# NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

If you purchased Sports Research Corporation's Premium MCT Oil or Turmeric Curcumin C3 Products, you could receive a settlement award as part of a class action settlement.

A court in California authorized this Notice. This is not a solicitation by a lawyer.

### READ THIS ENTIRE NOTICE CAREFULLY.

Your legal rights will be affected if you are a member of the class of persons defined in this Notice.

- A proposed settlement has been reached in a class action lawsuit filed in California. Purchasers of certain Covered Products (as defined in this Notice) have sued Sports Research Corporation ("SRC" or "Defendant"), alleging that Defendant made false, deceptive, and/or misleading claims on the labeling and packaging of the Premium MCT Oil and Turmeric Curcumin C3 products with particular labels (the "Covered Products"), as well as on the web pages for the Covered Products. Defendant denies the Plaintiffs' allegations and any wrongdoing. The court has not decided which side is right. Instead, the parties have decided to settle the case.
- The proposed settlement (the "Settlement") provides for an award of the following to any individuals who purchased any of the Covered Products and submit a valid Claim Form: (1) a voucher of \$7.00 towards any product manufactured or sold by Defendant, valid for one year and freely transferrable; and (2) a payment of \$3.00 cash.
- The Settlement also provides that Defendant will pay combined attorneys' fees and litigation costs up to \$325,000, a service award to the two Named Plaintiffs of up to \$2,500 each, and reasonable notice and claims administration costs.
- Further, Defendant has agreed to making certain changes to the manner in which it labels and advertises the Covered Products. A description of the Covered Products may be found by clicking <a href="https://www.SRSettlement.com/CoveredProducts">www.SRSettlement.com/CoveredProducts</a>, or by reviewing Exhibit F to the Settlement Agreement.
- You are a "Settlement Class Member" if you purchased any of the Covered Products made by Defendant, for personal use, and not resale or distribution, in the United States between January 9, 2016 and January 9, 2020.
- If you are a Settlement Class Member, you can submit a claim for a settlement award.

# 1. Why did I get this Notice?

If you purchased one or more of the Covered Products in the United States between January 9, 2016 through January 9, 2020, as described above, you have a right to know about a proposed settlement of a class action lawsuit and your options. If the Court approves the Settlement, and after objections and appeals are resolved, an administrator approved by the Court (the "Settlement Administrator") will oversee the distribution of the benefits that the Settlement allows.

# 2. What is this Lawsuit about and why is there a settlement?

On January 9, 2020, Plaintiffs filed a lawsuit (the "Lawsuit") on behalf of themselves and all others similarly situated alleging that Defendant violated California state law by improperly representing that the Covered Products contained healthy fats, were antibacterial, anti-microbial, and had anti-viral properties. Furthermore, the Covered Products claimed that they were "packed with beneficial fats," and had sustained "natural" energy. Plaintiffs do not claim that the Covered Products caused anyone physical injury or harm. Plaintiffs brought claims under Cal. Civ. Code §§ 1750, et seq., Cal. Bus. & Prof. Code §§ 17200, et. seq., Cal. Bus. & Prof. Code §§ 17500, et seq., and for intentional and negligent misrepresentation.

Defendant denies any wrongdoing or liability arising out of any of the facts or conduct alleged in the Lawsuit and believes that it has valid defenses to the allegations. The Court has not decided that Defendant did anything wrong, and the settlement does not mean Defendant violated the law. Both the Plaintiffs and Defendant believe that the settlement is fair, adequate, and reasonable and that it is in the best interests of the Settlement Class.

### 3. What is a class action?

A class action is a lawsuit in which the claims and rights of many people are decided in a single lawsuit. One or more people called "class representatives", also called "Named Plaintiff(s)," in this case Mark Hinkle and Daniel Rossi, file the instant Lawsuit asserting claims on behalf of themselves and all other similarly situated persons. The "similarly situated persons" are called the "class," or "class members". The class representatives hire attorneys to handle the lawsuit, and, if the court approves the class as proposed by the class representatives' attorneys, those attorneys (called the "Class Counsel") represent the rights and interests of the class representatives as well as all members of the class. One court resolves the issues for all members of the class, except for those who specifically exclude themselves.

As a general rule, the class members are not responsible for paying the Class Counsel's legal fees or expenses out of their own pockets. However, as is applicable in the instant Lawsuit, Class Counsel are sometimes paid, and reimbursed, if at all, from a money judgment obtained for the class by Class Counsel as a result of the lawsuit or from a settlement fund agreed to by the parties. (See the response to Question 11, below, regarding the basic terms of the Settlement including how attorneys' fees are handled in this case.)

### 4. What is the purpose of this Notice?

The Court has ordered that this Notice be published to reach those who may be a member of the class on whose behalf the Named Plaintiffs brought the Lawsuit (the "Settlement Class"). If you do qualify as a Settlement Class Member, it is important that you understand how the proposed settlement will affect your rights. Accordingly, the purpose of this Notice is to inform you, among other things, about:

- (a) the nature of the claims in the Lawsuit,
- (b) the definition of "class" that determines if you will be affected by the Settlement,
- (c) the terms of the Settlement, including how the terms affect you legally,
- (d) your right to opt out or object to the Settlement, if you so wish,
- (e) the procedures and deadlines for opting out or asserting any objections you may have, and
- (f) if you are eligible for a cash payment, how to submit the required claim for payment.

### 5. Who is included as a Member of the Settlement Class?

You are a Settlement Class Member if, at any time between January 9, 2016 and January 9, 2020 you were a resident of the United States and its territories who purchased a Covered Product for personal use, and not resale or distribution.

Excluded from the Settlement Class are: (1) Defendant and its respective affiliates, employees, officers, directors, agents, and representatives, and their immediate family members; (2) Class Counsel and partners, attorneys, and employees of their law firms; and (3) the judges who have presided over the Lawsuit or the mediations and their immediate family members.

Everyone who fits the class definition is a Settlement Class Member for purposes of the proposed Settlement. If you are still not sure whether you are included in the Settlement Class, you may consult an attorney of your own choosing and at your own expense, or contact one of the attorneys listed as Class Counsel in the response to Question 13 below. DO NOT contact the Court, Defendant, or Counsel for the Defendant with questions about the Lawsuit or the proposed Settlement.

### 6. How do I exclude myself from (get out of) the Settlement?

If you want to, you can exclude yourself from the Settlement, which is sometimes called "opting-out" of the Settlement Class. You must send a letter by mail stating that you want to be excluded from this Lawsuit or submit an exclusion request online. To exclude yourself from this Lawsuit, you must submit the exclusion request via the Settlement Website's online form by **February 23, 2021,** or mail a written Request for Exclusion postmarked no later than **February 23, 2021** to:

Hinkle, et al. v. Sports Research Corporation Class Action c/o ILYM Group, Inc. P.O. Box 2031 Tustin, CA 92781

The written Request for Exclusion must be personally signed by the individual who is the Settlement Class Member requesting exclusion, contain a statement that indicates his or her desire to be excluded from the Settlement Class in the matter of *Hinkle*, et al. v. Sports Research Corporation, Case No: 37- 2020-00001422-CU-NP-NC (or sufficient words to indicate the present Lawsuit against Sports Research Corporation), and contain a statement that he or she is otherwise a person in the Settlement Class and purchased one or more of the Covered Products.

You cannot 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 proposed Settlement. You will not be legally bound by anything that happens in this Lawsuit. You may be able to sue (or continue to sue) Defendant in the future.

Exclusion requests that do not include all required information and/or that are not submitted on a timely basis, will be deemed null, void, and ineffective. Settlement Class Members who fail to submit a valid and timely Request for Exclusion on or before February 23, 2021 shall be bound by all terms of the Settlement and any Final Judgment entered in the Lawsuit if the Settlement is approved by the Court, regardless of whether they ineffectively or untimely requested exclusion from the Settlement. You will not be able to sue Defendant for the same things later. If you have a pending lawsuit against Defendant, speak to your lawyer in that lawsuit immediately. You might have to exclude yourself from *this* Settlement Class to continue your own lawsuit.

#### 7. How do I tell the Court if I do not like the Settlement?

A Fairness Hearing, also known as a Final Approval Hearing, will be held on March 26, 2021 at 1:30 p.m before the Honorable Timothy M. Casserly, Superior Court of California, County of San Diego, North County Division, at Department 31, 325 S. Melrose Drive, Vista, CA 92081.

At the Fairness Hearing, Judge Casserly will review the terms of the proposed settlement, as well as hear or otherwise review objections, if any, to the proposed Settlement. If Judge Casserly determines the proposed Settlement is fair, reasonable, and adequate, at some point after the hearing he will enter a Final Approval Order and dismiss the Lawsuit, including all claims asserted in the Lawsuit, with prejudice. THE FINAL APPROVAL ORDER WILL ALSO TERMINATE THE LEGAL RIGHTS OF EACH SETTLEMENT CLASS MEMBER (WHO DOES NOT PROPERLY EXLUDE HIM/HER SELF FROM THIS LAWSUIT) TO BRING HIS OR HER OWN LAWSUIT TO ASSERT CLAIMS AGAINST SRC SIMILAR TO THOSE ASSERTED IN THE LAWSUIT, AS WELL AS CERTAIN OTHER CLAIMS.

If you are a Settlement Class Member, you can tell the Court that you do not agree with (in other words, that you "object" to) the proposed Settlement or any part of it. To object, you must provide a letter or other written document (called an "Objection") containing the following information: (1) the name, address, telephone number of the person objecting and, his/her counsel, if any; (2) a signed declaration stating that he or she is a person in the Settlement Class and purchased one or more of the Covered Products; (3) a statement of all objections to the Settlement Agreement and any supporting documentation; and (4) a statement of whether he or she intends to appear at the Final Approval Hearing, either with or without counsel, and if with counsel, the name of his or her counsel who will attend. You must mail your objection via first-class mail, post-marked no later than February 23, 2021, to the Court, Class Counsel and SCR's Counsel, whose addresses are listed below.

#### **Court:**

Superior Court of California County of San Diego, North County Division Department 31 325 S. Melrose Drive Vista, CA 92081

#### **Class Counsel:**

Abbas Kazerounian, Esq. Jason A. Ibey, Esq. KAZEROUNI LAW GROUP, APC 245 Fischer Avenue, Suite D1 Costa Mesa, CA 92626

#### **SCR's Counsel:**

Jeffrey M. Blank, Esq. Norma G. Guillen, Esq. Garcia Rainey Blank & Bowerbank, LLP 695 Town Center Drive, Suite 700 Costa Mesa, CA 92626

PLEASE NOTE: IF THE COURT DISAGREES WITH YOUR OBJECTION, THE FACT THAT YOU SUBMITTED AN OBJECTION WILL NOT PREVENT THE COURT FROM APPROVING THE PROPOSED SETTLEMENT.

### 8. Do I have to come to the Fairness Hearing?

You are not required to attend the Fairness Hearing in order for the Court to consider your Objection Notice, although you may attend if you so wish. As long as you mail in a timely, written objection, it will be part of the record considered by the Court when the Court evaluates whether to approve the proposed settlement as fair, reasonable, and adequate. You also may pay your own attorney to attend the Fairness Hearing, if you wish, but such attendance is not required, even if you hire an attorney to submit your Objection Notice.

# 9. May I speak at the Fairness Hearing?

If you are a Settlement Class Member, you may ask the Court to permit you, or your own attorney, to speak at the Fairness Hearing. To do so, you must include your request to speak in an Objection Notice. (See the response to Question 7.)

Please note that while you must file an Objection requesting permission to speak at the Fairness Hearing, filing such an Objection Notice does not necessarily mean the Court will allow you, or your attorney, to speak. In deciding whether to allow you to speak, the Court will take into consideration the number of persons who have requested the chance to speak, the nature of your objection, and the time available at the hearing, among other considerations.

# 10. What if I do nothing?

If you do nothing, you will get no payment from this proposed Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant about the subject matter of this Lawsuit.

# 11. What are the basic terms of the Proposed Settlement?

Summaries of the primary terms of the proposed Settlement are set out below. If you have any objection to any of these – or any other – Settlement terms, please refer to the response to Question 7 above.

#### A. The Settlement Class Member Payout and the Mandatory Claims Process

Subject to Court approval, the parties have agreed to a Settlement under which Defendant will pay the following:

- To Settlement Class Members who submit a valid and timely Claim Form, (1) a voucher of \$7.00 towards any product manufactured or sold by Defendant, valid for one year and freely transferrable; and (2) a payment of \$3.00 cash.
- To Class Counsel, combined attorneys' fees and litigation costs up to \$325,000.
- To the two Named Plaintiffs, a service award to the two Named Plaintiffs of up to \$2,500 each.
- To the Settlement Administrator, reasonable notice and claims administration costs.

Defendant has also agreed to making certain changes to the manner in which it labels and advertises the Covered Products.

Each Settlement Class Member who wants to receive a payment must submit a Claim Form, either electronically through the Settlement Website <a href="www.SRSettlement.com">www.SRSettlement.com</a> by February 23, 2021, or by requesting one be sent to you via mail or email, and then returning it by February 23, 2021. In the Claim Form, Settlement Class Members must verify under penalty of perjury that they are a member of the Settlement Class. Only one Claim Form may be submitted per Settlement Class Member, regardless of the number of bottles of the Covered Products purchased.

You can submit an electronic Claim Form quickly and easily on the Internet at <a href="www.SRSettlement.com">www.SRSettlement.com</a>. Read the instructions carefully and submit it on or before February 23, 2021. Alternatively, you may also submit a hard copy Claim Form by mailing it to the following address: Hinkle, et al. v. Sports Research Corporation Class Action, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781. It must be postmarked no later than February 23, 2021. You may access a printable Claim Form at <a href="www.SRSettlement.com">www.SRSettlement.com</a> or you can request that one be mailed or emailed to you, by contacting ILYM Group, Inc. by e-mail at <a href="mailto:claims@ilymgroupclassaction.com">class Action</a>, or by telephone at (888) 250-6810.

TO BE VALID, ALL CLAIMS MUST BE POSTMARKED OR SUBMITTED ONLINE NO LATER THAN FEBRUARY 23, 2021. Settlement Class Members who submit a valid Claim Form will receive (1) a voucher of \$7.00 towards any product manufactured or sold by SRC, valid for one year and freely transferrable; and (2) a payment of \$3.00 cash.

#### **B.** Named Plaintiffs Service Award.

It is common in class actions for the class representatives to request a special "Service Award" as compensation for taking leading roles in the litigation and devoting their time and energy to the case for the benefit of the Settlement Class Members. Hinkle and Rossi intend to ask the Court for an award of \$2,500.00 each for their services to the Settlement Class Members.

The Court is not required to approve the proposed Service Awards, and is free to award any, or no, amount as a Service Award. The Court's denial or reduction of the amount of the Service Awards is not grounds for the Settlement Agreement to be terminated.

#### C. Attorneys' Fees and Costs Award.

Class Counsel will request a combined award of Attorneys' Fees and Costs up to \$325,000.00. The Court's denial or reduction of the amount of the attorneys' fees and/or costs requested is not grounds for the Settlement Agreement to be terminated.

#### D. Payment of Settlement Notice and Administration Costs.

Subject to Court approval, the Settlement Administrator will be paid all reasonable Settlement Administration Expenses from the Settlement Fund to provide the Settlement Class notice of Settlement and fully administer this Settlement Agreement. We do not know, yet, exactly how much this will cost, but such amount will not exceed \$110,000.00.

# 12. What rights and claims do the Settlement Class Members release under the terms of the Proposed Settlement?

The purpose of any class action lawsuit is to resolve the legal claims of a large number of people in one lawsuit. Accordingly, whether by judgment or a settlement, certain results of a class action lawsuit are binding on all members of the Settlement Class. In the proposed Settlement for this Lawsuit, as with almost any class action settlements, certain Settlement Class Members receive money, some Settlement Class Members do not, and all Settlement Class Members are legally barred from taking certain future legal actions associated with claims that the Named Plaintiffs have agreed shall be released (waived) by the terms of the Settlement Agreement in return for Defendant's agreement to pay the award. This means that, if the proposed Settlement is finally approved, the Court will enter an order dismissing with prejudice all claims in the Lawsuit against the Defendant. A dismissal with prejudice means the same claims cannot be refiled in any court. As a result of the order of dismissal and the terms of the proposed Settlement, assuming it is approved by the Court, each Settlement Class Member (except those who properly exclude themselves from this Lawsuit) will be releasing Defendant and all related people and entities identified in Section II.FF of the Settlement Agreement (called the "Released Persons") for all the claims described and identified in Section II.EE of the Settlement Agreement (called the "Released Claims"). The Settlement Agreement is available at www.SRSettlement.com. The Settlement Agreement describes the Released Persons and Released Claims with specific descriptions, in necessarily accurate legal terminology, so read it carefully. You can talk to one of the lawyers listed in Section 13 below for free or you can, of course, talk to your own lawyer if you have questions about the released claims or what they mean.

The above explanations mean, among other things, that no Settlement Class Member, or group of Settlement Class Members, may bring any future lawsuits against Defendant for mislabeling or deceptive marketing practices with respect to the Covered Products at issue, or any lawsuits based upon any claims or facts asserted in the current Lawsuit, or based upon any other claims that could have been asserted in this Lawsuit, but were not – even claims that were not known to such Settlement Class Member or that he or she did not even suspect existed as of the date the proposed Settlement is approved by the Court. This release of claims applies to the **entire Class (except those who properly exclude themselves from this Lawsuit)**, not just to the subset of the Class who submit claims and/or receive money under the proposed Settlement.

## 13. Do I have a lawyer in this Lawsuit?

As a Settlement Class Member, your interests are represented by the Class Counsel, whose names and contact information are provided below. You are free to retain your own independent counsel for advice regarding the proposed Settlement, if you wish, at your own expense.

Abbas Kazerounian, Esq. Jason A. Ibey, Esq. KAZEROUNI LAW GROUP, APC 245 Fischer Avenue, Suite D1 Costa Mesa, CA 92626 Telephone: (800) 400-6808

Facsimile: (800) 520-5523

# 14. Who are the attorneys representing the Defendant in this Lawsuit?

The names and address of the attorneys representing the Defendant in this Lawsuit are:

Jeffrey M. Blank, Esq. Norma G. Guillen, Esq. Garcia Rainey Blank & Bowerbank, LLP 695 Town Center Drive, Suite 700 Costa Mesa, CA 92626 PLEASE NOTE: DO NOT CONTACT ANY OF THE ATTORNEYS FOR DEFENDANTS WITH QUESTIONS ABOUT THE LITIGATION OR THE PROPOSED SETTLEMENT. YOU MAY CONTACT COUNSEL FOR PLAINTIFF WITH SUCH QUESTIONS OR CONSULT YOUR OWN ATTORNEY, WHICH YOU MUST RETAIN AT YOUR OWN EXPENSE.

## 15. Are there more details about the Proposed Settlement?

Yes. This Notice is only intended to provide a summary of the Proposed Settlement. You may obtain the complete text of the Settlement Agreement at <a href="www.SRSettlement.com">www.SRSettlement.com</a>, by writing to the Settlement Administrator (at Hinkle, et al. v. Sports Research Corporation Class Action, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781), or from the court file, which is available for your inspection during regular business hours at the Office of the Clerk of the Superior Court of California, County of San Diego, North County Division, 325 South Melrose, Vista, CA 92081.

Visit the Settlement Website at <a href="www.SRSettlement.com">www.SRSettlement.com</a> where you will find the Plaintiffs' Complaint, the Settlement Agreement and other documents related to the Settlement.