

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE  
FOR FINAL COURT APPROVAL**

Superior Court of the State of California, County of Los Angeles, Case No. 22STCV02309

***The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

**You may be eligible to receive money** from a class action lawsuit entitled *Sindy Mayorga v. Carter's, Inc., et al.*, No. 22STCV02309 ("Action"), which claims that Carter's, Inc., Carter's Retail, Inc., The William Carter Company, and Oshkosh B'Gosh (collectively, "Carter's") violated the Fair Credit Reporting Act ("FCRA"). You received this notice because you are a class member/s which is defined as all persons residing in the United States of America (including its territories and Puerto Rico) who applied for employment with Defendant (Carter's), and for whom a background check was performed, from January 20, 2020 through April 29, 2022. The Class Period is the period from January 20, 2020 through April 29, 2022.

The Action was filed by Plaintiff Sindy Mayorga, who alleges claims on behalf of a settlement class (the "Class") asserting that Carter's willfully violated the FCRA by failing to provide legally compliant disclosure and authorization forms in connection with a background screening report (the "Claims"). Carter's denies Plaintiff's allegations and denies that it is liable to plaintiff or any of the class members.

The proposed Settlement is a Class Settlement requiring Carter's to fund individual payments to the Class.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Carter's to make payments under the Settlement and requires the Class to give up their rights to assert certain claims against Carter's.

You have two basic options under the Settlement:

- (1) Do Nothing. You don't have to do anything to participate in the proposed Settlement and be eligible for an individual payment. As a participating Class member, though, you will give up your right to assert certain Claims against Carter's.
- (2) Opt-Out of the Class Settlement. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an individual payment. You will, however, preserve your right to personally pursue Claims against Carter's.

**SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<b>You Don't Have to Do Anything to Participate in the Settlement</b>	You are not required to take any action to receive the benefits of the proposed settlement. If the proposed settlement is finally approved and you do nothing, you will be eligible for an individual payment. In
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	exchange, you will give up your right to assert certain Claims against Carter’s that are covered by this Settlement (Released Claims).
<b>You Can Opt-Out of the Class Settlement</b>	<p>If you don’t want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for an individual payment and you cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p><b>The Opt-Out Deadline is June 13, 2024.</b></p>
<b>You Can Object to the Class Settlement</b>	<p>All Class Members who do not opt-out can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p> <p><b>The Objection Deadline is June 13, 2024.</b></p>
<b>You Can Participate in the Final Approval Hearing</b>	<p>The Court’s Final Approval Hearing is scheduled to take place on <b><u>August 13, 2024 at 9:00 a.m.</u></b> You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>

**1. What is the Action about?**

The Action alleges that Carter’s willfully violated the FCRA by failing to provide legally compliant disclosure and authorization forms in connection with a background screening report prepared regarding Plaintiff. Plaintiff is represented by Class Counsel: Bruce Kokozyan of the Kokozyan Law Firm at 10940 Wilshire Blvd., Suite 1200, Los Angeles, CA 90024.

Carter’s denies Plaintiff’s allegations and denies that Carter’s is liable to Plaintiff or any of the Class Members. Carter’s has asserted many defenses, including that the disclosure forms used were legally compliant.

**2. What does it mean that the Action has settled?**

Questions -- call toll-free 1-877--645-1927 or visit the settlement website [www.MayorgaClassSettlement.com](http://www.MayorgaClassSettlement.com)  
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So far, the Court has made no determination whether Carter's or Plaintiff is correct on the merits. In the meantime, Plaintiff and Carter's hired a mediator in an effort to resolve the Action by negotiating and to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful.

By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Carter's have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Carter's does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Carter's has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

### **3. What are the important terms of the proposed Settlement?**

Carter's Will Pay \$810,775.00 as the total settlement amount. Carter's has agreed to deposit the settlement funds into an account controlled by the Settlement Administrator. The Settlement Administrator will use the settlement funds to make the individual Class payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, and the Administrator's expenses. Assuming the Court grants Final Approval, Carter's will fund the Settlement not more than 5 days after the Funding Date.

Court Approved Deductions from the Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$270,258.33 (33⅓% of the total settlement) to Class Counsel for attorneys' fees and up to \$15,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$5,000 as a Class Representative Service Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment.
- C. The Settlement Administrator's costs not to exceed \$91,000 for services administering the Settlement.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Settlement (the "Net Settlement") by making equal individual payments to Class Members.

Taxes Owed on Payments to Class Members. Neither Plaintiff nor Carter's are giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Need to Promptly Cash Payment Checks. Your check must be cashed within 180 days from the date on your check and your check shall not be valid after that date. If you don't cash it by the void date, your check will be automatically cancelled, and the monies will irrevocably be lost to you because they will be paid to the Goodwill Re-Entry Program, as a cy pres award.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, no later than June 13, 2024, that you wish to opt-out. Any Class Members that received mailed notice shall have an additional ten (10) days to respond. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the response deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. If you opt-out of the Settlement, you will not receive any payments, but will preserve your rights to personally pursue certain claims against Carter's.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Carter's have agreed that, in either case, the Settlement will be void: Carter's will not pay any money and Class Members will not release any claims against Carter's.

Administrator. The Court has appointed a neutral company, Simpluris, (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator's contact information is contained in Section 9 of this Notice.

Class Members' Release. After the Judgment is final and Carter's has fully funded the Settlement, Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Carter's or related entities for claims based on the facts alleged in the Action and resolved by this Settlement.

The participating Class Members will be bound by the following release:

Upon Defendant fully funding the Settlement Fund and entry of judgment in this Action, each Settlement Class Member who has not validly excluded himself or herself from the Settlement Class, on behalf of themselves, heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors, assigns, and all those acting or purporting to act on their behalf, acknowledge full satisfaction of, and shall be conclusively deemed to have fully,

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finally, and forever settled, released, and discharged all the Released Parties of and from all claims that were pled or could have been pled based on the factual allegations contained in the Complaint for any claims, actions, causes of action, demands, damages, punitive damages, statutory damages, losses, remedies, attorneys' fees, litigation or other costs, or interest, whether based upon federal, state, or local statutes or federal, state, or local common law, relating to, based upon, resulting from, or arising out of the alleged violations of the Fair Credit Reporting Act, including but not limited to 15 U.S.C. § 1681b(b)(2)(A), (d)(a)(1) and (g)(c). (the "Settlement Class Released Claims")

#### **4. What benefits does the proposed settlement provide?**

The proposed settlement benefits include monetary relief for Class Members.

Specifically, the proposed settlement establishes a settlement fund (the "Settlement Fund") for payments to Class Members. The Settlement Fund will contain \$810,775.00 and, after subtracting an award of attorneys' fees and costs, costs of notice and administration, and service award, the remaining amount shall be automatically divided equally between all Class Members. Your estimated payment will be at least \$13.28.

No class members will have to pay or buy anything to benefit from the relief provided by the settlement.

#### **5. How will I get paid?**

The Administrator will send, by U.S. mail, a single check to every participating Class Member (i.e., every Class Member who doesn't opt-out).

**Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.**

#### **6. How do I opt-out of the Class Settlement?**

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Sindy Mayorga v. Carter's, Inc.*, and include your identifying information (full name, address, and telephone number). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by June 13, 2024, or it will be invalid. Any Class Members that received remailed notice shall have an additional ten (10) days to respond. Section 9 of the Notice has the Administrator's contact information.

#### **7. How do I object to the Settlement?**

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Before deciding whether to object, you may wish to see what Plaintiff and Carter's are asking the Court to approve. At least 16 Court days before the August 13, 2024 Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Settlement Website: [www.MayorgaClassSettlement.com](http://www.MayorgaClassSettlement.com) or the Court's website: [lacourt.org](http://lacourt.org).

A Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is no later than June 13, 2024. Any Class Members that received remailed notice shall have an additional ten (10) days to respond. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Sindy Mayorga v. Carter's, Inc.* and include your name, current address, and telephone number, and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

#### **8. Can I attend the Final Approval Hearing?**

You can, but don't have to, attend the Final Approval Hearing on August 13, 2024 at 9:00 a.m. in Department SSC 17 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect: <https://www.lacourt.org/lacc/>. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website: [www.MayorgaClassSettlement.com](http://www.MayorgaClassSettlement.com), beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

#### **9. How do I get more information?**

This notice is only a summary of the proposed settlement. The Settlement Agreement sets forth everything Carter's and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the Administrator's website at [www.MayorgaClassSettlement.com](http://www.MayorgaClassSettlement.com). You can also call or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to: <http://www.lacourt.org/casesummary/ui/index.aspx>, and entering the Case Number for the Action, Case

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No. 22STCV02309. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.**

Class Counsel:

Name of Attorney: Bruce Kokozyan

Name of Firm: Kokozyan Law Firm

Mailing Address: 10940 Wilshire Blvd., Suite 1200, Los Angeles, CA 90024

Telephone: (323) 857-5900

Settlement Administrator:

Name of Company: Simpluris

Email Address: info@MayorgaClassSettlement.com

Mailing Address: P.O. Box 25204, Santa Ana, CA 92799

Telephone: (877) 645-1927

**10. What if I lose my settlement check?**

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you will have no way to recover the money. Your check must be cashed within 180 days from the date on your check and your check shall not be valid after that date. The amount of any uncashed check shall be paid to the Goodwill Re-Entry Program, as a *cy pres* award

**11. What if I change my address?**

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.