PRE-APPROVAL NOTICE

If You Bought FitFlop Footwear You Could Get Money from a Class Action Settlement

Detailed information and updates are available on the Settlement Website: www.FitFlopSettlement.ca PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS

A proposed settlement has been reached with respect to the class action commenced against FitFlop Limited ("**FitFlop**") before the Superior Court of Quebec under file number 500-06-000629-127 and before the Ontario Superior Court of Justice under file number 14-60155 on behalf of the following class (the "**Settlement Agreement**"):

• All residents of Canada who have purchased FitFlop Footwear up to and including the date of the Pre-Approval Order ("Class Members").

Excluded from the Settlement Agreement are all persons who validly opt-out.

SUMMARY:

THE CLASS:

FitFlop has agreed to pay a maximum amount of \$400,000 (the "**Settlement Fund**") for payment of all notice costs, fees awarded to class counsel ("**Class Counsel Fees and Expenses**"), honorarium awards, claims administration fees and costs and valid claims.

FitFlop has also agreed to the terms of the injunctive relief in paragraph 14 of the Settlement Agreement with respect to its advertising, labelling, and promotional materials.

The benefits to be provided to eligible Class Members who submit a valid Claim Form ("**Settlement Benefits**") shall be as follows:

Eligible Footwear	Initial Amount	Maximum Amount
Category 1	\$25	\$60
Category 2	\$60	\$100

A list of all eligible Fitflop-branded footwear ("FitFlop Footwear") can be found in Schedule "A" of the Settlement Agreement.

To receive Settlement Benefits, each Class Member must submit a valid Claim Form either by mail or electronically. Class Members may recover payment for <u>up to two pairs</u> of FitFlop Footwear by submitting a Claim Form, under penalty of law. No proof of purchase is necessary.

Class Members may recover payment for <u>more than two pairs</u> of FitFlop Footwear by Submitting a Claim Form, under penalty of law, and providing a valid and legible proof of purchase, <u>for each pair</u> of FitFlop Footwear for which Settlement Benefits are sought.

If the aggregate Settlement Benefits validly claimed by Class Members exceeds the Settlement Fund (minus notice costs, Class Counsel Fees and Expenses and claims administration fees and costs), individual Settlement Benefits will be reduced *pro rata*.

If the aggregate Settlement Benefits validly claimed by Class Members is less than the Settlement Fund (minus notice costs, Class Counsel Fees and Expenses, and claims administration fees and costs), individual Settlement Benefits will be increased *pro rata*. However, individual Settlement Benefits may not exceed the maximum amounts indicated in the table above (i.e., \$60 or \$100, depending on the Footwear).

Should there be a balance in the Settlement Fund following payment of all notice costs, Class Counsel Fees and Expenses, claims administration fees and costs, and Settlement Benefits, the *Fonds d'aide aux actions collectives* may claim the percentage of the balance that it is entitled to under law. Such a claim will be limited to the proportionate share of Settlement Benefits provided to Quebec Class Members. The amount remaining in the Settlement Fund will then be paid to the Canadian Podiatric Medical Association.

CLASS COUNSEL FEES AND EXPENSES:

The amount sought for Class Counsel Fees and Expenses will be \$ 200,000, plus any applicable federal and provincial taxes. All Class Counsel Fees and Expenses will be deducted from the Settlement Fund.

IMPORTANT DATES - APPROVAL, OPT-OUT AND OBJECTION:

A motion to approve the Settlement Agreement with respect to Class Members, regardless of their province or territory of residence, will be heard by the Superior Court of Quebec at the Montreal Courthouse located at 1 Notre Dame Street East, Montreal, Quebec on **August 24, 2016** (the "Quebec Approval Hearing").

If the proposed settlement is approved, it will be binding on all Class Members except those who validly opt-out. All Opt-Out Forms must be postmarked no later than <u>45 days</u> following the Approval Order.

If you wish to object to the proposed settlement, you must send a written notice of objection to Class Counsel by no later than 10 days prior to the Approval Hearing. Your written objection should include: (a) your name, address, e-mail address and telephone number; (b) a brief statement of the reasons for your objection; and (c) whether you plan to attend the settlement-approval hearing in person or through a lawyer, and if by lawyer, the name, e-mail address and telephone number of the lawyer. Class Members who do not oppose the Settlement Agreement need not appear at the settlement-approval hearing or take any other action at this time.

IMPORTANT DATES - WHEN TO MAKE A CLAIM:

Immediately - the Claim Form is already available on the Settlement Website at www.FitFlopSettlement.ca or you can obtain one by contacting the Claims Administrator at 1-855-730-8627. A Claim Form must be postmarked, sent by e-mail or completed on the Settlement Website no later than 60 days after the later of the Approval Order issued by the Superior Court of Quebec and the Discontinuance Order issued by the Ontario Superior Court of Justice (the "Claims Filing Deadline"). There will be no further notice in the newspapers of the Settlement Agreement. The exact date of the Claims Filing Deadline will be posted on Settlement Website. It is the responsibility of any Class Member who wishes to make a claim to check this website in a timely manner.

Claims will only be processed and payments made to Class Members who file valid Claim Forms on time and subject to the approval of the Settlement Agreement by the Quebec Court .

FURTHER INFORMATION:

A complete copy of the Settlement Agreement, and detailed information on how to obtain or file a Claim Form are available on the following Settlement Website **www.FitFlopSettlement.ca**. To obtain a paper copy, please call the Claims Administrator at **1-855-730-8627**.

The law firm representing the Class Members is the following:

Mtre Jeff Orenstein Consumer Law Group Inc. 1030 Berri St., Suite 102 Montreal, Quebec, H2L 4C3 Phone: 1-888-909-7863 514-266-7863 416-479-4493

Fax: 514-868-9690 jorenstein@clg.org

If there should be a conflict between the provisions of this Pre-Approval Notice and the Settlement Agreement, the terms of the Settlement Agreement shall prevail.

This notice has been approved by the Superior Court of Quebec.