

CIRCUIT COURT, FOURTH JUDICIAL CIRCUIT

DUVAL COUNTY, FLORIDA

BRENDAN HANEY, individually and on
behalf of all others similarly situated,

Plaintiff,

v.

Case No. 16-2017-CA-004794

COSTA DEL MAR, INC.,

Defendant.

CLASS ACTION SETTLEMENT
AGREEMENT AND LIMITED RELEASE

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SETTLEMENT AGREEMENT AND LIMITED RELEASE

This Settlement Agreement and Limited Release is entered into by and between (i) Plaintiff Brendan Haney (“Plaintiff”), individually and as Class Representative on behalf of the Settlement Class, and (ii) Defendant Costa Del Mar, Inc. (“Costa”) (collectively, Plaintiff and Costa are the “Parties”). The Parties intend and agree to resolve, discharge, and settle fully, finally, and forever the claims of the Settlement Class asserted in the case captioned *Haney v. Costa Del Mar, Inc.*, Case No. 16-2017-CA-004794 pending in the Circuit Court, Fourth Judicial Circuit, of Duval County, Florida, subject to approval by the Court.

RECITALS

A. In 2017, Brendan Haney filed a Class Action Complaint in the Circuit Court, Fourth Judicial Circuit, of Duval County, Florida at Case No. 16-2017-CA-004794 (the “Action”) against Costa asserting class action claims on behalf of himself and similarly situated classes of Florida citizens, including a Purchase Class of Florida citizens who purchased non-prescription, non-promotional Costa sunglasses within four years of filing, and a Repair Class of Florida citizens who were charged a repair fee within five years of filing.

B. Costa filed its Answer and Affirmative Defenses to the Complaint, and the Parties engaged in extensive litigation, including written discovery, document productions, and depositions.

C. The Parties conducted discovery, including serving and responding to discovery requests, producing of documents and data, and conducting depositions.

D. On January 17, 2018, the Court entered the Parties' Confidentiality Stipulation which governs the Parties' production and use of documents, deposition testimony, and information designated "Confidential" by either Party, the destruction of such material upon the termination of this Action, and the obligations to redact and/or file under seal any documents, deposition testimony, or information designated as "Confidential."

E. On April 12, 2019, the Court granted class certification in the Action, certifying a Purchase Class and a Repair Class.

F. The Action is related to two other lawsuits also brought against Costa: *Reed v. Costa Del Mar, Inc.*, Case No. 6:19-cv-01751, pending in the United States District Court for the Middle District of Florida (the "Reed Action"), and *Smith v. Costa Del Mar, Inc.*, Case No. 16-2025-CA-004472, pending in the Circuit Court, Fourth Judicial Circuit, of Duval County, Florida (the "Smith Action"). The Parties have negotiated a global resolution of all three actions.

G. The Parties participated in three arm's length mediation sessions with mediator Terry White on October 24, 2023, February 29, 2024, and October 1, 2025, as well as numerous emails, phone conferences, and discussions with counsel for the parties.

H. In January 2026, the Parties commenced trial in the Action, which was ultimately declared a mistrial and rescheduled for a new trial.

I. The Parties continued settlement discussions with the assistance of Mediator Terry White and on April 2, 2026, reached agreement on the material terms

of a settlement, which terms are set forth herein.

J. Based upon their investigation and evaluation of the facts and law relating to the matters in the pleadings, mediation with Terry White, and fruitful, well informed settlement discussions, the Parties have agreed to settle this Action pursuant to the provisions of this Agreement.

K. Costa has denied and continues to deny each and every allegation of liability, wrongdoing, and damages, as it has factual and legal defenses to all claims and class allegations asserted in the Action. Costa has always maintained, and continues to maintain, that it has acted in accordance with governing law. Plaintiff likewise maintains the strength of his positions. This Agreement shall in no event be construed as, or deemed to be evidence of, an admission or concession on the part of the Parties with respect to any claim by any Class Member, any fault, liability, wrongdoing or damage, or any defenses Costa asserted. The Parties nonetheless have concluded that continuing the Action would be protracted, expensive, and disruptive to their business and/or lives. They therefore have decided that it is desirable to fully and finally settle the Action on the terms and conditions set forth herein to avoid the further expense, inconvenience, and distraction of the Action and to dispel any related uncertainty.

L. By this Agreement, and recognizing the consideration provided for under this Agreement, the Class Representative and Class Counsel intend to fully and finally resolve the claims against Costa in connection with the Action, as more fully set forth herein.

M. The Class Representative and Class Counsel recognize the expense and length of proceedings necessary to continue the litigation through further discovery, motion practice, trial, and any possible appeals. They have taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. They are also aware of the burdens of proof necessary to establish liability and damages for the claims alleged in the Action and the defenses thereto. Based upon their evaluation, the Class Representative and Class Counsel have determined that the settlement set forth in the Agreement is in the best interests of the Class Representative and the Settlement Class and is fair, adequate, and reasonable, based upon the following substantial benefits that the settlement bestows upon the Settlement Class:

- i. Costa will pay \$21,750,000 into a Settlement Fund for the benefit of the Settlement Class and for the purposes of implementing this settlement, which will be used to provide monetary relief to Settlement Class Members (as described below), to pay the Settlement Administrator's costs associated with administration of the Settlement, and to pay Attorneys' Fees and Expenses incurred by the Settlement Class through Class Counsel, all as approved by the Court; and
- ii. Settlement Class Members will be entitled to a cash benefit from the Settlement Fund after deduction of Settlement Administration costs and Attorneys' Fees and Expenses. A total of \$6,375,000 of the Settlement Fund will be allocated for the Purchase Class ("Purchase Class

Settlement Fund Allocation”). The remainder of the Settlement Fund, after deduction of the Purchase Class Settlement Fund Allocation, approved Attorneys’ Fees and Expenses, and Settlement Administration costs will be available to members of the Repair Class.

N. This Agreement and all associated exhibits or attachments are made for the sole purpose of attempting to consummate settlement of this Action on a class-wide basis. This Agreement and the Settlement it evidences are made in compromise of disputed claims. Because the Action is pled as a class action, this Settlement must receive preliminary and final approval by the Court. Accordingly, the Class Representative and Costa enter into this Agreement and associated settlement on a conditional basis. In the event that Costa or the Class Representative exercises a right herein to terminate or rescind this Agreement, the Court does not execute and file the Final Approval Order, or the associated Judgment does not become Final for any reason, this Agreement shall be deemed null and void ab initio, it shall be of no force or effect whatsoever, it shall not be referred to or utilized for any purpose whatsoever by anyone, and the negotiation, terms, and entry of this Agreement shall remain subject to the provisions of Florida Statute § 90.408, any and all state or Federal statutes of a similar nature, and the mediation privilege.

O. The Parties expressly reserve all rights, claims, and defenses and do not waive any such rights, claims, or defenses in the event that the Agreement is not approved for any reason.

1. Definitions.

As used in all parts of this Agreement, including the recitals above, and the exhibits hereto, the following terms have the meanings specified below:

1.1. “Action” means the matter filed in the Circuit Court, Fourth Judicial Circuit, of Duval County, Florida, styled as *Haney v. Costa Del Mar, Inc.*, at Case No. 16-2017-CA-004794.

1.2. “Agreement” or “Settlement Agreement” means this Settlement Agreement and Limited Release and all of its exhibits, which the Class Representative and Costa understand and agree sets forth all material terms and conditions of the settlement of the Action between them and which is subject to Court approval. It is understood and agreed that Costa’s obligations under this Agreement are conditioned on, inter alia, the occurrence of the Effective Date and other conditions set forth in this Agreement.

1.3. “Attorneys’ Fees and Expenses” means such funds as may be awarded to Class Counsel pursuant to Section 15 of the Agreement to compensate them for their fees and expenses incurred in connection with the Action.

1.4. “Claim” means the claim of a Class Member of the Purchase Class submitted on a Claim Form as provided in Section 5.2 of the Agreement.

1.5. “Claim Form” means the form Class Members of the Purchase Class must use to submit their Claim, which shall be in the form attached hereto as **Exhibit 3** and made available to Class Members of the Purchase Class on the Settlement Website.

1.6. “Claim Period” means the period of time running three months from the Notice Mailing Date, during which a Class Member in the Purchase Class may submit a Claim, and after which Claims submitted by Class Members of the Purchase Class will be considered untimely and invalid.

1.7. “Claim Process” means the process for submitting and reviewing Claims for the Purchase Class as described in the Agreement.

1.8. “Classes” means the collective group of all persons making up the Purchase Class and the Repair Class, defined as follows:

1.8.1. “Purchase Class” shall mean all citizens of the State of Florida who, between July 28, 2013 and January 31, 2018, purchased non-prescription, non-promotional Costa sunglasses for personal use. Excluded from the Purchase Class are Costa, any entity or division in which Costa has a controlling interest, their legal representatives, employees, officers, directors, assigns, and successors, and the judge and judge's staff to whom the Haney Action is assigned.

1.8.2. “Repair Class” shall mean all citizens of the State of Florida who purchased non-prescription, non-promotional Costa sunglasses for personal use on or before January 31, 2018 and were charged a fee by Costa between July 28, 2012 and January 26, 2025 to replace damaged components of their non-prescription, non-promotional Costa sunglasses. Excluded from the Repair Class are Costa, any entity or division in which Costa has a controlling interest, their legal representatives, employees, officers, directors, assigns, and

successors, and the judge and judge's staff to whom the Haney Action is assigned.

1.9. “Class Counsel” means, collectively, all counsel of record representing the Class Representative and the Classes in this Action.

1.10. “Class Member” means a natural person who is a member of one or more of the Classes according to the Purchase Class and Repair Class definitions herein.

1.11. “Class Notice” means the Notice that is provided by the Settlement Administrator to potential Settlement Class Members, in substantially the form attached as Exhibit 1 to this Agreement and/or as ultimately approved by the Court.

1.12. “Class Representative” or “Plaintiff” means Brendan Haney, the named Plaintiff and class representative in the Action identified in the first Paragraph of this Agreement.

1.13. “Complaint” and “Class Action Complaint” refer to the Class Action Complaint filed in this Action.

1.14. “Confidential Information” means documents or information designated as Confidential by the Parties in the Action.

1.15. “Confidentiality Stipulation” shall mean the Confidentiality Stipulation entered into between the Parties in the Action for purposes of maintaining Confidentiality of certain information.

1.16. “Costa’s Data” means data produced on April 29, 2020, and supplemented on February 13, 2025, by Costa to Plaintiff identifying Costa customers

who submitted their sunglasses for a repair under Costa's repair program, as supplemented by Costa as reasonably necessary if errors or omissions are discovered.

1.17. "Court" means the Circuit Court, Fourth Judicial Circuit, of Duval County, Florida.

1.18. "Defendant" or "Costa" refers to Defendant Costa Del Mar, Inc.

1.19. "Defense Counsel" shall mean Defendant's counsel of record in the Action.

1.20. "Distribution Date" means 37 days after the Effective Date.

1.21. "Effective Date" means the date when all of the conditions set forth in Section 2 have occurred, provided, however, that Costa has not exercised its right of termination under Section 12 of this Agreement.

1.22. "Final" means five business days after the latest of: (i) the date of final affirmance on an appeal of the Judgment; (ii) the date of final dismissal with prejudice of the last pending appeal from the Judgment; (iii) if no appeal is filed, the expiration of the date of the time for the filing or noticing any form of valid appeal or writ review from the Judgment. If the Judgment is set aside, modified, or overturned by any court including on appeal and is not fully reinstated on appeal, the Judgment shall not become Final.

1.23. "Final Approval Hearing" means a hearing set by the Court for the purpose of:

- i. Determining the fairness, adequacy, and reasonableness of the Agreement and associated Settlement pursuant to class action

procedures and requirements;

ii. Determining the good faith of the Agreement and associated settlement;
and

iii. Entering Judgment.

1.24. “Final Approval Order” shall mean an order to be entered and filed by the Court rendering judgment in the case and dismissing the claims with prejudice.

1.25. “Judgment” means the Final Approval Order to be rendered by the Court pursuant to this Agreement.

1.26. “Known Purchase Class Member” means a member of the Purchase Class for which the parties maintain contact information.

1.27. “Notice Approval Date” means the date of the Preliminary Approval Order when the Court approves the Notice.

1.28. “Notice List” means a list, to be treated as Confidential Information, listing the names and addresses of all Members of the Repair Class and Known Purchase Class Members, as prepared by Class Counsel and based on data produced by Costa.

1.29. The “Notice Mailing Date” shall be a date no later than twenty-one days after the Notice Approval Date, when the Notice is sent to the individuals on the Notice List.

1.30. “Objection Deadline” means the date identified in the Preliminary Approval Order and Class Notice by which a Settlement Class Member must serve written objections to the Settlement, if any, in accordance with Section 11 of this

Agreement to be able to object to the Settlement. The Objection Deadline shall be seven days after the Claim Period expires.

1.31. “Opt-Out Deadline” means the date identified in the Preliminary Approval Order and Class Notice by which a Request to Opt Out must be filed or submitted in writing to the Settlement Administrator in accordance with Section 10 of this Agreement in order for a person who would otherwise fall within the definition of Settlement Class to be excluded from the Settlement Class. The Opt-Out Deadline shall be seven days after the Claim Period expires.

1.32. “Parties” means the Class Representative, individually and on behalf of all Members of the Settlement Class, and Costa.

1.33. “Payment Method” means the manner in which a Settlement Class Member shall receive the class payment distribution. Settlement Class Members shall have the opportunity to select via the Settlement Website whether to receive payment by paper check, Venmo, PayPal, or Zelle. To the extent a Settlement Class Member does not select a Payment Method, the Settlement Class Member shall receive their payment via paper check.

1.34. “Preliminary Approval Order” shall mean an order to be executed and filed by the Court which will preliminarily approve settlement and provide for notice to the Settlement Class.

1.35. “Publication Notice” means the notice to Class Members that will be published online by the Settlement Administrator through targeted digital advertising through Google Display Network, Yahoo!, Bing, Facebook, and Instagram, and will

be in the form attached hereto as **Exhibit 2**.

1.36. “Purchase Class Settlement Fund Allocation” means the amount of the Settlement Fund allocated to Members of the Purchase Class, a total of \$6,375,000.

1.37. “Released Claims” mean any and all claims, defenses, demands, actions, causes of action, offsets, setoffs, suits, damages, lawsuits, costs, relief for contempt, losses, attorneys’ fees, expenses, or liabilities of any kind whatsoever in law or in equity, for any relief whatsoever, including monetary, sanctions or damage for contempt, injunctive, or declaratory relief, rescission, general, compensatory, special, liquidated, indirect, incidental, consequential, or punitive damages, as well as any and all claims for treble damages, statutory damages, contribution or indemnity, penalties, interest, attorneys’ fees, costs, or expenses, whether a known or Unknown Claim, suspect or unsuspected, contingent or vested, accrued or not accrued, liquidated or unliquidated, matured or unmatured, that in any way concern, arise out of, or relate to: the allegations in the Complaint and Plaintiff’s claims for alleged violations of the Magnuson-Moss Warranty Act and the Florida Deceptive and Unfair Trade Practices Act (including any other claims that could have been brought based on the allegations in the Complaint) relating to Costa’s warranty or repair program for sunglasses damaged by accident, normal wear and tear, or misuse; the language on the sunglasses packaging relating to the repair of Costa sunglasses that were damaged by accident, normal wear and tear, or misuse; any communications with, or representations by, Costa relating to the repair or replacement of Costa sunglasses that were damaged by accident, normal wear and

tear, or misuse; any fees quoted, charged or assessed by Costa for a repair or replacement of Costa sunglasses that were damaged by accident, normal wear and tear, or misuse; and any communications with, or representations by, Costa relating to the repair or replacement of Costa sunglasses under any repair program or warranty.

1.38. “Releasees,” “the Releasees,” or “the Released Parties” means (1) Costa; (2) each of their past, present, or future subsidiaries, parent companies (including any and all of its subsidiaries and affiliates), divisions, affiliates, partners or any other organization units of any kind doing business under their names, or doing business under any other names, or any entity now or in the past controlled by, controlling, or under the common control with any of the foregoing and doing business under any other names, and each and all of their respective affiliates and subsidiaries, and each of their respective predecessors, successors, and assigns; and (3) each of the present and former officers, directors, partners, shareholders, agents, employees, attorneys (including any consultants hired by counsel), advisors, independent contractors, representatives, beneficial owners, heirs, executors, and administrators, and each of their respective predecessors, successors, and assigns of any person or entities in subparts (1) or (2) hereof. This definition specifically includes EssilorLuxottica and any and all of its subsidiaries and affiliates as of the date of this Agreement.

1.39. “Releasors” means the Class Representative, all Settlement Class Members, and each of their respective heirs, executors, administrators, assigns,

predecessors, and successors, and any other person claiming by or through any or all of them.

1.40. “Request to Opt Out” means the written request from a Class Member that seeks to exclude that person from the Settlement Class and that complies with the requirements set forth in Section 10 of this Agreement.

1.41. “RI number” means the unique identifier assigned to each individual who submitted their sunglasses for repair and paid a repair fee to Costa.

1.42. “Settlement” means the settlement terms set forth in this Agreement.

1.43. “Settlement Administrator” means third-party Epiq Class Action & Claims Solutions, which will act as the Settlement Administrator and assist with implementing and effectuating the terms of this Agreement.

1.44. “Settlement Class” means the collective group of all the Class Members in both the Repair Class and Purchase Class who do not properly and timely exclude themselves from a Settlement and thus means the collective group of all of the Class Members who will become bound by the Judgment when the Effective Date occurs.

1.45. “Settlement Class Member” means any person who is a member of the Settlement Class.

1.46. “Settlement Fund” means the Twenty-One Million Seven Hundred Fifty Thousand Dollars (\$21,750,000) that Costa shall pay pursuant to Section 3 of the Agreement. The Settlement Fund is for the benefit of the Settlement Class and will be used to pay Settlement Class Members and other payments expressly authorized by the Agreement, including administration costs, Class Counsel fees and

expenses, and any excess objector fee awards under Paragraph 11.9, as set forth herein.

1.47. “Settlement Website” means the website to be established by the Settlement Administrator as set forth in Section 7.

1.48. “Unknown Claim” mean any Released Claim that any Releasor does not know or suspect to exist in his or her favor at the time of the entry of the Judgment, and which, if known by him or her might have affected his or her settlement with and release of the Releasees, or might have affected his or her decision to opt out of the Settlement Class or to object to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date, the Class Representatives shall expressly and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have to the fullest extent allowed by law, waived the provisions, rights, and benefits of any statute or principle of common law which provides that general releases do not extend to claims which the debtor does not know or suspect 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 creditor. Each Releasor may hereafter discover facts in addition to or different from those which he or she now knows or believes to be true with respect to the subject matter of the Released Claims, but the Releasors, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released to the fullest extent allowed by law any and all Released Claims, known or unknown, suspected or unsuspected, contingent

or non-contingent, whether or not concealed or hidden, which then exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, contract, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Class Representative acknowledges, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a material term of the Settlement of which this release is a part.

1.49. “Unknown Purchase Class Member” means any member of the Purchase Class for which the parties do not have contact information.

1.50. The plural of any defined term includes the singular, and the singular of any defined term includes the plural.

1.51. Other terms are defined in the text of this Agreement and shall have the meaning given to those terms in the text. In all documents related to the Settlement, capitalized terms shall have the meanings given to them in this Agreement.

2. Conditions and Effectiveness of Agreement.

2.1. This Agreement is expressly contingent upon the satisfaction, in full, of the material conditions set forth below. The Effective Date of this Agreement shall be the date when all of the following actions and events listed below have occurred.

2.2. The Parties have signed the Agreement.

2.3. Court Approval. The Court approves this Agreement in accordance

with the following steps:

2.3.1. Motion for Preliminary Approval. After providing Defense Counsel with a draft for review and comment at least seven (7) days prior to filing, Class Counsel will present a Motion for Preliminary Approval to the Court within twenty days of execution of this Agreement.

2.3.2. Entry of Preliminary Approval Order. The Court shall enter an order preliminarily approving the settlement. Among other things, the Court's Preliminary Approval Order must find that the proposed settlement meets the requirements of Florida Rule of Civil Procedure 1.220, preliminarily approve the settlement, appoint a settlement administrator, and approve the class notice.

2.4. Class Notice. The Settlement Administrator shall cause the Class Notice to be mailed or emailed pursuant to the Preliminary Approval Order and the terms of this Agreement. Additionally, the Settlement Administrator shall cause the Publication Notice to be published online via targeted digital advertising through Google Display Network, Yahoo!, Bing, Facebook, and Instagram, and the Settlement Administrator shall tailor the digital media advertisements to be displayed in Florida.

2.5. Final Approval Order and Judgment. The Court shall enter an order finally approving the settlement. Among other things, the Court's Final Approval Order must finally approve the settlement, find that the Class Notice complied with all laws, including Due Process, hold that the Release set forth in this Agreement is

final and enforceable and that the Settlement Class Members have released and discharged their claims against the Released Parties, and dismiss the Complaint with prejudice.

2.6. No Injunctive Relief. The Final Approval Order and Judgment shall not provide for any injunctive relief against Costa.

2.7. Finality of Judgment. There is Finality of Judgment when the Final Approval Order has become Final, including expiration of the time for filing any appeal or other form of objection to the Final Approval Order, full and final resolution of any appeal or objection that may be filed, and expiration of the time for seeking review of that disposition through an appeal, *en banc* hearing, or higher level of review.

3. Settlement Consideration.

3.1. In consideration for the Releases set forth in Section 9 and other consideration as stated in the Agreement, Costa will provide the following benefits.

3.2. Settlement Monetary Consideration. Settlement Consideration under this Agreement includes the following:

3.2.1. Within thirty days after the Court's entry of the Preliminary Approval Order, Costa will initially fund the Settlement Fund by depositing into an escrow account with the Settlement Administrator, the terms of which shall be subject to Costa's approval, the sum of Five Hundred Thousand Dollars (\$500,000) to be applied to the initial costs and expenses for implementing the terms of the Settlement set forth herein, including the

Settlement Administrator's costs associated with disseminating the Class Notice and Publication Notice, the Settlement Website, distributing checks to Settlement Class Members, and any escrow, administrative and/or bank related fees and costs associated with the Settlement Administrator's distribution of payments. The Parties and the Settlement Administrator agree to provide any information or documentation necessary for Costa to complete the funding. Any balance of this initial funding remaining shall revert to Costa only in the event that the Settlement is not approved.

3.2.2. Within thirty days of the Effective Date, Costa will fund the remainder of the Settlement Fund by depositing the sum of Twenty-One Million Two Hundred Fifty Thousand Dollars (\$21,250,000) into an escrow account with the Settlement Administrator, the terms of which shall be subject to Costa's approval. The Parties and the Settlement Administrator agree to provide any information or documentation necessary for Costa to complete the funding.

3.2.3. The Settlement Administrator's costs associated with disseminating the Class Notice and Publication Notice, the Settlement Website, distributing checks and electronic payments to Settlement Class Members, and any escrow, administrative and/or bank related fees and costs associated with the Settlement Administrators' distribution of payments, as well as Attorneys' Fees and Expenses awarded by the Court, shall be paid out of the Settlement Fund.

3.2.4. Settlement Class Members in the Purchase Class shall participate in a claims-made process to receive a pro rata amount of the Purchase Class Settlement Fund Allocation. Each Purchase Class Member shall receive one pro rata amount for each qualifying purchase of Costa sunglasses claimed by the Purchase Class Member.

3.2.5. Settlement Class Members in the Repair Class shall receive a pro rata amount from the Settlement Fund, after deducting the Purchase Class Settlement Fund Allocation, approved Attorneys' Fees and Expenses, and Settlement Administration costs, for each unique RI number identified in Costa's Data. Repairs must exceed \$11.95 to qualify for compensation. The number of qualifying repairs for each Repair Class Member will be determined by reviewing Costa's Data.

3.2.6. The methodology for determining Settlement Class Member distributions will be as follows: Members of the Purchase Class will participate in distributions from the Purchase Class Settlement Fund Allocation. The remainder of the Settlement Fund, after deduction of the Purchase Class Settlement Fund Allocation, approved Attorneys' Fees and Expenses, and Settlement Administration costs shall be available to members of the Repair Class. Members of the Purchase Class and Repair Class are entitled to distributions pursuant to the methodologies set forth in Paragraphs 3.2.4 and 3.2.5, respectively.

3.2.7. Under no circumstances shall Costa's total payment obligation

under the Settlement Agreement exceed \$21,750,000, except for any direct payment obligation expressly stated in Paragraph 11.9.

3.3. Tax Treatment. This Agreement is enforceable regardless of its tax consequences. The Parties understand and agree that this Agreement reflects the settlement of disputed legal claims and Costa makes no representations regarding the Agreement's tax consequences. For each payment made pursuant to this Settlement, Costa, itself or through the Settlement Administrator, may report each payment to government authorities including the IRS as required by law and consistent with the ordinary course of Costa's applicable tax accounting practices, and it may make all required deductions and/or withholdings. A Form 1099 may be issued to each Class Member who does not opt out. Settlement Class Members will be solely responsible for the reporting and payment of any federal, state, and/or local income or other tax or any other withholdings, if any, on any of the payments made pursuant to the Settlement. Costa makes no representations as to the taxability of any portions of the benefits provided to Settlement Class Members herein. The Class Notice will advise Settlement Class Members to seek their own tax advice prior to acting in response to the Notices and that Class Counsel will not provide tax advice.

4. Qualified Settlement Fund

4.1. The Settlement Fund shall constitute a "qualified settlement fund" ("QSF") within the meaning of Treasury Regulation Section 1.468B-1 promulgated under Section 468B of the Internal Revenue Code of 1986 as amended. The Settlement Administrator shall be the "administrator" within the meaning of

Treasury Regulation § 1.468B-2(k)(3).

4.2. Upon or before establishment of the QSF, the Settlement Administrator shall apply for an employer identification number for the QSF utilizing Internal Revenue Service Form SS-4 and in accordance with Treasury Regulation § 1.468B-2(k)(4), and shall provide Costa, through Defense Counsel, with that employer identification number on a properly completed and signed IRS Form W-9.

4.3. If requested by either Costa or the Settlement Administrator, the Settlement Administrator and Costa shall fully cooperate in filing a relation-back election under Treasury Regulation § 1.468B-1(j)(2) to treat the QSF as coming into existence as a settlement fund as of the earliest possible date.

4.4. Following its remittance of the Settlement Fund monies as described in Paragraph 3.2 of this Agreement, and except as expressly provided in Paragraph 11.9, Costa shall have no responsibility, financial obligation, or liability whatsoever with respect to the notifications to the Class required hereunder, the processing of opt-out letters, payments to Settlement Class Members, payments to the Class Representatives, investment of QSF funds, payment of federal, state, and local income, employment, unemployment, excise, and any other taxes, penalties, interest or other charges related to taxes imposed on the QSF or its disbursements, payment of the administrative, legal, accounting, or other costs occasioned by the use or administration of the QSF, since it is agreed that such remittance shall fully discharge Costa's obligation to the Class Representative, Settlement Class Members, Class Counsel and the Settlement Administrator with respect to the disposition of the

Settlement Fund.

4.5. The Settlement Administrator shall file or cause to be filed, on behalf of the QSF, all required federal, state, and local tax returns, information returns, including, but not limited to, any Form 1099-series return, and tax withholdings statements, in accordance with the provisions of Treasury Regulation § 1.468B-2(k)(1) and Treasury Regulation § 1.468B-2(1)(2). Any contract, agreement, or understanding with the Settlement Administrator relating to the QSF shall require the Settlement Administrator or its agent to file or cause to be filed, on behalf of the QSF, all required federal, state, and local tax returns, information returns, including, but not limited to, any Form 1099-series return, and tax withholdings statements, in accordance with the provisions of Treasury Regulation § 1.468B-2(k)(1) and Treasury Regulation § 1.468B-2(1)(2). The Settlement Administrator may, if necessary, secure the advice of a certified public accounting firm in connection with its duties and tax issues arising hereunder.

4.6. All taxes (including any estimated taxes, and any interest or penalties relating to them) arising with respect to the income earned by the Settlement Fund or otherwise, including any taxes or tax liability that may be imposed upon Costa or its counsel with respect to income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a “qualified settlement fund” for the purpose of federal or state income taxes or otherwise (collectively “Taxes”), shall be paid out of the Settlement Fund. Plaintiff and Class Counsel, and Costa and Defense Counsel, shall have no liability or responsibility for any of the Taxes. The Settlement

Fund shall indemnify and hold Plaintiff and Class Counsel, and Costa and Defense Counsel harmless for all Taxes (including, without limitation, Taxes payable by reason of any such indemnification).

5. Claims Process and Payments From The Settlement Fund.

5.1. Payments to Settlement Class Members in the Repair Class. Within thirty-seven days of the Effective Date and using the Notice List as set forth in Paragraph 7.1, the Settlement Administrator shall remit payment to the Settlement Class Members in the Repair Class via the selected Payment Method in the amounts set forth in Paragraph 3.2 (the “Distribution Date”).

5.2. Payments to Settlement Class Members in the Purchase Class.

5.2.1. Persons who believe that they are Class Members of the Purchase Class may complete and submit a Claim Form indicating that they wish to be eligible for the relief provided in this Settlement Agreement for the Purchase Class. The Claim process described in Paragraphs 5.2.1 through 5.2.7 applies only to Claims by the Purchase Class.

5.2.2. The Claim Form shall be available on the Settlement Website as a downloadable .pdf document, which can be completed and submitted to the Settlement Administrator by mail, and as an online claim portal enabling Class Members of the Purchase Class to directly submit claims electronically through the Settlement Website. Each Member of the Purchase Class shall be entitled to claim up to five (5) purchases of qualifying Costa sunglasses without supporting documentation. Supporting documentation may be required for

claims exceeding five (5) purchases of qualifying Costa sunglasses. Commencing on the date on which the Notice is first issued to the Class and Publication Notice is disseminated, Class Members of the Purchase Class who have not excluded themselves from the Settlement may submit a Claim to the Settlement Administrator for review. The Claim Form will be available during the Claim Period.

5.2.3. The Settlement Administrator shall receive and process Claim Forms received from Class Members of the Purchase Class to determine whether submitted Claims are timely, valid, and complete. The Settlement Administrator shall use its best efforts to complete its review of each Claim Form within thirty (30) days of receipt.

5.2.4. The Settlement Administrator shall review Claim Forms received from the Purchase Class and shall have sole authority to determine whether submitted Claims are timely, valid, and complete. If the Settlement Administrator determines that a Claim is incomplete or invalid, or if a Claim is received after the Claim Period, the Claim shall be denied without further notice to the Class Member. The online claim portal shall be configured to only accept Claims that are deemed to be timely and complete. Class Members of the Purchase Class who submit a Claim by means other than through the online claim portal that is determined to be untimely, invalid, or incomplete will be notified by mail or email of the deficiency(ies) in their Claim and will have the opportunity to correct the deficiency(ies) thus identified by

responding to such notice by mail or email to the Settlement Administrator within twenty-one days of the date of the Settlement Administrator's notice.

5.2.5. Within ten days after the Effective Date, the Settlement Administrator shall notify the Parties of the number of approved and denied Claims of the Purchase Class. A Claim for the Purchase Class shall be considered approved when the Settlement Administrator deems it timely, valid, and complete.

5.2.6. Within thirty-seven days of the Effective Date and using the list of approved Claims for Settlement Class Members in the Purchase Class, the Settlement Administrator shall remit payment to the Settlement Class Members in the Purchase Class via the selected Payment Method in the amounts set forth in Paragraph 3.2 (the "Distribution Date").

5.2.7. No person shall have any claim against Plaintiff, Class Counsel, Costa, Defense Counsel, or the Settlement Administrator based on any eligibility determinations made in accordance with the Agreement.

5.3. For any person who is a Class Member of both the Repair Class and the Purchase Class, that person shall only participate in the settlement as a Class Member of the Repair Class.

5.4. For Settlement Class Members whose checks are returned by the U.S. Postal Service for lack of current correct address or whose emails are returned as undeliverable, the Settlement Administrator shall seek an address correction via an advanced address search or skip tracing and then re-send their checks or electronic

funds to any subsequently obtained address or email address that the Settlement Administrator reasonably believes to be valid. After one re-attempt, the Settlement Administrator shall not have any further obligation to locate any particular Settlement Class Member.

5.5. Settlement Class Members who are not located or whose electronic funds are not claimed or checks are not cashed within sixty days after the Distribution Date shall be automatically rendered ineligible for payments and shall be ineligible to share in the cash distribution. The Settlement Administrator may void any checks or unclaimed electronic funds issued to such Settlement Class Members.

5.6. The Settlement Administrator shall notify counsel in writing within ninety days after the Distribution Date of the number of Settlement Class Members who were sent checks or electronic funds, the number of Settlement Class Members who did not cash their checks or claim their electronic funds, the total dollar amount distributed by the Settlement Administrator, and the total dollar amount of uncashed checks and unclaimed electronic funds.

5.7. If at least \$150,000 remains in the Settlement Fund following the distribution to Settlement Class Members, a second distribution shall be made to Settlement Class Members who cashed a check or claimed electronic funds in the first distribution of Settlement Funds, provided that the total dollar amount of uncashed checks or unclaimed electronic funds remaining ninety (90) days after the Distribution Date is sufficient to: (i) pay the Settlement Administrator's fees associated with a second distribution; and (ii) provide each eligible Settlement Class

Member with a payment of at least \$1.00. This second distribution will be allocated pro rata using the same Payment Method as the first round of distributions. The Settlement Administrator shall make funds available for the second distribution within one hundred twenty days of the original Distribution Date.

5.8. Following the expiration of sixty days after the date of the second distribution in Paragraph 5.7, all second distribution checks that have not been cashed or funds not accessed will be deemed void. At that time, any remaining funds will be allocated by sending one or more checks to the *cy pres* recipient as set forth in Paragraph 5.11.

5.9. The Settlement Administrator and Class Counsel will file a final accounting with the Court within one hundred fifty days after the Distribution Date in the event of no second distribution, or within one hundred twenty days after the second distribution in the event of a second distribution. The final accounting will include a summary of all distributions from the Settlement Fund, and Class Counsel will request Court approval of the final accounting.

5.10. Administration Costs. The Settlement Administrator's costs associated with disseminating the Class Notice and Publication Notice, the Settlement Website, and any escrow, administrative and/or bank related fees and costs associated with the Settlement Administrator's distribution of payments shall be paid out of the Settlement Fund. Costa shall have no further responsibility for paying the costs of administration, except as stated herein.

5.11. Cy Pres. As set forth in Paragraphs 5.1 through 5.10, the residue of the

Settlement Fund, if any, shall be distributed to the Captains for Clean Water as a *cy pres* recipient, subject to Court approval. The Parties agree that Captains for Clean Water is an appropriate *cy pres* recipient because it has a sufficient nexus to the Settlement Class, the interests of Settlement Class Members, and the subject matter of the Action. In particular, the Settlement Class consists of consumers who purchased Costa sunglasses, and the Parties agree that the Captains for Clean Water serves interests reasonably related to the outdoor, recreational, marine, fishing, boating, and water-related activities associated with the use of such sunglasses. Accordingly, the Parties agree that any residual distribution to Captains for Clean Water is fair, reasonable, and consistent with the purposes of the Settlement.

6. Retention and Duties of Settlement Administrator.

6.1. The Settlement Administrator shall administer the Settlement pursuant to the terms of this Agreement. The Settlement Administrator shall be responsible for disseminating Class Notice (including data standardization and de-duplication of the Notice List including updating addresses through National Change of Address System or similar database (“NCOA”) and Publication Notice, reasonable efforts to update addresses for undeliverable notices, and printing and mailing the Class Notice), status reporting, creating and hosting an informational website with case information, and distributing payments to Settlement Class Members. The Settlement Administrator shall also be responsible for additional tasks the Parties jointly agree are necessary to accomplish administration of the Settlement.

6.2. The Settlement Administrator shall not have any duties with respect to

settlement administration apart from those expressly provided for in this Agreement. All costs of settlement administration will be paid from the Settlement Fund and under no circumstance will Costa be responsible for any payments outside of the amount of the Settlement Fund, except for any direct payment obligation expressly stated in Paragraph 11.9.

6.3. Because the information about Settlement Class Members provided to the Settlement Administrator will consist of Confidential Information, non-public personal information, and other information protected by privacy laws, the Settlement Administrator will agree to keep Settlement Class Member information Confidential and will take all reasonable steps to ensure that any information provided to it by Costa will be used solely for the purpose of effecting this Settlement and otherwise shall comply with Costa's vendor and information security requirements. The Settlement Administrator shall administer the Settlement in accordance with the terms of this Settlement Agreement and, without limiting the foregoing, shall treat any and all documents, communications and other information and materials received in connection with the administration of the Settlement as confidential and shall not disclose any or all such documents, communications, or other information to any person or entity except as provided for in this Settlement Agreement or by court order.

6.4. The Settlement Administrator shall complete and provide to Costa any W-9 forms as well as any other information or documents necessary to implement this Settlement. This may include a cancelled check or bank letter to allow Costa to

effectuate payment.

7. Notice to the Class and Settlement Website.

7.1. Subject to the Court's approval, the form of Class Notice shall be substantially in the form of **Exhibit 1** attached hereto and the form of Publication Notice shall be substantially in the form of **Exhibit 2** attached hereto. The Class Notice shall be sent to all Class Members in the Repair Class and Known Purchase Class Members.

7.2. The Publication Notice, which is intended to target currently Unknown Purchase Class Members, shall be published online by the Settlement Administrator via targeted digital advertising through Google Display Network, Yahoo!, Bing, Facebook, and Instagram. Such digital advertising shall consist of online banner advertisements that are image-based graphic displays available on desktops and mobile devices and will link directly to the Settlement Website, and sponsored search listings that will appear when search engine users search for selected keyword combinations regarding the Settlement. Digital advertising to Class Members is subject to Court approval and are attached hereto as **Exhibit 2**.

7.3. If, by entering an order approving the final form of the Class Notice and Publication Notice, the Court provides authorization to send the Class Notice to the individuals on the Notice List and publish the Publication Notice, the Settlement Administrator will email the Class Notice to those Settlement Class Members on the Notice List for whom the Settlement Administrator has an email address or, if the

Settlement Administrator does not have an email address for a Settlement Class Member, mail the Class Notice via first class mail through the United States Postal Service, and the Settlement Administrator shall publish the Publication Notice online via targeted digital advertising through Google Display Network, Yahoo!, Bing, Facebook, and Instagram, no later than the Notice Mailing Date. Prior to mailing the Class Notice, the Settlement Administrator shall attempt to update the last known email address or mailing addresses of the Class Members set forth on the Notice List through the National Change of Address system or similar database. The Agreement, Class Notice, and Publication Notice shall also be posted on the Settlement Website. The Settlement Administrator shall treat the Notice List as confidential pursuant to the terms of the Confidentiality Stipulation and Paragraph 6.3 of this Agreement.

7.4. Following the distribution of the Class Notice and publication of the Publication Notice, the Settlement Administrator shall provide Class Counsel and Defense Counsel with written confirmation of the distribution.

7.5. Publication Notice shall be deemed distributed and received by Unknown Purchase Class Members on the date of publication. Unless the Settlement Administrator receives a Class Notice returned as undeliverable for reasons discussed below in this Paragraph, a Class Notice shall be deemed distributed and received by the individual to whom it was sent five days after sending. In the event that subsequent to the first distribution of a Class Notice, and prior to seven days before the Opt-Out Deadline, the Class Notice is returned to the Settlement Administrator as undeliverable with a forwarding address or email address for the recipient, the

Settlement Administrator shall promptly re-distribute the Class Notice, and the Class Notice will be deemed sent at that point. The Class Notice shall be deemed received by the individual once it is sent for the second time. For any Class Member to whom Class Notice is re-distributed under this Paragraph, the deadline to submit a Request to Opt Out or to object to the Settlement shall be the later of: (a) the Opt-Out Deadline or Objection Deadline otherwise applicable under this Agreement and the Preliminary Approval Order; or (b) thirty days after the date on which the Settlement Administrator re-distributes the Class Notice. The Settlement Administrator shall promptly notify Class Counsel and Defense Counsel of any re-distributed Class Notices and any extended deadlines applicable to those Class Members. If any extended deadline under this Paragraph would fall less than thirty days before the Final Approval Hearing, the Parties shall request that the Court continue the Final Approval Hearing or otherwise modify the schedule as necessary to preserve the applicable Class Member's opportunity to object or opt out.

7.6. No later than thirty days after the Effective Date, the Settlement Administrator will provide to Costa a list of the names and addresses of all Class Members to whom the Class Notice was sent, along with a list of those Class Members that opted out of the Settlement pursuant to Section 10 below, and Costa shall file these lists with the Court under seal as Confidential Information pursuant to the Confidentiality Stipulation (to protect the names, addresses, and other personal information of Class Members).

7.7. No later than the distribution of the Class Notice, the Settlement

Administrator shall establish the Settlement Website, which shall contain copies of this Agreement and Exhibits including the Class Notice and Publication Notice as well as the Complaint, the Preliminary Approval Order, the application for Attorneys' Fees and Expenses, the Class Representative's Non-Disparagement Agreement and General Release, and the Final Approval Order. The Settlement Website shall remain open and accessible until at least one hundred fifty days after the Distribution Date or one hundred twenty days after any second distribution, if one occurs.

8. Representations and Warranties.

8.1. The Class Representative represents and warrants that he has not assigned or otherwise transferred any interest in any of the Released Claims against any of the Released Parties and further covenants that he will not assign or otherwise transfer any interest in any of the Class Representative's Released Claims.

8.2. The Class Representative represents and warrants that he has no surviving claim or cause of action against any of the Released Parties with respect to any of the Released Claims.

8.3. The Parties, and each of them on his, her, or its own behalf only, represent and warrant that they are voluntarily entering into the Settlement Agreement as a result of arm's-length negotiations and mediation sessions among their counsel and with mediator Terry White, that in executing the Settlement Agreement, they are relying solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel,

concerning the nature, extent and duration of their rights and claims hereunder and regarding all matters which relate in any way to the subject matter hereof; and that, except as provided herein, they have not been influenced to any extent whatsoever in executing the Settlement Agreement by representations, statements or omissions pertaining to any of the foregoing matters by any Party or by any person representing any party to the Settlement Agreement. Each of the Parties assumes the risk of mistake as to facts or law.

9. Releases.

9.1. On the Effective Date, Releasors, including but not limited to the Class Representative, on his own behalf and on behalf of each Settlement Class Member, by operation of this Release and the Judgment set forth in the Final Approval Order, does hereby and shall be deemed to have fully, finally, conclusively, irrevocably, and forever released, settled, compromised, relinquished, and discharged any and all of the Releasees of and from any and all Released Claims and, without further action by any person or the Court, will be deemed: (a) to have consented to dismissal of the Action and the dismissal with prejudice of any and all Released Claims; (b) to have released and forever discharged any and all Released Claims; and (c) to be forever barred and enjoined from instituting or further prosecuting, in any forum whatsoever, including but not limited to any state, federal, or foreign court, or regulatory agency, or any arbitration forum, each and every Released Claim. The Parties agree that the Releasees will suffer irreparable harm if any Settlement Class Member takes action inconsistent with this Paragraph, and that in that event, the Releasees may seek an

injunction as to such action without further showing of irreparable harm in this or any other forum.

9.2. The Releasors acknowledge and agree that they are aware that they may hereafter discover material or immaterial facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of this Release, that it is possible that unknown facts, losses, or claims exist, and that known losses may have been underestimated in amount or severity. This was explicitly taken into account in connection with this Agreement. It is the Releasors' intention to, and they do hereby, upon the Effective Date of this Agreement, fully, finally, and forever settle and release each and every one of the Releasees from each and every Released Claim, including any rights, remedies, or benefits available under California Civil Code section 1542 and all similar state, local, or federal statutes and other laws. California Civil Code section 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

9.3. Subject to Court approval, each Settlement Class Member shall be bound by this Agreement and all of their Released Claims shall be dismissed with prejudice and released even if they never received actual, prior notice of the Action

or its settlement in the form of the Class Notice or otherwise. The Release and agreements contained in this Section 9 shall apply to and bind all Settlement Class Members, including those Settlement Class Members whose Class Notices are returned as undeliverable, and those for whom no current address can be found, if any.

9.4. On the Effective Date, Releasors hereby release the Releasees from each and every Released Claim.

10. Opt-Out Rights.

10.1. A Settlement Class Member who wishes to be excluded from the Settlement Class must do so in writing. To opt out, the Settlement Class Member must comply with the procedures and deadlines in this Agreement and any Court order entered in this case.

10.2. In order to opt out, the Class Member must complete and send to the Settlement Administrator, at the address listed in the Class Notice and on the Settlement Website for this Settlement, a Request to Opt Out that is postmarked no later than the Opt-Out Deadline, as specified in the Class Notice. The Request to Opt Out must: (a) identify the case name; (b) identify the name and address of the person requesting exclusion; (c) be personally signed by the person requesting exclusion; and (d) contain a statement that indicates a desire to be excluded from the Settlement Class, such as “I hereby request that I be excluded from the proposed Settlement Class in the Action.” Mass or class opt outs shall be void.

10.3. Any Settlement Class Member who does not opt out of the Settlement

in the manner described herein shall be deemed to be part of the Settlement Class upon the expiration of the Opt-Out Deadline, and shall be bound by all subsequent proceedings, orders, and judgments.

10.4. Any Settlement Class Member who desires to opt out must take timely affirmative written action pursuant to this Section, even if the person desiring to opt out of the Class (a) files or has filed a separate action against any of the Released Parties, or (b) is, or becomes, a putative or actual class member in any other class action filed against any of the Released Parties.

10.5. Any Settlement Class Member who properly opts out of the Settlement Class shall not: (a) be bound by any orders or judgments relating to the Settlement; (b) be entitled to relief under, or be affected by, the Agreement; (c) gain any rights by virtue of the Agreement; or (d) be entitled to object to any aspect of the Settlement.

10.6. The Settlement Administrator shall provide Class Counsel and Defense Counsel with a list of all timely Opt-Out Requests within seven business days after the Opt-Out Deadline.

10.7. Notwithstanding the foregoing, a Class Member shall have the right to revoke a properly and timely submitted request for exclusion if a notice of the Class Member's election to revoke his or her exclusion is sent to the Settlement Administrator, postmarked on or before the Opt-Out Deadline.

10.8. Any request for exclusion that purports to be filed by a third party on behalf of a "mass" or "class" of Settlement Class Members, or on behalf of multiple Settlement Class Members, shall be void and of no effect unless each individual

Settlement Class Member on whose behalf exclusion is sought has personally signed the request in compliance with Paragraph 10.2. No Settlement Class Member may be excluded from the Settlement Class through a request submitted by counsel, an agent, or any other representative purporting to act on behalf of multiple Class Members in a single filing, except where each such Class Member has individually signed a separate, compliant Request to Opt Out.

11. Objections.

11.1. Overview. Any Settlement Class Member may object to the Settlement. To object, the Settlement Class Member must comply with the procedures and deadlines in this Agreement and any Court order entered in this case.

11.2. Process. Any Settlement Class Member who wishes to object to the Settlement must do so in writing on or before the Objection Deadline, as specified in the Class Notice and Preliminary Approval Order. The written objection must be filed with the Clerk of Court and mailed (with the requisite postmark) to Class Counsel and Defense Counsel (at the addresses identified in Section 18) no later than the Objection Deadline.

11.3. Form of Objection. The requirements to assert a valid written objection shall be set forth in the Class Notice and on the Settlement Website and, to be valid, the written objection must include: (a) the case name and number; (b) the name, address, telephone number of the Settlement Class Member objecting and, if represented by counsel, of his/her counsel; (c) the basis for objection; and (d) a statement of whether he/she intends to appear at the Final Approval Hearing, either

with or without counsel.

11.4. Within seven business days of the Objection Deadline, the Settlement Administrator shall provide a report to the Court setting forth a list of Objections that meet the above guidelines. The Court shall have the ultimate determination of whether an Objection has been appropriately made.

11.5. Waiver of Objection. Any Settlement Class Member who does not make his or her objection in the manner provided in this Section shall be deemed to have waived such objection, shall not be permitted to object to any terms or approval of the Settlement at the Final Approval Hearing, and shall be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the proposed Settlement as incorporated in the Agreement, and to the award of Attorneys' Fees and Expenses to Class Counsel, unless otherwise ordered by the Court.

11.6. Appearance. Subject to approval of the Court, any Class Member who files and serves a written Objection in accordance with this Section and the Class Notice may appear, in person or by counsel, at the Final Approval Hearing held by the Court, to show cause why the proposed Settlement should not be approved as fair, adequate, and reasonable, but only if the objecting Settlement Class Member: (a) files with the Clerk of the Court a notice of intention to appear at the Final Approval Hearing by the Objection Deadline ("Notice of Intention to Appear"); and (b) serves the Notice of Intention to Appear on all counsel designated in the Class Notice by the Objection Deadline.

11.7. The Notice of Intention to Appear must include copies of any papers,

exhibits, or other evidence that the objecting Settlement Class Member will present to the Court in connection with the Final Approval Hearing.

11.8. Any Settlement Class Member who does not file a Notice of Intention to Appear in accordance with the deadlines and other specifications set forth in the Agreement and Class Notice shall not be entitled to appear at the Final Approval Hearing and raise any objections.

11.9. If any Settlement Class Member properly and timely objects to the Settlement and the Court awards attorneys' fees to that objector or the objector's counsel in connection with such objection (an "Objector Fee Award"), Costa shall pay the first Seventy-Five Thousand Dollars (\$75,000) of any Objector Fee Award after the order awarding such attorneys' fees becomes final and is no longer subject to appeal, rehearing, reconsideration, writ review, or other review. Costa shall make any payment required under this Paragraph directly to the objector, the objector's counsel, or as otherwise directed by the Court, and no such payment by Costa shall be made from the Settlement Fund. To the extent the Court awards Objector Fee Awards in excess of Seventy-Five Thousand Dollars (\$75,000) in the aggregate, the amount of such excess shall be paid from the Settlement Fund. Costa's total obligation under this Paragraph shall not exceed Seventy-Five Thousand Dollars (\$75,000), regardless of the number of objectors, objections, fee petitions, awards, orders, appeals, or proceedings relating to objections. Any objector or objector's counsel awarded attorneys' fees under this Paragraph shall provide any reasonable payment information that Costa requests in connection with tendering this payment,

including a completed W-9 form and, if requested, payment instructions in writing.

12. **Termination.**

12.1. In the event that the Settlement set forth in this Agreement is not preliminarily or finally approved without material changes by the Court, or if one of the conditions upon which the Agreement is based is not satisfied, or if the Court determines that it lacks jurisdiction to approve the Settlement, or if there is a court order from another court that takes jurisdiction over some or all of the Released Claims, or in the event that the Effective Date does not occur, either Costa or the Class Representative shall have the right (but not the obligation) to terminate the Agreement. In that case, no further payments shall be made by Costa to anyone in accordance with the terms of this Agreement, any unused or unapplied funds paid by Costa shall be returned to Costa, the Parties will bear their own costs and fees with regard to the efforts to obtain Court approval, and this Agreement shall be deemed null and void with no effect on the Action whatsoever. Reductions in the amount of the requested Attorneys' Fees and Expenses shall not be deemed a substantial change necessitating termination of the Settlement.

12.2. If any material portion of the Agreement or the Final Approval Order is vacated, modified, or otherwise altered on appeal, Costa or the Class Representative may, in their sole discretion, within fourteen calendar days of such appellate ruling, declare that the Agreement has failed to become effective, and in such circumstances the Agreement shall cease to be of any force and effect.

12.3. In the event that 5% or more Class Members exclude themselves from

the Settlement, Costa shall have the absolute discretionary right (but not obligation) to terminate this Settlement and Agreement and in such case, each and every one of Costa's obligations under this Agreement shall terminate, and this Agreement and any orders entered into in connection therewith shall be vacated. If Costa exercises this option, the Parties shall return to the status quo in the Action as if the Parties had not entered into this Agreement. In addition, in such event, the Agreement and all negotiations, Court orders, and proceedings relating thereto shall be without prejudice to the rights of the Parties, and each of them, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Action or in any other proceeding. Costa must exercise this option pursuant to this Paragraph within ten days after receiving the list of timely Opt-Out Requests and at least three days prior to the Final Approval Hearing, by giving written notice of such exercise to Class Counsel.

12.4. If one of the Parties exercises a right herein to terminate or rescind this Agreement or this Agreement is not approved by the Court pursuant to the proposed Final Approval Order, this Agreement, the Settlement proposed herein (including any modifications made with the consent of the Parties), and any action taken or to be taken in connection therewith shall be terminated and shall become null and void and have no further force or effect, the Preliminary Approval Order shall be vacated, the Parties shall be restored to their respective positions existing prior to the execution of this Agreement and the Parties' rights and obligations with respect to the use of this Agreement and the Settlement contemplated hereby will be subject to Section 17

hereof. In addition, neither this Agreement, the Preliminary Approval Order, nor any other document in any way relating to any of the foregoing, shall be relied on, referred to, or used by anyone in any way for any purpose in connection with any further proceedings in this Action and/or any action, lawsuit, arbitration, or proceeding involving a Released Claim. Finally, all evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Action or in any other proceeding.

13. Motion for Final Approval.

13.1. After the Preliminary Approval Order and no later than fourteen days before the Final Approval Hearing, the Class Representative shall move for Final Approval of the Settlement and entry of Final Judgment and shall request that settlement be made final. Class Counsel shall provide a draft of the Motion for Final Approval to Defense Counsel for review and comment at least seven days before it is filed. Any responsive papers shall be filed and served no later than seven calendar days prior to the Final Approval Hearing.

13.2. If the Settlement is not granted final approval and the Final Approval Order is not entered as set forth here, the Settlement Class shall be automatically vacated and shall not constitute evidence or a binding determination that the requirements for certification of a class for any other purposes in this or any other action can be or have been satisfied. In such circumstances, Costa reserves and shall have all rights to challenge certification of a Settlement Class or any other class for any other purpose in the Action or any other action on all available grounds.

14. Attorneys' Fees and Litigation Costs.

14.1. Costa will not oppose an application by Class Counsel in the Action for Attorneys' Fees and Expenses up to Class Counsel's lodestar to be paid from the Settlement Fund.

14.2. Class Counsel's application for Attorneys' Fees and Expenses shall be filed along with the Motion for Preliminary Approval. Class Counsel agree that the amounts of such costs and fees awarded shall compensate them for all legal work in the Action up to and including the date of Final Judgment, including any appeal of the Judgment, as well as for all legal work and costs that may be incurred in the Action after the date of Final Judgment. Any award of Attorneys' Fees and Expenses shall be paid out of the Settlement Fund.

14.3. Within thirty-seven days after the Effective Date or entry of an order approving the application for Attorneys' Fees and Expenses (whichever is later), the Settlement Administrator shall make payment of the Attorneys' Fees and Expenses awarded by the Court to Class Counsel, pursuant to payment instructions in writing from Class Counsel. In accepting this payment, the Class Representative and Class Counsel, on behalf of themselves and all Settlement Class Members, acknowledge that the payments are in full satisfaction of any and all claims, rights, and demands that Class Counsel, the Class Representative, or the Settlement Class had, have, or may claim to have in the future for attorneys' fees, costs, expenses, or any other payment in connection with this Action or this Agreement, up to the date of final judgment.

14.4. A Form 1099 for these payments may be filed by Costa and/or the Settlement Administrator. Class Counsel shall cooperate with Costa and the Settlement Administrator to provide all information necessary to process any such payments including completing any requested tax forms (e.g., IRS Form W-9 and applicable tax identification numbers). Costa shall have no responsibility for, and no liability whatsoever with respect to, any tax obligations or any allocation among the Class Representative and Class Counsel, and/or any other person who may assert some claim thereto, of any award or payment made in this Action or pursuant to this Agreement, including but not limited to any award or payment pursuant to this Section 15. Class Counsel and the Class Representative shall alone be responsible for the reporting and payment of any federal, state, and/or local income or other form of tax on any payment made pursuant to this Section 15. No party shall be deemed the prevailing party for any other purposes of the Action.

14.5. Neither Costa nor the Releasees shall have any responsibility for any application of Attorneys' Fees and Expenses submitted by Class Counsel. The procedure for and the grant or denial or disallowance by the Court of the application for Attorneys' Fees and Expenses is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceedings relating to the applications for Attorneys' Fees and Expenses or any appeal from any order relating thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement, or affect or delay the Finality of Judgment approving the Agreement and the Settlement,

except as provided for in Section 12.

15. Stay of Discovery and Other Proceedings.

15.1. This Action has already been stayed by the Court, and the Parties agree to discontinue all discovery activity or related proceedings in the Action.

15.2. Upon the Effective Date, and notwithstanding any of the other provisions in this Agreement, Costa shall have no obligation to preserve documents and evidence with respect to Released Claims, and the Class Representative and Class Counsel shall not pursue any spoliation claims or other actions or sanctions against Costa with respect to documents or evidence related to the Released Claims.

16. Return/Destruction of Discovery Materials.

16.1. The Parties agree that the terms of the Confidentiality Stipulation govern the dealings of the Parties with respect to materials produced in discovery in this Action and shall continue in force after the Effective Date of the Settlement.

16.2. Within sixty days of the Effective Date, counsel of record shall make written certification that they have used their best efforts to search for all Confidential Information, that they have instructed the Class Representative, Defendant, and all consultants or experts to return or destroy Confidential Information, and that, to the best of their knowledge, they have retained no originals or copies of any Confidential Information. The Parties acknowledge that their duty to return or destroy all Confidential Information is a continuing duty and the Parties agree to return or destroy any such information found in the future.

16.3. Notwithstanding this Section, the Parties shall be excused from any duty

to return or destroy Confidential Information to the extent necessary to comply with outstanding court orders or with judicial and non-judicial subpoenas, civil investigative demands or other compulsory process.

16.4. The Parties are further excused from destroying the materials specifically enumerated in Paragraph 12 of the Confidentiality Stipulation.

17. Media and Confidentiality.

17.1. The Parties agree not to issue any press release, convene any press conference, or initiate any contact with the media regarding this Action unless approved by the Parties.

17.2. Plaintiff and Class Counsel agree not to make any direct written solicitations to Class Members to opt out or object to the Settlement, and they shall take no action which is intended to induce or encourage any person included in the Class to seek exclusion from the Class.

18. Notices.

18.1. All notices (other than the Class Notice) required by the Agreement shall be made in writing and communicated by mail and email to the following addresses:

All notices to Class Counsel shall be sent to Class Counsel c/o:

Peter P. Hargitai
Joshua H. Roberts
Laura B. Renstrom
Michael M. Gropper
HOLLAND & KNIGHT LLP
50 North Laura Street, Suite 3900
Jacksonville, Florida 32202

All notices to Defense Counsel shall be sent to Defense Counsel c/o:

K. Issac deVyver
MCGUIREWOODS LLP
260 Forbes Avenue, Suite 1800
Pittsburgh, Pennsylvania 15222
kdevyver@mcguirewoods.com

Sara F. Holladay
MCGUIREWOODS LLP
50 North Laura Street, Suite 3300
Jacksonville, FL 32202

Justin R. Opitz
MCGUIREWOODS LLP
2601 Olive Street, Suite 2100
Dallas, TX 75201

19. Miscellaneous Provisions.

19.1. Cooperation. The Parties: (a) acknowledge that it is their intent to consummate this Agreement; and (b) agree to cooperate to the extent reasonably necessary to effect and implement all terms and conditions of the Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of the Agreement.

19.2. No Admission. The Agreement compromises claims contested in good faith, and it shall not be deemed an admission by any of the Parties as to the merits of any claim or defense. The Parties agree that the amounts paid in settlement and the other terms of the Agreement were negotiated in good faith by the Parties and at arm's length and reflect a settlement that was reached voluntarily after consultation with competent legal counsel. Neither the Agreement nor the Settlement, nor any

act performed or document executed pursuant to, or in furtherance of, the Agreement or the settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of the Releasees, or any of them; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of the Releasees, or any of them, in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. The Class Representative and Class Counsel agree not to argue that Costa could not contest (or is estopped from contesting) class certification and/or proceeding collectively on any grounds if this Action were to proceed; this Agreement shall not be deemed an admission by, or ground for estoppel against, Costa that class certification and/or proceeding collectively in the Action is proper or cannot be contested on any grounds.

19.3. Exhibits. All of the exhibits to the Agreement are material and integral parts hereof and are fully incorporated herein by this reference.

19.4. Amendment/Modification. The Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest. The waiver by one Party of any breach of this Agreement by any other Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement. Class Counsel, on behalf of the Class, are expressly authorized by the Class Representative to take all appropriate action required or permitted to be taken by the Class pursuant to the Agreement to effect its terms, and also are expressly authorized to enter into any modifications or

amendments to the Agreement on behalf of the Class which they deem appropriate.

19.5. Entire Agreement. The Agreement and the related documents entered at this time of this Agreement or referenced herein constitute the entire agreement among the Parties hereto concerning the Settlement of the Action, other than the settlement of Plaintiff's separate, individual claim. No representations, warranties, or inducements have been made to any Party concerning the Agreement or its exhibits other than the representations, warranties, and covenants contained and memorialized in this Agreement. Except as otherwise provided herein, each party shall bear its own costs and attorney fees.

19.6. Authority. Each person executing the Agreement or any of its exhibits on behalf of any Party hereto hereby warrants that such person has the full authority to do so.

19.7. Counterparts. The Agreement may be executed in one or more counterparts, including by signature transmitted by facsimile or by email in PDF format. All executed counterparts and each of them shall be deemed to be one and the same instrument.

19.8. Successors and Assigns. The Agreement shall be binding upon, and inures to the benefit of, the heirs, executors, successors, and assigns of the Parties hereto; but this Agreement is not designed to and does not create any third-party beneficiaries.

19.9. No Third-Party Rights or Beneficiaries. Except as expressly provided for herein, no government agency or official can claim any rights under this

Agreement or Settlement, whether with respect to the conduct that is the subject of the Releases, the restrictions in Section 3, or the funds (or remainder of funds) paid or used in the Settlement. There are no third-party beneficiaries created or implied.

19.10. Jurisdiction. The Court shall retain exclusive jurisdiction with respect to implementation and enforcement of the terms of the Agreement in this Action, and all Parties hereto submit to the jurisdiction of the Court for the sole purposes of implementing and enforcing the Settlement embodied in the Agreement until such time that the Court enters an order dismissing the action with prejudice. Any enforcement proceedings relating to or arising out of this Agreement will be adjudicated exclusively by the Honorable Bruce R. Anderson, Jr., Circuit Court Judge for the Fourth Judicial Circuit, Duval County, Florida, or by any judge to whom this Action is subsequently assigned.

19.11. Governing Law. The Agreement and the exhibits hereto shall be considered to have been negotiated, executed, and delivered, and to have been wholly performed, in the State of Florida, and the rights and obligations of the Parties to the Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Florida without giving effect to that State's choice of law principles.

19.12. Drafting. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against either party. No party shall be deemed the drafter of this Agreement. The Parties acknowledge that the terms of the Agreement are contractual and are the product of

negotiations between the Parties and their counsel. Each Party and their counsel cooperated in the drafting and preparation of the Agreement. In any construction to be made of the Agreement, the Agreement shall not be construed against any party and the canon of contract interpretation to the contrary shall not be applied.

19.13. Recitals. The recitals set forth above shall be and hereby are terms of this Agreement as if set forth herein. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

19.14. No Collateral Attack. The Settlement Agreement shall not be subject to collateral attack by any Settlement Class Member or any recipient of Class Notices of the Settlement after the Final Judgment is entered.

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Dated: _____, 2026

CLASS REPRESENTATIVE
BRENDAN HANEY

By: BRENDAN HANEY

Dated: August 26, 2026

DEFENDANT
COSTA DEL MAR, INC.

By: _____



Name: Sara Francescutto

Title: CFO - North America

Dated: 8/21/2026 | 12:07 PM EDT, 2026

CLASS REPRESENTATIVE
BRENDAN HANEY

Signed by:

FCF40453C4C542D...

By: BRENDAN HANEY

Dated: _____, 2026

DEFENDANT
COSTA DEL MAR, INC.

By: _____

Name: _____

Title: _____