

SUPERIOR COURT FOR THE STATE OF CALIFORNIA, COUNTY OF SAN FRANCISCO
NOTICE OF CLASS ACTION SETTLEMENT

Para una versión en español de este aviso, por favor vaya A www.phoenixclassaction.com/hubbard-v-loreal.

You are not being sued. This notice affects your rights. Please read it carefully.

To: All persons whom L'Oreal USA, Inc. ("L'Oreal") procured a consumer report for employment purposes between July 10, 2013 and July 1, 2015.

The Honorable Andrew Y.S. Cheng of the Superior Court for the State of California, County of San Francisco, preliminarily approved of a proposed settlement ("Settlement") on November 20, 2020 in the above-captioned action ("Class Action").

The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the Settlement, and your rights and options with respect to the Settlement. **You have received this notice because L'Oreal's records indicate that you are a Class Member and you may be entitled to a settlement payment.**

Unless you choose to exclude yourself by following the procedures described below, you will be deemed a Participating Class Member and, if the Court grants final approval of the Settlement, you will be mailed a check for your share of the settlement fund. **At present, the Parties estimate that Each Participating Class Member will receive approximately \$57.12.**

The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 9:00 a.m. on May 13, 2021 in 613 of Superior Court for the State of California, County of San Francisco, located at 400 McAllister Street, San Francisco, California 94102. You are not required to attend the Hearing, but you are welcome to do so. The Court may change the Final Approval Hearing date or time without notice.

The Court has not determined that L'Oreal violated the law. L'Oreal denies that it violated any law and denies any liability whatsoever. The two sides disagree on whether Plaintiff (the person who sued) or L'Oreal would have prevailed if the case had gone to trial.

Summary of the Litigation

Plaintiff, Deborah Hubbard, on behalf of herself and on behalf of other allegedly similarly situated persons, claims that L'Oreal violated the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681, *et seq.* in connection with L'Oreal's procurement and use of consumer reports for employment purposes.

After the exchange of relevant information and evidence, the Parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On June 18, 2019, the Parties participated in a mediation with an experienced and well-respected mediator with special expertise in FCRA class actions. At the mediation, the Parties were able to negotiate a complete settlement of Plaintiffs claims.

Counsel for Plaintiff, and the attorneys approved by the Court to represent the class, Thomas D. Rutledge, Mark S. Greenstone, Brian R. Short, and Marc L. Godino ("Class Counsel"), has investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believes that the claims alleged in this lawsuit have merit, Class Counsel also recognizes that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believes the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

L'Oreal denies that it violated the law in any way. It has denied, and continues to deny, the factual and legal allegations in the case and believes that it has valid and meritorious defenses to Plaintiff's claims. By agreeing to settle, L'Oreal is not admitting liability on any of the allegations or claims in the case or that the case can or should proceed as a class action. L'Oreal has agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and L'Oreal have agreed to settle the class claims in exchange for a Class Settlement Amount of \$680,000. This amount is inclusive of: (1) Individual Settlement Payments to all Participating Class Members; (2) an Enhancement to the Class Representative (an amount paid to the Class Representative for her service, involvement, and risk in connection with being a Class Representative); (3) Plaintiff's general release payment; (4) Class Counsel's Attorneys' Fees and Costs; and (5) reasonable Administrative Costs currently estimated at \$27,750. No money will revert back to L'Oreal. After deducting the Enhancement, the general release payment, Class Counsel's Attorneys' Fees and Costs, and the Settlement Administrator's fees and expenses, a Net Settlement Amount of approximately \$395,583.34 will be allocated to Class Members who do not opt out of the settlement ("Participating Class Member"). Each Participating Class Member will receive an equal portion from the Net Common Fund.

Participating Class Members will have 180 days from the mailing of the settlement checks to cash their settlement checks. After 180 days from the mailing of settlement checks, the amount of any settlement checks from the Net Common Fund that have not been cashed will be distributed to Bet Tzedek Legal Services. Bet Tzedek Legal Services is a nonprofit organization that Plaintiff and L'Oreal have agreed upon and provides civil legal services to low-income individuals.

According to L'Oreal's records, L'Oreal requested your background screening report (a consumer report) in connection with your employment between July 10, 2013 and July 1, 2015. Accordingly, if the Settlement is finally approved, your estimated payment would be approximately \$57.12.

Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 100% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

If you wish to participate in the class action settlement, which is explained in this Notice and the Settlement Agreement, you do not have to do anything. You will receive money under the class action settlement by doing nothing. If you want to opt out of, or request to be excluded from and not bound by, the class action settlement, then you must submit your intention to opt out of the settlement in the manner and timeframe described in this Notice and in the Settlement Agreement.

Your Options Under the Settlement

Option 1— *Automatically Receive a Payment from the Settlement*

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if the Settlement receives final approval by the Court.

Option 2— *Update Your Address*

If you want to receive your payment from the Settlement and need your payment mailed to a different address, then you must contact the Settlement Administrator not later than **April 29, 2021** to inform the Settlement Administrator of your address update.

Option 3 — *Opt Out of the Settlement*

If you do not wish to participate in the Settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include (i) your full name, address, telephone number and last four digits of your social security number; (ii) your signature, and the date of your signature; and (iii) an express statement to the effect of "I wish to opt-out of the Hubbard v. L'Oreal USA, Inc., CGC-18-567952, settlement" to indicate you wish to be excluded from the Settlement.

Settlement Administrator
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Fax: (949) 209-2503

The written request to be excluded must be postmarked or faxed not later than **April 29, 2021**. If you submit a request for exclusion that is not postmarked or faxed by **April 29, 2021**, your request for exclusion will be rejected, and you will be included in the settlement class. If you submit an incomplete request for exclusion, the Settlement Administrator will notify you of your deficiencies and you will be given 14 calendar days from the date of notice to remedy your deficiencies. If you submit a valid request for exclusion, you will not receive any cash payment if you do not opt out of the Settlement but then later do not cash your settlement check, you will be bound by the class action settlement.

Option 4 — Object to the Settlement

If you decide to object to the Settlement because you find any portion of it unfair or unreasonable, including requested attorneys' fees or incentive award, you must submit an objection stating why you object to the settlement. Your objection must provide: (i) your full name, current mailing address, signature, and date of signature; (ii) the last four digits of your social security number; (iii) the case name and number; (iv) a written statement of all grounds for the objection; (v) all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) for the Court to consider; and (vi) whether you intend to appear at the final approval hearing. The objection must be postmarked not later than **April 29, 2021** and mailed to the administrator at P.O. Box 7208, Orange, CA 92863. All objections must be postmarked and mailed to the administrator by not later than **April 29, 2021**. Late objections will not be considered. If you submit an incomplete objection, the Settlement Administrator will notify you of your deficiencies and you will be given 14 calendar days from the date of notice to remedy your deficiencies. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only. If you submit both a valid and timely request for exclusion and objection, the Settlement Administrator will only consider your request for exclusion and not your objection.

You may also, if you wish, appear at the Final Approval Hearing set for May 13, 2021 at 9:00 a.m. in the Superior Court for the State of California, County of San Francisco and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing. The Court may change the hearing date or time without notice.

If you choose **Option 1 and do nothing** or choose **Option 2 and provide an updated address**, and if the Court grants final approval of the Settlement, then you will be mailed a check for your share of the settlement fund. In addition, you will be deemed to have released or waived Released Claims.

Released Claims means:

All claims, damages, losses, demands, penalties, liabilities, fees, interest, causes of action, complaints or suits under Section 1681b(b)(2) of the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681b(b)(2), and any and all other such claims, damages, losses, demands, penalties, liabilities, fees, interest, causes of action, complaints or suits which arise from or which relate to the content, language, or format of the background check disclosure and authorization forms used by L'Oreal between July 10, 2013 and July 1, 2015, including but not limited to claims under the Fair Credit Reporting Act, 15 U.S.C. §§ 1681, *et seq.*, N.J.S.A. §§ 56: 1-31 *et seq.*, Investigative Consumer Reporting Agencies Act ("ICRAA"), California Business & Professions Code §§ 17200. *et seq.*, and similar claims under state law, which any Participating Class Member has ever had, or hereafter may claim to have against the Released Parties (*i.e.*, L'Oreal USA, Inc. and its past and present parents, subsidiaries, affiliated and/or related entities, predecessors, successors, and assigns). Claims after July 1, 2015 have been dismissed without prejudice.

Questions? Contact the Settlement Administrator toll free at 1-800-523-5773 or at www.phoenixclassaction.com/hubbard-v-loreal

If you choose **Option 3 and opt out**, then you will no longer be a Class Member, and you will (1) be barred from participating in the settlement, (2) be barred from filing an objection to the settlement, and (3) not receive a payment from the settlement

If you choose **Option 4 and object**, then you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the Settlement Agreement, and other papers filed in the case. You may also review these materials by visiting the settlement website at www.phoenixclassaction.com/hubbard-v-loreal. The settlement website contains the following documents: the complaint, notice, settlement agreement, preliminary approval order, all papers filed in connection with preliminary and final approval motions. If granted, notice of the final judgment will also be given on the settlement website. A copy of the Settlement Agreement may also be obtained from the Settlement Administrator free of charge. You can also obtain all relevant documents via the court's website for free. To do so, visit <https://www.sfsuperiorcourt.org/online-services>, enter the case number CGC-18-567962 into the "case query" feature, and click on the "view" button.

All inquiries by Class Members regarding this Class Notice or the settlement should be directed to the Settlement Administrator or Class Counsel.

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PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, L'OREAL OR L'OREAL'S ATTORNEYS WITH INQUIRIES.