UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

James J. Aboltin and Pamela J. Knight, individually and on behalf of all others similarly situated, Plaintiffs, v. Jeunesse, LLC aka Jeunesse Global, Inc., a Florida limited liability company, MLM Mafia, Inc., a Nevada Corporation, Online Communications, LLC, a Wyoming limited liability company, Wendy R. Lewis, an individual, Ogale "Randy" Ray, an individual, Scott A. Lewis, an individual, Kim Hui, an individual, Jason Caramanis, an individual, Alex Morton, an individual, Kevin Giguere, an individual, John and Jane Does 1-100, individual natural persons, and ABC Corporations, Companies, and/or Partnerships 1-20, Defendants.	Case No. 6:17-cv-01624-PGB-KRS

MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

Plaintiffs James J. Aboltin and Pamela J. Knight, (collectively, "Plaintiffs"), respectfully submit this Motion for Preliminary Approval of Class Action Settlement and hereby move the Court to for an order:

1. Finding the terms of the Parties' proposed Settlement Agreement fair, reasonable and adequate, and granting preliminary approval to the proposed Settlement so that notice of the Settlement can be provided to the Settlement Class;
2. Preliminarily certifying the following Settlement Class pursuant to Rule 23(a) and b(3) of the Federal Rules of Civil Procedure for purposes of administering the

proposed Settlement:

> all Distributors of Jeunesse—persons who executed a contract with Jeunesse providing the opportunity to sell or resell Jeunesse products and/or to sponsor other persons to do so; paying for a "starter kit" of materials to facilitate this business opportunity; directly or indirectly holding a position in the Jeunesse genealogy of Distributors, and/or purchasing Jeunesse products at the discounted prices available only to Jeunesse distributors—between January 1, 2010, and the date on which this Order is entered. Excluded from the Settlement Class are the Defendants, Defendants' employees, and Defendants' family members.

3. Preliminarily appointing Plaintiffs James J. Aboltin, and Pamela J. Knight as Class Representatives;
4. Preliminarily appointing Jonathan S. Batchelor of Jonathan Batchelor, PLC, David N. Ferrucci, and John P. Desmond of Dickinson Wright PLLC, as Co-lead Class Counsel;
5. Appointing Epiq as the Settlement Administrator to provide notice to the Settlement Class and administer the Settlement;
6. Approving as to form and content the proposed Claim Form attached as Exhibit D to the Settlement Agreement, and the proposed Notice of Class Action Settlement attached as Exhibit A to the Settlement Agreement;
7. Directing that notice of the proposed Settlement be provided to the Settlement Class in accordance with the terms and provisions of the Settlement Agreement; and,
8. Scheduling a Final Approval Hearing to consider whether to grant final approval of the proposed Settlement Agreement.

This Motion is based on the accompanying Plaintiffs' Memorandum of Law in Support of

Motion For Preliminary Approval of Class Action Settlement and supporting documents; the proposed Settlement Agreement, which is attached as Exhibit 1, and all other records, pleadings and papers on file in this action. Defendants do not oppose this motion.

A proposed Order is submitted for the Court's consideration.

Dated: August 17, 2018

Jonathan Batchelor PLC

By: /s/Jonathan S. Batchelor
Jonathan S. Batchelor

And

David N. Ferrucci
Dickinson Wright PLLC
1850 N Central Ave., Ste. 1400
Phoenix, AZ 85004
Attorneys for Plaintiffs
James J. Aboltin and Pamela J. Knight

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on August 17, 2018, I served the foregoing document via e-mail and U.S. Mail upon all counsel of record in the following Service List below.

SERVICE LIST

Karl E. Pearson Pearson Bitman LLP 485 N. Keller Road, Suite 401 Maitland, Florida 32751 kpearson@pearsonbitman.com	**Glenn Timothy Graham** Kelley, Drye & Warren, LLP 1 Jefferson Road Parsippany, NJ 07054 ggraham@kelleydrye.com	**Amanda Rose Dunn** Rywant, Alvarez, Jones, Russo & Guyton, P.A. 109 N. Brush Street, Suite 500 Tampa, FL 33601 adunn@rywantalvarez.com
Jeffrey S. Jacobson Kelley, Drye & Warren, LLP 101 Park Avenue New York, NY 10178-0062 jjacobson@KelleyDrye.com	**Chris Wellman** Wellman & Warren LLP 24411 Ridge Rte., Ste. 200 Laguna Hills, CA 92653 cwellman@w-wlaw.com	**Scott W. Wellman** Wellman & Warren LLP 24411 Ridge Rte., Ste. 200 Laguna Hills, CA 92653 swellman@w-wlaw.com
Charles J. Bartlett Icard Merrill Cullis Timm Furen Ginsberg, PA 2033 Main St., Suite 600 Sarasota, FL 34237 cbartlett@icardmerrill.com	**Daniel D Maynard** Maynard Cronin Erickson Curran & Reiter PLC 3200 N Central Ave., Ste 1800 Phoenix, AZ 85012-2443	

___/s/ Jonathan S. Batchelor_____

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EXHIBIT 1

UNITED STATES DISTRICT COURT

MIDDLE DISTRICT OF FLORIDA, ORLANDO DIVISION

JAMES J. ABOLTIN, *et al.*,

Plaintiffs,

vs.

JEUNESSE, LLC, *et al.*,

Defendants.

CASE NO. 6:17-cv-01624-PGB-KRS

STIPULATION OF SETTLEMENT

This Stipulation of Settlement and attached exhibits (the "Settlement Agreement") dated as of August 17, 2018, is made by and among the following: on the one hand, Plaintiffs James J. Aboltin and Pamela J. Knight (collectively "Plaintiffs"), on behalf of themselves, and on behalf of each of the Settlement Class Members (as defined herein), by and through Plaintiffs' Counsel; and on the other, Defendants Jeunesse, LLC (a/k/a Jeunesse Global, Inc.), a Florida limited liability company (hereafter "Jeunesse"); Wendy R. Lewis; Ogale "Randy" Ray; Scott A. Lewis; Kim Hui; and Kevin Giguere, by and through their counsel, (collectively, the "Settling Defendants," and together with Mr. Aboltin and Ms. Knight, the "Settling Parties"). This Settlement Agreement is intended by the Settling Parties to resolve, discharge and settle the Released Claims (as defined herein), upon and subject to the terms and conditions of this Settlement Agreement.

1. DEFINITIONS

In addition to the foregoing defined terms, the following terms shall have the meanings as set forth below:

1.1 "Action" means the action originally filed in the United States District Court for the District of Arizona, and subsequently transferred to the United States District Court for the Middle District of Florida, entitled *Aboltin v. Jeunesse, LLC*, Case No. 6:17-cv-01624-PGB-KRS, including all pleadings on file in that action.

1.2 "Authorized Claimant" means a Settlement Class Member who submits a timely and valid Claim Form to the Claims Administrator or is otherwise authorized to receive benefits under this Settlement Agreement.

1.3 "Claims Administrator" means Epiq Global. The Claims Administrator shall be subject to and comply with this Settlement Agreement.

1.4 "Plaintiffs' Counsel" means the law firm of Jonathan Batchelor, PLC, and Dickinson Wright PLLC.

1.5 "Class Period" means the period beginning January 1, 2010, through and including the date the Preliminary Approval Order is entered.

1.6 "Court" means the United States District Court for the Middle District of Florida.

1.7 "Effective Date" means the first date after which all of the following events and conditions have been met or have occurred:

1.7.1 The Settlement Agreement is executed and delivered by/to all Parties and approved by the Court;

1.7.2 The Court enters the Final Judgment and Order Approving Settlement ("Final Judgment");

1.7.3 The Final Judgment becomes "Final." "Final" means the occurrence of any of the following: (a) the expiration of the time for an appeal or

petition for review of the Final Judgment; or (b) in the event an appeal or petition is filed, final affirmance of the Final Judgment following review, or final dismissal of any appeal or petition from the Final Judgment. If the Final Judgment is set aside, materially modified, vacated or reversed by the Court or by an appellate court, and is not fully reinstated on further appeal, then the Final Judgment does not become "Final" and the Effective Date cannot occur. The sole exceptions are if the Final Judgment is modified as to the amount of fees or costs payable to Plaintiffs' Counsel or a reduction in the incentive awards payable to Plaintiffs. A change in those amounts shall not preclude the Final Judgment from becoming Final. In the event the Final Judgment is modified in a manner that would preclude the Final Judgment from becoming Final, the Settling Party or Parties aggrieved by such modification—"aggrieved" meaning, for Plaintiffs, a reduction in benefits available to Settlement Class Members, and for Defendants, an increase in their monetary obligations or a material modification in the definition of Released Claims or the scope of the Settlement Class—shall have the option, at its or their sole discretion, to accept the modification and allow the Final Judgment as so modified to become Final. If such a Settling Party wishes to exercise this option, that Settling Party shall file a written notice of waiver with the Court within ten (10) days after such Settling Party is notified by applicable court process of the modification. The modified Final Judgment shall not become Final unless all aggrieved Settling Parties file such a

waiver. If all aggrieved Settling Parties file waivers, then the Final Judgment shall become Final on the later of the date all such waivers are filed or all of the conditions of this Paragraph 1.7.3 are satisfied.

1.8 "Notice" means the notice provided for in Section 7 and substantially in the form attached hereto as Exhibit A.

1.9 "Distributor" means any natural person, corporation, limited liability company, partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, or any other business or legal entity that participated in any manner in the Jeunesse business opportunity (*i.e.*, by executing a contract with Jeunesse providing the opportunity to sell or resell Jeunesse products and/or to sponsor other persons to do so; paying for a "starter kit" of materials to facilitate this business opportunity; directly or indirectly holding a position in the Jeunesse genealogy of distributors, and/or purchasing Jeunesse products at the discounted prices available only to Jeunesse distributors); along with such persons' spouses, heirs, predecessors, successors, representatives, alter egos, or assigns.

1.10 "Preliminary Approval Order" means the order to be entered by the Court that preliminarily approves the Settlement Agreement, certifies the Settlement Class for settlement purposes only, approves the Notice of Proposed Settlement, approves the Summary Notice, and sets the Settlement Hearing, as provided for in Section 7. A proposed Preliminary Approval Order is attached hereto as Exhibit C.

1.11 "Settlement Agreement" means this Stipulation of Settlement, including all attached exhibits.

1.12 "Settlement Class" means all persons who were Distributors and residents of the United States during any portion of the Class Period, and who do not validly and timely request exclusion from the Settlement Class as provided in Section 10. Excluded from the Settlement Class are the Defendants, Defendants' employees, and members of Defendants' immediate families.

1.13 "Fairness Hearing" means the hearing to determine whether this Settlement Agreement should be finally approved by the Court, as provided for in Section 7.

1.14 "Summary Notice" means the written notice provided for in Section 7 and substantially in the form attached hereto as Exhibit B.

1.15 The word "or" means and/or.

1.16 The plural includes the singular and vice-versa.

2. LITIGATION BACKGROUND

2.1 Original Complaint. On July 29, 2016, Plaintiff James J. Aboltin, on behalf of himself and a putative class of "others similarly situated," filed this Action in the United States District Court for the District of Arizona, naming as defendants Jeunesse, three executives of Jeunesse (Wendy Lewis, Randy Ray, and Scott Lewis),

and three Distributors (Kim Hui, Jason Caramanis, and Alex Morton). Plaintiffs voluntarily dismissed Ms. Hui from the original complaint on March 7, 2017, and Mr. Morton contended that Plaintiffs never validly served him. The original complaint sought a judgment declaring that Jeunesse could not enforce the form of arbitration agreement in effect when Mr. Aboltin contracted to become a Distributor in July 2016, and alleged the following claims for relief: (1) violations of the Racketeer Influenced and Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1962, (2) conspiracy to commit RICO violations; and (3) consumer fraud under Arizona Rev. Stat. § 44-1521 *et seq*.

2.2 Motion to Transfer. On October 3, 2016, Defendants Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, timely moved the United States District Court for the District of Arizona (the "Arizona Court") to transfer the case to the United States District Court for the Middle District of Florida. The Arizona Court took that motion under advisement and, by Order dated October 6, 2016, deferred the Defendants' obligation to respond substantively to the Complaint (*i.e.,* by answering or moving to dismiss) until 21 days after it ruled on the transfer motion. The Arizona Court granted the transfer motion on September 12, 2017, and the matter was transferred to this Court.

2.3 First Amended Complaint. On October 30, 2017, Plaintiffs (now including Ms. Knight) filed a First Amended Complaint. The First Amended

Complaint pleaded claims against Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis; repleaded claims against Kim Hui, Alex Morton, and Jason Caramanis; and added two corporations—MLM Mafia, Inc., and Online Communications, LLC—allegedly related to Mr. Caramanis, as well as another Distributor, Kevin Giguere. The First Amended Complaint sought the same unenforceability declaration with respect to the arbitration agreements executed by Mr. Aboltin and Ms. Knight; the same claims for RICO violations and conspiracy to commit RICO violations; state law consumer fraud under the laws of Arizona (Ariz. Rev. Stat. § 44-1521, *et seq.*), Florida (Fla. Stat. §§ 501.204(1), 559.801, and 849.091); and Texas (Tex. Bus. & Com. Code § 17.41); claims for "federal securities fraud"; and a claim for "unjust enrichment."

2.4 Motion to Compel Arbitration. On December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, timely moved to compel the arbitration of all of Plaintiffs' claims pursuant to the arbitration agreements executed by Mr. Aboltin and Ms. Knight. Jeunesse contends that all Distributors are subject to agreements to arbitrate their disputes with and concerning Jeunesse individually, and not as members of a purported class. Plaintiffs opposed that motion and contested the enforceability and validity of the arbitration agreements. As of the date of this Settlement Agreement, the Motion to Compel Arbitration remains *sub judice*.

2.5 Motion to Dismiss. On December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, timely moved to dismiss the First Amended Complaint in its entirety pursuant to Fed. R. Civ. P. 12(b)(6). Plaintiffs opposed that motion on a number of different grounds and, as of the date of this Settlement Agreement, the Motion to Dismiss remains *sub judice*.

2.6 Motion to Deny Class Certification. Also on December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, moved the Court to deny class certification preemptively. They contended that, on the face of Plaintiffs' complaint, Plaintiffs cannot satisfy the requirements of Federal Rule of Civil Procedure 23. Plaintiffs opposed that motion, raising a number of different arguments. And as of the date of this Settlement Agreement, the Motion to Deny Class Certification remains *sub judice*. Plaintiffs were due to file their affirmative Motion for Class Certification on July 2, 2018, but after reaching a tentative agreement on the material terms of a settlement, the Settling Parties moved the Court on June 29, 2018, to stay all pending deadlines for 30 days so that the Settling Parties could draft this Settlement Agreement. The Court subsequently granted two extensions of that filing deadline, ultimately requiring the filing of this Settlement Agreement by August 17, 2018.

2.7 Motions by Defendants Hui and Giguere. Although Plaintiffs agreed to defer the obligations of Defendants Hui and Giguere to respond substantively to

the First Amended Complaint until after the Court ruled on the other Defendants' pending motions, the Court rejected the parties' joint stipulation to that effect. On April 17, 2018, Defendants Hui and Giguere moved to dismiss the First Amended Complaint's claims against them in their entirety, joining the arguments made by their fellow Defendants and also raising arguments specific to themselves. Plaintiffs opposed that motion on a number of different grounds, and, as of the date of this Settlement Agreement, it remains *sub judice*.

3. BENEFITS OF THE SETTLEMENT

3.1 Benefits to Settlement Class. As explained in detail below, Jeunesse, on behalf of all Settling Defendants, will provide the following benefits to the Settlement Class: First, Jeunesse will pay the sum of Two Million Five Hundred Thousand Dollars ($2.5 million) into a "common fund," from which the costs of providing notice to Settlement Class Members and administering the Settlement, and also the fees and costs awarded to Plaintiffs' Counsel, shall be deducted, and the remainder of which shall be available for Settlement Class Members to claim according to the terms of this Settlement Agreement. Second, during the time period set forth in the Preliminary Approval Order and the Notice and Summary Notice for Settlement Class Members to file claims for benefits, Jeunesse shall waive the requirements in Appendix B.4 and B.4.1 of its Policies and Procedures precluding a Distributor from returning products beyond twelve (12) months from purchase or

the commercially reasonable shelf life period of which has passed, limited to Twenty-Five Hundred Dollars ($2,500) in products per distributor. Third, beginning no later than fifteen (15) business days after this Settlement Agreement becomes Final, Jeunesse shall adopt the practices set forth herein in Paragraphs 5.3-5.8.

3.2 Opinion of Plaintiffs' Counsel. Plaintiffs' Counsel have analyzed the benefits to be obtained under the terms of the proposed Settlement and have considered the costs, risks, and delays associated with the continued prosecution of the Action and likely appeals, as well as the merits of the defenses asserted by Defendants, the possibility that the Court may enforce Plaintiffs' agreements to arbitrate disputes on an individual basis, and the issues associated with satisfying Federal Rule of Civil Procedure 23 and thereby obtaining and sustaining class certification in this matter. Plaintiffs' Counsel believe that, in consideration of all of the circumstances and after good faith, prolonged, serious, and contentious arms-length negotiations in mediation with Defendants, the proposed Settlement is fair, reasonable, adequate and in the best interests of the Settlement Class. In making these statements and submitting a declaration filed concurrently herewith, Plaintiffs' Counsel are not making any admission of fact or law in regard to liability, fault allocation, or damages with respect to the Action.

3.3 Opinion of Settling Defendants. Settling Defendants have concluded that it is in their best interests that the Action be settled on the terms embodied in the

Settlement Agreement. Settling Defendants reached that conclusion after: (1) analyzing the factual and legal issues in the Action and considering the uncertainty of litigation; (2) determining that further conduct of the Action through trial and any possible appeals would be protracted and expensive; and (3) considering the benefits of permitting Jeunesse to conduct its business unhampered by the distractions of continued litigation.

NOW, THEREFORE, IT IS HEREBY AGREED by and between the Settling Parties, through their respective counsel, that the Action and the Released Claims be finally and fully settled, compromised and released, and the Action shall be dismissed on the merits with prejudice, on the terms set forth herein.

4. MONETARY RELIEF AND PRODUCT RETURN

4.1 Monetary Fund. Jeunesse will establish a "Settlement Fund" in the amount of Two Million Five Hundred Thousand Dollars ($2.5 million). Of this amount, Jeunesse will deposit Five Hundred Thousand Dollars into an escrow account within ten (10) business days after the Court issues the Preliminary Approval Order. This initial amount may be utilized, in part, to pay all costs of providing Notice to Settlement Class Members, establishing the Settlement website, and paying all other costs incurred by the Claims Administrator. In the event that this initial payment proves insufficient to fund all such costs, the Claims Administrator will advise Jeunesse, and Jeunesse will make additional payments as

required to fund these costs. Jeunesse will pay the balance, making its total payment $2.5 million, within ten (10) business days after the Final Judgment becomes Final. To the extent interest is earned on amounts held in escrow, it shall accrue and be available as part of the Available Settlement Funds. The Escrow Agent, on behalf of the Settlement Class, shall be responsible for all administrative, accounting, and tax compliance activities in connection with this escrow account.

4.2 Product Return Benefit. Jeunesse, pursuant to Appendix B.4 of its Global Policies and Procedures, allows Distributors who wish to resign from their distributorships to "return Currently Marketable Product for a refund if purchased within twelve (12) months prior to the request for a refund." Upon the Court's issuance of the Preliminary Approval Order, then regardless of whether or not the Court issues the Final Judgment or the Final Judgment becomes Final, Jeunesse shall waive, during the time period set forth in the Preliminary Approval Order and the Notice and Summary Notice for Settlement Class Members to file claims for benefits, the requirements in Appendix B.4 and B.4.1 of its Policies and Procedures precluding Distributors who wish to resign or who previously have resigned from returning products beyond twelve (12) months from purchase or the commercially reasonable shelf life period of which has passed. The per-Distributor limit for such untimely returns shall be Twenty-Five Hundred Dollars ($2,500). Any Distributors wishing to return a greater amount of products outside the normal return period and

conditions may contact Jeunesse and attempt to reach a mutually-agreeable solution, and may opt out of this Settlement Agreement if a mutually-agreeable solution is not forthcoming. All other terms of Appendix B.4 shall remain in full effect. Any Settlement Class Members who avail themselves of this benefit by returning products will be deemed to have resigned as Distributors, as Appendix B.4 provides.

4.3 Division of the Settlement Fund. After deducting all notice and administration costs, the payment of fees and costs to Plaintiffs' Counsel, and any incentive awards paid to Plaintiffs, the remainder, which shall be referred to herein as the "Available Settlement Funds," shall be divided into three pools, as follows. Sixty-five percent (65%) of the Available Settlement Funds can be claimed by claimants of Settlement Fund Benefit "A"—Refunds for Starter Kits, as explained below in Paragraph 4.6. Thirty-five percent (35%) of the Available Settlement Funds can be claimed by claimants of Settlement Fund Benefit "B"—Refunds for Discarded Products, as explained below in Paragraph 4.7.

4.4 Inter-Fund Transfers. If claims for either of these settlement benefits exceed the amount set aside to pay such benefit, but amounts remain in the other pool of Available Settlement Funds after full satisfaction of all valid claims for that benefit, then the Claims Administrator may transfer remaining funds into the pool available for the higher-claimed benefit. In other words, if the Settlement Administrator calculates that after all valid claims for Settlement Benefit "A" will

have been fully paid, funds will remain in that pool, while claims for Settlement Benefit "B" exceed the available funds such that reductions would have to be made *pro rata*, the Claims Administrator may transfer those remaining funds into the pool available to pay Settlement Benefit "B" in order to reduce or eliminate the need to reduce those claims *pro rata*.

4.5 *Pro Rata* Reductions. If valid claims for a particular benefit exceed the amount of Available Settlement Funds set aside to pay claims for that benefit, even after any inter-fund transfer specified above in Paragraph 4.4, then the Claims Administrator will reduce *pro rata* the payment to each valid claimant for that benefit. If, and only if, (i) at least $350,000 in Available Settlement Funds remain after *fully* paying all valid claims for all settlement benefits, and (ii) fewer than one-and-one-half (1.5) percent of Settlement Class Members file claims for settlement benefits, such remaining funds shall be returned to Jeunesse. To the extent that less than $350,000 in Available Settlement Funds remain after fully paying all valid claims for all settlement benefits, or more than one-and-one-half percent of Settlement Class Members file claims for settlement benefits, any remaining Available Settlement Funds shall be paid as *cy pres* remedy to New Hope For Kids, a 501(c)(3) charity organized and operating under the laws of the State of Florida..

4.6 Settlement Fund Benefit "A"—Refunds for Starter Kits. During the Settlement Class Period, Jeunesse has charged new Distributors varying amounts,

most often Forty Nine Dollars ($49.00), for a "Starter Kit" of marketing materials and other business support. If a Settlement Class Member affirms on a Claim Form that he or she (a) paid that fee with the intention of building a business selling Jeunesse products (as opposed to, for example, with the intention to purchase Jeunesse products at Distributor-discounted prices solely for self-consumption); (b) never advanced in rank in the Jeunesse genealogy of distributors; and (c) did not earn at least the amount he or she paid for the Starter Kit in commissions or product resales; then that Settlement Class Member may claim a refund for the price he or she paid for the Starter Kit. In addition to the affirmations described above, such a Settlement Class Member need only provide his or her name, address, Jeunesse account number, approximate date of the Starter Kit purchase and price paid for the Starter Kit. Jeunesse will provide this information to the claims administrator to be verified by the Claims Administrator, who will construe the information broadly in favor of approving claims of responding Class Members.

4.7 Settlement Fund Benefit "B"—Refunds for Discarded Products. Although Jeunesse always has allowed Distributors who wished to resign from their Distributorships to return unsold products within twelve (12) months of purchase for at least a ninety-percent (90%) refund, Plaintiffs contend, and Jeunesse disputes, that some Distributors may have discarded Jeunesse products rather than attempting to return them. A Settlement Class Member who attests on a Claim Form that he or

she discarded Jeunesse products that he or she intended to resell, but was unsuccessful in reselling, may claim a refund of fifty percent (50%) of the price paid for that discarded merchandise. On the Claim Form, the Settlement Class Member shall identify, in addition to his or her name, address, and Jeunesse account number, (a) the name and/or SKU of the product(s) discarded, (b) the estimated date(s) of purchase of the product(s) subsequently discarded, (c) the date(s) on which the product(s) was or were discarded, and (d) the actual or approximate amount paid for each discarded product (the "Product Return Amount"). Jeunesse will provide this information to the claims administrator to be verified by the Claims Administrator, who will construe the information broadly in favor of approving claims of responding Class Members. If the Settlement Class Member claiming this benefit is unable to provide the actual or approximate price(s) he or she paid for the product(s) discarded, then the Claims Administrator shall calculate the claims amount to be 50% of the price Jeunesse charged Distributors for the product(s) on the purchase date(s).

4.8 Multiple Benefits. Settlement Class Members may pursue claims for both Settlement Benefits if they qualify for both.

4.9 Deemed Resignations. Because only Settlement Class Members who assert that they attempted but failed to build a Jeunesse business are eligible to claim Settlement Fund Benefits "A" and "B," all Settlement Class Members who claim

those benefits and who have not previously resigned as Distributors or had their distributorships otherwise terminated will be deemed by Jeunesse to have resigned as Distributors as of the date of such claim.

4.10 Provisions for Direct Deposit. The Claims Administrator will provide Settlement Class Members the option of receiving claimed benefits by check or by direct deposit into such Settlement Class Member's bank account if the Settlement Class Member elects to furnish the Claims Administrator with the necessary bank routing and account numbers. The Settling Parties shall have no responsibility or liability in connection with the fulfillment of such requests.

4.11 Uncashed Checks. For Settlement Class Members who elect to receive their benefits by check, the checks will state on their face that they must be cashed or deposited within ninety (90) days of the date printed on the check, after which the checks will become void. The funds from any uncashed or undeliverable checks will be returned to the Claims Administrator for distribution as otherwise outlined in this agreement.

4.12 Claim Forms. Claim Forms shall be available from the Claims Administrator, as set forth in the Notice to the Settlement Class. The Settling Parties expect that the vast majority of claims will be completed online through a website to be set up by the Claims Administrator, but the Claims Administrator also will make hard-copy Claim Forms available to Settlement Class Members who request

them. Completed Claims Forms shall be due to the Claims Administrator by the date set by the Court in the Preliminary Approval Order and described in the Notice and Summary Notice (the "Claims Deadline").

4.13 Opt-Out Forms. Class Members who wish to opt out of the settlement may submit an Opt-Out Form or letter to the Claims Administrator prior to the deadline set by the Court for such action and described as such in the Notice and Summary Notice. Jeunesse reserves all rights to seek to enforce the arbitration agreement (if any) executed by a Distributor who opts out of the settlement. If a Settlement Class Member submits both a Claims Form and an Opt-Out Form, the Claims Administrator shall disregard the Opt-Out Form.

4.14 Anti-Fraud Measures. The claims process shall employ standard anti-fraud measures to be determined and implemented by the Claims Administrator, in addition to Jeunesse's ability to compare data provided by Settlement Class Members with its records and information otherwise available to it. The ultimate decision will be made by the Claims Administrator to be construed liberally in favor of payment.

4.15 No Disbursement of Direct Relief Before Effective Date. The Escrow Agent and the Claims Administrator shall not disburse any portion of the Available Settlement Funds before the Final Judgment becomes Final and all calculations have been performed with respect to any necessary inter-fund transfers and *pro rata*

reductions. The only portions of the Settlement Fund that may be expended prior to the Final Judgment becoming Final are those necessary to provide notice to Settlement Class Members and to administer the settlement.

4.16 Privacy. The Claims Administrator shall take reasonable measures to the extent permitted by law to assert and to protect the privacy rights of Settlement Class Members, including by maintaining the confidentiality and security of and preventing the unauthorized access or acquisition of any financial or personal information submitted in connection with any claim for benefits pursuant to this Settlement Agreement. In the event of any unauthorized access to or acquisition of personal information concerning any Settlement Class Member as a direct result of the intentional or negligent acts or omissions of the Claims Administrator, the Claims Administrator shall be responsible for complying with any privacy, data security, or breach notification obligations under state or federal law, and will be solely responsible for directly providing notice to state agencies, affected Settlement Class Members, and/or other persons or entities.

4.17 Taxes on Escrow Account. The Settlement Fund shall constitute a qualified settlement fund within the meaning of Treasury Regulations Sections 1.468B-1 through 1.468B-5, 26 C.F.R. §§ 1.468B-1 through 1.468B-5 (1992). The Settling Parties shall treat the Settlement Fund as qualified settlement funds for all reporting purposes under the federal tax laws. For the purpose of Section 468B of

the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the "administrator" shall be the Escrow Agent. The Escrow Agent shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treas. Reg. Section 1.468B-2(k)). Such returns shall be consistent with this Subsection and in all events shall reflect that all taxes (including any interest or penalties) on the income earned by the Settlement Fund shall be paid out of the income earned by the Settlement Fund. Taxes and tax expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund and paid without prior order from the Court. The Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from the income earned by the Settlement Fund any funds necessary to pay such taxes, including the establishment of adequate reserves for any taxes and tax expenses (as well as any amounts that may be required to be withheld under Treas. Reg. Section 1.468B-2(1)(2)). The Escrow Agent shall maintain accurate records of all expenditures made pursuant to this Subsection, and shall provide the records upon request to Plaintiffs' Counsel and Jeunesse's counsel. None of the Settling Parties, or any of their counsel, shall have any responsibility for the payment of taxes described in this Subsection. The parties hereto agree to cooperate with the Escrow Agent, each other, and their

tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this Subsection. The parties further agree that the costs of claims administration will be excluded from the qualified settlement fund for tax purposes.

4.18 Discretion of Claims Administrator. The Claims Administrator, who shall be jointly proposed by Jeunesse and Plaintiffs' Counsel and approved by the Court, shall have discretion to carry out the intent of the Settlement Agreement.

4.19 Continuing Jurisdiction Over Direct Relief. Disputes regarding this Agreement or disbursement of the Settlement Fund shall be within the jurisdiction of the Court, *custodia legis*, until such time as the Settlement Fund has been distributed pursuant to this Settlement Agreement.

5. CORPORATE POLICIES

5.1 In addition to denying the allegations made in the Action, Jeunesse asserts that at all times, it has conducted its business in full compliance with all applicable United States federal and state laws governing its business. The legal obligations of multi-level marketers in the United States have changed over time, and Jeunesse asserts that it has conformed its activities to new regulatory guidance within a reasonable time frame after such guidance has been issued. To the extent Jeunesse has changed its corporate policies over time, or agrees herein to make additional changes, this does not constitute an admission by Jeunesse—and Jeunesse

does not believe—that its prior policies in effect violated or even arguably could be construed as having violated any applicable legal requirement.

5.2 After this lawsuit was initiated, Jeunesse implemented, instituted or continued to maintain, the corporate polices set forth in this Section 5.

5.3 In Jeunesse's "Financial Opportunity" document, where Jeunesse describes the financial benefits available to Distributors, Jeunesse will advise prospective distributors that additional financial incentives may be available to new distributors with significant experience in the multi-level marketing industry and/or existing downlines, and that such persons should contact Jeunesse for additional details about these available incentives.

5.4 Jeunesse will continue to differentiate between "wholesale customers" and those who join to partake in the income opportunity. Jeunesse will characterize people as "wholesale customers" if they do not have distributor-like activity, such as earning sales commissions or sponsoring any new Distributors, in any 90-day period.

5.5 Jeunesse will continue to track retail sales electronically.

5.6 Jeunesse will continue not to require purchases of product packages to become a Distributor.

5.7 Jeunesse will continue not to allow distributors to earn commissions based on personal purchases.

5.8 The corporate policies identified above in Paragraphs 5.4-5.8 shall apply to all Distributors in the United States, take effect no later than 30 days after the Court enters the Preliminary Approval Order, and remain in effect at least through the earlier of two years after the Settlement becomes Final or December 31, 2021.

5.9 Nothing in this Section 5 shall be construed as precluding Jeunesse or any other party within the ambit of the arbitration agreement between Jeunesse and a Distributor from seeking to enforce the terms of that agreement in future disputes. Plaintiffs and Plaintiffs' Counsel acknowledge that Jeunesse has made changes to its standard arbitration agreement since the Action began and that the arguments Plaintiffs made against enforcement of the version of the arbitration agreement to which Plaintiffs themselves were subject could not be made against Jeunesse's arbitration agreement as currently drafted and disclosed to Distributors.

6. ENTRY OF PRELIMINARY APPROVAL ORDER, NOTICE TO THE SETTLEMENT CLASS, AND ENTRY OF FINAL JUDGMENT

6.1 Motion for Preliminary Approval. Promptly upon execution of this Settlement, Plaintiffs shall submit this Settlement Agreement together with its exhibits to the Court and shall apply to the Court for entry of the Preliminary Approval Order, which includes provisions that, among other things, will:

6.1.1 Preliminarily approve the Settlement Agreement as being reasonable and the product of good faith negotiations;

6.1.2 Certify for settlement purposes only the Settlement Class under Rule 23 of the Federal Rules of Civil Procedure;

6.1.3 Approve the Claim Form substantially in the form attached as Exhibit D, and approve Epiq as the Claims Administrator;

6.1.4 Approve the Opt-Out Form substantially in the form attached as Exhibit E;

6.1.5 Approve the Notice substantially in the form attached as Exhibit A and the Summary Notice substantially in the form attached as Exhibit B;

6.1.6 Order that the Summary Notice be disseminated in the manner set forth in the Notice Program attached as Exhibit F and in accordance with the Preliminary Approval Order;

6.1.7 Provide that any person falling within the definition of the Settlement Class who desires to be excluded from the Settlement Class must request exclusion by submitting a timely and valid exclusion request, in compliance with the instructions in the Notice of Proposed Settlement, to the Claims Administrator by the date specified in the Preliminary Approval Order, which shall fall not later than thirty (30) days before the Fairness Hearing;

6.1.8 Provide that persons falling within the definition of the Settlement Class who do not file valid and timely requests for exclusion will be: (i) bound by the Final Judgment dismissing the Action on the merits and with prejudice; and (ii) permanently barred from commencing, prosecuting or participating in the recovery in any direct or representative action, or any action in any other capacity, asserting any of the Released Claims, in the manner described in Section 8;

6.1.9 Provide that, pending final determination of whether the Settlement Agreement should be approved, neither the Plaintiffs nor any member of the Settlement Class, either directly, representatively, or in any other capacity, shall commence or prosecute any action or proceeding in any court or tribunal asserting or purporting to assert any of the Released Claims against Defendants or any other of the Released Parties;

6.1.10 Find that the notice to be given in accordance with the Preliminary Approval Order (including the contents of the Notice and Summary Notice and the proposed means for effecting notice to persons falling within the definition of the Settlement Class) constitutes the best notice practicable under the circumstances and constitutes valid, due, and sufficient notice to all members of the Settlement Class, complying fully with the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Constitution of the United States, and any other applicable law;

6.1.11 Order that notice to persons falling within the definition of the Settlement Class shall be structured to be as efficient as possible and to make maximum use of notice by e-mail and other electronic means and that such notice shall be undertaken by the Claims Administrator;

6.1.12 Schedule a Fairness Hearing, no earlier than the date permitted under the Class Action Fairness Act, 28 U.S.C. § 1715(d), to consider and determine whether the Settlement proposed under the terms of this Settlement Agreement should be finally approved as fair, reasonable, and adequate, and whether the Final Judgment approving the Settlement Agreement and resolving the Action should be entered, and to consider the request for an award of attorney's fees and reimbursement of expenses;

6.1.13 Provide that the Fairness Hearing on this Settlement Agreement and any request for an award of attorneys' fees and reimbursement of expenses may, from time-to time and without further notice to the Settlement Class other than Settlement Class Members who have timely submitted objections, be continued or adjourned by order of the Court;

6.1.14 Provide that objections by any Settlement Class Member to (i) the proposed Settlement, (ii) entry of Final Judgment, (iii) entry of an order approving the Settlement Agreement, or (iv) any proposed award of attorneys' fees

and reimbursement of expenses to Plaintiffs' Counsel shall be heard and any papers submitted in support of said objections shall be considered by the Court at the Settlement Hearing only if, by the date set forth in the Preliminary Approval Order, which shall be no later than thirty (30) days before the Fairness Hearing, such objector files with the Claims Administrator a written notice of his, her, or its intention to appear and states the basis for the objections;

6.1.15 Provide that, on the Effective Date, all Settlement Class Members, whether or not they file a Claim Form or sign a release, shall be barred from asserting any Released Claims against any of the Released Parties, and each and all Settlement Class Members shall conclusively be deemed to have released and forever discharged any and all such Released Claims as against all of the Released Parties, in the manner described in Section 8.

6.2 Class Action Fairness Act Notices. Within ten (10) days after Plaintiffs move the Court for preliminary approval of the settlement, Jeunesse shall provide or cause to be provided notices of the settlement to state and federal officials as required by the Class Action Fairness Act, 28 U.S.C. § 1715.

6.3 Cooperation. Jeunesse shall cooperate in providing to the Claims Administrator information such as names, addresses, and e-mail addresses, or such other information as the Claims Administrator requests, for the notice and settlement

administration process, which shall be provided to the Claims Administrator pursuant to a confidentiality agreement.

6.4 Motion for Final Judgment. If, after the Settlement Hearing scheduled by the Court in the Preliminary Approval Order, the Court approves the Settlement Agreement, then counsel for the Settling Parties shall request that the Court enter Final Judgment.

7. NO ADMISSION OF FAULT, LIABILITY, OR WRONGDOING

7.1 No Acknowledgement of Liability or Wrongdoing. The Settling Defendants enter into this Settlement Agreement without in any way acknowledging any fault, liability, or wrongdoing of any kind. The Settling Defendants continue to deny all of the material allegations in the Complaint and the First Amended Complaint and to assert that Plaintiffs' claims are without merit.

7.2 No Inference of Liability or Wrongdoing. Neither this Settlement Agreement, nor any of the negotiations or proceedings connected with them, nor any other action taken to carry out this Settlement Agreement by any of the Settling Parties shall be construed as, or shall be used as, or shall raise any presumption or inference of, an admission or concession by or against or respecting the Settling Defendants of the truth of any of the allegations in the Complaint or First Amended Complaint, or of any liability, fault or wrongdoing.

7.3 The Settlement is Not Evidence of Liability or Wrongdoing. This Settlement Agreement, its terms or provisions, and the negotiations or proceedings connected with them shall not be offered as evidence or received in evidence in any pending or future civil, criminal, or administrative action or be used to create any inference or presumption of liability or an admission of any kind by any Settling Defendant, except as may be necessary to enforce the terms of this Settlement Agreement.

8. RELEASE

8.1 As of the Effective Date and in consideration of this Settlement Agreement and the benefits extended to the Class, the Defendants and all of its and their present and former, direct and indirect, subsidiaries, parents, affiliates, incorporated or unincorporated entities, divisions, groups, officers, directors, shareholders, partners, partnerships, joint ventures, employees, agents, servants, assignees, successors, insurers, indemnitees, attorneys, transferees, and/or representatives, and all Distributors, shall be released and forever discharged by the Class Representatives, for themselves and as the representatives of each Settlement Class Member; each Settlement Class Member on behalf of himself or herself; and their respective present and former, direct and indirect, subsidiaries, parents, affiliates, incorporated or unincorporated entities, divisions, groups, officers, directors, shareholders, partners, partnerships, joint ventures, employees, agents,

servants, assignees, successors, insurers, indemnitees, attorneys, transferees, and/or representatives (collectively, the "Releasing Parties") from all claims, demands, rights, liabilities, suits, or causes of action, known or unknown, as of the Effective Date, that (1) were or could have been asserted in the complaints filed in this Action, or (2) are based upon, arise out of, or reasonably relate to, the claims asserted in the Action. This definition of "Released Claims" specifically extends to any allegation that, during the Class Period, Jeunesse or any Distributor engaged in any acts of unfair competition; false and/or misleading advertising; or operated any type of illegal, pyramid, endless chain, or fraudulent scheme. Released Claims do not, however, include (a) claims for personal injury or that a Jeunesse product was defective; or (b) federal, state, or local government statues, rules, regulations or ordinances over which a federal, state, or local government agency or similar authority retains sole jurisdiction and for which there is no private right of action accruing to the Settlement Class Members, either collectively, individually, or as a matter of such government agency's *parens patriae* authority.

8.2 The Released Claims include any unknown claims that reasonably could have arisen out of the same facts alleged in the Action that the Settlement Class Members do not know or suspect to exist in their favor at the time of the release, which, if known by them, might have affected their settlement with, and release of, the Released Parties or might have affected their decision not to object to

this Settlement. With respect to the Released Claims only, the Settlement Class Members stipulate and agree that, upon the Effective Date, the Settlement Class Members shall be deemed to have, and by operation of the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

8.3 The Settlement Class Members may hereafter discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, for damages, injunctive relief, rescission, disgorgement, or restitution or any other right, remedy, or relief of every nature and description

whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule, or regulation, including the law of any jurisdiction outside the United States, that were brought or could have been brought in the complaints in this Action without regard to the subsequent discovery or existence of such different or additional facts.

8.4 Continuing Jurisdiction. Except for the enforcement of the Final Judgment entered pursuant to this Settlement Agreement, the Releasing Parties shall be barred from prosecuting any proceeding against any of the Released Parties with respect to any Released Claim. The Court shall retain jurisdiction to enforce the Final Judgment, releases, and bars to suits contemplated by this Settlement Agreement. It is further agreed that the Settlement Agreement and the Final Judgment may be pleaded as a complete defense to any proceeding subject to this Section.

9. EXCLUSION (OPTING-OUT) FROM THE SETTLEMENT CLASS

9.1 Any Person falling within the definition of the Settlement Class who does not wish to participate in the settlement and be bound by the dismissals and releases provided for in this Settlement Agreement must request exclusion from the Settlement Class. A request for exclusion must state: (1) the name, address, and telephone number of the Person requesting exclusion and (2) that the person wishes to be excluded from the Settlement Class. The exclusion request must be sent by

mail or e-mail to the Claims Administrator and postmarked or e-mailed on or before the date specified in the Preliminary Order. The Claims Administrator shall deliver copies of any and all requests for exclusion to Plaintiffs' Counsel and Jeunesse's counsel. The Claims Administrator shall make such deliveries on a weekly basis and shall ensure that the final such delivery is received by Plaintiffs' Counsel and Jeunesse's counsel at least thirty (30) days before the Fairness Hearing. Plaintiffs' Counsel shall file any and all such requests for exclusion with the Court at or before the Fairness Hearing. All Persons who submit valid and timely requests for exclusion in the manner set forth in this Section shall have no rights under this Settlement Agreement, shall not share in the distribution of the Settlement Fund, and shall remain subject to efforts to enforce any agreements with Jeunesse. All Persons falling within the definition of the Settlement Class who do not request exclusion in the manner set forth in this Section shall be Settlement Class Members and shall be bound by this Settlement Agreement and the Final Judgment. Any Person falling within the definition of the Settlement Class who timely requests exclusion shall, upon approval of the Court, be excluded from the class certified pursuant to Fed. R. Civ. Proc. 23(b)(3), but each such Person shall remain in the class for purposes of injunctive relief claims, certified pursuant to Fed. R. Civ. Proc. 23(b)(2).

10. ATTORNEYS' FEES AND DISBURSEMENT OF EXPENSES

10.1 Application for Attorneys' Fees and Expenses. Plaintiffs' Counsel may apply and anticipates applying to the Court at the Fairness Hearing for an award of attorneys' fees and reimbursement of their expenses and costs from the Settlement Fund in an amount to be determined by the Court as a percentage of the entire value of settlement, including monetary and the value of the equitable relief, and, as a common fund, in accordance with applicable law. The Notice and Summary Notice shall include the amount of fees and costs that Plaintiffs' Counsel expect to seek, and Plaintiffs' Counsel will file a separate motion with the Court requesting an award of attorney fees and costs at least two weeks *prior to* the deadline for Settlement Class Members to object to the settlement. Plaintiffs and Plaintiffs' Counsel agree that they will not seek to collect any attorneys' fees, expenses, or costs from any source other than the Settlement Fund. To the extent the Court may award fees to counsel for any class member appearing before the Court in connection with the approval or implementation of this Settlement Agreement, such fees also shall be payable solely from the Settlement Fund. Under no circumstances shall any Settling Defendant other than Jeunesse have any monetary obligations to Settlement Class Members, and the monetary obligations of Jeunesse under this Settlement

Agreement shall under no circumstances exceed its payment of the Settlement Fund and its enhanced acceptance of returns as set forth above in Paragraph 4.2.

10.2 Payment of Attorneys' Fees and Expenses Award. The attorneys' fees, expenses, and costs approved by the Court to be distributed to Plaintiffs' Counsel shall be paid by the Escrow Agent to Plaintiffs' Counsel from the Settlement Fund, within twenty (20) business days after the Effective Date.

10.3 Named Plaintiffs' Compensation. The Court may award reasonable incentive compensation to the named Plaintiffs for their service in the case, not to exceed One Thousand Dollars ($1,000) for James Aboltin, and-Two-Thousand-Five-Hundred-Dollars ($2,500) for Pamela Knight, which shall come from the Settlement Fund. Any such Court-ordered compensation shall be paid within twenty (20) business days after the Effective Date. This shall be in addition to any benefits that the named Plaintiffs may claim as Settlement Class Members.

10.4 No Effect On Settlement. As set forth above in Paragraph 1.7.3, decisions by the Court with respect to Plaintiffs' Counsel's request for an award of attorneys' fees, costs, and expenses, or requests for incentive compensation to the named Plaintiffs, shall not operate to terminate or cancel this Settlement Agreement, and shall have no effect on the finality of the Final Judgment to be entered pursuant to this Settlement Agreement.

10.5 Released Parties Not Responsible for Allocation of Award. The Released Parties shall have no responsibility for, and no liability whatsoever with respect to, the allocation among Plaintiffs' counsel, and any other Person who may assert some claim thereto, of any award of attorneys' fees, costs, or expenses that the Court may make.

11. TERMINATION OF SETTLEMENT AGREEMENT

11.1 Consequences of Termination. If the Effective Date does not occur, then this Settlement Agreement shall have no further force or effect and the Settling Parties shall revert to their respective positions as of the date that the Settlement Agreement was executed by the Settling Parties, as though this Settlement Agreement had never been executed. The terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Settling Parties, and to the extent permitted by law, the Settlement Agreement and associated exhibits shall not be used in any action or proceeding for any purpose and any orders entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated *nunc pro tunc*. In that event, within five (5) business days after written notification of such event is sent by Jeunesse's counsel or Plaintiffs' Counsel to the Escrow Agent, the Settlement Fund, less expenses and any costs which already have been disbursed, shall be refunded by the Escrow Agent to Jeunesse. In such

event, Jeunesse shall be entitled to any tax refund owing to the Settlement Fund. At the request of Jeunesse, the Escrow Agent or its designee shall apply for any such refund and pay the proceeds, after deduction of any fees or expenses incurred in connection with such application(s) for a refund, to Jeunesse.

11.2 Retention of Order of Deadlines. The Settling Parties acknowledge that, as of the date on which this Settlement Agreement was executed, Plaintiffs' obligation to move affirmatively for certification of a litigation class was due to fall prior to Jeunesse's obligation to respond to certain written discovery that Plaintiffs recently served upon Jeunesse. Nothing in this Paragraph shall be construed as precluding the parties from moving jointly for a stay of discovery and other deadlines until the Court decides the Defendants' pending motions to dismiss, to compel arbitration, or to deny class certification.

11.3 Inadmissible for Purposes of Certifying a Litigation Class. If the Settlement Agreement is terminated according to its terms or the Effective Date does not occur for any reason, the parties will not offer this Settlement Agreement, any agreement negotiated between the parties in connection with or regarding the Settlement or the Settlement Agreement, or any motion seeking approval of the Settlement or Settlement Agreement in connection with a motion to certify a litigation class or in any other proceeding in this Action.

12. OTHER PROVISIONS OF THE SETTLEMENT

12.1 Public Communications. The Settling Parties agree that any communications regarding the settlement will be consistent with what the Settling Parties have advised the Court in public filings. The Settling Parties and their counsel further agree not to disparage each other.

12.2 Stay of Proceedings. Upon the execution of this Settlement Agreement, the parties agree to seek a stay of all proceedings in the Action from the Court, except for proceedings that may be necessary to implement the Settlement or comply with or effectuate the terms of this Settlement Agreement.

12.3 Best Efforts and Cooperation. The Settling Parties acknowledge that it is their intent to consummate this Settlement Agreement. Accordingly, the Settling Parties agree to cooperate to the extent necessary to effectuate and implement all terms and conditions of the Settlement Agreement and exercise their best efforts to establish the foregoing terms and conditions of the Settlement Agreement. The Settling Parties further agree to cooperate in effecting notice to members of the Settlement Class and in securing the Court's approval of the Settlement.

12.4 Entire Agreement. This Settlement Agreement (along with the exhibits thereto) constitutes the entire agreement among the Settling Parties and supersedes any prior agreements or understandings between them. All terms of this Settlement Agreement are contractual and not mere recitals and shall be construed as if drafted

by all Settling Parties. The terms of this Settlement Agreement are and shall be binding upon and inure to the benefit of each of the Settling Parties and Settlement Class Members, their agents, attorneys, employees, heirs, successors, and assigns, and upon all other persons claiming any interest in the subject matter hereto through any of the parties hereto, including any Plaintiff or Settlement Class Member.

12.5 Amendment. This Settlement Agreement may be amended or modified only by a written instrument signed by or on behalf of all parties hereto or their successors in interest. Amendments and modifications may be made without notice to the Settlement Class, unless notice is required by the Court.

12.6 Execution in Counterparts. This Settlement Agreement may be executed in counterparts or by facsimile, with each counterpart or facsimile signature having the same force and effect as an original. All executed counterparts and each of them shall be deemed to be the one and the same instrument. Counsel for the parties to this Settlement Agreement shall exchange among themselves original signed counterparts and a complete set of original executed counterparts shall be filed with the Court.

12.7 Jurisdiction. The Court shall have exclusive and continuing jurisdiction over the implementation, interpretation, and execution of the Final Judgment and this Settlement Agreement and all exhibits thereto, with respect to all parties hereto, including all Settlement Class Members.

12.8 Governing Law. The rights and obligations of the parties to the Settlement Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Florida.

12.9 Headings. The headings and subheadings to this Settlement Agreement have been inserted for convenience only and are not to be considered when construing the provisions of this Settlement Agreement.

12.10 Severability. In the event any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision if the Settling Parties all elect in writing, to proceed as if such invalid, illegal, or unenforceable provision had never been included in the Agreement.

IN WITNESS WHEREOF, each of the Parties heretod has caused the Settlement Agreement to be executed on its behalf by its duly authorized counsel of record, all as of the day set forth below.

Dated: August 17, 2018

David N. Ferrucci, Esq.
DICKINSON WRIGHT PLLC
1850 N. Central Ave., Suite 1400
Phoenix, Arizona 85004
(602) 889-5337

Jonathan Batchelor, Esq.
JONATHAN BATCHELOR PLC
200 W Portland St., #524
Phoenix, Arizona 85003
602-358-6722

Counsel for Plaintiffs James Aboltin, Pamela Knight, and the Settlement Class

James Aboltin

Pamela Knight

Jeffrey S. Jacobson, Esq.
KELLEY DRYE & WARREN LLP
101 Park Ave.
New York, New York 10178
(212) 808-5145

Counsel for Settling Defendants

Dated: August 17, 2018

David N. Ferrucci, Esq.
DICKINSON WRIGHT PLLC
1850 N. Central Ave., Suite 1400
Phoenix, Arizona 85004
(602) 889-5337

Jonathan Batchelor, Esq.
JONATHAN BATCHELOR PLC
200 W Portland St., #524
Phoenix, Arizona 85003
602-358-6722

Counsel for Plaintiffs James Aboltin, Pamela Knight, and the Settlement Class

James Aboltin

Pamela Knight

Jeffrey S. Jacobson, Esq.
KELLEY DRYE & WARREN LLP
101 Park Ave.
New York, New York 10178
(212) 808-5145

Counsel for Settling Defendants

Exhibit A

United States District Court for the Middle District of Florida

If you ever signed up to become a Jeunesse Distributor, you could get a payment from a class action settlement.

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

- The proposed settlement will provide $2.5 million to pay claims and expenses from those who signed up to become Jeunesse distributors intending to build businesses, and who meet at least one of the conditions below.
- To qualify, you must have signed up to be a Jeunesse distributor after January 1, 2010, and before _____, purchased a Jeunesse Starter Kit, and satisfy at least one of the following:
  - **Never recouped the cost of your starter kit in commissions; and/or**
  - **Discarded or still possess Jeunesse products you intended to sell, but were unable to sell.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	The only way to get a payment.
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against Jeunesse, about the legal claims in this case.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights.

- 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. Payments will be made if the Court approves the settlement and after appeals are resolved. Please be patient.

What this Notice Contains

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2. What is this lawsuit about?
3. Why is this a class action?
4. Why is there a settlement?

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BASIC INFORMATION

1. Why did I get this notice?

You or someone in your family may have signed up to become a Jeunesse distributor.

The Court sent you this notice because you have a right to know about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the settlement. If the Court approves it and after objections and appeals are resolved, an administrator appointed by the Court will make the payments that the settlement allows. You will be informed of the progress of the settlement.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Middle District of Florida, and the case is known as *Aboltin, et al v. Jeunesse Global*, Case No. 6:17-cv-01624. The people who sued are called Plaintiffs, and the companies and individuals they sued are called the Defendants.

2. What is this lawsuit about?

The lawsuit claimed that Jeunesse Global and the other Defendants engaged in unfair business practices that lured people into paying for a business opportunity that the Defendants knew was rigged against the new distributors. Jeunesse and the Defendants deny they did anything wrong.

3. Why is this a class action?

In a class action, one or more people, called Class Representatives (in this case James Aboltin and Pamela Knight), sued on behalf of people who have similar claims. All these people are a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. U.S. District Judge Paul Byron is in charge of this class action.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and the people affected will get compensation. The Class Representative and the attorneys think the settlement is best for everyone who was injured or exposed.

WHO IS IN THE SETTLEMENT

To see if you will get money from this settlement, you first have to decide if you are a Class Member.

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

If Judge Byron approves the settlement, everyone who fits this description is a Class Member: *All people who signed up to become a Jeunesse distributor and paid money for a starter kit between January 1, 2010, and August 1, 2018, and meets at least one of the following criteria:*

Intended to build a business as a Jeunesse distributor, but failed to earn at least the amount he or she paid for the Starter Kit in commissions or product resale; and/or

Purchased one or more Jeunesse products from Jeunesse with the intention of reselling, but was unsuccessful in reselling the product(s).

6. Which Jeunesse distributors are included?

Distributors or former distributors who fall into one or more of the groups below belong to the settlement class:

Starter Kit Benefit Group

If you signed up to become a Jeunesse distributor and purchased a Jeunesse Starter Kit with the intention of building a business, but earned less income from the business than the price of the starter kit, you are eligible for a payment based on the price of your Starter Kit, less any income you earned.

Discarded/Retained Product Benefit Group

If, as Jeunesse distributor, you purchased Jeunesse products from Jeunesse with the intention of reselling the product, but were unable to resell the product, and ultimately disposed of the product, you are eligible for a payment up to 50% of the purchase price of the discarded product. If you still possess unsold products in unopened packages, you may return those products for a 90% refund, even if they are beyond their expiration date, subject to certain conditions.

Yes. You don't have to have currently be an active Jeunesse distributor to be part of this settlement. The Class includes all those who signed up and meet at least one of the criteria in section 6, above.

If you are still not sure whether you are included, you can ask for free help. You can call **1-800-000-0000** and ask the claims administrator whether you meet the requirements to be included. For more information, you can also visit the website, JeunesseDistributorSettlement.com. Or you can fill out the claim form on that website, or print out, complete, and return the claim form to see if you qualify.

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. What does the settlement provide?

Jeunesse has agreed to create an Injury Compensation Fund of $2.5 million to pay settlement expenses and claims for Class Members who meet the criteria specified for each benefit.

8. What can I get from the settlement?

Benefits available

Starter Kit Benefit Group

People in the Starter Kit Benefit Group will receive a payment of up to the amount of their Starter Kit purchase.

Discarded/Retained Product Benefit Group

People in the Discarded Product Benefit Group are eligible for a payment of up to 50% of the purchase price of the discarded product. Those who still have unopened products may return them and receive a 90% refund, even if those products are beyond their expiration date.

Your payment will be based on how much you were charged for the relevant products and how many other claims are submitted. If, after all claims are submitted, the claims total more than funds available, the payments will be reduced.

If you are eligible for one or more of the benefits above, you must submit a claim during the claims period, or you will not be able to get a payment under this settlement for any losses. If you do not submit a claim during the claims period, and in the future you determine you have a claim against the Defendants in this lawsuit, you will have waived your rights.

HOW YOU GET A PAYMENT—SUBMITTING A CLAIM FORM

9. How can I get a payment?

To qualify for payment, you must fill out a claim form online at JeunesseDistributorSettlement.com or complete and send in a paper claim form available on the website or by calling 1-800-000-0000.

10. When would I get my payment?

The Court will hold a hearing on **Month 00, 0000**, to decide whether to approve the settlement. If the Court approves the settlement after that, there may be appeals. It's always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Everyone who sends in a claim form will be informed of the progress of the settlement. Please be patient.

11. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against Jeunesse about the legal issues in *this* case. The Release of Claims that specifies the legal issues you cannot sue about in the future can be read in full in the Settlement Agreement at JeunesseDistributorSettlement.com. The release explicitly includes all claims against Jeunesse, Jeunesse's officers and employees, and all other current and former distributors, that those "Released Persons" committed consumer fraud or violated federal or state laws against operating a "pyramid scheme." It also means that all of the Court's orders will apply to you and legally bind you.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement, but you want keep the right to sue or continue to sue Jeunesse, on your own, about the legal issues in this case, then you must take steps to get out. This is called excluding yourself—or is sometimes referred to as opting out of the settlement Class.

12. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from *Aboltin v. Jeunesse*. Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than **Month 00, 0000**, to:

Jeunesse Exclusions
P.O. Box 0000
City, ST 00000-0000

You can't exclude yourself on the phone or by e-mail. If you ask to be excluded, you will not get any settlement payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) Jeunesse in the future.

13. If I don't exclude myself, can I sue Jeunesse for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Jeunesse or the other released persons for the claims that this settlement resolves. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately. You must exclude yourself from *this* Class to continue your own lawsuit. Remember, the exclusion deadline is **Month 00, 0000**.

14. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, do not send in a claim form to ask for any money. But, you may sue, continue to sue, or be part of a different lawsuit against Jeunesse.

THE LAWYERS REPRESENTING YOU

15. Why did I get this notice?

The Court asked the law firms of Jonathan Batchelor, PLC, of Phoenix, Arizona, and Dickinson Wright, PLLC, of Detroit, Michigan, to represent you and other Class Members. Together, the lawyers are called Class Counsel. 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.

16. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees and expenses up to $900,000, and a payment of up to $2,500 to the Class Representatives, James Aboltin and Pamela Knight. The Court may award less than these amounts. The fees and expenses that the Court awards, and the costs of administering the settlement will be paid from the total settlement funds.

OBJECTING TO THE SETTLEMENT

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

17. How do I tell the Court that I don't like the settlement?

If you're a Class Member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to *Aboltin v. Jeunesse*. Be sure to include your name, address, telephone number, your signature, and the reasons you object to the settlement. Mail the

objection to these three different places postmarked no later than **Month 00, 0000**:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of the Court United States District Court for the Middle District of Florida 401 West Central Boulevard Orlando, Florida 32801	Jonathan S. Batchelor Jonathan Batchelor, PLC, 200 W Portland St., #524 Phoenix, AZ 85003	Jeffrey Jacobson Kelly Drye LLP 101 Park Ave. New York, NY 10178

18. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS 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.

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

The Court will hold a Fairness Hearing at **10:00 a.m. on Tuesday, Month 00, 0000,** at the United States District Court for the Middle District of Florida, 401 West Central Boulevard, Orlando, Florida 32801, Courtroom ___.

At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

20. Do I have to come to the hearing?

Class Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you don't 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's not necessary.

21. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Aboltin v. Jeunesse*." Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be postmarked no later than **Month 00, 0000,** and be sent to the Clerk of the Court, Class Counsel, and

Defense Counsel, at the three addresses on page 9, in question 20. You cannot speak at the hearing if you excluded yourself.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you do nothing, you'll get no money from this settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Jeunesse or the other released persons about the legal issues in this case, ever again.

GETTING MORE INFORMATION

23. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in a Settlement Agreement. You can get a copy of the Settlement Agreement by writing to Jonathan Batchelor, PLC, 200 W Portland St., #524, Phoenix, AZ 85003 or by visiting JeunesseDistributorSettlement com.

24. How do I get more information?

You can call **1-800-000-0000** toll free; write to Jeunesse Settlement, [P.O. Box 000, City, ST 00000-0000]; or visit the website at JeunesseDistributorSettlement. com, where you will find answers to common questions about the settlement, a claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

DATE: MONTH 00, 0000.

PHOENIX 72125-1 488092v1

Exhibit B

Jeunesse Distrib. Settlement
[address 1]
[address 2]

If you were a Jeunesse Distributor and participated in the Jeunesse business opportunity at any time between Jan. 1, 2010, and Aug. 31, 2018, you could receive benefits under a class action settlement.

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

CLASS MEMBER ID: [ ]
CONFIRMATION CODE: [ ]

[NAME]
[ADDRESS]
[CITY, STATE ZIP]

ABOLTIN, et al. v. JEUNESSE, LLC, Case No. 6:17-cv-1624-PGB-KRS

A proposed class action settlement has been reached in *Aboltin, et al., v. Jeunesse LLC,* Case No. 6:17-cv-1624-PGB-KRS, in the United States District Court for the Middle District of Florida. The lawsuit claims that Jeunesse did not disclose all relevant information to people who sought to join its business opportunity and inappropriately prioritized recruitment of new distributors over product sales to consumers. In their Complaint, Plaintiffs have asserted certain claims, including those for violation of the Racketeer Influenced and Corrupt Organizations Act (RICO), for consumer fraud under various state laws, and for unjust enrichment, and seek damages for those alleged violations. Defendants deny each of the allegations of unlawful conduct, any wrongdoing, and any liability whatsoever, and no court or other entity has made any judgment or other determination of liability.

The Court has not ruled on the merits of any claim or defense. Instead, the parties have compromised and entered into the proposed settlement.

Who's Included? You received this postcard because Jeunesse's available records show that you are a current or former Jeunesse distributor. If you are a Settlement Class Member, your rights may be affected, even if you take no action. In order to obtain payment and/or other settlement benefits, you must submit a Claim Form by _____**, 2019**.

What Does the Settlement Provide? $2.5 million in relief is available. If, as a Jeunesse distributor, you paid for a Jeunesse starter kit but failed to at least recoup the cost of that kit through commission payments, or if you purchased Jeunesse products intending to resell them but were unable to resell them, you may be eligible (a) for a refund of the price you paid for the starter kit, (b) for a 50% refund of any unsold products you discarded, and/or (c) to return unopened, unsold products for a 90% refund, even if you purchased those products outside Jeunesse's normal 12-month return period. The relief provided by the Settlement is dependent on eligibility and documentation requirements. For a description of the Settlement, Court documents, and deadlines and forms, please visit www.JeunesseDistributorSettlement.com.

What are my Options?

File a Claim by _____ __, 2019. If you wish to receive payment and/or other settlement benefits you must submit a Claim form by _____ __, **2019**. A Claim Form is available on the Settlement Website, www.JeunesseDistributorSettlement.com. Returns of unopened, unsold products do not require a Claim Form; follow Jeunesse's return instructions.

Do Nothing. If you do nothing, you will receive no benefit, but be bound by the terms of the Settlement, including the Release of claims.

Exclude Yourself by _____ __, 2018. If you exclude yourself, you will not receive any benefit from this Settlement but will keep the right to sue Defendants about the legal claims in this case. To exclude yourself from the Settlement and retain all of your rights and claims, but receive no settlement benefits, you must do so in writing. Visit www.JeunesseDistributorSettlement.com to view a copy of the Settlement Notice containing full details on how to exclude yourself.

Object by _____ __, 2018. Write to the Court and say why you do not like the Settlement and object to any of its terms, including the fee requested by the plaintiffs' lawyers. Full details on how to object are on the Settlement Website: www.JeunesseDistributorSettlement.com.

The Court will hold a Fairness hearing at _____ on **[date]** in Courtroom __ before the Hon. Paul G. Byron of the U.S. District Court for the Middle District of Fla., at 401 W. Central Blvd., Orlando, FL 32801. At the hearing, the Court will be available to hear any timely submitted objections and arguments concerning the proposed Settlement's fairness, reasonableness and adequacy.

Where To Get Additional Information and a Claim Form: This notice is only a summary. For full details: (1) visit www.JeunesseDistributorSettlement.com; (2) call toll-free at [number]; and/or (3) write to the Claims Administrator, Jeunesse Distributor Settlement, [address], or email: [insert]. You can obtain and review copies of the Claim Form, Long Form Notice, Settlement Agreement and other documents and deadlines on the Settlement Website.

Visit www.JeunesseDistributorSettlement.com or call [number] for more information

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