

**NOTICE OF CLASS ACTION AND PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT AND RELEASE**

Kristal Nucci, et al. v. Rite Aid Corporation, et al.
United States District Court, Northern District
Case No. 19-cv-01434-LB

You could get a payment from a class action settlement if you worked for Thrifty Payless, Inc. dba Rite Aid in California as a non-exempt retail store associate (excluding pharmacists, pharmacy interns, and asset protection agents) at any time during the period from March 19, 2015 through February 3, 2022

This Notice is only a *summary* of the class action settlement. You can (and are encouraged to) access and review the entire Class Action and Private Attorneys General Act Settlement Agreement and Release, with all of the settlement terms to which you are bound, including the “Release of Claims” set forth in Paragraph 33 therein, at the settlement website www.RiteAid-UniformSettlement.com.

The United States District Court authorized this notice. This is not a solicitation from a lawyer. This is not a lawsuit against you and you are not being sued. However, your legal rights are affected whether you act or do not act.

- Plaintiffs Kristal Nucci, Kelly Shaw, and Ana Goswick sued Thrifty Payless, Inc. and Rite Aid Corporation (hereinafter referred to collectively as “Rite Aid”), claiming that Rite Aid violated California law by purportedly requiring non-exempt associates in Rite Aid retail stores to wear and purchase uniforms. Plaintiffs allege that this resulted in Rite Aid failing to compensate associates for uniforms and resulted in violations of various California Labor Code sections (including, inter alia, unreimbursed business expenses, unpaid minimum wages, wage statement violations, failure to pay wages upon separation, and PAGA).
- Rite Aid has denied these claims and the Court has not decided the merits of these claims.
- To avoid litigation expenses, Rite Aid has agreed to settle these claims and this Notice is a summary of your rights and options under this Settlement—**including the deadlines to exercise them.**

1. Am I Affected by this Settlement?

If you received a Postcard Notice, or Notice by email, Rite Aid’s records identified you as a non-exempt retail store associate (excluding pharmacists, pharmacy interns, and asset protection agents) employed by Rite Aid in the state of California during the period of March 19, 2015 through February 3, 2022. As such, you are a Class Member in this lawsuit.

The Court granted class certification of this Action on June 14, 2020. The Notice of Class Action was sent to Class Members on December 23, 2020. If you did not opt-out of the Class Action, then you are a Class Member bound by this Settlement.

The purpose of this Notice is to describe the litigation to you, inform you about the Settlement, and inform you of your rights and options in connection with the Settlement.

The Court in charge of the case is the United States District Court, Northern District, and the case is known as *Kristal Nucci, et al. v. Rite Aid Corporation, et al.*, Case No. 19:cv-01434-LB (referred to as the “Action”). The judge currently presiding over the lawsuit is the Honorable Laurel Beeler, in Courtroom B.

2. What is a class action and who is involved?

In class and representative actions, one or more people called “Class Representatives” (which – in this case – are Kristal

Nucci, Kelly Shaw, and Ana Goswick) sue on behalf of themselves and other individuals who have similar claims. The Class Representatives and these other individuals together are a “Class” or “Class Members.” Each person receiving this notice is a “Class Member” for purposes of this Settlement. The Court granted class certification of this Action on June 14, 2020 and decided that this lawsuit can be resolved on a class-wide basis because it meets the requirements of federal law governing the resolution of claims through a class action.

3. What does the lawsuit complain about?

Plaintiffs’ Action alleges that Rite Aid violated the rights of non-exempt retail store associates under California law. Specifically, Plaintiffs claim that non-exempt retail store associates (excluding pharmacists, pharmacy interns, and asset protection agents) employed by Rite Aid in California during the relevant time period were required to wear uniforms, resulting in a: 1) Failure to Indemnify Business Expenses; 2) Failure to Reimburse for Required Uniforms; 3) Unfair Business Practices; 4) Failure to Pay Minimum Wages; 5) Failure to Furnish Accurate Wage Statements; 6) Waiting Time Penalties; and 7) and Penalties under the Private Attorneys General Act (“PAGA”) (Labor Code § 2698, et seq).

Class Counsel is experienced in class action litigation and has a duty to represent the interests of all Class Members. Based on analyzing the law concerning the claims, analyzing records, making factual investigations, considering risks involved in further litigation, ensuring that the Class receives payment without having to wait for years of protracted litigation with no certainty of success, and using a professional third-party mediator to assist in reaching a fair settlement of this lawsuit, Class Counsel believes the Settlement is fair, adequate, and reasonable.

You are receiving Class Notice of this Settlement because the Court has reviewed the Settlement and has preliminarily determined the Settlement is fair and reasonable and can go forward.

The Settlement is the result of good faith, arm’s length negotiations between Plaintiffs and Rite Aid, through their respective attorneys and aided by a well-respected mediator. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Settlement Class Members. This Settlement is a compromise and is not an admission of liability on the part of Defendants.

The Court has not decided whether Plaintiffs’ claims have any merit. There was no trial. Instead of going to trial, both sides agreed to this Settlement.

4. What does the Settlement provide?

- Rite Aid will pay \$12,000,000.00 (“Total Settlement Amount”) to end this lawsuit.
- Class Members will receive a portion of the Net Settlement Amount in the manner described under Question 5. The Net Settlement Amount is the Total Settlement Amount minus the following deductions: (1) up to \$10,000.00 to each of the Class Representatives as approved by the Court; (2) up to \$3,999,600.00 as attorneys’ fees to Class Counsel as approved by the Court; (3) up to \$305,000.00 as costs to Class Counsel as approved by the Court; (4) approximately \$75,000.00 as Administrative Expenses as approved by the Court; and (5) \$150,000.00 to the California Labor & Workforce Development Agency. The Net Settlement Amount is estimated to be \$7,440,400.00.

5. How much will my payment be?

A Class Member’s Settlement Payment will be his or her share of the Net Settlement Amount. The Net Settlement Amount is comprised of two parts: (1) the Net PAGA Settlement Amount (*i.e.*, \$50,000 earmarked for the release of Representative Plaintiffs’ and each PAGA Aggrieved Employee’s PAGA claims that is not payable to the California Labor and Workforce Development Agency), and (2) the Net Class Settlement Amount (*i.e.*, the entire Net Settlement Amount less the Net PAGA Settlement Amount which is approximately \$7,390,400.00).

Class Members shall be entitled to a share (the “Settlement Share”) of the Net Settlement Amount. The allocation is set forth as follows: (1) Rite Aid implemented a new dress code policy in March 22, 2020, which no longer required that Class Members dress in Rite Aid’s specific “Team Colors” – accordingly, those Class Members hired after March 22, 2020 were not necessarily required to purchase uniform clothing and, therefore, a nominal payment of \$25.00 is being provided to Class Members hired after March 22, 2020 for the release of any potential claims alleged in the Action; (2) for Class Members hired prior to March 22, 2020, Class Members will receive a share of the Net Settlement Amount, after subtracting the payment to the Class Members hired after March 22, 2020, based on their pro-rata percentage of workweeks determined by dividing the number of weeks worked (that is, weeks of employment, regardless of any leave or vacation) by the Class Member as a non-exempt employee, excluding pharmacists, pharmacy interns, and asset protection agents, in any Rite Aid store in California at any time from March 19, 2015 through February 3, 2022 of the settlement by the Court, such that these Class Members will receive a dollar amount calculated by multiplying each of their respective percentages by the Net Settlement Amount; (3) for those Class Members hired prior to March 2020 whose employment has terminated with Defendants, an additional four workweeks will be added to their total workweeks, as described above in this paragraph, in consideration of their release of waiting time penalties; and (4) for Aggrieved Employees, the Net PAGA Settlement Amount of \$50,000 will be shared on a pro rata basis among Aggrieved Employees in addition to the amounts they are otherwise eligible for under (1) through (3). All Settlement Payment determinations will be based on Rite Aid’s timekeeping, payroll, and/or human resources records for Class members. The number of workweeks that you worked for Rite Aid during the relevant period, as shown by company records, was included on the Postcard Notice mailed to you.

If you dispute the number of workweeks as shown on the Postcard Notice, you may produce evidence to the Settlement Administrator establishing the dates you contend to have worked for Rite Aid from March 19, 2015 through February 3, 2022. Corrections to the number of workweeks must be supported by documentation or other evidence to constitute a valid dispute of workweeks. The Settlement Administrator shall provide a recommendation to counsel for the Parties and counsel will meet and confer to resolve the dispute. Corrections and supporting evidence must be mailed to Rite Aid Uniform Settlement, c/o Atticus Administration, P.O. Box 64053, St. Paul, MN 55164, faxed to 1-888-326-6411, or emailed to UniformSettlement@AtticusAdmin.com. The deadline to submit corrections and supporting evidence is April 18, 2022.

For tax purposes, the individual Settlement Payments will be allocated as follows: ten percent (10%) of all settlement payments to Settlement Class Members shall be considered wages and shall be subject to the withholding of all applicable local, state and federal taxes; ninety percent (90%) of all payments to Settlement Class Members shall be considered non-wages for the settlement of interest claims, statutory and civil penalty claims, and for attorneys’ fees. The portion allocated to wages shall be reported on an IRS Form W-2, and the portion allocated to reimbursement, penalties, and interest shall be reported on an IRS Form 1099. You should consult with your tax advisors concerning the tax consequences of the payments you receive under the settlement. Neither Class Counsel nor Rite Aid’s counsel intend anything contained herein to constitute legal advice regarding the taxability of any amount paid, nor shall it be relied upon as such.

6. Will being part of this Settlement affect my job with Rite Aid?

Rite Aid encourages all Class Members to participate in the Settlement. Rite Aid represents that, as required by law, it will not retaliate against any associate as a result of his or her participation in the Settlement.

7. How do I receive payment from the Settlement Amount?

To receive a digital payment by E-Mastercard, PayPal, or Venmo, go to www.RiteAid-UniformSettlement.com, and select Payment Options by April 18, 2022.

If you do not choose a digital payment option, a settlement check will be mailed to your address on file.

8. What claims am I releasing as part of this lawsuit?

As a Class Member, you are bound by the release of claims in this Settlement. This release includes the wage and hour claims that were pleaded in the Action (or that could have been pleaded based on the facts alleged in the Action), which arise out of the Class Members’ work performed for Rite Aid as non-exempt retail store associates (excluding pharmacists, pharmacy interns, and asset protection agents) in the state of California between March 19, 2015 and the Final Approval Date.

More specifically, if the Court grants final approval of the Settlement, all Class Members will be barred from bringing certain claims described below. Class Members fully release and discharge Rite Aid from any and all claims that were asserted in the Action or could have been asserted based on the same factual predicates contained in the Action from March 19, 2015 through the Final Approval Date, including but not limited to claims for violations of California and/or federal law pertaining to (1) failure to reimburse for business expenses; (2) failure to pay minimum wages; (3) failure to provide accurate itemized wage statements; (4) waiting time penalties; (5) violation of California Business and Professions Code; (6) injunctive relief pursuant to California Business and Professions Code; and (7) PAGA civil penalties to the extent based on the six immediately preceding and identified issues in Subsections (1)-(6). This release includes but is not limited to claims for violations of California Labor Code §§ 201, 202, 203, 204, 204b, 210, 226, 510, 558, 1194, 1194.2, 1197, 1197.1, 2802, and § 2698, et seq.; IWC Wage Order No. 7, §§ 4 and 9(A); California Code of Civil Procedure § 1021.5; California Business & Professions Code § 17200, et seq. (to the extent based on the same protections as provided by each of the statutes listed immediately above); and any claims under the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. §§ 201, et seq., that are or could be based on the same factual allegations in the Action. (All together collectively, “Released Claims”).

If any Class Member initiates a new lawsuit against Rite Aid based on any claim released under this Agreement, and the Court invalidates the release, any recovery by the Class Member shall be offset by the amount, if any, paid to the Class Member in connection with this Settlement.

For the full language of the release, as well as additional documents related to the Settlement, including the complete Class Action and Private Attorneys General Act Settlement Agreement and Release and the documents filed by the Parties to obtain approval of the Settlement, you may visit the settlement website at www.RiteAid-UniformSettlement.com. You may also contact the Settlement Administrator for a copy of the Class Action and Private Attorneys General Act Settlement Agreement and Release that has been filed with the United States District Court, located 450 Golden Gate Avenue, San Francisco, CA 94102.

9. What are my options?

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
RECEIVE A DIGITAL PAYMENT OR CHECK FOR YOUR SETTLEMENT SHARE	If this Settlement is finally approved and judgment is entered, you will receive your settlement share.
	To receive a digital payment by E-Mastercard, PayPal, or Venmo, go to www.RiteAid-UniformSettlement.com , and select Payment Options by April 18, 2022.
	If you do not choose a digital payment option, a settlement check will be mailed to your address on file.

OBJECT	Write to the Court about what you do not like about the Settlement, and if you so choose, attend Court to speak about the fairness of the Settlement.
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10. Can I be excluded from the settlement?

No. Class Members were given the opportunity to exclude themselves from the Class Action through the Notice of Class Action sent on December 23, 2020. In the Notice, Class Members were informed that they faced a binary choice – to stay in the lawsuit, or to opt out – and that they needed to make that choice by January 27, 2021. There were twenty-two (22) persons who excluded themselves from the Class Action. If you did not exclude yourself from the Class Action, then you are bound by the terms of this Class Action and Private Attorneys General Act Settlement and Release.

11. How do I object to the Settlement?

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

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Kristal Nucci, et al. v. Rite Aid Corporation, et al.*, United States District Court, Northern District Case No. 19-cv-01434-LB) (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, or by filing them in person at any location of the United States District Court for the Northern District of California, and be submitted to the Settlement Administrator, at Rite Aid Uniform Settlement, c/o Atticus Administration, P.O. Box 64053, St. Paul, MN 55164, and (c) be filed or postmarked on or before April 18, 2022.

If a Class Member objects to the Settlement, he/she will remain a member of the Class, and, if the Court grants final approval of the Settlement, he/she will be bound by the Settlement in the same way and to the same extent as a Class Member who does not object. Any member of the Class who does not make and serve his/her written objection in the manner provided above, shall be deemed to have waived such objections and shall be foreclosed from making any objections by appeal or otherwise to the Settlement.

12. Do I have a lawyer in this case?

The Court has approved and Aiman-Smith & Marcy, PC, to represent you and other Class Members in this action. These lawyers are called Class Counsel. You will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. A Class Member may enter an appearance through an attorney if the Class Member so desires. Aiman-Smith & Marcy, PC are available as your counsel to answer your questions. The names and contact information of Class Counsel are listed below:

Class Counsel

Randall B. Aiman-Smith
Reed W. L. Marcy
Hallie Von Rock
Brent A. Robinson
Aiman-Smith & Marcy, PC
7677 Oakport St., Suite 1150
Oakland, CA 94621
Telephone: (510) 817-2711
Facsimile: (510) 562-6830
Email: hvr@asmlawyers.com

13. How will the lawyers be paid?

Class counsel would ask the Court to approve a payment of up to \$3,999,600.00 for attorneys' fees and up to \$305,000 for litigation costs, which will be paid out of the \$12,000,000.00 settlement fund. These attorneys' fees will pay Class Counsel for bringing the lawsuit on your behalf, investigating the facts, litigating the case, and negotiating the Settlement. Rite Aid has agreed not to oppose these attorneys' fees or costs. The Court may award less than these amounts.

14. When will final approval occur?

The Court will hold a final hearing to decide whether or not to approve the Settlement. You may attend, either in person or remotely depending on the Court's procedure at the time of the hearing due to the pandemic, and you may ask to speak, but you don't have to. The Final Approval Hearing is scheduled for May 26, 2022, at 9:30 a.m. in the United States District Court, Northern District, Courtroom B, located at 450 Golden Gate Avenue, San Francisco, CA 94102, via Zoom webinar.

15. How do I get more information?

This notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the settlement agreement available at www.RiteAid-UniformSettlement.com, by contacting the Settlement Administrator at 1-888-226-2203, by contacting Class Counsel at hvr@asmlawyers.com, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, at 450 Golden Gate Avenue, San Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. You also have the right to speak with an attorney of your choosing at your own expense. A Class Member may enter an appearance through an attorney if the Class Member so desires.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE, OR ANY OF RITE AID'S MANAGERS OR SUPERVISORS, TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.