UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

James J. Aboltin and Pamela J. Knight, individually and on behalf of all others similarly situated, Plaintiffs, v. Jeunesse, LLC aka Jeunesse Global, Inc., a Florida limited liability company, MLM Mafia, Inc., a Nevada Corporation, Online Communications, LLC, a Wyoming limited liability company, Wendy R. Lewis, an individual, Ogale "Randy" Ray, an individual, Scott A. Lewis, an individual, Kim Hui, an individual, Jason Caramanis, an individual, Alex Morton, an individual, Kevin Giguere, an individual, John and Jane Does 1-100, individual natural persons, and ABC Corporations, Companies, and/or Partnerships 1-20, Defendants.	Case No. 6:17-cv-01624-PGB-KRS

MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF LITIGATION COSTS, AND SERVICE AWARDS

Plaintiffs James J. Aboltin and Pamela J. Knight, (collectively, "Plaintiffs"), respectfully submit this Motion For Attorneys' Fees, Reimbursement Of Litigation Costs, And Service Awards.

Plaintiffs request an award of attorneys' fees and expenses in the amount of $825,000, which constitutes thirty-three percent of the Common Fund established in this case. The fee request is both fair and reasonable, especially in light of the significant resources Class Counsel have expended to prosecute this matter over the past two and a half years on a purely contingent basis. Class Counsel, working at reduced hourly rates, have incurred over $930,000 in attorneys' fees,

and over $30,000 in out-of-pocket costs. The total value of the relief obtained for the class, which includes a monetary fund for $2.5 million and injunctive relief valued at approximately $1 million, is approximately $3.5 million. The requested amount of attorneys' fees is approximately twenty-three percent of the total relief obtained for the Class. In addition, Class Counsel anticipates incurring additional costs and expenses over the next 3-6 months.

Because the amount requested falls well within the range of attorneys' fees and expenses awarded by courts within this Circuit, Plaintiffs respectfully request that this Court approve the requested attorneys' fees and expenses. Plaintiffs also request that the Court approve the payment of service awards in the combined amount of $3,500 to the named plaintiffs to compensate them for the significant time and effort spent assisting in the prosecution of this case on behalf of the Class.

This motion is based on the accompanying Plaintiffs' Memorandum of Law in Support of Motion for Attorneys' Fees, Reimbursement of Litigation Costs, and Services Awards and supporting documents; the declarations of Class Counsel, which are attached as Exhibits 1 and 2, and all other records, pleadings and papers on file in this action.

A Proposed Order is submitted for the Court's consideration.

RESPECTFULLY SUBMITTED this 20th day November, 2018.

By: /s/ Jonathan S. Batchelor
Jonathan S. Batchelor
Jonathan Batchelor PLC

And

David N. Ferrucci
Dickinson Wright PLLC
1850 N Central Ave., Ste. 1400

Phoenix, AZ 85004
Attorneys for Plaintiffs
James J. Aboltin and Pamela J. Knight

RULE 3.01(G) CERTIFICATION

I HEREBY CERTIFY that counsel for Plaintiffs James J. Aboltin and Pamela J. Knight conferred with counsel for Defendants Jeunesse, LLC, Jason Caramanis, and MLM Mafia, Inc. on November 20, 2018 regarding the instant motion. Counsel for the Jeunesse Defendants indicated that they have no objection to the resolution of this Motion. Counsel for Defendants Jason Caramanis and MLM Mafia, Inc. indicated that they have no objection to the resolution of this Motion.

RESPECTFULLY SUBMITTED this 20th day of November 2018.

By: /s/ Jonathan S. Batchelor
Jonathan S. Batchelor
Jonathan Batchelor PLC

And

David N. Ferrucci
Dickinson Wright PLLC
1850 N Central Ave., Ste. 1400
Phoenix, AZ 85004
Attorneys for Plaintiffs
James J. Aboltin and Pamela J. Knight

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 20th, 2018, I served the foregoing document via e-mail and U.S. Mail upon all counsel of record in the following Service List below.

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/s/ Jonathan S. Batchelor

UNITED STATES DISTRICT COURT
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James J. Aboltin and Pamela J. Knight, individually and on behalf of all others similarly situated, Plaintiffs, v. Jeunesse, LLC aka Jeunesse Global, Inc., a Florida limited liability company, MLM Mafia, Inc., a Nevada Corporation, Online Communications, LLC, a Wyoming limited liability company, Wendy R. Lewis, an individual, Ogale "Randy" Ray, an individual, Scott A. Lewis, an individual, Kim Hui, an individual, Jason Caramanis, an individual, Alex Morton, an individual, Kevin Giguere, an individual, John and Jane Does 1-100, individual natural persons, and ABC Corporations, Companies, and/or Partnerships 1-20, Defendants.	Case No. 6:17-cv-01624-PGB-KRS

MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF LITIGATION COSTS, AND SERVICE AWARDS

Plaintiffs James J. Aboltin and Pamela J. Knight ("Plaintiffs"), on behalf of the settlement class ("Class"), respectfully submit this Memorandum of Law in Support of Motion for Attorneys' Fees, Reimbursement of Litigation Costs, and Services Awards.

INTRODUCTION

Plaintiffs, on behalf of the Class, respectfully submit this memorandum of law in support of their motion for an award of attorneys' fees and expenses in the amount of $825,000, which constitutes thirty-three percent of the Common Fund established in this case. The fee request is both fair and reasonable, especially in light of the significant resources Class Counsel have

expended to prosecute this matter over the past two and a half years on a purely contingent basis. Class Counsel have labored at reduced hourly rates, but have incurred over $930,000 in attorneys' fees, and over $30,000 in out-of-pocket costs. *See* Batchelor Decl., filed herewith as Exhibit 1, at ¶ 20. The total value of the relief obtained for the class, which includes a monetary fund for $2.5 million and injunctive relief valued at approximately $1 million, is approximately $3.5 million. The requested total compensation for Class Counsel, inclusive of attorneys' fees and costs, is approximately twenty-three percent of the total relief obtained for the Class. In addition, Class Counsel anticipates incurring additional costs and expenses over the next 3-6 months for which they do not anticipate receiving additional compensation.

Because the amount requested falls well within the range of attorneys' fees and expenses awarded by courts within this Circuit using either the percentage of the fund or lodestar methodology, Plaintiffs respectfully request that this Court approve the requested attorneys' fees and expenses. Plaintiffs also request that the Court approve the payment of service awards in the combined amount of $3,500 to the named plaintiffs to compensate them for the significant time and effort spent assisting in the prosecution of this case on behalf of the Class. *See* Exh. 1 ¶¶ 30-31.

I. FACTUAL AND PROCEDURAL BACKGROUND.

A. Factual Background.

Plaintiffs are members of a Rule 23 class of all Jeunesse distributors who executed a contract with Jeunesse providing the opportunity to recruit other Jeunesse distributors and to sell Jeunesse products between January 1, 2010 and September 13, 2018 ("Settlement Class").

The First Amended Complaint ("FAC") alleges that Defendants engaged in unfair business practices by operating Jeunesse as an illegal pyramid scheme disguised as a legitimate multi-level

marketing company, which resulted in monetary losses to individuals who signed up as Jeunesse distributors. *See* FAC (Doc. 123). Specifically, the FAC alleges that Defendants engaged in unfair business practices because its policies, procedures and practices emphasized recruitment over retail sales, which created an impermissible pay-for-recruitment "pyramid" organization. The FAC also alleged that Jeunesse was operating a "scheme within the scheme" by offering undisclosed inside deals to top earners from rival multi-level marketing companies, which provided additional incentives to those top earners to convince their existing "teams" or "down-lines" to become enrolled in Jeunesse. FAC (Doc. 123), ¶¶ 129, 131. Then, as the FAC alleges, once the inside deal recipient achieved a certain level of success due to the inside deal, Jeunesse would hold out the deal recipient as an example of success without disclosing to the public the existence of the inside deal. Defendants deny these allegations.

B. Procedural Background.

After an extensive pre-suit investigation into Defendants' business practices, Plaintiff Aboltin filed a complaint against Defendants in the United States District Court for the District of Arizona on July 29, 2016. Exh. 1 ¶11. Based on the central premise that Defendants were operating and promoting a pyramid scheme, Plaintiffs asserted several claims, including (1) violations of the Racketeer Influences and Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1962, (2) conspiracy to commit RICO violations, and (3) consumer fraud under Arizona law. On October 3, 2016, Defendants filed a motion to transfer the case to the United States District Court for the Middle District of Florida, which was granted. After the case was transferred, Plaintiffs filed the FAC, which added Plaintiff Pamela J. Knight as an additional class representative and asserted additional state law claims under Florida and Texas law. Defendants filed multiple defense motions,

including four motions to dismiss, a motion to compel individual arbitration, and a motion to deny class certification. Exh. 1 ¶12.

Before the Court ruled on the pending motions, Plaintiffs and Defendants engaged in Court-ordered mediation and entered into settlement negotiations. In light of the pending motions, extensive legal research, and investigation into the facts of the case, both Plaintiffs and Plaintiffs' Counsel ("Class Counsel")[1] believed it was in the best interests of the Class to enter settlement negotiations.

On or around June 29, 2018, the parties reached a settlement. Plaintiffs moved for preliminary approval of the Settlement Agreement on August 17, 2018, which the Court granted on September 13, 2018.

C. Summary of the Settlement Agreement.

The Settlement Agreement (Doc. 259-1) consists of a $2.5 million cash fund ("Common Fund") and approximately $1 million in injunctive relief for a total value to the Class of $3.5 million. The Common Fund will cover settlement payments to the Class, Court-approved attorneys' fees and costs, Court-approved service payments to the Plaintiffs, and the reasonable costs of settlement administration.

In the Court's preliminary approval order ("Order"), the Court preliminarily certified the Class defined as all Distributors of Jeunesse.[2] *See* Doc. 264. Pursuant to both the Order and the

[1] Class Counsel includes the law firms of Jonathan Bachelor, PLC and Dickinson Wright PLLC.

[2] The Court Order defined Distributors of Jeunesse as "persons who executed a contract with Jeunesse providing the opportunity to sell or resell Jeunesse products and/or to sponsor other persons to do so; paying for a "starter kit" of materials to facilitate this business opportunity; directly or indirectly holding a position in the Jeunesse genealogy of Distributors, and/or purchasing Jeunesse products at the discounted prices available only to Jeunesse distributors—between January 1, 2010, and the date on which this Order is entered." Doc. 264, ¶ 4.

Settlement Agreement, potential Class members were notified of the terms of the Settlement Agreement.

D. Class Counsel Incurred Fees and Expenses.

Class Counsel has expended significant efforts and resources in achieving the settlement. Class Counsel's work in this case can be divided roughly into four time periods.

First Time Period. The first time period runs from the pre-suit investigation to the filing of the original complaint on July 29, 2016. During this time, Class Counsel, among other things, launched an extensive pre-suit investigation into Jeunesse's business practices. In addition to launching a pre-suit factual investigation, Class Counsel also conducted thorough legal research, focusing on both Federal and State law claims. After conducting legal research and investigating the relevant facts, Class Counsel conferred with Plaintiff Aboltin and drafted the original complaint and supporting exhibits. Class Counsel incurred 167.5 hours during the first time period.[3]

Second Time Period. The second time period runs from July 30, 2016 through Defendants Hui and Giguere's motion to dismiss filed on April 17, 2018. During this time, Class Counsel, among other things, responded to various motions filed by Defendants, including, but not limited to, a motion to transfer, multiple motions to dismiss, a motion to compel arbitration, and a motion to deny class certification. *See* Doc. 259-2 at 3-7. Class Counsel also expanded resources in dealing with a "piggy-back" lawsuit filed in California and to deter California counsel from taking actions that in the opinion of undersigned counsel would have been detrimental to the interests of the Class. *See* Doc. 259-2 at 5.

In addition to conducting research and drafting responses to these motions, Class Counsel also spent resources retaining a technical expert and private investigator in order to successfully

[3] Exh. 1 ¶ 11.

defend each motion. Also during the second time period, Class Counsel drafted its own motions, retained a pyramid scheme expert, analyzed expert reports, and served written discovery requests. Class Counsel incurred 2,877.5 hours during the second time period.[4]

Third Time Period. The third time period runs from May 3, 2018 through the date on which Plaintiffs reached settlement on June 29, 2018. Throughout this time, Plaintiffs and Class Counsel engaged in settlement negotiations with Defendants and Defendants' Counsel. These settlement negotiations were initially prompted by Court-ordered mediation held in Las Vegas and further facilitated by follow-up phone conversations and emails. Class Counsel incurred 143.7 hours during the third time period.[5]

Fourth Time Period. The fourth time period runs from July 2, 2018 to today. During this time, counsel for both parties participated in drafting the Settlement Agreement. Class Counsel drafted the Motion for Preliminary Approval of the Settlement Agreement and this motion. Class Counsel also addressed various administrative issues, including finding and retaining Epiq to administer the claims in this case and providing notice to the Class. Class Counsel incurred over 200 hours during the fourth time period.[6]

In total, through the filing of this motion, Class Counsel have incurred more than 3400 hours litigating this matter. At the reduced hourly rates for which Class Counsel worked on behalf of Plaintiffs and the Class, Class Counsel have incurred fees of nearly $1 million in this case.[7] Since this case began over two years ago, Class Counsel have not been paid anything for their efforts on

[4] Exh. 1 ¶ 12.
[5] Exh. 1 ¶ 13.
[6] Exh. 1 ¶ 14.
[7] Exh. 1 ¶ 18.

behalf of Plaintiffs and the Class. In addition to the hours spent in this case, Class Counsel has incurred approximately $30,000 in unreimbursed, out-of-pocket expenses.[8]

II. CLASS COUNSEL ARE ENTITLED TO REASONABLE FEES AND EXPENSES OF $825,000.

A. Class Counsel's Fees Should be Awarded from the Common Fund Created through Class Counsel's Efforts.

In large class actions such as the present one, attorneys' fees are typically calculated by awarding a percentage of the total value of the settlement. *See Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980). ("[A] litigant or lawyer who recovers a common fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney's fee from the fund as a whole."). In the Eleventh Circuit, "attorney's fees awarded from a common fund shall be based upon a reasonable percentage of the fund established for the benefit of the class." *Camden I Condo. Ass'n, Inc. v. Dunkle*, 946 F.2d 768, 774 (11th Cir. 1991) ("*Camden I*"). The percentage applies to the total benefits provided, even where the actual payments to the class following a claims process is lower. *See Waters v. Int'l Precious Metals Corp*., 190 F.3d 1291, 1294-95 (11th Cir. 1999) (ruling that attorney's fees be determined based on total fund, not just actual payout to the class). "[F]ederal district courts across the country have, in the class action settlement context, *routinely* awarded class counsel fees in excess of the 25 percent 'benchmark,' even in so-called 'mega-fund' cases." *Allapattah Servs., Inc. v. Exxon Corp*., 454 F. Supp. 2d 1185, 1210 (S.D. Fla. 2006) (emphasis added); *see e.g., Waters* 190 F.3d at 1295-96 (affirming fee award of 33.3% of total funds made available to the class); *Allapattah Servs., Inc.*, 454 F. Supp. 2d at 1204 (awarding fees of 31 and 1/3 percent of settlement fund). In this case, the requested percentage is easily within the range provided by the Eleventh Circuit. *See Camden I*, 946 F.2d at 774 (common fund fee

[8] Exh.1 ¶ 20.

awards may fall anywhere between 20% and 50% of the fund "although even larger percentages have been awarded").

The *Camden I* factors support the requested Fee Award.

Camden I provides several factors for evaluating whether or not a class-action attorney's fee award is reasonable. The *Camden I* factors include: (1) the time and labor required; (2) the novelty and difficulty of the questions involved; (3) the skill requisite to perform the legal service properly; (4) the preclusion of other employment by the attorney due to acceptance of the case; (5) the customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the client or the circumstances; (8) the amount involved and the results obtained; (9) the experience, reputation, and ability of the attorneys; (10) the "undesirability" of the case; (11) the nature and length of the professional relationship with the client; and (12) awards in similar cases. 946 F.2d at 772 n. 3.

These twelve factors are not exclusive. Other factors the Court may consider include "whether there are any substantial objections by class members or other parties to the settlement terms or the fees requested by counsel, any non-monetary benefits conferred upon the class by the settlement, the economics involved in prosecuting a class action . . . [and other] factors unique to [the] particular case which [may] be relevant to the district court's consideration." *Id*. at 775. As explained below, the factors set forth in *Camden I* support the full award requested in this case.

1. Time and Labor Involved

Class Counsel expended significant effort and resources to recover both the $2,500,000 Common Fund and the non-monetary corporate reforms valued at $1,000,000 on behalf of the Class. Exh. 1 ¶¶24-29. For over two years, Class Counsel have litigated this case in two separate

venues across the country. *Id.* at ¶4. Even before filing the original complaint, Class Counsel launched an extensive pre-suit investigation into potential claims and Defendants' business practices. *Id.* at ¶11. After filing the original complaint, Class Counsel defended several motions, including motions to transfer venue, compel individual arbitration, deny class certification, and multiple motions to dismiss. *Id.* at ¶12. Aside from Class Counsel's motion practice and the underlying factual and legal research required to defend and file each motion, Class Counsel also exchanged written discovery requests, retained forensic and litigation experts, and conferred with Plaintiffs, other witnesses, and private investigators. What's more, over the course of several weeks, Class Counsel engaged in settlement negotiations with Defendants and opposing counsel, which included mediation in Las Vegas, Nevada.

By performing this and other work on behalf of the Class, Class Counsel spent over 3,400 hours of attorney and paralegal time. What's more, Class Counsel performed this work without any assurance their efforts would result in any fee. Because Class Counsel expended substantial time and resources to achieve $3,500,000 in monetary and non-monetary benefits to the Class, the first *Camden* I factor weighs strongly in favor of awarding Class Counsel the amount of fees requested.

2. The Novelty and Difficulty of the Questions Involved Required the Skill of a Highly Talented Team of Attorneys

The second, third, and ninth *Camden I* factors strongly weigh in favor of awarding the fees requested. First and foremost, class action matters are "inherently complex to prosecute because the legal and factual issues are complicated and uncertain in outcome." *Francisco v. Numismatic Guar. Corp. of Am.*, No. 06-61677-CIV, 2008 WL 649124, at *15 (S.D. Fla. Jan. 31, 2008). In addition to the complex nature of class action litigation, the parties' underlying claims may add another dimension of complexity. *See Chapman & Cole v. Itel Container Int'l B.V.,* 865 F.2d 676,

685 (5th Cir. 1989) ("RICO cause[s] of action by definition involve complex litigation and high legal costs"); *see also Bostick v. Herbalife Int'l of Am., Inc*., No. CV 13-2488 BRO (SHX), 2015 WL 12731932, at *20 (C.D. Cal. May 14, 2015) (finding that a trial on the merits for an alleged pyramid scheme would require significant discovery and "would no doubt prove to be . . . time-consuming for the parties, the class, and the Court").

Here, Class Counsel not only represented Plaintiffs in a class action lawsuit, but they also asserted causes of action against Defendants for allegedly violating RICO and operating an illegal pyramid scheme, which only adds to the level of complexity presented by this class action case. Simply put, Class Counsel faced both complex issues and significant litigation demands.

Additionally, the fact that this case involves complex issues and significant litigation demands is evidenced not only by the nature of the class action case or the claims asserted by Plaintiffs, but also by the caliber of defense attorneys representing Jeunnese and the Jeunesse Defendants. *See Walco Investments, Inc. v. Thenen*, 975 F. Supp. 1468, 1472 (S.D. Fla. 1997) (explaining that "[g]iven the quality of defense counsel from prominent national law firms, the Court is not confident that attorneys of lesser aptitude could have achieved similar results"); *Ressler v. Jacobson*, 149 F.R.D. 651, 654 (M.D. Fla. 1992) (The Court should consider the quality of the opposing party when assessing the quality of representation by Class Counsel). "[T]he fact that this level of legal talent was available to the Settlement Class is another compelling reason in support of the fee requested. . . . [C]ounsel of exceptional skill commands a significant premium." *In re Checking Account Overdraft Litig*., 830 F. Supp. 2d 1330, 1363 (S.D. Fla. 2011).

In this case, both Plaintiffs and the Class were represented by a strong team of experienced class action litigators. Exh. 1 ¶¶5-7. Although Plaintiffs were represented by a strong team of class action litigators, Class Counsel faced strong opposition by a highly experienced and skilled team

of attorneys. After Class Counsel filed its initial complaint, Defendants retained Jeffrey S. Jacobson of Kelley, Drye & Warren, LLP, New York, who not only co-chairs his firm's class action practice, but who has successfully defended numerous fraud related class action. Mr. Jacobson has also served as director of the New Jersey Division of Law and chief counsel to the New Jersey Attorney General. Despite this formidable opposition, Class Counsel utilized its own skills and experience and helped the Class obtain approximately $3,500,000 in total monetary and injunctive relief.

In sum, due to the nature of the class action case and the claims asserted by Plaintiffs, which required the skill of a highly talented team of attorneys on both sides, the second, third, and ninth *Camden* I factors strongly support Class Counsel's requested fee award.

3. Prosecuting this Case was "Undesirable" because of the Claims against Defendant Entailed Considerable Risk

Prosecuting this case involved considerable risk. In order to determine whether or not a case is "undesirable," Courts consider the Class' likelihood of success. *See In re Checking Account Overdraft Litig*., 830 F. Supp. 2d at 1364 (finding that the case was undesirable due to the Class' "long odds of success," and commending Class Counsel for accepting the case even though it was "staring down the barrel of [various] issues without any assurances whatsoever as to how the Court would rule."). In addition, "'Undesirability' and relevant risks must be evaluated from the standpoint of plaintiffs' counsel as of the time they commenced the suit, not retroactively, with the benefit of hindsight." *See Id.* (citing *Lindy Bros. Builders, Inc. v. American Radiator & Standard Sanitary Corp*., 540 F.2d 102, 112 (3d Cir.1976); *Walco Investments, Inc. v. Thenen*, 975 F. Supp. 1468, 1473 (S.D. Fla. 1997)).

Since the inception of this case, the Class faced a substantial risk that it would recover nothing. In addition to Defendants' challenges to class certification, the Class faced the substantial risk that the Court would compel individual arbitration. If the Court compelled individual arbitration, then Plaintiffs faced the very real possibility of not being able to pursue the litigation on behalf of the class. Stated somewhat differently, "[i]f [Defendants] were ultimately successful in enforcing mandatory, individual arbitration of the claims raised in the Action, this litigation would have effectively ground to a halt[.]" *In re: Checking Account Overdraft Litig.*, No. 1:09-M D-02836-JLK, 2014 WL 11370115, at *10 (S.D. Fla. Jan. 6, 2014) (slip opinion). *See also In re Checking Account Overdraft Litigation*, 830 F.Supp.2d 1330, 1364 (S.D. Fla. 2011) (Approving the class counsel's request for a 30% fee and stating, "[t]he most undesirable part of this case was the long odds on success. Plaintiffs had to fight . . . the possibility of compelled individual arbitration."). Despite this risk, Class Counsel accepted the case without any assurances whatsoever as to how the Court would rule. Based on the arbitration clause, let alone other defenses raised by Defendants, prosecuting the case would have been undesirable from the standpoint of any attorney. Therefore, this factor strongly favors awarding Class Counsel the requested fee amount.

4. Class Counsel Assumed Substantial Risk to Pursue this Action on a Pure Contingency Basis, and Were Precluded from Other Employment as a Result

Class Counsel's requested fee amount should be awarded in full because Class Counsel assumed substantial risk to pursue this action on a pure contingency basis. Numerous cases recognize that the contingent fee risk is an important factor in determining the fee award. *See In re Sunbeam Sec. Litig.,* 176 F. Supp. 2d 1323, 1335 (S.D. Fla. 2001) (*quoting Behrens v. Wometco*

Enters., Inc., 118 F.R.D 534, 548 (S.D. Fla. 1988) ("A contingency fee arrangement often justifies an increase in the award of attorneys' fees"); *see also In re Continental III. Sec. Litig*., 962 F.2d 566 (7th Cir.1992) (holding that when a common fund case has been prosecuted on a contingent basis, plaintiffs' counsel must be compensated adequately for the risk of non-payment); *Ressler v. Jacobson*, 149 F.R.D. 651, 656 (M.D. Fla. 1992) ("Numerous cases recognize that the attorney's contingent fee risk is an important factor in determining the fee award.").

As Judge King has observed:

> Generally, the contingency retainment must be promoted to assure representation when a person could not otherwise afford the services of a lawyer. . . . A contingency fee arrangement often justifies an increase in the award of attorneys' fees. This rule helps assure that the contingency fee arrangement endures. If this "bonus" methodology did not exist, very few lawyers could take on the representation of a class client given the investment of substantial time, effort, and money, especially in light of the risks of recovering nothing.

Behrens v. Wometco Enterprises, Inc., 118 F.R.D. 534, 548 (S.D. Fla. 1988). Here, Class Counsel prosecuted this case entirely on a contingent fee basis. Exh. 1 ¶8. As such, Class Counsel assumed significant risk of nonpayment or underpayment. Exh. 1 ¶25. Despite the risk, Class Counsel, in an effort to make the Class whole, invested thousands of hours, totaling nearly $1 million in fees and expenses, which they could have spent on other matters. For this and other reasons, the Court should award Class Counsel the requested fee amount.

5. The Fee Requested Comports with Customary Fees Awarded in Similar Cases

The total relief recovered for the class includes a $2.5 million cash settlement fund plus injunctive relief valued at $1million, for a total available relief of $3.5 million. Class Counsel requests an amount of $825,000 to recover fees and expenses. That number is thirty-three percent of the Common Fund, approximately twenty-three percent of the total value of available relief

obtained, and well below the amounts actually incurred at Class Counsel's reduced rates. Exh. 1 ¶19. Such an award is consistent with the trend in this Circuit. *See Waters v. Int'l Precious Metals Corp.,* 190 F.3d 1291 (11th Cir. 1999) (affirming fee award of 33.3% of $40 million settlement); *Wolff v. Cash 4 Titles*, No. 03-22778-CIV, 2012 WL 5290155, at *4 (S.D. Fla. Sept. 26, 2012) ("One-third of the recovery is considered standard in a contingency fee agreement."); *Morefield v. NoteWorld, LLC*, No. 1:10-CV-00117, 2012 WL 1355573, at *6 (S.D. Ga. Apr. 18, 2012) (awarded Class Counsel 33.3% of the $1,040,000 settlement common fund plus expenses); *Atkinson v. Wal-Mart Stores, Inc*., No. 8:08-CV-691-T-30TBM, 2011 WL 6846747, at *6 (M.D. Fla. Dec. 29, 2011) (awarded Class Counsel one-third of the $2,020,000 common fund); *In re Managed Care Litig. v. Aetna*, MDL No. 1334, 2003 WL 22850070 (S.D.Fla. Oct. 24, 2003) (awarding fees and costs of 35.5% of settlement of $100 million). An award of one-third of the Cash Fund is also consistent with fee awards in other pyramid scheme class actions. *See Gaskill v. Gordon*, 160 F.3d 361, 362 (7th Cir. 1998) (affirming district court's 38% fee award in pyramid scheme class action). Accordingly, Class Counsel's requested fee award of $825,000 or 33% of the Fund is appropriate.

6. Class Counsel Achieved an Excellent Result

In light of the risks involved in this case – including the possibility of the class representatives' claims being compelled to individual arbitration, thus precluding maintenance of this case as a class action – Class Counsel achieved an excellent result.

The Settlement Agreement provides significant and likely full or near-full economic relief for the Settlement Class through cash awards and refunds for returned products and also provides agreed upon corporate reforms. The Settlement creates a gross cash settlement fund of $2,500,000 for payment of claims, which will provide a significant benefit to the class, as well as fees and

expenses for this lawsuit. In addition, under the terms of the Settlement, Jeunesse will institute and/or maintain valuable corporate reforms. Jeunesse also, over and above the $2,500,000 settlement fund, will accept returns of unsold merchandise even if Settlement Class Members purchased that merchandise outside Jeunesse's normal 12-month return period. *See* Doc. 259-1.

The economic value of the quantifiable aspects of the Settlement consists of $2.5 million in a cash fund and additional cash for product returns. *Id*. Jeunesse also has agreed to preserve changes to its business model, made after this litigation began, and to make and preserve additional changes, for a contractually agreed upon period of at least two (2) years from the date of the Settlement. *Id*. As more fully detailed in the Settlement, Jeunesse will extend the product return period for Jeunesse Distributors wishing to resign who have product they have held longer than the 12 month return period; Jeunesse's Financial Opportunity document will disclose to prospective distributors that experienced multi-level marketers, or people with existing downlines, may receive additional financial incentives; Jeunesse will track retail sales electronically; and not require purchases of product packages to become a distributor. *Id*. Taken together, the Settlement Agreement addresses all issues identified in the First Amended Complaint.

By any measure, this is an excellent result for the Settlement Class in light of the alleged claims and defenses, the procedural hurdles the Class faces, including Jeunesse's assertion that such claims are subject to agreements to arbitrate on an individual basis, and the risks associated with continued litigation.

In considering the results, courts should weigh not only the Class' monetary relief, but its injunctive relief as well. *See Staton v. Boeing Co*., 327 F.3d 938, 974 (9th Cir.2003) ("[C]ourts should consider the value of the injunctive relief obtained as a relevant circumstance in determining what percentage of the common fund class counsel should receive as attorneys' fees.")

(internal quotation and citation omitted); *Perez v. Asurion Corp*., 501 F. Supp. 2d 1360 (S.D. Fla. 2007). Although Class Counsel does not request any attorneys' fees based on the value of the corporate reforms, the reforms further justify awarding Class Counsel the requested fee amount.

In sum, both the corporate reforms and the $2,500,000 cash fund provides significant and likely complete or near-complete relief to the Class. These excellent results strongly support awarding Class Counsel the requested fee amount.

B. A Lodestar Analysis Confirms the Reasonableness of the Fee Requested

Under *Camden I*, use of the lodestar analysis is not proper in common fund cases. *See In re Checking Account Overdraft Litig.*, 830 F. Supp. 2d at 1363 (declining to perform lodestar cross-check because *Camden I* "mandated the exclusive use of the percentage approach in common fund cases" and noting that "courts in this Circuit regularly award fees . . . without discussing lodestar at all") (internal quotation marks, brackets, and emphasis omitted). Still, a lodestar analysis has been used as a "cross-check" to the percentage-of-the-fund analysis. *Waters*, 190 F.3d at 1298 ("[W]hile we have decided in this circuit a lodestar calculation is not proper in common fund cases, we may refer to that figure for comparison.").

To determine the lodestar amount, the "court must multiply the number of hours reasonably expended by a reasonable hourly rate." *Duckworth v. Whisenant*, 97 F.3d 1393, 1396 (11th Cir. 1996). "A reasonable hourly rate is the prevailing market rate in the relevant legal community for similar services by lawyers of reasonably comparable skills, experience, and reputation." *Norman v. Hous. Auth. Of City of Montgomery*, 836 F.2d 1292, 1299 (11th Cir. 1988).

Here, over the past two years Class Counsel has litigated this case in Arizona and Florida. During this time, Class Counsel expended over 3,400 hours and advanced over $30,000 in expenses. Exh. 1 ¶¶18, 20. At the reduced hourly rates, the lodestar is well over $1 million. *Id*. The

lodestar plus out-of-pocket costs exceed the amount requested by well over $125,000.

What's more, had there been no common fund in the Settlement Agreement and attorneys' fees were determined based solely on the lodestar method, Class Counsel would have sought a "substantial multiplier" to apply to their lodestar for reasons discussed, in particular, the risk Class Counsel faced in not recovering anything due to the arbitration clause, the monetary and non-monetary relief achieved for the Class, the complexity of the litigation and underlying claims, and the contingent nature of Class Counsels' fee arrangement. *See Columbus Drywall & Insulation, Inc. v. Masco Corp.*, No. 04-3066, 2012 WL 12540344, at *5 (N.D. Ga. Oct. 26, 2012) (applying a multiplier of four times lodestar to "reflect such consideration as (1) the contingent nature of the fee; (2) the risk of the case (*i.e.*, the likelihood of success viewed at the time of filing); (3) the quality of representation; and (4) the results achieved," and surveying cases applying multipliers of approximately 4 to 9 times lodestar). Applying a substantial modifier and increasing the lodestar further dwarfs the fees requested under the common fund approach.

Simply put, in light of the actual fees and costs incurred, and the results achieved, the requested amount is manifestly reasonable.

D. Class Counsels' Out-of-Pocket Expenses are Reasonable.

As part of, and included in its attorneys' fees calculation, Class Counsel seeks reimbursement of the expenses incurred in prosecuting the case against Defendants. In addition to attorney's fees, Class Counsel are entitled to reimbursement of reasonable and necessary out-of-pocket expenses incurred in the course of activities that benefitted the class. *Waters*, 190 F.3d at 1298. Reimbursable expenses include travel, depositions, filing fees, postage, telephone, copying, and the like. *See Behrens v. Wometco Enterprises, Inc*., 118 F.R.D. 534, 549 (S.D. Fla.

1988); *see also, Wales v. Jack M. Berry, Inc*., 192 F. Supp. 2d 1313, 1329 (M.D. Fla. 2001) (Reimbursable expenses may also include computer legal research). Here, as part of the attorneys' fee award Class Counsel requests repayment for the reimbursable expenses it advanced for the benefit of the Class. These expenses include (1) travel expenses in connection with the pre-suit investigation, court appearances (in Florida) and mediation (in Nevada); (2) private investigator and expert fees; and copying, printing, and mailing expenses. Notably, Class Counsel does not request reimbursement for online research charges through Westlaw. Moreover, because Class Counsel advanced expenses without any guarantee of reimbursement, they had every incentive not to spend unnecessarily. Accordingly, the Court should approve Class Counsel's request.

III. PLAINTIFFS ARE ENTITLED TO REASONABLE SERVICE AWARDS.

The Settlement Agreement proposes that the named Plaintiffs each receive a service award for their participation in this action and service to the Class. In particular, the Settlement Agreement proposes that James Aboltin receive a service award equal to $1,000 and Pamela Knight receive a service award equal to $2,500. See Exh. 1 ¶¶ 30-31.

"[T[here is ample precedent for awarding incentive compensation to class representative at the conclusion of a successful class action." *David v. Am. Suzuki Motor Corp*., No. 08-CV-22278, 2010 WL 1628362, at *6 (S.D. Fla. Apr. 15, 2010). Courts have consistently found service awards to be an efficient and productive way to encourage members of a class to become class representatives. *See, e.g., Faught v. Am. Home Shield Corp*., 668 F.3d 1233, 1239 (11th Cir. 2011) (Affirming $10,000 service award); *Seghroughni v. Advantus Rest., Inc*., No. 8:12-CV-2000-T-23TBM, 2015 WL 2255278, at *1 (M.D. Fla. May 13, 2015) (Approving $5,000 service award in a class action settlement with a fund of approximately $300,000); *Saccoccio v. JP Morgan Chase*

Bank, N.A., 297 F.R.D. 683, 695 (S.D. Fla. 2014) (approving $5,000 service award to the named plaintiff).

CONCLUSION

For the reasons set forth above, Class Counsel respectfully request that the Court approve the request for a fee of $825,000, and service awards of $3,500 in the aggregate to the Plaintiffs.

RESPECTFULLY SUBMITTED this 20th day November, 2018.

By: /s/ Jonathan S. Batchelor
Jonathan S. Batchelor
Jonathan Batchelor PLC

And

David N. Ferrucci
Dickinson Wright PLLC
1850 N Central Ave., Ste. 1400
Phoenix, AZ 85004
Attorneys for Plaintiffs
James J. Aboltin, Pamela J. Knight and the Settlement Class

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 20, 2018, I served the foregoing document via e-mail and U.S. Mail upon all counsel of record in the following Service List below.

SERVICE LIST

Karl E. Pearson Pearson Bitman LLP 485 N. Keller Road, Suite 401 Maitland, Florida 32751 kpearson@pearsonbitman.com	**Glenn Timothy Graham** Kelley, Drye & Warren, LLP 1 Jefferson Road Parsippany, NJ 07054 ggraham@kelleydrye.com	**Amanda Rose Dunn** Rywant, Alvarez, Jones, Russo & Guyton, P.A. 109 N. Brush Street, Suite 500 Tampa, FL 33601 adunn@rywantalvarez.com
Jeffrey S. Jacobson Kelley, Drye & Warren, LLP 101 Park Avenue New York, NY 10178-0062 jjacobson@KelleyDrye.com	**Chris Wellman** Wellman & Warren LLP 24411 Ridge Rte., Ste. 200 Laguna Hills, CA 92653 cwellman@w-wlaw.com	**Scott W. Wellman** Wellman & Warren LLP 24411 Ridge Rte., Ste. 200 Laguna Hills, CA 92653 swellman@w-wlaw.com
Charles J. Bartlett Icard Merrill Cullis Timm Furen Ginsberg, PA 2033 Main St., Suite 600 Sarasota, FL 34237 cbartlett@icardmerrill.com	**Daniel D Maynard** Maynard Cronin Erickson Curran & Reiter PLC 3200 N Central Ave., Ste 1800 Phoenix, AZ 85012-2443	

/s/ Jonathan S. Batchelor

EXHIBIT 1

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

James J. Aboltin and Pamela J. Knight, individually and on behalf of all others similarly situated, Plaintiffs, v. Jeunesse, LLC aka Jeunesse Global, Inc., a Florida limited liability company, MLM Mafia, Inc., a Nevada Corporation, Online Communications, LLC, a Wyoming limited liability company, Wendy R. Lewis, an individual, Ogale "Randy" Ray, an individual, Scott A. Lewis, an individual, Kim Hui, an individual, Jason Caramanis, an individual, Alex Morton, an individual, Kevin Giguere, an individual, John and Jane Does 1-100, individual natural persons, and ABC Corporations, Companies, and/or Partnerships 1-20, Defendants.	Case No. 6:17-cv-01624-PGB-KRS

DECLARATION OF JONATHAN S. BATCHELOR IN SUPPORT OF PLAINTIFF'S MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF LITIGATION COSTS, AND SERVICE AWARDS

I, Jonathan S. Batchelor, hereby declare as follows:

1. I am a member in the law firm of Jonathan Batchelor, PLC (and a former member of Dickinson Wright PLLC), representing Plaintiffs James J. Aboltin and Pamela J. Knight ("Plaintiffs"), on behalf of the settlement class ("Class"), in the above entitled action. David Ferrucci— a member at Dickinson Wright PLLC—and I are co-lead counsel in this matter. Since before the initial Complaint was filed in this matter in July 2016 through today, Mr. Ferrucci and I have managed the day-to-day litigation in this case as well as the big-picture strategies and decisions. As a member at Jonathan Batchelor, PLC and former member at Dickinson Wright PLLC, I have knowledge of both firms' usual fee structures and customary rates. I submit this declaration in support

of Class Counsel's Motion for Attorneys' Fees, Reimbursement of Litigation Cost, and Service Awards (the "Motion").

2. On July 2016, James Aboltin entered into an engagement agreement with Dickinson Wright, PLLC, and in July 2018 with Jonathan Batchelor, PLC (Jonathan Batchelor, PLC and Dickinson Wright, PLLC, collectively, "Class Counsel"). This agreement provides (1) Class Counsel can only recover an attorneys' fee if litigation against Jeunesse, LLC ("Jeunesse") and related persons or entities is successful, and (2) that Class Counsel will fund all litigation expenses, although it may recover them from any recovery in favor of Plaintiffs or a class they represent.

3. In October 2017, Class Counsel entered into an engagement agreement with Pamela Knight as an additional representative for the then putative class on substantially similar terms to the agreement with James Aboltin.

4. Since the inception of this case over two years ago, Class Counsel have litigated this case, first in the United States District Court for the District of Arizona, and then in the United States District Court for the Middle District of Florida. In addition to participating in this formal litigation, we investigated and researched the facts and law giving rise to the claims in this lawsuit and interviewed individuals and entities across the country who had an interest in this litigation, or who were involved in other potentially related litigation in the prosecution of the claims in this matter.

Credentials and Experience

5. I am admitted to practice before the Supreme Court of the State of Arizona, and the United States District Court for the District of Arizona. I have been actively engaged in the practice of law in Phoenix, Arizona since 2008. My practice encompasses intellectual property and class action litigation. Beginning in 2008, I worked as an associate of the Phoenix law firm Mariscal, Weeks, McIntyre & Friedlander, PA. In January, 2013, Mariscal, Weeks, McIntyre & Friedlander, PA merged with and became part of the national law firm Dickinson Wright, PLLC. In 2016, I was elected to

membership in Dickinson Wright, PLLC. In July 2018, I organized Jonathan Batchelor, PLC to allow more flexibility in representing clients in contingency fee matters. I continue to work closely with Dickinson Wright, PLLC on a variety of matters, including the present litigation.

6. I have successfully litigated class actions as lead class counsel in Arizona state court (*see e.g.*, *Lightholder v. Zarcalres Tempe, LLC*, Maricopa County Superior Court Case No. CV2015-8048 (Ariz. St. Sup. Ct. 2015)). Since at least 2009, I have assisted with representation of plaintiffs in class action litigation (*see e.g.*, *Stratton v. American Medical Security, Inc.*, 2009 WL 1880774 (D. Ariz. 2009), and represented defendants in class action litigation (*see, e.g.*, *Albano v. Shea Homes Ltd. P'ship*, 634 F.3d 524, 526 (9th Cir. 2011), *certified question answered,* 227 Ariz. 121, 254 P.3d 360 (2011). I have also extensively litigated a wide variety of contract, tort, and intellectual property cases, including as trial counsel (*see, e.g., Dorosti v. Recovery Innovations, Inc.*, CV2013-015770, Maricopa County Superior Court Case No. CV2013-015770 (Ariz. St. Sup. Ct. 2013).

7. During the course of prosecuting this matter, highly accomplished attorneys at Dickinson Wright, PLLC such as, John Desmond, and David Ouimette, who each have decades of litigation and class action experience, contributed significant work on the case. In addition, several other highly accomplished attorneys at Dickinson Wright provided strategy insights and advice, often without formally billing the time.

Class Counsel's Investment in this Litigation

Hours Incurred

8. Class Counsel worked this case on a full contingency fee basis.

9. Both myself and other Dickinson Wright, PLLC attorneys working on this case were economically incentivized to be as efficient as possible in our work so that we could spend time on other cases, as well as this one.

10. Both myself and other Dickinson Wright, PLLC attorneys had no incentive to expend more hours on this case than we believed were necessary to effectively litigate this case.

11. Class Counsel's work on this case can be divided into four time periods. The first time period runs from when Class Counsel first learned of the potential matter in late 2015, until the filing of the original complaint on July 29, 2016. During this time period, Mr. Ferrucci and I launched an extensive pre-suit investigation into Jeunesse's business practices. This pre-suit investigation included extensive interviews, online research, and analysis of issues related to the factual and legal basis of the claims that were later filed in this case, and other potential claims on behalf of the class. Also in this time period, Class Counsel conducted thorough legal research, conferred with Plaintiffs, and drafted the original complaint and supporting exhibits.

Original Complaint. Filed July 29, 2016, after significant investigation into Defendants' business practices, sought a judgment declaring that Jeunesse could not enforce the form of arbitration agreement in effect when Mr. Aboltin contracted to become a Distributor in July 2016, and alleged the following claims for relief: (1) violations of the Racketeer Influenced and Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1962, (2) conspiracy to commit RICO violations; and (3) consumer fraud under Arizona Rev. Stat. § 44-1521 *et seq.*

Class Counsel incurred at least 167.5 hours of billed time during the first time period, and hundreds of hours of time developing the case that, although it was not billed, resulted in real benefits to the Class.

12. The second time period consists of time during which the case was being aggressively litigated, it runs for nearly two years, from July 30, 2016 through the latest motion to dismiss filed by Defendant Hui and Gigure's on April 17, 2018. During this time, Class Counsel expended extensive efforts to represent in interests of the class with respect to several motions, including:

Motion to Transfer. On October 3, 2016, Defendants Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, timely moved the United States District Court for the District of Arizona (the "Arizona Court") to transfer the case to the United States District Court for the Middle District of Florida. The Arizona Court took that motion under advisement and, by Order dated October 6, 2016, deferred the Defendants' obligation to respond substantively to the Complaint (*i.e.,* by answering or moving to dismiss) until 21 days after it ruled on the transfer motion.

Response to Motion to Transfer. On November 11, 2016, Plaintiffs filed a response to the motion to transfer disputing the authenticity of the documents relied upon by Defendants in their Motion to Transfer. In the course of preparing the response, Plaintiffs retained a technical forensic expert, and otherwise expended significant efforts to investigate and establish that not all of the documents relied upon by Defendants were provided to Plaintiff Aboltin for his consent.

Reply to Motion to Transfer/Motion to Strike. On November 28, 2016, Defendants filed a Notice of Filing Amended Declaration withdrawing their arguments based on the contracts challenged by Plaintiffs. On November 30, 2016, Defendants filed a Reply in Support of the Motion to Transfer, this time relying exclusively on factors analysis arguments supported by new declarations. On December 9, 2016, Plaintiffs' filed a Motion to Strike the reply, arguing that the Plaintiffs had not been provided an opportunity to respond to the new declarations filed after Plaintiff's response. The Arizona Court granted the transfer motion on September 12, 2017, and the matter was transferred to this Court.

Defendant Morton's Motions to Dismiss. On December 2, 2016, Defendant Alex Morton filed a Motion to Dismiss claiming insufficiency of process. Plaintiffs expended significant efforts investigating Morton's claims, including retaining an investigator to establish that the factual basis of Morton's claims were frivolous. The Court ultimately quashed service, but granted Plaintiff leave to re-serve Mr. Morton, who instructed his

counsel to refuse to accept service and attempted to avoid service, but was ultimately re-served.

Defendant Caramanis' Motion to Dismiss. On December 22, 2016, Defendant Caramanis filed a Motion to Dismiss challenging jurisdiction. Plaintiffs again expended significant efforts investigating Caramanis's claims that he had no contacts with Arizona and otherwise responding to Caramanis's motion. Caramanis filed a separate Objection to Plaintiffs exhibits offered in response to his motion to dismiss, requiring Plaintiffs' to respond to Caramanis's separate Objection. Caramanis then filed a motion to strike Plaintiffs' response to his Objection, to which Plaintiff's responded. The motion was ultimately denied.

"Piggy-back" Lawsuit. In or about February 2017, Plaintiffs learned of another case that had been filed in California State Court and thereafter removed to the Federal District Court for the Central District of California, by attorney Blake Lindemann. The lawsuit alleged similar facts to the Original Complaint in this matter, but recharacterized one of the claims as a California endless chain scheme statutory claim. That complaint borrowed so heavily from the Original Complaint in this matter, that the references to Arizona were not even removed from the California-only complaint. Plaintiffs' counsel contacted Mr. Lindemann and ultimately expended significant efforts to deter Mr. Lindemann from taking actions that in the opinion of undersigned counsel would have been detrimental to the interests of the class. Plaintiffs understand and believe that Mr. Lindemann settled the lawsuit on an individual basis.

First Amended Complaint. On October 30, 2017, Plaintiffs (now including Ms. Knight) filed a First Amended Complaint. The First Amended Complaint pleaded claims against Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis; repleaded claims against Kim Hui, Alex Morton, and Jason Caramanis; and added two corporations—MLM Mafia, Inc., and Online Communications, LLC—allegedly related to Mr. Caramanis, as well as another Distributor, Kevin Giguere. The First Amended Complaint sought the

same unenforceability declaration with respect to the arbitration agreements executed by Mr. Aboltin and Ms. Knight; the same claims for RICO violations and conspiracy to commit RICO violations; state law consumer fraud under the laws of Arizona (Ariz. Rev. Stat. § 44-1521, *et seq.*), Florida (Fla. Stat. §§ 501.204(1), 559.801, and 849.091); and Texas (Tex. Bus. & Com. Code § 17.41); claims for "federal securities fraud"; and a claim for "unjust enrichment."

Motion to Compel Arbitration. On December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, moved to compel the arbitration of all of Plaintiffs' claims pursuant to the arbitration agreements executed by Mr. Aboltin and Ms. Knight. Jeunesse contends that all Distributors are subject to agreements to arbitrate their disputes with and concerning Jeunesse individually, and not as members of a purported class. Plaintiffs opposed that motion and contested the enforceability and validity of the arbitration agreements.

Motions to Dismiss. On December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, moved to dismiss the First Amended Complaint in its entirety pursuant to Fed. R. Civ. P. 12(b)(6). Plaintiffs opposed that motion on a number of different grounds.

On December 8, 2017, defendants Caramanis and MLM Mafia, LLC filed another Motion to Dismiss, again claiming lack of jurisdiction. On January 5, 2018 Defendant Morton filed another Motion to dismiss.

Motion to Deny Class Certification. Also on December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, moved the Court to deny class certification preemptively. They contended that, on the face of Plaintiffs' complaint, Plaintiffs could not satisfy the requirements of Federal Rule of Civil Procedure 23. Plaintiffs opposed that motion, raising a number of different arguments.

Deadline To Seek Class Certification. Plaintiffs were due to file their affirmative Motion for Class Certification on July 2, 2018, and had spent significant resources

preparing for that filing, but after reaching a tentative agreement on the material terms of a settlement, the Settling Parties moved the Court on June 29, 2018, to stay all pending deadlines.

Motions by Defendants Hui and Giguere. Although Plaintiffs agreed to defer the obligations of Defendants Hui and Giguere to respond substantively to the First Amended Complaint until after the Court ruled on the other Defendants' pending motions, the Court rejected the parties' joint stipulation to that effect. On April 17, 2018, Defendants Hui and Giguere moved to dismiss the First Amended Complaint's claims against them in their entirety, joining the arguments made by their fellow Defendants and also raising arguments specific to themselves. Plaintiffs opposed that motion on a number of different grounds.

During this nearly two year period of active litigation, Class Counsel spent significant resources, including fees and costs for expert witnesses, investigators, and court fees. Class Counsel incurred 2,877.5 hours during the second time period.

13. The third time period consists of time when the parties were engaged in active settlement negotiations, from May 3, 2018 through the date on which Plaintiffs reached settlement on June 29, 2018. Throughout this time, Plaintiffs and Class Counsel engaged in intense settlement negotiations with Defendants and Defendants' Counsel. Class Counsel not only facilitated these settlement negotiations by phone conversations and emails, but also through mediation in Las Vegas. Class Counsel incurred 143.7 hours during the third time period.

14. The fourth time period runs from July 1, 2018 to today. During this time, Class Counsel drafted the Settlement Agreement and supporting documents, the Motion for Preliminary Approval of the Settlement Agreement and supporting documents, and this motion. Aside from working with defense counsel to draft the agreement and each motion, Class Counsel addressed various administrative issues, and worked in

furtherance of the Settlement. Class Counsel incurred at least 200 hours during the fourth time period.

15. Finally, between now and final resolution of this matter, Class Counsel anticipate contributing at least an additional 100 hours of work, and incurring costs, including responding to any objectors, preparing for and traveling to the fairness hearing currently set for January 8, 2018, and performing other work in furtherance of the Settlement.

16. Based on my litigation experience and close knowledge of the work that went into this case, I believe that all the time incurred by Class Counsel in this case was reasonably necessary.

Rates and Lodestar

17. Class Counsel' normal rates are the rates Class Counsel's hourly clients are willing to pay. Compared with our normal rates, David Ferrucci and I, who performed the lion's share of the work in this matter, worked at reduced rates on this matter in an effort to maximize the benefit to the Class. First, we both maintained our billable rate throughout the representation rather than increasing our rates annually as we normally would. Second, we declined to take an increased rate as attorneys normally do in contingency fee matters. This resulted in significant savings for the Class. To illustrate, my current market rate for non-contingency work is $350/hour, and for contingency fee work is $500/hour, but I continue to work on this matter at $280/hour.

18. Class Counsel attorneys and paralegals expended over 3,400 hours litigating this case.

19. At their relevant hourly rate, using the reduced rate at which Mr. Ferrucci and I handled this matter, the lodestar for Class Counsel's work performed to date is over $930,000. In addition, Class Counsel anticipates performing significant additional work in finalizing the resolution of this matter.

Litigation Costs and Expenses

20. Through November 20, 2018, Class Counsel incurred reasonable and necessary costs and expenses totaling over $30,000. Class Counsel incurred these costs in the following areas:

Description	**Amount**
IP Draft/Search Services	116.10
Cert. Copies/Official Records	322.80
Investigation Services	7,952.45
Miscellaneous	770.00
Recording/Search/Filing Fees	850.00
Reproduction Inside Firm	1,596.40
Document and CD Duplication	67.75
Supplies	119.43
Travel Expenses	5,348.82
Delivery Expenses	818.39
Legal Services of Others	10,047.45
Service Fees	1,365.10
Expert Witness/Consultants Fees	4,410.00

21. Because these expenses were incurred with no guarantee of recovery, Class Counsel had a strong incentive to keep them as low as reasonably possible—and did so.

22. Class Counsel handled this case exclusively on a contingent-fee basis and because we undertook this case, the attorneys working on this case were required to forego other work.

23. I and other attorneys working on this case are usually working at full capacity, and if we had not worked on this case, we could have invested our time in other income-generating representations.

Class Counsel's Risks in This Litigation

24. Class Counsel faced significant risks at the outset of, and throughout, the case. In addition to the risk that the court would deny class certification and that we would not be able to establish personal jurisdiction for the defendants, Class Counsel faced substantial risk that the Court would compel individual arbitration, which would have prevented the Plaintiffs from bringing claims on behalf of the class thereby diminishing the likelihood that individual members of the class would recover anything.

25. Because Class Counsel represented the Plaintiffs and the Class on a purely contingency basis, Class Counsel faced the substantial risk that it would recover nothing.

26. Moreover, Defendants were vigorously represented by impressive attorneys and law firms with substantial experience defending major fraud related class action cases on behalf of consumer product companies like Jeunesse. Had Defendants successfully prevented Plaintiffs from obtaining class certification, or from recovering on the merits of their claims, the Class would have recovered nothing and we would have received no fees or expenses after investing a million dollars in work and resources.

The Results in this Case

27. The Settlement Agreement provides a $2.5 million cash fund as well as significant relief in the form of stipulated corporate reforms that greatly benefit the class, increasing the value obtained for the Class well beyond the $2.5 million cash portion. Although it is difficult to affix a specific value to the business reforms, the benefit is substantial given the number of people benefited by the reforms, and the significant losses they should help to avert. A reasonable estimate of the value of the business reforms to the Class is $1,000,000.

28. In terms of injunctive relief, the Settlement Agreement provides the following: Jeunesse distributors who wish to resign may return their product, regardless of whether they held the product longer then Jeunesse's 12-month return period (note that there is no limit on this benefit so that Class members taking advantage of this benefit

obtain relief in addition to the $2.5 million cash portion of the settlement available to pay other benefits); Jeunesse Financial Opportunity documents will disclose to prospective distributors that experienced multi-level marketers may receive additional financial incentives, increasing the transparency to the prospective distributors; Jeunesse will track retail sales electronically; and Jeunesse will not require individuals to purchase product packages in order to become a distributor.

29. Based on the facts, the law, and the substantial risk the Class faced in recovering nothing, particularly in light of the procedural posture of the case, I believe the cash fund and the injunctive relief was an excellent result for the Class.

30. Plaintiff Class Representative James J. Aboltin, has been involved in this litigation and consulted with Class Counsel as necessary throughout the litigation for more than two years. He has at all relevant times considered, and acted to further the best interests of the Class, and without his service, the Class would not have secured the substantial benefits afforded by the Settlement. The service award of $1,000 provided for in the Settlement is extremely reasonable giving his services to the Class.

31. Plaintiff Class Representative Pamela J. Knight, has been involved in this litigation for more than a year. She has at all relevant times considered, and acted to further the best interests of the Class. Her experience as a Jeunesse distributor over the course of a year, and her familiarity with the business and the practices of defendants assisted Class Counsel in the litigation. Without Ms. Knight's service, the Class would have struggled to secure the substantial benefits afforded by the Settlement. The service award of $2,500 provided for in the Settlement is extremely reasonable giving her services to the Class.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 20th day of November, 2018.

Jonathan S. Batchelor, Esq.

EXHIBIT 2

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

James J. Aboltin and Pamela J. Knight, individually and on behalf of all others similarly situated, Plaintiffs, v. Jeunesse, LLC aka Jeunesse Global, Inc., a Florida limited liability company, MLM Mafia, Inc., a Nevada Corporation, Online Communications, LLC, a Wyoming limited liability company, Wendy R. Lewis, an individual, Ogale "Randy" Ray, an individual, Scott A. Lewis, an individual, Kim Hui, an individual, Jason Caramanis, an individual, Alex Morton, an individual, Kevin Giguere, an individual, John and Jane Does 1-100, individual natural persons, and ABC Corporations, Companies, and/or Partnerships 1-20, Defendants.	Case No. 6:17-cv-01624-PGB-KRS

DECLARATION OF DAVID N. FERRUCCI IN SUPPORT OF PLAINTIFF'S MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF LITIGATION COSTS, AND SERVICE AWARDS

I, David N. Ferrucci, hereby declare as follows:

1. I am a member in the law firm Dickinson Wright PLLC, representing Plaintiffs James J. Aboltin and Pamela J. Knight ("Plaintiffs"), on behalf of the settlement class ("Class"), in the above entitled action. Jonathan Batchelor, Esq. and I are co-lead counsel in this matter. Since before the initial Complaint was filed in this matter in July 2016 through today, Mr. Batchelor and I have managed the day-to-day litigation in this case as well as the big-picture strategies and decisions. As a member of Dickinson Wright PLLC, I have knowledge of the firms' usual fee structures and customary rates. I submit this declaration in support of Class Counsel's Motion for Attorneys' Fees, Reimbursement of Litigation Cost, and Service Awards (the "Motion").

2. On July 2016, James Aboltin entered into an engagement agreement with Dickinson Wright, PLLC, and in July 2018 with Jonathan Batchelor, PLC (Jonathan Batchelor, PLC and Dickinson Wright, PLLC, collectively, "Class Counsel"). This agreement provides (1) Class Counsel can only recover an attorneys' fee if litigation against Jeunesse, LLC ("Jeunesse") and related persons or entities is successful, and (2) that Class Counsel will fund all litigation expenses, although it may recover them from any recovery in favor of Plaintiffs or a class they represent.

3. In October 2017, Class Counsel entered into an engagement agreement with Pamela Knight as an additional representative for the then putative class on substantially similar terms to the agreement with James Aboltin.

4. Since the inception of this case over two years ago, Class Counsel have litigated this case, first in the United States District Court for the District of Arizona, and then in the United States District Court for the Middle District of Florida. In addition to participating in this formal litigation, we investigated and researched the facts and law giving rise to the claims in this lawsuit and interviewed individuals and entities across the country who had an interest in this litigation, or who were involved in other potentially related litigation in the prosecution of the claims in this matter.

Credentials and Experience

5. I am admitted to practice before the Supreme Court of the State of Arizona, the United States District Court for the District of Arizona and the Ninth Circuit Court of Appeals. I have been actively engaged in the practice of law in Phoenix, Arizona since 2009. My practice encompasses intellectual property, First Amendment, and class action litigation. Beginning in 2009, I worked as an associate of the Phoenix law firm Mariscal, Weeks, McIntyre & Friedlander, PA. In January, 2013, Mariscal, Weeks, McIntyre & Friedlander, PA merged with and became part of the national law firm Dickinson Wright, PLLC. In 2016, I was elected to membership in Dickinson Wright, PLLC.

6. I have successfully litigated class actions as lead class counsel in Arizona state court (*see e.g., Lightholder v. Zarcalres Tempe, LLC*, Maricopa County Superior Court Case No. CV2015-8048 (Ariz. St. Sup. Ct. 2015)). Since at least 2010, I have assisted with representation of defendants in class action litigation (*see, e.g., Albano v. Shea Homes Ltd. P'ship*, 634 F.3d 524 (9th Cir. 2011), *certified question answered,* 227 Ariz. 121, 254 P.3d 360 (2011; *see also Gabiola v. Sarid*, No. 16-CV-02076, (N.D. Ill. Sept. 26, 2017)). I have also extensively litigated a wide variety of contract, tort, and intellectual property cases, including as trial counsel.

7. During the course of prosecuting this matter, highly accomplished attorneys at Dickinson Wright, PLLC such as, John Desmond, and David Ouimette, who each have decades of litigation and class action experience, contributed significant work on the case. In addition, several other highly accomplished attorneys at Dickinson Wright provided strategy insights and advice, often without formally billing the time.

Class Counsel's Investment in this Litigation

Hours Incurred

8. Class Counsel worked this case on a full contingency fee basis.

9. Both myself and other Dickinson Wright, PLLC attorneys working on this case were economically incentivized to be as efficient as possible in our work so that we could spend time on other cases, as well as this one.

10. Both myself and other Dickinson Wright, PLLC attorneys had no incentive to expend more hours on this case than we believed were necessary to effectively litigate this case.

11. Class Counsel's work on this case can be divided into four time periods. The first time period runs from when Class Counsel first learned of the potential matter in late 2015, until the filing of the original complaint on July 29, 2016. During this time period, Mr. Batchelor and I launched an extensive pre-suit investigation into Jeunesse's business practices. This pre-suit investigation included, but was not limited to, extensive

interviews, online research, and analysis of issues related to the factual and legal basis of the claims that were later filed in this case, and other potential claims on behalf of the class. Also in this time period, Class Counsel conducted thorough legal research, conferred with Plaintiffs, and drafted the original complaint and supporting exhibits.

Original Complaint. Filed July 29, 2016, after significant investigation into Defendants' business practices, sought a judgment declaring that Jeunesse could not enforce the form of arbitration agreement in effect when Mr. Aboltin contracted to become a Distributor in July 2016, and alleged the following claims for relief: (1) violations of the Racketeer Influenced and Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1962, (2) conspiracy to commit RICO violations; and (3) consumer fraud under Arizona Rev. Stat. § 44-1521 *et seq.*

Class Counsel incurred at least 167.5 hours of billed time during the first time period, and hundreds of hours of time developing the case that, although it was not billed, resulted in real benefits to the Class.

12. The second time period consists of time during which the case was being aggressively litigated, it runs for nearly two years, from July 30, 2016 through the latest motion to dismiss filed by Defendants Hui and Gigure's on April 17, 2018. During this time, Class Counsel expended extensive efforts to represent the interests of the class with respect to several motions, including:

Motion to Transfer. On October 3, 2016, Defendants Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, timely moved the United States District Court for the District of Arizona (the "Arizona Court") to transfer the case to the United States District Court for the Middle District of Florida. The Arizona Court took that motion under advisement and, by Order dated October 6, 2016, deferred the Defendants' obligation to respond substantively to the Complaint (*i.e.,* by answering or moving to dismiss) until 21 days after it ruled on the transfer motion.

Response to Motion to Transfer. On November 11, 2016, Plaintiffs filed a response to the motion to transfer disputing the authenticity of the documents relied upon by Defendants in their Motion to Transfer. In the course of preparing the response, Plaintiffs retained a technical forensic expert, and otherwise expended significant efforts to investigate and establish that not all of the documents relied upon by Defendants were provided to Plaintiff Aboltin for his consent.

Reply to Motion to Transfer/Motion to Strike. On November 28, 2016, Defendants filed a Notice of Filing Amended Declaration withdrawing their arguments based on the contracts challenged by Plaintiffs. On November 30, 2016, Defendants filed a Reply in Support of the Motion to Transfer, this time relying exclusively on factors analysis arguments supported by new declarations. On December 9, 2016, Plaintiffs' filed a Motion to Strike the reply, arguing that the Plaintiffs had not been provided an opportunity to respond to the new declarations filed after Plaintiff's response. The Arizona Court granted the transfer motion on September 12, 2017, and the matter was transferred to this Court.

Defendant Morton's Motions to Dismiss. On December 2, 2016, Defendant Alex Morton filed a Motion to Dismiss claiming insufficiency of process. Plaintiffs expended significant efforts investigating Morton's claims, including retaining an investigator to establish that the factual basis of Morton's claims were frivolous. The Court ultimately quashed service, but granted Plaintiff leave to re-serve Mr. Morton, who instructed his counsel to refuse to accept service and attempted to avoid service, but was ultimately re-served.

Defendant Caramanis' Motion to Dismiss. On December 22, 2016, Defendant Caramanis filed a Motion to Dismiss challenging jurisdiction. Plaintiffs again expended significant efforts investigating Caramanis's claims that he had no contacts with Arizona and otherwise responding to Caramanis's motion. Caramanis filed a separate Objection to Plaintiffs exhibits offered in response to his motion to dismiss, requiring Plaintiffs' to

respond to Caramanis's separate Objection. Caramanis then filed a motion to strike Plaintiffs' response to his Objection, to which Plaintiff's responded. The motion was ultimately denied.

"Piggy-back" Lawsuit. In or about February 2017, Plaintiffs learned of another case that had been filed in California State Court and thereafter removed to the Federal District Court for the Central District of California, by attorney Blake Lindemann. The lawsuit alleged similar facts to the Original Complaint in this matter, but recharacterized one of the claims as a California endless chain scheme statutory claim. That complaint borrowed so heavily from the Original Complaint in this matter, that the references to Arizona were not even removed from the California-only complaint. Plaintiffs' counsel contacted Mr. Lindemann and ultimately expended significant efforts to deter Mr. Lindemann from taking actions that in the opinion of undersigned counsel would have been detrimental to the interests of the class. Plaintiffs understand and believe that Mr. Lindemann settled the lawsuit on an individual basis.

First Amended Complaint. On October 30, 2017, Plaintiffs (now including Ms. Knight) filed a First Amended Complaint. The First Amended Complaint pleaded claims against Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis; repleaded claims against Kim Hui, Alex Morton, and Jason Caramanis; and added two corporations—MLM Mafia, Inc., and Online Communications, LLC—allegedly related to Mr. Caramanis, as well as another Distributor, Kevin Giguere. The First Amended Complaint sought the same unenforceability declaration with respect to the arbitration agreements executed by Mr. Aboltin and Ms. Knight; the same claims for RICO violations and conspiracy to commit RICO violations; state law consumer fraud under the laws of Arizona (Ariz. Rev. Stat. § 44-1521, *et seq.*), Florida (Fla. Stat. §§ 501.204(1), 559.801, and 849.091); and Texas (Tex. Bus. & Com. Code § 17.41); claims for "federal securities fraud"; and a claim for "unjust enrichment."

Motion to Compel Arbitration. On December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, moved to compel the arbitration of all of Plaintiffs' claims pursuant to the arbitration agreements executed by Mr. Aboltin and Ms. Knight. Jeunesse contends that all Distributors are subject to agreements to arbitrate their disputes with and concerning Jeunesse individually, and not as members of a purported class. Plaintiffs opposed that motion and contested the enforceability and validity of the arbitration agreements.

Motions to Dismiss. On December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, moved to dismiss the First Amended Complaint in its entirety pursuant to Fed. R. Civ. P. 12(b)(6). Plaintiffs opposed that motion on a number of different grounds.

On December 8, 2017, defendants Caramanis and MLM Mafia, LLC filed another Motion to Dismiss, again claiming lack of jurisdiction. On January 5, 2018 Defendant Morton filed another Motion to dismiss.

Motion to Deny Class Certification. Also on December 1, 2017, Jeunesse, Wendy Lewis, Randy Ray, and Scott Lewis, moved the Court to deny class certification preemptively. They contended that, on the face of Plaintiffs' complaint, Plaintiffs could not satisfy the requirements of Federal Rule of Civil Procedure 23. Plaintiffs opposed that motion, raising a number of different arguments.

Deadline To Seek Class Certification. Plaintiffs were due to file their affirmative Motion for Class Certification on July 2, 2018, and had spent significant resources preparing for that filing, but after reaching a tentative agreement on the material terms of a settlement, the Settling Parties moved the Court on June 29, 2018, to stay all pending deadlines.

Motions by Defendants Hui and Giguere. Although Plaintiffs agreed to defer the obligations of Defendants Hui and Giguere to respond substantively to the First Amended Complaint until after the Court ruled on the other Defendants' pending motions, the

Court rejected the parties' joint stipulation to that effect. On April 17, 2018, Defendants Hui and Giguere moved to dismiss the First Amended Complaint's claims against them in their entirety, joining the arguments made by their fellow Defendants and also raising arguments specific to themselves. Plaintiffs opposed that motion on a number of different grounds.

During this nearly two-year period of active litigation, Class Counsel spent significant resources, including fees and costs for expert witnesses, investigators, and court fees. Class Counsel incurred 2,877.5 hours during the second time period.

13. The third time period consists of time when the parties were engaged in active settlement negotiations, from May 3, 2018 through the date on which Plaintiffs reached settlement on June 29, 2018. Throughout this time, Plaintiffs and Class Counsel engaged in settlement negotiations with Defendants and Defendants' Counsel. Class Counsel not only facilitated these settlement negotiations by phone conversations and emails, but also through Court-ordered mediation in Las Vegas. Class Counsel incurred 143.7 hours during the third time period.

14. The fourth time period runs from July 1, 2018 to today. During this time, Class Counsel participated in drafting the Settlement Agreement and supporting documents, drafted the Motion for Preliminary Approval of the Settlement Agreement and supporting documents. Aside from working with defense counsel to draft the agreement and each motion, Class Counsel addressed various administrative issues, and worked in furtherance of the Settlement. Class Counsel incurred at least 200 hours during the fourth time period.

15. Finally, between now and final resolution of this matter, Class Counsel anticipate contributing at least an additional 100 hours of work, and incurring costs, including responding to any objectors, preparing for and traveling to the fairness hearing currently set for January 8, 2018, and performing other work in furtherance of the Settlement.

16. Based on my litigation experience and close knowledge of the work that went into this case, I believe that all the time incurred by Class Counsel in this case was reasonably necessary.

Rates and Lodestar

17. Class Counsel' normal rates are the rates Class Counsel's hourly clients are willing to pay. Compared with our normal rates, Jonathan Batchelor and I, who performed the lion's share of the work in this matter, worked at reduced rates on this matter in an effort to maximize the benefit to the Class. First, we both maintained our billable rate throughout the representation rather than increasing our rates annually as we normally would. Second, we declined to take an increased rate as attorneys normally do in contingency fee matters. This resulted in significant savings for the Class.

18. Class Counsel expended over 3,400 hours litigating this case.

19. At their relevant hourly rates, the lodestar for Class Counsel work to date is over $930,000. In addition, Class Counsel anticipates performing significant additional work in finalizing the resolution of this matter.

20. Class Counsel handled this case exclusively on a contingent-fee basis and because we undertook this case, the attorneys working on this case were required to forego other work.

21. I and other attorneys working on this case are usually working at full capacity, and if we had not worked on this case, we could have invested our time in other income-generating representations.

Class Counsel's Risks in This Litigation

22. Class Counsel faced significant risks at the outset of, and throughout, the case. In addition to the risk that the court would deny class certification and that we would not be able to establish personal jurisdiction for the defendants, Class Counsel faced substantial risk that the Court would compel individual arbitration, which would

have prevented the Plaintiffs from bringing claims on behalf of the class thereby diminishing the likelihood that individual members of the class would recover anything.

23. Because Class Counsel represented the Plaintiffs and the Class on a purely contingency basis, Class Counsel faced the substantial risk that it would recover nothing.

24. Moreover, Defendants were vigorously represented by attorneys of the highest quality and law firms with substantial experience defending major fraud related class action cases.

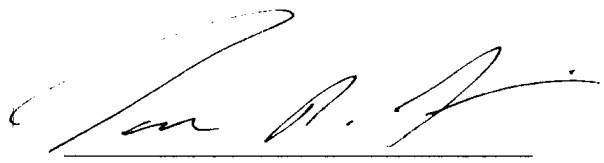
The Results in this Case

25. The Settlement Agreement provides a $2.5 million cash fund as well as significant relief in the form of stipulated corporate reforms (valued at $1 million) that greatly benefit the class, increasing the value obtained for the Class well beyond the $2.5 million cash portion.

26. In terms of injunctive relief, the Settlement Agreement provides the following: Jeunesse distributors who wish to resign may return their product, regardless of whether they held the product longer then Jeunesse's 12-month return period (note that there is no limit on this benefit so that Class members taking advantage of this benefit obtain relief in addition to the $2.5 million cash portion of the settlement available to pay other benefits); Jeunesse Financial Opportunity documents will disclose to prospective distributors that experienced multi-level marketers may receive additional financial incentives, increasing the transparency to the prospective distributors; Jeunesse will track retail sales electronically; and Jeunesse will not require individuals to purchase product packages in order to become a distributor.

27. Based on the facts, the law, and the substantial risk the Class faced in recovering nothing, particularly in light of the procedural posture of the case, I believe the cash fund and the injunctive relief was an excellent result for the Class.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 20th day of November, 2018.



David N. Ferrucci