

NOTICE OF CLASS ACTION SETTLEMENT

SOUTHERN DISTRICT OF NEW YORK

In re Hudson's Bay Company Data Security Incident Consumer Litigation,
Case No. 1:18-cv-08472 (S.D.N.Y.)

If you used a credit, debit, or other payment card (other than a Saks First branded credit card) at a Saks, Saks OFF 5TH, or Lord & Taylor store in the United States and in U.S. territories between May 1, 2017 and April 1, 2018, you may be eligible for benefits from a data breach class action settlement.

A court authorized this notice. This is not a solicitation from a lawyer.

- A settlement (the "Settlement") has been proposed with Hudson's Bay Company ULC (formerly known as Hudson's Bay Company), Saks Incorporated, Saks Fifth Avenue LLC, Saks & Company LLC, and Lord & Taylor LLC ("Defendants") in lawsuits asserting claims against Defendants relating to a data security incident that occurred between May 1, 2017 and April 1, 2018, arising from a third-party criminal cyberattack involving the placement of malware on Defendants' point of sale systems targeting customers' payment card information (the "Data Breach"). Defendants deny all of the claims. The Settlement does not establish who is correct and is not an admission of fault, but rather is a compromise to end the lawsuit.
- The Settlement includes, subject to certain limitations, all persons who used their credit, debit or prepaid debit card (other than a Saks First branded credit card) at a Saks, Saks OFF 5TH, or Lord & Taylor store in the United States and in U.S. territories between May 1, 2017 and April 1, 2018 (the "Settlement Class").
- The Settlement makes certain members of the Settlement Class who submit valid claims eligible to receive cash payment for certain documented unreimbursed out-of-pocket expenses and time spent that resulted from the Data Breach.

Your legal rights are affected even if you do nothing. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Submit a Claim	This is the only way to get benefits under this Settlement.
Ask to be Excluded	Get no benefits. This is the only option that allows you to bring your own lawsuit against Defendants related to the Data Breach.
Object	Write to the Court about why you do not think the Settlement is fair, reasonable, or adequate.
Go to the Hearing	Ask to speak in Court about the fairness of the Settlement.
Do Nothing	Get no benefits from the Settlement. Give up rights to submit a claim for the Settlement benefits or to bring a different lawsuit against Defendants related to the Data Breach.

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to grant final approval of the Settlement. No cash payments will be made until after the Court grants final approval of the Settlement and all appeals, if any, are resolved.

Questions? Go to www.HBCsettlement.com or call 1-877-805-1278

BASIC INFORMATION

1. Why is there a Notice?

The Court authorized this notice because you have a right to know about the Settlement, and all of your options, before the Court decides whether to give “final approval” to the Settlement. This notice explains the nature of the lawsuit that is the subject of the Settlement, the general terms of the Settlement, and your legal rights and options.

Judge Kevin Castel of the United States District Court for the Southern District of New York is overseeing this case known as *In re Hudson's Bay Company Data Security Incident Consumer Litigation*, Case No. 1:18-cv-08472. The people who brought the lawsuit are called the Plaintiffs. The companies being sued, Hudson's Bay Company ULC, Saks Incorporated, Saks Fifth Avenue LLC, Saks & Company LLC, and Lord & Taylor LLC, are called the Defendants.

2. What is this lawsuit about?

The lawsuit claims that Defendants were responsible for the Data Breach and asserts claims such as: negligence, breach of implied contract, unjust enrichment/quasi-contract, breach of confidence, and violations of the following acts: Arizona Consumer Fraud Act, California Unfair Competition Law, California Consumers Legal Remedies Act, California Customer Records Act, Connecticut Unfair Trade Practices Act, Florida Deceptive and Unfair Trade Practices Act, Illinois Consumer Fraud Act, New Jersey Consumer Fraud Act, New Jersey Consumer Security Breach Disclosure Act, New York Consumer Law for Deceptive Acts and Practices, Texas Deceptive Trade Practices and Consumer Protection Act, Nevada Deceptive Trade Practices Act, and the Georgia Fair Business Practices Act.

Defendants deny these claims and say they did not do anything wrong. No court or other judicial entity has made any judgment or other determination that Defendants have any liability on these claims or did anything wrong.

3. Why is this lawsuit a class action?

In a class action, one or more people called class representatives or representative plaintiffs sue on behalf of all people who have similar claims. Together, all of these people are called a class and the individuals are called class members. One court resolves the issues for all class members, except for those who exclude themselves from the class.

4. Why is there a Settlement?

The Court has not decided in favor of the Plaintiffs or Defendants. Instead, both sides agreed to the Settlement. The Settlement avoids the cost and risk of a trial and related appeals, while providing benefits to members of the Settlement Class (“Settlement Class Members”). The “Settlement Class Representatives” appointed to represent the Settlement Class, and the attorneys for the Settlement Class (“Settlement Class Counsel,” see Question 18) think the Settlement is best for all Settlement Class Members.

WHO IS IN THE SETTLEMENT?

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

You are affected by the Settlement and potentially a member of the Settlement Class if you used your credit, debit or prepaid debit card (other than a Saks First branded credit card) at a Saks, Saks OFF 5TH, or Lord & Taylor store in the United States and in U.S. territories between May 1, 2017 and April 1, 2018.

Only Settlement Class Members are eligible to receive benefits under the Settlement. Specifically excluded from the Settlement Class are Defendants, any of their parents or subsidiaries, any entities in which they have a controlling interest, as well as their current and former officers, directors, affiliates, legal representatives, heirs, predecessors, successors, and assigns. Also excluded are any Judges to whom this case is assigned as well as his or her judicial staff and immediate family members.

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6. What if I am not sure whether I am included in the Settlement?

If you are not sure whether you are included in the Settlement, you may call 1-877-805-1278 with questions. You may also write with questions to HBC Claims Administrator, PO Box 2005, Chanhassen, MN 55317-2005.

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

7. What does the Settlement provide?

The Settlement provides that Defendants will fund the following payments up to a total of \$2,000,000: (a) \$30.00 for reimbursement to Settlement Class Members who can provide proof that they used a credit, debit or prepaid debit card (other than a Saks First branded credit card) at a Saks, Saks OFF 5TH, or Lord & Taylor store in the United States and in U.S. territories between May 1, 2017 and April 1, 2018 and subsequently spent time monitoring their payment card accounts or taking other steps to address the Data Breach; and (b) up to \$5,000 for reimbursement of certain out of pocket expenses stemming from the Data Breach that were not reimbursed (see Question 8). Such benefits are subject to pro-rata reduction as needed in the event that the total claims exceed the \$2,000,000.00 cap on payments to be made by Defendants, and Defendants shall retain any amounts not required for payment of these benefits to those eligible to receive them whose claims are approved. Defendants have also agreed to pay attorney's fees, costs and expenses (see Question 19) and the costs of notifying the Settlement Class and administering the Settlement up to \$250,000 (with Plaintiff's Counsel responsible for any amount over \$250,000).

8. What payments are available for reimbursement of documented out-of-pocket expenses and time spent?

Settlement Class Members are eligible to receive up to \$5,000 (in total) for:

- a) Reimbursement of actual documented, unreimbursed out-of-pocket expenses resulting from the Data Breach, such as:
 - costs and expenses spent addressing identity theft or fraud;
 - losses caused by restricted access to funds (*i.e.*, costs of taking out a loan, ATM withdrawal fees);
 - late fees, declined payment fees, overdraft fees, returned check fees, customer service fees, and/or card cancellation or replacement fees;
 - unauthorized charges on credit, debit or prepaid debit cards (other than a Saks First branded credit card) that were not reimbursed;
 - unauthorized withdrawal of funds from bank accounts (*i.e.*, checking, savings and money market); and
 - other documented losses that were not reimbursed.
- b) Settlement Class Members who qualify for such documented expense reimbursement may also be compensated for time spent remedying such impacts resulting from the Data Breach as described in response to Question 7, in the amount of \$30.00.

HOW DO YOU SUBMIT A CLAIM?

9. How do I get a benefit?

To receive any benefit under the Settlement, you must complete and submit a claim for that benefit (a "Claim"). Every Claim must be made on a form ("Claim Form") available at www.HBCsettlement.com or by calling 1-877-805-1278. Read the instructions carefully, fill out the Claim Form, provide the required documentation, and submit it according to the instructions on the claim form.

10. How will claims be decided?

The Settlement Administrator will decide whether and to what extent any Claim made on each Claim Form is valid. The Settlement Administrator may require additional information. If you do not provide the additional information in a timely manner the Claim will be considered invalid and will not be paid.

11. When will I get my payment?

The Court will hold a hearing on **January 11, 2022 at 2:30 p.m.** to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals from that decision and resolving them can take time, perhaps more than a year. It also takes time for all the Claim Forms to be processed. Please be patient.

WHAT DO DEFENDANTS GET?

12. What am I giving up as part of the Settlement?

If the Settlement becomes final and you do not exclude yourself from the Settlement, you will be a Settlement Class Member and you will give up your right to sue Defendants and other persons (“Released Persons”) as to all claims (“Released Claims”) arising out of or relating to the Data Breach. This release is described in the Settlement Agreement, which is available at www.HBCsettlement.com. In the Settlement Agreement, the Data Breach is referred to as the Security Incident. If you have any questions you can talk to the law firms listed in Question 18 for free or you can talk to your own lawyer.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to be part of this Settlement, but you want to keep the right to sue Defendants about the legal issues in this case, then you must take steps to exclude yourself from the Settlement Class. This is sometimes referred to as “opting out” of the Settlement Class.

13. If I exclude myself, can I get a payment from this Settlement?

No. If you exclude yourself you will not be entitled to receive any benefits from the Settlement, but you will not be bound by any judgment in this case.

14. If I do not exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants (and the other Released Persons) for the claims that this Settlement resolves. You must exclude yourself from the Settlement Class to start your own lawsuit or to be part of any different lawsuit relating to the claims in this case. If you exclude yourself, do not submit a Claim Form to ask for any benefit under the Settlement.

If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in this class action, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitations or repose.

15. How do I exclude myself from the Settlement?

To exclude yourself, send a letter that says you want to be excluded from the Settlement in *In re Hudson’s Bay Company Data Security Incident Consumer Litigation*, Case No. 1:18-cv-08472 (S.D.N.Y.). Include your name, address, and signature. You must mail your exclusion request postmarked by **November 19, 2021**, to:

Hudson’s Bay Company Data Breach Settlement Exclusions
P.O. Box 2005
Chanhassen, MN 55317-2005

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I do not like the Settlement?

You can tell the Court that you do not agree with the Settlement or some part of it by objecting to the Settlement. The Court will consider your views in its decision whether to approve the Settlement. To object, you must mail your objection to the Clerk of the Court, Class Counsel and Defendants' Counsel, at the mailing addresses listed below, postmarked by **no later** than the objection deadline, **November 19, 2021**:

Court	Defendants' Counsel
Clerk of the Court Daniel Patrick Moynihan U.S. Courthouse 500 Pearl Street New York, New York 10007	Gregory T. Parks Morgan, Lewis & Bockius LLP 1701 Market St. Philadelphia, PA 19103-2921
Class Counsel	
Timothy J. Peter Faruqi & Faruqi, LLP 1617 John F. Kennedy Blvd Suite 1550 Philadelphia, PA 19103 and Janine Pollack Calcaterra Pollack LLP 1140 Avenue of the Americas 9th Floor New York, NY 10036	

Your objection must state (1) the name of the Litigation: *In re Hudson's Bay Data Security Incident Consumer Litigation*, 18-cv-8472 (PKC) (S.D.N.Y.); (2) the full name of the objecting Settlement Class Member and the full name, address, email address and telephone number of any person acting on the person's behalf; and (3) all grounds for the objection stated with specificity.

17. What is the difference between objecting and asking to be excluded?

Objecting is telling the Court that you do not like the Settlement and why you do not think it should be approved. You can object only if you are a member of the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class and do not want to receive any payment from the Settlement. If you exclude yourself, you have no basis to object because you are no longer a member of the Settlement Class and the case no longer affects you. If you submit both a valid objection and a valid request to be excluded, you will be deemed to have only submitted the request to be excluded.

THE LAWYERS REPRESENTING YOU

18. Do I have a lawyer in this case?

Yes. The Court appointed Timothy J. Peter of Faruqi & Faruqi, LLP and Janine Pollack of Calcaterra Pollack LLP as Class Counsel to represent the Settlement Class. If you want to be represented by your own lawyer, you may hire one at your own expense.

19. How will the lawyers be paid?

Class Counsel will ask the Court for an award for attorneys' fees, costs and expenses up to \$1,400,000. Defendant Hudson's Bay Company ULC has agreed to pay any award of attorneys' fees, costs and expenses up to that amount,

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to the extent approved by the Court. Any such award would compensate Class Counsel for investigating the facts, litigating the case, and negotiating the Settlement and will be the only payment to them for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis.

Class Counsel will also ask the Court for a service award up to \$1,000 each for the Representative Plaintiffs Debbie Carthan, Bernadette Beekman, Julia A. Harris, Cassondra Joseph, Margo Kyler Knight, Jane Lefkowitz, Leslie Levitt-Raschella, Kelly Whitaker, Dennis Meduri, Giorgina Meduri, Greta Moss, Alexandria Rudolph, Jeanne Sacklow, Erika Targum, and Mark Wade.

Any award for attorneys' fees, costs and expenses for Class Counsel, and of service awards to the Representative Plaintiffs, must be approved by the Court. The Court may award less than the amounts requested. Class Counsel's papers in support of final approval of the Settlement and their application for attorneys' fees, costs and expenses, and service awards will be filed no later than **October 29, 2021** and will be posted on the settlement website.

THE COURT'S FAIRNESS HEARING

20. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **2:30 p.m. on January 11, 2022**, at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl St., New York, NY 10007-1312. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are timely and valid objections, the Court will consider them and will listen to people who have asked to speak at the hearing if such a request has been properly made. The Court will also rule on the request for an award of attorneys' fees and reasonable costs and expenses, as well as the request for service awards for the Representative Plaintiffs. After the hearing the Court will decide whether to approve the Settlement. We do not know how long these decisions will take. The hearing may be moved to a different date or time without additional notice, so Class Counsel recommend to check www.HBCsettlement.com or call 1-877-805-1278.

21. Do I have to attend the hearing?

No. Class Counsel will present the Settlement Agreement to the Court. You or your own lawyer are welcome to attend at your expense, but you are not required to do so. If you send an objection, you do not have to come to the Court to talk about it. As long as you filed your written objection on time with the Court and mailed it according to the instructions provided in Question 16, the Court will consider it.

22. May I speak at the hearing?

You may ask the Court for permission to speak at the final fairness hearing. To do so, you must file an objection according to the instructions in Question 16, including all the information required. Your objection must be **mailed** to the Clerk of the Court, Class Counsel and Defendants' Counsel, postmarked no later than **November 19, 2021**.

IF YOU DO NOTHING

23. What happens if I do nothing?

If you do nothing you will not get any money from this Settlement and if the Settlement is granted final approval and the judgment becomes final, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants and the other Released Persons based on any of the Released Claims, ever again.

GETTING MORE INFORMATION

24. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement itself. A copy of the Settlement Agreement is available at www.HBCsettlement.com. You may also call the Settlement Administrator with questions or to get a Claim Form at 1-877-805-1278.

Questions? Go to www.HBCsettlement.com or call 1-877-805-1278