UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA

MONICA RAEL AND ALYSSA HEDRICK, on behalf of themselves and all others similarly situated,

Case No. 16CV0370-GPC-JMA

v.

THE CHILDREN'S PLACE, INC.

SUPPLEMENTAL NOTICE: COURT GRANTED FINAL APPROVAL OF SETTLEMENT

IF YOU SHOPPED AT ANY U.S. THE CHILDREN'S PLACE STORE OR ONLINE AT <u>WWW.CHILDRENSPLACE.COM</u> BETWEEN FEBRUARY 11, 2012 AND JANUARY 28, 2020, YOU MAY BE ELIGIBLE TO RECEIVE VOUCHERS OF VARIOUS VALUES, E.G., \$6, \$12, OR \$18, USABLE AT THE CHILDREN'S PLACE ON FUTURE PURCHASES.

If you have previously submitted a claim or opted out of the Settlement, you do not need to do anything unless you would like to change your prior decision.

A federal court authorized this Supplemental Notice ("Notice"). This is not a solicitation from a lawyer.

A settlement ("Settlement") has been approved in the class action lawsuit referenced above pending in the United States District Court for the Southern District of California ("Action"). Pursuant to the Settlement, The Children's Place, Inc. ("TCP") will provide, for each Class Member who properly and timely completes and submits a Claim Form, one or more Vouchers good for a purchase either in a The Children's Place store in the United States or online at www.childrensplace.com, for (i) \$6 off a purchase (no minimum purchase) or (ii) 25% off a purchase (of the first \$100), subject to the additional conditions explained later in this Notice.

If you have previously submitted a claim or opted out of the Settlement, you do not need to do anything unless you would like to change your prior decision. On March 31, 2021, the Court approved the Settlement with a modified release provision. (*See* Dkts. 142 and 144.) The modified release may affect your rights. Read this Notice carefully and review the terms of the approved Settlement Agreement and the Court's Order granting Final Approval of the Settlement, both of which are available here: www.raeltcppricingsettlement.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT			
If you have previously submitted a claim or opted out of the Settlement, you do not need to do anything unless you would like to change your prior decision.			
SUBMIT A CLAIM FORM	This is the only way to get a Voucher under the Settlement. Visit the Settlement website located at www.raeltcppricingsettlement.com to obtain a Claim Form. If you previously submitted a claim, you do not need to do anything unless you would like to withdraw the claim you previously submitted and opt out of the Settlement Class.	Deadline: <i>June 10, 2021</i>	
EXCLUDE YOURSELF	If you exclude yourself from the Settlement, you will not receive a Voucher under the Settlement. Excluding yourself is the only option that allows you to bring or maintain your own lawsuit against TCP regarding the allegations in the Action ever again. If you previously decided to opt out of the Settlement, you do not need to do anything unless you would like to join the Settlement Class and submit a claim.	Deadline: June 10, 2021	
DO NOTHING	If you have previously submitted a claim or opted out of the Settlement, doing nothing will maintain your prior decision. For illustrative purposes, if you previously submitted a valid claim, that claim will be honored if you do nothing now. If you previously opted out of the Settlement, you will remain opted out if you do nothing now. If you have not previously submitted a valid claim or opted out, you have the chance to do so by the deadlines stated above. If you do not do so on or before <i>June 10, 2021</i> , you will not receive a Voucher under the Settlement. You will also give up your right to object to the Settlement, and you will not be able to be part of any other lawsuit about the legal claims in this case.	Deadline: N/A	

These rights and options—and the deadlines to exercise them—are explained in more detail below. The Court in charge of this Action has approved the Settlement. The benefits provided under the Settlement may take several months to arrive. Please be patient.

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BACKGROUND INFORMATION

1. What is the purpose of this Notice?

This Notice explains the nature of the Action, the general terms of the approved Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the approved Settlement Agreement (which defines certain capitalized terms used in this Notice) as well as the Court's Order granting Final Approval of the Settlement, see Section 15 below.

2. What is this lawsuit about?

Plaintiffs Monica Rael and Alyssa Hedrick (the "Representative Plaintiffs") filed a lawsuit against TCP on behalf of themselves and all others similarly situated. The lawsuit alleges that TCP engaged in deceptive advertising by advertising purportedly improper discounts on merchandise.

TCP denies each and every one of the allegations of unlawful conduct, any wrongdoing, and any liability whatsoever, and no court or other entity has made any judgment or other determination of any liability. TCP further denies that any Class Member is entitled to any relief and, other than for settlement purposes, that this Action is appropriate for certification as a class action.

The issuance of this Notice is not an expression of the Court's opinion on the merits or the lack of merits of the Representative Plaintiffs' claims in the Action.

For information about what has happened in the Action to date, please see Section 15 below.

3. Why is this a class action?

In a class action lawsuit, one or more people called "Representative Plaintiff(s)" (in this Action, Monica Rael and Alyssa Hedrick) sue on behalf of other people who allegedly have similar claims. For purposes of this approved Settlement, one court has resolved the issues for all Class Members. The company sued in this case, TCP, is called the "Defendant."

4. Why is there a Settlement?

The Representative Plaintiffs have made claims against TCP. TCP denies that it has done anything wrong or illegal and admits no liability. The Court has not decided that the Representative Plaintiffs or TCP should win this Action. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and the Class Members will receive relief now rather than years from now, if at all.

5. How do I know if I am part of the Settlement?

The Court has decided that everyone who fits this description is a Class Member for purposes of the approved Settlement: All individuals in the United States who, within the Class Period, made a Qualifying Purchase. The term "Qualifying Purchase" means a purchase of any product bearing a discount from TCP. The term "Class Period" means between February 11, 2012 and January 28, 2020. Excluded from the Class are Defendant's Counsel, Defendant's officers, directors, and employees, and the judge presiding over the Action.

6. I'm still not sure if I am included.

If you are still not sure whether you are included, you can write the Claims Administrator for free help. The email address of the Claims Administrator is <u>info@raeltcppricingsettlement.com</u> and the U.S. postal (mailing) address is *Rael TCP Pricing* Claims Administrator, P.O. Box 43212, Providence, RI 02940-3212.

THE APPROVED SETTLEMENT

7. What relief does the Settlement provide to the Class Members?

TCP has agreed to provide to Class Members who complete a Claim Form a Voucher or Vouchers good for a purchase either in a The Children's Place store in the United States or online at www.childrensplace.com for (i) \$6 off a purchase (no minimum purchase) or (ii) 25% off a purchase (of the first \$100), subject to the following qualifications. Class Members may elect the form of Voucher they wish to receive on the Claim Form.

TCP will issue 800,000 Vouchers. Vouchers will be valid for 6 months. The \$6 Vouchers will be stackable with each other but may not be combined with any other coupon or offer. The 25% off Vouchers will not be stackable, and may not be combined with any other coupon or offer. The Vouchers may be used on items that are on sale. The Vouchers shall not be redeemable for cash, and will not be replaced if lost, stolen or damaged. The Vouchers will be transferable.

For each Class Member who submits a timely, complete, valid and sufficient Claim Form (an "Authorized Claimant") through the process described below, TCP shall issue:

- Tier 1 Authorized Claimants: one (1) Voucher. A Tier 1 Authorized Claimant is one who does not submit proof of Qualifying Purchase(s) or if the Qualifying Purchase(s) during the Class Period are less than \$50.
- Tier 2 Authorized Claimants: two (2) Vouchers. A Tier 2 Authorized Claimant is one who has Qualifying Purchase(s) during the Class Period totaling \$50.01–\$150 and submits either proof of such purchase(s) or provides a Class Member Number, which is included in the email notice that you may have received.
- Tier 3 Authorized Claimants: three (3) Vouchers. A Tier 3 Authorized Claimant is one who has Qualifying Purchase(s) during the Class Period totaling more than \$150 and submits proof of such purchase(s).

If the Voucher Fund would not be exhausted in a single round of distribution, then additional subsequent rounds of Voucher distribution will occur:

- In each subsequent round of distribution, the number of Vouchers each Authorized Claimant receives shall be determined by his or her Tier as described above.
- If the number of Vouchers remaining in the Voucher Fund after a prior round of distribution is greater than the total number of Vouchers timely and validly claimed, then for the next round of distribution, Authorized Claimants will receive additional Vouchers in the type and number they elected on their Claim Form.

- However, if the number of Vouchers remaining in the Voucher Fund after a prior round of distribution is less than the total number of Vouchers timely and validly claimed, then for the next and final round of distribution, no 25% off Vouchers will be distributed. Instead, all Authorized Claimants will receive a pro rata portion of the remaining Voucher value. For instance, if there are 10 Vouchers remaining after the last round of distribution and a total of 8 Tier 2 Authorized Claimants (4 that selected the 25% off Voucher and 4 that selected the \$6 Voucher), then for the final round of distribution the 8 Authorized Claimants will each receive two additional \$3.75 Vouchers.
- The periods of expiry for each "round" of Voucher distribution shall be successive (i.e., if the Vouchers to be distributed in the first "round" are valid between July 1, 2021 and December 31, 2021, those that are part of the second "round" would be valid from January 1, 2022 until June 30, 2022).

In the event the Voucher Fund would be exhausted by the first round of distribution, then:

- All Vouchers distributed will only be redeemable for a dollar amount off a purchase; no 25% Vouchers will be distributed.
- The value of the Vouchers will be calculated on a pro rata basis. For instance, for exemplar purposes only, if there are 850,000 Tier 1 Authorized Claimants, the Voucher value will be \$5.65 and the 850,000 Authorized Claimants would each receive one \$5.65 Voucher.
- The number of Vouchers each Authorized Claimant receives shall be determined by his or her Tier.

HOW TO REQUEST A VOUCHER - SUBMITTING A CLAIM FORM

8. How can I get a Voucher or Vouchers?

To qualify for a Voucher, you must send in a Claim Form, and, depending upon the Tier sought, potentially proof of Qualifying Purchase(s) as explained in Section 7 above. A Claim Form is available by clicking HERE or on the Internet at the website www.raeltcppricingsettlement.com or by calling toll-free 1-844-799-1633. The Claim Form may be submitted electronically or by postal mail. Read the instructions carefully, fill out the form, and postmark it by June 10, 2021, or submit it online on or before 11:59 p.m. (Pacific) on June 10, 2021. If you previously submitted a claim, you do not need to do anything unless you would like to withdraw the claim you previously submitted and opt out of the Settlement Class.

9. When will I get my Voucher or Vouchers?

You can check on the progress of the case on the website dedicated to the Settlement at www.raeltcppricingsettlement.com. *Please be patient*.

THE LAWYERS IN THIS CASE AND THE REPRESENTATIVE PLAINTIFFS

10. Do I have a lawyer in this case?

The Court has ordered that the law firm of Carlson Lynch LLP ("Class Counsel") will represent the interests of all Class Members. 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.

11. How will the lawyers be paid?

TCP has agreed to pay Class Counsel's attorneys' fees and costs up to \$1,080,000, subject to approval by the Court. You will not be required to pay any attorneys' fees or costs. Please see paragraphs 2.7 and 2.8 of the Settlement Agreement, available <u>HERE</u>, for additional details. The Court will determine the final award to Class Counsel after the Vouchers have been redeemed. Please continue to check the website for additional information regarding when Class Counsel's fee award will be determined.

12. Will the Representative Plaintiffs receive any compensation for their efforts in bringing this Action?

The Representative Plaintiffs will request a service award of up to \$2,500 each for their services as Class Representatives and their efforts in bringing the Action. The Court will make the final decision as to the amount to be paid to the Class Representatives. Please continue to check the website for additional information regarding when Representative Plaintiffs' compensation will be determined.

DISMISSAL OF ACTION AND RELEASE OF ALL CLAIMS

13. What am I giving up to obtain relief under the Settlement?

Unless you exclude yourself from the Settlement, you will be releasing your claims against TCP. This generally means that you will not be able to file a lawsuit, continue prosecuting a lawsuit, or be part of any other lawsuit against TCP regarding the claims in the Action. *The Court modified the release language during the March 29, 2021, hearing. (See Dkts. 142 and 144.) It is possible your rights are affected. Please review the terms of the approved release carefully.* The Court's Order granting Final Approval to the Settlement as well as the approved Settlement Agreement (including the modified release language) are available on the Internet at the website www.raeltcppricingsettlement.com.

HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT

14. How do I exclude myself from the Settlement?

You may exclude yourself from the Class and the Settlement. If you want to be excluded, you must send a signed letter or postcard stating: (a) the name and case number of the Action; (b) your full name, address, and telephone number; and (c) a statement that you do not wish to participate in the Settlement, postmarked no later than *June 10, 2021*, to the Claims Administrator at:

Rael TCP Pricing Claims Administrator P.O. Box 43212 Providence, RI 02940-3212 If you timely request exclusion from the Class, you will be excluded from the Class, you will not receive a Voucher or Vouchers under the Settlement, you will not be bound by the judgment entered in the Action, and you will not be precluded from prosecuting any timely, individual claim against TCP based on the conduct complained of in the Action. If you previously decided to opt out of the Settlement, you do not need to do anything unless you would like to join the Settlement Class and submit a claim.

ADDITIONAL INFORMATION

15. How do I get more information?

To see a copy of the Settlement Agreement (with the modified release language), the Court's Final Approval Order, Class Counsel's application for attorneys' fees and costs, and the operative complaint filed in the Action, please visit the Settlement website located at: www.raeltcppricingsettlement.com.

Alternatively, you may contact the Claims Administrator at the email address <u>info@raeltcppricingsettlement.com</u> or by calling toll-free 1-844-799-1633 or the U.S. postal (mailing) address:

Rael TCP Pricing Claims Administrator P.O. Box 43212 Providence, RI 02940-3212

This description of this Action is general and does not cover all of the issues and proceedings that have occurred. In order to see the complete file, you should visit www.pacer.gov or the Clerk's office at 333 West Broadway, San Diego, CA 92101. The Clerk will tell you how to obtain the file for inspection and copying at your own expense.

Please continue to check the website for additional information regarding updates related to this case and the Settlement, including information regarding when Class Counsel's fee award will be determined.

16. What if my address or other information has changed or changes after I submit a Claim Form?

It is your responsibility to inform the Claims Administrator of your updated information. You may do so at the address below:

Rael TCP Pricing Claims Administrator P.O. Box 43212 Providence, RI 02940-3212

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE.

Dated: April 15, 2021

By: Order of the Southern District of California

HONORABLE GONZALO P. CURIEL

UNITED STATES DISTRICT COURT JUDGE