

# If you purchased items at an Ann Taylor Factory or LOFT Outlet store, you could get a payment from a class action settlement.

*A federal court authorized this notice. It is not a solicitation from a lawyer.*

- A settlement has been reached with ANN Inc. and those of its affiliates and subsidiaries that own, operate, control, and/or lease Ann Taylor Factory or LOFT Outlet stores, including, but not limited to, AnnTaylor Retail, Inc. and AnnTaylor, Inc. (“ANN”), in a class action lawsuit about the labeling and advertising of merchandise sold at Ann Taylor Factory and LOFT Outlet stores.
- ANN has agreed to settle the lawsuit and provide vouchers or cash payments to customers who made eligible purchases. Those included in the settlement may receive **a cash payment of \$5.00 or a voucher worth \$12.00** towards the purchase of any item at an Ann Taylor Factory or LOFT Outlet store.
- You are included in this settlement as a Settlement Class Member if you purchased one or more items from Ann Taylor Factory or LOFT Outlet stores offered at a discount from a regular or original price from May 5, 2012 to May 4, 2016.
- Your rights are affected whether you act or don’t act. Read this notice carefully.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM DEADLINE: MAY 19, 2018</b>	This is the only way you can receive a cash payment or voucher from this settlement. If you submit a claim form, you will give up the right to sue ANN in a separate lawsuit about the legal claims this settlement resolves.
<b>ASK TO BE EXCLUDED DEADLINE: MARCH 6, 2018</b>	This is the only option that allows you to sue, continue to sue, or be part of another lawsuit against ANN related to the legal claims this settlement resolves. However, you will give up the right to get a cash payment or voucher from this settlement.
<b>OBJECT TO THE SETTLEMENT DEADLINE: MARCH 6, 2018</b>	If you do not exclude yourself from the settlement, you may object to it by writing to the Court about why you don’t like the settlement. If you object, you may also file a claim for a cash payment or voucher.
<b>GO TO A HEARING ON APRIL 19, 2018</b>	You may object to the settlement and ask the Court for permission to speak at the final approval hearing about your objection.
<b>DO NOTHING</b>	You will not get a cash payment or voucher from this settlement and you will give up the right to sue, continue to sue, or be part of another lawsuit against ANN about the legal claims resolved by this settlement.

- 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 approve the settlement.

## WHAT THIS NOTICE CONTAINS

<b>BASIC INFORMATION</b> .....	<b>PAGE 3</b>
1. Why was this notice issued?	
2. What is this lawsuit about?	
3. What is a class action?	
4. Why is there a settlement?	
<b>WHO IS INCLUDED IN THE SETTLEMENT</b> .....	<b>PAGE 3</b>
5. How do I know whether I am part of the settlement?	
6. Are there exceptions to being included?	
7. What if I am still not sure whether I am part of the settlement?	
<b>THE SETTLEMENT BENEFITS – WHAT YOU GET IF YOU QUALIFY</b> .....	<b>PAGE 4</b>
8. What does the settlement provide?	
9. How much will my cash payment or voucher be?	
<b>HOW TO GET A CASH PAYMENT OR VOUCHER – SUBMITTING A CLAIM FORM</b> .....	<b>PAGE 5</b>
10. How do I get a cash payment or voucher from the settlement?	
11. When would I get my cash payment or voucher?	
12. What rights am I giving up to get a cash payment or voucher and stay in the Settlement Class?	
13. What are the Released Claims?	
<b>THE LAWYERS REPRESENTING YOU</b> .....	<b>PAGE 6</b>
14. Do I have a lawyer in this case?	
15. How will the lawyers be paid?	
<b>EXCLUDING YOURSELF FROM THE SETTLEMENT</b> .....	<b>PAGE 6</b>
16. How do I get out of the settlement?	
17. If I exclude myself, can I still get a cash payment or voucher from this settlement?	
18. If I do not exclude myself, can I sue ANN for the same legal claims later?	
<b>OBJECTING TO THE SETTLEMENT</b> .....	<b>PAGE 7</b>
19. How do I tell the Court that I do not like the settlement?	
20. May I come to Court to speak about my objection?	
21. What is the difference between objecting to the settlement and asking to be excluded from it?	
<b>THE COURT’S FINAL APPROVAL HEARING</b> .....	<b>PAGE 8</b>
22. When and where will the Court decide whether to approve the settlement?	
23. Do I have to come to the hearing?	
24. May I speak at the hearing?	
<b>IF YOU DO NOTHING</b> .....	<b>PAGE 8</b>
25. What happens if I do nothing at all?	
<b>GETTING MORE INFORMATION</b> .....	<b>PAGE 8</b>
26. How do I get more information?	

## BASIC INFORMATION

### 1. Why was this notice issued?

A Court authorized this notice because you have a right to know about the proposed settlement of this class action lawsuit and about all of your options before the Court decides whether to grant final approval to the settlement. This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, and who can get them.

Judge J. Paul Oetken of the United States District Court for the Southern District of New York is overseeing this class action. The case is known as *Morrow v. ANN Inc.*, No. 1:16-cv-3340-JPO (S.D.N.Y.) (the “Action”). The people that filed this lawsuit are called the “Plaintiffs” and the company they sued, ANN, is called the “Defendant.”

### 2. What is this lawsuit about?

This lawsuit is about an alleged deceptive pricing scheme at Ann Taylor Factory and LOFT Outlet stores. Plaintiffs allege ANN misled customers about the quality and price of its outlet store merchandise by leading them to believe outlet merchandise was once sold in its retail stores when it was actually manufactured for exclusive sale in outlet stores, and by advertising discounts based on fictitious original or regular prices. Plaintiffs’ lawsuit alleges that ANN violated various federal and state consumer protection and false advertising laws. ANN denies all of the allegations made in the Action and denies that anyone was harmed as a result of anything ANN did.

### 3. What is a class action?

In a class action, one or more people called “Class Representatives” (in this case, Siobhan Morrow and Ashley Gennock) sue on behalf of other people with similar claims. Together, the people included in the class action are called a “Class” or “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 did not decide in favor of the Class Representatives or ANN. Instead, both parties agreed to a settlement. This way, they avoid the cost and burden of a trial and the people affected can get benefits. The Class Representatives and their attorneys think the settlement is best for all Class Members.

## WHO IS INCLUDED IN THE SETTLEMENT

### 5. How do I know whether I am part of the settlement?

The settlement includes all persons identified in ANN’s business records as of July 25, 2017, who, from May 5, 2012 to May 4, 2016, purchased one or more items from ANN’s Ann Taylor Factory or LOFT Outlet stores offered at a discount from a regular or original price (“Settlement Class Members”).

**6. Are there exceptions to being included?**

Yes. The settlement does not include: (a) the directors, officers, employees, and attorneys of ANN, its parents and subsidiaries, and any other entity in which ANN has a controlling interest; (b) governmental entities; (c) the Court, the Court's immediate family, and Court staff; and (d) any person that timely and properly excludes himself or herself from the Settlement Class in accordance with the procedures approved by the Court.

**7. What if I am still not sure whether I am part of the settlement?**

If you are not sure whether you are included, call 1-855-636-6135, go to [www.annpricingsettlement.com](http://www.annpricingsettlement.com), or write to one of the lawyers listed in Question 14 below.

**THE SETTLEMENT BENEFITS – WHAT YOU GET IF YOU QUALIFY**

**8. What does the settlement provide?**

ANN has agreed to create a settlement fund valued at \$6,100,000 to cover notice and claims administration costs and to provide cash payments and vouchers to Settlement Class Members who submit valid claim forms. Settlement Class Members may choose to receive a cash payment or a voucher redeemable for merchandise at Ann Taylor Factory or LOFT Outlet stores. Of the settlement fund, \$500,000 is allocated for notice and administration costs; \$500,000 is allocated for cash payments; and there is a voucher fund valued at \$5,100,000.

In addition to the settlement fund, ANN has agreed to modify the labeling of items sold at a discount from a regular or original price at Ann Taylor Factory or LOFT Outlet stores.

**9. How much will my cash payment or voucher be?**

It is estimated that cash payments will be \$5.00 each and vouchers will be worth \$12.00 each. The actual cash payment may be adjusted up or down, depending on the number of eligible claim forms received and the final amount of notice and administration costs. If fewer than 425,000 valid claims are submitted for vouchers, an additional \$12.00 voucher will be distributed to each Settlement Class Member who submitted a valid claim for a voucher in the order those claims were received on a first come first served basis. If more than 425,000 claims are submitted for vouchers, the value of the vouchers distributed will be decreased on a pro rata basis such that the aggregate value of the voucher amounts will not exceed \$5,100,000. Up to two vouchers may be combined in a single transaction and may be redeemed on purchases of any amount. Vouchers are fully transferrable and expire 12 months after they are issued.

## HOW TO GET A CASH PAYMENT OR VOUCHER – SUBMITTING A CLAIM FORM

### 10. How do I get a cash payment or voucher from the settlement?

You must complete and submit a claim form by May 19, 2018. Claim forms may be submitted online at [www.annpricingsettlement.com](http://www.annpricingsettlement.com) or printed from the website and submitted to the settlement administrator. Claim forms are also available by sending an email to [info@annpricingsettlement.com](mailto:info@annpricingsettlement.com), calling 1-855-636-6135, or by writing to the settlement administrator at: *Morrow v. ANN Inc.* Settlement Administrator, P.O. Box 404045, Louisville, KY 40233-4045. While actual proof of purchase is not required, you must certify on your claim form that you made a qualifying purchase. If you select the cash payment option, you must also provide the date and location of at least one qualifying purchase. All claims are subject to review and verification by the settlement administrator.

### 11. When would I get my cash payment or voucher?

The Court will hold a hearing on April 19, 2018 to decide whether to grant final approval of the settlement. If the Court approves the settlement, there may be appeals. It is always uncertain whether appeals will be filed and if so, how long it will take to resolve them. Settlement payments will be distributed as soon as possible, only if, and when, the Court grants final approval to the settlement and after any appeals are resolved.

### 12. What rights am I giving up to get a cash payment or voucher and stay in the Settlement Class?

Unless you exclude yourself, you are staying in the Settlement Class. If the settlement is approved and becomes final, all of the Court's orders will apply to you and legally bind you. You won't be able to sue, continue to sue, or be part of any other lawsuit against ANN or the Released Persons (*see* Question 13) about the legal issues resolved by this settlement. The rights you are giving up are called "Released Claims."

### 13. What are the Released Claims?

If, and when, the settlement becomes final, Settlement Class Members will permanently release ANN, its current and former officers, directors, members, employees, agents, representatives, insurers, trustees, attorneys, subsidiaries, affiliates, commonly held companies, parent companies, investors, prospective investors, predecessors, successors, assigns, distributors, retailers, customers; the respective officers, directors, members, employees, subsidiaries, affiliates, parent companies, investors, shareholders, successors or assigns of the foregoing persons; and all other persons who were or might be claimed to be liable in the Action (collectively, the "Released Persons") regarding any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, costs, or expenses of any nature whatsoever, whether known or unknown, accrued or unaccrued, fixed or contingent, including, but not limited to, those claims of which Plaintiffs may not be aware and those not mentioned in the settlement agreement, which Settlement Class Members now have, or hereafter may have, against the Released Persons arising out of or relating to the allegations in the Complaint and/or the First Amended Complaint, which, for the avoidance of doubt include ANN's discounting of its Merchandise from a regular or original price, advertising of those discounts, and ANN's sales of Merchandise from Ann Taylor Factory or LOFT Outlet stores, including, but not limited to, allegations regarding the quality of such Merchandise (the "Released Claims").

More detail about the claims you will be releasing are described in § 2.25 of the settlement agreement, available at [www.annpricingsettlement.com](http://www.annpricingsettlement.com).

## THE LAWYERS REPRESENTING YOU

### 14. Do I have a lawyer in this case?

Yes. Judge Oetken appointed Scott+Scott, Attorneys at Law, LLP and Carlson Lynch Sweet Kilpela & Carpenter, LLC to represent you and other Settlement Class Members as “Class Counsel.” These law firms are experienced in handling similar cases. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 15. How will the lawyers be paid?

Class Counsel will ask the Court for an award of attorneys’ fees and expenses of up to \$1,525,000. They will also ask the Court to approve \$1,500 incentive awards for each of the two Class Representatives. The Court may award less than these amounts. Any amounts awarded by the Court will be paid by ANN separately from the settlement fund and will not affect the amount available for vouchers or cash payments to Settlement Class Members.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep the right to sue or continue to sue ANN or the Released Persons about the legal claims in this case, and you do not want to receive a cash payment or voucher from this settlement, you must take steps to get out of the Settlement Class. This is called excluding yourself from or opting out of the settlement.

### 16. How do I get out of the settlement?

To exclude yourself from the Settlement Class, you must submit a written request for exclusion. Your request for exclusion must include: (1) your name; (2) your address; (3) a statement that you are a Settlement Class Member and wish to be excluded from *Morrow v. ANN Inc.*, No. 1:16-cv-3340-JPO; and (4) your signature. Your request for exclusion must be mailed to the settlement administrator at the address below so it is **postmarked** no later than March 6, 2018:

*Morrow v. ANN Inc.* Settlement Administrator  
P.O. Box 404045  
Louisville, KY 40233-4045

### 17. If I exclude myself, can I still get a cash payment or voucher from this settlement?

No. If you exclude yourself, you are telling the Court that you don’t want to be part of the settlement. You can only get a cash payment or voucher if you stay in the settlement and submit a valid claim form.

### 18. If I do not exclude myself, can I sue ANN for the same legal claims later?

No. Unless you exclude yourself, you are giving up the right to sue ANN and the Released Persons for the claims that this settlement resolves. You must exclude yourself from *this* lawsuit to start or continue with your own lawsuit or be part of any other lawsuit against ANN or any of the Released Persons.

## OBJECTING TO THE SETTLEMENT

You can tell the Court if you don't agree with the settlement or any part of it.

### 19. How do I tell the Court that I do not like the settlement?

If you are a Settlement Class Member, you can object to the settlement if you do not like it or a portion of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. Your objection must be in writing and include: (1) a signature by the Settlement Class Member (and his or her attorney, if individually represented); (2) a caption or title that identifies it as "Objection to Class Settlement in *Morrow v. ANN Inc.*, No. 1:16-cv-03340-JPO (S.D.N.Y.)"; (3) information sufficient to identify and contact the objecting Settlement Class Member (or his or her individually hired attorney, if any); (4) a clear and concise statement of the Settlement Class Member's objection; (5) the date(s), time(s), and location(s) that the objector has purchased merchandise; (6) the facts supporting the objection – a specific statement of the legal grounds on which the objection is based, including whether it applies only to the objector, to a specific subset of the class, or to the entire class; (7) the number of times in which the objector and/or his or her counsel has objected to a class action settlement within the five years preceding the date that the objector files the objection, the caption of each case in which the objector and/or his or her counsel has made such objection, and a copy of any orders related to or ruling upon the objector's prior such objections that were issued by the trial and appellate courts in each listed case; (8) the number of times in which the objector's counsel and/or counsel's law firm have objected to a class action settlement within the five years preceding the date that the objector files the objection, the caption of each case in which counsel or the firm has made such objection, and a copy of any orders related to or ruling upon counsel or the firm's prior such objections that were issued by the trial and appellate courts in each listed case; (9) any and all agreements that relate to the objection or the process of objecting – whether written or verbal – between objector or objector's counsel and any other person or entity; (10) a list of all persons who will be called to testify at the final approval hearing in support of the objection; and (11) a statement confirming whether the objector intends to personally appear and/or testify at the final approval hearing. Mail your objection to all three addresses below **postmarked** on or before March 6, 2018.

The Court	Class Counsel	Counsel for Defendant ANN
United States District Court Southern District of New York Thurgood Marshall U.S. Courthouse 40 Foley Square New York, NY 10007	Joseph P. Guglielmo Erin Green Comite Scott+Scott, Attorneys at Law, LLP The Helmsley Building 230 Park Avenue, 17th Floor New York, NY 10169	Gregory T. Parks Kristin M. Hadgis Morgan Lewis & Bockius LLP 1701 Market Street Philadelphia, PA 19103

### 20. May I come to Court to speak about my objection?

Yes. You or your attorney may speak at the final approval hearing about your objection. To do so, you must include a statement in your objection indicating that you or your attorney intends to appear at the final approval hearing. Remember, your objection must be **postmarked** by March 6, 2018 and sent to all three addresses in Question 19.

### 21. What is the difference between objecting to the settlement and asking to be excluded from it?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you remain a Settlement Class Member (that is, do not exclude yourself). Excluding yourself is telling the Court that you don't want to be part of the settlement. If you exclude yourself, you cannot object because the settlement no longer affects you.

## THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

### 22. When and where will the Court decide whether to approve the settlement?

The Court will hold a final approval hearing at 3:00 p.m. on April 19, 2018 at the Thurgood Marshall U.S. Courthouse, Courtroom 706, 40 Foley Square, New York, New York 10007. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. It will also consider whether to approve Class Counsel's request for an award of attorneys' fees and expenses, as well as the Class Representatives' incentive awards. If there are objections, the Court will consider them. Judge Oetken will listen to people who have asked to speak at the hearing (*see* Question 20 above). After the hearing, the Court will decide whether to approve the settlement.

### 23. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge Oetken may have. However, you are welcome to come to the hearing at your own expense. If you send an objection, you do not have to come to court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

### 24. May I speak at the hearing?

Yes. You may ask the Court for permission to speak at the hearing by including a statement in your objection indicating that you intend to appear at the final approval hearing (*see* Question 20 above). You cannot speak at the hearing if you exclude yourself from the Settlement Class.

## IF YOU DO NOTHING

### 25. What happens if I do nothing at all?

If you are Settlement Class Member and you do nothing, you will give up the rights explained in Question 13, including your right to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against ANN and the Released Persons about the legal issues resolved by this settlement. In addition, you will not receive a cash payment or voucher.

## GETTING MORE INFORMATION

### 26. How do I get more information?

This notice summarizes the proposed settlement. Complete details are provided in the settlement agreement. The settlement agreement, claim form, and other related documents are available at [www.annpricingsettlement.com](http://www.annpricingsettlement.com). Additional information is also available by calling 1-855-636-6135 or by writing to *Morrow v. ANN Inc.* Settlement Administrator, P.O. Box 404045, Louisville, KY 40233-4045. Publicly-filed documents can also be obtained by visiting the Thurgood Marshall U.S. Courthouse during business hours or accessing the Court's online docket via PACER.