

**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT,
YOUR RIGHTS AND OPTIONS FOR YOU TO CONSIDER**

**In The Matter of Feist et al. v. Petco Animal Supplies, Inc.
United States District Court for the Southern District of California, Case No.: 3:16-cv-01369-H-DHB**

*A court authorized this Notice. This is not a solicitation. This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected whether you act or don't act.*

***IMPORTANT: YOU MAY BE ENTITLED TO MONEY IF THE COURT APPROVES
THE SETTLEMENT DESCRIBED HEREIN***

This Notice relates to a proposed Settlement in a class action lawsuit that alleges that Petco Animal Supplies, Inc. (“Petco” or “Defendant”) violated the Fair Credit Reporting Act (“FCRA”) by failing to provide required background check related disclosures and notices to people who applied for employment with Petco. Petco denies that it violated the law in any fashion whatsoever and has asserted numerous affirmative defenses.

There are two proposed Settlement Classes, which are defined in detail within this Notice. The first Class is comprised of everyone with respect to whom Petco procured a consumer report for employment purposes during the period from May 1, 2014 through December 31, 2015. The parties estimate that this Class consists of approximately 37,279 individuals who will receive approximately \$21 each. The second Class is comprised of approximately 52 individuals in the first Class against whom an adverse action was taken based upon a consumer report but who were not provided with a pre-adverse action notification letter. This small number of individuals who are also members of the first Class will receive an additional \$150.

Your eligibility for a Settlement payment will be based upon Petco’s records and any payment will be sent to you automatically provided you do not choose to opt out of the Settlement. There is no need to submit a claim.

PLEASE READ THIS NOTICE CAREFULLY

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I. WHAT IS THE PURPOSE OF THIS NOTICE?

This Notice is to let you know that there is a class action pending in the United States District Court for the Southern District of California, that you may be a member of one or both of the Settlement Classes for this lawsuit, AND THAT YOU MAY BE ENTITLED TO A PAYMENT AS PART OF THE CLASS SETTLEMENT OF THIS LAWSUIT.

This Notice advises you of the benefits that may be available to you under the proposed Settlement and your rights and options as a potential Class Member, and notifies you that court hearings will be held to approve the Settlement.

II. WHAT IS THE LAWSUIT ABOUT?

On May 5, 2016, Plaintiffs Jacklyn Feist and Angelica Zimmer (“Plaintiffs”), as individuals and on behalf of all others similarly situated, filed a class action complaint entitled “*Feist, et al. v. Petco Animal Supplies, Inc.,*” in the San Diego Superior Court. On June 7, 2016, Petco removed the case to the United States District Court for the Southern District of California, No.: 3:16-cv-01369-H-DHB (the “Action”).

The Action alleges that Petco violated the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681, *et seq.* in two ways. First, Plaintiffs allege that Petco violated the FCRA by procuring consumer reports on Plaintiffs and Class Members for employment purposes without providing a proper stand-alone disclosure, and without obtaining a proper authorization, as required by the FCRA. These individuals are “Disclosure Class Members.” It is estimated that there are approximately 37,279 Disclosure Class Members on whom Petco procured consumer reports during the Class Period, which is defined as the period from May 1, 2014 through December 31, 2015. Second, Plaintiffs allege that Petco failed to provide a required pre-adverse action notification letter to a small number of Disclosure Class Members against whom it took an adverse action on the basis of information contained within a consumer report. These individuals are “Adverse Action Class Members.” It is

estimated that approximately 52 of the Disclosure Class Members are also Adverse Action Class Members. You have received this Notice because Petco's records indicate that Petco procured your consumer report during the period from May 1, 2014 through December 31, 2015. You are therefore considered to be a Class Member.

Petco denies and continues to deny that it has done anything wrong, and denies that any Class Member has been injured or suffered damages. Considering the risks, uncertainties, inconvenience, and expense associated with the Action, the Parties and their counsel have concluded that it is in the best interests of the Parties and the Class Members to settle the Action on the terms summarized in this Notice, and that the Settlement is fair, adequate and reasonable.

On June 11, 2018, United States District Court Judge Marilyn Huff held a hearing and determined on a preliminary basis that the Settlement is fair, adequate and reasonable and in the best interests of the Class, subject to a final fairness hearing discussed below.

III. WHY DID I GET THIS NOTICE?

You received this Notice because Petco's records identify you as a member of one or both of the Settlement Classes.

IV. WHO ARE THE PARTIES IN THIS CLASS ACTION?

The Plaintiffs are Jacklyn Feist and Angelica Zimmer ("Class Representatives"), who applied for employment with Defendant during the period from May 1, 2014 through December 31, 2015. The Class Representatives are pursuing the case on behalf of all other similarly situated individuals such as yourself.

Petco Animal Supplies, Inc. is the Defendant.

V. WHO ARE THE ATTORNEYS FOR THE PARTIES?

Counsel for Plaintiffs
Mark S. Greenstone

GLANCY PRONGAY & MURRAY LLP
1925 Century Park East, Suite 2100
Los Angeles, CA 90067
Phone: (888) 773-9224/Fax: (310) 201-9160

Counsel for Defendant
Frederick W. Kosmo, Jr.

WILSON TURNER KOSMO LLP
550 West C St., Suite 1050
San Diego, CA 92101
Phone: (619) 236-9600/Fax: (619) 236-9669

VI. WHAT IS THE PROPOSED SETTLEMENT?

The Parties have agreed to the Settlement generally described below:

Without admitting any wrongdoing, Defendant has agreed to pay \$1,200,000 (the "Common Fund") to resolve the Action. The Common Fund will be distributed as follows. First, court approved attorneys' fees and costs, settlement administration expenses and Class Representative Enhancements (if any) will be deducted. It is estimated that Class Counsel will seek approximately \$300,000 in attorneys' fees and \$15,725.26 in costs, that settlement administration expenses will be \$81,000 and that the Class Representative Enhancement will be \$10,000 (\$5,000 to each Plaintiff). The remaining Net Settlement Fund, estimated to be \$793,274.74, will be distributed to the Settlement Classes. It is estimated that each Disclosure Class Member will receive approximately \$21 each. Each Disclosure Class Member who is also an Adverse Action Class Member will receive an additional \$150. The sum of any uncashed settlement payments will be paid to the Parties' designated *cy pres* recipient, the National Consumer Law Center.

Please note that the above is a summary of the Settlement provisions. The specific and complete terms of the proposed Settlement are stated in the Stipulation of Settlement for Class Action Settlement, ("Settlement"), a copy of which is filed with the Clerk of the Court. You may obtain a copy of the Settlement as well as other documents relating to the Settlement that are filed with the Court (*e.g.*, Plaintiffs' Motion for Preliminary approval, Plaintiffs' Motion for Final Approval, etc.) free of charge by contacting Plaintiffs' counsel listed in Section V above. You may also obtain copies of documents filed with the Court on pacer.gov for a fee.

Individual Settlement Payments To All Participating Class Members.

Each member of the Settlement Class who does not opt out of the Settlement as described in Section IX, below, will receive an Individual Settlement Payment. **The estimated amount of your Individual Settlement Payment is indicated on the first page of this Notice and immediately above in Section VI. This is just an estimate of the minimum payment you could be eligible to receive under the Settlement.** Your payment could vary depending on the amounts that the Court ultimately approves for attorneys' fees and costs, settlement administration expenses, Class Representative Enhancements and the number of opt-outs.

Settlement payments will be distributed **automatically** approximately ten (10) days after the Effective Date of the Settlement. **There is no need to submit a claim.**

No Effect On Employee Benefit Plans. Neither the Class Settlement nor any amounts paid under the Class Settlement will form the basis of additional contributions to, benefits under, or any other monetary entitlement under, any employer-sponsored benefit plans, policies or bonus programs.

VII. RELEASE OF CLAIMS.

Effective upon entry of a Court order granting Final Approval of the proposed Class Settlement and Judgment, **Class Members** who have not validly exercised their right to opt out will be deemed to have waived and released all claims, damages, losses, demands, penalties, liabilities, fees, interest, causes of action, complaints or suits that are or could have been brought by Plaintiffs in this Action based upon the facts alleged in Plaintiffs' Second Amended Complaint. Released Claims for Class Members include, without limiting the foregoing, all claims based on the failure to provide a proper disclosure and/or obtain a proper authorization and/or provide a pre-adverse action notification letter, in connection with an employment-related background check under the FCRA and all related, analogous or corresponding federal or state laws, which any Participating Class Member has ever had, or hereafter may claim to have, against the Released Parties relating to consumer reports procured by Defendant during the period from May 1, 2014 through December 31, 2015. All Class Members, except for any Class Member who timely opted out of the Settlement, shall be deemed to have released, waived and forever discharged the Released Parties from the Released Claims.

This Release does not apply to any claims for workers' compensation, unemployment insurance, employment discrimination or to any other claims Class Members may have against the Defendant which are unrelated to the Action.

VIII. WHEN IS THE FINAL FAIRNESS HEARING?

A final hearing will be held before the Honorable Marilyn Huff on **Monday, November 19, 2018 at 10:30 a.m.** to determine whether the proposed Settlement is fair, reasonable and adequate and should be finally approved by the Court. The hearing will take place in Courtroom 15A of the United States District Court for the Southern District of California located at 333 West Broadway, San Diego, California 92101. **You are not required to attend the hearing in order to participate in the Settlement.**

IX. WHAT ARE MY RIGHTS WITH REGARD TO THIS MATTER?

If you fit the description of a Disclosure Class Member and/or an Adverse Action Class Member as set forth in this Notice, you have three options. Each option has its own consequences, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are set forth below.

A. Option One. You Can Do Nothing, Participate in the Settlement, Release Your Claims As Stated Above And Receive A Settlement Payment.

If you do nothing, you will automatically choose this option. Class Counsel, appointed and approved by the Court for Settlement purposes only, will represent your interests. You will receive a Settlement Payment after the Settlement has been finally approved by the Court. The judgment will bind all Class Members who do not request exclusion (Option Two below).

B. Option Two. You Can Exclude Yourself ("Opt Out") From The Settlement.

If you do not wish to participate in or be bound by the Settlement, you must submit a written statement by mail to the Settlement Administrator (address in Section X below) requesting to be excluded from the Class ("Request For Exclusion") on or before September 24, 2018 ("Request For Exclusion/Opt Out Deadline"). Such a written Request for Exclusion must contain your name, address, telephone number and Social Security number and the location and date of when you sought employment by Petco Animal Supplies, Inc., and must be sent by mail to the Settlement Administrator, KCC Class Action Services, at the address listed at the bottom of this Notice. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted.

If you request exclusion, you will not receive any money from the Settlement, nor will you be considered to have released your claims alleged in the Action. If you request exclusion from the Settlement, you may not pursue any recovery under the Settlement. You may, however, pursue other remedies separate and apart from the Settlement that may be available to you.

C. Option Three. You May Object to the Settlement.

If you are a Class Member, and you do not exclude yourself from the Settlement (opt out), you may object to the Settlement before final approval of the Settlement by the Court. If you choose to object to the Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

In order to object to the Settlement, or any portion of it, you must file a copy of the objection in writing with the United States District Court, Southern District of California, 221 West Broadway, San Diego, CA 92101 on or before September 24, 2018. Your objection must set forth the following information: full name; current address; current phone number; a written statement of the reason(s) for the objection; a statement of whether the you intend to appear at the Final Fairness hearing (with or without counsel); a signature; and, the case name and number of the action.

No Class Member will be entitled to object to the Settlement if they do not object by the method specified above on or before the Objection Deadline. If the Court approves the Settlement despite any objections, you still will receive your share of the Settlement proceeds unless you exclude yourself in a timely manner according to Option Two above.

X. WHO CAN I CONTACT IF I HAVE FURTHER QUESTIONS?

The court-appointed Administrator for this Settlement is as follows:

Feist et al v. Petco Animal Supplies Class Action Settlement
c/o KCC Class Action Services
PO Box 404000
Louisville, KY 40233-4000
Phone: (866) 715-7945/Fax: (866) 680-6143
info@PetcoFCRAClassActionSettlement.com

If you have questions, you may visit the official Settlement website at www.PetcoFCRAClassActionSettlement.com, contact the Settlement Administrator toll free at 1 (866) 715-7945 or, contact any of the attorneys for Plaintiffs listed in Section V above. **PLEASE DO NOT CALL THE COURT.**