

If You Purchased Certain Zicam Products, You May Be Eligible to Receive a Payment as Part of a Proposed Class Action Settlement

A federal court authorized this notice. This is not a solicitation from a lawyer.

- A Proposed Settlement has been reached in a class action lawsuit. A purchaser of certain Zicam products has sued Zicam LLC and Matrixx Initiatives, Inc. (“Defendants”), alleging that those companies made false and misleading statements about the effectiveness of those products. Defendants deny the allegations in the lawsuit and maintain that all statements they have made about the Zicam products were proper, truthful, and not misleading. The Court has not decided which side is right.
- The Proposed Settlement creates a \$16 million settlement fund from which to pay Class Member claims and other costs and expenses related to the litigation and settlement as detailed below.
- You are a Class Member if you purchased any of the following Zicam products in the United States from February 15, 2011 through June 5, 2018: RapidMelts Original, RapidMelts Ultra, Oral Mist, Ultra Crystals, Liqui-Lozenges, Lozenges Ultra, Soft Chews, Medicated Fruit Drops, and Chewables (the “Products”).
- If you are eligible to participate in this Proposed Settlement because you purchased one or more of the Products in the United States from February 15, 2011 through June 5, 2018, you can submit a claim for a cash payment from the Settlement Fund.

**Please read this Notice carefully and in its entirety.
Your rights may be affected by the Proposed Settlement of this Lawsuit,
and you have a choice to make now about how to act:**

YOUR LEGAL RIGHTS AND OPTIONS	
WHAT IS THIS?	A Proposed Settlement has been reached in a class action lawsuit. The lawsuit alleges that Defendants made false and misleading statements about the effectiveness of the Products in violation of state and federal laws, and Defendants deny those allegations and contend their statements were truthful and not misleading.
SUBMIT A CLAIM FORM POSTMARKED BY OCTOBER 3, 2018	This is the only way to receive the Settlement Benefit of a cash payment. By submitting a claim, you will give up any rights to sue Defendants separately about the same legal claims in this lawsuit. Claim Forms are available at www.ZicamClassAction.com . For more detail about the claim process, please see questions 6 and 7 below.

Questions? Visit www.ZicamClassAction.com
or contact the Settlement Administrator at info@rg2claims.com

<p>EXCLUDE YOURSELF FROM THE CLASS BY OCTOBER 3, 2018</p>	<p>If you opt out of the Proposed Settlement, you will not be eligible to receive the Settlement Benefit, but you will keep your right to sue Defendants about the same legal claims in this lawsuit. Requests for exclusion must be postmarked by October 3, 2018 and mailed to Zicam Class Action, c/o RG/2 Claims Administration LLC, P.O. Box 59479, Philadelphia, PA 19102-9479. For more detail about excluding yourself from the class, please see questions 8, 9, and 10 below.</p>
<p>OBJECT OR COMMENT BY OCTOBER 3, 2018</p>	<p>You may write to the Court about why you do, or do not, like the Proposed Settlement. You must remain in the class to comment in support of or in opposition to the Proposed Settlement. Objections and comments must be filed with the Court and served on the Parties by October 3, 2018. For more detail about objecting or commenting, please see questions 11 and 12 below.</p>
<p>APPEAR IN THE LAWSUIT OR ATTEND A HEARING ON OCTOBER 3, 2018</p>	<p>You may ask to speak in Court about the fairness of the Proposed Settlement. Written notice of your intent to appear in the Lawsuit must be filed with the Court and served on the Parties by October 3, 2018. You may enter your appearance in Court through an attorney at your own expense if you so desire. For more detail about appearing in this lawsuit or attending the final hearing, please see questions 13, 14, 18, 19, and 20 below.</p>
<p>DO NOTHING</p>	<p>If you do nothing, you will receive no Settlement Benefit. You also give up your right to sue Defendants on your own regarding any claims that are part of the Proposed Settlement.</p>

- These rights and options, **and the deadlines to exercise them**, are further explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Proposed Settlement. The Settlement Benefit will be made available if the Court approves the Proposed Settlement and after any appeals are resolved, if they are resolved in favor of settlement approval.
- If you have any questions, please read on and visit www.ZicamClassAction.com.

BASIC INFORMATION

1. Why did I get this notice?

If you purchased one or more of the Products in the United States from February 15, 2011 through June 5, 2018, as described on page 1 of this Notice, you have a right to know about a proposed settlement of a class action lawsuit and your options. If you have received this Notice in the mail or by e-mail, you have been identified from available records as a possible purchaser

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of the Products. You also may have received this Notice because you requested more information after reading the Short Form Notice. If the Court approves it, and if objections and all appeals are resolved in favor of settlement approval, an administrator approved by the Court will oversee the distribution of the Settlement Benefits that the Proposed Settlement allows. You will be informed of the progress of the Proposed Settlement on the settlement website.

This Notice explains the lawsuit, the Proposed Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The Court in charge of the case is the United States District Court for the Eastern District of California, and the case is known as *Melgar v. Zicam LLC et al.*, Case No. 2:14-cv-00160-MCE-AC. The person who sued is called the Plaintiff, and the companies she sued, Zicam LLC and Matrixx Initiatives, Inc., are called the Defendants.

2. What is this lawsuit about?

This lawsuit is about whether Defendants made false and misleading representations about the effectiveness of the Products. You can read Plaintiff's [First and Second Amended Complaints](#) at www.ZicamClassAction.com.

Defendants deny any wrongdoing and deny the Plaintiff's allegations. You can read [Defendants' answer](#) to the First Amended Complaint at www.ZicamClassAction.com.

The Court has not made any ruling on Defendants' liability, if any.

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

In a class action lawsuit, one or more people called "Class Representatives" (in this case, Plaintiff Yesenia Melgar) sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The named plaintiff who sued – and all the Class Members like them – are called the Plaintiffs. The companies they sued (in this case, Defendants Zicam LLC and Matrixx Initiatives, Inc.) are called the Defendants. One court resolves the issues for everyone in the Class – except for those people who choose to exclude themselves from the Class.

4. Why is there a Proposed Settlement?

The Court has not decided in favor of either side in the case. Defendants deny all allegations of wrongdoing or liability against them, and contend that their conduct was lawful. Defendants are settling to avoid the expense, inconvenience, and inherent risk of litigation, as well as the related disruption of their business operations. Plaintiff and her attorneys assert that the Proposed Settlement is in the best interests of the Class, because it provides an appropriate recovery now while avoiding the risk, expense, and delay of pursuing the case through trial and any appeals. The Proposed Settlement does not mean the law has been broken or that Defendants have done anything wrong.

Who is in the Proposed Settlement?

To see if you will be entitled to the Settlement Benefit from this Proposed Settlement, you first have to decide if you are a Class Member.

Questions? Visit www.ZicamClassAction.com
or contact the Settlement Administrator at info@rg2claims.com

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

You are a Class Member if you purchased any of the following Zicam products in the United States from February 15, 2011 through June 5, 2018: RapidMelts Original, RapidMelts Ultra, Oral Mist, Ultra Crystals, Liqui-Lozenges, Lozenges Ultra, Soft Chews, Medicated Fruit Drops, and Chewables.

THE PROPOSED SETTLEMENT BENEFITS

6. What does the Proposed Settlement provide if I submit a claim?

Subject to Court approval, the parties have agreed to a Settlement under which Defendants will pay \$16 million (the “Settlement Fund”). In addition to paying class member claims, the \$16 million settlement fund will be used to (i) pay notice and claims administration costs, (ii) attorneys’ fees, (iii) litigation costs and expenses, (iv) an incentive award to the Class Representative, and (v) pay reimbursements to Class Members for Zicam product purchases.

Each class member may submit a claim, either electronically through a settlement website or by mail, for each of the Products purchased during the class period. You will be eligible to receive a reimbursement based on the average manufacturer’s suggested retail price (“MSRP”) during the class period for each of the Products identified in a valid Claim Form. Claims for up to five units of the Products purchased during the class period will be paid without requiring proof of purchase. Claims for six or more units of the Products purchased during the class period will require proof of purchase.

Your recovery, and the recovery of every other claimant, will be proportionally adjusted to account for the available portion of the Settlement Fund. Depending on the total dollar amount of all valid claims, this adjustment may increase or decrease your recovery. For instance, if the total dollar amount of all valid claims is less than the available portion of the Settlement Fund (after payment of notice and other administrative costs, Plaintiff’s attorneys’ fees, costs and expenses and any incentive award), then claimant recoveries will be proportionally increased. Similarly, if the total dollar amount of all valid claims is more than the available portion of the Settlement Fund, then claimant recoveries will be proportionally decreased.

The average MSRP for each of the Products during the class period is as follows:

(i) RapidMelts Original	\$11.53
(ii) RapidMelts Ultra	\$11.45
(iii) Oral Mist	\$11.36
(iv) Ultra Crystals	\$11.12
(v) Liqui-Lozenges	\$11.08

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(vi) Lozenges Ultra	\$8.74	
(vii) Soft Chews	\$6.16	
(viii) Medicated Fruit Drops	\$10.95	
(ix) Chewables	\$11.29	

All payments to Settlement Class Members who submit valid Claims will be made within forty-five (45) days after the Settlement Approval Order and Final Judgment becomes final (“Final Settlement Approval Date”). If there is an appeal of the Settlement, then this may take some time. All Settlement Class Members who do not opt out of the Proposed Settlement and who submit a Valid Claim shall receive a cash award as set forth above, if the Final Settlement Approval Date occurs.

HOW YOU GET A CASH PAYMENT — SUBMITTING A CLAIM FORM

7. How can I get a cash payment from the Proposed Settlement?

Class Members who wish to receive a payment must submit claims.

To submit a claim, you must complete a Claim Form.

You can get a Claim Form on the Internet at www.ZicamClassAction.com. Read the instructions carefully, and submit it online on or before October 3, 2018.

Alternatively, you may also submit your Claim Form by mailing it to the following address: Zicam Class Action, c/o RG/2 Claims Administration LLC, P.O. Box 59479, Philadelphia, PA 19102-9479. It must be postmarked no later than October 3, 2018.

You can also request that a claim form be sent to you by email or mail. Call toll-free 1-855-279-8685.

TO BE VALID, ALL CLAIMS MUST BE POSTMARKED OR SUBMITTED NO LATER THAN OCTOBER 3, 2018.

YOUR RIGHTS AND CHOICES – EXCLUDING YOURSELF FROM THE PROPOSED SETTLEMENT

If you do not want to receive the Settlement Benefits from this Proposed Settlement, but you want to keep the right to sue Defendants, on your own, about the subject matter of this lawsuit, then you must take steps to get out of the Proposed Settlement. This is called excluding yourself – or is sometimes referred to as opting out of the Class.

8. How do I get out or exclude myself from the Proposed Settlement?

To exclude yourself from the Proposed Settlement, which is sometimes call “opting-out” of the Class, you must send a letter by mail saying that you want to be excluded from this lawsuit.

To exclude yourself from the Class, you must postmark a written Request for Exclusion to Zicam Class Action, c/o RG/2 Claims Administration, P.O. Box 59479, Philadelphia, PA 19102-9479. The written Request for Exclusion must be postmarked no later than October 3, 2018.

Your written Request for Exclusion must contain: (1) the name of this lawsuit, *Melgar v. Zicam LLC et al.*, Case No. 2:14-cv-00160-MCE-AC; (2) your full name and current address; (3) a clear statement of your intention to exclude yourself such as “I wish to be excluded from the Class”; and (4) your signature.

You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you will not get any Settlement Benefit, and you cannot object to the Proposed Settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) Defendants in the future.

9. If I don’t exclude myself, can I sue Defendants for the same things later?

No. If you do not properly and timely submit a written Request for Exclusion, you waive your right to opt out and will be deemed to be a member of the Class. Unless you exclude yourself, you give up the right to sue Defendants over the subject matter of the claims that this Proposed Settlement resolves, and you will be bound by the terms of this Proposed Settlement. If you have a pending lawsuit against Defendants, other than this class action, speak to your lawyer in that lawsuit immediately. You must exclude yourself from *this* Class to continue your own lawsuit. Remember, any exclusion request must be signed, mailed, and postmarked by October 3, 2018.

10. If I exclude myself, can I get the Settlement Benefits from this Proposed Settlement?

No. If you exclude yourself, do not send in a claim form to ask for any money. But, you may sue, continue to sue, or be part of a different lawsuit against Defendants.

YOUR RIGHTS AND CHOICES – OBJECTING TO THE PROPOSED SETTLEMENT

You can tell the Court that you do not agree with the Proposed Settlement or some part of it.

11. How do I tell the Court that I don’t like the Proposed Settlement?

If you are a Class Member, you can object to the Proposed Settlement if you do not like any part of it, including the proposed plan to reimburse Class Members, Class Counsel’s fee award, or the Class Representative incentive award. You can give reasons why you think the Court should not approve it. The Court will consider your views.

To object, you must send a letter that contains the following:

- Your name, current address and telephone number, or your lawyer's name, address and telephone number if you are objecting through counsel;
- The name of the lawsuit, *Melgar v. Zicam LLC et al.*, Case No. 2:14-cv-00160-MCE-AC;
- A statement of your objections and the reasons for each objection you make, including the facts supporting your objection and the legal grounds on which your objection is based, if any;
- A list of any documents you may give the Court to support your objection, if any;
- A list of any legal authorities you want the Court to consider;
- The names and addresses of any witness you want to call to testify, and a summary of the witnesses' expected testimony;
- If you (or your lawyer) want to appear and speak at the Fairness Hearing, a statement that you wish to appear and speak;
- Documents sufficient to establish your membership in the Settlement Class, such as verification under oath as to the date and location of your purchase of a Settlement Class Product, or a Proof of Purchase; **and**
- Your signature (or your lawyer's signature).

To object, you must file a written objection with the Clerk of the Court for the Eastern District of California **no later than** October 3, 2018. The Clerk of the Court is located at:

Clerk of Court
U.S. District Court
Eastern District of California
Robert T. Matsui Federal Courthouse
501 I Street, Room 4-200
Sacramento, CA 95814

You must also send copies of your objection along with any supporting documents, and those copies must be **postmarked no later than** October 3, 2018, to the following two addresses:

Counsel for the Class:

L. Timothy Fisher
Bursor & Fisher, P.A.
1990 North California Blvd., Suite 940
Walnut Creek, CA 94596
Telephone: (925) 300-4455
E-Mail: info@bursor.com

Counsel for Defendants:

Robyn E. Bladow
Kirkland & Ellis LLP
333 South Hope Street
Los Angeles, CA 90071
213-680-8400 office
E-Mail: robyn.bladow@kirkland.com

Questions? Visit www.ZicamClassAction.com
or contact the Settlement Administrator at info@rg2claims.com

If you object through a lawyer, you will have to pay for the lawyer yourself. Importantly, only Class Members who submit timely, written objections may voice their objections at the hearing.

12. What's the difference between objecting and excluding?

Objecting is simply telling the Court you do not like something about the Proposed Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

YOUR RIGHTS AND CHOICES – APPEARING IN THE LAWSUIT

13. Can I appear or speak in this lawsuit and Proposed Settlement?

As long as you do not exclude yourself, you can (but do not have to) participate and speak for yourself in this lawsuit and Proposed Settlement. This is called making an appearance. You can also have your own lawyer appear in court and speak for you, but you will have to pay for the lawyer yourself.

14. How can I appear in this lawsuit?

If you want yourself or your own lawyer (instead of Class Counsel) to participate or speak for you in this lawsuit, you must include in your written objection that you plan to attend and/or speak at the Fairness Hearing.

IF YOU DO NOTHING

15. What happens if I do nothing at all?

If you do nothing, you will get no Settlement Benefit from this Proposed Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about the subject matter of this lawsuit, ever again.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court has appointed Bursor & Fisher, P.A. as legal counsel for the Class. Counsel for the Class are frequently referred to as "Class Counsel." You will not be charged for these lawyers.

17. How will the lawyers be paid?

From the inception of the litigation in January 2014 to the date of the Proposed Settlement, Class Counsel has not received any payment for their services in prosecuting the case or obtaining settlement, nor have they been reimbursed for any out-of-pocket expenses they have incurred. When they ask the Court to approve the Proposed Settlement, Class Counsel will also make a motion to the Court for an award of attorneys' fees in a total amount not to exceed one-third of

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the Settlement Fund. Separately, Class Counsel will also seek payment from the Settlement Fund for their costs and expenses incurred during the course of the litigation. No matter what the Court decides with regard to the requested attorneys' fees, costs and expenses, Class Members will never have to pay anything toward the fees, costs or expenses of Class Counsel. Class Counsel will seek final approval of the Proposed Settlement on behalf of all Class Members. You may hire your own lawyer to represent you in this case if you wish, but it will be at your own expense.

THE COURT'S FINAL FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Proposed Settlement. You may attend and you may ask to speak, but you do not have to attend or speak.

18. When and where will the Court decide whether to approve the Proposed Settlement?

The United States District Court for the Eastern District of California (the "Court") will hold a hearing (the "Fairness hearing") at Robert T. Matsui Federal Courthouse located at 501 I Street, Sacramento, CA 95814 on November 15, 2018 at 2:00 p.m. to decide whether the settlement is fair, reasonable, and adequate and to determine the amount of attorneys' fees, costs and expenses, and incentive fee awards. If there are objections, the Court will consider them. The Court may also discuss Class Counsel's request for an award of attorneys' fees and reimbursement of costs and expenses. After the hearing, the Court will decide whether to approve the settlement and whether to grant Class Counsel's request for attorneys' fees, costs and expenses. We do not know how long these decisions will take.

19. Do I have to come to the hearing?

No. Class Counsel is working on your behalf and will answer any questions the Court may have, but, you are welcome to attend the hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

FINAL SETTLEMENT APPROVAL

20. What is the effect of final settlement approval?

If the Court grants final approval of the Proposed Settlement, and that decision is not reversed or vacated by an appellate court, all members of the Class will release and forever discharge any and all claims or causes of action that have been, might have been, are now, or could have been brought relating to the transactions, actions, conduct and events that are the subject of this action or settlement, arising from or related to the allegations in the complaint filed in the Action or Defendants' marketing, advertising, promoting or distributing of the Products.

If the Proposed Settlement is not approved, the case will proceed as if no settlement had been attempted. If the Proposed Settlement is not approved and litigation resumes, then there can be no assurance that the Class will recover anything.

GETTING MORE INFORMATION

21. Are there more details about the Proposed Settlement?

This Notice is only intended to provide a summary of the Proposed Settlement. You may obtain the complete text of the settlement at www.ZicamClassAction.com, by writing to the Claims Administrator (at the address listed above), or from the court file, which is available for your inspection during regular business hours at the Office of the Clerk of the United States District Court for the Eastern District of California, Robert T. Matsui Federal Courthouse located at 501 I Street, Sacramento, CA 95814.

Visit the website, at www.ZicamClassAction.com, where you will find the Plaintiff's Complaint, Defendants' Answer, the Settlement Agreement and other documents related to the settlement and a Claim Form. You may also contact the Zicam Class Action Administrator by email at info@rg2claims.com, or by mail at Zicam Class Action, c/o RG/2 Claims Administration, P.O. Box 59479, Philadelphia, PA 19102-9479.

PLEASE DO NOT CALL OR WRITE TO THE COURT FOR INFORMATION OR ADVICE.

DATED: July 5, 2018

**BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE EASTERN
DISTRICT OF CALIFORNIA**