

NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

If Ty Inc. (“Ty”) Notified You of A Security Incident, You May Be Eligible For Benefits From A Class Action Settlement.

This is not a solicitation from a lawyer, junk mail, or an advertisement. A state court authorized this Notice.

This notice summarizes the proposed settlement reached in a lawsuit entitled *Carla Plowman v. Ty Inc.* (Case No. 2024CH000205 filed on August 12, 2024, in the Circuit Court for the Eighteenth Judicial Circuit in and for DuPage County, Illinois (“Action”). For the precise terms and conditions of the settlement, please see the Settlement Agreement available at www.TySettlement.com or by contacting the Settlement Administrator at 1-888-324-6148.

PLEASE DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR LITIGATION TO THE CLERK OF THE COURT, THE JUDGE, DEFENDANT, OR DEFENDANT’S COUNSEL

This Notice explains the nature of the Action and claims being settled, your legal rights, and the benefits to the Settlement Class.

This notice may affect your rights – please read it carefully.

The Action alleges that on or around April 26, 2023, Ty Inc. (“Ty” or “Defendant”) experienced an attack by cybercriminals. After an investigation, Ty became aware that cybercriminals may have accessed or acquired certain files from its network which may have contained Personal Information, including names, addresses, driver’s license numbers, Bank Account Numbers, Bank Account Routing Numbers, dates of birth, Medical Reference Numbers, Medicare Numbers, cell phone numbers, home phone numbers, health insurance information, emails, and Social Security numbers (the “Security Incident”). Ty maintains that it had meritorious defenses, and it was prepared to vigorously defend the Action. The settlement is not an admission of wrongdoing or an indication that Ty has violated any laws, but rather the resolution of disputed claims.

- If you received this Notice, you have been identified as a Settlement Class Member. More specifically, you are a Settlement Class Member because you have been identified by the Settlement Administrator as an individual who received notice from Ty regarding information that was potentially compromised in the Security Incident.
- All Settlement Class Members can receive the following benefits from the Settlement: (1) reimbursement for up to \$5,000 for Documented Out-of-Pocket Losses such as unreimbursed losses relating to fraud or identity theft; professional fees including attorneys’ fees, accountants’ fees, and fees for credit repair services; costs associated with freezing or unfreezing credit with any credit reporting agency; credit monitoring costs that were incurred on or after April 26, 2023 through June 18, 2025; and miscellaneous expenses such as notary, fax, postage, copying, mileage, and long-distance telephone charges, (2) reimbursement for up to four (4) hours of lost time spent dealing with the Security Incident, at \$20 per hour (for a total of \$80, subject to the \$5,000 Out-of-Pocket Loss cap), and (3) two (2) years of credit monitoring services to include credit monitoring through one national reporting bureau provided through CyEx with \$1,000,000 in identity theft protection insurance.

The deadline to submit a claim is June 18, 2025.

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM	<p>You must submit a valid Claim to get money from this Settlement.</p> <p>Claim Forms must be submitted online by June 18, 2025 or, if mailed, postmarked no later than June 18, 2025.</p>
DO NOTHING	<p>If you do nothing, you remain in the Settlement.</p> <p>You give up your rights to sue and you will not get any money or credit monitoring.</p>
EXCLUDE YOURSELF	<p>Get out of the Settlement. Get no money. Keep your rights.</p> <p>This is the only option that allows you to keep your right to sue about the claims in this Action. You will not get any money or credit monitoring from the Settlement.</p> <p>Your request to exclude yourself must be postmarked no later than May 19, 2025.</p>
FILE AN OBJECTION	<p>Stay in the Settlement, but tell the Court why you think the Settlement should not be approved.</p> <p>Objections must be postmarked no later than May 19, 2025.</p>
GO TO A HEARING	<p>You can ask to speak in Court about the fairness of the Settlement, at your own expense. <i>See</i> Question 18 for more details.</p> <p>The Final Approval Hearing is scheduled for June 10, 2025 at 9:00 a.m. by Zoom (hearing information to be available and posted one business day prior on the Court's website).</p>

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BASIC INFORMATION

1. How do I know if I am affected by the Action and Settlement?

You are a Settlement Class Member if your Personal Information may have been compromised in the Security Incident experienced by Ty Inc. on or around April 2023, including all those who received notice of the breach.

The Settlement Class specifically excludes: (i) Ty and its officers and directors; (ii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iii) any judges assigned to this case and their staff and immediate family; and (iv) any other person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding or abetting the criminal activity associated with the Security Incident or who pleads *nolo contendere* to any such charge.

This Notice explains the nature of the Action and claims being settled, your legal rights, and the benefits to the Settlement Class.

2. What is this case about?

This case is known as *Carla Plowman v. Ty Inc.* (Case No. 2024CH000205), filed on August 12, 2024, in the Circuit Court for the Eighteenth Judicial Circuit in and for DuPage County, Illinois. The person who sued is called the “Plaintiff” and the company she sued, Ty Inc., is known as the “Defendant” in this case. Ty will be called “Defendant” in this Notice.

Plaintiff filed the Action against Defendant, individually, and on behalf of anyone whose Personal Information was potentially impacted as a result of the Security Incident.

This Action arises out of unauthorized access to Defendant’s systems and certain files which may have contained sensitive information about individuals that include Defendant’s current and former employees, including, name, address, driver’s license number, Bank Account Number, Bank Account Routing Number, date of birth, Medical Reference Number, Medicare Number, cell phone number, home phone number, health insurance information, email, and Social Security number, which occurred on or around April 26, 2023. After learning of the Security Incident, Defendant sent notification to persons whose Personal Information may have been impacted by the Security Incident. Subsequently, the Action was filed asserting claims against Defendant relating to the Security Incident.

Defendant denies any liability or wrongdoing.

3. Why is there a Settlement?

By agreeing to settle, both sides avoid the cost, disruption, and distraction of further litigation. The Class Representative, Defendant, and their attorneys believe the proposed Settlement is fair, reasonable, and adequate and, thus, in the best interests for Settlement Class Members. The Court did not decide in favor of the Plaintiff or Defendant. Full details about the proposed Settlement are found in the Settlement Agreement available at www.TySettlement.com.

4. Why is this a class action?

In a class action, one or more people called a “Class Representative” sue on behalf of all people who have similar claims. All of these people together are the “Settlement Class” or “Settlement Class Members.”

5. How do I know if I am included in the Settlement?

You are included in the Settlement if Ty identified you as being among those individuals potentially impacted by the Security Incident, including all who were sent a notice of the Security Incident. If you are not sure whether you are included as a Settlement Class Member, or have any other questions about the Settlement, visit

THE SETTLEMENT BENEFITS

6. What does this Settlement provide?

The proposed Settlement will provide the following benefits to Settlement Class Members:

Documented Out-of-Pocket Loss Reimbursement: All Settlement Class Members who submit a valid and timely claim using the Claim Form are eligible for the following documented (except lost time, as defined below) loss expense reimbursement, not to exceed \$5,000 per Settlement Class Member: including, without limitation, unreimbursed losses relating to fraud or identity theft; professional fees including attorneys' fees, accountants' fees, and fees for credit repair services; costs associated with freezing or unfreezing credit with any credit reporting agency; credit monitoring costs that were incurred on or after April 26, 2023 through June 18, 2025; and miscellaneous expenses such as notary, fax, postage, copying, mileage, and long-distance telephone charges. To receive reimbursement for any of the above-referenced Documented Out-of-Pocket Losses, Settlement Class Members must submit a valid and timely Claim Form, including necessary supporting documentation, to the Settlement Administrator.

Lost Time Reimbursement: Settlement Class Members are also eligible to receive reimbursement for up to four (4) hours of lost time spent dealing with the Security Incident, calculated at the rate of \$20 per hour for a total of \$80. Claims made for lost time can be combined with reimbursement for Documented Out-of-Pocket Loss Reimbursement and are subject to the same \$5,000 cap for all Settlement Class Members.

Credit Monitoring: Settlement Class Members shall be offered an opportunity to enroll in two (2) years of Credit Monitoring Services to include credit monitoring through one national reporting bureau provided through CyEx with \$1,000,000 in identity theft protection insurance.

Remedial Relief: Defendant has made certain security enhancements in response to the Security Incident and the Action. Defendant will continue implementing those security enhancements and will pay for those enhancements separate and apart from all other settlement benefits.

7. How do I submit a Claim?

All claims will be reviewed by the Settlement Administrator for completeness and plausibility. You must file a Claim Form to get money from the proposed Settlement. Claim Forms must be submitted online or postmarked no later than June 18, 2025. You can submit an online claim or download a Claim Form at www.TySettlement.com, or you can call the Settlement Administrator toll-free at 1-888-324-6148 or email at TySettlement@cptgroup.com for a Claim Form.

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

If you stay in the Settlement Class, you will be eligible to receive benefits, but you will not be able to sue Ty or any of the Released Parties, as defined in the Settlement Agreement, regarding the claims in this case.

The Settlement Agreement, which includes all provisions about settled claims, releases, and Released Parties, is available at www.TySettlement.com.

The only way to keep the right to sue is to exclude yourself (*see* Question 10), otherwise you will be included in the Settlement Class, and, if the Settlement is approved, you give up the right to sue for the claims in this case.

9. Will the Class Representative receive compensation?

Yes. The Class Representative will receive a service award of up to \$5,000, to compensate her for her services and efforts in bringing the Action. The Court will make the final decision as to the amount, if any, to be paid to the Class Representative.

EXCLUDE YOURSELF

10. How do I exclude myself from the Settlement?

If you do not want to be included in the Settlement, you must send a timely written request for exclusion. Your request for exclusion must: (a) state the name of the Action, *Carla Plowman v. Ty Inc.*, Case No. 2024CH000205 (Ill. Cir. Ct. DuPage Cnty.); (b) include your full name and current address; (c) contain your personal signature, or the signature of a person previously authorized by law, such as a trustee, guardian, or person acting under a power of attorney to act on your behalf; and (d) include the words “Request for Exclusion” or a comparable statement that you do not wish to participate in the Settlement at the top of the communication.

Your written request for exclusion must be postmarked no later than May 19, 2025 to:

Plowman v. Ty Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

Instructions on how to submit a request for exclusion are available at www.TySettlement.com or from the Claims Administrator by calling 1-888-324-6148 or email at TySettlement@cptgroup.com.

If you exclude yourself, you will not be able to receive any cash benefit or credit monitoring from the Settlement, and you cannot object to the Settlement at the Final Approval Hearing. You will not be legally bound by anything that happens in the Action, and you will keep your right to sue Defendant and the Released Parties on your own for the claims that this Settlement resolves.

11. If I do not exclude myself, can I sue later?

No. If you do not exclude yourself from the Settlement, and the Settlement is approved by the Court, you forever give up the right to sue the Released Parties (defined in the Settlement Agreement) for the claims this Settlement resolves.

12. What happens if I do nothing at all?

If you do nothing, you will be bound by the Settlement if the Court approves it, you will not get any money or credit monitoring services from the Settlement, you will not be able to start or proceed with a lawsuit, or be part of any other lawsuit against the Defendant and the Released Parties (defined in the Settlement Agreement) about the settled claims in this case at any time.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in the case?

Yes. The Court has appointed Strauss Borrelli PLLC (called “Settlement Class Counsel”) to represent the interests of all Settlement Class Members in this case. 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.

14. How will the lawyers be paid?

Settlement Class Counsel will apply to the Court for an award of combined attorneys' fees, costs, and expenses in an amount not to exceed \$159,000. A copy of Class Counsel's Motion for Attorneys' Fees, Costs, Expenses, and Service Award for Class Representative will be posted on the Settlement Website, www.TySettlement.com, before the Final Approval Hearing. The Court will make the final decisions as to the amounts to be paid to Settlement Class Counsel, and may award less than the amount requested by Settlement Class Counsel.

OBJECTING TO THE SETTLEMENT

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

If you want to tell the Court that you do not agree with the proposed Settlement or some part of it, you must file an objection with the Court telling it why you do not think the Settlement should be approved.

Objections must be submitted in writing and include all the following information:

- a) the name of the Action, *Carla Plowman v. Ty Inc.*, Case No. 2024CH000205 (Ill. Cir. Ct. DuPage Cnty.);
- b) your full name and current mailing address;
- c) a statement that states with specificity your grounds for your objection, as well as any documents that support your objection;
- d) the identity of any attorneys representing you;
- e) a statement regarding whether you or your attorney will appear at the Final Approval Hearing;
- f) a list of all other lawsuits by case name, court, and docket number (if any) in which you and/or your attorney has submitted an objection to a class action settlement within the last three (3) years; and,
- g) your signature or your attorney's signature.

Your Objection must be postmarked no later than May 19, 2025 and filed with the Court at:

Carla Plowman v. Ty Inc
Case No. 2024CH000205
18th Judicial Circuit Court
505 N County Farm Road
Wheaton, IL 60187

In addition, you must concurrently email or mail a copy of your objection to the Settlement Administrator, postmarked no later than May 19, 2025, to:

Plowman v. Ty Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
TySettlement@cptgroup.com

If you do not submit your objection with all the above requirements, or if your objection is not postmarked by May 19, 2025 you will be considered to have waived all Objections and will not be entitled to speak at the Final Approval Hearing.

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

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you don't want to be part of the

Settlement Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

THE FINAL APPROVAL HEARING

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

The Court will hold the Final Approval Hearing on, June 10, 2025, at 9:00 a.m. by Zoom (hearing information to be available and posted one business day prior on the Court's website). The hearing may be held remotely or moved to a different date, time, or location without additional notice, so it is recommended that you periodically check www.TySettlement.com for updated information.

At the hearing, the Court will consider whether the proposed Settlement is fair, reasonable, adequate, and is in the best interests of Settlement Class Members, and if it should be finally approved. If there are valid objections, the Court will consider them and will listen to people who have asked to speak at the hearing if the request was made properly. The Court will also consider the award of attorneys' fees, costs, and expenses to Settlement Class Counsel and the request for a Service Award to the Class Representative.

18. Do I have to come to the hearing?

No. You are not required to come to the Final Approval Hearing. However, you are welcome to attend the hearing at your own expense.

If you submit an Objection, you do not have to come to the hearing to talk about it. If your objection was submitted properly and on time, the Court will consider it. You also may pay your own lawyer to attend the Final Approval Hearing, but that is not necessary. However, you must follow the requirements for making objections in Question 15, including the requirements for making appearances at the hearing.

19. May I speak at the hearing?

Yes. You can speak at the Final Approval Hearing, but you must ask the Court for permission. You cannot speak at the hearing if you exclude yourself from the Settlement.

DO NOTHING

20. What happens if I do nothing?

If you do nothing, you will not get any money from the Settlement, you will not be able to sue for the claims in this case, and you release the claims against Defendant and the Released Parties as defined in the Settlement Agreement.

GET MORE INFORMATION

21. How do I get more information about the Settlement?

This is only a summary of the proposed Settlement. If you want additional information about this Action, including a copy of the Settlement Agreement, the Complaint, the Court's Preliminary Approval Order, Settlement Class Counsel's Motion for Attorneys' Fees, Costs, Expenses, and Service Award for Class Representative, and more, please visit www.TySettlement.com, call 1-888-324-6148, or email TySettlement@cptgroup.com. You may also contact the Settlement Administrator at *Plowman v. Ty Inc.*, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

**PLEASE DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT
OR LITIGATION TO THE CLERK OF THE COURT, THE JUDGE, DEFENDANT, OR
DEFENDANT'S COUNSEL.**