

NOTICE OF PROPOSED SETTLEMENT

If you were an unpaid intern in New York for Diesel USA Inc. (“Diesel”), you could receive a payment from a class action settlement.

PLEASE READ THIS NOTICE CAREFULLY

A proposed settlement has been reached in this wage & hour class action lawsuit. This notice has been authorized by a New York court to inform you of your right to participate in the settlement, make a claim for payment or elect not to be included in the class.

INTRODUCTION

This lawsuit alleges that Diesel USA Inc. (“Diesel”) violated New York Labor Law by not classifying individuals who participated in unpaid internships as employees, and failing to pay them wages. Diesel denies any liability and maintains that it has consistently acted in accordance with governing laws at all times. The Court has not determined who is right or who is wrong.

Even though the parties believe their respective claims and defenses are strong, they have agreed to settle the action. The Court still has to decide whether to approve this settlement. This notice provides you with important information about your legal rights and how they may be affected by the settlement. This notice explains how to collect your potential payment, how to exclude yourself from the settlement, and how to object. These rights and options are explained below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

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|-------------------------|--|
| RECEIVE PAYMENT | As described more fully in question 7 below, to participate in the settlement you must send a properly completed Claim Form and Release, along with the enclosed W-4 Form and one copy of valid government or school issued picture identification (such as your driver’s license, passport, or school ID) to the Settlement Claims Administrator. The Claim Form and Release, W-4 Form, and photo ID must be post-marked, emailed or faxed by December 22, 2017 . |
| EXCLUDE YOURSELF | If you wish to exclude yourself (“opt-out”) from the lawsuit and not be bound by its terms, you must follow the directions outlined in response to question 8 below. You will not receive any payment from this settlement. |
| OBJECT | If you do not opt-out, you may write to the Court about why you believe the settlement is unfair or unreasonable. If the Court rejects your objection, you will still be bound by the terms of the settlement. If you object you may appear at the Fairness Hearing to speak to the Court about the settlement. Procedures for objecting are described in question 13 below. |
| DO NOTHING | You are not legally required to respond. If you decide not to respond, or do not respond in a timely manner, you will not be eligible to receive payment. |

1. Why did I receive this notice?

You have received this notice because Diesel's records show that you had an unpaid internship in New York with Diesel at some time from June 19, 2009 through May 26, 2015.

2. What is a class action?

A class action is a lawsuit where one or more persons sue not only for themselves, but also for other people who have similar claims. In class actions, one court resolves the issues for all Class Members who do not opt-out of the lawsuit.

3. Why is there a settlement?

The attorneys representing the Class ("Class Counsel") have analyzed and evaluated the merits of the claims made against Diesel in this lawsuit. Class Counsel have also analyzed and evaluated the risks of continued litigation, including that there may ultimately be no recovery whatsoever, or a recovery that is less favorable and that would not occur for several years. Class Counsel is satisfied that the terms and conditions of this settlement are fair, reasonable and adequate and that this settlement is in the best interest of the Class Members.

Diesel denies all of the material allegations of the claims, and maintains that interns were not employees and were not entitled to compensation. However, Diesel also recognizes the risks, distractions and costs involved with litigation and has therefore agreed to this settlement.

4. What does the proposed settlement provide?

Pursuant to the terms of the Settlement Agreement and Release ("Settlement Agreement"), Diesel has agreed to create a settlement fund that will be used to make payments to all Class Members who timely return the following three items: (i) a properly completed Claim Form & Release, (ii) a properly completed W-4 form, and (iii) a copy of a valid form of government or school issued picture identification (such as a passport, driver's license, or school ID). The Claim Form and Release and the W-4 Form are enclosed with this Notice.

Without admitting any liability, Diesel has agreed to provide a Maximum Settlement Amount equal to the potential aggregate sum of all potential claims, costs, fees, and service award not to exceed \$574,000, to settle this litigation (the "Settlement Fund").

5. Payment to Class

Each Class Member who is determined to be an unpaid intern within the relevant period is entitled to a payment of 60% of the alleged amount they were owed for each unpaid internship that the Class Member performed. Half of the Class Member's payment will be subject to deductions for applicable taxes and withholdings, and for which Class Members will receive an IRS Form W-2 at the appropriate time. The other half of this payment shall be for liquidated damages and interest

will not be subject to payroll taxes and withholdings, and will be reported on an IRS Form 1099 issued at the appropriate time. Individual Class Member settlement allocations shall be computed by taking 60% of the alleged amount owed to each Class Member. The alleged amount owed was calculated by multiplying the minimum wage rate during the internship by the number of hours worked per week and the total weeks worked, as reflected in Diesel's records. The following represents a sample calculation of an Individual settlement allocation:

$$\$974.40 = ((7.25) \times (16 \text{ hours}) \times (14 \text{ weeks})) \times 60\%$$

6. Service Award to the Class Representative

If the Court approves the settlement, Class Counsel will request up to \$5,000.00 for the Class Representative for the time and work she devoted to this matter.

7. Procedures

To receive a payment, you must timely complete and return the enclosed Claim Form and Release, W-4 form, and a copy of your government or school issued identification to the Settlement Claims Administrator.

YOUR CLAIM FORM, W-4 FORM AND GOVERNMENT ISSUED IDENTIFICATION MUST BE POSTMARKED, FAXED OR EMAILED TO THE SETTLEMENT CLAIMS ADMINISTRATOR ON OR BEFORE DECEMBER 22, 2017 WHOSE CONTACT INFORMATION IS:

**Diesel USA Inc. Settlement
c/o Atticus Administration, LLC
PO Box 1440
Minneapolis, MN 55440
(888) 233-2228
DieselUSASettlement@atticusadmin.com**

If you do not properly complete and timely submit your Claim Form, W-4 form and photo ID, your settlement payment could be denied. The Settlement Claims Administrator will not make your payment until after a Fairness Hearing is held by the Court (see question 15 below).

You will need to deposit or cash your settlement check within 180 days after it is mailed to you. After the 180-day period (as determined by the date on the check) has expired, the settlement check will be void.

8. How do I exclude myself from the settlement?

If you do not wish to participate in this proposed settlement, but you want to keep the right to sue or continue to sue Diesel on your own about the legal issues in this case or which could have been brought in this case, then you must take steps to exclude yourself from this lawsuit.

If you intend to exclude yourself, you must fax, email, or mail a written statement that: (1) unconditionally states your intention to opt-out, such as “I opt-out of the settlement in the Diesel intern case”; (2) includes your name, address, email address and telephone number; and (3) contains your signature. (“Opt-Out Statement”). To be effective, your Opt-Out Statement must be mailed, emailed or faxed to the Settlement Claims Administrator no later than December 22, 2017.

If you exclude yourself from the lawsuit and settlement, you will NOT be allowed to object to the settlement as described below and you will not be entitled to receive a payment.

9. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you will not receive any money from this settlement.

10. Do I have to respond?

No. You are not legally required to respond. If you do not respond, you will not be eligible for a potential settlement payment.

11. Do I have a lawyer in this case?

The law firms of Virginia & Ambinder, LLP, 40 Broad Street, 7th Floor, New York, New York, 10004, (212) 943-9080, www.vandallp.com and Leeds Brown Law, P.C., One Old Country Road, Suite 347, Carle Place, New York 11514, (800) 585-4658, www.leedsbrownlaw.com, have been designated as legal counsel to represent you and the other Class Members. These lawyers are called Class Counsel. You will not be charged separately for these lawyers. Their fees are being paid from the total settlement fund. If you wish to be represented by your own lawyer, you may hire one at your own expense.

12. How will the lawyers be paid?

Class Counsel will ask the Court to approve payment of up to \$191,142.00 for attorneys’ fees and costs. The fees and costs would reimburse Class Counsel for out-of-pocket costs including court fees, printing, legal research, and paying the Settlement Claims Administrator and the Service Award to the Named Plaintiff.

13. How do I tell the Court that I don’t like the settlement?

If you do not opt-out, you can object to the settlement and give reasons why you think the Court should not approve it. The Court will consider your views. If the Court rejects your objection, you will still be bound by the terms of the settlement.

To object, you must send a written statement that: (1) clearly identifies it as an objection, such as “I object to the settlement in the Diesel intern case;” (2) contains all your reasons for the objection; (3) contains your name, address, and telephone number; and (4) contains your signature. Your objection will not be heard unless it is mailed, emailed or faxed to the Settlement Claims Administrator no later than December 22, 2017.

The Settlement Claims Administrator will share your objection with Class Counsel and Diesel's counsel and your objection will be filed with the Court. You may not object to the settlement if you submit a letter requesting to exclude yourself or "opt-out" of the settlement. If you send an objection, it is not necessary for you to come to Court to talk about it, but you may do so at your own expense or pay your own lawyer to attend. If you do attend the Fairness Hearing (described in question 16), it is possible that you will not be permitted to speak unless you notify the Court of your intention to appear and speak at the Fairness Hearing in your objection and the Court permits you to do so.

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

Objecting is simply telling the Court that you do not like something about the settlement. You can object only if you do not exclude yourself from the settlement. Excluding yourself from the settlement ("opting out") is telling the Court that you do not want to be part of the settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

15. What is the legal effect of the settlement?

If you do not exclude yourself ("opt-out") from this settlement as described in question 8, you will be giving up your right to assert state law claims for wages, benefits and other compensation arising out of or relating to your participation in Diesel's internship programs as an intern through **September 19, 2017**.

If you timely complete and submit a Claim Form, W-4 Form, and copy of a photo ID as provided in question 7 above, you are requesting a payment and giving up your right to assert any claim for wages, benefits and other compensation arising out of or relating to your participation in Diesel's internship programs as an intern through **September 19, 2017**.

16. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at 10:00a.m. on March 28, 2018, at the Supreme Court, Civil Branch, New York County Courthouse located at 60 Centre Street, New York, New York, 10007. At this hearing, the Judge will consider whether the terms of the settlement are fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court may also decide how much to pay to Class Counsel. You do not have to come to the Fairness Hearing, but you are welcome to do so at your own expense. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

17. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in the Settlement Agreement which may be reviewed by writing or calling LaDonna Lusher, Esq. and Alison Genova, Esq. at (212) 943-9080, Virginia & Ambinder, LLP, 40 Broad Street, 7th Floor, New York, New York, 10004, www.vandallp.com, or Jeffrey K. Brown, Esq. and Michael Tompkins, Esq. at Leeds Brown Law, P.C., One Old Country Road, Suite 347, Carle Place, New York 11514, (800) 585-

4658, www.leedsbrownlaw.com, and asking for a copy of the Settlement Agreement.

18. What if my name or address changes?

If your name, mailing address, email address, and/or telephone number changes after you submit your Claim Form, Opt-Out Statement and/or a written objection to the settlement, you must notify the Settlement Claims Administrator immediately and prior to the Fairness Hearing if possible. The contact information for the Settlement Claims Administrator is listed in question 7 above.