NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

Scott Biddick, on behalf of himself and all others similarly situated, v. Lumondi, Inc.

Case No. 1:20-cv-08091

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT; SETTLEMENT FAIRNESS HEARING; AND MOTION FOR AN AWARD OF ATTORNEYS' FEES, REIMBURSEMENT OF LITIGATION EXPENSES, AND SERVICE AWARD

TO: ALL PERSONS AND ENTITIES WHO ARE MEMBERS OF THE PROPOSED CLASS IN THIS ACTION

(See definition of the Class set forth in paragraph 1 below)

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

Please be advised that the Plaintiff, Scott Biddick (the "Named Plaintiff"), on behalf of himself and all others similarly situated, has reached a proposed settlement of the above-captioned class action lawsuit (the "Lawsuit") with Defendant Lumondi, Inc. (collectively, "Defendant" or "Lumondi") concerning certain Luminox watches.¹

PLEASE READ THIS NOTICE CAREFULLY. The Lawsuit is about Luminox Watches Series 3000/3900, 3050/3950, 3120, 3150, 3160, 3180, 3190, 3250, 3500, 3510, 3580, 3590, 3600, 3610, 3800, 3810, 7050, 7060, 7200, and 7250, which were manufactured by Lumondi (the "Watches"). If you purchased a Watch, your rights may be affected by the Settlement whether or not you act.

<u>PLEASE NOTE:</u> If you submit a claim, do nothing, or do not exclude yourself from the Settlement, you will be releasing Lumondi from all claims, damages, and losses that you now have or may have in the future that relate to your Watch's Fogging Issue, defined as fogging of the inside of the watch crystal after the watch has been exposed to a significant temperature decrease to below approximately 40 degrees Fahrenheit or exposed to temperatures above approximately 90 degrees Fahrenheit, and which persists for more than 20 minutes after the watch is returned to room temperature.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

EXCLUDE YOURSELF FROM THE	This is the only option that allows you ever to be part of another
SETTLEMENT BY MAY 30, 2022	lawsuit against Lumondi about the claims resolved by this
	Settlement. If you exclude yourself from this Settlement, you will
	not be able to get any benefits from it, including that you will not
	receive any Extended Limited Warranty Benefit or Replacement
	Watch Benefit.
OBJECT TO THE SETTLEMENT	If you wish to object to the proposed Settlement, the request for
BY SUBMITTING A WRITTEN	attorneys' fees and reimbursement of litigation expenses, or
OBJECTION NO LATER THAN	Service Award to Named Plaintiff, you should write to the Court
MAY 30, 2022	and explain why you object. You cannot object to the proposed
	Settlement unless you are a Class Member.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meaning provided in the Class Action Settlement Agreement and Release ("Settlement Agreement"), which is available online on the settlement website for this Lawsuit at www.lumondiwatchsettlement.us.

GO TO THE HEARING ON JUNE	Filing a written objection and notice of intention to appear by May		
22, 2022, AND FILE A NOTICE OF	30, 2022, permits you to speak in Court at the Court's discretion		
INTENTION TO APPEAR SO THAT	about the fairness of the proposed Settlement, including the		
IT IS RECEIVED NO LATER THAN	request for attorneys' fees, reimbursement of litigation expenses,		
MAY 30, 2022	and the Service Award to Named Plaintiff. If you submit a written		
	objection, you may (but are not required to) attend the June 22,		
	2022, Fairness Hearing and, at the discretion of the Court, speak		
	to the Court about your objection.		
DO NOTHING	If you are a Class Member and do nothing, you will give up your		
	right to ever be part of another Lawsuit against Lumondi about		
	the legal claims relating to the Fogging Issue resolved by this		
	Settlement. However, you are still eligible to receive benefits		
	provided by the Settlement's Extended Warranty and		
	Replacement Watch benefit.		

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please <u>DO NOT</u> contact the Court, Lumondi, or its legal counsel. All questions should be directed to the Notice Administrator (see paragraphs 27, 35, and 47 below). You may also contact Class Counsel (see paragraph 4 below).

Description of the Lawsuit and Class: This Notice relates to a proposed class action Settlement of a case where Named Plaintiff alleges, among other things, that (i) Defendant represented, advertised, and marketed the Watches as designed to be durable and tough for military service members, scuba divers, first responders, athletes, and "rugged outdoorsmen" seeking "extreme performance;" (ii) that such representations, advertising and marketing statements were false and misleading because the Watches contain a defect that causes their faces to fog when worn outdoors in air temperatures below approximately 40 degrees Fahrenheit or above approximately 90 degrees Fahrenheit; and (iii) that Named Plaintiff and all other consumers who purchased the Watches have suffered damages because had they known the truth they would not have purchased the Watches or would have paid less for the Watches. Lumondi denies the allegations and claims in the Lawsuit, denies any wrongdoing or liability, and has asserted numerous defenses to the Lawsuit including, among others, that: (i) the Watches are not defective in any respect: (ii) the Watches were tested and qualified to be advertised as represented: (iii) Lumondi did not fail to disclose any material defect in the Watches; and (iv) it is customary for the watches to show fogging when exposed to an extreme temperature decrease because of a law of physics known as the dew point, but the fog will dissipate within 20 minutes after the watch is returned to room temperature. The Court has not ruled on the merits of Plaintiff's claims or on Lumondi's denial of the claims or on Lumondi's defenses. The proposed Settlement, if approved by the United States District Court for the Southern District of New York (the "Court"), will settle claims of the following class of persons and entities (collectively the "Class" or "Class Members"):

All consumers nationwide who purchased (or received as a gift) one or more Luminox Watch Series 3000/3900, 3050/3950, 3120, 3150, 3160, 3180, 3190, 3250, 3500, 3510, 3580, 3590, 3600, 3610, 3800, 3810, 7050, 7060, 7200, or 7250 that contained an original Lumondi Warranty Card (the "Original Warranty") at the time of purchase on or after June 1, 2018 through November 30, 2021.

Excluded from the Class is Defendant and its officers, directors, and employees; Class Counsel and their partners, associates, lawyers, and employees; and the judicial officers and their immediate family members and associated Court staff assigned to this case.

2. <u>Benefits Available to Class Members</u>: Under the Settlement Agreement, Class Members are entitled to two different settlement benefits (as further outlined in paragraph 27): (1) Extended Warranty benefit; and (2) Replacement Watch benefit.

- Reasons for the Settlement: Both sides agreed to a Settlement to avoid the costs and risks of further litigation and to provide benefits to Class Members. The Class Representative and the lawyers representing them (called "Class Counsel") believe that the Settlement is fair and in the best interests of all Class Members. Lumondi has agreed to settle to avoid burdensome and costly litigation and disruption to its business operations. The proposed Settlement is not an admission of wrongdoing, and this Notice does not mean the Court has expressed an opinion as to the merits of any claims or defenses.
- 4. <u>Identification of Class Counsel</u>: Named Plaintiff and the Class are being represented by the following attorneys:

Jeffrey S. Goldenberg GOLDENBERG SCHNEIDER, LPA 4445 Lake Forest Drive, Suite 490 Cincinnati, OH 45242 (513) 345-8291 Sean K. Collins LAW OFFICES OF SEAN K. COLLINS 184 High Street, Suite 503 Boston, Massachusetts 02110 (855) 693-9256

Todd S. Garber Bradley F. Silverman FINKELSTEIN, BLANKINSHIP, FREI-PEARSON & GARBER, LLP One North Broadway, Suite 900 White Plains, New York 10601 (914) 298-3283

5. Attorneys' Fees, Expenses, and Service Award Sought: This Lawsuit has been prosecuted on behalf of Named Plaintiff on a wholly contingent basis. That means that Class Counsel have not received any payment of attorneys' fees for their representation of the Class and have advanced expenses necessarily incurred to prosecute this Lawsuit. As set forth in greater detail below, Class Counsel have reviewed and analyzed documents obtained through Class Counsel's own investigation; examined and considered the benefits to be provided to the Class Members under the Settlement; and considered the laws of several States and the claims that could be asserted under those laws regarding the Watches.

Class Counsel will request Attorneys' Fees and Expenses of up to a maximum of two hundred and two thousand, five hundred dollars (\$202,500). The Court's award of any attorneys' fees and expenses to Class Counsel shall be separate from and independent of the Court's determination of whether to approve the Settlement. If the Court declines to approve the Settlement, no award of attorneys' fees and expenses shall be awarded or paid to Class Counsel. The Parties have negotiated and reached agreement on the Attorneys' Fees and Expenses only after reaching agreement on all other material terms of Settlement in this matter. Lumondi has no liability or obligation with respect to any Attorneys' Fees and Expenses or Service Award to the Named Plaintiff except as awarded by the Court. The Court will determine the appropriate amount of Attorneys' Fees and Expenses for Class Counsel.

WHAT THIS NOTICE CONTAINS

Why Did I Get This Notice And Does It Apply To Me?	Page 4
What Is This Case About?	
Why Is There A Settlement?	
What Might Happen If There Were No Settlement?	
What Benefits Might I Receive From The Settlement?	
What Rights Am I Giving Up By Receiving Benefits and Staying In the Settlement Class?	•
What Payment Are The Attorneys For The Class Seeking? How Will The Lawyers Be Paid?	
How Do I Participate In The Settlement? What Do I Need To Do?	•
How Do I Exclude Myself From the Settlement Class?	

If I Exclude Myself, Can I Still Get Full Benefits From The Settlement?	Page 10
How Do I Object To The Settlement?	Page 10
What Is The Difference Between Objecting To The Settlement and Opting Out?	
When And Where Is The Fairness Hearing?	
Am I Required To Attend The Fairness Hearing?	
May I Speak At The Hearing If I Don't Like The Settlement?	
How Do I Get More Information About this Case?	•

WHY DID I GET THIS NOTICE AND DOES IT APPLY TO ME?

- 6. This Notice is being sent to you pursuant to an Order of the Court because you may be a member of the Class. The Court has directed that this Notice be provided to you because, as a potential Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how a class action lawsuit may generally affect your legal rights. If the Court approves the Settlement, Lumondi will distribute certain benefits (detailed in paragraph 27 below) of this Settlement after any objections and appeals are resolved.
- 7. In a class action lawsuit, under state and federal law governing lawsuits such as this one, the Court approves one or more plaintiffs (known as class representatives) to represent the class and to oversee the litigation brought on behalf of all persons or entities with the same or similar claims, commonly known as the class or the class members. In this Lawsuit, Named Plaintiff is the class representative, and Class Counsel (identified in paragraph 4 above) represents the Named Plaintiff and the Class Members. A class action is a type of lawsuit in which the claims of a number of individuals are resolved together, thus providing the class members with consistent and efficient adjudication of their claims. As part of the Settlement in this case, the Class as described in paragraph 1 above will be certified solely for the purpose of facilitating the Settlement. Accordingly, the Settlement, if approved by the Court, will resolve all issues on behalf of the Class Members, except for anyone who requests to be excluded from the Settlement.
- 8. The Court in charge of this case is the United States District Court for the Southern District of New York, and the case is known as *Scott Biddick, Individually and on Behalf of All others Similarly Situated, v. Lumondi, Inc.*, Case No. 1:20-cv-08091. The judge presiding over this Lawsuit is the Honorable Vernon S. Broderick, United States District Court Judge for the Southern District of New York. The person suing is called the plaintiff, and the party being sued is called the defendant.
- 9. This Notice explains the Lawsuit, the Settlement, your legal rights, what benefits are available under the Settlement, who is eligible for them, and how to receive the benefits. The purpose of this Notice is to inform you that a settlement has been reached in this Lawsuit and how you might be affected. It also is being provided to inform you of the terms of the proposed Settlement, and of a Hearing on the Final Approval of the Settlement to be held by the Court to consider the fairness, reasonableness, and adequacy of the proposed Settlement, and the motion of Class Counsel for an award of attorneys' fees and reimbursement of litigation expenses, and a Service Award for the Named Plaintiff (the "Fairness Hearing").
- 10. The Fairness Hearing will be held at 3 p.m. EDT on June 22, 2022, at the Thurgood Marshall United States Courthouse at 40 Foley Square, New York, NY 10007 in Courtroom 518 to determine:
 - a) whether the proposed Settlement is fair, reasonable, and adequate and should be approved by the Court;
 - b) whether the Lawsuit should be dismissed with prejudice against the Defendant as set forth in the Settlement Agreement;
 - c) whether Class Counsel's request for an award of attorneys' fees and reimbursement of litigation expenses should be approved by the Court;
 - d) whether the Service Award to the Named Plaintiff should be approved by the Court; and,
 - e) any other relief the Court deems necessary to effectuate the terms of the Settlement.

- 11. This Notice does not express an opinion by the Court concerning the merits of any claim in this Lawsuit, and the Court still must decide whether to approve the Settlement. If the Court approves the Settlement, benefits of the Settlement will be given to Class Members who submit Valid Claims after any objections or appeals are resolved, and after the completion of all claims processing. Please be patient. The Settlement Website, www.lumondiwatchsettlement.us, will be updated on a regular basis to provide Class Members with the most recent information.
- 12. If you are a member of the Class, you are subject to the Settlement unless you take the steps set forth below to exclude yourself. The Class consists of:

All consumers nationwide who purchased (or received as a gift) one or more Luminox Watch Series 3000/3900, 3050/3950, 3120, 3150, 3160, 3180, 3190, 3250, 3500, 3510, 3580, 3590, 3600, 3610, 3800, 3810, 7050, 7060, 7200, 7250 that contained an original Lumondi Warranty Card (the "Original Warranty") at the time of purchase on or after June 1, 2018, through November 20, 2021.

Excluded from the Class is Defendant and its officers, directors, and employees; Class Counsel and their partners, associates, lawyers, and employees; and the judicial officers and their immediate family members and associated Court staff assigned to this case.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE BENEFITS FROM THE SETTLEMENT.

WHAT IS THIS CASE ABOUT?

Summary of Procedural History and Arm's-Length Settlement Negotiations

- 13. On September 30, 2020, Plaintiff Scott Biddick commenced this action by filing the Class Action Complaint challenging the marketing and sale of Luminox Watches. Plaintiff alleges, among other things, that (i) Defendant marketed the Watches as being designed to be durable and tough for military service members, scuba divers, first responders, athletes, and "rugged outdoorsmen" seeking "extreme performance;" (ii) the marketing statements were false and misleading because the watches are actually poorly-suited for "rugged outdoorsmen" because they contain a defect that causes their faces to fog when worn outdoors in air temperatures below approximately 40 degrees Fahrenheit or above approximately 90 degrees Fahrenheit; and (iii) Plaintiff and all other consumers who purchased the Watches have suffered damages because had they known the truth they would not have purchased the Watches or would have paid less for them.
- 14. Based on these allegations, Plaintiff asserts claims for: (a) Violation of New York General Business Law, Deceptive Acts and Practices, N.Y. Gen. Bus. Law § 349 ("NYGBL"); (b) Breach of Express Warranty Magnuson Moss Warranty Act; (c) Breach Express Warranty; (d) Violation of California's Consumer Legal Remedies Act, California Civil Code § 1750 et seq.; (e) Violation of California's Unfair Competition Law, California Business & Professions Code § 17200 et seq.; (f) Breach of Implied Warranty of Merchantability; and (g) Breach of Implied Warranty of Fitness for a Particular Purpose. The Class Action Complaint seeks certification of a nationwide class of purchasers of the Watches.
- 15. Lumondi denies the allegations in the Lawsuit and asserts numerous defenses to Plaintiff's claims, including that: (i) the Watches are not defective in any respect; (ii) the Watches were tested and qualified to be advertised as represented; (iii) Lumondi did not fail to disclose any material defect in the Watches; (iv) Plaintiff's and the putative class members' exclusive remedy for any defective Watches is the Limited Warranty; (v) Lumondi fully complied with the Limited Warranty for the Watches; (vi) Plaintiff fails to allege sufficient facts in the Class Action Complaint to state any valid claims against Lumondi; (vii) Plaintiff and the putative Class did not suffer any losses or actual injury whatsoever; and (viii) it is customary for the watches to show fogging when exposed to an extreme temperature decrease because of a law of physics

known as the dew point, but the fog will dissipate within 20 minutes after the watch is returned to room temperature.

- 16. On May 19, 2021, the Parties engaged in private mediation before the Honorable Judge James Holderman (Ret.). of JAMS. The Parties made substantial progress but were not able to fully resolve the dispute at the mediation. With the aid of the mediator, the Parties continued to engage in extensive settlement discussions.
- 17. From May through July of 2021, the Parties continued to engage in extensive settlement discussions with the aid of the mediator, and the Parties reached a settlement in principle on July 12, 2021 and entered into a written Memorandum of Understanding signed by the Parties' counsel. On July 16, 2021, the Parties informed the Court that they had reached a settlement in principle to resolve this matter on a class-wide basis.
- 18. Prior to reaching a settlement and entering into this Agreement: (1) the Parties engaged in informal discovery and sharing of information regarding the design, development, and testing of the Watches; and (2) the Parties engaged in numerous arm's-length settlement negotiations, including months of mediation efforts and discussions under the direction and guidance of Judge Holderman as a mediator. The Parties eventually reached an agreement providing for a resolution of all claims that have been or could have been brought in the Lawsuit against Lumondi on behalf of Named Plaintiff.
- 19. Named Plaintiff and Class Counsel have reviewed and analyzed the information furnished by Lumondi and information obtained through their own investigation; examined and considered the benefits to be provided to the Class Members under the Settlement provided for in this Agreement; and considered the laws of the several States and the claims that could be asserted under those laws regarding the Watches.
- 20. Named Plaintiff and Class Counsel believe the Settlement is fair, adequate, reasonable, and in the best interests of the Class Members, taking into account the benefits provided to the Class Members through the terms of the Settlement, the risks of continued litigation and possible trial and appeals, and the length of time and the costs that would be required to complete the litigation.
- 21. Lumondi has at all times disputed, and continues to dispute, Plaintiff's allegations and claims in the Lawsuit and denies any liability for any of the claims that have or could have been raised in the Lawsuit by Plaintiff or the Class Members, but believes that the comprehensive resolution of the claims in the Lawsuit as provided in this Agreement will avoid the substantial costs and disruptions of continued litigation, including potential trial and appeals, is in the best interest of Class Members, is in the best interests of Defendant, its employees, and its customers, and is the most effective and efficient resolution of the Lawsuit reasonably possible.
- 22. Named Plaintiff and Lumondi entered into the Settlement after extensive arm's-length negotiations. Named Plaintiff and Lumondi agreed on the benefits to the Class described in this Agreement before beginning negotiations of Attorneys' Fees and Expenses and payment of a Service Award to the Named Plaintiff.
- 23. On November 30, 2021, the Court preliminarily approved the Settlement, authorized Notice to be disseminated to potential Class Members, and scheduled the Fairness Hearing to consider whether to grant final approval of the Settlement.

WHY IS THERE A SETTLEMENT?

24. Named Plaintiff's principal reason for consent to the Settlement is that it provides immediate and substantial benefits to the Class in the form of an Extended Warranty and a Replacement Watch benefit. The benefits provided by the proposed Settlement must be compared to the risk that no

recovery might be achieved after further contested litigation, including appeals, which likely would last several years into the future.

25. Lumondi's principal reason for the Settlement is to avoid the uncertainty, burden, and expense of further protracted litigation, and disruption to its business operations. Lumondi has expressly denied and continues to deny all assertions of wrongdoing or liability arising out of any of the conduct, statements, or acts, alleged against it, or that could have been alleged, in this Lawsuit.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

26. If there were no Settlement and Named Plaintiff failed to establish any essential legal or factual element of his claims, neither Named Plaintiff nor the other members of the proposed Class would recover anything from Lumondi in this case. Also, if Lumondi were successful in proving any of its defenses, either at class certification, summary judgment, trial, or on appeal, the Class likely would recover substantially less than the benefits provided in the Settlement, or nothing at all.

WHAT BENEFITS MIGHT I RECEIVE FROM THE SETTLEMENT?

27. Under the Settlement Agreement, Class Members are entitled two different settlement benefits:

Extended Limited Warranty

Class Members will receive a 12-month limited warranty extension on their Luminox Watches covered by the Settlement ("Extended Warranty"). The Extended Warranty will begin to run from the Effective Date of the proposed Settlement or the end of their Original Warranty, whichever date is later, and shall be limited to cover the Fogging Issues, defined as fogging of the inside of the watch crystal after the watch has been exposed to a significant temperature decrease to below approximately 40 degrees Fahrenheit or exposed to temperatures above approximately 90 degrees Fahrenheit, and which persists for more than 20 minutes after the watch is returned to room temperature. Each Class Member shall receive this Extended Warranty regardless of whether the Original Warranty has expired or is still valid as of the Effective Date. Class Members who do not opt out of the proposed Settlement will receive the Extended Warranty.

To file a Valid Claim under the Extended Warranty, a Class Member must:

- (1) (a) present an original or clearly legible copy of a valid, fully completed Official Lumondi Warranty Card, including the Lumondi Authorized Dealer's name and address as listed on the Settlement Website, model/series number, and date of purchase; (b) present a legible, itemized receipt or copy of a receipt from a Lumondi Authorized Dealer, as listed on the Settlement Website; or (c) if no Official Lumondi Warranty Card or receipt from a Lumondi Authorized Dealer is available, certify under oath: (i) that the Watch was purchased from a Lumondi Authorized Dealer, as listed on the Settlement Website; (ii) provide the identity of the Lumondi Authorized Dealer, as listed on the Settlement Website, if known; and (iii) provide the approximate date of purchase or receipt;
- (2) comply with the on-line warranty claim process and requirements;
- (3) certify under oath that he or she is not aware of any physical damage to the Luminox Watch and he or she has experienced multiple Fogging Issues, defined as fogging of the inside of the watch crystal after the watch has been exposed to a significant temperature decrease to below approximately 40 degrees Fahrenheit or exposed to temperatures above approximately 90 degrees Fahrenheit, and which persists for more than 20 minutes after the watch is returned to room temperature;
- (4) include a photo of the Luminox Watch showing at least one qualifying Fogging Issue as described above with his/her warranty claim submission; and
- (5) initiate the claim prior to the end of the Extended Warranty period; and

(6) provide the Watch for inspection by the Lumondi Authorized Repair Center technicians, who will confirm that no exclusions apply.

If your Luminox Watch is no longer covered by the original two-year warranty as of the Effective Date (i.e., more than two years have passed since you bought the Luminox Watch), the one-year Extended Warranty period will begin on the Effective Date of the Settlement and end one year later. Assuming there are no appeals, the Parties estimate that the Effective Date will occur on July 22, 2022 (the Effective Date depends upon the date the Court enters the Final Approval Order). If your Luminox Watch is still covered by the original two-year warranty as of the Effective Date, the one-year Extended Limited Warranty Benefit will begin following the expiration of the original two-year warranty and will expire one year after the expiration of your Luminox Watch's original two-year warranty.

The following conditions are not covered by the Extended Warranty and do not constitute a Valid Claim: (1) normal wear and tear (or aging) of band, case, crystal, bezel, crown, battery, push buttons, or plating of metal components; (2) damage caused by tampering with, misuse or abuse; (3) damage to the watch case or movement caused by water entering the watch due to improper use or handling; (4) defects or damage resulting from battery replacement, service or repairs performed by non-authorized Luminox service or repair centers; (5) a watch not obtained from a Lumondi Authorized Dealer, as listed on the Settlement Website; (6) Fogging Issue that dissipates after watch is returned to room temperature for 20 minutes. If an exclusion is found, the Lumondi Authorized Repair Center will document the condition and will contact the claimant regarding next steps, which may include repair at the claimant's expense if the claimant so approves or return of the Luminox watch with no further action.

The Lumondi Authorized Repair Center will perform Extended Warranty Service, which shall include drying the watch, as necessary, performing an ISO condensation test and ensuring proper functioning of all seals and gaskets and replacing any seals and gaskets as needed, and any additional repair or service deemed necessary by the Lumondi Authorized Repair Center, as listed on the Settlement Website. Through the claims process, Claimants will pay for postage and handling for sending the Luminox Watch to the Lumondi Authorized Repair Center but will be reimbursed by Luminox if the Claim is a Valid Claim. Reimbursement for postage under this section shall be at the actual cost of the postage and shall not include any mark up. Defendant will pay for postage and handling for sending the Luminox Watch back to the Claimant from the Lumondi Authorized Repair Center, regardless of whether the Claim is a Valid Claim.

Replacement Watch Benefit

Class Members who make two qualifying warranty claims under the Extended Warranty shall be entitled to receive a new replacement Luminox Watch if the Extended Warranty Service is unsuccessful. An unsuccessful Extended Warranty Service means that the Luminox Watch that was serviced twice under the Extended Warranty benefit later exhibits the visible moisture and/or Fogging Issue within the later of (a) 90 days from the second Extended Warranty Service; or (b) the expiration of the Extended Warranty. The Replacement Watch shall be limited to the same model and color as the original Luminox Watch to be replaced ("Replacement Watch"). If the same model and color as the original Luminox Watch to be replaced is not available, Lumondi shall provide the Class Member with a substantially comparable Luminox Watch. "Substantially Comparable" means a Luminox with similar design, color, features, and price as the Class Member's original Luminox Watch. Lumondi's "Original Limited Warranty" terms shall apply to any Replacement Watch provided pursuant to the proposed Settlement.

To qualify for the Replacement Luminox Watch benefit, the Class Member must return the original Luminox Watch to a Lumondi Authorized Repair Center. Upon receipt of the original Luminox Watch returned pursuant to this section, Lumondi shall provide the Class Member with the Replacement Luminox Watch within a reasonable period of time not to exceed 30 days from the date of receipt by the Lumondi Authorized Repair Center of the original Luminox watch.

If, after reading this Notice, you are still not sure whether you are included in the Settlement, you may visit the Settlement Website at www.lumondiwatchsettlement.us or call 833-910-4488. You may also submit your questions via a contact form at the Settlement Website or send them via regular mail to *Biddick v. Lumondi, Inc.*, c/o Kroll Settlement Administration, P.O. Box 225931, New York, NY 10150-5931.

WHAT RIGHTS AM I GIVING UP BY RECEIVING BENEFITS AND STAYING IN THE SETTLEMENT CLASS?

- 28. Unless you exclude yourself, you are staying in the Settlement Class. If the Settlement is approved and becomes final, the Settlement and all the Court's orders will apply to you and legally bind you. Generally, that means you will not be able to sue, continue to sue, or be part of any other lawsuit against Lumondi for the legal issues and claims resolved by this Settlement relating to the Fogging Issues. The specific rights you are giving up are called Released Claims. Unless you exclude yourself from the Settlement, you will be releasing Lumondi from all claims, damages, and losses that you now have or may have in the future that relate to the Fogging Issue.
- The complete release language from the Settlement Agreement is as follows: "Class Members who do not timely and validly exclude themselves from the Settlement forever release and discharge the Released Parties from any and all claims, actions, causes of action, counterclaims, demands (including, without limitation, demands for arbitration), actions, suits, causes of action, allegations of wrongdoing, liabilities, rights, demands, suits, debts, liens, contracts, agreements, offsets or liabilities, including but not limited to tort claims, claims for breach of contract, breach of the duty of good faith and fair dealing, breach of statutory duties, actual or constructive fraud, misrepresentations, fraudulent inducement, statutory and consumer fraud, breach of fiduciary duty, unfair business or trade practices, restitution, rescission, compensatory and punitive damages, injunctive or declaratory relief, attorneys' fees, interests, costs, penalties and any other claims, whether known or unknown, alleged or not alleged in the Litigation, suspected or unsuspected, contingent or matured, under federal law, state law, common law, or local law, which the Named Plaintiff and/or any Class Member had, have, or may in the future have, with respect to any conduct, act, omissions, facts, matters, transactions or oral or written statements or occurrences relating to or arising out of the Fogging Issue, as asserted, or as could have been asserted in the Litigation or any other proceedings, and that are based on the same factual predicate asserted in the Class Action Complaint filed in the Litigation, including via the use of a class action procedural device by the Named Plaintiffs and/or Class Members whether at law or equity, against Defendant and all of the Releasees for injunctive relief, declaratory relief, and economic injury or damages. Notwithstanding the forgoing, the Release does not include claims for personal injury or injuries."

WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING? HOW WILL THE LAWYERS BE PAID? WHY IS THE NAMED PLAINTIFF SEEKING A SERVICE AWARD?

30. Class Counsel have not received any payment for their services in pursuing claims against Lumondi on behalf of the Class, nor have they been reimbursed for their out-of-pocket expenses. Class Counsel will ask the Court for Attorneys' Fees and Expenses of up to a maximum of two hundred and two thousand, five hundred dollars (\$202,500). The amount of attorneys' fees to be awarded will be determined solely by the Court. The Court must approve any request for fees, expenses, and costs. The Parties negotiated and reached agreement on the Attorneys' Fees and Expenses to be paid by Lumondi only after reaching agreement on all other material terms of this Settlement. Also, Class Counsel is requesting that the Court approve a \$5,000 Service Award for the Named Plaintiff. This Service Award is being requested in recognition of the time and efforts spent by the Named Plaintiff for the benefit of the Class and will not reduce the Settlement benefits available to Class Members. The Court must approve any Service Award.

- 31. Class Members are not personally liable for any such court-approved attorneys' fees, expenses, or Service Award, and the payment of attorneys' fees, expenses, and Service Award as approved by the Court, will not reduce the benefits to the Class.
- 32. Lumondi will not pay Attorneys' Fees and Expenses to any attorneys other than Class Counsel and attorneys working under Class Counsel's direction. If you choose to hire attorneys that have not been appointed as Class Counsel, you may incur additional charges, subject to your agreement with your personally retained attorneys. No attorneys other than Class Counsel or other attorneys authorized by Class Counsel to perform work in connection with this Action shall be eligible to receive fees or expenses under this Settlement Agreement.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

- 33. To submit a claim under the Extended Warranty benefit or Replacement Watch benefit, you must be a member of the Class and you must submit a timely and Valid Claim Form through the Settlement Website at www.lumondiwatchsettlement.us. If you are excluded from the Class by definition or file a request to opt out of the Class or if you do not submit a timely and Valid Claim, you will not be eligible to the benefits of the Settlement.
- 34. You can file a claim for the Extended Warranty Benefit or a Replacement Watch Benefit through the Settlement Website at www.lumondiwatchsettlement.us after the Settlement receives final approval from the Court and after the Effective Date occurs. The Court has set the final approval hearing for June 22, 2022. Class Counsel estimates that the Effective Date will occur on or around July 22, 2022. Please revisit this website around July 22, 2022 for more information.

HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT CLASS?

- 35. If you do not want to receive the benefits provided by the Settlement, and you want to keep the right to sue or continue to sue Lumondi about the legal claims in this Lawsuit, you must take steps to exclude yourself from the Settlement. This is sometimes called "opting out" of the Settlement Class.
- 36. Class Members may opt out of the Settlement by submitting an Opt-Out Request to the Notice Administrator that is postmarked no later than sixty (60) days following the Notice Date. Your request to opt out must include:
 - Your name, address, and telephone number;
 - The serial number(s) of your Watch(es);
 - A statement that "I wish to be excluded from the Settlement Class in *Scott Biddick*, *v. Lumondi*, *Inc.*, Case No. 1:20-cv-08091" or substantially similar clear and unambiguous language;
 - Your personal signature (electronic signatures, including Docusign, are invalid and will not be considered personal signatures). You must personally sign your request. The request cannot be signed by an attorney or other representative on your behalf.

You must either (i) mail your signed written request to *Biddick v. Lumondi, Inc.*, c/o Kroll Settlement Administration, P.O. Box 225931, New York, NY 10150-5931 or (ii) email a complete and legible scanned copy or photograph of your signed written request to info@lumondiwatchsettlement.us. Your signed written request must be sent (postmarked or emailed) by May 30, 2022.

IF I EXCLUDE MYSELF, CAN I STILL GET FULL BENEFITS FROM THE SETTLEMENT?

- 37. No. If you choose to exclude yourself from the Settlement, you are telling the Court that you do not want to be part of the Settlement Class in this Settlement. You can only get the Extended Warranty benefit and Replacement Watch benefit if you stay in the Settlement Class.
- 38. If you choose to exclude yourself from the Settlement, you are not giving up the right to sue Lumondi for the claims that this Settlement resolves and releases. You must exclude yourself from this Settlement Class to start or continue with your own lawsuit.

HOW DO I OBJECT TO THE SETTLEMENT?

39. If you are a Class Member, you may object to any part of the Settlement you do not like and the Court will consider your views. You can ask the Court to deny approval of this Settlement by filing an objection. You cannot ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement benefits will be made available to the Class and the Lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed Settlement must be in writing and submitted to the Court no later than **May 30, 2022.** If you file a timely written objection, you may, but are not required to, appear at that Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you're responsible for hiring and paying that attorney.

A written objection must state: (a) the full name, address, telephone number, and email address of the objector; (b) the serial number(s) for the objector's Watch(es); (c) a clear written statement as to the date of purchase of the Watch(es) and the retailer from which the Watch(es) were purchased; (d) a clear written statement of all grounds for the objection accompanied by any legal support for such objection; (e) copies of any papers, briefs, or other documents on which the objection is based; (f) a list of all cases in which the objector and/or objector's counsel had filed or in any way participated in—financially or otherwise—an objection to a class action settlement in the preceding five years; (g) the name, address, email address, and telephone number of all attorneys representing the objector; (h) a statement indicating whether the objector and/or the objector's counsel intends to appear at the Fairness Hearing, and, if so, a list of all persons, if any, who will be called to testify in support of the objection; and (i) the objector's signature.

- 40. Any Class Member who does not submit a request for exclusion from the Class may object to the proposed Settlement, or Class Counsel's motion for an award of attorneys' fees, reimbursement of litigation expenses, and Service Award to Named Plaintiff.
- 41. Class Members who fail to make objections in the manner specified in this Section may be deemed to have waived any objections and may be foreclosed from making any objection to the Settlement or this Agreement (whether by appeal, collateral proceeding, or otherwise).

You may file a written objection without having to appear at the Fairness Hearing. You may not, however, appear at the Fairness Hearing to present your objection unless you first filed and served a written objection in accordance with the procedures described above, unless the Court orders otherwise. The Fairness Hearing is described in more detail in paragraphs 43-44 below.

WHAT IS THE DIFFERENCE BETWEEN OBJECTING TO THE SETTLEMENT AND OPTING OUT?

- 42. If you opt out of the Class, you cannot object to the Settlement. Opting out is telling the Court that you do not want to be part of the Settlement, and you do not want to receive any Settlement benefits. If you opt out, you have no basis to object to the Settlement by telling the Court you do not like something about it, because the Settlement no longer affects you. If you opt out, you retain your right to sue Lumondi, but you give up your right to obtain the benefits provided by this Settlement.
- 43. If you object to the Settlement, you are expressing your views about the Settlement but remain a member of the Class (if you are otherwise eligible). If you make an objection, you remain eligible

to submit a claim under the Extended Limited Warranty Benefit and Replacement Watch Benefit if the Settlement is approved by the Court.

WHEN AND WHERE IS THE FAIRNESS HEARING?

- 44. The Court will hold the Fairness Hearing at 3 p.m. EDT on June 22, 2022, at the Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007 in Courtroom 518. At the hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections that were received by the deadline, the Court will then consider them. If you submit a timely objection, the Court will also listen to you speak at the hearing, if you so request.
- 45. The Court may reschedule the Fairness Hearing or change any of the deadlines described in this Notice. The date of the Fairness Hearing may change without further notice to the Class Members. Be sure to check the website, www.lumondiwatchsettlement.us, for news of any such changes. You can also access the case docket via the Court's Public Access to Court Electronic Records (PACER) system at https://ecf.nysd.uscourts.gov.

AM I REQUIRED TO ATTEND THE FAIRNESS HEARING?

46. No. You are not required to attend the Fairness Hearing, but you are welcome to attend at your own expense. If you timely file an objection, then you can, but are not obligated to, come to Court to discuss it. You may also pay your own lawyer to attend or discuss your objection, but that is not necessary.

MAY I SPEAK AT THE FAIRNESS HEARING IF I DON'T LIKE THE SETTLEMENT?

47. Yes. You may ask the Court to permit you to speak at the Fairness Hearing. To do so, you must file with the Court and serve on Class Counsel and Lumondi an entry of appearance in the Lawsuit and notice of intention to appear at the Fairness Hearing no later than May 30, 2022. If you plan to have your own attorney speak for you at the hearing, you must also include the name, address, and telephone number of the attorney who will appear. You may not be permitted to speak at the hearing if your Notice of Intent to Appear is late.

HOW DO I GET MORE INFORMATION ABOUT THIS CASE?

- 48. This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at www.lumondiwatchsettlement.us. You can also contact Class Counsel at the addresses listed above in paragraph 4 or the Notice Administrator by visiting the Settlement Website at www.lumondiwatchsettlement.us or calling 833-910-4488.
- 49. You can access the docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at https://ecf.nysd.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007 between 8:30 a.m. and 5:00 p.m. EDT, Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.