

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH

**PATRICK LENTSCH**, On Behalf of Himself and All Others  
Similarly Situated,

Plaintiff,

v.

**VISTA OUTDOOR INC., MARK W. DEYOUNG,  
STEPHEN M. NOLAN, and KELLY T. GRINDLE,**

Defendants.

Case No. 1:17-cv-00012-DAK-EJF

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT, MOTION FOR ATTORNEYS' FEES  
AND SETTLEMENT FAIRNESS HEARING**

**TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR ACQUIRED SECURITIES OF VISTA OUTDOOR INC. ("VISTA" OR THE "COMPANY") DURING THE PERIOD FROM AUGUST 11, 2016 TO NOVEMBER 9, 2017, INCLUSIVE ("THE CLASS PERIOD")**

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("PROOF OF CLAIM") **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE NOVEMBER 26, 2018.**

- Court-appointed Lead Plaintiff, The New York Hotel Trades Council and Hotel Association of New York City, Inc. Pension Fund ("Lead Plaintiff"<sup>1</sup>), has reached a proposed settlement in the amount of \$6,250,000 in cash (the "Settlement") on behalf of the proposed Settlement Class. The Settlement will resolve all claims against the Released Persons (as defined below) in this proposed class action (the "Action").
- The Settlement, if approved by the Court, will: resolve claims in the Action that Vista's investors were misled about the Company's operations and financial results, including the January 2017 and November 2017 write-offs of recorded goodwill in Vista's Outdoor Products segment; resolve all claims against all of the Defendants in the Action; avoid the costs and risks of continuing the Action; provide a cash payment to Settlement Class Members who timely submit valid claims; and release the Released Persons from liability.
- The Court in charge of the Action still has to decide whether to approve the Settlement. Cash payments will be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

**SUMMARY OF THIS NOTICE**

**I. DESCRIPTION OF THE ACTION AND THE CLASS**

This Notice relates to a proposed Settlement of claims in a pending securities class action lawsuit brought by investors alleging, among other things, that Defendants (set forth at page 4, note 2, below) violated the federal securities law by allegedly failing to make required disclosures to investors regarding write-offs of recorded goodwill announced by Vista in January 2017 and November 2017. The proposed Settlement, if approved by the Court, will settle claims of all persons and entities who purchased or otherwise acquired Vista securities between August 11, 2016 and November 9, 2017, inclusive (the "Class").

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<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement dated July 2, 2018 (the "Settlement" or the "Stipulation"), which is available on the website for the Action at [www.vistaoutdoorsecuritiessettlement.com](http://www.vistaoutdoorsecuritiessettlement.com).

## **II. STATEMENT OF RECOVERY BY THE CLASS**

Subject to Court approval, and as described more fully on pages 4-5 below, Lead Plaintiff, on behalf of the proposed Class, has agreed to settle all claims in the Action in exchange for a cash payment of \$6,250,000 (the "Settlement Amount"). The claims that will be resolved by the Settlement include any and all claims (including Unknown Plaintiffs' Claims as set forth below) that could have been asserted based on, arising from or relating to: the Company's valuation of its goodwill; recording of impairment charges to its goodwill; the allegations, facts, matters, events, transactions, acts, occurrences, statements, representations, misrepresentations, or omissions or failures to act that were alleged or could have been alleged in the Action; and any disclosures, non-disclosures or public statements made in connection with any of the foregoing. The Settlement Amount will be deposited into an interest-bearing escrow account (the "Settlement Fund"). Based on Lead Counsel's estimate of the number of shares and bonds affected, the estimated average recovery, before deducting Court awarded attorneys' fees and expenses and Notice Administration Expenses, is \$.18 per share for Vista common stock and \$1.07 per \$1,000 Vista bond. Class Members should note, however, that the foregoing average recoveries are only estimates. A Class Member's actual recovery will depend on several things, including: (1) the number of claims filed; (2) when, in what quantities and for how much Class Members purchased and/or acquired Vista securities during the Class Period; and (3) whether Class Members sold Vista securities and, if so, when and for how much. The Net Settlement Fund (the Settlement Fund less court-awarded attorneys' fees and expenses, Notice and Administration Expenses, any required Taxes or Tax Expenses payments, and any other fees or expenses approved by the Court) will be distributed in accordance with a plan of allocation (the "Plan of Allocation") that will be approved by the Court and will determine how the Net Settlement Fund shall be allocated to the Members of the Class. The proposed Plan of Allocation is included in this Notice (see pages 9-11 below).

## **III. STATEMENT OF POTENTIAL OUTCOME OF THE CASE**

The Settling Parties do not agree on whether Lead Plaintiff would have prevailed on its claims against the Defendants. Nor do they agree on the average amount of damages per security that might be recoverable if Lead Plaintiff were to prevail on the claims of the Class. Defendants deny that they have engaged in any wrongdoing as alleged by Lead Plaintiff, deny any liability whatsoever for any of the claims that Lead Plaintiff alleged in the Complaint, and deny that the price of Vista securities were artificially inflated by misstatements and omissions alleged by Lead Plaintiff. The issues on which the Settling Parties disagree include: (i) whether any of the Defendants failed to make required disclosures during the Class Period; (ii) whether or not Defendants' conduct caused any harm to Class Members for which any damages could be recovered if Lead Plaintiff were to have prevailed on each claim alleged; (iii) the amounts by which the price of Vista securities were artificially inflated, if at all, during the Class Period; (iv) the extent to which external factors, such as general market, economic and industry conditions, influenced the trading price of Vista securities during the Class Period; (v) who, if anyone, can be included in the Class; (vi) the amount, if any, of any alleged damages suffered by purchasers or acquirers of Vista securities during the Class Period; and (vii) whether Defendants had other meritorious defenses to the alleged claims.

## **IV. STATEMENT OF ATTORNEYS' FEES AND LITIGATION EXPENSES SOUGHT**

Lead Counsel (as defined in Question 16 below) will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 33% of the Settlement Amount and an award of litigation expenses incurred in connection with the prosecution and resolution of the Action, in an amount not to exceed \$200,000, plus interest on both amounts from the date of funding at the same rate as earned by the Settlement Fund. If the Court approves the attorneys' fees and expense application in full, the average amount of fees and expenses will be approximately \$.06 per share. In addition, Lead Counsel will apply for the reimbursement to the Lead Plaintiff for its reasonable costs and expenses (including lost wages) directly relating to its representation of the proposed Class, in an amount not to exceed \$10,000, pursuant to the Private Securities Litigation Reform Act of 1995.

## **V. IDENTIFICATION OF ATTORNEYS' REPRESENTATIVES**

Lead Plaintiff and the Class are being represented by the Court-appointed Lead Counsel: Gregory M. Nespole, Wolf Haldenstein Adler Freeman & Herz LLP, 270 Madison Avenue, New York, New York 10016. Telephone: 212-545-4600; Betsy C. Manifold, Wolf Haldenstein Adler Freeman & Herz LLP, 750 B Street, Suite 2770, San Diego, CA 92101. Telephone: 619-239-4599.

## **VI. REASONS FOR SETTLEMENT**

For Lead Plaintiff, the principal reason for the Settlement is the immediate benefit of a substantial cash recovery for the Class. This benefit must be compared to the risk that no recovery or a smaller recovery might be achieved after the Court decides the pending motion to dismiss, any class certification or summary judgment motions and after a contested trial and likely appeals are resolved, possibly years into the future. For the Defendants, who deny all allegations of liability and

deny that any Class Members were damaged, the principal reason for the Settlement is to eliminate the burden, expense, uncertainty and risk of further litigation.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:</b>	
<b>ACTIONS YOU MAY PURSUE</b>	<b>EFFECT OF TAKING THIS ACTION</b>
<b>SUBMIT A PROOF OF CLAIM POSTMARKED OR SUBMITTED ONLINE NO LATER THAN NOVEMBER 26, 2018.</b>	This is the only way to get a cash payment from the Settlement.
<b>EXCLUDE YOURSELF FROM THE CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION POSTMARKED NO LATER THAN OCTOBER 10, 2018.</b>	Get no payment. This is the <b>only</b> option that allows you to ever be part of any other lawsuit against the Defendants concerning the claims that were, or could have been, asserted in this case. It is also the only way for Class Members to remove themselves from the Class. <b>If you are considering excluding yourself from the Class, please note that there is a risk that any new claims asserted against the Defendants may no longer be timely and would be time-barred. You should talk to a lawyer before you request exclusion from the Class for the purpose of bringing a separate lawsuit. See pages 7-8 below.</b>
<b>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION POSTMARKED NO LATER THAN OCTOBER 10, 2018.</b>	Write to the Court and explain why you do not like the Settlement, the proposed Plan of Allocation, and/or the request for attorneys' fees and expenses. In order to object, you must remain a Member of the Class, may not exclude yourself, and you will be bound by the Court's determinations.
<b>GO TO THE HEARING ON OCTOBER 31, 2018 AT 2:30 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS POSTMARKED NO LATER THAN OCTOBER 10, 2018.</b>	Ask to speak in Court about the fairness of the Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and expenses.
<b>DO NOTHING.</b>	You will not be eligible to receive a payment from the Settlement, you will give up your rights, and you will still be bound by the Settlement.

### WHAT THIS NOTICE CONTAINS

Why did I get this notice package? .....	Page 4
What is this lawsuit about and what has happened so far? .....	Page 4
Why is this a class action? .....	Page 4
Why is there a settlement?.....	Page 4
How do I know if I am part of the Settlement? .....	Page 5
Are there exceptions to being included in the Class? .....	Page 5
What if I am not sure if I am included?.....	Page 5
What does the Settlement provide? .....	Page 5
How much will my payment be?.....	Page 5
How can I get a payment? .....	Page 6
When would I get my payment? .....	Page 6
What am I giving up by staying in the Class? .....	Page 6
How do I "opt out" (exclude myself) from the proposed Settlement?.....	Page 7
If I do not exclude myself, can I sue the Defendants and the other Released Persons for the same thing later? .....	Page 7
If I exclude myself, can I get money from the proposed Settlement? .....	Page 7
Do I have a lawyer in this case? .....	Page 8
How will the lawyers be paid? .....	Page 8
How do I tell the Court that I do not like something about the proposed Settlement?.....	Page 8
What is the difference between objecting and requesting exclusion? .....	Page 9
When and where will the Court decide whether to approve the proposed Settlement? .....	Page 9
Do I have to come to the hearing? .....	Page 9

QUESTIONS? PLEASE CALL 1-888-558-9299 OR VISIT [www.vistaoutdoorsecuritiessettlement.com](http://www.vistaoutdoorsecuritiessettlement.com)

May I speak at the hearing and submit additional evidence? .....	Page 9
What happens if I do nothing at all? .....	Page 9
Are there more details about the proposed Settlement and the lawsuit? .....	Page 9
What if I bought Vista common stock on someone else's behalf? .....	Page 12

## BASIC INFORMATION

### 1. Why did I get this notice package?

You or someone in your family may have purchased or otherwise acquired Vista securities during the Class Period (the period from August 11, 2016 to November 9, 2017, inclusive).

The Court directed that this Notice be sent to Settlement Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If approved, the Settlement will end all of the Class's claims against the Defendants. The Court will consider whether to approve the Settlement at a Settlement Hearing on October 31, 2018 at 2:30 P.M. If the Court approves the Settlement, and after any appeals are resolved and the Settlement administration is completed, the claims administrator appointed by the Court will make the payments that the Settlement allows.

The Court in charge of the case is the United States District Court for the District of Utah, and the case is known as *Lentsch v. Vista Outdoor Inc., et al.*, Civil Action No. 1:17-cv-00012-DAK-EJF (D. Utah). This case was assigned to United States District Judge Dale A. Kimball. The person who is suing is called "Lead Plaintiff" and the companies and the persons being sued are called "Defendants."

### 2. What is this lawsuit about and what has happened so far?

Lead Plaintiff's claims in the Action are stated in the Second Amended Complaint dated January 12, 2018 (the "Complaint"). Lead Plaintiff alleged that some or all of the Defendants<sup>2</sup> violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"). The Complaint alleged that Defendants violated the federal securities law by allegedly failing to make required disclosures about Vista's operations and financial results, including the write-offs of recorded goodwill in Vista's Outdoor Products segment announced by Vista in January 2017 and November 2017.

On February 22, 2018, Defendants filed a motion to dismiss the Complaint for failure to state a claim upon which relief could be granted. On March 26, 2018, Lead Plaintiff filed an opposition to Defendants' motion to dismiss, arguing that it adequately alleged a claim under both Section 10(b) and Section 20(a) of the Exchange Act.

On April 13, 2018, the parties participated in a mediation of the Action before a well-respected mediator, Jed Melnick. This mediation resulted in an agreement to resolve the Action. The parties agree to settle the Action for \$6.25 million in cash subject to the negotiation of the terms of the Stipulation and approval by the Court.

The Settling Parties entered into the Stipulation on July 2, 2018. On July 9, 2018, the Court preliminarily approved the Settlement, authorized this Notice to be sent to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

### 3. Why is this a class action?

In a class action, one or more people called class representatives (in this case Lead Plaintiff on behalf of the Class) sue on behalf of people or entities, known as "Class Members," who have similar claims. A class action allows one court to resolve in a single case many similar claims that, if brought separately by individuals, might be so small that they would not be economical to litigate and thus would never be brought. One court resolves the issues for all class members, except for those who exclude themselves, or "opt out," from the Class (see Question 13 below).

### 4. Why is there a settlement?

The Court has not decided the Action in favor of Lead Plaintiff or the Defendants. The Settlement will end all the claims against the Defendants in the Action and avoid the uncertainties and costs of further litigation and any future trial. Assuming the Settlement is approved, affected investors will be eligible to receive cash compensation once the claims made against the Net Settlement Fund are validated and calculated.

Lead Plaintiff, through Lead Counsel, conducted an extensive investigation of the claims and underlying events and transactions relating to the Action, including a review and analysis of non-public documents furnished by the Defendants, conducted one interview, worked with an in-house financial analyst, and retained two outside separate experts to assist and evaluate its claims. Further, Lead Plaintiff and Lead Counsel participated in hard-fought arm's-length negotiations and a mediation before an experienced mediator prior to entering into the Settlement.

<sup>2</sup> The Defendants are: Vista Outdoor Inc., Mark W. DeYoung, Stephen M. Nolan and Kelly T. Grindle.

The Defendants deny all allegations of liability contained in the Complaint and deny that they are liable to the Class. The Settlement should not be seen as an admission or concession on the part of the Defendants regarding the truth or validity of the allegations, claims, and/or defenses in the Action, or their fault or liability for alleged damages allegedly suffered by any Member of the Class.

## WHO IS IN THE SETTLEMENT

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

The Court has issued an Order, for the purposes of the Settlement only, that everyone who fits the following description, and is not excluded by definition from the Class (see Question 6 below), is a Member of the Class, or a "Class Member," unless they take steps to exclude themselves:

All persons or entities that purchased or otherwise acquired Vista's securities between August 11, 2016 and November 9, 2017, inclusive, including any and all of their respective successors in interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under, any of them, and each of them who suffered damages.

Receipt of this Notice does not mean that you are a Class Member. Please check your records or contact your broker to see if you purchased or otherwise acquired Vista securities during the Class Period as described above.

### 6. Are there exceptions to being included in the Class?

There are some people who are excluded from the Class by definition. Excluded from the Class are Individual Defendants, any person who was an officer, director or managing agent of Vista or any of its subsidiaries or affiliates at any point during the Class Period, members of the immediate family of any of the foregoing individuals, any affiliate of Vista, any entity in which the Defendants have or had a controlling interest, and the legal representatives, heirs, predecessors, successors or assigns of any such excluded party.

You are a Class Member only if you (or your broker on your behalf) directly purchased or otherwise acquired Vista securities during the Class Period as described above, or if you are a legal representative, heir, successor or assign of someone who did so.

### 7. What if I am not sure if I am included?

If you are not sure whether you are included, you can ask for free help by writing to or calling the Claims Administrator: *Vista Outdoor Inc. Securities Litigation*, Claims Administrator, c/o GCG, P.O. Box 10603, Dublin, OH 43017-9203, 1-888-558-9299, or [www.vistaoutdoorsecuritiessettlement.com](http://www.vistaoutdoorsecuritiessettlement.com). Or you can fill out and return the Proof of Claim and Release form ("Proof of Claim") described in Question 10, to see if you qualify.

## THE SETTLEMENT BENEFITS – WHAT YOU MAY RECEIVE

### 8. What does the Settlement provide?

In the Settlement, Vista has agreed to pay or cause to be paid \$6,250,000 in cash, which will be deposited in an interest-bearing escrow account for the benefit of the Class (the "Settlement Fund"). The Settlement Fund will be divided, after deduction of Court-awarded attorneys' fees and expenses, settlement administration costs and any applicable taxes and tax expenses, among all Class Members who timely submit valid Proofs of Claim that are accepted for payment by the Court ("Authorized Claimants").

### 9. How much will my payments be?

The Plan of Allocation, discussed on pages 9-11 below, explains how the Net Settlement Fund will be allocated among purchasers and/or acquirers of Vista common stock and bonds and how claimants' "Recognized Losses" will be calculated. Your share of the Net Settlement Fund will depend on several things, including: (i) the quantity of Vista securities you bought or otherwise acquired; (ii) how much you paid for such securities; (iii) when you bought or otherwise acquired such securities; (iv) whether or when you sold such securities (and, if so, for how much you sold them); and (v) the amount of Recognized Losses of other Authorized Claimants.

It is unlikely that you will get a payment for your entire Recognized Loss, given the number of potential Class Members. After all Class Members have sent in their Proofs of Claim, the payment any Authorized Claimant will get will be their *pro rata* share of the Net Settlement Fund based on the Plan of Allocation approved by the Court. In general, an Authorized Claimant's share will be his, her or its Recognized Loss divided by the total of all Authorized Claimants' Recognized Losses and then multiplied by the total amount in the Net Settlement Fund. See the Plan of Allocation on pages 9-11 below for more information.

## HOW YOU GET A PAYMENT – SUBMITTING A PROOF OF CLAIM

### 10. How can I get a payment?

To qualify for a payment, you must timely send in, or submit online, a valid Proof of Claim with supporting documents (DO NOT SEND ORIGINALS of your supporting documents). A Proof of Claim is enclosed with this Notice. You may also get copies of the Proof of Claim on the Internet at the following website: [www.vistaoutdoorsecuritiessettlement.com](http://www.vistaoutdoorsecuritiessettlement.com). Please read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail it to the Claims Administrator by First-Class Mail, **postmarked or submitted online on or before November 26, 2018**. *The Claims Administrator needs all of the information requested in the Proof of Claim in order to determine if you are eligible to receive a distribution from the Net Settlement Fund.*

Any Class Member who fails to submit a Proof of Claim by the date identified above shall be barred from receiving any distribution from the Net Settlement Fund or payment pursuant to this Stipulation unless, by order of the Court or the discretion of Lead Counsel, late-filed Proofs of Claim are accepted, but shall in all other respects be bound by all the terms of the Settlement, including the terms of the Judgment and all releases provided for herein and therein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind against any Released Person concerning the Settled Claims.

### 11. When would I get my payment?

The Court will hold a hearing on October 31, 2018 at 2:30 P.M., to decide whether to, among other things, approve the Settlement and the proposed Plan of Allocation. All Proofs of Claim must be submitted to the Claims Administrator, **postmarked or submitted online on or before November 26, 2018**. If the Court approves the Settlement, there may still be appeals which would delay payment, perhaps for more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

### 12. What am I giving up by staying in the Class?

Unless you exclude yourself, you will stay in the Class, which means that as of the date that the Settlement becomes effective under the terms of the Stipulation (the “Effective Date”), you will forever give up and release all “Settled Claims” (as defined below) against the “Released Persons” (as defined below). You will not in the future be able to bring a case asserting any Settled Claim against any Released Person.

(a) “Settled Claims” means any and all claims (including any claim that this Stipulation was fraudulently induced), demands, rights, actions or causes of action, whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, hidden or concealed, matured or unmatured, accrued or unaccrued, that have been, could have been, or in the future can or might be asserted in the Action or in any court, tribunal or proceeding, including, but not limited to, any claims arising under federal or state statutory or common law or relating to alleged fraud, misrepresentation (negligent, reckless, intentional or otherwise, and including misrepresentations through omission(s)), breach of any duty, negligence, violations of federal or state securities laws or any other claim under any theory by or on behalf of the Lead Plaintiff and/or any and all Class Members which any of the Releasing Persons ever had, now has, or hereafter can, shall or may have against the Released Persons by reason of, arising out of, relating to or in connection with (i) the allegations, facts, matters, events, transactions, acts, occurrences, statements, representations, misrepresentations, or omissions or failures to act that were alleged or could have been alleged in the Action; (ii) any disclosures, non-disclosures or public statements made in connection with any of the foregoing; and (iii) this Settlement. For the avoidance of doubt, the Settled Claims do not include (i) any claim by any Defendant against any insurance carrier; (ii) claims to enforce the Settlement, if approved by the Court; or (iii) any claims of or against any Opt-Out.

(b) “Released Persons” refers jointly and severally, individually and collectively to all Defendants in the Action and their current and former directors, officers, shareholders, employees, servants, partners, agents, affiliates, subsidiaries, parents, joint ventures, successors or assigns, and any representatives, trustees, executors, heirs, assigns or transferees, attorneys, accountants, investment bankers, commercial bankers, advisors or insurers of any of the foregoing, as well as all counsel representing them in the Action. As used in this paragraph, “affiliates” means entities controlling, controlled by or under common control with any of the Released Persons. The Released Persons are express third-party beneficiaries of this Stipulation and Settlement.

(c) “Unknown Claims” means any and all Settled Claims that Defendants, Lead Plaintiff, for itself, the Class, and any or all other persons and entities whose claims are being released, do not know or suspect to exist, which, if known by him, her or it, might affect his, her or its agreement to release the Released Parties or the Settled Claims, or might affect his, her or its decision to object to or not object to the Settlement. With respect to any and all Settled Claims, the Parties stipulate and agree that upon the Effective Date, the Lead Plaintiff and the Defendants shall expressly waive, and each Released Person and Releasing Person shall be deemed to have waived, and by operation of the Order and Final Judgment shall have expressly waived, any and all provisions, rights and benefits of conferred by any law of any state or

territory of the United States, or principle of common law, which is similar comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Lead Plaintiff, other Class Members or Defendants may hereafter discover facts in addition to or different from those which he, she, or it now know or believes to be true with respect to the subject matter of the Settled Claims, but hereby stipulates and agrees that Lead Plaintiff, and each Releasing Person shall be deemed to settle and release, and upon the Effective Date and by operation of the Order and Final Judgment shall have settled and released, fully, finally, and forever, and all Settled Claims against Released Persons, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or which heretofore existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent or intentional and with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

### EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep any right you may have to sue or continue to sue the Released Persons on your own about the Settled Claims, then you must take steps to exclude yourself from the Class. Excluding yourself is known as “opting out” of the Class. The Defendants may withdraw from and terminate the Settlement if potential Class Members who purchased or acquired in excess of a certain amount of Vista securities opt out from the Class.

If you timely and properly request exclusion from the Class, you will retain any rights you have to sue the Defendants yourself with respect to the Settled Claims to the extent those claims are viable under the statute of limitations applicable to claims under the relevant securities laws. You should note that if you exclude yourself from the Class, you may forfeit any claims you may have against the Defendants relating to your purchases or acquisitions of Vista securities during the Class Period if you fail to act in a proper and timely manner under the applicable statutes of limitation and repose under the Exchange Act. Members of the Class whose claims are tolled by virtue of their continuing membership in the Class are able to pursue those claims against the Defendants. Before you decide to request exclusion from the Class, you are urged to consult your counsel, at your own expense, to fully evaluate your rights and the consequences of excluding yourself from the Class.

#### 13. How do I “opt out” (exclude myself) from the proposed Settlement?

To “opt out” (exclude yourself) from the Class, you must deliver or mail a signed letter by First-Class Mail stating that you “request exclusion from the Class in *In re Vista Outdoor Inc. Securities Litigation*, Civil Action No. 1:17-cv-00012-DAK (D. Utah).” Your letter **must** state the date(s), price(s) and number of shares of your purchases and acquisitions of Vista securities during the Class Period. This information is needed to determine whether you are a Class Member. In addition, you must include your name, address, telephone number, and your signature. You must submit your request for exclusion addressed to *Vista Outdoor Inc. Securities Litigation*, Claims Administrator, EXCLUSIONS, c/o GCG, P.O. Box 10603, Dublin, OH 43017-9203. The request for exclusion must be **postmarked on or before October 10, 2018**. **You cannot exclude yourself or opt out by telephone or by email.** Your request for exclusion must comply with these requirements in order to be valid. If you are excluded, you will not be eligible to get any payment from the Settlement proceeds and you cannot object to the Settlement, the proposed Plan of Allocation or the application for attorneys’ fees and expenses.

#### 14. If I do not exclude myself, can I sue the Defendants and the other Released Persons for the same thing later?

No. Unless you exclude yourself, you give up any rights you may have to sue the Defendants and the other Released Persons for all Settled Claims. If you have a pending lawsuit against any of the Defendants, speak to your lawyer in that case **immediately**. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is October 10, 2018.

#### 15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money, as any such Proof of Claim will be rejected.

## THE LAWYERS REPRESENTING YOU

### 16. Do I have a lawyer in this case?

The law firm of Wolf Haldenstein Adler Freeman & Herz LLP was appointed to represent all Class Members. These lawyers are called Lead and/or Class Counsel. You will not be separately charged for the services of these lawyers. The Court will determine the amount of Class Counsel's fees and expenses. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 17. How will the lawyers be paid?

Class Counsel have not received any payment for their services in pursuing the claims against the Defendants on behalf of the Class since the Action was commenced in 2017, nor have they been paid to this point for any of their litigation expenses. At the Settlement Hearing described below, or at such other time as the Court may order, Class Counsel will ask the Court to award them, from the Settlement Fund, attorneys' fees of no more than 33% of the Settlement Amount and litigation expenses that they have incurred in pursuing the Action in an amount not to exceed \$200,000, plus interest on both amounts from the date of funding at the same rate earned by the Settlement Fund. Class Counsel will also request an award to Lead Plaintiff for the reimbursement of its reasonable costs and expenses (including lost wages) directly related to its representation of the Class, in an amount not to exceed \$10,000, pursuant to the Private Securities Litigation Reform Act of 1995.

## OBJECTING TO THE SETTLEMENT

### 18. How do I tell the Court that I do not like something about the proposed Settlement?

If you are a Class Member and do not exclude yourself ("opt out") in accordance with Question 13 above, you can object to any part of the Settlement, the proposed Plan of Allocation, and/or the application by Class Counsel for attorneys' fees and expenses and request for Lead Plaintiff's expenses. You must write to the Court setting out your objection, giving reasons why you think the Court should not approve any part or all of the Settlement, the proposed Plan of Allocation, or the attorneys' fee and expense request.

To object, you must send a signed letter stating that you object to the proposed Settlement in the case known as: *In re Vista Outdoor Inc. Securities Litigation*, Civil Action No. 1:17-cv-00012-DAK-EJF (D. Utah). You must include your name, address, telephone number and your signature; include documents sufficient to prove the objector's membership in the Class, such as the number of Vista securities purchased or acquired, as well as the dates and prices of each such purchase or acquisition during the Class Period. Your letter must also state the specific reasons why you object to the Settlement, the proposed Plan of Allocation, or the attorneys' fee and expense request, including any legal or evidentiary support for your objection.

Unless otherwise ordered by the Court, any Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will not be able to appear separately at the Settlement Hearing or to make any objection to the Settlement, the proposed Plan of Allocation, and/or the application for attorneys' fees and expenses. If you elect to "opt out," you will not be entitled to share in the Settlement proceeds and will not have a right to make an objection to the Settlement, proposed Plan of Allocation and/or the application for attorneys' fees and expenses.

Your objection must be filed with the United States District Court for the District of Utah by hand or by mail such that it is **received on or before October 10, 2018**, at the address set forth below. You must also serve the papers on Class Counsel and Defendants' Counsel at the addresses set forth below so that the papers are **received on or before October 10, 2018**.

#### **COURT:**

Clerk of the Court  
United States District Court  
District of Utah  
351 S. West Temple  
Room 1.100  
Salt Lake City, UT 84101

#### **CLASS COUNSEL:**

Betsy C. Manifold  
Wolf Haldenstein Adler Freeman & Herz LLP  
750 B Street, Suite 2770  
San Diego, CA 92101

#### **DESIGNATED COUNSEL FOR DEFENDANTS:**

Robert H. Baron  
CRAVATH, SWAINE & MOORE LLP  
Worldwide Plaza  
825 Eighth Avenue  
New York, NY 10019

QUESTIONS? PLEASE CALL 1-888-558-9299 OR VISIT [www.vistaoutdoorsecuritiessettlement.com](http://www.vistaoutdoorsecuritiessettlement.com)

**19. What is the difference between objecting and requesting exclusion?**

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You can still recover from the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no right to object because the Action no longer affects you and you are no longer a Member of the Class.

**THE COURT'S SETTLEMENT HEARING**

**20. When and where will the Court decide whether to approve the proposed Settlement?**

The Court will hold a Settlement Hearing at 2:30 P.M. on October 31, 2018, in the United States District Court for the District of Utah, 351 S. West Temple, Room 3.400, Salt Lake City, UT 84101. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. The Court also will consider the proposed Plan of Allocation for the proceeds of the Settlement and Lead Counsel's application for attorneys' fees and expenses. The Court will take into consideration any written objections filed in accordance with the instructions set out above in the answer to Question 18. We do not know how long it will take the Court to make these decisions.

You should also be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to come to the hearing, you should check with Class Counsel before coming to be sure that the date and/or time has not changed.

**21. Do I have to come to the hearing?**

No. Lead Counsel will answer any questions the Court may have. But, you are welcome to come at your own expense. If you validly submit an objection, as set forth in Question 18, it will be considered by the Court. You do not have to come to Court to talk about it.

**22. May I speak at the hearing and submit additional evidence?**

If you file an objection, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (see Question 18 above) a statement that it is your "notice of intention to appear in *In re Vista Outdoor Inc., Securities Litigation*, Civil Action No. 1:17-cv-00012-DAK-EJF (D. Utah)." Persons who object and want to present evidence at the Settlement Hearing must also include in their written objection the identity of any witness they may call to testify and exhibits they intend to introduce at the Settlement Hearing. You cannot speak at the hearing if you exclude yourself from the Class or if you have not provided written notice of your intention to speak at the Settlement Hearing according to the procedures described above and in the answer to Question 18.

**IF YOU DO NOTHING**

**23. What happens if I do nothing at all?**

If you do nothing, you will get no money from this Settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants and the Released Persons about the Settled Claims in this case. To be eligible to share in the Net Settlement Fund you must submit a Proof of Claim (see Question 10). To start, continue or be a part of any other lawsuit against the Defendants and the other Released Persons about the Settled Claims in this case you must exclude yourself from this Class (see Question 13).

**GETTING MORE INFORMATION**

**24. Are there more details about the proposed Settlement and the lawsuit?**

This Notice summarizes the proposed Settlement. More details are in the Stipulation, dated July 2, 2018. You may review the Stipulation filed with the Court and all documents filed in the Action during business hours at the Office of the Clerk of the United States District Court for the District of Utah, 351 S. West Temple, Room 1.100, Salt Lake City, UT 84101.

You also can call the Claims Administrator at: 1-888-558-9299; call Class Counsel Wolf Haldenstein Adler Freeman & Herz LLP: 619-239-4599; write to *Vista Outdoor Inc. Securities Litigation*, c/o GCG, P.O. Box 10603, Dublin, OH 43017-9203; or visit the website [www.vistaoutdoorsecuritiessettlement.com](http://www.vistaoutdoorsecuritiessettlement.com), where you can download copies of this Notice and the Proof of Claim. Please do not call the Court, the Defendants or their counsel with questions about the Settlement.

**PLAN OF ALLOCATION OF NET SETTLEMENT FUND**

The Net Settlement Fund will be distributed to Class Members who, in accordance with the terms of the Stipulation, are entitled to a distribution from the Net Settlement Fund pursuant to any Plan of Allocation or any order of the Court and who submit a valid and timely Proof of Claim under the Plan of Allocation described below. The Plan of Allocation

provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have an overall net loss on all of your transactions in Vista securities during the Class Period.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Class Counsel have conferred with a financial analyst and a damages expert and developed a Plan of Allocation that reflects an assessment of the damages that they believe could have been recovered by Class Members had Lead Plaintiff prevailed at trial.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to its Recognized Loss, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Loss bears to the total Recognized Losses of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The Net Settlement Fund will be divided between Vista common stock purchased on the open market from August 11, 2016 through November 9, 2017, inclusive ("Share Net Settlement Fund") and the Vista bonds (VSTO 5 7/8% MAT 10/01/23) ("Bond Net Settlement Fund") as follows: 94% to the Share Net Settlement Fund and 6% to the Bond Net Settlement Fund.

### **CALCULATION OF RECOGNIZED LOSSES**

In the calculation of Recognized Losses, all purchases and sales shall exclude any fees, taxes and commissions incurred in connection with such purchases and sales. Any transactions in shares of Vista securities outside of the regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

Purchases and acquisitions of the Vista securities shall be deemed to have occurred on the "trade" date as opposed to the "settlement" date. The receipt or grant by gift, inheritance or operation of law of Vista securities during the Class Period shall not be deemed a purchase, acquisition or sale of these Vista securities for the calculation of a Claimant's Recognized Loss, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such Vista securities unless: (i) the donor purchased or decedent purchased or otherwise acquired such Vista security during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) no Proof of Claim was submitted by or on behalf of the donor, or behalf of the decedent, or by anyone else with respect to such Vista securities.

### **RECOGNIZED LOSS FORMULA - VISTA SHARES OF COMMON STOCK**

For each Vista share of common stock purchased or acquired by a Class Member during the period August 11, 2016 to November 9, 2017, inclusive, the Recognized Loss per share shall be calculated as follows:

- a. For each Vista share of common stock that was purchased during the period August 11, 2016 to January 11, 2017, inclusive,
  - i. that was sold prior to January 12, 2017, the Recognized Loss per share is \$0.
  - ii. that was sold during the period January 12, 2017 to November 8, 2017, inclusive, the Recognized Loss per share is the **lesser of**
    - A. \$4.10; or
    - B. the purchase price **minus** the sale price.
  - iii. that was sold on or after November 9, 2017, the Recognized Loss per share is the **lesser of**
    - A. \$6.88; or
    - B. the purchase price **minus** the sales price.
- b. For each Vista share of common stock that was purchased during the period January 12, 2017 to November 9, 2017, inclusive,
  - i. that was sold prior to November 9, 2017, the Recognized Loss per share is \$0.
  - ii. that was sold on or after November 9, 2017, the Recognized Loss per share is the **lesser of**
    - A. \$2.78; or
    - B. the purchase price **minus** the sales price.

## **RECOGNIZED LOSS FORMULA - VISTA BONDS**

For each Vista \$1,000 bond purchased or acquired by a Class Member during the period August 11, 2016 to November 9, 2017, inclusive, the Recognized Loss per \$1,000 bond shall be calculated as follows:

- a. For each Vista \$1,000 bond that was purchased during the period August 11, 2016 to January 11, 2017, inclusive,
  - i. that was sold prior to January 12, 2017, the Recognized Loss per \$1,000 bond is \$0.
  - ii. that was sold during the period January 12, 2017 to November 8, 2017, inclusive, the Recognized Loss per \$1,000 bond is the **lesser of**
    - A. \$1.96; or
    - B. the purchase price **minus** the sale price.
  - iii. that was sold on or after November 9, 2017, the Recognized Loss per \$1,000 bond is the **lesser of**
    - A. \$20.47; or
    - B. the purchase price **minus** the sales price.
- b. For each Vista \$1,000 bond that was purchased during the period January 12, 2017 to November 9, 2017, inclusive,
  - i. that was sold prior to November 9, 2017, the Recognized Loss per \$1,000 bond is \$0.
  - ii. that was sold on or after November 9, 2017, the Recognized Loss per \$1,000 bond is the **lesser of**
    - A. \$18.51; or
    - B. the purchase price **minus** the sales price.

An Authorized Claimant's total Recognized Loss is the sum total of his, her or its per share Recognized Loss for Vista securities purchased during the Class Period.

For the purposes of determining whether a Claimant has a Recognized Loss, purchases, acquisitions, and sales of like securities will be matched on a First In/ First Out basis. To the extent that a calculation of a per share Recognized Loss results in zero or a negative number, that number shall be set to zero.

If the sum total of the Recognized Losses of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her or its pro rata share of the Net Settlement Fund. The pro rata share shall be the Authorized Claimant's Recognized Loss, divided by the total of the Recognized Loss of all Authorized Claimants, multiplied by the total amount of the Net Settlement Fund.

In the unlikely event that the Net Settlement Fund exceeds the sum total of the Recognized Loss of all Authorized Claimants entitled to receive payments out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed pro rata to all Authorized Claimants entitled to receive payment.

The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment of any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation (i.e., the Recognized Loss will be deemed to be zero) and no distribution will be made to that Authorized Claimant. Any prorated amounts of less than \$10.00 will be included in the pool distributed to those whose prorated payments are \$10.00 or greater.

Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against the Lead Plaintiffs, Lead Counsel, Lead Plaintiffs' damage experts, Defendants, Defendants' counsel or any of the other Released Parties, or the Claims Administrator or other agent designated by Lead Counsel arising from distribution made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further Orders of the Court. Lead Plaintiffs, Defendants and their respective counsel, and all other Released Parties, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the Plan of Allocation; the determination, administration, calculation or payment of any Proof of Claim or non-performance of the Claims Administrator; the payment or withholding of taxes; or any losses incurred in connection therewith.

The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Lead Counsel after consultation with their damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the settlement website.

**SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

**25. What if I bought Vista common stock on someone else's behalf?**

If you purchased or otherwise acquired Vista securities during the Class Period for the beneficial interest of a person or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) BUSINESS DAYS OF YOUR RECEIPT OF THIS NOTICE, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or otherwise acquired common stock during the Class Period (preferably in an MS Excel, .CSV, or .TXT format), setting forth (i) title/registration, (ii) street address, and (iii) city/state/zip; or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within seven (7) business days of receipt of such copies send them by First-Class Mail, postage prepaid, directly to the beneficial owners of those shares of Vista common stock.

If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you shall send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expenses and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid after request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

*Vista Outdoor Inc. Securities Litigation*  
c/o GCG  
P.O. Box 10603  
Dublin, OH 43017-9203  
[info@vistaoutdoorsecuritiessettlement.com](mailto:info@vistaoutdoorsecuritiessettlement.com)

**PLEASE DO NOT CONTACT THE COURT FOR INFORMATION OR QUESTIONS ABOUT THE TERMS OF THE SETTLEMENT. INSTEAD, PLEASE DIRECT ALL QUESTIONS TO LEAD COUNSEL AND/OR THE CLAIMS ADMINISTRATOR, AS DIRECTED IN QUESTION 24 ABOVE.**

DATED: JULY 27, 2018

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
DISTRICT OF UTAH