2 From the Settlement Account, the Settlement Administrator will pay Lou Marlin the lesser of his actual fees to resolve any dispute under this Agreement or \$10,000. The Settlement Administrator will pay the funds remaining in the Settlement Account to the LWDA and the Representative Action Members as provided in the MOA.

6.3 Settlement checks issued to the Representative Action Members (if applicable) shall remain valid for a period of 180 days after the date of mailing. Any funds remaining in the Settlement Account following this 180-day period shall be submitted directly to the Industrial Relations Unclaimed Wage Fund together with a report reflecting, for each uncashed check, the recipient's name and the amount of the uncashed check.

7. Miscellaneous.

7.1 The amounts paid to Plaintiffs, the Class Action Members and the Representative Action Members do not count as earnings or compensation for purposes of any benefits (*e.g.*, 401(k) plans or retirement plans) sponsored by Walgreens.

7.2 This Agreement and attached exhibits constitute the entire agreement of the Parties' concerning the subject matter hereof. No oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties and covenants contained and memorialized in the Agreement and its exhibits.

7.3 In the event the Court does not approve the Settlement, or if one or more of the Parties validly exercises any right established under the MOA to terminate the Settlement, this Agreement will be void ab initio and may not be admitted into evidence or used for any purpose in any proceeding.

7.4 This Agreement may be amended or modified only by a written instrument signed by all Parties and their attorneys of record.

7.5 This Agreement is binding on, and inures to the benefit of, the successors of the Parties.

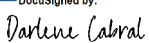
7.6 This Agreement is governed by and interpreted according to the laws of the State of California.

7.7 This Agreement may be executed in one or more counterparts. Each natural person signing this Agreement warrants that he or she has the requisite authority to do so on behalf of the Party for which that natural person signs.

7.8 The documents attached to the MOA as Exhibits thereto are not attached as part of Exhibit "A" to this Agreement. These documents are confidential materials of Walgreens Co. and shall not be submitted to the Court or the LWDA except pursuant to a motion to seal.

Dated: 6/19/2022 _____

PLANTIFF DARLENE CABRAL

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DARLENE CABRAL

Dated: _____

PLANTIFF NATAYNA JONES

NATAYNA JONES

Dated: _____

PLANTIFF THERESA KINCAID

THERESA KINCAID

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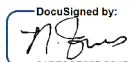
PLANTIFF DARLENE CABRAL

Dated: _____

DARLENE CABRAL

PLANTIFF NATAYNA JONES

Dated: 6/17/2022

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NATAYNA JONES

PLANTIFF THERESA KINCAID

Dated: _____

THERESA KINCAID

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7.8 The documents attached to the MOA as Exhibits thereto are not attached as part of Exhibit "A" to this Agreement. These documents are confidential materials of Walgreens Co. and shall not be submitted to the Court or the LWDA except pursuant to a motion to seal.

PLANTIFF DARLENE CABRAL

Dated: _____

DARLENE CABRAL

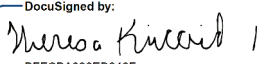
PLANTIFF NATAYNA JONES

Dated: _____

NATAYNA JONES

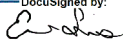
PLANTIFF THERESA KINCAID

Dated: 6/22/2022

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THERESA KINCAID

Dated: 6/18/2022 _____

PLANTIFF EDEN SMILES

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EDEN SMILES

Dated: 6/22/22 _____

CLAPP & LAINGER LLP



JAMES F. CLAPP

Attorneys for Plaintiffs

WALGREEN CO.

Dated: _____

By:
Title:

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

Dated: _____

Evan R. Moses

Attorneys for Defendant Walgreen Co.

PLANTIFF EDEN SMILES

Dated: _____

EDEN SMILES

CLAPP & LAUNGER LLP

Dated: _____

JAMES F. CLAPP
Attorneys for Plaintiffs

WALGREEN CO.

Dated: 7/7/2022



By: Kimberly G. Metrick
Title: Vice President, Employment Law
Legal Operations and Investigations

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

Dated: 7/7/2022



Evan R. Moses
Attorneys for Defendant Walgreen Co.

EXHIBIT A

BINDING MEMORANDUM OF AGREEMENT (“MOA”)

1. This Memorandum of Agreement (“MOA”) is made and entered into as of the date of execution set forth below, by and between: (1) defendant Walgreens Co. (“Walgreens Co.” or “Walgreen Co.” or “Defendant”); (2) plaintiffs Darlene Cabral (“Cabral”), Natayna Jones (now also known as Natayna Stewart) (“Jones”), and Theresa Kincaid (“Kincaid”) as aggrieved employees pursuant to the Labor Code Private Attorneys Act of 2004 (“PAGA”) on behalf of the State of California and other allegedly aggrieved employees; and (3) plaintiff Eden Smiles (“Smiles”) on behalf of herself, the State of California, the putative class she seeks to represent, and other allegedly aggrieved employees. For purposes of this MOA, “Plaintiffs” shall refer to Cabral, Jones, Kincaid, and Smiles. For purposes of this MOA, the terms “Walgreens” and “Defendant” shall include Walgreens Co., and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

2. This MOA confirms the essential terms of the settlement reached between Plaintiffs and Walgreens (the “Parties”) and assists in preparation of a comprehensive settlement agreement. This MOA is admissible and enforceable by and binding on all Parties.

3. The Parties intend to enter into a more formal “long form” agreement (“Stipulation of Settlement”) not inconsistent with the terms of this MOA, but if they fail to execute a more formal agreement, this MOA will be final, binding and enforceable pursuant to California Code of Civil Procedure Section 664.6 and admissible pursuant to California Evidence Code Section 1123. The Parties shall have 14 days from the date of this MOA to prepare a “long form” Stipulation of Settlement, with Plaintiffs preparing the first draft within 3 calendar days and Walgreens providing any edits to that draft within 7 calendar days. In the event that the Parties do not complete and fully execute that “long form” Settlement Stipulation within 14 days, either party may, but is not required to, move for preliminary approval of this class action settlement on the basis of the terms set forth in this MOA. The settlement approval process will take place in a joint application pertaining to both the Cabral and Smiles Actions, and under the Court’s authority with respect to both the Cabral and Smiles Actions.

4. Definitions.

- a. The “Cabral Action” is defined as the action captioned *Cabral et al. v. Walgreen Co.*, Alameda County Case No. RG21093196.
- b. The “Smiles Action” is defined as the action captioned *Smiles v. Walgreen Co.*, Alameda County Case No. RG17862495.
- c. The “Representative Action Members” are all individuals who are or were employed by Walgreens as Beauty Advisors or Customer Service Associates (which positions are collectively referred to herein as “Covered Positions”) in the State of California at any time during the PAGA Covered Period.
- d. The “Class Action Members” are all individuals who do not opt out of the Class Settlement and who were employed by Walgreens as Beauty Advisors, Beauty Consultants, Customer Service Associates, Look Boutique Beauty Advisors,

Look Boutique Lead Beauty Advisors, Look Boutique Assistant Lead Beauty Advisors, Senior Beauty Advisors, and/or Service Clerks in the State of California at any time between March 23, 2016 to and including August 6, 2019.

- e. The “PAGA Covered Period” starts on August 7, 2019 and extends through June 14, 2022.
- f. The “Class Covered Period” starts on March 23, 2016 and extends through June 14, 2022.
- g. The “Settlement Effective Date” means the date of the last of the following occurrences:
 - i. If no objections are filed to the Settlement, then the date of entry of the Final Judgment and Order of Dismissal; or
 - ii. if objections to the Settlement are filed and overruled, then one day following the expiration of the time to appeal pursuant to California Rules of Court 8.406, provided no timely appeal is filed; or
 - iii. if a timely appeal is filed, then one day after such appeal is withdrawn or dismissed or an appellate decision affirming the final approval order becomes final with no further rights to appeal.
- h. The “Front-End Checkstand Area” means the entirety of the counter located along the front wall of a California retail store near the main entrance behind which one or more cash registers are located and behind which, in most stores, controlled products are kept.
- i. “Pay Periods” means the total number of pay periods in which Representative Action Members received any pay during the PAGA Covered Period. Walgreens estimates that Representative Action Members worked no more than 280,000 Pay Periods during the PAGA Covered Period. If the actual number of Pay Periods exceeds this estimate by more than five percent, Plaintiffs shall have the unilateral right to withdraw from the settlement.

5. Amendment of the Pleadings in the Cabral Action.

- a. Together with moving papers seeking approval of this settlement, Cabral, Jones, and Kincaid will prepare and seek leave to file a Second Amended Complaint (“SAC”) adding class action allegations and claims for alleged statutory violations of (a) California Labor Code §§ 1198, 1199, and (b) Business & Professions Code § 17200 et seq., all of which will be based on alleged violations of California’s suitable seating requirements. Before any SAC is filed, the parties will mutually agree on the contents of the SAC. The SAC will be attached as an Exhibit to the long form Stipulation of Settlement. The successful filing of the agreed-upon SAC shall be a precondition to the effectiveness and enforceability of this settlement.

- b. Counsel shall request that the Court enter an order regarding conditional settlement class certification in the Cabral Action to cover the Class Action Members and Class Covered Period. The form of class certification order shall, subject to Court approval, expressly state that the Parties and Class Counsel agree that certification of the class is a conditional certification for settlement purposes only, and that with respect to any other purpose Walgreens retains its right to oppose certification.

6. Release of Claims

The Parties agree that the consideration described in Paragraph 7, below, constitutes adequate consideration for the settlement and release described immediately below.

a. *Release by Plaintiffs:* To the fullest extent permissible by law, the Plaintiffs shall be bound by a general release and a waiver of the provisions of Section 1542 of the Civil Code which provide that, absent such waiver, “a general release does not extend to claims which the creditor does now know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.” The Parties acknowledge that, despite the foregoing, the release entered into by Plaintiff Natayna Jones (now also known as Natayna Stewart) will not apply to her currently pending claim before the Workers’ Compensation Appeals Board, EAMS Case No. ADJ14095912.

b. *Release by Plaintiffs, all Class Action Members, all Representative Action Members, the LWDA, and the State of California:* All Plaintiffs, all Class Action Members, all Representative Action Members, the LWDA, and the State of California fully and forever release and discharge Walgreens from any and all claims or causes of action that exist or may have existed which: (1) arise from or relate to the allegations, facts and legal theories in the *Smiles* Action, the *Cabral* Action as described in the SAC, or any of the PAGA notice letters to the LWDA preceding or relating to those actions; (2) arise out of or relate to any alleged failure to provide “suitable seating” under Sections 14(A) and/or 14(B) of the applicable Wage Order to the Representative Action Members during the PAGA Covered Period; (3) arise out of or relate to the allegation that Walgreens violated, breached, or otherwise failed to comply with any aspect of the settlement agreement entered into in the *Smiles* Action on or about June 27, 2019 (the “Prior *Smiles* Settlement”); or (4) arise out of or relate to any alleged violations of California Labor Code §§ 1198 or 1199, or Bus. & Prof. Code §17200 *et seq.*, to the extent premised on any of the conduct or legal obligations described in items (1)-(3) above. Subparagraphs (3) and (4) shall not apply to any Class Action Members who opt out, and notwithstanding any provision to the contrary, those Class Action Members who opt out will retain the right to maintain any claims for breach of the Prior *Smiles* Settlement. The Representative Action Members may not opt out of this settlement. To the extent that more than 5% of the Class Action Members opt out or request exclusion from the settlement, Walgreens will have the unilateral right to terminate this settlement at its discretion. If Walgreens exercises this option it shall be liable for paying all settlement administration costs incurred up to the date of the termination. The Parties agree that the res judicata effect of the Prior *Smiles* Settlement and resulting judgement remain in place, that nothing about this Settlement shall limit or revoke the judgment and release of the Prior *Smiles* Settlement, and any Class Action Members who were covered by the Prior *Smiles* Settlement remain bound by it.

c. *Acknowledgment by Plaintiff as a Proxy for the LWDA and State of California:* To the extent permitted by law, Plaintiffs, acting as proxies for the State of California, agree that compliance with this settlement shall be considered to be compliance with Sections 14(A) and 14(B) of Wage Order 7-2001.

d. *Non-Admission:* Notwithstanding the above, the settlement shall not be construed or interpreted to mean, or constitute evidence, that Walgreens was, at any time prior to implementation of the “Interim Seating Program” not in compliance with suitable seating obligations under Sections 14(A) or 14(B) of Wage Order 7-2001 or any related legal obligation. Further, no aspect of this Agreement, or Walgreens’ agreement to be bound by it, shall constitute any admission of liability, or an admission or implication that Walgreens violated any aspect of the Prior *Smiles* Settlement. No aspect of this Agreement will be construed as an admission by Plaintiffs that the installation of seats mandated by the *Smiles* settlement was infeasible, unsuitable, or unreasonable.

7. Consideration for Release

The Parties and their counsel agree that the consideration described in the subparagraphs below constitutes their good faith compromise of the Action based upon their assessment of the value of the case, and the mutual risks and costs of further litigation. Specifically, the consideration provided by Defendant consists of the following:

a. *Monetary Consideration:*

- i. Defendant shall pay \$5,000,000 (“Maximum Settlement Amount”) as the monetary component of this Settlement, which will be used to satisfy all financial obligations incurred under this Agreement. The Maximum Settlement Amount shall be allocated into four funds (Fund A, Fund B, Fund C, and Fund D) as set forth below. The parties anticipate that because no portion of the Maximum Settlement Amount is being characterized as payment for wages or wages owed, there shall be no employer-side tax obligations or liability. Nevertheless, Walgreens remains responsible for its own tax obligations, and if a taxing authority determines that Walgreens owes taxes or penalties as a result of this settlement, Walgreens will pay that amount in addition to the Maximum Settlement Amount, and Walgreens’ liability for such taxes or penalties will not be grounds for rescinding this agreement. Similarly, Plaintiffs, Plaintiffs’ Counsel, all Class Action Members, and all Representative Action Members, remain exclusively responsible for all tax liabilities and obligations arising out of their receipt of monies under this settlement, and acknowledge they have not received or relied on any taxation advice from Walgreens or its counsel.
- ii. Fund A: From the Maximum Settlement Amount, the amount of \$2,000,000 shall be allocated for court-awarded attorneys’ fees and costs, which requests Walgreens will not oppose. Even in the event that the Court reduces or does not approve any aspect or allocation of Fund A, Plaintiffs’ Counsel shall not

have the right to revoke this MOA or this settlement, and it will remain binding. Any amounts remaining from Fund A after court-awarded attorneys' fees, and costs shall be allocated to Fund B.

- iii. Fund B: From the Maximum Settlement Amount, the amount of \$2,100,000 shall be allocated as statutory damages for Labor Code violations and restitution or disgorgement for Unfair Competition Claims, as well as plaintiff enhancements (in the amounts approved by the Court) and the cost of claims administration. The amounts allocated for Labor Code violations and Unfair Competition Claims shall be distributed to the Class Action Members pro rata based on the number of Pay Periods in which each received any pay during the PAGA Covered Period. No monetary relief is allocated to the portion of the Class Covered Period occurring before the PAGA Covered Period. Plaintiffs will request, and Defendant will not oppose, a request for an enhancement payment award of up to \$10,000 per named Plaintiff.
- iv. Fund C: From the Maximum Settlement Amount, the amount of \$200,000 shall be allocated for resolution of disputes relating to the Prior *Smiles* Settlement. This amount shall be distributed to the Class Action Members pro rata based on the number of Pay Periods in which each Class Action Member received any pay during the PAGA Covered Period. No monetary relief is allocated to the portion of the Class Covered Period occurring before the PAGA Covered Period.
- v. Fund D: From the Maximum Settlement Amount, the amount of \$700,000 shall be reserved to pay for "Compliance Expenses" and for PAGA Penalties as defined below. There is no obligation to use all of Fund D for Compliance Expenses. Any portion of Fund D that remains after all Compliance Expenses have been paid shall be allocated to PAGA Penalties to be distributed as follows:
 - 1. The LWDA shall receive 75% of the PAGA Penalties amount.
 - 2. The remaining 25% of the PAGA Penalties amount shall be allocated to the Representative Action Members pro rata based on the number of Pay Periods in which each Representative Action Member received any pay during the PAGA Covered Period, or if this plan of distribution is unreasonable given the size of the payments, then in such manner as may be agreed upon by the parties and/or ordered by the Court.
 - 3. "Compliance Expenses" means all expenses and costs arising out of or incurred by Walgreens in association with (a) the Retained Ergonomist's work on the Interim Seating Program pursuant to Paragraph 7.b below; (b) purchasing and delivering seats as part of the Interim Seating Program, as well as printing updated stickers to seats; and (c) \$10,000 payable to Lou Marlin to resolve any disputes arising out of this Agreement. Walgreens

will provide Plaintiffs' Counsel with a complete accounting of Compliance Expenses concurrently with the Compliance Declaration described below.

b. *Non-Monetary Consideration*: Subject to the other terms and conditions of this MOA or the Stipulation of Settlement, and subject to Court approval, Walgreens Co. agrees to implement the following "Interim Seating Program":

- i. The Parties will confer and attempt to agree on the selection of an ergonomist who shall be retained to perform the tasks described below (the "Retained Ergonomist"). The Parties may not propose any ergonomists they or their legal counsel retained or consulted for any purposes related to the *Smiles* or *Cabral* Actions. If, within 30 calendar days after the Settlement Effective Date, the Parties are unable to agree on a Retained Ergonomist, each side will propose two ergonomists, and Lou Marlin will select from those ergonomists proposed by the Parties. Again, the Parties may not propose any ergonomists they or their legal counsel retained or consulted for any purposes related to the *Smiles* or *Cabral* Actions. If Mr. Marlin is unavailable to make such determination in a reasonable amount of time, the issue shall be submitted to the Court for resolution. All proposed ergonomists will submit a proposed budget for their work. All proposed ergonomists will be notified: (a) that they should make every effort, without sacrificing the quality of their work, not to exceed a budget of \$75,000, and that their budget may be taken into account in awarding the contract; (b) they must satisfy Defendant's existing, standard vendor requirements, which Defendant's counsel has provided separately for Plaintiffs' counsel's review and the vendor will agree to keep confidential; and (c) notwithstanding the provisions of Walgreens' vendor agreement, the ergonomist will not be held liable for injuries or damages to Walgreens or its employees resulting from the ergonomist's seating recommendations absent a showing of willful misconduct or gross negligence on the part of the Retained Ergonomist. If Lou Marlin is required to select an ergonomist, he may not select any ergonomist who does not satisfy Defendant's existing, standard vendor requirements.
- ii. Before the Retained Ergonomist begins any work, he or she will prepare a budget, statement of work, list of specific information needed from Walgreens Co., and a timeline for completion of each identified stage of work. The Parties anticipate that a reasonable fee for the Retained Ergonomist's work as described herein should be no more than \$75,000. If the Retained Ergonomist's budget exceeds \$75,000, Lou Marlin may take this factor into consideration if he is called upon to select the ergonomist.
- iii. After the Retained Ergonomist is selected, Walgreens Co. will retain the Retained Ergonomist to perform the specific tasks described herein.
- iv. The "Ergonomist Start Date" shall be the first business day after the Retained Ergonomist has been retained.

- v. The ergonomist's duties (the "Mutually Assigned Duties") will consist of the following: Within sixty (60) calendar days of the Ergonomist Start Date, the ergonomist will deliver a writing to the Parties, which: (a) provides a comprehensive list of characteristics for a seat the Retained Ergonomist recommends for use by CSAs and BAs who wish to use a seat while working, and during any idle time, while located at the "Front-End Checkstand Area" at Walgreen Co. retail stores in California (the "List of Characteristics"); (b) identifies one or more alternatives for currently commercially available seats the Retained Ergonomist recommends for use by CSAs and BAs who wish to use a seat while working, and during any idle time, while located at the "Front-End Checkstand Area" at Walgreen Co. retail stores in California (the "List of Seating Options"); and (c) represents that, in his or her professional opinion, the selected seats and List of Characteristics are safe for use by Walgreens employees at the Front-End Checkstands. Any proposed seat shall be sourced by a vendor who satisfies Walgreen Co.'s existing, standard vendor requirements, which Defendant's counsel has provided separately for Plaintiffs' counsel's review, and which Plaintiffs' counsel has agreed to keep confidential. The Parties agree that the Retained Ergonomist will select a seat and characteristics for a seat: (a) based on, without any modifications, Walgreen Co.'s existing retail store layouts, the existing physical characteristics of Walgreen Co.'s retail stores, and existing job duties and performance expectations; and (b) without reaching any conclusions or making recommendations about whether the nature of the work permits the use of seats while working. The ergonomist must provide the List of Seating Options and the List of Characteristics, and may not conclude that the nature of the work does not permits the use of seats at all. The Parties understand and agree that by entering into this settlement and agreeing to the Interim Seating Program, Walgreens is not conceding, and nothing in the Agreement or the Retained Ergonomist's conclusions/recommendations, shall constitute evidence that, the nature of the work does or does not permit the use of seats. Similarly, the fact that Walgreens complies with the Interim Seating Program does not concede or constitute evidence that the nature of the work does or does not permit the use of seats. The Retained Ergonomist shall not, and is expressly prohibited from, evaluating, recommending or identifying any physical modifications to the check stands or work area, or modifications to job duties, performance expectations customer service standards, or other factors outside of the definitions of the List of Characteristics and List of Seating Options. Any writings produced by the Retained Ergonomist will include a recitation of these directions regarding how he or she has been instructed to perform his or her work.
- vi. The List of Characteristics shall be sufficiently detailed that: (a) any seat that meets those characteristics shall constitute an appropriate alternative to the specific seats recommending in the List of Seating Options; and (b) in the event Walgreens cannot or chooses not to use the specific seats identified in the List of Seating Options, it shall be permitted and able to choose alternative seats that

would constitute an appropriate alternative for the seats recommended in the List of Seating Options while complying with the Interim Seating Program.

- vii. With respect to the List of Seating Options, the Retained Ergonomist may, but is not required to, select distinct seats for each of the various Front-End Checkstand configurations at Walgreen Co.'s retail locations in California. The Retained Ergonomist may not select multiple seats based on distinct employee job duties.
- viii. To perform the duties identified above, the Retained Ergonomist may request from Walgreens an opportunity to conduct on-site measurements, conduct on-site observations, and access to existing corporate documents that reflect the physical layout of retail configurations. Walgreens agrees to take reasonable steps to cooperate with the Retained Ergonomist's requests, subject to business and operational needs. Walgreens will not be responsible for, or be considered in violation or breach of this agreement, if the ergonomist fails, as a result of his or her own lack of diligence or for reasons other than Walgreens' lack of diligence, to complete this assignment within the timeframe requested or the manner anticipated. If there is any dispute between the Parties relating to the ergonomist's access to information needed to complete assigned tasks, such matters shall be immediately submitted to Lou Marlin for resolution. If Mr. Marlin is unavailable to make such determination in a reasonable amount of time, the issue shall be submitted to the Court for resolution.
- ix. The ergonomist shall deliver the List of Seating Options and List of Characteristics to both Walgreens' Counsel and Plaintiffs' Counsel. The substance and content of these lists may be submitted to the Court and become a matter of public record, but Plaintiffs' and Plaintiffs' Counsel agree not to publicize or publicly disclose the substance or content of the lists except: (a) as strictly necessary to effectuate the settlement; and (b) as necessary to respond on an individual basis to questions unilaterally raised by Representative Action Members or Class Action Members to Plaintiffs' Counsel about the settlement.
- x. Within sixty (60) calendar days of receipt of the Retained Ergonomist's List of Characteristics and List of Seating Options, Walgreens will provide written notice to Plaintiffs' Counsel of the particular seats it has selected for use in the Interim Seating Program, including the manufacturer, model name, and/or model number of the seats. The date Walgreens provides such notice shall be the "Notification of Selection." If Walgreens selects any seats other than those identified in the List of Seating Options, Walgreens will notify Plaintiffs' Counsel and the Retained Ergonomist of the specific seats (including manufacturer, model name, and/or model number) selected in lieu of the List of Seating Options. In such a situation, the Ergonomist will have 30 calendar days to opine whether such seats do or do not satisfy the List of Characteristics. If the Retained Ergonomist opines that the seat selected by Walgreens does not comply with the List of Characteristics, Walgreens will promptly select another seat that, according to the Retained Ergonomist, does comply.

- xi. Once new seats are selected and agreed upon by the Parties and the Retained Ergonomist for purposes of the Interim Seating Program, Walgreens shall have 90 calendar days to make good faith efforts to purchase one unit of the agreed-upon seat(s) for each of Walgreen Co.'s California retail locations existing as of that date. Walgreens is not responsible for, and will not be held in breach, for delays in availability, shipping or delivery by suppliers.
- xii. Subject to supply chain and availability issues, within 60 calendar days after Walgreens takes delivery of all seats, Walgreens will ship one seat to each of Walgreen Co.'s retail locations in California. Walgreens is free to, but has no obligation, to ship more than one seat per location. Store managers will be instructed (pursuant to Exhibit "A" as described below) to, within seven days of receipt of the seat(s), place them within an employee-accessible location within twenty (20) feet of the Front-End Checkstand Area, and to install on the seat an updated sticker with enhanced language which states *"This seat should be kept in an employee-accessible location within 20 feet of the front register area. If it is not in that area, please return it. If it's damaged or more seats are needed, tell the manager so a new seat can be ordered"* or words to that effect if the size of the sticker presents character limitations relating to the language above.
- xiii. No later than the date that seats for the Interim Seating Program are shipped, Walgreens will notify store managers through Exhibit "A" hereto, and store employees through Exhibit "B" hereto: (a) how CSAs and BAs may request more seats; (b) that seats are should be placed within an employee-accessible location within twenty (20) feet of the "Front-End Checkstand Area" (the "Designated Area"); (c) that employees should return seats to the Designated Area at the start and end of each workday; and (d) if a CSA or BA cannot find a seat for use at the Front-End Checkstand Area, how to request assistance. These communications will also state that store employees are permitted to use seats at the Front-End Checkstand Area when the nature of their work permits such use, but that store employees remain responsible for performing all of their job duties, and that they should not use a seat when doing so would negatively impact their work or their ability to safely perform their job duties. Store Managers will be instructed to take steps to resolve any employee complaints they receive that the seat is missing from the Front-End Checkstand or is unavailable for use. As long as Walgreens fully complies with the provisions of this Section 7 and attached Exhibits A and B and does not intentionally discourage CSAs or BAs from returning seats to the Designated Area, Walgreens shall not be held in breach of this Agreement or the Interim Seating Program if employees fail to return seats to the area within twenty (20) feet of the Front-End Checkstand Area.
- xiv. Exhibit A will be communicated to store managers via an internal communication distributed no later than the date that seats are shipped to stores pursuant to the Interim Seating Program. Exhibit B will be communicated to store employees via an internal communication that will be distributed at least once per year during the term of the Interim Seating Program, as described below. The first distribution of Exhibit B will take place no later than the date Exhibit A is communicated to store managers. The second distribution of Exhibit B will take place approximately 12

months thereafter. The Parties agree that communication of Exhibits “A” and “B” as described above will constitute sufficient notice to managers and employees regarding suitable seating obligations, rights and availability, and other than the store management’s obligations described in Exhibit A, Walgreens shall not be obligated to provide any other training or communication aside from the communications identified as Exhibits “A” and “B”, although Walgreens retains unilateral discretion to provide additional training/communications relating to seating so long as they are consistent with the terms of this Agreement.

- xv. Within fourteen (14) calendar days after delivering at least one unit of the new selected seat to each retail location, Walgreens shall provide to Plaintiffs’ Counsel a Compliance Declaration attesting to the fact that Walgreens has complied with the Interim Seating Program, the dates when each step was completed, and the number of seats provided.
- xvi. To the extent permitted by law, Plaintiffs, acting as proxies for the State of California, agree that compliance with this settlement shall be considered to be compliance with Sections 14(A) and 14(B) of Wage Order 7-2001 during the period the Interim Seating Program is in effect. Nothing stated herein shall be construed or interpreted to mean that Walgreens failed to comply with any legal obligations prior to the roll out of the Interim Seating Program.
- xvii. Walgreens’ obligations under the Interim Seating Program shall expire two (2) years after the Compliance Declaration is served on Plaintiffs’ counsel. After the end of the two-year period, Walgreens shall have no further obligations under the Interim Seating Program, and is free to modify its seating practices and policies, to remove or change the seats then in use, or to make any other changes it sees fit in its sole discretion. If Walgreens continues all provisions of the Interim Seating Program after expiration of the initial term, it will be deemed, to the fullest extent of the law, to remain in compliance with its obligations under Sections 14(A) and (14)(B) of Wage Order 7-2001 during the additional time period that Walgreens continues to comply with the Interim Seating Program. The Parties acknowledge the possibility that, during the initial term of the Interim Seating Program, there may be changed legal or factual circumstances that allow Walgreens to be in compliance with California’s suitable seating laws without continuing to comply with the Interim Seating Program. In such circumstances, Walgreens will be allowed to deviate from the Interim Seating Program, but only if it provides Plaintiffs’ Counsel with at least twenty-one (21) days’ written notice before such changes are made. If Plaintiffs or Plaintiffs’ Counsel believe the proposed changes will violate this Agreement or California suitable seating law, Plaintiffs will have fourteen (14) days to invoke the breach and cure process described in Paragraph 10, below, otherwise Walgreens will not be considered in Breach. Nothing in this Agreement requires Walgreens to continue to comply with the Interim Seating Program after expiration of its two-year term.
- xviii. In agreeing to implement the Interim Seating Program, Walgreens does not admit that the nature of the work of employees who perform work at the Front-End Checkstands reasonably permits the use of seats, and the fact that Walgreens

provided seats under the Interim Seating Program does not constitute an admission by Walgreens that the nature of the work of employees who perform work at the Front-End Checkstands reasonably permits the use of seats.

8. There will be a customary class notice and objection procedure but no requirement to file a claim form to receive a settlement payment. Plaintiffs' counsel will select a Settlement Administrator on the basis of cost and competence, with the best interests of the Class in mind. Defendant and Defendant's counsel shall not enter into any contractual relationship with the Settlement Administrator. Fees of the Settlement Administrator shall be paid out of Fund A of the Maximum Settlement Amount. The long-form Stipulation of Settlement shall state that Plaintiff, Plaintiffs' Counsel, Defendant, and Defendant's counsel shall not bear any responsibility for errors or omissions in the calculation or distribution of the settlement payments or development of the list of recipients of settlement payments.

9. The parties have the right, but are not required, to unilaterally hire the Retained Ergonomist as a consultant to perform other ergonomic work ("Consulting Work") not directly related to development of the List of Characteristics and List of Seating Options ("Consulting Work"). The parties shall not request, mention or discuss any Consulting Work with the Retained Ergonomist until one day after the selection of the seat has been completed in accordance with Paragraph 7.b.x. The Parties and their counsel agree that nothing in this Agreement constitutes a waiver of any claim they might make that Consulting Work is privileged and covered by the work product doctrine. All expenses relating to Consulting Work will be borne separately by the party hiring the Retained Ergonomist, and no portion of the Maximum Settlement Amount shall be used to pay for any Consulting Work. Other than the work described in the Mutually Assigned Duties, neither Walgreens nor Plaintiffs nor Plaintiffs' Counsel will hire the Retained Ergonomist on any matter relating to the placement or the use of seats at the Front-End Checkstand Area, except as follows: (a) to provide testimony in litigation regarding the conclusions and basis for the conclusions reached with respect to the Mutually Assigned Duties; (b) to provide testimony with respect to Workers' Compensation proceedings arising out of the use of the seats Walgreens placed as a result of the Interim Seating Program; and/or (c) in connection with claims that the seats Walgreens placed as a result of the Interim Seating Program do or do not satisfy Sections 14(A) or 14(B) of the applicable Wage Orders.

10. The Parties agree that Plaintiffs should have a meaningful and realistic opportunity to raise any concerns regarding perceived violations of Walgreens' obligations pursuant to the Interim Seating Program, and Walgreens should have a meaningful and realistic opportunity to cure any alleged violations of the settlement and/or the Interim Seating Program before being held liable for such alleged violations. To this end, the Parties agree to the following "breach and cure" procedure. Specifically, in the event that, at any time and for any reason, Plaintiffs or Plaintiffs' Counsel believes that Walgreens has breached or is about to breach, or otherwise failed to comply with, any of its obligations pursuant to the Settlement or Interim Seating Program (collectively, a "Breach"), Plaintiffs' Counsel shall, within 14 calendar days of the alleged Breach: (a) provide detailed, written notice to Walgreens' counsel of the nature of the alleged Breach, the facts and evidence known to Plaintiffs and Plaintiffs' Counsel regarding the alleged Breach, and the steps that Plaintiffs' Counsel believes are reasonably necessary to cure the Breach. Plaintiffs' compliance with these notice obligations is a precondition for any action alleging a Breach. From receipt of such written notice, Walgreens shall have fourteen (14) calendar days to respond to the notice of Breach, by either confirming that it will immediately cure the alleged Breach as Plaintiffs' Counsel has suggested, or by providing a detailed response to the alleged Breach including the facts supporting Walgreens' position.

From receipt of such response from Walgreens, Plaintiffs and Plaintiffs' Counsel shall have a maximum of forty-five (45) calendar days to file a motion in the Cabral Action regarding the alleged Breach (an "Enforcement Motion"). With respect to any Enforcement Motion, unless Walgreens is found to have violated a material provision of the Interim Seating Program intentionally, in bad faith, and without any reasonable justification, Plaintiffs may not seek any relief other than an order to cure the alleged Breach going forward and an award of reasonable attorneys' fees directly related to preparation of the Enforcement Motion.

11. The Court approving the settlement will retain jurisdiction over (a) the claims set forth in the Cabral Action and the Smiles Action, (b) compliance with the Interim Seating Program, and (c) to enforce this Settlement, through the last day of the two-year period agreed-upon for the Interim Seating Program. The Court's jurisdiction will expire at that time without exception.

12. Defendant expressly denies any liability. Neither this MOA nor the "long form" Stipulation of Settlement shall constitute an admission of liability or the accuracy of any allegation made by Plaintiffs or Plaintiffs' Counsel, and Defendant maintains that it has at all times complied with the terms of the Prior Smiles Settlement. Walgreens maintains that it has always had compliant seating practices and contends that the Interim Seating Program are enhancements to an already compliant seating program that included the distribution of chairs with stickers.

13. The non-monetary consideration in Paragraph 7.b of this MOA replace the non-monetary consideration in Section II.C of the Prior *Smiles* Settlement; otherwise the Prior *Smiles* Settlement and judgment thereon remain in full force and effect.

14. The Parties acknowledge that they may not, and this settlement does not, seek to limit Plaintiffs' Counsel's practice of law or to limit the availability to the public of matters of public record. Regardless, the parties and their counsel agree to refrain from publicizing (including but not limited to issuing any press releases, participating in any media inquiries or advertising, or posting on websites) the Settlement, the terms of the Settlement, or the identity of the parties to the Settlement, except as follows: (a) as may be strictly necessary to effectuate the Settlement; (b) as necessary to communicate with Settlement participants regarding the fact of and terms of the Settlement; (c) as needed to respond to inquiries from actual or potential Settlement participants; and (d) as otherwise permitted by law. Notwithstanding the foregoing, Plaintiffs' Counsel may discuss the settlement in general terms that align with the allegations in the operative complaint, but only to the extent that such communications do not, directly or indirectly, refer to or suggest Walgreens' identity, and Plaintiffs' Counsel describes their claims and allegations as allegations rather than statements of uncontroverted fact. In the event any party or counsel ("Complainant") believes another party or counsel ("Respondent") has breached this paragraph, Complainant shall, within 14 calendar days of the alleged breach: (a) provide detailed, written notice to Respondent of the nature of the alleged breach, the facts and evidence known to Complainant regarding the alleged breach, and the steps that Complainant believes are reasonably necessary to cure the breach. Complainant's compliance with these notice obligations is a precondition for any action alleging a breach. From receipt of such written notice, the Respondent shall have fourteen (14) calendar days to respond to the notice of breach, by either confirming that it will immediately cure the alleged breach as Complainant has suggested, or by providing a detailed response to the alleged breach including the facts supporting the Respondent's position. From receipt of such response from Respondent, Complaint shall have a maximum of forty-five (45) calendar days to file a motion in the Cabral Action regarding the alleged breach (an "Enforcement Motion") With respect to any Enforcement Motion, unless Respondent is found to have

breached this Paragraph intentionally, in bad faith, and without any reasonable justification, Complainant may not seek any relief other than an order to cure the alleged breach going forward.

15. The Parties agree to support the Settlement so it is effectuated and the Court issues an order granting final approval of the settlement. The Parties agree that they will work collaboratively and exercise reasonable best efforts to defeat any objections or challenges to the approval of the Settlement.

16. At least ten (10) days prior to submitting any documents to the court to effectuate the settlement (including but not limited to the preliminary approval motion, final approval motion, supporting documents, proposed order and request for approval of fees), Plaintiffs' Counsel will provide copies of such agreements for Walgreens' review, comment and approval. Walgreens will not unreasonably withhold consent so long as the language is consistent with the terms of the Agreement. Documents submitted to the court will not state that Walgreens engaged in any unlawful or actionable conduct; they will be limited to statements that Plaintiffs allege Walgreens engaged in such conduct.

17. The Parties agree that Exhibits A and B to this MOA are confidential materials of Walgreens Co. which shall not be submitted to the Court or the LWDA except pursuant to a motion or request to seal.

IT IS SO AGREED.

Dated: _____

PLAINTIFF DARLENE CABRAL
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Darlene Cabral
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DARLENE CABRAL

Dated: _____

PLAINTIFF NATAYNA STEWART

NATAYNA STEWART
(formerly Natayna Jones)

4/21/2022
Dated: _____

PLAINTIFF THERESA KINCAID

THERESA KINCAID

breached this Paragraph intentionally, in bad faith, and without any reasonable justification, Complainant may not seek any relief other than an order to cure the alleged breach going forward.

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IT IS SO AGREED.

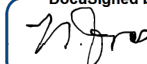
PLANTIFF DARLENE CABRAL

Dated: _____

DARLENE CABRAL

PLANTIFF NATAYNA STEWART

Dated: 4/21/2022

DocuSigned by:


NATAYNA STEWART
(formerly Natayna Jones)

PLANTIFF THERESA KINCAID

Dated: _____

THERESA KINCAID

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16. At least ten (10) days prior to submitting any documents to the court to effectuate the settlement (including but not limited to the preliminary approval motion, final approval motion, supporting documents, proposed order and request for approval of fees), Plaintiffs' Counsel will provide copies of such agreements for Walgreens' review, comment and approval. Walgreens will not unreasonably withhold consent so long as the language is consistent with the terms of the Agreement. Documents submitted to the court will not state that Walgreens engaged in any unlawful or actionable conduct; they will be limited to statements that Plaintiffs allege Walgreens engaged in such conduct.

17. The Parties agree that Exhibits A and B to this MOA are confidential materials of Walgreens Co. which shall not be submitted to the Court or the LWDA except pursuant to a motion or request to seal.

IT IS SO AGREED.

PLANTIFF DARLENE CABRAL

Dated: _____

DARLENE CABRAL

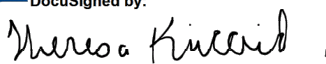
PLANTIFF NATAYNA STEWART

Dated: _____

NATAYNA STEWART
(formerly Natayna Jones)

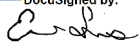
PLANTIFF THERESA KINCAID

Dated: 4/23/2022

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THERESA KINCAID

Dated: 4/20/2022 _____

PLANTIFF EDEN SMILES

DocuSigned by:


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EDEN SMILES

CLAPP & LAINGER LLP

Dated: _____

JAMES F. CLAPP
Attorneys for Plaintiffs

KEVIN J. MCINERNEY

Dated: _____

KEVIN J. MCINERNEY
Attorneys for Plaintiffs

CAPSTONE LAW APC

Dated: _____

BEVIN ALLEN PIKE
Attorneys for Plaintiffs

WALGREEN CO.

Dated: _____

KIMBERLY G. METRICK
*Vice President, Employment Law, Legal
Operations and Investigations, Walgreen Co.*

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

Dated: _____

Evan R. Moses
Attorneys for Defendant Walgreen Co.

PLANTIFF EDEN SMILES

Dated: _____

EDEN SMILES

CLAPP & LAINGER LLP

Dated: April 25, 2022



JAMES F. CLAPP
Attorneys for Plaintiffs

KEVIN J. MCINERNEY

Dated: _____

KEVIN J. MCINERNEY
Attorneys for Plaintiffs

CAPSTONE LAW APC

Dated: _____

BEVIN ALLEN PIKE
Attorneys for Plaintiffs

WALGREEN CO.

Dated: _____

KIMBERLY G. METRICK
*Vice President, Employment Law, Legal
Operations and Investigations, Walgreen Co.*

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

Dated: _____

Evan R. Moses
Attorneys for Defendant Walgreen Co.

PLANTIFF EDEN SMILES

Dated: _____

EDEN SMILES

CLAPP & LAUINGER LLP

Dated: _____

JAMES F. CLAPP
Attorneys for Plaintiffs

KEVIN J. MCINERNEY

Dated: 4/20/22



KEVIN J. MCINERNEY
Attorneys for Plaintiffs

CAPSTONE LAW APC

Dated: _____

BEVIN ALLEN PIKE
Attorneys for Plaintiffs

WALGREEN CO.

Dated: _____

KIMBERLY G. METRICK
*Vice President, Employment Law, Legal
Operations and Investigations, Walgreen Co.*

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

Dated: _____

Evan R. Moses
Attorneys for Defendant Walgreen Co.

PLANTIFF EDEN SMILES

Dated: _____

EDEN SMILES

CLAPP & LAINGER LLP

Dated: _____

JAMES F. CLAPP
Attorneys for Plaintiffs

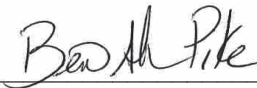
KEVIN J. MCINERNEY

Dated: _____

KEVIN J. MCINERNEY
Attorneys for Plaintiffs

CAPSTONE LAW APC

Dated: April 21, 2022



BEVIN ALLEN PIKE
Attorneys for Plaintiffs

WALGREEN CO.

Dated: _____

KIMBERLY G. METRICK
*Vice President, Employment Law, Legal
Operations and Investigations, Walgreen Co.*

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

Dated: _____

Evan R. Moses
Attorneys for Defendant Walgreen Co.

PLANTIFF EDEN SMILES

Dated: _____

EDEN SMILES

CLAPP & LAINGER LLP

Dated: _____

JAMES F. CLAPP
Attorneys for Plaintiffs

KEVIN J. MCINERNEY

Dated: _____

KEVIN J. MCINERNEY
Attorneys for Plaintiffs

CAPSTONE LAW APC

Dated: _____

BEVIN ALLEN PIKE
Attorneys for Plaintiffs

WALGREEN CO.

Dated: 4/27/2022


KIMBERLY G. METRICK
*Vice President, Employment Law, Legal
Operations and Investigations, Walgreen Co.*

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

Dated: 4/28/2022


Evan R. Moses
Attorneys for Defendant Walgreen Co.

EXHIBIT B

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

You are receiving this Notice because a proposed settlement has been reached in two lawsuits: *Cabral et al. v. Walgreen Co.*, Alameda County Superior Court Case No. RG21093196 (“the Cabral Action”), and *Smiles v. Walgreen Co.*, Alameda County Superior Court Case No. RG17862495 (“the Smiles Action”). This Notice is a summary of your legal rights and options.

Summary of the Settlement

The plaintiffs in these two lawsuits allege that Walgreens violated California’s seating law by not providing suitable seats for employees working at the front-end checkstands. Walgreens denies the allegations, does not admit any liability, maintains that it has always had compliant seating practices, and contends that the Interim Seating Program described below are enhancements to an already compliant seating program. The parties have decided to informally resolve these disputes. You are receiving this notice because you may be entitled to receive a payment under the settlement as a Class Action Member.

On June 1, 2017, Plaintiff Eden Smiles filed her lawsuit, the Smiles Action, alleging civil penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”) for violation of Labor Code section 1198 and failure to comply with Section 14 of Wage Order 7-2001. On August 7, 2019, the Court approved a settlement, which provided for both monetary and non-monetary consideration. The Court retained jurisdiction over the settlement to enforce its terms.

On March 25, 2021, Plaintiffs Darlene Cabral, Natayna Jones, and Theresa Kincaid filed their lawsuit, the Cabral Action, alleging civil penalties under PAGA for violation of Labor Code section 1198 and failure to comply with Section 14 of Wage Order 7-2001.

On March 14, 2022 and April 6, 2022, the Parties participated in a mediation with mediator Lou Marlin and agreed to settle both the Smiles Action and the Cabral Action. The parties believe the settlement is fair, reasonable, and in the best interests of the Class Action Members. The main terms of the settlement are as follows:

Walgreens will implement an Interim Seating Program, which includes distribution of new chairs to the front-end checkstands of its California retail stores, and will pay a maximum of \$5 million to settle all disputes arising out of the Smiles Action and the Cabral Action. Of that amount, approximately \$2.0 million will be allocated to pay the attorneys’ fees and costs of Plaintiffs’ counsel (subject to court approval); \$2.3 million will be allocated to make settlement payments to Class Action Members, service payments to the named Plaintiffs (of no more than \$10,000 each, subject to court approval), and to pay the costs of settlement administration; and \$700,000 is reserved to cover Compliance Expenses, a payment to the California Labor and Workforce Development Agency, and payments to aggrieved employees under the Labor Code Private Attorneys General Act. Compliance Expenses includes payment to a consulting ergonomist, the purchase of seats as part of an interim seating program and payment to a mediator to resolve disputes if necessary.

Who is a Class Action Member? Class Action Members are all individuals who do not opt out of the Class Settlement and who were employed by Walgreens as Beauty Advisors, Beauty Consultants, Customer Service Associates, Look Boutique Beauty Advisors, Look Boutique Lead Beauty Advisors, Look Boutique Assistant Lead Beauty Advisors, Senior Beauty Advisors, and/or Service Clerks in the State of California at any time from March 23, 2016 to and including August 6, 2019.

Will You Receive a Settlement Payment? Class Action Members who worked for Walgreens in California between August 7, 2019 and June 14, 2022 will receive a pro rata portion of the \$2.3 million

(minus the cost of settlement administration and service payments to the Plaintiffs). Your pro rata portion will be based upon the number of pay periods you worked between August 7, 2019 and June 14, 2022.

Your Options:

Do Nothing: If you want to participate in the settlement and receive your share of the money, you do not need to do anything. If you do nothing, and if the court approves the settlement, a settlement check will be mailed to you. You will be releasing certain claims as described in the release set forth below, and you will be barred from bringing your own lawsuit for the claim listed in the release.

Exclude Yourself: If you want to exclude yourself (“opt-out”) from the settlement, you must send a request for exclusion in writing by U.S. mail to the Settlement Administrator at [INSERT ADDRESS]. Your request should include your full name, any other names you used during your employment at Walgreens, your address, the approximate dates you worked for Walgreens, and a statement that you request to be excluded from the settlement. Your request for exclusion must be postmarked on or before _____

Object: If you want to object to the settlement, you must file your objection with the Superior Court of California, County of Alameda, *Smiles v. Walgreen Co.*, Case No. RG17862495 and *Cabral v. Walgreen Co.*, Case No. RG21093196 and serve it as provided in Code of Civil Procedure §1010, et seq. on both Plaintiffs’ Counsel and Defendant’s Counsel:

Plaintiffs’ Counsel:
Clapp & Lauinger LLP,
701 Palomar Airport Road, Suite 300,
Carlsbad, CA 92011

Defendant’s Counsel:
Ogleetree, Deakins, Nash, Smoak & Stewart, P.C.
Evan R. Moses
400 South Hope Street, Suite 1200
Los Angeles, CA 90071

Any objection should state the reason(s) for the objection and why the settlement should not be approved. If you wish to appear in person at the Final Approval Hearing, your objection must state that you intend to appear or you may not be allowed to appear in court. Any objections must be filed on or before _____

Release: If you do not submit a timely requests for exclusion, you will be subject to the following release of claims: All Plaintiffs, all Class Action Members, all Representative Action Members, the LWDA, and the State of California fully and forever release and discharge Walgreens from any and all claims or causes of action that exist or may have existed which: (1) arise from or relate to the allegations, facts and legal theories in the *Smiles* Action, the *Cabral* Action as described in the SAC, or any of the PAGA notice letters to the LWDA preceding or relating to those actions; (2) arise out of or relate to any alleged failure to provide “suitable seating” under Sections 14(A) and/or 14(B) of the applicable Wage Order to the Representative Action Members during the PAGA Covered Period; (3) arise out of or relate to the allegation that Walgreens violated, breached, or otherwise failed to comply with any aspect of the settlement agreement entered into in the *Smiles* Action on or about June 27, 2019 (the “Prior *Smiles* Settlement”); or (4) arise out of or relate to any alleged violations of California Labor Code §§ 1198 or 1199, or Bus. & Prof. Code §17200 *et seq.*, to the extent premised on any of the conduct or legal obligations described in items (1)-(3) above. Subparagraphs (3) and (4) shall not apply to any Class

Action Members who opt out, and notwithstanding any provision to the contrary, those Class Action Members who opt out will retain the right to maintain any claims for breach of the Prior *Smiles* Settlement. The Representative Action Members may not opt out of this settlement. To the extent that more than 5% of the Class Action Members opt out or request exclusion from the settlement, Walgreens will have the unilateral right to terminate this settlement at its discretion. If Walgreens exercises this option it shall be liable for paying all settlement administration costs incurred up to the date of the termination. The Parties agree that the res judicata effect of the Prior *Smiles* Settlement and resulting judgement remain in place, that nothing about this Settlement shall limit or revoke the judgment and release of the Prior *Smiles* Settlement, and any Class Action Members who were covered by the Prior *Smiles* Settlement remain bound by it.

When is the Final Approval Hearing?

The Final Approval Hearing is set for _____ at _____. The purpose of the hearing is to determine if the settlement is to be approved. The Court will also consider payment of attorneys' fees and costs, enhancement payments to the named plaintiffs as class representatives, settlement administration costs and payment to the LWDA and Representative Action Members. **The date and time of the Final Approval Hearing may be changed without further notice.**

Do I need a lawyer?

The Court has approved Class Counsel (listed below) to represent you and all Class Action Members. You also have the right to hire an attorney at your own cost to represent you.

Additional Information

The Settlement Administrator can be reached at: **[Toll Free Number]**

The law firms acting as Class Counsel in this action are listed below:

Clapp & Lauinger LLP
Marita M. Lauinger
701 Palomar Airport Road, Suite 300
Carlsbad, CA 92011-1028
(760) 209-6565 ext. 104

Capstone Law APC
Bevin Allen Pike
1875 Century Park East, Suite 1000
Los Angeles, California 90067
(310) 556-4811

Kevin J. McInerney, Esq.
1050 N. Hills Blvd., #61388
Reno, Nevada 89506-9997

Additional information about these lawsuits is available at the office of the Clerk of the Superior Court of the State of California for the County of Alameda located at 1225 Fallon Street, Oakland, CA 94612 and on the court's website at www.alameda.courts.ca.gov. **Please do not contact the Court or the Court Clerk about this Notice.**

BY ORDER OF THE SUPERIOR COURT OF CALIFORNIA

EXHIBIT C

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Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ALAMEDA - OAKLAND - RCD COURTHOUSE

DARLENE CABRAL, NATAYNA
JONES, THERESA KINCAID, as
aggrieved employees pursuant to the
Labor Code Private Attorneys Act of 2004
("PAGA"), on behalf of the State of
California and other aggrieved employees,

Plaintiffs,

v.

WALGREEN CO., an Illinois corporation,
and DOES 1 through 10, inclusive,

Defendants.

CASE NO. RG21093196

**SECOND AMENDED CLASS ACTION
AND PAGA COMPLAINT**

**(1) REPRESENTATIVE CLAIM UNDER
THE LABOR CODE PRIVATE
ATTORNEYS GENERAL ACT**

**(2) CLASS CLAIM FOR BREACH OF
CONTRACT**

**(3) CLASS CLAIM FOR VIOLATION OF
LABOR CODE §§ 1198 AND 1199**

**(4) CLASS CLAIM FOR VIOLATION OF
CAL. BUS & PROF. CODE § 17200**

1 Plaintiffs Darlene Cabral, Natayna Jones, Theresa Kincaid, and Eden Smiles, as
2 individuals, class representatives, and proxies for the State of California, allege as follows:

3 JURISDICTION AND VENUE

4 1. This Court has jurisdiction over claims brought under the California Labor
5 Code. This Court also has jurisdiction over the enforcement of the Settlement Agreement in
6 *Smiles v. Walgreen Co.*, Case No. RG 178624952, pursuant to the judgment therein dated
7 August 7, 2019.

8 2. Venue is proper in this Court because Walgreens employs individuals at
9 multiple Walgreens stores located within the County of Alameda and has violated the
10 California seating requirements in this County. Additionally, Walgreens has not designated a
11 principal business office in California.

12 THE PARTIES

13 3. Plaintiff Darlene Cabral worked for Walgreens in California as a non-exempt
14 employee from July 2008 until March 30, 2020. During her employment, Cabral worked as a
15 Beauty Advisor and a Customer Service Associate.

16 4. Plaintiff Natayna Jones has been employed by Walgreens in California since
17 June 2016 as a non-exempt Customer Service Associate.

18 5. Plaintiff Theresa Kincaid has been employed by Walgreens since 1993.
19 Currently she works as a non-exempt Customer Service Associate.

20 6. Plaintiff Eden Smiles worked for Walgreens in California as a Beauty Advisor
21 and a Customer Service Associate from April 2014 to November 2016.

22 7. Defendant Walgreens is an Illinois corporation with its principal place of
23 business in Deerfield, Illinois.

24 GENERAL ALLEGATIONS

25 8. Walgreens operates over 500 retail stores in California. In the front-end retail
26 section of each store, usually near the main entrance to the store, there are one or more
27 fixtures where the point-of-sale systems are located and where customers pay for their
28 purchases. These fixtures are referred to as “front-end checkstands.”

1 9. On August 7, 2019, Alameda County Superior Court Judge Brad Seligman
2 approved a PAGA settlement and entered judgment in a suitable seating case called *Smiles v.*
3 *Walgreen Co.*, Alameda County Superior Court Case No. RG17862495. Pursuant to the
4 *Smiles* settlement, beginning promptly upon settlement approval, Walgreens was required to:
5 (1) “physically place at least one suitable seat at the Front-End Checkstands of each of its
6 California retail stores for use by employees when checking out customers and when not
7 actively performing job tasks that require standing or moving about”; and (2) “ensure that
8 each California store that has more than one register behind a Front-End Checkstand has a
9 sufficient number of suitable seats physically available for its employees to use when
10 checking out customers at those registers and when not actively performing job tasks that
11 require standing or moving about.” *Smiles* Settlement Agreement ¶ II.C.1.

12 10. Walgreens has violated Wage Order 7-2001 § 14(A) and (B). First, the nature
13 of the work at the front-end checkstands reasonably permits the use of seats for at least part
14 of the time the aggrieved employees are stationed there. Tasks such as scanning
15 merchandise, bagging, operating the point-of-sale system, handing the receipt and change to
16 the customer, greeting the customer, providing good customer service, and waiting for the
17 next customer all can be performed while seated. Second, the physical configuration of the
18 work space at the front-end checkstand can accommodate one or more seats. Third,
19 Walgreens’ business judgment is, in fact, to allow aggrieved employees to use seats while
20 checking out customers at the front-end checkstands. Fourth, suitable seats exist; for
21 example, a lean stool would fit behind the front-end checkstand and could be safely used
22 while an aggrieved employee is checking out customers. Fifth, there are periods of time
23 when the aggrieved employees are stationed at the front-end checkstands but not engaged in
24 active duties of their employment, yet there are no suitable seats in reasonable proximity to
25 the work area, and use of seats would not interfere with the performance of their duties.

26 **CLASS ACTION ALLEGATIONS**

27 11. Plaintiffs bring the second, third and fourth claims in this Second Amended
28 Complaint as class claims on behalf of themselves and all others similarly situated pursuant

1 to Code of Civil Procedure § 382. The “Class” that Plaintiffs seek to represent is defined as
2 follows:

3 All individuals who were employed by Walgreens as Beauty Advisors, Beauty
4 Consultants, Customer Service Associates, Look Boutique Beauty Advisors, Look
5 Boutique Lead Beauty Advisors, Look Boutique Assistant Lead Beauty Advisors,
6 Senior Beauty Advisors, and/or Service Clerks in the State of California at any
7 time between March 23, 2016 to and including August 6, 2019.

8 12. This action has been brought and may properly be maintained as a class action
9 under Code of Civil Procedure § 382 because there is a well-defined community of interest in
10 the litigation, the proposed Class is easily ascertainable, and Plaintiffs are proper
11 representatives of the Class.

12 13. Numerosity: The potential members of the proposed Class as defined are
13 numerous and therefore joinder of all the members of the Class is impracticable. While the
14 precise number of employees has not been determined at this time, Plaintiffs are informed
15 and believe that Defendant has employed well over 1,000 Class members during the Class
16 Period.

17 14. Ascertainability: The Class is ascertainable in that its members can be
18 identified and located using information contained in Defendant’s payroll and personnel
19 records.

20 15. Commonality: There are questions of law and fact common to Plaintiffs and
21 to the Class that predominate over any questions affecting only individual members of the
22 Class. These common questions of law and fact include, but are not limited to, the
23 following: (a) Defendant’s policies and practices pertaining to providing seats at its front-end
24 checkstands; and (b) whether the nature of the work at the front-end checkstands in
25 Defendant’s California stores reasonably permits the use of a seat.

26 16. Typicality: Plaintiffs’ claims are typical of the claims of the Class members.
27 Plaintiffs and the proposed Class members allege they were not provided suitable seats while
28 working at the front-end checkstands in Defendant’s California stores.

17 17. Adequacy of Representation: Plaintiffs are members of the proposed Class
18 and will fairly and adequately protect the interests of the proposed Class members.

1 Plaintiffs' interests do not conflict with those of the proposed Class members. Plaintiffs'
2 counsel are competent and experienced in litigating class actions and will devote sufficient
3 time and resources to the case and otherwise adequately represent the proposed Class.

4 18. Superiority of Class Action: A class action is superior to other available
5 means for the fair and efficient adjudication of this controversy, since individual joinder of
6 all members of the proposed Class is impractical. Class action treatment will permit a large
7 number of similarly situated persons to prosecute their common claims in a single forum
8 simultaneously, efficiently and without unnecessary duplication of effort and expense that
9 numerous individual actions would engender. Furthermore, the amounts suffered by each
10 individual member of the proposed Class may be relatively small, the expenses and burden of
11 individualized litigation would make it difficult or impossible for individuals of the Class to
12 redress the wrongs done to them while an important public interest will be served by
13 addressing the manner as a class action. The cost to the court system of adjudication of such
14 individualized litigation would be substantial. Individualized litigation would also present
15 the potential for inconsistent or contradictory judgments.

16 **FIRST CAUSE OF ACTION**

17 **(Representative Action Under PAGA—By Cabral, Kincaid and Jones)**

18 19. Plaintiffs incorporate by reference paragraphs 1-10 above.

19 20. Labor Code § 2699(f) permits aggrieved employees such as plaintiffs to
20 recover civil penalties against Walgreens for violations of the Labor Code.

21 21. California Labor Code §§ 1198 and 1199 make it illegal to employ an
22 employee under conditions of labor that are prohibited by the applicable wage order, which
23 in this case is Wage Order 7-2001.

24 22. Wage Order 7-2001 § 14(A) states: "All working employees shall be provided
25 with suitable seats when the nature of the work reasonably permits the use of seats." Section
26 14(B) states: "When employees are not engaged in the active duties of their employment and
27 the nature of the work requires standing, an adequate number of suitable seats shall be placed
28 in reasonable proximity to the work area and employees shall be permitted to use such seats

1 when it does not interfere with the performance of their duties.”

2 23. For purposes of this action, “aggrieved employees” means: “All individuals
3 who are or were employed by Walgreens as Beauty Advisors or Customer Service Associates
4 in the State of California at any time between August 7, 2019 through June 14, 2022.”

5 24. Cabral, Kincaid and Jones are aggrieved employees in that they were or are
6 employed by Walgreens and were not provided with a suitable seat or an adequate number of
7 suitable seats while working at the front-end checkstands of a Walgreens retail store in
8 California. On this basis, Walgreens violated Section 14(A). Walgreens also violated
9 Section 14(B) by failing to place a suitable seat or an adequate number of suitable seats in
10 reasonable proximity to the work area to use when the aggrieved employees are not engaged
11 in the active duties of their employment.

12 25. On January 11, 2021, Cabral, Kincaid and Jones provided written notice by
13 online filing to the LWDA and by certified mail to Walgreens of the specific provisions of
14 the California Labor Code alleged to have been violated, including facts and theories to
15 support the alleged violations, in accordance with California Labor Code section 2699.3.
16 Plaintiffs’ written notice was accompanied with the applicable filing fee of seventy-five
17 dollars (\$75).

18 26. Over 65 days have passed since Plaintiffs sent their notice described above to
19 the LWDA, and the LWDA has not responded that it intends to investigate Plaintiffs’ claims.

20 27. Pursuant to Labor Code § 2699(f), each violation of Wage Order 7-2001 § 14
21 during the applicable limitations period triggers a civil penalty, which may be recovered by
22 Plaintiffs in this action. By virtue of the *Smiles* PAGA notice, complaint, litigation,
23 settlement, and violations of the settlement, as well as the Walgreens conduct that led to
24 those events, each of the violations pleaded in this complaint is a “subsequent” violation
25 under Labor Code § 2699(f)(2), entitling plaintiffs to an award of \$200 in civil penalties per
26 employee for each pay period during the limitations period.

27 28. Pursuant to Labor Code § 2699(g)(1), plaintiffs are entitled to an award of
28 reasonable attorneys’ fees and costs.

1 **SECOND CAUSE OF ACTION**

2 **(Class Claim for Breach of Contract—By All Plaintiffs)**

3 29. Plaintiffs incorporate by reference paragraphs 1-29 above.

4 30. On August 7, 2019, the Superior Court of California, County of Alameda, the
5 Honorable Brad Seligman, entered an order approving the terms of the Settlement Agreement
6 of Representative Action Under Labor Code Private Attorneys General Act (“Agreement”)
7 between Eden Smiles and Walgreens in *Smiles v. Walgreen Co.*, Case No. RG 17862495.
8 The Court ordered the parties to carry out the settlement as set forth in their settlement
9 agreement and retained jurisdiction to enforce its terms.

10 31. Walgreens violated the Agreement by failing to provide suitable seats in
11 accordance with the Agreement.

12 32. Walgreens’ violated the Agreement caused harm to Plaintiffs and the class
13 members because they did not have the benefit of suitable seats for use at the front-end
14 checkstands.

15 33. Plaintiffs and the class members are entitled to an award of compensatory
16 damages according to proof.

17 **THIRD CAUSE OF ACTION**

18 **(Class Claim for Violation of Labor Code §§ 1198 and 1199—By All Plaintiffs)**

19 34. Plaintiffs incorporate by reference paragraphs 1-34 above.

20 35. California Labor Code §§ 1198 and 1199 make it illegal to employ an
21 employee under conditions of labor that are prohibited by the applicable wage order, which
22 in this case is Wage Order 7-2001.

23 36. By violating Wage Order 7-2001 § 14(A) and 14(B), as alleged herein,
24 Walgreens in turn violated California Labor Code §§ 1198 and 1199.

25 37. Plaintiffs and the class members are entitled to an award of damages and
26 penalties in amounts to be proved at trial.

27 ///

28 ///

1 **FOURTH CAUSE OF ACTION**

2 **(Class Claim for Unfair Business Practices—By All Plaintiffs)**

3 38. Plaintiffs incorporate by reference paragraphs 1-38 above.

4 39. Business & Professions Code § 17200, California’s Unfair Competition Law
5 (“UCL”), prohibits unfair competition in the form of any unlawful, unfair, or fraudulent
6 business act or practice. Business & Professions Code § 17204 allows “any person who has
7 suffered injury in fact and has lost money or property” to prosecute a civil action for
8 violation of the UCL.

9 40. Walgreens’ conduct as described herein constitutes an unlawful, unfair, or
10 fraudulent business act or practice in violation of the UCL.

11 41. As a result of Walgreens’ violation of the UCL, Plaintiffs and the class
12 members have suffered injury and are entitled to restitution and injunctive relief in amounts
13 to be proved at trial.

14 42. Plaintiffs’ success in this action will enforce important rights affecting the
15 public interest. Plaintiffs will incur a financial burden in pursuing this action in the public
16 interest. Therefore, Plaintiffs are entitled to their reasonable attorneys’ fees and costs under
17 Code of Civil Procedure § 1021.5.

18 **PRAYER**

19 Plaintiffs pray for relief as follows:

20 1. For an order certifying the proposed class, appointing Plaintiffs as
21 representatives and their counsel as class counsel, and designating this action as a class
22 action pursuant to Code Civ. Proc. § 382;

23 2. For penalties, damages, restitution and injunctive relief according to proof;

24 3. For pre-judgment interest;

25 4. For costs of suit, including reasonable attorneys’ fees; and

26 5. For such other relief that the Court deems proper.
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Dated: May 25, 2022

CLAPP & LAUINGER LLP

JAMES F. CLAPP
MARITA MURPHY LAUINGER
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DARLENE CABRAL, NATAYNA JONES AND
THERESA KINCAID