

NOTICE OF PROPOSED SETTLEMENT AND FAIRNESS HEARING

If you were a Distributor associated with AdvoCare International, L.P. (“AdvoCare”) in the United States, you could get benefits from a class action settlement.

A settlement of the case has been proposed. Class Members may object to or opt-out of the settlement, and they may submit a claim to receive a cash payment that will be made in the event the court approves the settlement.

**Your legal rights may be affected even if you do nothing.
Please read this Notice carefully.**

*This is a court-authorized notice. This is **not** a solicitation from a lawyer.*

- A former AdvoCare Distributor has brought a class action against AdvoCare alleging that AdvoCare operated a pyramid scheme contrary to federal law.
- The Court has ordered that this case proceed as a class action for the purposes of settlement. This means that Plaintiff represents a class of AdvoCare Distributors who paid fees, purchased a “distributor kit,” and/or purchased products from AdvoCare between March 9, 2013, and May 17, 2016, who lost money from their participation in the AdvoCare alleged scheme (as defined below), and whose distributorships were suspended without reinstatement or terminated (as defined below) by May 17, 2016. Distributors who meet this definition and do not opt out from membership in the Class are “**Class Members**” and individually each a “**Class Member.**” Excluded from the Class are Distributors who were not, at the time they were Distributors, residents of the United States or its territories or U.S. military stationed overseas.
- The Plaintiff has been appointed by the Court to represent the interests of the class. Certain attorneys—known as “Class Counsel”—have also been appointed by the Court to represent the class. AdvoCare and Plaintiff have recently entered into a Settlement Agreement, but the Settlement Agreement will not become effective until the Court approves it at a Fairness Hearing. The Court has scheduled the Fairness Hearing for 1:00 p.m. (Central Time) on May 21, 2021.
- At the Fairness Hearing, the Court will consider the fairness, reasonableness, and adequacy of the Settlement Agreement. The Court may also consider Class Counsel’s motion for an award of attorneys’ fees and expenses and Plaintiff’s motion for a service award, which will be filed in advance of the Fairness Hearing. Class Counsel will request no more than \$3,675,000 in attorneys’ fees and expenses. Plaintiff will request no more than \$20,000 as a service award.
- AdvoCare’s records show that you may be a member of the Class. You have received this Notice because Class Members have the right to object to the Settlement Agreement, to Class Counsel’s motion for attorneys’ fees and expenses, and to the Plaintiff’s motion for a service award. You have also received this notice, along with a Claims Form, so that you may submit a claim for compensation in accordance with the Settlement Agreement. You also have the right to opt out of the Class.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
MAIL OR EMAIL A CLAIMS FORM OR FILE A CLAIM ON THE CLASS WEBSITE	This is the only way to receive any compensation. The deadline to submit a Claims Form is May 17, 2021 . See Questions 8-11 below for more information .
EXCLUDE YOURSELF FROM SETTLEMENT	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against AdvoCare about the legal claims in this case. The postmark deadline to exclude yourself is April 30, 2021 . See Question 15 below for more information .
OBJECT	Write to the Court about why you do not like the settlement. You MAY object to the Settlement Agreement and file a Claims Form. You MAY NOT object to the Settlement Agreement if you excluded yourself from the settlement. The deadline to object is April 30, 2021 . See Questions 12-13 below for more information .
GO TO A HEARING	The Court has set the Fairness Hearing on May 21, 2021 regarding the fairness of the Settlement Agreement. You may appear at the hearing, but don't have to. You may hire your own attorney to appear for you. See Question 14 below for more information .
DO NOTHING	If the Settlement Agreement is approved and you do nothing, you will receive no compensation from the Settlement Agreement and you will be bound by the settlement terms and judgment and will not be able to later sue AdvoCare about the claims in this lawsuit. To receive payment, you must file a claim. See Question 16 below for more information .

1. Why did I get this notice package?

This notice is being sent to AdvoCare Distributors—individuals or entities—who meet the definition of Class Member: AdvoCare Distributors who paid fees, purchased a “distributor kit,” and/or purchased products from AdvoCare between March 9, 2013, and May 17, 2016, who lost money from their participation in the AdvoCare alleged scheme, and whose distributorships were suspended without reinstatement or terminated by May 17, 2016.

- Distributors who made no purchases from AdvoCare after May 17, 2016, and paid no dues after May 17, 2016, will be considered terminated as of May 17, 2016.
- Distributors will be considered to have lost money if the sum of the fees they paid AdvoCare, the money they paid AdvoCare for sales aids, and the money they paid AdvoCare for

product (net of refunded amounts), reduced by 65% of the amount paid for product, is greater than the money they received from AdvoCare (other than for product refunds).

- Distributors are deemed to have lost money based solely on the amount of money they paid AdvoCare and the amount of money AdvoCare paid them. Other money spent or earned based on a Distributor's association with AdvoCare does not count.
- Whether a Distributor made or lost money is determined solely based on reference to a Distributor's own AdvoCare account. Money paid to AdvoCare for or on behalf of another Distributor's account is not considered.
- Whether a Distributor made or lost money is determined solely based on reference to AdvoCare's internal records.

You were sent this notice because, based on AdvoCare's records, you appear to be a Class Member. Class Members have a right to know about the proposed settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the settlement. If the Court approves it, and after objections and appeals are resolved, the benefits provided by the Settlement Agreement will be distributed to the Class Members.

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 Northern District of Texas and the case is known as *Ranieri, et al. v. AdvoCare International, L.P.*, Case No. 3:17-cv-00691. Judge Karen Gren Scholer is overseeing this class action.

2. What is this lawsuit about?

The lawsuit was filed on March 9, 2017 on behalf of the two plaintiffs and similarly situated people (the "Class"). The plaintiffs alleged that AdvoCare operated a pyramid scheme contrary to federal law and that they suffered damages because of AdvoCare's operation of a pyramid scheme. Only one of the plaintiffs—Megan Cornelius—remains in the case.

3. What is a class action and who is involved?

In a class action, the plaintiff as class representative sues on behalf of herself and other people who have similar claims. The people who have similar claims together are called a "class" or "class members." The plaintiff represents the interests of the rest of the class. In a class action, one court resolves the issues for everyone in the class—except for those people who exclude themselves from the class.

4. Why is this lawsuit a class action?

The Court decided that this lawsuit can be a class action for the purposes of settlement because it meets the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal courts.

5. Has the Court decided who is right?

There has been no trial, and the Court has not decided whether Plaintiff or AdvoCare is right as to whether AdvoCare was a pyramid scheme. Instead, both sides agreed to a settlement. That way, both

sides avoid the cost of a trial, and the people affected can get compensation. Unless the Settlement Agreement is approved, Plaintiff must prove her claims at a trial on a date to be determined. By entering into the Settlement Agreement, AdvoCare has not admitted any wrongdoing.

6. Is there any money available now?

No money or other benefits are available now because the Court has not yet approved the Settlement Agreement. There is no guarantee that the Court will approve the Settlement Agreement or that you are entitled to compensation, even if it is approved. However, if you want to receive compensation from the proposed Settlement Agreement, you must participate as a class member.

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

The Class Members are described in the Settlement Agreement. Section 1, above, summarizes the criteria for Class membership.

If you are still not sure whether you are included, you can ask for free help by contacting the Settlement Administrator at: (833) 983-2535. You can also visit www.AdvoCareDistributorClassAction.com for more information. Or you can fill out and return the Claims Form, to see if you qualify.

8. What does the Settlement Agreement Provide?

The proposed Settlement Agreement provides a cash “Settlement Fund” of \$10,500,000 in cash to pay Class Members. This fund will also be used to pay any service award, attorneys’ fees and costs, and costs to administer the settlement. The Net Settlement Amount (after deduction of any court-approved attorneys’ fees and costs, administrative expenses, and service award to the class representative) will be allocated to valid claims submitted by Class Members according to the proposed Settlement Agreement to be approved by the Court (as explained further under Question 9 below).

Note: The attorneys’ fees and costs, settlement administration costs, and other relevant costs will be paid from the cash Settlement Fund. The remainder of the cash Settlement Fund will be used to pay valid claims.

More details on the settlement are available in the Settlement Agreement, which is available at: www.AdvoCareDistributorClassAction.com.

9. How do I get a cash payment from the Settlement Fund?

To qualify for payment from the cash Settlement Fund, you must submit a Claims Form by May 17, 2021. You may fill out a Claims Form at the class action website www.AdvoCareDistributorClassAction.com or fill out the form accompanying this Notice and mail or email it in. Read the instructions carefully, fill out the form, and sign and (if not online) mail or email the form postmarked no later than May 17, 2021. If you need help filling out or filing a Claims Form, please call (833) 983-2535. The Settlement Administrator may ask you for additional information.

The base amount of your cash award will be your net loss from your association with AdvoCare. The calculation of net loss will follow the same procedure as described in Section 1, above, for determining Class membership. However, you may only recover your base claim to the extent you made payments to AdvoCare between March 9, 2013, and May 17, 2016.

AdvoCare paid a \$150 million fine to the Federal Trade Commission based on allegations similar to those raised by the plaintiff in this Lawsuit. The FTC may deposit the \$150 million into a fund to be distributed to former AdvoCare Distributors. Base claims may be reduced by the amount you receive (if any) from the FTC associated with AdvoCare's \$150 million payment to the FTC. Class Counsel has no control over the distribution of the FTC fund and has no information regarding when the FTC will distribute the money.

Your share of the cash Settlement Fund will depend on the base amounts of other Class Members' cash awards, the amount of attorneys' fees and costs awarded by the Court, the amount of any service awards to the Plaintiffs, and the amount of costs incurred by the Settlement Administrator in administering the Settlement. All base cash awards may be reduced on a *pro rata* basis so that the total of the awards is no more than the net amount of the Settlement Fund.

10. When do I get my payment?

Neither the Court nor the parties have this information yet. The Court will hold a Fairness Hearing on May 21, 2021 at 1:00 p.m. (Central Time), to decide whether to approve the settlement. If the Court approves the settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time. Once the Settlement Agreement is finally approved, the parties and the Settlement Administrator will work quickly and efficiently to process claims and issue awards in accordance with the Settlement Agreement. In addition, the distribution of awards may be delayed until after the FTC distributes its \$150 million fund.

There will be no payments under the Settlement if the Settlement Agreement is terminated.

11. What are you giving up to get a payment and stay in the Class?

The Class will release AdvoCare of any and all claims based on the alleged operation of a pyramid scheme, any consumer fraud, or any misrepresentation or omission made as of May 16, 2016.

Claims arising out of breach of any written agreement between Class Members and AdvoCare regarding the payment of bonuses or commissions earned but unpaid as of May 16, 2016 are specifically not released.

The entire release language is set forth in the Settlement Agreement, which is available at www.AdvoCareDistributorClassAction.com.

12. Why would I object?

If you believe the proposed Settlement Agreement is not in your best interests or the best interests of the Class, you should consider objecting. However, if the Court does not approve the proposed Settlement Agreement, then the Plaintiffs will have to prove their claims and the Class claims at trial, and there is no guarantee that they will be successful.

13. How do I object?

If you want to object, you must file an objection with the United States District Court for the Northern District of Texas noting the name of the case and the case number. You must set forth a statement of your objection as well as the specific reasons for each objection, including any legal or evidentiary support for the objection. An attorney may assist you with your objection, but you

will have to hire that attorney at your own expense. The deadline for filing objections is **April 30, 2021**. You must also send a copy of your objection to Class Counsel and Defense Counsel. Here are the addresses you will need:

Court	Class Counsel	Defense Counsel
Clerk of Court U.S. District Court for the Northern District of Texas 1100 Commerce St. Dallas, TX 75242	R. Adam Swick Reid Collins & Tsai LLP 1301 S. Capital of Texas Hwy Suite C300 Austin, TX 78746	Thomas M. Melsheimer Steven H. Stodghill John C.C. Sanders, Jr. Rex A. Mann Becca Loegering Winston & Strawn LLP 2121 N. Pearl Street Suite 900 Dallas, TX 75201

14. Attending the Court’s Fairness Hearing

The Court will hold a Fairness Hearing to decide whether to approve the Settlement Agreement. You may attend and speak, but you do not have to. The Court has scheduled the Fairness Hearing on **May 21, 2021 at 1:00 p.m. (Central Time)**, at the United States District Courthouse for the Northern District of Texas, 1100 Commerce Street, Dallas, Texas 75242. At the hearing, the Court will consider whether the Settlement Agreement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court may also listen to people who have asked to speak about an objection. At or after the hearing, the Court will decide whether to approve the Settlement Agreement. We do not know when the Court will issue its decision.

If you want to appear at the Fairness Hearing regarding an objection that you made, you must deliver to Class Counsel and Defense Counsel and file with the Court by **May 7, 2021**, a notice of intention to appear and a statement identifying any documents that the Class Member will seek to introduce or witnesses the Class Member will seek to call at the Fairness Hearing. The date and time of the Fairness Hearing are subject to change by Court Order, but any changes will be posted at www.AdvoCareDistributorClassAction.com.

15. How do I exclude myself from the Class?

If you don’t want a payment from this settlement, but you want to keep the right to sue AdvoCare on your own about the legal claims in this case, then you must take steps to get out of the Class. This is called excluding yourself or “opting out” of the Class. Excluding yourself is different than objecting to the Settlement Agreement. Objecting is simply telling the Court that you don’t like something about the Settlement Agreement. 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. You will not get any settlement payment and you cannot object to the settlement.** You may be able to sue AdvoCare about the legal issues in this case at your own expense.

To exclude yourself, you must provide in writing to the Settlement Administrator your name, address, telephone number, and a statement that you wish to be excluded from the Class. The Settlement

Administrator's contact information is: AdvoCare Class Action Settlement Administrator, c/o Analytics Consulting LLC, P.O. Box 2007, Chanhassen MN 55317-2007. Your exclusion must be postmarked no later than **April 30, 2021**.

16. What happens if I do nothing at all?

If you do nothing, you will get no distribution from the cash Settlement Fund but you will be bound by the releases in the Settlement Agreement, if the Court finally approves it. And unless you exclude yourself, you will not be able to start a lawsuit, continue a lawsuit, or be part of any other lawsuit against AdvoCare about the legal issues in this case, ever again, except as permitted in the Settlement Agreement.

17. Do I have a lawyer in this case?

The plaintiff and the Class are represented by Reid Collins & Tsai LLP. These lawyers are called Class Counsel. You will not be charged personally for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How will the lawyers be paid?

Class Counsel has worked on this case since late 2016 to the present and have not been paid for their work to date. Class Counsel will file a motion for an award of attorneys' fees and costs, administrative expenses, and Class Representative compensation at least 42 days prior to the Fairness Hearing. This motion will be made available at www.AdvoCareDistributorClassAction.com and be considered at the Fairness Hearing. Class Counsel will limit their application for attorneys' fees to not more than \$3.675 million. Class Counsel also will seek to recover all actual and anticipated litigation costs and administrative expenses associated with the settlement. In addition, Class Counsel will also ask the Court to award the Class Representative a service award not to exceed \$20,000. The service award is to compensate the Class Representative for her commitment and effort on behalf of the Class Members in this case.

19. How do I get more information?

This notice summarizes the proposed Settlement Agreement. You can find more details in the Settlement Agreement. You can get a copy of the Settlement Agreement, read other key case documents, and get more information at www.AdvoCareDistributorClassAction.com. You can also call (833) 983-2535, email info@AdvoCareDistributorClassAction.com, or write the Settlement Administrator at AdvoCare Class Action Settlement Administrator, c/o Analytics Consulting LLC, P.O. Box 2007, Chanhassen MN 55317-2007 for more information. Do not contact the Court, AdvoCare, or AdvoCare's counsel.

All papers filed in this lawsuit are also available via the Public Access to Court Electronic Records System (PACER), at <http://www.pacer.gov>, and may be reviewed in person, as allowed by the Court, during regular business hours at the Office of the Clerk of the United States District Court for the Northern District of Texas, 1100 Commerce St., Dallas, TX 75242.