

# Skechers Toning Shoes

## Class Action Settlement Program in Canada

### NOTICE OF UPCOMING COURT HEARING ON THE APPROVAL OF A CLASS ACTION SETTLEMENT AGREEMENT

**PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS**

#### **THE CLASS:**

A national class action has been commenced against Skechers U.S.A. Inc., Skechers U.S.A. Inc. II and Skechers USA Canada Inc. alleging that Class Members suffered economic, physical and material injuries as a result of the purchase of Skechers toning shoes.

A proposed settlement has been reached with respect to the Litigation, on behalf of the Class defined as:

**All Persons residing in Canada who have purchased eligible Skechers toning shoe(s) between August 1, 2008 and October 6, 2014.**

Excluded from the Class are all Persons who timely and validly request exclusion from the Class.

Also excluded from the Class are persons or entities who purchased the toning shoes primarily for the purpose of resale, such as retailers or re-sellers of toning shoes.

#### **SUMMARY:**

Skechers has agreed to pay a lump sum of \$2,500,000 to settle all of the claims of eligible Claimants, including, without limitation, all damages for economic, physical and/or material injuries.

#### **(a) Direct Compensation**

The relief to be provided to eligible Class Members shall be as follows for each eligible Skechers toning shoe purchased between August 1, 2008 and October 6, 2014.

Eligible toning shoes	Initial Amount	Maximum Amount
Shape-ups	\$130,00	\$260,00
Podded Sole Shoes	\$60,00	\$120,00
Tone-ups (Non-Podded Sole)	\$40,00	\$80,00
Resistance Runner	\$90,00	\$180,00

#### **(b) Indirect compensation**

Starting at the latest 30 days after the Effective Date Skechers agreed to implement conduct changes relating to its marketing and advertising of toning shoes, as described in the Settlement Agreement.

#### **(c) Awards for Plaintiffs**

Awards of \$1,500 will be requested for each of the Plaintiffs in consideration for the time and efforts they put into the Litigation.

#### **CLASS COUNSEL FEES:**

Legal fees and disbursements of Class Counsel are described in the Settlement Agreement. Class Counsel will seek Court approval of 25% of the total settlement benefits plus applicable taxes (a total amount of \$625,000 plus applicable taxes). Any Class Counsel Fees, Plaintiffs awards and other fees or disbursements will be paid out of the settlement amount.

#### **IMPORTANT DATES – APPROVAL, OPT OUT AND OBJECTION:**

**A motion to approve the settlement will be heard by the Québec Superior Court, at the Montreal Courthouse, 1 Notre Dame Street East, Montréal, Québec on October 6, 2014 at 9:30 a.m. in room 2.08 [or any other courtroom or time which will be indicated by the posting of a sign outside of courtroom 2.08].**

If the proposed settlement is approved, it will be binding on all Class Members except those who timely and properly opt out. The deadline for opting out of the settlement is **September 2<sup>nd</sup>, 2014**. The opt out form and information on how to opt out are available on Class Counsel's web site at <http://www.clg.org/> and on the Claim Web Site at [www.skecherssettlement.ca](http://www.skecherssettlement.ca).

If you wish to object to the proposed settlement, you must send a written notice of objection to Class Counsel and Defence Counsel by no later than **September 21, 2014**. 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 at the hearing in person or through a lawyer, and if by lawyer, the name, address, e-mail address and telephone number of the lawyer. Class Members who do not oppose the proposed settlement need not appear at the settlement approval hearing or take any other action at this time.

#### **IMPORTANT DATES – WHEN TO MAKE A CLAIM:**

If the Settlement is approved, a Claim Form will be available on the Claim Web Site at [www.skecherssettlement.ca](http://www.skecherssettlement.ca).

#### **FURTHER INFORMATION:**

A complete copy of the Settlement Agreement is available at Class Counsel's web site at <http://www.clg.org/>. If the Settlement is approved, detailed information on how to obtain or file a Claim will be available on the Claim Web Site at [www.skecherssettlement.ca](http://www.skecherssettlement.ca) and on Class Counsel's web site at <http://www.clg.org/>. **To obtain a paper copy, please contact Analytics at 1-855-269-5569.**

The Class Counsels, or law firms representing the Plaintiffs, are the following:

Jeff Orenstein	Andrea Grass	Daniel E.H. Bach	Evatt Merchant
<b>Consumer Law Group Inc.</b>	<b>Consumer Law Group PC</b>	<b>Siskinds LLP</b>	<b>Merchant Law Group LLP</b>
4150, Sainte-Catherine St. West,	340 Albert St., Suite 1300	100 Lombard Street,	400 - 2710 17th Avenue S.E.
Suite 330	Ottawa, Ontario, K1R 7Y6	Suite 302	Calgary, AB T2A 0P6
Montreal, Quebec, H3Z 2Y5		Toronto, ON, M5C 1M3	

If there is a conflict between the provisions of this Notice and the Settlement Agreement and any of its Schedules, the terms of the Settlement Agreement shall prevail.

This notice has been approved by the Québec Superior Court.