

**Attention California purchasers of Kandoo® Flushable Wipes
Between March 21, 2010 and December 9, 2016**

This notice may affect your rights. Please read it carefully.

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

- The notice concerns a case called *Machlan v. Nehemiah Manufacturing Co. et al.*, San Francisco Superior Court Case No. CGC 14-538168.
- This class action settlement will resolve a lawsuit against Nehemiah Manufacturing Company LLC (“Nehemiah”) and The Procter & Gamble Company (“P&G”). It involves the “Kandoo®” brand flushable wipes. The lawsuit contends that these wipes were inappropriately marketed as “flushable” and as “sewer and septic safe.” The lawsuit seeks a court order to stop the practices and to refund to customers the purchase price.
- Both Nehemiah and P&G deny any wrongdoing. Nehemiah contends, and P&G concurs, that the Products were truthfully marketed and labeled. P&G also contends that Nehemiah has controlled the Kandoo® wipes product since 2009.
- To settle the case, Nehemiah agreed to make changes to the labeling of the wipes and to the material used in manufacturing the wipes. In addition, Nehemiah will provide class members a cash refund of \$1 per package purchased, up to \$50 per household or business with proof of purchase, or \$10 per household or business without proof of purchase.
- The lawyers who brought the lawsuit will ask the Court for up to \$650,000 to be paid by Nehemiah as fees and expenses for investigating the facts, litigating the case, and negotiating the settlement. They will additionally ask for \$5,000 for the Plaintiff who brought this lawsuit, as a class representative award.
- Your legal rights are affected whether you act, or don’t act. Read this notice carefully.
- This notice summarizes the proposed settlement. For the precise terms and conditions of the Settlement, please see the settlement agreement available at www.calwipesettlement.com, contact the claim administrator at Kandoo Wipes Settlement, c/o Heffler Claims Group, P.O. Box 58341, Philadelphia, PA 19102-8341, or contact class counsel at Gutride Safier LLP, 100 Pine Street, Suite 1250, San Francisco, CA 94111.

**PLEASE DO NOT TELEPHONE THE COURT OR
THE COURT CLERK’S OFFICE TO INQUIRE ABOUT
THIS SETTLEMENT OR THE CLAIM PROCESS.**

Questions? Visit www.calwipesettlement.com, or call 844-702-2784.

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT		DEADLINE
Submit a Claim Form	The only way to receive payment, i.e., refunds for your purchases.	March 1, 2017
Exclude Yourself	Get out of the lawsuit and the settlement. This is the only option that allows you to ever bring or join another lawsuit against Nehemiah or P&G that raises the same legal claims released by this settlement. You will receive no payment.	March 1, 2017
Object	Write to the Court about why you don't like the settlement, the amount of attorneys' fees, or the payments to the Plaintiff.	March 1, 2017
Go to a Hearing	Speak in Court about the settlement. (If you object to any aspect of the settlement, you must submit a written objection by the Objection Deadline noted above.)	March 29, 2017 at 9:30 a.m.
Do Nothing	You will receive no payment and have no right to sue later for the claims released by the settlement.	

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement. If there are appeals, payment will not be made until the appeals are resolved and the settlement becomes effective. Please be patient.

FAIRNESS HEARING

On March 29, 2017, at 9:30 a.m., the Court will hold hearings to determine (1) whether the proposed settlement is fair, reasonable and adequate and should receive final approval; (2) whether the applications for attorneys' fees and/or expenses brought by the Class Counsel should be granted; and (3) whether the application for a class representative payment to the Plaintiff who brought the lawsuit should be granted. The hearing will be held at the Superior Court for the State of California, County of San Francisco, 400 McAllister St., San Francisco, CA 94102, in Department 305, courtroom of the Honorable Judge Mary E. Wiss. This hearing date may change without further notice to you. Consult the Settlement Website at www.calwipesettlement.com, or the Court docket in this case at <http://www.sfsuperiorcourt.org/online-services> (perform a case number query using case number 538168), for updated information on the hearing date and time.

IMPORTANT DATES

March 1, 2017 Claim Form Deadline

March 1, 2017 Objection Deadline

March 1, 2017 Exclusion Deadline

March 29, 2017 at 9:30 a.m. Fairness Hearing

TABLE OF CONTENTS

1.	How Do I Know If I Am Affected By The Settlement?	3
2.	What Is The Lawsuit About?	4
3.	What Does Plaintiff Seek To Recover In The Lawsuit?	4
4.	Why Is This Case Being Settled?	4
5.	What Is The Settlement?	5
6.	What Can I Get In The Settlement?	5
7.	How Do I Make A Claim?	6
8.	What Do Plaintiff And Their Lawyers Get?	6
9.	What Claims Are Released By The Settlement?	7
10.	How Do I Exclude Myself From The Settlement?	7
11.	How Do I Object To The Settlement?	7
12.	When Will The Court Decide If The Settlement Is Approved?	8
13.	How Do I Get More Information?	8

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?

This case involves pre-moistened wipes bearing the word “flushable” and the brand name “Kandoo®” on the package label. It includes wipes that bear two or more brand names on the package label, as long as at least one of the brand names is “Kandoo®.” These wipes will be referred to in this notice as the “Products.” The case is limited to sales of the Products in California between March 21, 2010 and December 9, 2016.

For purposes of settlement only, the Court has certified a settlement class. The settlement class is defined as “All Persons and Businesses who, on or after March 21, 2010 and before December 9, 2016, purchased, in California, other than for purpose of resale, any pre-moistened wipes bearing the word “flushable” and the brand name “Kandoo®” on the package label.” (This definition includes flushable wipes that bear two or more brand names on the package label, as long as at least one of the brand names is “Kandoo®.”)

WHAT IS THE LAWSUIT ABOUT?

A lawsuit was brought against Nehemiah and P&G (collectively, “Defendants”). The lawsuit claims that Defendants improperly marketed the Products as “flushable” and “sewer and septic safe.” The lawsuit alleges that the Products were not appropriate for disposal in the sewer system. It also claims that the Products were not likely to dissolve and disperse in a sufficiently limited amount of time, which made them likely to clog toilets, drainlines, sewer pipes, and sewage treatment facilities. It contends that both Nehemiah and P&G had involvement in, and responsibility for, the misrepresentations. Plaintiff has brought various claims under California law challenging the alleged misrepresentations on behalf of himself and consumers who bought the Products in California.

Defendants deny that there is any factual or legal basis for Plaintiff’s allegations. Nehemiah contends, and P&G concurs, that the labeling of the Products was truthful and non-misleading. P&G also contends that it first licensed the Products to Nehemiah in 2009 and then sold the Kandoo brand to Nehemiah in 2013, and accordingly has lacked any type of relevant control or authority over the Products, including control over the marketing or labeling of the Products. Defendants therefore deny any liability. They also deny that Plaintiff or any other members of the settlement class have suffered injury or are entitled to monetary or other relief. Defendants also deny that this case can be certified as a class action, except for purposes of settlement.

The Court has not determined whether Plaintiff or Defendants are correct.

WHAT DOES PLAINTIFF SEEK TO RECOVER IN THE LAWSUIT?

Plaintiff’s complaint contends that by marketing the Products as “flushable” and as “sewer and septic safe,” Defendants caused people to purchase the wipes who would not otherwise have done so. It also contends that the Products were sold at a higher price than they would have been sold without the misstatements. The complaint seeks to recover, on behalf of a class of all purchasers other than re-sellers, the dollar volume of extra sales, and the dollar amount of the “premium” price, that is attributable to the alleged misrepresentations. Plaintiff asserts that approximately 2.9 million packages of Products have been sold in California between April 2010 and October 2016, at an average retail price of \$3.83. Plaintiff believes that, if he was successful at trial on all of his claims, he could win damages or restitution of up to the full amount of the retail purchase price.

Defendants deny that there is any legal entitlement to a refund or any other monetary relief.

WHY IS THIS CASE BEING SETTLED?

This case has been pending since March 2014. Since then, Plaintiff’s counsel has investigated the manufacture, marketing, labeling, and performance of the Products. Defendants have produced more than 240,000 pages of documents for review by Plaintiff’s counsel. In

addition, Plaintiff has taken depositions of eight of Defendants' employees. The parties also have exchanged written responses, under oath, to questions posed by the other party. Plaintiff has also retained technical experts to evaluate the Products.

Based on this investigation, Plaintiff's Counsel has determined that there are significant risks of continuing the litigation. In particular, there may be substantial difficulties establishing: (1) that Defendants' marketing and advertising of the Products was likely to deceive or confuse reasonable persons about the performance of the Products; (2) that the alleged effects on sewer treatment facilities of flushing the Products were material to reasonable consumers; (3) that P&G exercised control or authority over the Products sufficient to form the basis of any liability; (4) that common questions predominate over individual issues such that a class may be certified on some or all claims; (5) that the class should include persons who did not personally experience plumbing issues (and if it should not include such persons, how the members of the class would be ascertained), and/or (6) that damages or restitution should be awarded or, if so, that any such award should be more than nominal. In particular, it may be difficult to establish that the volume of sales, or the pricing of individual Products, would have differed had the marketing and labeling been different.

From April through August 2016, Plaintiff and Defendants participated in several settlement conferences mediated by a judge of the San Francisco Superior Court. This settlement was reached as a result of those efforts.

After taking into account the risks and costs of further litigation, Plaintiff and his counsel believe that the terms and conditions of the settlement are fair, reasonable, adequate, and equitable, and that the settlement is in the best interest of the Settlement Class Members.

WHAT IS THE SETTLEMENT?

As a result of the lawsuit, Nehemiah has made changes to the material used in manufacturing the Products and the labeling of the Product packaging and has agreed to continue those changes. In particular, Nehemiah in 2015 introduced a new version of the Product and has agreed not to sell the prior version. It also has begun to remove the words "sewer and septic safe" from the labels of the Products, and to add a warning: "Flush only 1-2 wipes at a time. Use only in well-maintained toilets, drain lines, sewer lines and septic systems." These changes will be incorporated in a court injunction.

In addition, as part of the settlement, Nehemiah will provide refunds to settlement class members and payments to class counsel and the named Plaintiff, as described in the next sections.

WHAT CAN I GET IN THE SETTLEMENT?

If you timely file a valid claim, you will receive a \$1 refund for each package of the Product that your household or business purchased in California between March 21, 2010 and December 9, 2016, regardless of the price you paid for each package or how many wipes it

Questions? Visit www.calwipesettlement.com, or call 844-702-2784.

contained, subject to the following limitations:

- (a) Proof of Purchase is not required to obtain the refund for up to 10 Product packages purchased (i.e., refund up to \$10).
- (b) Proof of Purchase is required to obtain the refund of more than \$10 (i.e., for more than 10 Product packages purchased).
- (c) A maximum of \$50 will be paid to any Household or Business.

“Proof of purchase” means an itemized retail sales receipt or retail store club or loyalty card record showing, at a minimum, the purchase of a Product, the purchase price, and the date and place of the purchase.

If you bought the Products online, the purchase will be considered “in California” if the Products were delivered to an address in California.

If your claim is valid, it will be paid only after the Court approves the settlement.

HOW DO I MAKE A CLAIM?

To make a claim, you must fill out the claim form available on this settlement website, www.calwipesettlement.com. You can submit the claim form online, or you can print it and mail it to the claim administrator at: Kandoo Wipes Settlement, c/o Heffler Claims Group, P.O. Box 58341, Philadelphia, PA 19102-8341. Claim Forms must be submitted online, or if mailed must be *received by the Claim Administrator* (not just postmarked), by March 1, 2017.

WHAT DO PLAINTIFF AND HIS LAWYERS GET?

To date, Plaintiff’s lawyers have not been compensated for any of their work on this case. Plaintiff’s lawyers will present evidence to the Court that they have spent more than 1,200 hours litigating this case. In addition, Plaintiff’s lawyers will present evidence that they have paid out-of-pocket expenses (including deposition transcript fees, court reporter fees, filing fees, service costs, copying costs, and travel expenses) of approximately \$45,000. None of these expenses has yet been reimbursed. As part of the settlement, Plaintiff’s lawyers may apply to the Court to award them up to \$650,000 from Nehemiah to pay their attorneys’ fees and expenses.

In addition, the named Plaintiff in this case may apply to the Court for a class representative payment from Nehemiah of up to \$5,000. This payment is designed to compensate the named Plaintiff for the time, effort and risks he undertook in pursuing this litigation and for executing a broader release of claims than other settlement class members.

Plaintiff and his lawyers will file a motion with the Court on or before February 15, 2017 in support of their applications for attorneys’ fees, costs and expenses and a payment to the Plaintiff. A copy of that motion will be available on the settlement website.

The Court will determine the amount of fees, costs, expenses, and payment to the Plaintiff to award.

WHAT CLAIMS ARE RELEASED BY THE SETTLEMENT?

The settlement releases all claims by settlement class members against Nehemiah, P&G, and their affiliates that were or could have been asserted by Plaintiff in this litigation, and that relate to the flushability or the safety for sewer and septic of the Products, or to statements concerning the Products' flushability or safety for sewer and septic. This release includes claims that may not yet be known or suspected. However, there is **no** release of claims for personal injury or property damage (for example, costs of plumbing repairs) arising out of the use of the Products. For further information, please see Section 8.3 of the Settlement Agreement.

HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

You can exclude yourself from the settlement class if you wish to retain the right to sue Nehemiah or P&G separately for the claims released by the settlement. If you exclude yourself, you cannot file a claim or object to the settlement. You need **not** exclude yourself if you merely want to retain a right to sue for personal injury or property damage arising out of your use of the Products.

To exclude yourself, you must complete and submit the online form at the settlement website or mail a request to exclude yourself from the settlement to the claim administrator at Claims Administrator: Kandoo Wipes Settlement, c/o Heffler Claims Group, P.O. Box 58341, Philadelphia, PA 19102-8341. If mailed, the exclusion request must contain your name, address, the words "I wish to be excluded from the Kandoo Class Action Settlement," and your signature.

If submitted online, exclusion requests must be made by March 1, 2017. If mailed, exclusion requests must be *received by the Claim Administrator* (not postmarked) by March 1, 2017.

HOW DO I OBJECT TO THE SETTLEMENT?

You can ask the Court to deny approval of the settlement by timely submitting an objection to the Claim Administrator. You can't ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval to the entire settlement, no settlement payments will be sent out, and the lawsuit will continue.

You can also ask the Court to disapprove the requested payments to Plaintiff and to his attorneys. If those payments are disapproved, no additional money will be paid to the settlement class. Instead, the funds earmarked for Plaintiff and his attorneys will be retained by Nehemiah.

You may also appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney. If you want to raise an objection to the settlement at the Final Approval hearing, you must first submit that objection in writing, by the objection deadline set forth above.

Any objection must include your name, address, and telephone number; must provide

documents or testimony sufficient to establish your membership in the Settlement Class; and must provide a detailed statement of any objection asserted, including the grounds for the objection and reasons, if any, for requesting the opportunity to appear and be heard at the final approval hearing. Failure to include this information may be grounds for overruling and rejecting your objection.

All written objections and supporting papers must clearly identify the case name and number, *Machlan v. Procter & Gamble Co.*, Case No. GCG 14-538168. They must be mailed or otherwise delivered to the Claim Administrator at Kandoo Wipes Settlement, c/o Heffler Claims Group, P.O. Box 58341, Philadelphia, PA 19102-8341. Documents must be *received by* the Claim Administrator, not merely postmarked, on or before March 1, 2017.

If you object to the settlement but still want to submit a claim in the event the Court approves the settlement, you must still submit a timely claim according to the instructions described above.

WHEN WILL THE COURT DECIDE IF THE SETTLEMENT IS APPROVED?

The Court will hold a hearing at 9:30 a.m. on March 29, 2017 to consider whether to approve the settlement. The hearing will be held in the San Francisco Superior Court, 400 McAllister Street, San Francisco, CA 94102, Department 305. The hearing is open to the public. This hearing date may change without further notice to you. Consult the settlement website at www.calwipesettlement.com or the Court docket in this case at <http://www.sfsuperiorcourt.org/online-services> (perform a case number query using case number 538168), for updated information on the hearing date and time.

HOW DO I GET MORE INFORMATION?

You can inspect many of the court documents connected with this case on the settlement website. Other papers filed in this lawsuit are available by accessing the Court docket in this case at <http://www.sfsuperiorcourt.org/online-services> (perform a case number query using case number 538168).

You may also call the Claim Administrator at 844-702-2784.

You can also obtain additional information by contacting Plaintiff's Counsel at Kandoo Settlement, Gutride Safier LLP, 100 Pine Street, Suite 1250, San Francisco, CA 94111, www.gutridesafier.com, (415) 639-9090.