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13 UNITED STATES DISTRICT COURT
14 CENTRAL DISTRICT OF CALIFORNIA
15 EASTERN DIVISION

16 MARCELO CUNHA, Individually and) No. ED-CV-08-01249-GW(JCx)
17 on Behalf of All Others Similarly)
Situating,) CLASS ACTION
18 Plaintiff,) STIPULATION OF SETTLEMENT
19 vs.)
20 HANSEN NATURAL CORPORATION,)
21 et al.,)
22 Defendants.)

1 This Stipulation of Settlement dated April 16, 2014 (the “Stipulation”),
2 submitted pursuant to Rule 23 of the Federal Rules of Civil Procedure, embodies a
3 settlement (the “Settlement”) made and entered into by and among the following
4 Settling Parties: (i) Structural Ironworkers Local Union #1 Pension Fund (“Lead
5 Plaintiff”), on behalf of itself and each of the members of the Settlement Class, as
6 defined in ¶¶1.21-1.22, *infra*, on the one hand, and (ii) Hansen Natural Corporation,
7 n/k/a Monster Beverage Corporation (“Hansen” or the “Company”), Rodney C. Sacks,
8 and Hilton H. Schlosberg (the “Individual Defendants,” together with Hansen, the
9 “Defendants”) on the other hand, by and through their counsel of record in the above-
10 captioned litigation pending in the United States District Court for the Central District
11 of California (the “Action”). The Stipulation is intended by the Settling Parties to
12 fully, finally, and forever resolve, discharge, and settle the Action and the Released
13 Claims, upon and subject to the terms and conditions hereof and subject to the
14 approval of the Court. Throughout this Stipulation, all capitalized terms used, but not
15 immediately defined, have the meanings given to them in Section IV.1, below.

16 **I. THE LITIGATION**

17 On September 11, 2008, Marcelo Cunha filed a proposed class action (the
18 “Complaint”) in the United States District Court for the Central District of California,
19 captioned *Cunha v. Hansen Natural Corp., et al.*, No. ED-CV-08-01249-SGL(JCx),
20 alleging that Defendants had violated §§10(b) and 20(a) of the Securities Exchange
21 Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder. On
22 September 17, 2008, a second federal securities class action complaint, styled *Brown*
23 *v. Hansen Natural Corp., et al.*, No. ED-CV-08-01278 VAP(SHx), was filed in the
24 United States District Court for the Central District of California.

25 On July 13, 2009, the Court consolidated the two actions and appointed
26 Structural Ironworkers Local Union #1 Pension Fund as Lead Plaintiff and Coughlin
27 Stoia Geller Rudman & Dowd LLP n/k/a Robbins Geller Rudman & Dowd LLP as

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1 Lead Counsel. Lead Plaintiff filed a consolidated complaint on August 28, 2009 (the
2 “Consolidated Complaint”). The Consolidated Complaint alleged that Defendants and
3 Thomas J. Kelly misrepresented and omitted material facts about Hansen’s business,
4 including, among other things, the state of its distribution relationship with Anheuser-
5 Busch (“AB”) and the benefits to be derived therefrom.

6 On November 16, 2009, Defendants filed a motion to dismiss the Consolidated
7 Complaint. Lead Plaintiff filed an opposition on January 8, 2010 and Defendants filed
8 their reply on February 8, 2010. The Court granted the motion to dismiss with leave
9 to amend on July 12, 2010. Lead Plaintiff filed a consolidated amended complaint on
10 August 27, 2010 (the “CAC”), that, among other things, dropped Thomas J. Kelly as a
11 defendant and added certain new allegations, including that Hansen purportedly
12 engaged in a “channel stuffing” scheme during the Class Period relating to sales to AB
13 distributors.

14 Defendants filed a motion to dismiss the CAC on November 8, 2010. After
15 multiple submissions between January 14, 2011 and July 26, 2011, including an
16 opposition, a reply, notices of recent decisions and responses thereto, and additional
17 supplemental briefing, the Court granted in part and denied in part Defendants’
18 motion to dismiss the CAC on September 4, 2012.

19 The Court, thereafter, held a status conference on September 20, 2012. During
20 the conference, it granted Defendants permission to file a motion for reconsideration
21 or certification for interlocutory appeal with respect to the Court’s decision on
22 Defendants’ motion to dismiss the CAC. On October 22, 2012, the Court denied
23 Defendants’ motion for reconsideration or certification for interlocutory appeal and set
24 a schedule for class certification discovery and briefing. The Court stayed all merits
25 discovery in the case pending a determination on class certification. On November
26 19, 2012, Defendants filed their answer to the CAC.

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1 Pursuant to the schedule outlined by the Court, Lead Plaintiff filed its motion
2 for class certification on December 6, 2012. The parties also proceeded with class
3 certification discovery, with Defendants taking the deposition of Lead Plaintiff's
4 representative on February 7, 2013. Defendants filed their opposition on February 22,
5 2013. Lead Plaintiff filed its reply on April 1, 2013, and included an expert report to
6 respond to the expert report submitted by Defendants with their opposition. The
7 parties submitted additional expert reports and supplemental briefing on May 30, 2013
8 and June 7, 2013. On June 20, 2013, the Court issued a tentative ruling denying Lead
9 Plaintiff's motion for class certification without prejudice and issued its final ruling,
10 adhering to its tentative decision, on January 17, 2014.

11 In connection with their settlement efforts, the parties engaged in a mediation
12 process with the Honorable Layn R. Phillips, United States District Judge (Ret.),
13 which included the submission of mediation statements, a full-day mediation session,
14 and further negotiations conducted through the mediator.

15 **II. CLAIMS OF LEAD PLAINTIFF AND BENEFITS OF**
16 **SETTLEMENT**

17 Lead Plaintiff and Lead Counsel believe that the claims asserted in the Action
18 have merit. However, Lead Plaintiff and Lead Counsel recognize and acknowledge
19 the uncertainties presented by continued proceedings, including further proceedings
20 with regard to class certification, discovery, summary judgment or trial. Lead
21 Plaintiff and Lead Counsel have taken into account the uncertain outcome and the risk
22 of any litigation, especially in complex actions such as this Action, as well as the
23 difficulties and delays inherent in such litigation. Lead Plaintiff and Lead Counsel
24 also are aware of the defenses to the securities law violations asserted in the Action.
25 Lead Plaintiff and Lead Counsel believe that the Settlement set forth in this
26 Stipulation confers a substantial and certain benefit upon the Settlement Class in a
27 case of considerable complexity. Based on their evaluation, Lead Plaintiff and Lead
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1 Counsel have determined that the Settlement set forth in this Stipulation is in the best
2 interests of Lead Plaintiff and the Settlement Class.

3 **III. DEFENDANTS' DENIALS OF WRONGDOING AND**
4 **LIABILITY**

5 Defendants have denied and continue to deny that they have violated the federal
6 securities laws or any laws. Defendants have denied and continue to deny specifically
7 each and all of the claims and contentions alleged in the Action, along with all charges
8 of wrongdoing or liability against them arising out of any of the conduct, statements,
9 acts or omissions alleged, or that could have been alleged, in the Action, including but
10 not limited to those contained in the Complaint, the Consolidated Complaint and the
11 CAC. Defendants also have denied and continue to deny, *inter alia*, the allegations
12 that Defendants violated the federal securities laws; that any of the Defendants made
13 or caused to be made any material misstatements or omissions; that any of the
14 Defendants acted with scienter; that any of the Defendants sold Hansen common stock
15 based on material nonpublic information; that the price of Hansen common stock was
16 artificially inflated by reason of the alleged misrepresentations, omissions, or
17 otherwise; or that any member of the Settlement Class has suffered damages or was
18 harmed by the conduct alleged in the Action. Defendants maintain that all of the
19 claims alleged in the Action have no merit.

20 Nonetheless, taking into account the uncertainty, risks, and costs inherent in any
21 litigation, especially in complex cases such as this Action, and to eliminate the burden
22 and disruption to the Company and management that would result from further
23 litigation, Defendants have concluded that it is desirable and beneficial that the Action
24 be settled in the manner and upon the terms and conditions set forth in this Stipulation.

25 **IV. TERMS OF STIPULATION AND AGREEMENT OF**
26 **SETTLEMENT**

27 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and
28 among Lead Plaintiff (for itself and the members of the Settlement Class), on the one

1 hand, and Defendants, on the other hand, by and through their respective counsel of
2 record, that, subject to the approval of the Court, in consideration of the benefits
3 flowing to the Settling Parties from the Settlement set forth herein, the Action and the
4 Released Claims shall be finally and fully compromised, settled, and released, and the
5 Action shall be dismissed with prejudice, as to all Settling Parties, upon and subject to
6 the terms and conditions of the Stipulation, as follows:

7 **1. Definitions**

8 As used in the Stipulation, the following terms have the meanings specified
9 below¹:

10 1.1 “Authorized Claimant” means any member of the Settlement Class who
11 submits a timely and valid Proof of Claim and Release form, as described in ¶7.3
12 hereof, and whose claim for recovery has been allowed pursuant to the terms of the
13 Stipulation.

14 1.2 “Claims Administrator” means the firm of Gilardi & Co. LLC.

15 1.3 “Class Period” means the period between November 9, 2006 and
16 November 8, 2007, inclusive.

17 1.4 “Defendants” mean Hansen, Rodney C. Sacks and Hilton H. Schlosberg.

18 1.5 “Effective Date” means the first date by which all of the events and
19 conditions specified in ¶10.1 of the Stipulation have been met and have occurred.

20 1.6 “Escrow Account” means an interest-bearing escrow account maintained
21 by and at the Escrow Agent, controlled by Lead Counsel, into which Defendants shall
22 cause the deposit of the Settlement Amount.

23 1.7 “Escrow Agent” means Robbins Geller Rudman & Dowd LLP or its
24 successor(s).

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26 ¹ All pronouns and any variations thereof refer to the masculine, feminine or neuter,
27 singular or plural, as the context may require. The terms defined in their singular or
28 plural forms in ¶¶1.1, 1.4, 1.9, 1.14, 1.17, 1.18-1.19, 1.22, 1.24 and 1.25 have
correlative meanings when used herein in their plural or singular forms, respectively.

1 1.8 “Final” means the time when a Judgment that has not been reversed,
2 vacated, or modified in any way is no longer subject to appellate review, either
3 because of disposition on appeal and conclusion of the appellate process, or because
4 of the passage of time for seeking appellate review. More specifically, it is when the
5 last of the following has occurred with respect to the Judgment: (a) the date of final
6 affirmance on an appeal of the Judgment, the expiration of the time for a petition for
7 or a denial of a writ of certiorari to review the Judgment and, if certiorari is granted,
8 the date of final affirmance of the Judgment following review pursuant to that grant;
9 or (b) the date of final dismissal of any appeal from the Judgment or the final
10 dismissal of any proceeding on certiorari to review the Judgment and expiration of
11 time to seek any further review or appeal of such dismissal; or (c) if no appeal is filed,
12 the expiration of the time for the filing or noticing of any appeal from the Judgment.
13 For purposes of this definition, an “appeal” shall include any motion to alter, amend,
14 or otherwise review the Judgment, and any petition for any writ, including a writ of
15 certiorari, that may be filed in connection with the approval or disapproval of this
16 Stipulation. Any proceeding, order, appeal, or petition for a writ of certiorari
17 pertaining to any Plan of Distribution and/or application for attorneys’ fees, costs, or
18 expenses shall not in any way delay or preclude the Judgment from becoming Final.

19 1.9 “Individual Defendants” mean Rodney C. Sacks and Hilton H.
20 Schlosberg.

21 1.10 “Judgment” means the Final Judgment and Order of Dismissal with
22 Prejudice to be rendered by the Court upon approval of the Settlement, in all material
23 respects in the form attached hereto as Exhibit B.

24 1.11 “Lead Counsel” means Robbins Geller Rudman & Dowd LLP, 655 West
25 Broadway, Suite 1900, San Diego, California 92101.

26 1.12 “Lead Plaintiff” means Structural Ironworkers Local Union #1 Pension
27 Fund.

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1 1.13 “Net Settlement Fund” means the portion of the Settlement Fund that
2 shall be distributed to Authorized Claimants as allowed by the Stipulation, the Plan of
3 Distribution, or the Court, after provision for the amounts set forth in ¶7.2 of this
4 Stipulation.

5 1.14 “Person” means an individual, corporation, partnership, limited
6 partnership, association, joint stock company, estate, legal representative, trust,
7 unincorporated association, government or any political subdivision or agency thereof,
8 and any business or legal entity and his, her or its spouses, heirs, predecessors,
9 successors, representatives, or assignees.

10 1.15 “Plaintiff’s Counsel” means any counsel who filed a complaint, or is
11 listed as counsel on any document or filing made by or on behalf of Lead Plaintiff or
12 any other plaintiff, in the Action or any action that has been consolidated with the
13 Action.

14 1.16 “Plan of Distribution” means a plan or formula of allocation of the Net
15 Settlement Fund whereby the Settlement Fund shall be distributed to Authorized
16 Claimants after payment of expenses of notice and administration of the Settlement,
17 Taxes and Tax Expenses, and such attorneys’ fees, costs, expenses and interest, and
18 other expenses as may be awarded by the Court. Any Plan of Distribution is not part
19 of the Stipulation and the Released Persons shall have no responsibility or liability
20 with respect thereto.

21 1.17 “Related Persons” means, (a) with respect to Hansen, each and all of its
22 past or present subsidiaries, parents, commonly controlled entities or Persons, and
23 affiliates, and each and all of its or their respective current or former officers,
24 directors, employees, managers, shareholders, members, principals, agents, controlling
25 persons, managing members, attorneys, legal counsel, accountants, auditors,
26 consultants, financial advisors, investment advisors, commercial bank lenders,
27 investment bankers, general and limited partners, indemnitors, indemnitees, insurers

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1 (including, but not limited to, Directors' and Officers' insurance carriers), reinsurers,
2 representatives, predecessors, successors, assigns, and any Person acting on their
3 behalf (collectively, "Affiliated Persons"); and (b) with respect to the Individual
4 Defendants, each and all of any Individual Defendant's family members and/or
5 spouses, successors, assigns, heirs, estates, administrators, executors, trustees, and
6 personal representatives; any company (including, but not limited to, any limited
7 liability company ("LLC")), corporation, partnership, trust, association, cooperative or
8 other entity of any kind in which any Individual Defendant and/or family member
9 and/or spouse of any Individual Defendant has or had any direct or indirect interest or
10 management or representative position, and/or which (either in whole or in part) is for
11 the benefit (either directly or indirectly) of any Individual Defendant and/or family
12 member and/or spouse of any Individual Defendant (including, but not limited to,
13 Hilrod Holdings L.P.; any partnership of which any Individual Defendant and/or
14 family member or spouse of any Individual Defendant is (either directly or indirectly)
15 one or more of the general and/or limited partners; and any trust of which any
16 Individual Defendant is (either directly or indirectly) one or more of the settlors,
17 grantors and/or trustees); and all Affiliated Persons of each Individual Defendant and
18 each such company (including, but not limited to, LLCs), corporation, partnership,
19 trust, association, cooperative or other entity.

20 1.18 "Released Claims" means any and all claims (including, without
21 limitation, Unknown Claims), demands, rights, liabilities, penalties, sanctions,
22 damages, losses, debts, obligations, fees, expenses, costs, judgments, matters, suits
23 and causes of action of any kind or nature whatsoever, whether known or unknown,
24 contingent or absolute, matured or unmatured, suspected or unsuspected, disclosed or
25 undisclosed, hidden or concealed, discoverable or undiscoverable, accrued or
26 unaccrued, liquidated or unliquidated, regardless of legal or equitable theory,
27 including, without limitation, claims for negligence, breach of fiduciary duty, breach

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1 of the duty of care and/or loyalty, violation of any federal or state statute, rule or
2 regulation, violation of common law, violation of administration rule or regulation,
3 tort, breach of contract, violation of international law or violation of the law of any
4 foreign jurisdiction, that Lead Plaintiff or any other Settlement Class Member (i)
5 asserted in the Action, including in the Complaint, the Consolidated Complaint, the
6 CAC and any other document, filing or statement in the Action; or (ii) could have, or
7 in the future might have, asserted in the Action or in any other litigation or proceeding
8 in any court, tribunal or forum against any of the Released Persons, arising from,
9 based upon, or related in any way, directly or indirectly, in whole or in part, to (a)
10 both the allegations, transactions, facts, matters, occurrences, representations,
11 statements and/or omissions involved, set forth or referred to in the Complaint, the
12 Consolidated Complaint or the CAC and any public filing, press release, conference
13 call transcript, recording or other document incorporated therein by reference or
14 otherwise communicated to the public by Defendants (or any of them) during the
15 Class Period, and the purchase or acquisition of Hansen common stock during the
16 Class Period by any Settlement Class Member or the sale of such common stock by
17 any Settlement Class Member during the Class Period; or (b) Defendants' defense or
18 settlement of the Action and/or Defendants' defense or settlement of the Released
19 Claims. Notwithstanding the foregoing, "Released Claims" does not include any
20 claim to enforce the terms of the Stipulation and Settlement.

21 1.19 "Released Persons" means each and all of Defendants in their individual
22 and corporate capacities and each and all of their Related Persons.

23 1.20 "Settlement Amount" means Sixteen Million Two Hundred Fifty
24 Thousand Dollars (\$16,250,000.00) to be paid by certain of Hansen's insurance
25 carriers pursuant to ¶3.1 of this Stipulation, as well as any interest thereon paid
26 pursuant to ¶3.1 of this Stipulation.

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1 1.21 “Settlement Class” means all Persons who purchased or otherwise
2 acquired Hansen common stock between November 9, 2006 and November 8, 2007,
3 inclusive. Excluded from the Settlement Class are: Defendants, the officers and
4 directors of Hansen, members of their immediate families and their legal
5 representatives, heirs, successors or assigns and any entity in which Defendants have
6 or had a controlling interest. Also excluded from the Settlement Class are those
7 Settlement Class Members who, as described in ¶¶8.1 and 8.2 hereof, submit valid and
8 timely requests for exclusion pursuant to the Notice of Proposed Settlement of Class
9 Action. The parties will request that the Court certify the Settlement Class for
10 purposes of this Settlement only.

11 1.22 “Settlement Class Member” means a Person who falls within the
12 definition of the Settlement Class as set forth in ¶1.21 of this Stipulation.

13 1.23 “Settlement Fund” means the Settlement Amount, together with all
14 interest and income earned thereon after deposit of the Settlement Amount into the
15 Escrow Account pursuant to the terms of ¶3.1 of this Stipulation.

16 1.24 “Settling Parties” means, collectively, Defendants and Lead Plaintiff on
17 behalf of itself and the Settlement Class Members.

18 1.25 “Unknown Claims” means any Released Claims which Lead Plaintiff or
19 any Settlement Class Members do not know or suspect to exist in his, her or its favor
20 at the time of the release of the Released Persons which, if known by him, her or it,
21 might have affected his, her or its settlement with and release of the Released Persons,
22 or might have affected his, her or its decision not to object to or to seek exclusion
23 from this Settlement, and include, without limitation, any such claims, rights, benefits
24 or provisions released or waived pursuant to ¶6.3 below.

25 **2. CAFA Notice**

26 2.1 Pursuant to the Class Action Fairness Act (“CAFA”), no later than ten
27 (10) days after the Stipulation is filed with the Court, Hansen shall, at its expense,

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1 serve notice of the proposed Settlement upon the appropriate State and Federal
2 officials.

3 **3. The Settlement**

4 **a. The Settlement Fund**

5 3.1 In full settlement of the Released Claims against the Released Persons,
6 Hansen shall cause certain of its insurance carriers to pay the amount of Sixteen
7 Million Two Hundred Fifty Thousand Dollars (\$16,250,000) into the Escrow Account
8 no later than twenty (20) calendar days after the later of (a) entry of the Preliminary
9 Approval Order or (b) the receipt by Defendants' counsel of appropriate payee
10 information, including a Form W-9 providing the tax identification number for the
11 Escrow Account, all necessary instructions for payment by wire transfer, and the
12 identity of the payee and mailing address required for payment by check. If the
13 Settlement Amount is not fully funded within thirty (30) calendar days after the later
14 of the events specified in (a) or (b) above, all unpaid amounts shall bear interest at the
15 rate of 7% per annum beginning thirty (30) calendar days after the later of the events
16 specified in (a) or (b) above until the date that the Settlement Amount is paid in full or
17 the Stipulation and Settlement set forth herein is deemed canceled and terminated in
18 accordance with ¶10.4 hereof. It is expressly understood that all payments pursuant to
19 this Stipulation, including the Settlement Amount and any interest thereon, is to be
20 paid by certain of Hansen's insurance carriers into the Escrow Account, and that under
21 no circumstances will any other Released Person, including any Defendant, have any
22 obligation to make any payment pursuant to this Stipulation and the Settlement set
23 forth herein, nor shall any failure on the part of any such insurance carrier to fund any
24 portion of the Settlement Amount constitute a breach of this Stipulation by the
25 Defendants or any of their Related Persons. In the event that Hansen's insurance
26 carriers refuse to fund any portion of the Settlement Amount, the Stipulation and the

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1 Settlement set forth herein shall be deemed canceled and terminated in accordance
2 with ¶10.4 hereof.

3 **b. The Escrow Agent**

4 3.2 The Escrow Agent shall administer the Settlement Fund subject to the
5 jurisdiction of the Court. The Escrow Agent shall not disburse the Settlement Fund
6 except (a) as specifically authorized by this Stipulation, (b) by an order of the Court,
7 or (c) with the written agreement of counsel for Defendants as provided herein.

8 3.3 The Escrow Agent shall invest the Settlement Fund deposited pursuant to
9 ¶3.1 hereof in United States Treasury Bills having maturities of 180 days or less, or
10 money market mutual funds comprised of investments secured by the full faith and
11 credit of the United States Government, or an account fully insured by the United
12 States Government or an agency thereof, and shall reinvest the proceeds of these
13 instruments as they mature in similar instruments at their then-current market rates.
14 All risks related to the investment of the Settlement Fund shall be borne by the
15 Settlement Fund and not by any of the Released Persons.

16 3.4 The Released Persons shall have no responsibility for, interest in, or
17 liability whatsoever with respect to the actions of the Escrow Agent, or any
18 transaction executed by the Escrow Agent.

19 3.5 All funds held by the Escrow Agent shall be deemed to be in the custody
20 of the Court, and shall remain subject to the jurisdiction of the Court, until such time
21 as such funds shall be distributed or returned pursuant to the terms of this Stipulation
22 and/or further order(s) of the Court.

23 3.6 Before the Effective Date, Lead Counsel, as the Escrow Agent may use
24 up to \$500,000 of the Settlement Fund to pay costs and expenses reasonably and
25 actually incurred in the administration of the Settlement (“Class Notice and
26 Administration Costs”), without further approval of the Defendants or order of the
27 Court. Such Class Notice and Administration Costs shall include, without limitation:

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1 the actual costs of publication, printing and mailing the notices described in ¶5.1
2 hereof, reimbursement to nominee owners for forwarding the Notice and Proof of
3 Claim and Release form to their beneficial owners, the administrative expenses
4 actually incurred and fees reasonably charged by the Claims Administrator in
5 connection with searching for Settlement Class Members and providing notice and
6 processing the submitted claims, and the reasonable fees, if any, of the Escrow Agent.
7 In the event that Lead Counsel shall require more than \$500,000 before the Effective
8 Date to pay for Class Notice and Administration Costs, Lead Counsel shall submit a
9 written request to Hansen’s counsel. Hansen’s counsel will provide approval for
10 expenditure of reasonable additional amounts where need is substantiated. If Hansen
11 objects to such additional costs, the Settling Parties shall immediately attempt to
12 mediate and then arbitrate such disputes with the Honorable Layn R. Phillips, or such
13 other person as the Settling Parties agree. After the Effective Date, Lead Counsel, as
14 the Escrow Agent, may pay Class Notice and Administration Costs reasonably and
15 actually incurred without consent of Defendants or a further order of the Court.

16 **c. Taxes**

17 3.7 (a) The Settling Parties agree that the Settlement Fund is intended to
18 be a “Qualified Settlement Fund” within the meaning of Treas. Reg. §1.468B-1. In
19 addition, the Escrow Agent shall timely make such elections as necessary or advisable
20 to carry out the provisions of this ¶3.7, including the “relation-back election” (as
21 defined in Treas. Reg. §1.468B-1) to cause the Qualified Settlement Fund to come
22 into existence at the earliest permitted date, and shall take or cause to be taken all
23 actions as may be necessary or appropriate in connection therewith. Such elections
24 shall be made in compliance with the procedures and requirements contained in such
25 regulations. It shall be the responsibility of the Escrow Agent to timely and properly
26 prepare and deliver the necessary documentation for signature by all necessary parties,
27 and thereafter to cause the appropriate filing to occur.

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1 (b) For the purpose of §468B of the Internal Revenue Code of 1986, as
2 amended, and the regulations promulgated thereunder, the “administrator” shall be the
3 Escrow Agent. The Escrow Agent shall be solely responsible for timely and properly
4 filing or causing to be filed all informational and other tax returns necessary or
5 advisable with respect to the Settlement Fund (including, without limitation, the
6 returns described in Treas. Reg. §1.468B-2(k)). Such returns (as well as the election
7 described in ¶3.7(a) hereof) shall be consistent with this ¶3.7 and in all events shall
8 reflect that all Taxes (including any estimated Taxes, interest, or penalties) on the
9 income earned on the Settlement Fund shall be paid out of the Settlement Fund as
10 provided in ¶3.7(c) hereof.

11 (c) The Escrow Agent shall be authorized and directed to timely and
12 properly pay from the Settlement Fund all (a) Taxes (including any estimated Taxes,
13 interest, or penalties) arising with respect to the income earned by the Settlement
14 Fund, including any Taxes or tax detriments that may be imposed upon Defendants or
15 their counsel with respect to any income earned by the Settlement Fund for any period
16 during which the Settlement Fund does not qualify as a “Qualified Settlement Fund”
17 for federal or state income tax purposes (“Taxes”), and (b) expenses and costs
18 incurred in connection with the taxation of the Settlement Fund and the operation and
19 implementation of this ¶3.7 (including, without limitation, expenses of tax attorneys
20 and/or accountants and mailing and distribution costs and expenses relating to filing
21 (or failing to file) the returns described in this ¶3.7) (“Tax Expenses”). All Taxes and
22 Tax Expenses shall be paid out of the Settlement Fund, and shall be timely paid by the
23 Escrow Agent, and without Defendants’ consent or prior Order of the Court. Any Tax
24 returns prepared for the Settlement Fund (as well as the election set forth therein) shall
25 be consistent with this ¶3.7 and in all events shall reflect that all Taxes (including any
26 interest or penalties) on the income earned by the Settlement Fund and all Tax
27 Expenses shall be paid out of the Settlement Fund as provided herein. Further, Taxes

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1 and Tax Expenses shall be treated as, and considered to be, a cost of administration of
2 the Settlement Fund and shall be timely paid by the Escrow Agent out of the
3 Settlement Fund without prior order from the Court in accordance with ¶3.6 and the
4 Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to
5 withhold from distribution to Authorized Claimants any funds necessary to pay such
6 amounts, including the establishment of adequate reserves for any Taxes and Tax
7 Expenses (as well as any amounts that may be required to be withheld under Treas.
8 Reg. §1.468B-2(1)(2)). The Settling Parties hereto agree to cooperate with the Escrow
9 Agent, each other, and their tax attorneys and accountants to the extent reasonably
10 necessary to carry out the provisions of this ¶3.7.

11 (d) In all events, neither Defendants nor their counsel, nor any other
12 Released Person, shall have any responsibility for or liability whatsoever with respect
13 to the Taxes or the Tax Expenses, including, but not limited to, the payment or non-
14 payment thereof, the withholding thereof, the establishment of any reserves, any
15 reporting requirements, or the filing of any tax returns or other documents with the
16 Internal Revenue Service or any state or local taxing authority in connection with the
17 Settlement Fund. The Settlement Fund shall indemnify and hold each of the Released
18 Persons harmless for Taxes and Tax Expenses on the Settlement Fund of any kind
19 whatsoever (including, without limitation, Taxes payable by reason of any such
20 indemnification).

21 **d. Termination of Settlement**

22 3.8 In the event that the Stipulation is not approved, is terminated, is
23 canceled, or fails to become effective for any reason, the Settlement Fund (including
24 accrued interest), less Class Notice and Administration Costs and Taxes and Tax
25 Expenses properly paid or incurred pursuant to ¶¶3.6 and/or 3.7, shall be returned
26 pursuant to written instructions from Hansen’s counsel, as provided in ¶10.4 below.

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1 **4. Class Certification**

2 4.1 The Settling Parties agree that the Action shall be certified as an opt out
3 class action, for settlement purposes only, pursuant to Federal Rules of Civil
4 Procedure 23(a) and 23(b)(3) on behalf of the Settlement Class.

5 4.2 The certification of the Settlement Class shall only be binding with
6 respect to this Settlement. In the event that this Stipulation is terminated pursuant to
7 its terms or the Settlement is not approved in all material respects by the Court, the
8 Defendants withdraw from the Settlement pursuant to the terms hereof, the Effective
9 Date does not occur, or the Settlement or the Judgment do not become Final for any
10 reason or are modified in any material respect by the Court or any other court, the
11 certification of the Settlement Class shall be deemed vacated, the Action shall proceed
12 as though the Settlement Class has never been certified, and no reference to
13 certification of the Settlement Class, or the Stipulation or any documents related
14 thereto, shall be made by the Settlement Parties for any purpose, except as expressly
15 authorized by the terms of this Stipulation. If any of the foregoing events occur,
16 Defendants fully reserve all rights to oppose certification of any plaintiff class in any
17 future proceedings, no Person shall assert that Defendants are estopped from taking
18 any position relating to class certification, and the Court’s Order regarding class
19 certification, dated January 17, 2014, shall be fully applicable.

20 **5. Preliminary Approval Order and Settlement Hearing**

21 5.1 Promptly after execution of the Stipulation, Lead Counsel shall submit
22 the Stipulation together with its exhibits (the “Exhibits”) to the Court and shall apply
23 for entry of an order (the “Preliminary Approval Order”), in all material respects in
24 the form of Exhibit A attached hereto, requesting, *inter alia*, (a) certification of the
25 Settlement Class (subject to the provisions of ¶¶4.1-4.2 hereof); (b) the preliminary
26 approval of the Settlement set forth in the Stipulation; and (c) approval for the mailing
27 of a Notice of Proposed Settlement of Class Action (the “Notice”) and publication of a
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1 summary notice, in all material respects in the forms of Exhibits A-1 and A-3 attached
2 hereto.

3 5.2 Lead Counsel shall request that after notice is given to the Settlement
4 Class, the Court hold a hearing (the “Settlement Hearing”) and approve the Settlement
5 of the Action as set forth herein. At or after the Settlement Hearing, Lead Counsel
6 shall also request that the Court approve the proposed Plan of Distribution and the Fee
7 and Expense Application.

8 **6. Releases**

9 6.1 Upon the Effective Date, Lead Plaintiff, and each and every Settlement
10 Class Member, for themselves, and on behalf of any other Person claiming (now or in
11 the future) through or on behalf of any of them (whether or not such Plaintiff or
12 Settlement Class Member executes and delivers the Proof of Claim and Release
13 forms), shall be deemed to have, and by operation of the Judgment shall have, fully,
14 finally, and forever released, relinquished, and discharged any and all Released
15 Claims against each and all of the Released Persons; provided, however, that Lead
16 Plaintiff and Settlement Class Members shall retain the right to enforce the terms of
17 the Stipulation and Settlement.

18 6.2 Upon the Effective Date, Lead Plaintiff and each of the Settlement Class
19 Members shall be permanently barred and enjoined from the assertion, institution,
20 maintenance, prosecution, or enforcement against Defendants, or any Released
21 Persons, in any state or federal or foreign court of law or equity, arbitration tribunal,
22 administrative forum or other forum of any kind, of any and all Released Claims;
23 provided, however, that Lead Plaintiff and Settlement Class Members shall retain the
24 right to enforce the terms of the Stipulation and Settlement.

25 6.3 Upon the Effective Date, Lead Plaintiff and each of the Settlement Class
26 Members on behalf of themselves, shall be deemed to have, and by operation of the
27 Judgment shall have, expressly waived and relinquished, to the fullest extent
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1 permitted by law, the provisions, rights and benefits of California Civil Code §1542,
2 which provides:

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

9 Lead Plaintiff and each of the Settlement Class Members on behalf of themselves,
10 shall be deemed to have, and by operation of the Judgment shall have, expressly
11 waived and relinquished, to the fullest extent permitted by law, any and all provisions,
12 rights and benefits conferred by any law of any state or territory of the United States,
13 foreign jurisdiction, or principle of common law, that is similar, comparable or
14 equivalent to California Civil Code §1542. It is understood that Lead Plaintiff and
15 Settlement Class Members may hereafter discover facts in addition to or different
16 from those which he, she or it now knows or believes to be true with respect to the
17 subject matter of the Released Claims, but Lead Plaintiff shall expressly, and Lead
18 Plaintiff and each Settlement Class Member, upon the Effective Date, shall be deemed
19 to have, and by operation of the Judgment shall have, fully, finally, and forever settled
20 and released any and all Released Claims against the Released Persons, whether
21 known or unknown, contingent or absolute, matured or unmatured, suspected or
22 unsuspected, disclosed or undisclosed, hidden or concealed, discoverable or
23 undiscoverable, accrued or unaccrued, liquidated or unliquidated, regardless of legal
24 or equitable theory, including, without limitation, claims for negligence, breach of
25 fiduciary duty, breach of the duty of care and/or loyalty, violation of any federal or
26 state statute, rule or regulation, violation of common law, violation of administration
27 rule or regulation, tort, breach of contract, violation of international law or violation of

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1 the law of any foreign jurisdiction, without regard to the subsequent discovery or
2 existence of such different or additional facts. Lead Plaintiff acknowledges, and the
3 Settlement Class Members shall be deemed by operation of the Judgment to have
4 acknowledged, that the foregoing waiver was separately bargained for and a key
5 element of the Settlement of which this release is a part.

6 6.4 Upon the Effective Date, each of the Released Persons shall be deemed to
7 have, and by operation of the Judgment shall have, fully, finally, and forever released,
8 relinquished, and discharged Lead Plaintiff, each and all of the Settlement Class
9 Members, and Plaintiff's Counsel from all claims (including without limitation,
10 Unknown Claims) arising out of, relating to, or in connection with, the institution,
11 prosecution, assertion, settlement, or resolution of the Action or the Released Claims;
12 provided, however, that Defendants shall retain the right to enforce the terms of the
13 Stipulation and Settlement.

14 **7. Administration and Calculation of Claims, Final Awards,
15 and Supervision and Distribution of the Settlement Fund**

16 7.1 The Claims Administrator, subject to such supervision and direction of
17 Lead Counsel or the Court as may be necessary or as circumstances may require, shall
18 provide notice of the Settlement to the Settlement Class, shall administer and calculate
19 the claims submitted by Settlement Class Members, and shall oversee distribution of
20 the Net Settlement Fund to Authorized Claimants.

21 7.2 The Settlement Fund shall be applied as follows:

- 22 (a) to pay all the Class Notice and Administration Costs described in
23 ¶3.6 hereof;
- 24 (b) to pay the Taxes and Tax Expenses described in ¶3.7 hereof;
- 25 (c) to pay Plaintiff's Counsel's attorneys' fees and expenses (the "Fee
26 and Expense Award"), if and to the extent allowed by the Court;
- 27 (d) for other Court-approved deductions; and

1 (e) to distribute the Net Settlement Fund to Authorized Claimants as
2 allowed by the Stipulation, the Plan of Distribution, or the Court.

3 7.3 No funds from the Net Settlement Fund shall be distributed to Authorized
4 Claimants prior to the Effective Date. Upon the Effective Date and thereafter, and in
5 accordance with the terms of the Stipulation, the Plan of Distribution, or such further
6 approval and further order(s) of the Court as may be necessary or as circumstances
7 may require, the Net Settlement Fund shall be distributed to Authorized Claimants,
8 subject to and in accordance with the following:

9 (a) Each Person claiming to be an Authorized Claimant shall be
10 required to submit to the Claims Administrator a completed Proof of Claim and
11 Release form, in all material respects in the form of Exhibit A-2 attached hereto,
12 postmarked by no later than ninety (90) calendar days after the mailing of the Notice
13 or such other time as may be set by the Court (the "Bar Date"), signed under penalty
14 of perjury and supported by such documents as are specified in the Proof of Claim and
15 Release form and as are reasonably available to such Person.

16 (b) Except as otherwise ordered by the Court, all Settlement Class
17 Members who fail to submit a Proof of Claim and Release form by the Bar Date, or
18 such other period as may be ordered by the Court, or who file a Proof of Claim and
19 Release form that is rejected, shall be forever barred from receiving any payments
20 pursuant to the Stipulation and the Settlement set forth herein, but will in all other
21 respects be subject to and bound by the provisions of the Stipulation and the
22 Settlement, the releases contained herein, and the Judgment. Notwithstanding the
23 foregoing, Lead Counsel may, in its discretion, accept for processing late submitted
24 claims so long as the distribution of the Net Settlement Fund to Authorized Claimants
25 is not materially delayed.

26 (c) The Claims Administrator shall calculate the claims of Authorized
27 Claimants in accordance with the Plan of Distribution. Following the Effective Date,

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1 the Claims Administrator shall send to each Authorized Claimant his, her, or its *pro*
2 *rata* share of the Net Settlement Fund.

3 (d) Defendants shall not have a reversionary interest in the Net
4 Settlement Fund. If there is any balance remaining in the Net Settlement Fund after
5 the initial distribution of the Net Settlement Fund, Lead Counsel shall, if feasible,
6 distribute such balance among Authorized Claimants who negotiated the checks sent
7 to them in the initial distribution in an equitable and economical fashion. These
8 redistributions shall be repeated until the balance remaining in the Net Settlement
9 Fund is *de minimis* such that, in the discretion of Lead Counsel, it is not cost effective
10 or efficient to redistribute the amount to the Settlement Class. At that time, after
11 payment of any further Notice and Administration Costs and Taxes, such remaining
12 balance shall be donated to Legal Aid Foundation of Los Angeles.

13 7.4 It is understood and agreed by the Settling Parties that any proposed Plan
14 of Distribution of the Net Settlement Fund including, but not limited to, any
15 adjustments to an Authorized Claimant's claim set forth therein, is not a part of the
16 Stipulation and is to be considered by the Court separately from the Court's
17 consideration of the fairness, reasonableness, and adequacy of the Settlement set forth
18 in the Stipulation, and any order or proceeding relating to the Plan of Distribution
19 shall not operate to terminate or cancel the Stipulation or affect the finality of the
20 Court's Judgment approving the Stipulation and the Settlement set forth therein, or
21 any other orders entered pursuant to the Stipulation. Settlement Class Members and
22 Defendants shall be bound by the terms of this Stipulation, irrespective of whether the
23 Court disapproves or modifies the Plan of Distribution.

24 7.5 Defendants shall have no role in or responsibility for administering the
25 Settlement or reviewing or challenging claims submitted, and shall have no liability to
26 any Person in connection with such administration.

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1 7.6 No Person shall have any claim against Lead Plaintiff, Plaintiff's
2 Counsel, the Released Persons, Defendants' counsel, or the Claims Administrator
3 based on distributions made substantially in accordance with the Settlement, the
4 Stipulation, and the Plan of Distribution, or otherwise as further ordered by the Court.

5 **8. Requests for Exclusion**

6 8.1 Settlement Class Members requesting exclusion from the Settlement
7 Class shall be requested to provide the following information to the Claims
8 Administrator in the manner described in the Notice: (i) name, (ii) address, (iii)
9 telephone number, (iv) number of shares of Hansen common stock purchased or
10 otherwise acquired during the Class Period, (v) the date of each such purchase or
11 acquisition of shares of Hansen common stock and the price or other consideration
12 paid in each such purchase or acquisition, (vi) the date of each sale or other disposal
13 of any shares of Hansen common stock during the Class Period and the price or other
14 consideration received in each such sale or disposal, (vii) the number of shares of
15 Hansen common stock held at the close of trading on November 8, 2006 (*i.e.*,
16 immediately before the commencement of the Class Period), and (viii) a statement
17 that the Person wishes to be excluded from the Settlement Class. Any request for
18 exclusion must also be signed by the Person requesting exclusion.

19 8.2 All Persons who submit valid and timely requests for exclusion in the
20 manner set forth in the Notice shall have no rights under the Stipulation, shall not
21 share in the distribution of the Net Settlement Fund, and shall not be bound by the
22 Stipulation or the Judgment. Unless otherwise ordered by the Court, any Settlement
23 Class Member who does not submit a timely written request for exclusion as provided
24 by this section and in the manner set forth in the Notice shall be bound by the terms of
25 this Stipulation including, without limitation, all of the releases provided herein. The
26 deadline for submitting requests for exclusion shall be set by the Court, but shall be at
27 least twenty-one (21) calendar days before the Settlement Hearing.

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1 8.3 Copies of all requests for exclusion, together with copies of all written
2 revocations of requests for exclusion, received by the Claims Administrator shall be
3 delivered to Defendants’ counsel within five (5) business days of receipt by Lead
4 Counsel but, with respect to timely requests for exclusion, in no event later than
5 twenty-one (21) calendar days before the Settlement Hearing.

6 **9. Plaintiff’s Counsel’s Attorneys’ Fees and Expenses**

7 9.1 Lead Counsel may submit an application or applications to the Court (the
8 “Fee and Expense Application”) for distributions from the Settlement Fund for (a) an
9 award of attorneys’ fees to be paid out of the Settlement Fund, plus (b) expenses
10 incurred in connection with prosecuting the Action, plus interest on such attorneys’
11 fees and expenses at the same rate and for the same periods as earned by the
12 Settlement Fund (until paid) as may be awarded by the Court.

13 9.2 The attorneys’ fees and expenses, as awarded by the Court, shall be paid
14 by the Escrow Agent to Lead Counsel from the Settlement Fund, as ordered, within
15 five (5) business days after the Court executes an order awarding such fees and
16 expenses and enters the Judgment. This provision shall apply notwithstanding timely
17 objections to, potential for appeal from, or collateral attack on the Settlement or the
18 award of attorneys’ fees and expenses. Lead Counsel shall thereafter allocate the
19 attorneys’ fees amongst other Plaintiff’s Counsel in a manner that Lead Counsel in
20 good faith believes reflects the contributions of such counsel to the prosecution and
21 settlement of the Action. Any fees and expenses awarded by the Court shall be paid
22 solely from the Settlement Fund.

23 9.3 In the event that the Effective Date does not occur, or the Judgment or the
24 order awarding such fees and expenses paid to Lead Counsel pursuant to ¶9.1 is
25 reversed, modified, or successfully attacked collaterally, or if the Settlement is
26 cancelled or terminated for any reason, and in the event the Fee and Expense Award
27 has been paid to any extent, then such Plaintiff’s Counsel who have received any

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1 portion of the Fee and Expense Award shall, in an amount consistent with such
2 reversal, modification, collateral attack, cancellation, or termination, refund such fees
3 or expenses to the Settlement Fund, plus interest thereon at the same rate as earned on
4 the Settlement Fund, within twenty (20) calendar days from receiving notice from
5 Hansen's counsel or from a court of competent jurisdiction. Any refunds required
6 pursuant to this paragraph shall be the joint and several obligation of each Plaintiff's
7 Counsel (and their successor firms) to make appropriate refunds or repayments to the
8 Settlement Fund. Lead Counsel and other Plaintiff's Counsel, as a condition of
9 receiving such attorneys' fees and expenses, on behalf of themselves and each partner
10 and/or shareholder of them, agree that the law firms and their partners and/or
11 shareholders are subject to the jurisdiction of the Court for the purpose of enforcing
12 the provisions of this paragraph. Without limitation, Lead Counsel and other
13 Plaintiff's Counsel agree that the Court may, upon application of Defendants and
14 notice to Lead Counsel, summarily issue orders including, but not limited to,
15 judgments and attachment orders and may make appropriate findings of or sanctions
16 for contempt, should the law firms fail timely to repay fees and expenses pursuant to
17 this ¶9.3.

18 9.4 The procedure for and the allowance or disallowance by the Court of the
19 Fee and Expense Application, to be paid out of the Settlement Fund, are not part of the
20 Settlement set forth in the Stipulation, and are to be considered by the Court
21 separately from the Court's consideration of the fairness, reasonableness, and
22 adequacy of the Settlement, and any order or proceeding relating to the Fee and
23 Expense Application, or any appeal from any order relating thereto or reversal or
24 modification thereof, shall not operate to terminate or cancel the Stipulation, or affect
25 or delay the finality of the Judgment approving the Stipulation and the settlement of
26 the Action. Any award of attorneys' fees and expenses is not a necessary term of this
27 Stipulation and is not a condition of this Stipulation. Plaintiffs, Lead Counsel, and

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1 any other Plaintiff's Counsel may not cancel or terminate the Stipulation or the
2 Settlement based on this Court's or any appellate court's ruling with respect to
3 attorneys' fees and expenses.

4 9.5 Lead Counsel shall have the sole authority to allocate the Court-awarded
5 attorneys' fees and expenses among Lead Counsel or any Plaintiff's Counsel in a
6 manner which Lead Counsel, in good faith, believe reflects the contributions of such
7 counsel to the prosecution and settlement of the Action. The Released Persons shall
8 have no responsibility for, and no liability whatsoever with respect to, any payment of
9 any type or nature whatsoever, including attorneys' fees and expenses, to Lead
10 Counsel or any Plaintiff's Counsel, or the allocation among Lead Counsel, Plaintiff's
11 Counsel, and/or any other person or entity who may assert some claim thereto, of any
12 award of attorneys' fees or expenses that the Court may make in the Action.

13 **10. Conditions of Settlement, Effect of Disapproval,
14 Cancellation, or Termination**

15 10.1 The Effective Date of the Stipulation shall be conditioned on the
16 occurrence of all of the following events:

17 (a) the Court has entered the Preliminary Approval Order, as required
18 by ¶5.1 hereof;

19 (b) Hansen has caused certain of its insurance carriers to pay the
20 Settlement Amount of \$16,250,000 in accordance with ¶3.1 of this Stipulation;

21 (c) Defendants have not exercised their option to terminate the
22 Stipulation pursuant to ¶10.3 hereof;

23 (d) the Court has entered the Judgment in all material respects in the
24 form of Exhibit B attached hereto; and

25 (e) the Judgment has become Final, as defined in ¶1.8 hereof.

26 10.2 Upon the occurrence of all of the events referenced in ¶10.1 hereof, any
27 and all remaining interest or right of Defendants in or to the Settlement Fund, if any,
28 shall be absolutely and forever extinguished. If all of the conditions specified in ¶10.1

1 hereof are not met, then the Stipulation shall be canceled and terminated subject to
2 ¶10.4 hereof unless Lead Counsel and counsel for Defendants mutually agree in
3 writing to proceed with the Settlement.

4 10.3 If Persons who otherwise would be members of the Settlement Class
5 have timely requested exclusion from the Settlement Class in accordance with the
6 provisions of the Preliminary Approval Order and the Notice given pursuant thereto,
7 and such Persons in the aggregate purchased a number of shares of Hansen common
8 stock during the Class Period in an amount greater than the sum specified in a separate
9 “Supplemental Agreement” executed between Lead Plaintiff and Defendants,
10 Defendants shall have, in their sole and unanimous discretion, the option to terminate
11 this Stipulation and Settlement in accordance with the procedures set forth in the
12 Supplemental Agreement. The Supplemental Agreement will not be filed with the
13 Court unless requested by the Court or unless a dispute among the Settling Parties
14 concerning its interpretation or application arises and, in that event, the Supplemental
15 Agreement shall be filed and maintained by the Court under seal.

16 10.4 Unless otherwise ordered by the Court, in the event the Stipulation shall
17 terminate, or be canceled, or shall not become effective for any reason, within twenty
18 (20) calendar days after written notification of such event is sent by counsel for
19 Defendants or Lead Counsel to the Escrow Agent, the Settlement Fund (including
20 accrued interest), less expenses properly paid or incurred pursuant to ¶¶3.6 or 3.7
21 hereof, shall be returned to the insurance carriers that paid or caused to be paid any
22 portion of the Settlement Amount in an amount proportionate to their respective
23 contributions. At the request of counsel for Defendants, the Escrow Agent or its
24 designee shall apply for any tax refund owed on the Settlement Fund and pay the
25 proceeds, after deduction of any expenses incurred in connection with such
26 application(s) for refund, at the written direction of Defendants’ counsel.

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1 10.5 In the event that the Stipulation is not approved by the Court or the
2 Settlement set forth in the Stipulation is canceled, terminated or fails to become
3 effective in accordance with its terms, the Settling Parties shall be restored to their
4 respective positions in the Action as of the date of the Stipulation. In such event, the
5 terms and provisions of the Stipulation, with the exception of §§ 1.1-1.25, 3.6-3.8, 9.3-
6 9.4 and 10.4-10.5 hereof, shall have no further force and effect with respect to the
7 Settling Parties and shall not be used in this Action or in any other proceeding for any
8 purpose, and any judgment or order entered by the Court in accordance with the terms
9 of the Stipulation shall be treated as vacated, *nunc pro tunc*, and the Settling Parties
10 shall be deemed to return to their status as of the date of the Stipulation.

11 **11. Miscellaneous Provisions**

12 11.1 The Settling Parties (a) acknowledge that it is their intent to consummate
13 this Settlement; and (b) agree to cooperate to the extent reasonably necessary to
14 effectuate and implement all terms and conditions of the Stipulation and to exercise
15 their best efforts to accomplish the foregoing terms and conditions of the Stipulation
16 expeditiously.

17 11.2 The Settling Parties intend this Settlement to be a final and complete
18 resolution of all disputes between them with respect to the Action. The Settlement
19 shall not be deemed an admission by any Settling Party as to the merits of any claim
20 or defense. The Settling Parties and their counsel agree that they shall not seek
21 sanctions against any other Settling Party or their counsel for violation of Rule 11 of
22 the Federal Rules of Civil Procedure or any other equivalent statute or rule, nor shall
23 they object to a finding by the Court that Rule 11 was not violated in connection with
24 the prosecution, defense or settlement of this Action. The Settling Parties agree that
25 the amount paid to the Settlement Fund and the other terms of the Settlement were
26 negotiated in good faith and reflect a settlement that was reached voluntarily after
27 consultation with competent legal counsel.

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1 11.3 Neither the Stipulation nor the Settlement contained herein, nor any act
2 performed or document executed pursuant to or in furtherance of the Stipulation or the
3 Settlement is or may be deemed to be or may be used as an admission of, or evidence
4 of: (a) the validity of any Released Claim, or of any liability, negligence, gross
5 negligence, recklessness, deliberate recklessness, fault or other wrongdoing of any
6 kind; or (b) any liability, fault, misrepresentation or omission with respect to any
7 statement or written document; or (c) the validity or invalidity of any claims asserted
8 by Lead Plaintiff or the amount of any recoverable damages in connection with those
9 claims; or (d) any infirmity in the defenses that have been or could have been asserted
10 in this Action. The provisions set forth in this ¶11.3(a)-(d) above each apply with
11 respect to any civil, criminal, or administrative proceeding in any court, administrative
12 agency or other tribunal. The Released Persons may file the Stipulation and/or the
13 Judgment in any action that may be brought against them in order to support a defense
14 or counterclaim based on principles of res judicata, collateral estoppel, release, good
15 faith settlement, judgment bar or reduction, or any other theory of claim preclusion or
16 issue preclusion or similar defense or counterclaim.

17 11.4 All agreements made and orders entered during the course of the Action
18 relating to the confidentiality of information shall survive this Stipulation.

19 11.5 All of the Exhibits to the Stipulation are material and integral parts hereof
20 and are fully incorporated herein by this reference.

21 11.6 The Stipulation may be amended or modified only by a written
22 instrument signed by or on behalf of all Settling Parties or their respective successors-
23 in-interest.

24 11.7 The Stipulation and the Exhibits attached hereto (together with the
25 Supplemental Agreement referred to in ¶10.3) constitute the entire agreement among
26 the Settling Parties and no representations, warranties, or inducements have been
27 made to any Settling Party concerning the Stipulation or its Exhibits other than the
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1 representations, warranties, and covenants contained and memorialized in such
2 documents. Except as otherwise provided herein (or, as between Defendants, in any
3 separate agreements between them), each Settling Party shall bear its own costs.

4 11.8 Neither the Settlement Class Members nor Defendants shall be bound by
5 the Stipulation if the Court modifies material terms thereof, provided, however, that it
6 shall not be a basis to cancel or terminate the Stipulation if the Court (or any appellate
7 court) modifies any proposed Plan of Distribution or criteria for allocation of the
8 Settlement Fund amongst Settlement Class Members. Nor shall it be a basis to cancel
9 or terminate the Stipulation if the Court (or any appellate court) disapproves of or
10 modifies any request for attorneys' fees or expenses made by Lead Counsel or any
11 other Plaintiff's Counsel or any proposed distribution of the Net Settlement Fund.
12 Notwithstanding any such modification of the terms of the Plan of Distribution, any
13 request for attorneys' fees made by Lead Counsel or any other Plaintiff's Counsel, or
14 any proposed distribution of the Net Settlement Fund, Defendants shall be entitled to
15 all benefits of this Stipulation and the Settlement and shall not, under any
16 circumstances, be called upon to contribute additional funds to the Settlement Fund.

17 11.9 Lead Counsel, on behalf of the Settlement Class, is authorized by Lead
18 Plaintiff to take all appropriate action required or permitted to be taken by the
19 Settlement Class pursuant to the Stipulation to effectuate its terms and also is
20 expressly authorized to enter into any modifications or amendments to the Stipulation
21 on behalf of the Settlement Class which it deems appropriate.

22 11.10 Lead Plaintiff hereby warrants that it has not, in whole or in part,
23 assigned, conveyed or otherwise transferred to any Person any of the Released Claims
24 against any of the Released Persons.

25 11.11 Each counsel or other Person executing the Stipulation or any of its
26 Exhibits on behalf of any Settling Party hereby warrants that such Person has the full
27 authority to do so.

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1 11.12 The Stipulation may be executed in one or more counterparts, including
2 by e-mail in PDF format or by telecopier. All executed counterparts and each of them
3 shall be deemed to be one and the same instrument. A complete set of executed
4 counterparts shall be filed with the Court.

5 11.13 The Stipulation shall be binding upon, and inure to the benefit of, the
6 heirs, successors, and assigns of the Settling Parties hereto.

7 11.14 The Court shall retain jurisdiction with respect to implementation and
8 enforcement of the terms of the Stipulation, and all Settling Parties hereto submit to
9 the jurisdiction of the Court for purposes of implementing and enforcing the
10 Settlement embodied in the Stipulation.

11 11.15 Pending approval of the Court of the Stipulation and its Exhibits, all
12 proceedings in this Action shall be stayed and Lead Plaintiff and all members of the
13 Settlement Class shall be barred and enjoined from prosecuting any of the Released
14 Claims against any of the Released Persons.

15 11.16 This Stipulation and the Exhibits hereto shall be considered to have been
16 negotiated, executed, and delivered, and to be wholly performed, in the State of
17 California, and the rights and obligations of the Settling Parties to the Stipulation shall
18 be construed and enforced in accordance with, and governed by, the internal,
19 substantive laws of the State of California without giving effect to that State's
20 conflicts of law or choice-of-law rules or principles that might otherwise refer
21 construction or interpretation of this Stipulation to the substantive law of another
22 jurisdiction, except to the extent that federal law requires that federal law governs.

23 11.17 This Stipulation shall not be construed more strictly against one Settling
24 Party than another merely by virtue of the fact that it, or any part of it, may have been
25 prepared by counsel for one of the Settling Parties, it being recognized that this
26 Stipulation is the result of arm's-length negotiations among the Settling Parties and all
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1 Settling Parties have contributed substantially and materially to the preparation of this
2 Stipulation.

3 IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be
4 executed, by their duly authorized attorneys, dated April 16, 2014.

5 ROBBINS GELLER RUDMAN
6 & DOWD LLP
7 DOUGLAS R. BRITTON
8 X. JAY ALVAREZ

9 
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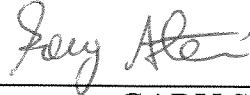
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Attorneys for Defendants Hansen Natural
Corporation, Rodney C. Sacks, and Hilton
H. Schlosberg

1 CERTIFICATE OF SERVICE

2 I hereby certify that on April 16, 2014, I authorized the electronic filing of the
3 foregoing with the Clerk of the Court using the CM/ECF system which will send
4 notification of such filing to the e-mail addresses denoted on the attached Electronic
5 Mail Notice List, and I hereby certify that I caused to be mailed the foregoing
6 document or paper via the United States Postal Service to the non-CM/ECF
7 participants indicated on the attached Manual Notice List.

8 I certify under penalty of perjury under the laws of the United States of America
9 that the foregoing is true and correct. Executed on April 16, 2014.

10 s/ Douglas R. Britton
11 DOUGLAS R. BRITTON

12 ROBBINS GELLER RUDMAN
13 & DOWD LLP
14 655 West Broadway, Suite 1900
15 San Diego, CA 92101-8498
16 Telephone: 619/231-1058
17 619/231-7423 (fax)

18 E-mail: DougB@rgrdlaw.com
19
20
21
22
23
24
25
26
27
28

Mailing Information for a Case 5:08-cv-01249-GW-JC Marcelo Cunha v. Hansen Natural Corporation et al

Electronic Mail Notice List

The following are those who are currently on the list to receive e-mail notices for this case.

- **Mario Alba , Jr**
Malba@rgrdlaw.com
- **Douglas R Britton**
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- **Hal D Cunningham**
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- **Mark T Dooks**
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- **Jeff S Westerman**
jwesterman@jswlegal.com

Manual Notice List

The following is the list of attorneys who are **not** on the list to receive e-mail notices for this case (who therefore require manual noticing). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

Sabrina **S Kim**
Sabrina Kim Law Offices
PO Box 5000
Rancho Santa Fe, CA 92067

David **A Rosenfeld**
Robbins Geller Rudman and Dowd LLP
58 South Service Road Suite 200
Melville, NY 11747

Christina **A Royce**
Robbins Geller Rudman & Dowd LLP
655 West Broadway Suite 1900
San Diego, CA 92101

William **Uptegrove**
Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10002-3902

INDEX OF EXHIBITS TO STIPULATION OF SETTLEMENT

DOCUMENT	EXHIBIT
[Proposed] Order Preliminarily Approving Settlement and Providing for Notice	A
Notice of Proposed Settlement of Class Action	A-1
Proof of Claim and Release Form	A-2
Summary Notice	A-3
[Proposed] Final Judgment and Order of Dismissal with Prejudice	B

EXHIBIT A

1 ROBBINS GELLER RUDMAN
 & DOWD LLP
 2 DOUGLAS R. BRITTON (188769)
 JEFFREY D. LIGHT (159515)
 3 X. JAY ALVAREZ (134781)
 655 West Broadway, Suite 1900
 4 San Diego, CA 92101
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 6 jeffl@rgrdlaw.com
 jaya@rgrdlaw.com
 7 - and -
 DANIEL J. PFEFFERBAUM (248631)
 8 Post Montgomery Center
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 9 San Francisco, CA 94104
 Telephone: 415/288-4545
 10 415/288-4534 (fax)
 dpfefferbaum@rgrdlaw.com
 11 Lead Counsel for Plaintiffs

12
 13 UNITED STATES DISTRICT COURT
 14 CENTRAL DISTRICT OF CALIFORNIA
 15 EASTERN DIVISION

16 MARCELO CUNHA, Individually and	)	No. ED-CV-08-01249-GW(JCx)
17 on Behalf of All Others Similarly		
18 Situated,	)	<u>CLASS ACTION</u>
19 Plaintiff,		
20 vs.	)	[PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT AND PROVIDING FOR NOTICE
21 HANSEN NATURAL CORPORATION,		
22 et al.,	)	EXHIBIT A
23 Defendants.		

1 WHEREAS, a consolidated action is pending before this Court styled *Cunha v.*
2 *Hansen Natural Corporation, et al.*, No. ED-CV-08-02149-GW(JCx) (the “Action”);

3 WHEREAS, the parties having made application, pursuant to Federal Rule of
4 Civil Procedure 23(e), for an order approving the Settlement of this Action, in
5 accordance with a Stipulation of Settlement dated as of April 16, 2014 (the
6 “Stipulation”), which, together with the Exhibits annexed thereto, sets forth the terms
7 and conditions for a proposed Settlement of the Action (the “Settlement”) and for
8 dismissal of the Action with prejudice upon the terms and conditions set forth therein;
9 and the Court having read and considered the Stipulation and the Exhibits annexed
10 thereto; and

11 WHEREAS, all defined terms herein have the same meanings as set forth in the
12 Stipulation.

13 NOW, THEREFORE, IT IS HEREBY ORDERED:

14 1. The Court hereby preliminarily approves the Stipulation and the
15 Settlement set forth therein, subject to further consideration at the Settlement Hearing
16 described below.

17 2. Pending further order of the Court, all litigation activity in the Action is
18 hereby stayed, except that contemplated herein, in the Stipulation or otherwise as
19 necessary to effectuate the Settlement, and all hearings, deadlines and other
20 proceedings in this Action, except insofar as they relate to the Settlement, are hereby
21 taken off calendar.

22 3. The Court hereby certifies a Settlement Class, for settlement purposes
23 only, defined as: “all Persons who purchased or otherwise acquired Hansen common
24 stock between November 9, 2006 and November 8, 2007, inclusive. Excluded from
25 the Settlement Class are: Defendants, the officers and directors of Hansen, members
26 of their immediate families and their legal representatives, heirs, successors or assigns
27 and any entity in which Defendants have or had a controlling interest. Also excluded
28 from the Settlement Class are those Settlement Class Members who submit valid and

1 timely requests for exclusion pursuant to the Notice of Proposed Settlement of Class
2 Action.”

3 4. A hearing (the “Settlement Hearing”) shall be held before this Court on
4 _____, 2014, at __:__ __.m., at the United States District Court for the Central
5 District of California, 312 North Spring Street, Los Angeles, California 90012, to
6 determine whether the proposed Settlement of the Action on the terms and conditions
7 provided for in the Stipulation is fair, reasonable, and adequate to the Settlement Class
8 and should be approved by the Court; whether a Judgment as provided in ¶1.10 of the
9 Stipulation should be entered; whether the proposed Plan of Distribution should be
10 approved; and to determine the amount of fees and expenses that should be awarded to
11 Lead Counsel. The Court may adjourn the Settlement Hearing without further notice
12 to the Settlement Class Members.

13 5. The Court approves, as to form and content, the Notice of Proposed
14 Settlement of Class Action (the “Notice”), the Proof of Claim and Release form (the
15 “Proof of Claim”), and the Summary Notice annexed as Exhibits A-1, A-2, and A-3
16 hereto and finds that the mailing and distribution of the Notice and publishing of the
17 Summary Notice substantially in the manner and form set forth in ¶¶6-7 of this Order
18 meet the requirements of Federal Rule of Civil Procedure 23, due process and any
19 other applicable law, and is the best notice practicable under the circumstances and
20 shall constitute due and sufficient notice to all Persons entitled thereto.

21 6. The firm of Gilardi & Co. LLC (“Claims Administrator”) is hereby
22 appointed to supervise and administer the notice procedure as well as the processing
23 of claims as more fully set forth below:

24 (a) The Claims Administrator shall make reasonable efforts to identify
25 all Persons who are Settlement Class Members and not later than _____,
26 2014 (the “Notice Date”), the Claims Administrator shall cause a copy of the Notice
27 and the Proof of Claim, substantially in the forms annexed as Exhibits A-1 and A-2
28

1 hereto, to be mailed by First-Class Mail to all Settlement Class Members who can be
2 identified with reasonable effort;

3 (b) The Claims Administrator shall post the Stipulation and its
4 Exhibits at www.hansensecuritiessettlement.com on the Notice Date;

5 (c) Not later than _____, 2014, the Claims Administrator
6 shall cause the Summary Notice, substantially in the form annexed as Exhibit A-3
7 hereto, to be published once in the national edition of *Investor's Business Daily* and
8 once over a national newswire service; and

9 (d) At least seven (7) calendar days prior to the Settlement Hearing,
10 Lead Counsel shall cause to be served on Defendants' counsel and filed with the Court
11 proof, by affidavit or declaration, of such mailing and publishing.

12 7. Nominees who purchased Hansen common stock for the beneficial
13 ownership of Settlement Class Members during the Class Period shall send the Notice
14 and the Proof of Claim to all beneficial owners of such stock within ten (10) calendar
15 days after receipt thereof, or send a list of the names and addresses of such beneficial
16 owners to the Claims Administrator within ten (10) calendar days of receipt thereof, in
17 which event the Claims Administrator shall promptly mail the Notice and Proof of
18 Claim to such beneficial owners. Lead Counsel shall, if requested, reimburse banks,
19 brokerage houses or other nominees solely for their reasonable out-of-pocket expenses
20 incurred in providing notice to beneficial owners who are Settlement Class Members
21 out of the Settlement Fund, which expenses would not have been incurred except for
22 the sending of such notice, subject to further order of this Court with respect to any
23 dispute concerning such compensation.

24 8. All Settlement Class Members shall be bound by all determinations and
25 judgments in the Action concerning the Settlement, whether favorable or unfavorable
26 to the Settlement Class. If the Settlement is approved, all Settlement Class Members
27 will be bound by the Settlement in accordance with the terms of the Stipulation, and
28 by any judgment or determination of the Court affecting Settlement Class Members,

1 including, without limitation, the releases provided for in the Stipulation and the
2 Judgment.

3 9. Settlement Class Members who wish to participate in the Settlement shall
4 complete and submit a Proof of Claim and Release form in accordance with the
5 instructions contained therein. Unless the Court orders otherwise, all Proof of Claim
6 and Release forms must be postmarked no later than ninety (90) days from the Notice
7 Date. Any Settlement Class Member who does not timely submit a Proof of Claim
8 and Release form within the time provided for, shall be barred from sharing in the
9 distribution of the proceeds of the Settlement Fund, unless otherwise ordered by the
10 Court, but shall nonetheless be bound by any judgment or determination of the Court
11 affecting Settlement Class Members. Notwithstanding the foregoing, Lead Counsel
12 may, in their discretion, accept late-submitted claims for processing by the Claims
13 Administrator so long as distribution of the Net Settlement Fund is not materially
14 delayed thereby.

15 10. Any Settlement Class Member may enter an appearance in the Action, at
16 his, her or its own expense, individually or through counsel of his, her or its own
17 choice, in which case such counsel must file with the Clerk of the Court and deliver to
18 Lead Counsel and Defendants' counsel of record a notice of such appearance. If a
19 Settlement Class Member does not enter an appearance, he, she or it will be
20 represented by Lead Counsel.

21 11. Any Person falling within the definition of the Settlement Class may,
22 upon request, be excluded from the Settlement Class. Any such Person must submit
23 to the Claims Administrator a request for exclusion ("Request for Exclusion"),
24 postmarked no later than _____, 2014. A Request for Exclusion must state: (a)
25 the name, address, and telephone number of the Person requesting exclusion; (b) each
26 of the Person's purchases and sales of Hansen common stock made during the Class
27 Period, including the dates of purchase or sale, the number of shares of common stock
28 purchased and sold, and the price paid or received for each such purchase or sale; and

1 (c) that the Person wishes to be excluded from the Settlement Class. Any request for
2 exclusion must also be signed by the Person requesting exclusion. All Persons who
3 submit valid and timely Requests for Exclusion in the manner set forth in this
4 paragraph shall have no rights under the Stipulation, shall not share in the distribution
5 of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment
6 entered in the Action.

7 12. Unless the Court orders otherwise, any Settlement Class Member who
8 does not request exclusion from the Settlement Class in the manner stated in this
9 Order shall be deemed to have waived his, her or its right to be excluded from the
10 Settlement Class, and shall forever be barred from requesting exclusion from the
11 Settlement Class in this or any other proceeding, and shall be bound by the Settlement
12 and the Judgment, including, without limitation, the releases provided for in the
13 Stipulation and the Judgment, if the Court approves the Settlement.

14 13. Any Settlement Class Member may appear and show cause, if he, she or
15 it has any, why the proposed Settlement of the Action should or should not be
16 approved as fair, reasonable, and adequate, why a judgment should or should not be
17 entered thereon, why the Plan of Distribution should or should not be approved, or
18 why attorneys' fees and expenses should or should not be awarded to counsel for the
19 Lead Plaintiff; provided, however, that no Settlement Class Member or any other
20 Person shall be heard or entitled to contest such matters, unless that Person has
21 delivered by hand or sent by First-Class Mail written objections and copies of any
22 papers and briefs such that they are received on or before _____, 2014, by
23 Robbins Geller Rudman & Dowd LLP, Jeffrey D. Light, 655 W. Broadway, Suite
24 1900, San Diego, CA 92101, and by Schulte Roth & Zabel LLP, Martin L. Perschetz,
25 919 Third Avenue, New York, NY 10022, and filed said objections, papers, and briefs
26 with the Clerk of the United States District Court for the Central District of California,
27 on or before _____, 2014. Any objection must include: (a) the full name,
28 address and phone number of the objecting Settlement Class Member; (b) a list of all

1 of the Settlement Class Member's transactions involving Hansen common stock
2 during the Class Period; (c) a written statement of all grounds for the objection; and
3 (d) the objector's signature, even if represented by counsel. Settlement Class
4 Members intending to object and present evidence at the Settlement Hearing must
5 include in their written objections the identity of any witnesses they may call to testify
6 and exhibits they intend to introduce into evidence at the hearing. Any Settlement
7 Class Member who does not make his, her or its objection in the manner provided
8 shall be deemed to have waived such objection and shall forever be foreclosed from
9 making any objection to the fairness or adequacy of the settlement as set forth in the
10 Stipulation, to the Plan of Distribution, or to the award of attorneys' fees and expenses
11 to counsel for Lead Plaintiff, unless otherwise ordered by the Court.

12 14. All funds held by the Escrow Agent shall be deemed and considered to be
13 in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court,
14 until such time as such funds shall be distributed pursuant to the Stipulation and/or
15 further order(s) of the Court.

16 15. All opening briefs and supporting documents in support of the
17 Settlement, the Plan of Distribution, and any application by Lead Counsel for
18 attorneys' fees and expenses shall be filed and served fourteen (14) calendar days
19 prior to the deadline for objections in ¶13. Any reply in support of the Settlement, the
20 Plan of Distribution, and any application by Lead Counsel for attorneys' fees and
21 expenses shall be filed and served seven (7) calendar days prior to the Settlement
22 Hearing.

23 16. Neither the Defendants and their Related Parties nor the Defendants'
24 counsel shall have any responsibility for the Plan of Distribution or any application for
25 attorneys' fees or expenses submitted by Lead Counsel, and such matters will be
26 considered separately from the fairness, reasonableness, and adequacy of the
27 Settlement.

28

1 17. At or after the Settlement Hearing, the Court shall determine whether the
2 Plan of Distribution proposed by Lead Counsel and set forth in the Notice, and any
3 application for an award of attorneys' fees and payment of expenses, shall be
4 approved.

5 18. All reasonable expenses incurred in identifying and notifying Settlement
6 Class Members, as well as administering the Settlement Fund, shall be paid as set
7 forth in the Stipulation. In the event the Settlement is not approved by the Court, or
8 otherwise fails to become effective, neither Lead Plaintiff nor any of its counsel shall
9 have any obligation to repay any amounts incurred or properly disbursed pursuant to
10 ¶¶3.6 or 3.7 of the Stipulation.

11 19. Neither the Stipulation, nor this Order, nor any of their terms or
12 provisions, nor any of the negotiations or proceedings connected with it, nor any act
13 performed or document signed in connection with the Settlement, shall, in this or any
14 other court, administrative agency, arbitration forum or other tribunal, constitute or be
15 construed as an admission or concession of, or evidence of, or be deemed to create
16 any inference of, the truth of any of the allegations in the Action, or of any liability,
17 fault, or wrongdoing of any kind on the part of any Defendant.

18 20. The Court reserves the right to adjourn the date of the Settlement Hearing
19 without further notice to the Settlement Class Members, and retains jurisdiction to
20 consider all further applications arising out of or connected with the settlement. The
21 Court may approve the Settlement, with such modifications as may be agreed to by
22 the Settling Parties, if appropriate, without further notice to the Settlement Class
23 Members.

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1 21. In the event that the Settlement is canceled, terminated, fails to become
2 effective in accordance with its terms, or is not consummated for any reason
3 whatsoever, this Order shall be rendered null and void and have no further force and
4 effect to the extent provided by and in accordance with the Stipulation, and the
5 Settling Parties shall be restored to their respective positions in the Action as of the
6 date of this Stipulation.

7 IT IS SO ORDERED.

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9 DATED: _____ THE HONORABLE GEORGE H. WU
10 UNITED STATES DISTRICT JUDGE

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EXHIBIT A-1

1 ROBBINS GELLER RUDMAN
 & DOWD LLP
 2 DOUGLAS R. BRITTON (188769)
 JEFFREY D. LIGHT (159515)
 3 X. JAY ALVAREZ (134781)
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 5 619/231-7423 (fax)
 dougb@rgrdlaw.com
 6 jeffl@rgrdlaw.com
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 7 - and -
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 8 Post Montgomery Center
 One Montgomery Street, Suite 1800
 9 San Francisco, CA 94104
 Telephone: 415/288-4545
 10 415/288-4534 (fax)
 dpfefferbaum@rgrdlaw.com
 11 Lead Counsel for Plaintiffs
 12

13 UNITED STATES DISTRICT COURT
 14 CENTRAL DISTRICT OF CALIFORNIA
 15 EASTERN DIVISION

16 MARCELO CUNHA, Individually and	)	No. ED-CV-08-01249-GW(JCx)
17 on Behalf of All Others Similarly		
18 Situated,	)	<u>CLASS ACTION</u>
19 Plaintiff,		
20 vs.)	NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION
21 HANSEN NATURAL CORPORATION,		
22 et al.,)	EXHIBIT A-1
23 Defendants.		

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A Federal Court authorized this Notice.

This is not a solicitation from a lawyer.

If you purchased or otherwise acquired Hansen Natural Corporation (“Hansen” or the “Company”)¹ common stock between November 9, 2006 and November 8, 2007, inclusive (the “Class Period”) and are not otherwise excluded from the Class (see Question 6 below), you could get a payment from a class action settlement.²

NOTICE OF PENDENCY OF CLASS ACTION. Please be advised that your rights may be affected by a putative class action lawsuit pending in this Court (the “Action”) if you purchased or otherwise acquired Hansen common stock between November 9, 2006 and November 8, 2007, inclusive.

NOTICE OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiff, Structural Ironworkers Local Union #1 Pension Fund, on behalf of itself and the Settlement Class (defined below), have reached a settlement of the Action with Defendants Hansen, Rodney C. Sacks and Hilton H. Schlosberg for a total of Sixteen Million Two Hundred Fifty Thousand Dollars (\$16,250,000.00) in cash, that will resolve claims in the Action (the “Settlement”).

This Notice explains important rights you may have, including your possible receipt of cash from the Settlement. Your legal rights will be affected whether or not you act. Please read this Notice carefully and in its entirety.

Settlement Class: all Persons who purchased or otherwise acquired Hansen common stock between November 9, 2006 and November 8, 2007, inclusive.

¹ On or about January 1, 2012, Hansen changed its name to Monster Beverage Corporation. Because the Company was known as Hansen during the events relevant to this lawsuit, this Notice and the other settlement documents refer to the Company by that name rather than its current name.

² This Notice incorporates by reference the definitions in the Stipulation of Settlement dated as of April 16, 2014 (“Stipulation”), and all capitalized terms used, but not defined herein, shall have the same meanings as in the Stipulation. The Stipulation can be obtained at www.hansensecuritiessettlement.com.

1 Excluded from the Settlement Class are: Defendants, the officers and directors of
2 Hansen, members of their immediate families and their legal representatives, heirs,
3 successors or assigns and any entity in which Defendants have or had a controlling
4 interest. Also excluded from the Settlement Class are those Settlement Class
5 Members who submit valid and timely requests for exclusion pursuant to this Notice.

6 **Settlement Fund:** Sixteen Million Two Hundred Fifty Thousand Dollars
7 (\$16,250,000.00) in cash plus any interest earned as set forth in the Stipulation. Your
8 recovery will depend on the timing of your purchases and sales of Hansen common
9 stock during the Class Period. Based on the information currently available to Lead
10 Plaintiff and the analysis performed by its damages consultants, it is estimated that if
11 Settlement Class Members submit claims for 100% of the shares eligible for
12 distribution under the Plan of Distribution (described below), the estimated average
13 distribution per share of common stock will be approximately \$0.36 before deduction
14 of Court-approved fees and expenses, including the cost of notifying Settlement Class
15 Members and settlement administration and any attorneys' fees and expenses awarded
16 by the Court to counsel for the Lead Plaintiff. The Plan of Distribution is included in
17 this Notice and may be modified by the Court without further notice. Historically,
18 actual claims rates are less than 100%, which result in higher distributions per share.
19 A Settlement Class Member's actual recovery will be a proportion of the Net
20 Settlement Fund (the Settlement Fund less Taxes and Tax Expenses, Class Notice and
21 Administration Costs, and attorneys' fees and expenses awarded to Plaintiff's
22 Counsel) determined by that claimant's recognized claim as compared to the total
23 recognized claims of all Settlement Class Members who submit valid Proof of Claim
24 and Release forms ("Proof of Claim").

25 **Reasons for Settlement:** Avoids the costs and risks associated with continued
26 litigation, including the danger of no recovery.

27 **If the Case Had Not Settled:** Continuing with the case could have resulted in
28 no class being certified or dismissal on the merits at summary judgment, trial or on

1 appeal. The two sides vigorously disagree on both liability and the amount of money
2 that could have been won if Lead Plaintiff prevailed at trial. The parties disagree
3 about, among other things: (1) whether there was any wrongdoing on the part of
4 Defendants; (2) whether Defendants made any material, false, misleading or otherwise
5 actionable statements under the federal securities laws; (3) whether class certification
6 is appropriate; (4) whether the price of Hansen common stock was artificially inflated
7 during the Class Period and the amount of any such alleged inflation; (5) the extent
8 that various facts alleged by Lead Plaintiff influenced the trading price of Hansen
9 common stock during the Class Period; and (6) whether any purchasers of Hansen
10 common stock during the Class Period were damaged and the amount of such
11 damages.

12 **Attorneys' Fees and Expenses:** Court-appointed Lead Plaintiff's counsel will
13 ask the Court for attorneys' fees of up to 25% of the Settlement Fund and expenses
14 not to exceed \$360,000 to be paid from the Settlement Fund plus interest. Lead
15 Plaintiff's counsel have not received any payment for their work investigating the
16 facts, prosecuting this Action, and negotiating this Settlement on behalf of the Lead
17 Plaintiff and the Settlement Class. If the above amounts are requested and approved
18 by the Court, the average cost per share of common stock will be \$0.10.

19 **Deadlines:**

20 Submit Claim: _____, 2014

21 Request Exclusion: _____, 2014

22 File Objection: _____, 2014

23 **Court Hearing on Fairness of Settlement:** _____, 2014

24 **More Information:** www.hansensecuritiessettlement.com or

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1	Claims Administrator:	Representative of Lead Plaintiff’s Counsel:
2	<i>Hansen Securities Litigation</i>	Rick Nelson
3	Claims Administrator	c/o Shareholder Relations
4	c/o Gilardi & Co. LLC	Robbins Geller Rudman & Dowd LLP
5	P.O. Box 8040	655 West Broadway, Suite 1900
6	San Rafael, CA 94912-8040	San Diego, CA 92101
7	1-877-343-5654	1-800-449-4900

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM The only way to get a payment.

EXCLUDE YOURSELF Get no payment. This is the only option that allows you to participate in another lawsuit against the Defendants for the legal claims in this case.

OBJECT You may write to the Court if you do not like this Settlement, the request for attorneys’ fees and expenses, or the Plan of Distribution. You cannot object to the Settlement unless you are a member of the Settlement Class and do not validly exclude yourself.

GO TO A HEARING You may ask to speak in Court about the fairness of the Settlement.

DO NOTHING Get no payment. Give up your rights.

- These rights and options — *and the deadlines to exercise them* — are explained in this Notice.
- The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

1 **BASIC INFORMATION**

2 **1. Why did I get this notice package?**

3 You or someone in your family may have purchased or otherwise acquired
4 Hansen common stock between November 9, 2006 and November 8, 2007, inclusive.

5 The Court directed that you be sent this Notice because you have a right to
6 know about a proposed settlement of a class action lawsuit, and about all of your
7 options, before the Court decides whether to approve the Settlement. If the Court
8 approves it and after any objections or appeals (if there are any) are resolved, the
9 Claims Administrator appointed by the Court will make the payments that the
10 settlement allows.

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

13 The Court in charge of the case is the United States District Court for the
14 Central District of California, and the case is known as *Cunha v. Hansen Natural*
15 *Corporation, et al.*, No. ED-CV-08-02149-GW(JCx). The entity that leads the
16 Action, Structural Ironworkers Local Union #1 Pension Fund, is called the Lead
17 Plaintiff and the Company and the individuals it sued are called Defendants.

18 **2. What is this lawsuit about?**

19 This Action alleges that Hansen and certain of its executives violated the federal
20 securities laws by misrepresenting and omitting material facts about Hansen’s
21 business, including the state of its distribution relationship with Anheuser-Busch
22 (“AB”) and the benefits to be derived therefrom and that Hansen purportedly engaged
23 in a “channel stuffing” scheme during the Class Period relating to sales to AB
24 distributors. Lead Plaintiff alleges that when Defendants disclosed the truth about the
25 AB relationship and the Company’s financial results, Settlement Class Members
26 suffered damages as a result of a decline in the price of Hansen common stock.

27 Defendants deny all of Lead Plaintiff’s allegations and further deny that they
28 did anything wrong. Defendants also deny that Lead Plaintiff or the Settlement Class

1 suffered damages or that the price of Hansen common stock was artificially inflated
2 by reasons of alleged misrepresentations, non-disclosures or otherwise.

3 **3. Why is this a class action?**

4 In a class action, one or more people called class representatives (in this case,
5 the Court-appointed the Structural Ironworkers Local Union #1 Pension Fund as Lead
6 Plaintiff), sue on behalf of people who have similar claims. All of these people and/or
7 entities are called a class or class members. One judge – in this case, United States
8 District Court Judge George H. Wu – resolves the issues for all class members, except
9 for those who exclude themselves from the class.

10 **4. Why is there a Settlement?**

11 The Court did not decide in favor of the Lead Plaintiff or Defendants. Instead,
12 the lawyers for both sides of the lawsuit have negotiated a settlement, with the
13 assistance of an independent mediator, that they believe is in the best interests of their
14 respective clients. The settlement allows both sides to avoid the risks and cost of
15 lengthy and uncertain litigation and the uncertainty of a trial and appeals, and permits
16 Settlement Class Members to be compensated without further delay. The Lead
17 Plaintiff and its attorneys think the Settlement is best for all Settlement Class
18 Members.

19 **WHO GETS MONEY FROM THE SETTLEMENT**

20 To see if you will get money from this Settlement, you first have to determine if
21 you are a Settlement Class Member.

22 **5. How do I know if I am part of the Settlement?**

23 The Class includes *all Persons who purchased or otherwise acquired Hansen*
24 *common stock between November 9, 2006 and November 8, 2007, inclusive.*

25 **6. Are there exceptions to being included in the Settlement Class?**

26 Yes. Excluded from the Class are: Defendants, the officers and directors of
27 Hansen, members of their immediate families and their legal representatives, heirs,
28 successors or assigns and any entity in which Defendants have or had a controlling

1 interest. Also excluded from the Class are those Settlement Class Members who
2 submit valid requests for exclusion pursuant to this Notice.

3 **7. I'm still not sure if I am included.**

4 If you still are not sure whether you are included, you can ask for free help.
5 You can call 1-877-343-5654 or visit www.hansensecuritiessettlement.com for more
6 information; or, you can call Rick Nelson at 1-800-449-4900 for more information; or,
7 you can fill out and return the Proof of Claim described in Question 10 to see if you
8 qualify.

9 **THE SETTLEMENT BENEFITS – WHAT YOU GET**

10 **8. What does the Settlement provide?**

11 Hansen has agreed to cause to be paid Sixteen Million Two Hundred Fifty
12 Thousand Dollars (\$16,250,000.00) in cash (the “Settlement Amount”). The
13 Settlement Amount, plus interest earned from the date it is deposited into an escrow
14 account to fund the Settlement (the “Settlement Fund”), less costs, fees, and expenses
15 (the “Net Settlement Fund”), will be divided among all eligible Settlement Class
16 Members who send in valid Proofs of Claim (“Authorized Claimants”). Costs, fees,
17 and expenses include Court-approved attorneys’ fees and expenses, the costs of
18 notifying Settlement Class Members, including the costs of printing and mailing this
19 Notice and the cost of publishing newspaper notice, the costs of claims administration,
20 and taxes on the Settlement Fund.

21 **9. How much will my payment be?**

22 Your share of the Net Settlement Fund will depend on the number of valid
23 Proofs of Claim that Settlement Class Members send in and how many shares of
24 Hansen common stock you purchased during the relevant period and when you bought
25 and sold them.

26 For purposes of determining the amount an Authorized Claimant may recover
27 under the Plan of Distribution, Lead Plaintiff’s counsel conferred with their damages
28

1 consultants and the Plan of Distribution reflects an assessment of damages that they
2 believe could have been recovered had Lead Plaintiff prevailed at trial.

3 In the unlikely event there are sufficient funds in the Net Settlement Fund, each
4 Authorized Claimant will receive an amount equal to the Authorized Claimant's
5 claim, as defined below. If, however, the amount in the Net Settlement Fund is not
6 sufficient to permit payment of the total claim of each Authorized Claimant, then each
7 Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each
8 Authorized Claimant's claim bears to the total of the claims of all Authorized
9 Claimants. Payment in this manner shall be deemed conclusive against all Authorized
10 Claimants.

11 The calculation of claims below is not an estimate of the amount you will
12 receive. It is a formula for allocating the Net Settlement Fund among all Authorized
13 Claimants.

14 The allocation is based on the November 8, 2007 price decline of \$13.17 as well
15 as the statutory PSLRA 90 day look back amount of \$43.39:

16 A "Claim" will be calculated as follows:

17 For shares of Hansen common stock *purchased, or otherwise acquired, on or*
18 *between November 9, 2006 through November 7, 2007*, the claim per share shall be
19 as follows:

20 (a) If sold prior to November 8, 2007, the claim per share is zero.

21 (b) If retained at the close of trading on November 7, 2007 and sold prior to
22 February 5, 2008, the claim per share shall be the lesser of (i) \$13.17
23 (November 8, 2007 Price Decline); (ii) the difference between the purchase
24 price and the selling price; or (iii) the difference between the purchase price per
25 share and the average closing price per share up to the date of sale as set forth
26 in the table below.

1 (c) If retained, or sold, on or after February 5, 2008, the claim per share shall
2 be the lesser of: (i) \$13.17 (November 8, 2007 Price Decline); or (ii) the
3 difference between the purchase price per share and \$43.39 per share.

4 For shares of Hansen common stock *purchased, or otherwise acquired, on*
5 *November 8, 2007*, the claim per share shall be \$0.00.³

6

7

8	Date	Closing Price	Average Closing Price
9	8-Nov-07	\$43.50	\$43.50
10	9-Nov-07	\$46.46	\$44.98
11	12-Nov-07	\$44.20	\$44.72
12	13-Nov-07	\$44.68	\$44.71
13	14-Nov-07	\$44.35	\$44.64
14	15-Nov-07	\$42.95	\$44.36
15	16-Nov-07	\$41.52	\$43.95
16	19-Nov-07	\$42.17	\$43.73
17	20-Nov-07	\$41.37	\$43.47
18	21-Nov-07	\$40.48	\$43.17
19	23-Nov-07	\$41.00	\$42.97
20	26-Nov-07	\$40.67	\$42.78
21	27-Nov-07	\$40.91	\$42.64
22	28-Nov-07	\$42.81	\$42.65
23	29-Nov-07	\$43.09	\$42.68
24	30-Nov-07	\$43.41	\$42.72
25	3-Dec-07	\$44.48	\$42.83
26	4-Dec-07	\$43.31	\$42.85
27	5-Dec-07	\$45.96	\$43.02
28	6-Dec-07	\$47.26	\$43.23
	7-Dec-07	\$49.12	\$43.51
	10-Dec-07	\$48.01	\$43.71
	11-Dec-07	\$46.85	\$43.85
	12-Dec-07	\$46.87	\$43.98
	13-Dec-07	\$47.39	\$44.11
	14-Dec-07	\$47.70	\$44.25
	17-Dec-07	\$45.33	\$44.29
	18-Dec-07	\$44.84	\$44.31
	19-Dec-07	\$46.30	\$44.38
	20-Dec-07	\$47.30	\$44.48
	21-Dec-07	\$47.70	\$44.58

26 ³ Please note that although the Class Period includes November 8, 2007, shares of
27 Hansen common stock that were purchased and/or acquired on November 8, 2007 are
28 not eligible for a recovery under the Plan of Distribution because the disclosure made
on November 8, 2007 that Lead Plaintiff alleges corrected earlier alleged
misrepresentations and omissions was made before the opening of trading that day.

1	24-Dec-07	\$48.26	\$44.70
	26-Dec-07	\$47.39	\$44.78
2	27-Dec-07	\$45.19	\$44.79
	28-Dec-07	\$44.48	\$44.78
3	31-Dec-07	\$44.29	\$44.77
	2-Jan-08	\$43.18	\$44.72
4	3-Jan-08	\$42.90	\$44.68
	4-Jan-08	\$41.50	\$44.59
5	7-Jan-08	\$41.51	\$44.52
	8-Jan-08	\$42.77	\$44.47
6	9-Jan-08	\$43.85	\$44.46
	10-Jan-08	\$45.19	\$44.48
7	11-Jan-08	\$43.13	\$44.45
	14-Jan-08	\$43.35	\$44.42
8	15-Jan-08	\$42.31	\$44.38
	16-Jan-08	\$40.00	\$44.28
9	17-Jan-08	\$40.15	\$44.20
10	18-Jan-08	\$40.97	\$44.13
	22-Jan-08	\$39.98	\$44.05
11	23-Jan-08	\$40.76	\$43.98
	24-Jan-08	\$42.09	\$43.95
12	25-Jan-08	\$40.99	\$43.89
	28-Jan-08	\$41.79	\$43.85
13	29-Jan-08	\$41.60	\$43.81
	30-Jan-08	\$37.21	\$43.69
14	31-Jan-08	\$38.56	\$43.60
	1-Feb-08	\$39.19	\$43.53
15	4-Feb-08	\$40.06	\$43.47
16	5-Feb-08	\$38.96	\$43.39

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How will I get a payment?

To qualify for a payment, you must send in a Proof of Claim. A Proof of Claim is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it in the enclosed envelope postmarked no later than _____, 2014.

11. When would I get my payment?

The Court will hold a hearing on _____, 2014, at _____, to decide whether to approve the Settlement. If Judge Wu approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved favorably, and resolving them can take time, perhaps more than a year. It also takes time for all

1 the claim forms to be processed. If there are no appeals and depending on the number
2 of claims submitted, the Claims Administrator could distribute the Net Settlement
3 Fund as early as nine months after the fairness hearing. Please be patient.

4 **12. What am I giving up to get a payment or stay in the Settlement**
5 **Class?**

6 Unless you exclude yourself, you are staying in the Settlement Class, and that
7 means that you cannot sue, continue to sue, or be part of any other lawsuit against the
8 Defendants about the same issues in this case or about issues that could have been
9 asserted in this case. It also means that all of the Court's orders will apply to you and
10 legally bind you and you will release your Released Claims in this case against
11 Defendants and their Related Persons.

12 "Released Claims" means any and all claims (including, without limitation,
13 Unknown Claims), demands, rights, liabilities, penalties, sanctions, damages, losses,
14 debts, obligations, fees, expenses, costs, judgments, matters, suits and causes of action
15 of any kind or nature whatsoever, whether known or unknown, contingent or absolute,
16 matured or unmatured, suspected or unsuspected, disclosed or undisclosed, hidden or
17 concealed, discoverable or undiscoverable, accrued or unaccrued, liquidated or
18 unliquidated, regardless of legal or equitable theory, including, without limitation,
19 claims for negligence, breach of fiduciary duty, breach of the duty of care and/or
20 loyalty, violation of any federal or state statute, rule or regulation, violation of
21 common law, violation of administration rule or regulation, tort, breach of contract,
22 violation of international law or violation of the law of any foreign jurisdiction, that
23 Lead Plaintiff or any other Settlement Class Member (i) asserted in the Action,
24 including in the Complaint, the Consolidated Complaint, the CAC and any other
25 document, filing or statement in the Action; or (ii) could have, or in the future might
26 have, asserted in the Action or in any other litigation or proceeding in any court,
27 tribunal or forum against any of the Released Persons, arising from, based upon, or
28 related in any way, directly or indirectly, in whole or in part, to (a) both the

1 allegations, transactions, facts, matters, occurrences, representations, statements
2 and/or omissions involved, set forth or referred to in the Complaint, the Consolidated
3 Complaint or the CAC and any public filing, press release, conference call transcript,
4 recording or other document incorporated therein by reference or otherwise
5 communicated to the public by Defendants (or any of them) during the Class Period,
6 and the purchase or acquisition of Hansen common stock during the Class Period by
7 any Settlement Class Member or the sale of such common stock by any Settlement
8 Class Member during the Class Period; or (b) Defendants’ defense or settlement of the
9 Action and/or Defendants’ defense or settlement of the Released Claims.
10 Notwithstanding the foregoing, “Released Claims” does not include any claim to
11 enforce the terms of the Stipulation and Settlement.

12 “Unknown Claims” means any Released Claims which Lead Plaintiff or any
13 Settlement Class Members do not know or suspect to exist in his, her or its favor at the
14 time of the release of the Released Persons which, if known by him, her or it, might
15 have affected his, her or its settlement with and release of the Released Persons, or
16 might have affected his, her or its decision not to object to or to seek exclusion from
17 this Settlement, and include, without limitation, any such claims, rights, benefits or
18 provisions released or waived pursuant to ¶6.3 of the Stipulation.

19 “Related Persons” means, (a) with respect to Hansen, each and all of its past or
20 present subsidiaries, parents, commonly controlled entities or Persons, and affiliates,
21 and each and all of its or their respective current or former officers, directors,
22 employees, managers, shareholders, members, principals, agents, controlling persons,
23 managing members, attorneys, legal counsel, accountants, auditors, consultants,
24 financial advisors, investment advisors, commercial bank lenders, investment bankers,
25 general and limited partners, indemnitors, indemnitees, insurers (including, but not
26 limited to, Directors’ and Officers’ insurance carriers), reinsurers, representatives,
27 predecessors, successors, assigns, and any Person acting on their behalf (collectively,
28 “Affiliated Persons”); and (b) with respect to the Individual Defendants, each and all

1 of any Individual Defendant’s family members and/or spouses, successors, assigns,
2 heirs, estates, administrators, executors, trustees, and personal representatives; any
3 company (including, but not limited to, any limited liability company (“LLC”)),
4 corporation, partnership, trust, association, cooperative or other entity of any kind in
5 which any Individual Defendant and/or family member and/or spouse of any
6 Individual Defendant has or had any direct or indirect interest or management or
7 representative position, and/or which (either in whole or in part) is for the benefit
8 (either directly or indirectly) of any Individual Defendant and/or family member
9 and/or spouse of any Individual Defendant (including, but not limited to, Hilrod
10 Holdings L.P.; any partnership of which any Individual Defendant and/or family
11 member or spouse of any Individual Defendant is (either directly or indirectly) one or
12 more of the general and/or limited partners; and any trust of which any Individual
13 Defendant is (either directly or indirectly) one or more of the settlors, grantors and/or
14 trustees); and all Affiliated Persons of each Individual Defendant and each such
15 company (including, but not limited to, LLCs), corporation, partnership, trust,
16 association, cooperative or other entity.

17 **EXCLUDING YOURSELF FROM THE SETTLEMENT**

18 If you do not want a payment from this Settlement, but you want to keep the
19 right to sue or continue to sue the Defendants on your own about the same issues in
20 this case, then you must take steps to get out of the Settlement Class. This is called
21 excluding yourself or is sometimes referred to as opting out of the Settlement Class.

22 **13. How do I get out of the Settlement Class?**

23 To exclude yourself from the Settlement Class, you must send a letter by mail
24 stating that you want to be excluded from *Cunha v. Hansen Natural Corporation, et*
25 *al.*, No. ED-CV-08-01249-GW(JCx). You must include your name, address,
26 telephone number, your signature, the number of shares of Hansen common stock you
27 purchased and sold between November 9, 2006 and November 8, 2007, inclusive, and
28 the dates and prices of such purchases and sales, and the price paid or received for

1 each such purchase or sale. You must mail your exclusion request postmarked no
2 later than _____, 2014 to:

3 *Hansen Securities Litigation*
4 Claims Administrator
5 c/o Gilardi & Co. LLC
6 P.O. Box 8040
7 San Rafael, CA 94912-8040

8 You cannot exclude yourself on the phone or by e-mail. Any request for
9 exclusion must also be signed by the Person requesting exclusion. Requests for
10 exclusion will not be valid if they are not received within the time stated above unless
11 the Court orders otherwise. If you ask to be excluded, you are not eligible to get any
12 settlement payment, and you cannot object to the Settlement. You will not be legally
13 bound by anything that happens in this lawsuit.

14 **14. If I do not exclude myself, can I sue Defendants for the same thing**
15 **later?**

16 No. Unless you exclude yourself, you give up any right to sue Defendants for
17 the claims that this Settlement resolves. Remember, the exclusion deadline is
18 _____, 2014.

19 **15. If I exclude myself, can I get money from this Settlement?**

20 No. If you exclude yourself, do not send in a Proof of Claim to ask for any
21 money. Once you exclude yourself, you will receive no cash payment or any other
22 benefit provided for in the Settlement even if you also submit a Proof of Claim.

23 **THE LAWYERS REPRESENTING YOU**

24 **16. Do I have a lawyer in this case?**

25 The Court appointed the law firm of Robbins Geller Rudman & Dowd LLP to
26 represent you and other Settlement Class Members. These lawyers are called Lead
27 Counsel. These lawyers will apply to the Court for payment from the Settlement
28 Fund; you will not otherwise be charged for their work. If you want to be represented
by your own lawyer, you may hire one at your own expense.

1 **17. How will the lawyers be paid?**

2 At the fairness hearing, Lead Plaintiff’s counsel will request the Court to award
3 attorneys’ fees of up to 25% of the Settlement Fund and for expenses up to \$360,000,
4 which were incurred in connection with the Action. If awarded, the cost would be
5 \$0.10 per share. This compensation will be paid from the Settlement Fund.
6 Settlement Class Members are not personally liable for any such fees or expenses. To
7 date, Lead Plaintiff’s counsel have not received any payment for their services in
8 conducting this Action on behalf of the Lead Plaintiff and the Settlement Class, nor
9 have counsel been paid for their expenses. The fee requested will compensate Lead
10 Plaintiff’s counsel for their work in achieving the Settlement Fund and is within the
11 range of fees awarded to class counsel under similar circumstances in other cases of
12 this type. The Court may award less than this amount.

13 **OBJECTING TO THE SETTLEMENT**

14 You can tell the Court that you do not agree with the Settlement, the Plan of
15 Distribution, or Lead Plaintiff’s counsel’s request for an award of attorneys’ fees and
16 expenses.

17 **18. How do I tell the Court that I do not like the Settlement?**

18 If you are a Settlement Class Member (and you have not excluded yourself),
19 you can object to the Settlement, the request for attorneys’ fees and expenses, or the
20 Plan of Distribution if you do not like any part of it. You can give reasons why you
21 think the Court should not approve the Settlement, the request for attorneys’ fees and
22 expenses, or the Plan of Distribution. The Court will consider your views. To object,
23 you must send a signed letter saying that you object to the proposed Settlement in
24 *Cunha v. Hansen Natural Corporation, et al.*, No. ED-CV-08-01249-GW(JCx). Be
25 sure to include your name, address, telephone number, your signature, the number of
26 shares of Hansen common stock purchased between November 9, 2006 and November
27 8, 2007, inclusive, and the reasons you object to the Settlement, the requested
28 attorneys’ fees and expenses, or the Plan of Distribution. Any such objection must be

1 mailed or delivered such that it is received by each of the following no later than
2 _____, 2014:

3 *Court:*

4 Clerk of the Court
5 United States District Court
6 Central District of California
7 312 North Spring Street
8 Los Angeles, CA 94102

9 *Counsel for Lead Plaintiff:*

10 ROBBINS GELLER RUDMAN & DOWD LLP
11 JEFFREY D. LIGHT
12 DOUGLAS R. BRITTON
13 655 West Broadway, Suite 1900
14 San Diego, CA 92101

15 *Counsel for Defendants:*

16 SCHULTE ROTH & ZABEL LLP
17 MARTIN L. PERSCHETZ
18 GARY STEIN
19 919 Third Avenue
20 New York, NY 10022-3902

21 If you object to the Settlement, the Plan of Distribution and/or Lead Counsel's
22 request for an award of attorneys' fees and expenses, you are submitting to the
23 jurisdiction of the Court with respect to the subject matter of the Settlement.

24 Any Settlement Class Member who does not make his, her or its objection in
25 the manner provided for herein shall be deemed to have waived such objection and
26 shall forever be foreclosed from making any objection to the fairness or adequacy of
27 the Settlement as reflected in the Stipulation, to the Plan of Distribution or to the
28 application by Lead Counsel for an award of attorneys' fees and expenses.

**19. What is the difference between objecting and excluding myself from
the Settlement?**

Objecting is telling the Court that you do not like something about the proposed
Settlement. You can object *only* if you stay in the Settlement Class. Excluding
yourself is telling the Court that you do not want to be part of the Settlement Class. If

1 you exclude yourself, you have no basis to object because the case no longer applies
2 to you.

3 THE COURT'S FAIRNESS HEARING

4 The Court will hold a hearing to decide whether to approve the proposed
5 Settlement. You may attend, but you do not have to.

6 **20. When and where will the Court decide whether to approve the** 7 **Settlement?**

8 The Court will hold a hearing at _____, on _____, 2014, at the United
9 States District Court, Central District of California, 312 North Spring Street, Los
10 Angeles, California 90012. At this hearing, the Court will consider whether the
11 Settlement is fair, reasonable, and adequate. If there are objections, the Court will
12 consider them. The Court will listen to people who have asked to speak at the
13 hearing. The Court will also decide whether to approve the payment of fees and
14 expenses to Lead Plaintiff's counsel, including the Plan of Distribution. We do not
15 know how long the hearing will take or whether the Court will make its decision on
16 the day of the hearing or sometime later.

17 **21. Do I have to come to the hearing?**

18 No. Lead Plaintiff's counsel will answer questions Judge Wu may have. But,
19 you are welcome to come at your own expense. If you send an objection, you do not
20 have to come to Court to talk about it. As long as you mailed your written objection
21 on time, the Court will consider it. You may also pay your own lawyer to attend, but
22 you are not required to do so. Persons who intend to object and desire to present
23 evidence at the Settlement Hearing must include in their written objections the identity
24 of any witnesses they may call to testify and exhibits they intend to introduce into
25 evidence at the hearing.

26 **22. May I speak at the hearing?**

27 You may ask the Court for permission to speak at the hearing. To do so, you
28 must send a letter saying that it is your intention to appear regarding *Cunha v. Hansen*

1 *Natural Corporation, et al.*, No. ED-CV-08-01249-GW(JCx). Be sure to include your
2 name, address, telephone number, your signature, and the number of Hansen common
3 stock purchased between November 9, 2006 and November 8, 2007, inclusive. Your
4 notice of intention to appear must be received no later than _____,
5 2014 by the Clerk of the Court, Lead Plaintiff's counsel, and Defendants' counsel, at
6 the addresses listed in Question 18. You cannot speak at the hearing if you exclude
7 yourself from the Settlement Class.

8 **IF YOU DO NOTHING**

9 **23. What happens if I do nothing at all?**

10 If you do nothing, you will get no money from this Settlement. But, unless you
11 exclude yourself, you **will be bound by the Judgment and** will not be able to start a
12 lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants
13 about the same issues in this case.

14 **GETTING MORE INFORMATION**

15 **24. Are there more details about the Settlement?**

16 This Notice summarizes the proposed Settlement. More details are in the
17 Stipulation dated April 16, 2014, which has been filed with the Court. You can get a
18 copy of the Stipulation from the Clerk's office at the United States District Court,
19 Central District of California, 312 North Spring Street, Los Angeles, California
20 90012, during regular business hours, or at www.hansensecuritiessettlement.com, or
21 you can contact a representative of Lead Counsel at the number and address below in
22 the answer to Question 25.

23 **25. How do I get more information?**

24 You can call 1-800-449-4900 or write to a representative of Lead Plaintiff's
25 counsel, Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP,
26 655 West Broadway, Suite 1900, San Diego, CA 92101, or visit the Claims
27 Administrator's website at www.hansensecuritiessettlement.com. ***Please do not call***
28 ***the Court or the Clerk of the Court for additional information about the Settlement.***

1 **Special notice to banks, brokers, and other nominees:**

2 If you hold any Hansen common stock purchased or otherwise acquired
3 between November 9, 2006 and November 8, 2007, inclusive, as a nominee for a
4 beneficial owner, then, within ten (10) calendar days after you receive this Notice, you
5 must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or
6 (2) provide a list of the names and addresses of such Persons to the Claims
7 Administrator:

8 *Hansen Securities Litigation*
9 Claims Administrator
10 c/o Gilardi & Co. LLC
11 P.O. Box 8040
 San Rafael, CA 94912-8040

12 If you choose to mail the Notice and Proof of Claim yourself, you may obtain
13 from the Claims Administrator (without cost to you) as many additional copies of
14 these documents as you will need to complete the mailing.

15 Regardless of whether you choose to complete the mailing yourself or elect to
16 have the mailing performed for you, you may obtain reimbursement for or
17 advancement of reasonable administrative costs actually incurred or expected to be
18 incurred in connection with forwarding the Notice and which would not have been
19 incurred but for the obligation to forward the Notice, upon submission of appropriate
20 documentation to the Claims Administrator.

21
22 DATED: _____

THE HONORABLE GEORGE H. WU
UNITED STATES DISTRICT JUDGE

23
24
25
26
27
28

EXHIBIT A-2

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 DOUGLAS R. BRITTON (188769)
JEFFREY D. LIGHT (159515)
3 X. JAY ALVAREZ (134781)
655 West Broadway, Suite 1900
4 San Diego, CA 92101
Telephone: 619/231-1058
5 619/231-7423 (fax)
doughb@rgrdlaw.com
6 jeffl@rgrdlaw.com
jaya@rgrdlaw.com
7 - and -
DANIEL J. PFEFFERBAUM (248631)
8 Post Montgomery Center
One Montgomery Street, Suite 1800
9 San Francisco, CA 94104
Telephone: 415/288-4545
10 415/288-4534 (fax)
dpfefferbaum@rgrdlaw.com
11 Lead Counsel for Plaintiffs
12

13 UNITED STATES DISTRICT COURT
14 CENTRAL DISTRICT OF CALIFORNIA
15 EASTERN DIVISION

16 MARCELO CUNHA, Individually and) No. ED-CV-08-01249-GW(JCx)
17 on Behalf of All Others Similarly)
Situating,) CLASS ACTION
18 Plaintiff,) PROOF OF CLAIM AND RELEASE
19 vs.) EXHIBIT A-2
20 HANSEN NATURAL CORPORATION,)
21 et al.,)
22 Defendants.)

1 **I. GENERAL INSTRUCTIONS**

2 1. To be potentially eligible to recover as a Settlement Class Member based
3 on your claims in the consolidated action entitled *Cunha v. Hansen Natural*
4 *Corporation, et al.*, No. ED-CV-08-01249-GW(JCx) (the “Action”), you must
5 complete and, on page ___ hereof, sign this Proof of Claim and Release form (“Proof
6 of Claim”). If you fail to file a properly addressed (as set forth in paragraph 3 below)
7 Proof of Claim, your claim may be rejected and you may be precluded from any
8 recovery from the Net Settlement Fund created in connection with the proposed
9 settlement.

10 2. Submission of this Proof of Claim, however, does not assure that you will
11 share in the proceeds of the settlement of the Action.

12 3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF
13 CLAIM POSTMARKED ON OR BEFORE _____, 2014, ADDRESSED AS
14 FOLLOWS:

15 *Hansen Securities Litigation*
16 Claims Administrator
17 c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

18 If you are NOT a Settlement Class Member (as defined in the Notice of Proposed
19 Settlement of Class Action (“Notice”)) DO NOT submit a Proof of Claim.

20 4. If you are a Settlement Class Member and you did not timely request
21 exclusion in connection with the proposed settlement, you are bound by the terms of
22 any judgment entered in the Action, including the releases provided therein,
23 WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

24 **II. CLAIMANT IDENTIFICATION**

25 If you purchased or otherwise acquired Hansen Natural Corporation (“Hansen”)
26 common stock between November 9, 2006 and November 8, 2007, inclusive, and held
27 the certificate(s) in your name, you are the beneficial purchaser as well as the record
28 purchaser. If, however, you purchased Hansen common stock and the certificate(s)

1 were registered in the name of a third party, such as a nominee or brokerage firm, you
2 are the beneficial purchaser and the third party is the record purchaser.

3 Use Part I of this form entitled “Claimant Identification” to identify each
4 purchaser of record (“nominee”), if different from the beneficial purchaser of Hansen
5 common stock which forms the basis of this claim. THIS CLAIM MUST BE FILED
6 BY THE ACTUAL BENEFICIAL PURCHASER(S) OR THE LEGAL
7 REPRESENTATIVE OF SUCH PURCHASER(S) OF HANSEN COMMON STOCK
8 UPON WHICH THIS CLAIM IS BASED.

9 All joint purchasers must sign this claim. Executors, administrators, guardians,
10 conservators, and trustees must complete and sign this claim on behalf of persons
11 represented by them and their authority must accompany this claim and their titles or
12 capacities must be stated. The Social Security (or taxpayer identification) number and
13 telephone number of the beneficial owner may be used in verifying the claim. Failure
14 to provide the foregoing information could delay verification of your claim or result in
15 rejection of the claim.

16 **III. CLAIM FORM**

17 Use Part II of this form entitled “Schedule of Transactions in Hansen Common
18 Stock” to supply all required details of your transaction(s) in Hansen common stock.
19 If you need more space or additional schedules, attach separate sheets giving all of the
20 required information in substantially the same form. Sign and print or type your name
21 on each additional sheet.

22 On the schedules, provide all of the requested information with respect to *all* of
23 your purchases of Hansen common stock which took place at any time from
24 November 9, 2006 and November 8, 2007, inclusive (the “Class Period”), whether
25 such transactions resulted in a profit or a loss. You must also provide all of the
26 requested information with respect to *all* of the Hansen common stock you held at the
27 close of trading on November 8, 2006, November 8, 2007 and February 5, 2008.
28 Failure to report all such transactions may result in the rejection of your claim.

1 List each transaction in the Class Period separately and in chronological order,
2 by trade date, beginning with the earliest. You must accurately provide the month,
3 day, and year of each transaction you list.

4 The date of covering a “short sale” is deemed to be the date of purchase of
5 Hansen common stock. The date of a “short sale” is deemed to be the date of sale of
6 Hansen common stock.

7 Copies of broker confirmations or other documentation of your transactions in
8 Hansen common stock should be attached to your claim. Failure to provide this
9 documentation could delay verification of your claim or result in rejection of your
10 claim.

11 NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large
12 numbers of transactions may request, or may be requested, to submit information
13 regarding their transactions in electronic files. All claimants MUST submit a
14 manually signed paper Proof of Claim whether or not they also submit electronic
15 copies. If you wish to file your claim electronically, you must contact the Claims
16 Administrator at 1-877-343-5654 or visit their website at
17 www.hansensecuritiessettlement.com to obtain the required file layout. No electronic
18 files will be considered to have been properly submitted unless the Claims
19 Administrator issues to the claimant a written acknowledgment of receipt and
20 acceptance of electronically submitted data.

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
EASTERN DIVISION

Cunha v. Hansen Natural Corporation, et al., No. ED-CV-08-01249-GW(JCx)

PROOF OF CLAIM AND RELEASE

Must Be Postmarked No Later Than:

_____, 2014

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City State or Province

Zip Code or Postal Code Country

Social Security Number or Taxpayer Identification Number _____ Individual Corporation/Other

Area Code Telephone Number (work)

Area Code Telephone Number (home)

Record Owner's Name (if different from beneficial owner listed above)

1 PART II: SCHEDULE OF TRANSACTIONS IN HANSEN COMMON STOCK

2 1. Common Stock

3 A. Number of shares of Hansen common stock held at the close of
4 trading on November 8, 2006: _____

5 B. Purchases of Hansen common stock (November 9, 2006 and
6 February 5, 2008, inclusive):

Trade Date Month Day Year	Number of Shares Purchased	Total Purchase Price
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____

11 IMPORTANT: Identify by number listed above all purchases in which you
12 covered a "short sale": _____

13 C. Sales of Hansen common stock (November 9, 2006, November 8,
14 2007 and February 5, 2008, inclusive):

Trade Date Month Day Year	Number of Shares Sold	Total Sales Price
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____

19 D. Number of shares of Hansen common stock held at the close of
20 trading on November 8, 2007: _____

21 E. Number of shares of Hansen common stock held at the close of
22 trading on February 5, 2008: _____

1 **YOU MUST READ AND SIGN THE RELEASE ON PAGE __. FAILURE**
2 **TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR**
3 **THE REJECTION OF YOUR CLAIM.**

4 **IV. SUBMISSION TO JURISDICTION OF COURT AND**
5 **ACKNOWLEDGMENTS**

6 I (We) submit this Proof of Claim under the terms of the Stipulation of
7 Settlement described in the Notice. I (We) also submit to the jurisdiction of the
8 United States District Court for the Central District of California, with respect to my
9 (our) claim as a Settlement Class Member and for purposes of enforcing the release
10 set forth herein. I (We) further acknowledge that I am (we are) bound by and subject
11 to the terms of any judgment that may be entered in the Action. I (We) agree to
12 furnish additional information to the Claims Administrator to support this claim
13 (including transactions in other Hansen securities) if requested to do so. I (We) have
14 not submitted any other claim covering the same purchases or sales of Hansen
15 common stock during the Class Period and know of no other person having done so
16 on my (our) behalf.

17 **V. RELEASE**

18 1. I (We) hereby acknowledge full and complete satisfaction of, and do
19 hereby fully, finally, and forever settle, release, and discharge from the Released
20 Claims each and all of the “Released Persons,” defined as each and all of Defendants
21 in their individual and corporate capacities and each and all of their Related Persons.
22 “Related Persons” means, (a) with respect to Hansen, each and all of its past or
23 present subsidiaries, parents, commonly controlled entities or Persons, and affiliates,
24 and each and all of its or their respective current or former officers, directors,
25 employees, managers, shareholders, members, principals, agents, controlling persons,
26 managing members, attorneys, legal counsel, accountants, auditors, consultants,
27 financial advisors, investment advisors, commercial bank lenders, investment bankers,
28 general and limited partners, indemnitors, indemnitees, insurers (including, but not

1 limited to, Directors' and Officers' insurance carriers), reinsurers, representatives,
2 predecessors, successors, assigns, and any Person acting on their behalf (collectively,
3 "Affiliated Persons"); and (b) with respect to the Individual Defendants, each and all
4 of any Individual Defendant's family members and/or spouses, successors, assigns,
5 heirs, estates, administrators, executors, trustees, and personal representatives; any
6 company (including, but not limited to, any limited liability company ("LLC")),
7 corporation, partnership, trust, association, cooperative or other entity of any kind in
8 which any Individual Defendant and/or family member and/or spouse of any
9 Individual Defendant has or had any direct or indirect interest or management or
10 representative position, and/or which (either in whole or in part) is for the benefit
11 (either directly or indirectly) of any Individual Defendant and/or family member
12 and/or spouse of any Individual Defendant (including, but not limited to, Hilrod
13 Holdings L.P.; any partnership of which any Individual Defendant and/or family
14 member or spouse of any Individual Defendant is (either directly or indirectly) one or
15 more of the general and/or limited partners; and any trust of which any Individual
16 Defendant is (either directly or indirectly) one or more of the settlors, grantors and/or
17 trustees); and all Affiliated Persons of each Individual Defendant and each such
18 company (including, but not limited to, LLCs), corporation, partnership, trust,
19 association, cooperative or other entity.

20 2. "Released Claims" means any and all claims (including, without
21 limitation, Unknown Claims), demands, rights, liabilities, penalties, sanctions,
22 damages, losses, debts, obligations, fees, expenses, costs, judgments, matters, suits
23 and causes of action of any kind or nature whatsoever, whether known or unknown,
24 contingent or absolute, matured or unmatured, suspected or unsuspected, disclosed or
25 undisclosed, hidden or concealed, discoverable or undiscoverable, accrued or
26 unaccrued, liquidated or unliquidated, regardless of legal or equitable theory,
27 including, without limitation, claims for negligence, breach of fiduciary duty, breach
28 of the duty of care and/or loyalty, violation of any federal or state statute, rule or

1 regulation, violation of common law, violation of administration rule or regulation,
2 tort, breach of contract, violation of international law or violation of the law of any
3 foreign jurisdiction, that Lead Plaintiff or any other Settlement Class Member (i)
4 asserted in the Action, including in the Complaint, the Consolidated Complaint, the
5 CAC and any other document, filing or statement in the Action; or (ii) could have, or
6 in the future might have, asserted in the Action or in any other litigation or proceeding
7 in any court, tribunal or forum against any of the Released Persons, arising from,
8 based upon, or related in any way, directly or indirectly, in whole or in part, to (a)
9 both the allegations, transactions, facts, matters, occurrences, representations,
10 statements and/or omissions involved, set forth or referred to in the Complaint, the
11 Consolidated Complaint or the CAC and any public filing, press release, conference
12 call transcript, recording or other document incorporated therein by reference or
13 otherwise communicated to the public by Defendants (or any of them) during the
14 Class Period, and the purchase or acquisition of Hansen common stock during the
15 Class Period by any Settlement Class Member or the sale of such common stock by
16 any Settlement Class Member during the Class Period; or (b) Defendants' defense or
17 settlement of the Action and/or Defendants' defense or settlement of the Released
18 Claims. Notwithstanding the foregoing, "Released Claims" does not include any
19 claim to enforce the terms of the Stipulation and Settlement.

20 3. "Unknown Claims" means any Released Claims which Lead Plaintiff or
21 any Settlement Class Members do not know or suspect to exist in his, her or its favor
22 at the time of the release of the Released Persons which, if known by him, her or it,
23 might have affected his, her or its settlement with and release of the Released Persons,
24 or might have affected his, her or its decision not to object to or to seek exclusion
25 from this Settlement, and include, without limitation, any such claims, rights, benefits
26 or provisions released or waived pursuant to ¶6.3 of the Stipulation.

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- 2. Remember to attach supporting documentation, if available.
- 3. Do not send original stock certificates.
- 4. Keep a copy of your claim form and all supporting documentation for your records.
- 5. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
- 6. If you move, please send us your new address.

EXHIBIT A-3

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 DOUGLAS R. BRITTON (188769)
JEFFREY D. LIGHT (159515)
3 X. JAY ALVAREZ (134781)
655 West Broadway, Suite 1900
4 San Diego, CA 92101
Telephone: 619/231-1058
5 619/231-7423 (fax)
doughb@rgrdlaw.com
6 jeffl@rgrdlaw.com
jaya@rgrdlaw.com
7 - and -
DANIEL J. PFEFFERBAUM (248631)
8 Post Montgomery Center
One Montgomery Street, Suite 1800
9 San Francisco, CA 94104
Telephone: 415/288-4545
10 415/288-4534 (fax)
dpfefferbaum@rgrdlaw.com
11 Lead Counsel for Plaintiffs
12

13 UNITED STATES DISTRICT COURT
14 CENTRAL DISTRICT OF CALIFORNIA
15 EASTERN DIVISION

16 MARCELO CUNHA, Individually and) No. ED-CV-08-01249-GW(JCx)
17 on Behalf of All Others Similarly)
Situating,) CLASS ACTION
18 Plaintiff,) SUMMARY NOTICE
19 vs.) EXHIBIT A-3
20 HANSEN NATURAL CORPORATION,)
21 et al.,)
22 Defendants.)

1 TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR OTHERWISE
2 ACQUIRED HANSEN NATURAL CORPORATION (“HANSEN”)¹
3 COMMON STOCK BETWEEN NOVEMBER 9, 2006 AND NOVEMBER
4 8, 2007, INCLUSIVE

5 YOU ARE HEREBY NOTIFIED that pursuant to an Order of the United States
6 District Court for the Central District of California, a hearing will be held on
7 _____, 2014, at __:__ __.m., before the Honorable George H. Wu, at
8 the United States District Court for the Central District of California, 312 North
9 Spring Street, Los Angeles, CA 90012, for the purpose of determining: (1) whether
10 the proposed settlement of the Action for the sum of Sixteen Million Two Hundred
11 Fifty Thousand Dollars (\$16,250,000.00) in cash should be approved by the Court as
12 fair, reasonable, and adequate; (2) whether, thereafter, this Action should be dismissed
13 with prejudice against the Defendants as set forth in the Stipulation of Settlement
14 dated as of April 16, 2014; (3) whether the Plan of Distribution of settlement proceeds
15 is fair, reasonable, and adequate and therefore should be approved; and (4) the
16 reasonableness of the application of Lead Counsel for an award of attorneys’ fees and
17 expenses, together with interest thereon.

18 If you purchased or otherwise acquired Hansen common stock between
19 November 9, 2006 and November 8, 2007, inclusive, your rights may be affected by
20 this Action and the settlement thereof. If you have not received a detailed Notice of
21 Proposed Settlement of Class Action and a copy of the Proof of Claim and Release
22 form, you may obtain copies by writing to *Cunha v. Hansen Natural Corporation*
23 *Litigation*, Claims Administrator, c/o Gilardi & Co. LLC, P.O. Box 8040, San Rafael,
24 CA 94912-8040, or by downloading this information at
25 www.hansensecuritiessettlement.com. If you are a Settlement Class Member, in order
26 to share in the distribution of the Net Settlement Fund, you must submit a Proof of
27 Claim and Release postmarked no later than _____, 2014, establishing that you

28 ¹ On or about January 1, 2012, Hansen changed its name to Monster Beverage Corporation.

1 are entitled to a recovery. Regardless of whether you submit a claim form or obtain
2 any distribution of the settlement fund, if the settlement is approved by the Court, you
3 will be bound by any judgment rendered in the Action unless you request to be
4 excluded, in writing, to the above address, postmarked by _____, 2014.

5 Any objection to any aspect of the settlement must be filed with the Clerk of the
6 Court no later than _____, 2014, and *received* by the following no later than
7 _____, 2014:

8 ROBBINS GELLER RUDMAN
9 & DOWD LLP
10 JEFFREY D. LIGHT
11 DOUGLAS R. BRITTON
12 655 West Broadway, Suite 1900
13 San Diego, CA 92101

14 *Counsel for Lead Plaintiff*

15 SCHULTE ROTH & ZABEL LLP
16 MARTIN L. PERSCHETZ
17 GARY STEIN
18 919 Third Avenue
19 New York, New York 10022-3902

20 *Counsel for Defendants*

21 **PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S**
22 **OFFICE REGARDING THIS NOTICE. Inquiries may be made to a**
23 **representative of Lead Counsel for the Settlement Class:**

24 Rick Nelson
25 Shareholder Relations
26 ROBBINS GELLER RUDMAN
27 & DOWD LLP
28 655 West Broadway, Suite 1900
San Diego, CA 92101
1-800-449-4900

DATED: _____

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

EXHIBIT B

1 ROBBINS GELLER RUDMAN
 & DOWD LLP
 2 DOUGLAS R. BRITTON (188769)
 JEFFREY D. LIGHT (159515)
 3 X. JAY ALVAREZ (134781)
 655 West Broadway, Suite 1900
 4 San Diego, CA 92101
 Telephone: 619/231-1058
 5 619/231-7423 (fax)
 dougb@rgrdlaw.com
 6 jeffl@rgrdlaw.com
 jaya@rgrdlaw.com
 7 - and -
 DANIEL J. PFEFFERBAUM (248631)
 8 Post Montgomery Center
 One Montgomery Street, Suite 1800
 9 San Francisco, CA 94104
 Telephone: 415/288-4545
 10 415/288-4534 (fax)
 dpfefferbaum@rgrdlaw.com
 11 Lead Counsel for Plaintiffs

12
 13 UNITED STATES DISTRICT COURT
 14 CENTRAL DISTRICT OF CALIFORNIA
 15 EASTERN DIVISION

16	MARCELO CUNHA, Individually and	)	No. ED-CV-08-01249-GW(JCx)
17	on Behalf of All Others Similarly)	
18	Situated,	)	<u>CLASS ACTION</u>
19		)	[PROPOSED] FINAL JUDGMENT
20	vs.	)	AND ORDER OF DISMISSAL WITH
21	HANSEN NATURAL CORPORATION,	)	PREJUDICE
22	et al.,	)	EXHIBIT B
23)	
24)	
25)	
26)	
27)	
28)	

1 This matter came before the Court for hearing pursuant to the Order
2 Preliminarily Approving Settlement and Providing for Notice (“Order”) dated
3 _____, on the application of the parties for approval of the Settlement set
4 forth in the Stipulation of Settlement dated as of April 16, 2014 (the “Stipulation”).
5 Due and adequate notice having been given to the Settlement Class as required in said
6 Order, and the Court having considered all papers filed and proceedings had herein
7 and otherwise being fully informed in the premises and good cause appearing
8 therefore, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

9 1. This Judgment incorporates by reference the definitions in the
10 Stipulation, and all terms used herein shall have the same meanings as set forth in the
11 Stipulation, unless otherwise set forth herein.

12 2. This Court has jurisdiction over the subject matter of the Action and over
13 all parties to the Action, including all members of the Settlement Class.

14 3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure (“Rule 23”),
15 and solely for purposes of the Settlement, the Court hereby finally certifies a
16 Settlement Class defined as: “all Persons who purchased or otherwise acquired
17 Hansen common stock between November 9, 2006 and November 8, 2007, inclusive.
18 Excluded from the Settlement Class are: Defendants, the officers and directors of
19 Hansen, members of their immediate families and their legal representatives, heirs,
20 successors or assigns and any entity in which Defendants have or had a controlling
21 interest. Also excluded from the Settlement Class are those Class Members who
22 submit valid and timely requests for exclusion pursuant to the Notice of Proposed
23 Settlement of Class Action.” With respect to the Settlement Class, this Court finds,
24 solely for the purposes of the Settlement, that the prerequisites for a class action under
25 Rules 23(a) and (b)(3) have been satisfied.

26 4. Pursuant to Rule 23, the Court hereby approves the Settlement set forth in
27 the Stipulation as fair, reasonable, and adequate. The Court further finds that the
28 Settlement set forth in the Stipulation is the result of good-faith, informed, arm’s-

1 length negotiations between competent, experienced counsel representing the interests
2 of the respective Settling Parties. The Court further finds that the record is
3 sufficiently developed and complete to have enabled the Settling Parties to have
4 adequately evaluated and considered their positions. Accordingly, the Settlement
5 embodied in the Stipulation is hereby finally approved in all respects.

6 5. Accordingly, the Court authorizes and directs implementation and
7 performance of all the terms and provisions of the Stipulation, as well as the terms and
8 provisions hereof. The Court hereby dismisses the Action and all Released Claims of
9 the Settlement Class with prejudice and without costs as to any party, except as and to
10 the extent provided in the Stipulation and herein.

11 6. Upon the Effective Date, the Lead Plaintiff, and each and every
12 Settlement Class Member, for themselves, and anyone claiming (now or in the future)
13 through or on behalf of any of them, shall be deemed to have, and by operation of this
14 Judgment shall have, fully, finally, and forever waived, released, relinquished,
15 discharged, and dismissed each and every one of the Released Claims (including
16 Unknown Claims) against each and every one of the Released Persons, whether or not
17 such Settlement Class Member executes and delivers the Proof of Claim and Release,
18 and whether or not such Settlement Class Member shares in the Settlement Fund. The
19 Settling Parties acknowledge, and the Settlement Class Members shall be deemed by
20 operation of law and of this Judgment to have acknowledged, that the foregoing
21 waiver of Unknown Claims and of the provisions, rights and benefits of §1542 of the
22 California Civil Code was separately bargained for and is a material element of the
23 Settlement of which the release in this paragraph is a part.

24 7. All Settlement Class Members are hereby forever barred and enjoined
25 from prosecuting any of the Released Claims against any of the Released Persons.

26 8. Upon the Effective Date, each of the Released Persons shall be deemed to
27 have, and by operation of this Judgment shall have, fully, finally, and forever released,
28 relinquished, and discharged Lead Plaintiff, each and all of the Settlement Class

1 Members, Lead Counsel, and Plaintiff's Counsel from all claims (including Unknown
2 Claims) arising out of, relating to, or in connection with the institution, prosecution,
3 assertion, settlement or resolution of the Action or the Released Claims.

4 9. The Notice of Proposed Settlement of Class Action given to the
5 Settlement Class was the best notice practicable under the circumstances, including
6 the individual notice to all Settlement Class Members who could be identified through
7 reasonable effort. Said notice provided the best notice practicable under the
8 circumstances of those proceedings and of the matters set forth therein, including the
9 proposed Settlement set forth in the Stipulation, to all Persons entitled to such notice,
10 and said notice fully satisfied the requirements of Federal Rule of Civil Procedure 23
11 and the requirements of due process, and any other applicable law. Thus, it is hereby
12 determined that all Settlement Class Members are bound by this Judgment.

13 10. Any Plan of Distribution submitted by Lead Counsel or any order entered
14 regarding any attorneys' fee and expense application shall in no way disturb or affect
15 this Judgment and shall be considered separate from this Judgment.

16 11. Neither the Stipulation nor the Settlement contained herein, nor any act
17 performed or document executed pursuant to or in furtherance of the Stipulation or the
18 Settlement is or may be deemed to be or may be used as an admission of, or evidence
19 of: (a) the validity of any Released Claim, or of any liability, negligence, gross
20 negligence, recklessness, deliberate recklessness, fault or other wrongdoing of any
21 kind; or (b) any liability, fault, misrepresentation or omission with respect to any
22 statement or written document; or (c) the validity or invalidity of any claims asserted
23 by Lead Plaintiff or the amount of any recoverable damages in connection with those
24 claims; or (d) any infirmity in the defenses that have been or could have been asserted
25 in this Action. The provisions set forth in this paragraph 11 (a)-(d) above each apply
26 with respect to any civil, criminal, or administrative proceeding in any court,
27 administrative agency or other tribunal. The Released Persons may file the
28 Stipulation and/or the Judgment in any action that may be brought against them in

1 order to support a defense or counterclaim based on principles of *res judicata*,
2 collateral estoppel, release, good faith settlement, judgment bar or reduction, or any
3 other theory of claim preclusion or issue preclusion or similar defense or
4 counterclaim.

5 12. Without affecting the finality of this Judgment in any way, this Court
6 hereby retains continuing jurisdiction over: (a) implementation of this Settlement and
7 any award or distribution of the Settlement Fund, including interest earned thereon;
8 (b) disposition of the Settlement Fund; (c) hearing and determining applications for
9 attorneys' fees, interest, and expenses in the Action; and (d) all parties hereto for the
10 purpose of construing, enforcing, and administering the Stipulation.

11 13. The Court finds that during the course of the Action, the Settling Parties
12 and their respective counsel at all times complied with the requirements of Federal
13 Rule of Civil Procedure 11.

14 14. In the event that the Settlement does not become effective in accordance
15 with the terms of the Stipulation, or the Effective Date does not occur, or in the event
16 that the Settlement Fund, or any portion thereof, is returned to the Defendants or their
17 insurers, then this Judgment shall be rendered null and void to the extent provided by
18 and in accordance with the Stipulation and shall be vacated and, in such event, all
19 orders entered and releases delivered in connection herewith shall be null and void to
20 the extent provided by and in accordance with the Stipulation and the Settling Parties
21 shall be restored to their respective positions in the Action as of the date of the
22 Stipulation.

23 15. Without further order of the Court, the Settling Parties may agree to
24 reasonable extensions of time to carry out any of the provisions of the Stipulation.

25 16. This Court finds, for purposes of the Federal Rules of Civil Procedure,
26 that there is no just reason for delay and expressly directs the Clerk of the Court to
27 enter this Judgment as set forth herein immediately. This Judgment is a final
28

1 Judgment in the Action as to all claims asserted therein at any time and as to all of the
2 Settlement Class Member's Released Claims against the Released Persons.

3 17. Judgment shall be, and hereby is, entered dismissing the Action in its
4 entirety with prejudice.

5 IT IS SO ORDERED.

6 DATED: _____

7 THE HONORABLE GEORGE H. WU
8 UNITED STATES DISTRICT JUDGE
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