

EXHIBIT 1

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is made this 13th day of September, 2022, by and between Plaintiffs Bruce Corker d/b/a Rancho Aloha, Colehour and Melanie Bondera d/b/a Kanalani Ohana Farm, Robert and Cecelia Smith d/b/a Smithfarms, and Smithfarms LLC (“Plaintiffs”), on behalf of all others similarly situated (“Settlement Class Members”), on the one hand, and Defendant L&K Coffee Company, LLC dba Magnum Coffee Roastery (“L&K”), parties in *Corker, et al. v. Costco Wholesale Corporation, et al.*, 2:19-00290-RSL (W.D. Wash.) (“Case”).¹ This Agreement contains all material terms of the settlement in this action, and L&K and Plaintiffs (“Parties”) intend for it to be binding to the fullest extent of the law. The Agreement shall be subject only to the contingencies set forth below, binding court approval, and class notice.

RECITALS

1. Plaintiffs are coffee growers in the Kona district of Hawaii. Plaintiffs are proposed class representatives of a class of all persons and entities who farmed Kona coffee in the Kona District and then sold their coffee.
2. Plaintiffs alleged that L&K falsely advertised coffee as originating from the Kona region in violation of the Lanham Act, 15 U.S.C. § 1125(a). L&K has denied Plaintiffs’ claims and has asserted affirmative defenses to Plaintiffs’ claims.
3. Plaintiffs alleged that L&K violated the Lanham Act, 15 U.S.C. § 1125(b) with respect to its coffee products containing Kona coffee or labeled as containing Kona coffee. L&K has denied Plaintiffs’ claims and asserted affirmative defenses to Plaintiffs’ claims.
4. Plaintiffs and L&K, with the assistance of their respective counsel, engaged in arm’s-length negotiations to resolve the case without the need for further litigation. This included three separate formal mediation sessions (the most recent of which was before Robert A. Meyer of JAMS on June 9, 2022), multiple subsequent negotiations, and dozens of informal negotiations between counsel.
5. Plaintiffs have concluded that it would be in the best interests of Plaintiffs and the proposed class to enter into this Agreement to avoid the uncertainties of litigation and to provide to the Settlement Class Members immediate benefit.
6. Similarly, L&K has concluded that, despite its belief that it is not liable for the claims asserted and has good defenses thereto, and without admission of any wrongdoing of any kind, it will enter into this Agreement to avoid the time, expense, and uncertainty of litigation.
7. Although L&K believes that the Agreement can and should be approved to avoid the time, expense, and uncertainty of litigation, in the event that the Agreement does not receive final and binding approval from the Court or is terminated according to its terms, L&K expressly

¹ All capitalized terms are as defined herein.

reserves the right to defend against the claims, including without limitation deny all liability, challenge class certification, and raise any and all defenses.

8. In light of the investigations undertaken and conclusions reached by the Parties and discussed above, Plaintiffs and L&K have agreed, subject to approval by the Court, to fully and finally compromise, settle, extinguish, and dismiss with prejudice the Settled Claims.

9. This Agreement is for settlement purposes only, and neither the fact of, nor any provision contained in, this Agreement, nor any negotiations or proceedings related thereto, nor any action taken hereunder, shall constitute or be construed as any admission of the validity of any claim or any fact alleged by Plaintiffs or of any wrongdoing, fault, violation of law, or liability of any kind on the part of L&K, or any admission by L&K of any claim or allegation made in any action or proceeding against L&K, or as a waiver of any applicable defense, including, without limitation, any applicable statute of limitations. L&K acknowledges this Agreement is made without duress, under advice of its counsel, and for the purpose of resolving the Case. For the Plaintiffs' part, neither the fact of, nor any provision contained in, this Agreement, nor any negotiations or proceedings related thereto, nor any action taken hereunder, shall constitute or be construed as any admission of the validity of any affirmative defense asserted by L&K, specifically including the equitable defense of laches.

Terms of the Settlement Agreement

10. Class Definition.

a. The Settlement Class is defined as all persons and entities who, between February 27, 2015, and the date of Court's order granting preliminary approval to this settlement, farmed Kona coffee in the Kona District and then sold their Kona coffee ("Settlement Class").

b. Excluded from the Settlement Class are any defendants to the action, as well as any judge assigned to the action and the judge's immediate family and staff.

11. Product Requirements.

a. L&K agrees that any product that it manufactures or sells labeled as "Kona" or "Kona Blend" will accurately and unambiguously state on the front label of the product the minimum percentage of authentic Kona coffee beans contained in the product using the same font type and same (or similar) color as the word Kona, and no smaller than one-half (1/2) the size as the word "Kona" appears, on the front of the package. Only Kona coffee certified and graded by the Hawaii Department of Agriculture as 100% Kona shall be considered authentic Kona coffee.

b. L&K agrees to use at least the percentage of Kona coffee required by Hawaiian law, or as may be required by Hawaii law in the future, in any product labeled as "Kona" or "Kona Blend." L&K further agrees that any product that it manufactures or sells labeled as "Kona" or "Kona Blend" will comply with the labeling standards set forth in the "Hawaii-Grown Coffee Law" (Hawaii Revised Statute § 486-120.6) as it currently exists today,

or as it may be modified in the future, and regardless of whether any such product is sold in Hawaii or elsewhere.

c. The requirements in the foregoing sections 11(a) and 11(b) shall not apply to any products produced by or on behalf of L&K before the date that is 60 days following Final Approval.

12. Settlement Class and Notice. Plaintiffs shall be solely responsible for identifying the proposed Settlement Class Members, providing notice pursuant to FRCP 23(e), and proposing the best practicable notice to Settlement Class Members. The Settlement Class will be an opt-out class under FRCP 23(b)(3) and will cover all persons and entities within the Settlement Class.

13. Settlement Payment. L&K shall pay six million one hundred fifty thousand dollars (\$6,150,000 USD) ("Settlement Amount") in two equal installments: \$3,075,000 paid within 30 days after the execution of this Agreement by all parties, and \$3,075,000 paid within 60 days after the first payment. The payments will be made to the Settlement Administrator. In the event that the Court denies final approval of the Settlement Agreement, any payments made by L&K as of the date of such denial shall be refunded to L&K.

14. Cooperation in Settlement Approval. L&K will cooperate in good faith to secure Court approval of the Settlement Agreement.

Settlement Procedures

15. Class Settlement Administration. The Settlement Administrator shall be JND Legal Administration ("Settlement Administrator"). The Settlement Administrator shall provide all aspects of settlement administration, including but not limited to class notice and payments to Settlement Class Members. Costs of notice to the Settlement Class and settlement administration will be paid from the Settlement Amount, and L&K shall not be required to contribute financially beyond its obligations detailed in paragraph 13 of this Agreement.

16. Class Notice. Plaintiffs will provide a proposed class notice plan with their motion for preliminary approval of the Settlement. L&K shall have no obligations, nor expectations, to provide any information to identify Settlement Class Members.

17. Distribution of Monies to the Settlement Class. The Settlement Administrator will distribute monies to the Settlement Class Members approximately pro rata, less any voluntary contributions for the benefit of the Kona region, based on the formula used in previous settlements approved by the Court in this Case. Any uncashed amounts shall be redistributed using the same formula.² Any remaining uncashed amounts after this second distribution shall be donated *cy pres* to the Legal Foundation of Washington.

² As used in this Agreement, Class Counsel refers to the attorneys of record in this matter Andrew Kaufman, Jason Lichtman, Nathan Paine, and Daniel Seltz, and their firms (Karr Tuttle Campbell and Lieff Cabraser Heiman and Bernstein LLP).

18. Scope of Release: Plaintiffs and Settlement Class Members. As of final approval, and as part of the consideration for this Agreement, Plaintiffs and the Settlement Class Members hereby expressly agree that they fully and irrevocably release and discharge all Settled Claims, as defined below. Plaintiffs and Settlement Class Members hereby release L&K and its predecessors, successors, assigns, parents, subsidiaries, corporate affiliates, holding companies, investors, owners, divisions, corporate affiliates, employees, agents, representatives, consultants, independent contractors, service providers, vendors, directors, managing directors, officers, partners, principals, members, attorneys, accountants, fiduciaries, financial and other advisors, investment bankers, insurers, reinsurers, employee benefit plans, underwriters, shareholders, lenders, auditors, and investment advisors, customers, distributors, co-packers, manufacturers, and roasters of each, including but not limited to Defendant Kevin Kihnke (“Defendant Releasees”) from any and all of the Settled Claims, except for the rights and obligations created by this Agreement, and Plaintiffs covenant and agree that they will not commence, participate in, prosecute, or cause to be commenced or prosecuted any action or other proceeding based upon any of the Settled Claims released pursuant to the Settlement Agreement and shall dismiss with prejudice the claims alleged against L&K and Defendant Kevin Kihnke in the Case as well as claims against other defendants in the Case that arise from the sale of the Settled Products. This Release and the dismissal of Settled Claims specifically includes but is not limited to each of the Defendants that sold the Settled Products: including Costco Wholesale Corporation and TJX, Inc., and each of their respective present or former administrators, predecessors, successors, assigns, parents, subsidiaries, corporate affiliates, holding companies, investors, divisions, corporate affiliates, employees, agents, representatives, consultants, independent contractors, service providers, vendors, directors, managing directors, officers, partners, principals, members, attorneys, accountants, fiduciaries, financial and other advisors, investment bankers, insurers, reinsurers, employee benefit plans, underwriters, shareholders, lenders, auditors, and investment advisors, customers, distributors, co-packers, manufacturers, and roasters (also included as “Defendant Releasees”). This Release of Settled Claims also covers, without limitation, any and all claims for attorneys’ fees, costs, or disbursements incurred by Class Counsel or any other counsel representing Plaintiffs or Settlement Class Members or by Plaintiffs or the Settlement Class Members regarding the Settled Products or Settled Claims. Nothing in this Agreement shall be construed as an agreement from Settlement Class Members to waive, release, or dismiss any claims they have against Defendant Releasees that do not arise from their purchase or sale of the Settled Products.

19. Plaintiffs’ Release. Notwithstanding, and in addition to, the above release, as of final approval, each of the named Plaintiffs, Bruce Corker d/b/a Rancho Aloha, Colehour and Melanie Bondera d/b/a Kanalani Ohana Farm, Robert and Cecelia Smith d/b/a Smithfarms, and Smithfarms LLC (“Plaintiffs”), for themselves and on behalf of their respective agents, successors, heirs, assigns, and any other person who can claim by or through them in any manner, fully, finally and forever irrevocably release, relinquish and forever discharge with prejudice all Settled Claims against the Defendant Releasees. The Plaintiffs also release any claims each of them may have arising out of any conduct or omissions occurring as of the date of signing. This release does not extend to the Settlement Class Members.

20. Definition of Settled Claims. “Settled Claims” means any and all actions, claims, demands, rights, suits, or causes of action, whether asserted or not asserted, that arise from or

relate to the allegations made or conduct described in the Third Amended Complaint (Dkt. No. 381 in the Case) about labeling, packaging, advertising, promotion, branding, marketing, manufacturing, design, formulation, distribution or sale of the Settled Products, regardless of the statute, regulation, common law legal theory, or other legal basis on which the allegations may be asserted. In connection with the release of the Settled Claims, Plaintiffs and Settlement Class Members shall be deemed to have waived any and all provisions, rights, and benefits conferred by § 1542 of the California Civil Code and any statute, rule, and legal doctrine similar, comparable, or equivalent to California Civil Code § 1542. In addition to the foregoing, Plaintiffs and Settlement Class Members hereby expressly waive and fully, finally, and forever settle and release any known or unknown, suspected or unsuspected, contingent or non-contingent claims with respect to the Settled Claims, whether or not concealed or hidden, without regard to any subsequent discovery or existence of different or additional facts. For the avoidance of any doubt, Plaintiffs and Settlement Class members acknowledge that they are resolving the Settled Claims and providing the releases described herein despite the fact that expert discovery is open and ongoing, L&K maintains that it might have moved to reopen fact discovery, and more information may have been discovered or produced had the case proceeded through trial. Accordingly, no Parties or their counsel represent or warrant that all relevant witnesses, testimony, or documents have been produced or disclosed.

21. Scope of Release: L&K. As of final approval, L&K, its officers, directors, managers, owners, and related entities, including but not limited to Defendant Kevin Kihnke, hereby expressly agree that they shall fully and irrevocably release and discharge any claim or counterclaim that they could have asserted in this matter, expressly including (but not limited to) any claim under antitrust or other unfair competition laws, but excluding any claims that are asserted against L&K by third parties related thereto. L&K, its officers, directors, managers, owners, and related entities settle and forever release all actions, claims, demands, rights, suits, or causes of action, including without limitation all claims that this Case was brought with an improper purpose. The release to Plaintiffs and Settlement Class Members, provided in this paragraph covers, without limitation, any and all claims for attorneys' fees, costs, or disbursements incurred by counsel for L&K related to L&K or the Settled Products, its insurers, or any other counsel representing L&K or its insurers in connection with or related in any manner to this Agreement, L&K or the Settled Products, the administration of this Agreement and the settlement contemplated thereunder, and the Settlement. For clarity, the release does not include any claims for attorneys' fees or costs other than precluding such claims against Plaintiffs, Class Counsel, any other Plaintiffs' attorneys, or the Settlement Class Members. L&K, its officers, directors, managers, owners, and related entities expressly waive and fully, finally, and forever settle and release any known or unknown, suspected or unsuspected, contingent or non-contingent claims with respect to litigation, whether or not concealed or hidden, without regard to any subsequent discovery or existence of different or additional facts. For the avoidance of any doubt, L&K acknowledges that it is resolving the Settled Claims and providing the releases described herein despite the fact that expert discovery is open and ongoing, L&K maintains that it might have moved to reopen fact discovery, and more information may have been discovered or produced had the case proceeded through trial. Accordingly, no Parties or their counsel represent or warrant that all relevant witnesses, testimony, or documents have been produced or disclosed.

22. Statement of Present Intent. Plaintiffs and Plaintiffs' Counsel represent and warrant that (1) they have no present intention to seek or solicit any plaintiffs or potential plaintiffs for the purpose of initiating any new or separate claim or lawsuit against the Defendant Releasees for the claims at issue in this Case; and (2) they have no present intention of communicating any information concerning the Case to third parties for the purpose of assisting or encouraging the filing or prosecuting of any action or proceeding against Defendant Releasees. Nothing in this paragraph shall be construed as a restriction of any attorney's right to practice in contravention of any applicable rules governing professional conduct.

23. Settled Products. "Settled Products" are any products manufactured or sold by L&K labeled as Kona coffee products as described in the Third Amended Complaint (Dkt. 381).

24. Facsimile/Email/Electronic and Counterparts. This Agreement may be executed by facsimile or email or otherwise electronically, and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

25. Authority; Entire Agreement. Counsel signing below warrant they have full authority to bind their clients. This Agreement represents and embodies all the agreements and negotiations between the parties hereto and no verbal or written representations or agreements prior to the date of execution of this Agreement shall be admissible to vary its provisions.

26. Construction. Plaintiffs and L&K have been represented in the negotiation and preparation of this Agreement, and each party has had an opportunity to participate in the drafting to the extent that she or it desires. Accordingly, this Agreement shall be construed according to its plain meaning and not strictly for or against any party.

27. Attorneys' Fees for Breach. In any action that is brought to enforce this Agreement, the prevailing party shall be entitled to recover its reasonable costs, including attorneys' fees, incurred in connection with such enforcement.

PLAINTIFFS

DATED: September __, 2022

Bruce Corker
d/b/a Rancho Aloha

DATED: September __, 2022

DEFENDANT

DATED: September 15, 2022

Mark Stedman
L&K Coffee Company, LLC dba Magnum
Coffee Roastery
By: Mark Stedman
Its: General Manager

Colehour Bondera
d/b/a Kanalani Ohana Farm

DATED: September____, 2022

Melanie Bondera
d/b/a Kanalani Ohana Farm

DATED: September____, 2022

Robert Smith, individually and on behalf of
Smithfarms LLC

DATED: September____, 2022

Celia Smith, individually and on behalf of
Smithfarms LLC

DATED: September____, 2022

By: _____
Karr Tuttle Campbell
on behalf of the proposed Settlement Class

DATED: September____, 2022

By: _____
Lieff Cabraser Heiman & Bernstein LLP
on behalf of the proposed Settlement Class

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PLAINTIFFS

DATED: September __, 2022

Bruce Corker
d/b/a Rancho Aloha

DATED: September 13, 2022



DEFENDANT

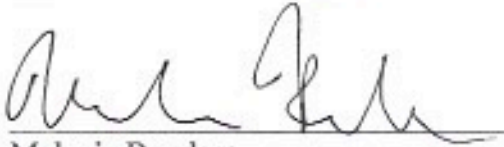
DATED: September __, 2022

L&K Coffee Company, LLC dba Magnum
Coffee Roastery

By:
Its:

Colehour Bondera
d/b/a Kanalani Ohana Farm

DATED: September 13, 2022



Melanie Bondera
d/b/a Kanalani Ohana Farm

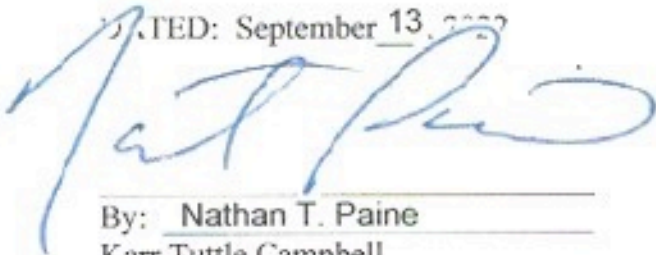
DATED: September __, 2022

Robert Smith, individually and on behalf of
Smithfarms LLC

DATED: September __, 2022

Celia Smith, individually and on behalf of
Smithfarms LLC

DATED: September 13, 2022



By: Nathan T. Paine
Karr Tuttle Campbell
on behalf of the proposed Settlement Class

DATED: September 13, 2022




By: Jason Lichtman
Lief Cabraser Heiman & Bernstein LLP
on behalf of the proposed Settlement Class

Colehour Bondera
d/b/a Kanalani Ohana Farm

DATED: September __, 2022

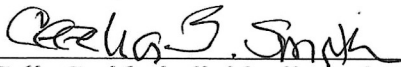
Melanie Bondera
d/b/a Kanalani Ohana Farm

DATED: September __, 2022



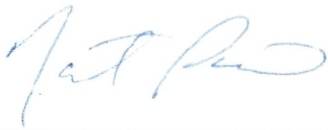
Robert Smith, individually and on behalf of
Smithfarms LLC

DATED: September 13, 2022




Celia Smith, individually and on behalf of
Smithfarms LLC

DATED: September 13, 2022



By: Nathan T. Paine
Karr Tuttle Campbell
on behalf of the proposed Settlement Class

DATED: September 13, 2022



By: Jason Lichtman
Lief Cabraser Heiman & Bernstein LLP
on behalf of the proposed Settlement Class

22. Statement of Present Intent. Plaintiffs and Plaintiffs' Counsel represent and warrant that (1) they have no present intention to seek or solicit any plaintiffs or potential plaintiffs for the purpose of initiating any new or separate claim or lawsuit against the Defendant Releasees for the claims at issue in this Case; and (2) they have no present intention of communicating any information concerning the Case to third parties for the purpose of assisting or encouraging the filing or prosecuting of any action or proceeding against Defendant Releasees. Nothing in this paragraph shall be construed as a restriction of any attorney's right to practice in contravention of any applicable rules governing professional conduct.

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24. Facsimile/Email/Electronic and Counterparts. This Agreement may be executed by facsimile or email or otherwise electronically, and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.


25. Authority; Entire Agreement. Counsel signing below warrant they have full authority to bind their clients. This Agreement represents and embodies all the agreements and negotiations between the parties hereto and no verbal or written representations or agreements prior to the date of execution of this Agreement shall be admissible to vary its provisions.

26. Construction. Plaintiffs and L&K have been represented in the negotiation and preparation of this Agreement, and each party has had an opportunity to participate in the drafting to the extent that she or it desires. Accordingly, this Agreement shall be construed according to its plain meaning and not strictly for or against any party.

27. Attorneys' Fees for Breach. In any action that is brought to enforce this Agreement, the prevailing party shall be entitled to recover its reasonable costs, including attorneys' fees, incurred in connection with such enforcement.

PLAINTIFFS

DATED: September 14, 2022



Bruce Corker
d/b/a Rancho Aloha

DATED: September __, 2022

DEFENDANT

DATED: September __, 2022

L&K Coffee Company, LLC dba Magnum
Coffee Roastery

By:

Its:

EXHIBIT 2

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON

If you farmed Kona coffee in the Kona District and then sold that coffee, you may be able to get benefits in a class action settlement

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

- An additional Proposed Settlement has been reached in a class action lawsuit. The new settlement is with L&K Coffee Company, LLC (“L&K”). The lawsuit is about the alleged mislabeling of coffee as originating from the Kona region. L&K denies the Plaintiffs’ allegations but has agreed to settle the class action to avoid the time and expense of continuing the lawsuit. **This settlement is in addition to the ones of which you previously received notice.** Information on the prior Proposed Settlements and Settling Defendants can be found on the website, www.KonaCoffeeSettlement.com.
- There are other defendants involved in the lawsuit. However, they are not involved in the Proposed Settlement. **The lawsuit continues against those defendants to the extent they still have any products at issue and have not previously reached settlements with the Plaintiffs.**
- You are a member of the Settlement Class for the Proposed Settlement if you farmed Kona coffee in the Kona District and then sold that coffee between February 27, 2015, and [date of preliminary approval order]. The full class definition is described under Question 3, below.
- If approved by the Court, a gross settlement amount of \$6,150,000 will be distributed among the Settlement Class Members on a pro-rata basis, (as calculated by Settlement Class Members’ reported sales volumes), less Court-awarded attorneys’ fees and expenses and service awards to the Class Representatives, less any voluntary contributions for the benefit of the Kona region. L&K will also modify the label of coffee products labeled as “Kona,” or “Kona Blend.” The settlement payment is in addition to the settlement amounts from prior settlements with certain other defendants in this case. Notice of those prior settlements was previously sent to you.

A SUMMARY OF YOUR RIGHTS AND CHOICES	
SUBMIT A CLAIM FORM	<ul style="list-style-type: none"> • Submit a valid claim to receive money from the Proposed Settlement as outlined in Question 5. • Be bound by the Proposed Settlement. • Give up your right to sue or continue to sue L&K for the claims in this case. <p>Due Date: <u>TBD</u></p>
EXCLUDE YOURSELF FROM THE PROPOSED SETTLEMENT (“OPT OUT”)	<ul style="list-style-type: none"> • Remove yourself from the Settlement Class as outlined in Questions 7 and 8. • Receive no payment. • Keep your right to sue or continue to sue the New Settling Defendants for the claims in this case. <p>Due Date: <u>Post-marked on or before [Date]</u></p>
OBJECT OR COMMENT ON THE PROPOSED SETTLEMENT	<ul style="list-style-type: none"> • Write the Court about why you do not like the Proposed Settlement as outlined in Question 13. <p>Due Date: <u>Post-marked on or before [Date]</u></p>
SPEAK AT THE FINAL HEARING	<ul style="list-style-type: none"> • If you submit a Notice of Appearance, you may speak to the Court about the Proposed Settlement at the Final Hearing set for [Date]. <p>Due Date: <u>Post-marked on or before [Date]</u></p>
DO NOTHING	<ul style="list-style-type: none"> • Receive no payment. • Be bound by the Proposed Settlement. • Give up your right to sue or continue to sue the L&K for the claims in this case.

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1. Why did I receive this Notice?

Records show that you farmed Kona coffee in the Kona District and sold Kona coffee between February 27, 2015 and [date of preliminary approval]. For more details, please refer to Question 3 below.

The Court sent you this Notice to inform you of Proposed Settlement in the class action lawsuit *Corker, et al. v. Costco Wholesale Corp., et al.*, No. 1:19-cv-00290, United States District Court for the Western District of Washington. This Notice outlines the terms of the Proposed Settlement, who is a Settlement Class Member, your right to remain a member of the Settlement Class in the Proposed Settlement, how Settlement funds will be paid, how to comment on or object to the Proposed Settlement, and how to exclude yourself from the Settlement Class.

Judge Lasnik of the United States District Court for the Western District of Washington is overseeing this class action.

Those who brought the lawsuit are the “Plaintiffs,” and the parties being sued are the “Defendants.” As noted above, there were other Defendants in this lawsuit who had not reached settlements with the Plaintiffs at the time this notice was issued. Those Defendants not included in these Proposed Settlement are not part of the new Proposed Settlement. There are also other Defendants who previously reached settlements with the Plaintiffs. Notice of those settlements was previously sent to you.

2. What is this lawsuit about?

Plaintiffs allege that L&K advertised, falsely designated, and/or sold coffee as originating from the Kona region in violation of the federal Lanham Act. Plaintiffs seek monetary damages and other relief allowed under the Lanham Act.

Although the Settling Defendants deny Plaintiffs’ claims for liability and damages, they have agreed to settle the class action to avoid the time and expense of continuing the lawsuit.

A more complete description of the lawsuit is available at www.KonaCoffeeSettlement.com, or in the file for the lawsuit maintained by the United States District Court for the Western District of Washington. See Question 17, below. Additionally, should you have questions regarding the lawsuit, you can submit them in writing to Class Counsel at the addresses provided under Question 13 of this Notice.

The Court has not ruled in favor of Plaintiffs or L&K. Instead, both sides agreed to the Proposed Settlement before the case proceeded to a trial. Plaintiffs and their counsel believe that the Proposed Settlement is best for all members of the proposed Settlement Class.

3. How do I know if I am part of the Settlement Class?

The Settlement Class includes all persons and entities who, between February 27, 2015 and [date of preliminary approval], farmed Kona coffee in the Kona District and then sold their Kona coffee.

Excluded from the Settlement Class are the Settling Defendants, any Judges to whom the case is assigned, and their immediate families and staffs.

If you are a Settlement Class Member and the Judge approves the Proposed Settlement, you will be bound by all orders and judgments of the Court and by the Court’s final resolution

of the Settlement Class claims in the lawsuit. See Question 13 for your right to comment on or object to the Proposed Settlement.

4. I am still not sure if I am included.

If you are still not sure if you are part of the Settlement Class, please visit www.KonaCoffeeSettlement.com, email info@KonaCoffeeSettlement.com or call (toll-free) 1-833-667-1227. You may also contact Class Counsel (See Question 9).

Please do not contact the Court.

5. What does the Proposed Settlement provide?

The Proposed Settlement provides money for Settlement Class Members and requires L&K to modify the label of coffee products labeled as containing beans originating from the Kona region.

Under the Proposed Settlement, L&K will make a total payment of \$6,150,000. The Settlement Amount will be distributed to Settlement Class Members on a pro-rata basis (as calculated by Settlement Class Members' reported sales volumes), less Court-awarded attorneys' fees and expenses and service awards to the Class Representatives, and less any voluntary contributions for the benefit of the Kona region.

You do not need to do anything at this time. If you previously submitted a claim for payment in connection with the prior settlements, you will not need to re-submit your information. **However, if you did not make a prior claim, you will need to submit a claim form to receive a payment in the Proposed Settlement at a later time.** You will be notified when the deadline to submit your claim form for payment is determined. You may also check the Settlement Website, www.KonaCoffeeSettlement.com, for updates.

In exchange for the benefits received by the Class, L&K will be released from claims the Settlement Class Members may have against it relating to the claims asserted in the lawsuit, including claims relating to its labeling of coffee products that use the word "Kona."

6. What do I need to do to remain a Settlement Class Member?

If you want to remain a Settlement Class Member, you do not need to take any action. However, if you want to receive your payment from the Proposed Settlement **and did not submit a claim in connection with the prior settlements**, you will need to submit a claim form at a later time to be determined (See Question 5 above). Class Counsel will represent your interests as a member of the Settlement Class. You have the right to retain your own counsel, but do not have to do so.

7. Can I get out of the Settlement Class?

If you don't want to be in the Settlement Class and you want to keep the right to sue the Settling Defendants about the same claims on your own, you must take steps to get out of the Settlement Class. This is called excluding yourself from or "opting out of" the Settlement Class. By excluding yourself, you keep the right to file your own lawsuit. If you exclude yourself from the Settlement Class, you will not receive any benefits from the Proposed Settlement.

8. How do I get out of the Proposed Settlement?

To exclude yourself from (“opt out of”) the Settlement Class, you must send a letter personally signed by you that includes all of the following:

- a) Your name, address, and telephone number;
- b) The following Civil Action Number: 2:19-cv-000290; and
- c) A statement that you want to be excluded from the Settlement Class.

Your request for exclusion letter must be mailed first class, postage pre-paid, **postmarked on or before [Date]**, to:

Kona Coffee Farmers Settlement Administrator
c/o JND Legal Administration
P.O. Box 91232
Seattle, WA 98111

You cannot exclude yourself from only part of a Settlement or Settlement Class. If you previously excluded yourself from the prior set of settlements and wish to exclude yourself from this settlement, you need to send a new, signed exclusion request. Also, please remember that you can't exclude yourself by phone or by sending an email.

9. Do I have lawyers representing my interests in the case?

The Court has appointed the following law firms to represent the Settlement Class:

Nathan T. Paine	Jason L. Lichtman	Andrew R. Kaufman
Karr Tuttle Campbell	Daniel E. Seltz	Lieff, Cabraser, Heimann
701 5th Ave, Suite 3300	Lieff, Cabraser, Heimann	& Bernstein LLP
Seattle, WA 98104	& Bernstein, LLP	222 2 nd Ave South, Suite 1640
	250 Hudson St., 8 th Floor	Nashville, TN 37201
	New York, NY 10013	

These lawyers are called “Class Counsel.” You do not have to directly pay Class Counsel. If you want your own lawyer, and to have that lawyer appear in court, you may hire one at your own expense.

10. How will the lawyers be paid?

Class Counsel will request that the Court award Class Counsel reimbursement of litigation expenses, as well as fees not to exceed one-third percent of the settlement fund, with the total request not to exceed \$3 million. Class Counsel will also request service awards of \$2,500 to each of the farms serving as class representatives. The Court, at its own discretion, may award less than these requested amounts without further notice to the Settlement Class Members. Any attorneys' fees, expenses, and service awards awarded by the Court will be paid from the Settlement Funds. Again, if you choose to hire your own attorney, you will be responsible for that attorney's fees and expenses.

11. Should I get my own lawyer?

You don't need to hire your own lawyer, but you may elect to do so. If you want your own lawyer to speak for you or to appear in Court, you or your lawyer must file a Notice of Appearance.

Question 16 explains how to submit a Notice of Appearance. If you hire a lawyer to appear for you in the lawsuit, you will have to pay that lawyer on your own.

You should also consult your own tax advisor regarding the tax consequences to you of the proposed settlement, including, without limitation, any tax reporting obligations you may have with respect to the proposed settlement.

12. Who are the Class Representatives and how will they be compensated?

If the Proposed Settlement is approved, the Court will appoint Plaintiffs Bruce Corker d/b/a Randho Aloha, Colehour Bondera and Melanie Bondera d/b/a Kanalani Ohana Farm, Robert Smith and Cecelia Smith d/b/a Smithfarms, and Smithfarms LLC as Class Representatives. The Class Representatives work with Class Counsel on behalf of all Settlement Class Members to present the views of Settlement Class Members to Class Counsel and the Court. The Class Representatives may each be entitled to a Service Award, not to exceed \$2,500 per farm, if approved by the Court.

13. Can I object or comment on the Proposed Settlement?

If you have comments about, or disagree with, any aspect of the Proposed Settlement, including the requested attorneys' fees, you may express your views to the Court through a written response to the Proposed Settlement. Only Settlement Class Members who have not opted out can object or comment. The written comment or objection should include your name, address, and telephone number. In addition, any objection must include (a) a written statement of your objection, (b) a written statement of the grounds or reasons for your objection, (c) copies of any papers, briefs, or other documents supporting your objection, and (d) a statement that that it relates to Civil Action Number: 2:19-cv-000290. The document must be signed to ensure the Court's review. In order to be considered by the Court, your comment or objection must be postmarked on or before [Date], and mailed to:

Clerk of the Court
United States District Court, Western District of Washington
700 Stewart Street, Suite 2310
Seattle, WA 98101

Your comment or objection must also be mailed to the following attorneys:

Class Counsel
Jason L. Lichtman
Daniel E. Seltz
Lieff, Cabraser, Heimann & Bernstein, LLP
250 Hudson St., 8th Floor
New York, NY 10013

14. Will there be a Hearing on the Proposed Settlement?

The Court will hold a Final Approval Hearing to consider whether the Proposed Settlement are fair, reasonable, and adequate. The Hearing will be on [date] at [] [].m. (Pacific Time) by remote means. A link to the proceedings will be posted on the Settlement Website as soon as it is available. At the Hearing, the Court will decide whether to approve the Proposed Settlement and the motion for attorneys' fees and expenses. If comments or objections have been received, the Court will consider them at this time.

Note: The Hearing may be postponed to a different date without additional notice. Settlement Class Members should check the Settlement Website, www.KonaCoffeeSettlement.com to confirm that the date has not been changed.

15. Must I attend the Hearing?

Attendance is not required, even if you properly mailed a written objection or comment. Class Counsel is prepared to answer the Court's questions, including concerning objections or comments. If you or your lawyer still want to attend the Hearing, you are welcome to come at your own expense. However, it is not necessary that you attend. If you filed an objection to or comment about the Proposed Settlement as long as the objection or comment was postmarked before the deadline, the Court will consider it, regardless of whether you or your privately retained attorney appear at the Hearing.

16. May I speak at the Hearing?

If you want to speak or have your own lawyer speak at the Final Approval Hearing, you must give the Court a paper that is called a "Notice of Appearance." The Notice of Appearance must refer to *Corker, et al. v. Costco Wholesale Corp., et al.*, No. 2:19-cv-00290, United States District Court for the Western District of Washington, and state that you or your lawyer wish to enter an appearance at the Final Approval Hearing. It must also include your name, address, telephone number, and signature. Your "Notice of Appearance" must be postmarked no later than [Date]. You cannot speak at the Hearing if you asked to be excluded (i.e., "opt out") from the Proposed Settlement Class.

The Notice of Appearance must be filed with the Court at the address provided under Section 13 above and also mailed to the attorneys listed in Section 13 above.

17. How do I get more information about the Proposed Settlement?

This notice summarizes the Proposed Settlement and your rights and options as a Settlement Class Member. To find out more information, visit www.KonaCoffeeSettlement.com, call 1-833-667-1227, or write to:

Kona Coffee Farmers Settlement Administrator
c/o JND Legal Administration
P.O. Box 91232
Seattle, WA 98111

If you have a question about whether or not you are in the Settlement Class, or about your rights and options as a Settlement Class Member, you may contact Class Counsel (see Question 9).

All court records, including the Settlement Agreement and other documents for the Lawsuit, may be examined in person and copied at the United States District Court, Western District of Washington, United States Courthouse, 700 Stewart Street, Suite 2310, Seattle, WA 98101.

**PLEASE DO NOT TELEPHONE THE COURT, THE CLERK OF THE COURT,
OR COUNSEL FOR THE SETTLING DEFENDANTS.**

EXHIBIT 3

LEGAL NOTICE

If you farmed Kona coffee in the Kona District and then sold that coffee, you may be able to get benefits in a class action settlement.

An additional Proposed Settlement has been reached in the class action lawsuit *Corker, et al. v. Costco Wholesale Corp., et al.*, No. 1:19-cv-00290, United States District Court for the Western District of Washington. The new Proposed Settlement is with L&K Coffee Company LLC (“L&K”). Information on the prior Settlements and the new Proposed Settlement can be found on the website, www.KonaCoffeeSettlement.com.

What is the lawsuit about? The lawsuit is about the alleged mislabeling of coffee as originating from the Kona region. L&K denies the Plaintiffs’ allegations, but has agreed to settle the class action to avoid the time and expense of continuing the lawsuit. There are other defendants involved in the lawsuit. However, they are not involved in the new Proposed Settlement. The lawsuit continues against those defendants who have not reached settlements with the Plaintiffs.

Who is affected? The Settlement Class includes all persons and entities who, between February 27, 2015, and [preliminary approval date], farmed Kona coffee in the Kona District and then sold their Kona coffee. For more details about who is affected, visit www.KonaCoffeeSettlement.com.

What does the new Proposed Settlement provide? The new Proposed Settlement provides money for Settlement Class Members and requires L&K to modify labeling of products that use the name “Kona” or “Kona Blend.” L&K will pay a gross settlement amount of \$6.15 million. The settlement amount will be distributed among Settlement Class Members on a pro-rata basis, (as calculated by Settlement Class Members’ reported sales volumes), less Court-awarded attorneys’ fees (not to exceed one-third percent of the settlement amount) and any awarded Litigation Expenses, with the total not to exceed \$3 million, and additional monetary awards, not to exceed \$2,500 per Class Representative farm, from the settlement proceeds requested by the Plaintiffs who initiated this case. Settlement Class Members who previously submitted a claim in this case’s prior settlements will not need to re-submit a claim to receive payment in the new Proposed Settlement. Those who did not previously submit a claim but wish to for these settlements will need to submit a claim at a later time, and will be notified when the deadline to submit a claim for payment is determined. You may also check the Settlement Website, www.KonaCoffeeSettlement.com, for updates.

What are your other options? If you do not want to be legally bound by the new Proposed Settlement, you may “opt out” by sending a request for exclusion. You will receive no payment, but you will keep your right to sue the L&K for the claims in this case. If you do not exclude yourself, you may object to the new Proposed Settlement. You will still be bound by the new Proposed Settlement if your objection is rejected. For details on how to opt out or object, go to www.KonaCoffeeSettlement.com. Opt-outs and objections to the new Proposed Settlement must be postmarked by [Date].

When will the Court determine whether to approve the new Proposed Settlement? The Court will hold a Final Approval Hearing on [], at [] (Pacific Time), by remote means, to consider whether the new Proposed Settlement is fair, reasonable, and adequate. A link to the proceedings will be posted on the Settlement Website as soon as it is available. The Court will also decide whether to approve attorneys’ fees and reimbursement of litigation expenses, and service awards, which will be deducted from the gross settlement amount. You may ask to appear at the Final Approval Hearing, but you don’t have to.

Questions? Visit www.KonaCoffeeSettlement.com, call 1-833-667-1227, or write Kona Coffee Farmers Settlement Administrator, c/o JND Legal Administration, P.O. Box 91232, Seattle, WA 98111.

www.KonaCoffeeSettlement.com

1-833-667-1227