

**REEBOK TONING SHOES AND APPAREL CLASS ACTION
SETTLEMENT AGREEMENT**

Made as of May 7, 2012

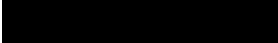
<p>CHELSEA HENEY</p> <p style="text-align: right;">Plaintiff</p> <p style="text-align: center;">and</p> <p>REEBOK CANADA</p> <p style="text-align: right;">Defendant</p>	<p style="text-align: center;">PROVINCE OF ONTARIO Ontario Superior Court of Justice Toronto, Ontario Court File No.: 5608/11</p>
<p></p> <p style="text-align: right;">Petitioner</p> <p style="text-align: center;">vs.</p> <p>REEBOK CANADA INC., REEBOK INTERNATIONAL LTD., and ADIDAS CANADA LIMITED</p> <p style="text-align: right;">Respondents</p>	<p style="text-align: center;">PROVINCE OF QUÉBEC Superior Court of Québec, District of Montreal (Class Actions) No. 500-06-000582-110</p>

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**REEBOK TONING SHOES AND APPAREL CLASS ACTION
SETTLEMENT AGREEMENT**

PREAMBLE

Chelsea Heney, as representative plaintiff in Ontario Court File No. 5608/11 (the “Ontario Proceeding”), and [REDACTED] as representative plaintiff in Québec Court File No. 500-06-000582-110 (the “Québec Proceeding”) (collectively, the “Plaintiffs”) (collectively, the “Proceedings”), and the defendants, Reebok Canada Inc., Reebok International Ltd., and Adidas Canada Limited (collectively, the “Defendants”, and together with Plaintiffs, the “Parties”), hereby enter into this settlement agreement and schedules (the “Settlement Agreement”) providing for the settlement of claims arising out of or relating to, without limitation, the manufacture, marketing, sale, distribution, labeling, purchase, and/or use of Reebok toning shoes and apparel, pursuant to the terms and conditions set forth herein, and subject to approval of the Court;

RECITALS

A. WHEREAS, the Parties intend by this Settlement Agreement to resolve all past, present, and future claims of Class Members in any way arising out of or relating to the purchase or use of Reebok toning footwear, including EasyTone, EasyTone Flip, RunTone, TrainTone, JumpTone, SimplyTone, and/or SlimTone footwear, and Reebok toning apparel, including EasyTone Capri, EasyTone Pants, EasyTone Shorts, EasyTone Long Bra Top, EasyTone Sleeveless Shirt, and/or EasyTone Short Sleeve Top, in Canada by or for residents of Canada during the Class Period;

B. WHEREAS, the Defendants deny the allegations made in the proceedings, deny that any damages are payable, have not conceded or admitted any civil liability, and have defences to all of the claims in the Proceedings;

C. WHEREAS, the Parties have engaged in extensive, arm's-length negotiations through counsel with substantial experience in complex class proceedings that have resulted in this Settlement Agreement;

D. WHEREAS, the Plaintiffs and Plaintiffs' Counsel, namely the law firms Siskinds LLP and Consumer Law Group Inc. (collectively, "Class Counsel"), have reviewed and fully understand the terms of this Settlement Agreement and, based on their analyses of the facts and law applicable to the Plaintiffs' claims, and having regard to the burden and expense in prosecuting the Proceedings, including the risks and uncertainties associated with trials and appeals, the Plaintiffs and Class Counsel have concluded that this Settlement Agreement is fair, reasonable, and in the best interests of the Plaintiffs and the classes they seek to represent;

E. WHEREAS, despite their belief that they are not liable in respect of the allegations made in the Proceedings and have good defences thereto, the Defendants are entering into this Settlement Agreement in order to achieve a final resolution of all claims asserted against them by the Plaintiffs, and to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, and it is acknowledged that the Defendants would not have entered into this Settlement Agreement were it not for the foregoing;

F. WHEREAS, the Parties therefore wish to, and hereby do, fully and finally resolve, without admission of liability, the Proceedings against the Defendants;

G. WHEREAS, for the purposes of settlement only and contingent on approval by the Courts, as provided for in this Settlement Agreement, the Parties have consented to the certification of a national class, excluding residents of Québec, in the Ontario Proceeding, and the Parties have consented to the authorization of a class of Québec residents in the Québec Proceeding;

H. WHEREAS, the Defendants expressly reserve their rights to contest certification/authorization of other related or unrelated proceedings and assert that the actions herein would not be appropriately certified/authorized in the absence of the Settlement Agreement and that this Settlement Agreement does not constitute in any way a precedent to support the certification/authorization of classes of this nature;

NOW, THEREFORE, in consideration of the covenants, agreements, and releases set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by the Parties that all claims of Class Members shall be settled and the Proceedings be discontinued and dismissed with prejudice and that the Parties shall consent to the Courts' Orders finally approving the settlement and dismissing the Proceedings with prejudice, without costs to the Plaintiffs, the classes they seek to represent, or the Defendants, subject to the approval of the Courts, on the following terms and conditions:

SECTION 1 - DEFINITIONS

For the purposes of this Settlement Agreement only, including the Recitals and Schedules hereto:

- (1) ***Account*** means an interest bearing trust account under the control of the Claims Administrator at a Schedule 1 chartered Canadian bank. All interest accrued will be added to the fund used to compensate Eligible Claimants.
- (2) ***Administration Expenses*** means all fees, disbursements, expenses, costs, taxes, and any other amounts incurred or payable by the Plaintiffs, Class Counsel, or otherwise for the approval, implementation, and operation of this Settlement Agreement, including the costs of notice, the costs or fees associated with language translations, and the fees and expenses of the Claims Administrator, and Class Counsel Fees.
- (3) ***Claims Administrator*** means the entity appointed by the Courts to administer the Settlement Agreement pursuant to the terms outlined in Schedule "C".

- (4) ***Claims Deadline*** means ninety (90) days from the date notice of settlement approval is first disseminated.
- (5) ***Class Counsel*** means Siskinds LLP for the National Class and Consumer Law Group for the Québec Class.
- (6) ***Class Counsel Fees*** means the legal fees, disbursements, and applicable taxes of Class Counsel.
- (7) ***Class*** or ***Class Members*** means all members of both the National Class and the Québec Class.
- (8) ***Class Period*** means, with respect to the National Class, the period from December 5, 2008 up to and including the date of the Certification Order of the Ontario Court and, with respect to the Québec Class, the period from December 5, 2008 up to and including the date of the Authorization Order rendered by the Québec Court.
- (9) ***Courts*** means the Ontario Superior Court of Justice and the Superior Court of Québec.
- (10) ***Defendants*** means Reebok Canada Inc., Reebok International Ltd., and Adidas Canada Limited.
- (11) ***Effective Date*** means the date on which the right to terminate the Settlement pursuant to section 6.3 has expired or the final judgments or final approval orders approving this Settlement Agreement issued by the Courts have become Final Orders, whichever is later.
- (12) ***Eligible Claimant(s)*** are the Claimants who are able to establish the criteria for eligibility as defined in section 4.2 and Schedule “E”, below.
- (13) ***Eligible Shoes*** means Reebok’s EasyTone shoes and other applicable Reebok toning shoes, purchased as new by Class Members during the Class Period, which are EasyTone, EasyTone Flip, RunTone, TrainTone, JumpTone, SimplyTone and/or SlimTone.
- (14) ***Eligible Apparel*** means Reebok’s EasyTone and other applicable Reebok toning apparel, purchased as new by Class Members during the Class Period, which are EasyTone Capri, EasyTone Pants, EasyTone Shorts, EasyTone Long Bra Top, EasyTone Sleeveless Shirt, and/or EasyTone Short Sleeve Top.

- (15) ***Final Order/Orders*** means the final judgments or final approval orders entered by the Courts in respect of the certification/authorization as a class proceeding and the approval of this Settlement Agreement, and the expiration of the time to appeal or to seek permission to appeal such final judgment or final approval order without any appeal being taken, or if an appeal from the final approval order is taken, the affirmance of such final approval order in its entirety, without modification, by the court of last resort to which an appeal of such final approval order may be taken.
- (16) ***National Class*** means all persons resident in Canada, excluding Québec, who purchased any and all Eligible Shoes and/or Eligible Apparel from Reebok and/or its authorized retailers and wholesalers, including, without limitation, Reebok Canada Retailers, Reebok Concept Stores, Reebok.com, Reebok Outlets, and/or third party retailers or wholesalers, during the Class Period.
- (17) ***Opt-Out*** means a person who would have been a member of the Class except for his or her timely and valid request for exclusion. Such exclusion will be by the timely submission of an Opt-out Form as attached hereto as Schedule “A”.
- (18) ***Parties*** means the Plaintiffs and the Defendants.
- (19) ***Plaintiffs*** means Chelsea Heney and [REDACTED]
- (20) ***Proceedings*** means Chelsea Heney v. Reebok Canada, Court File No. 5608/11 in Ontario; and [REDACTED] v. Reebok Canada Inc., Reebok International Ltd., and Adidas Canada Limited, Court File No. 500-06-000582-110 in Québec.
- (21) ***Québec Class*** means all persons resident in Québec who purchased any and all Eligible Shoes and/or Eligible Apparel from Reebok and/or its authorized retailers and wholesalers, including, without limitation, Reebok Canada Retailers, Reebok Concept Stores, Reebok.com, Reebok Outlets, and/or third party retailers or wholesalers, during the Class Period.
- (22) ***Released Claims*** means any and all manner of claims, actions, causes of action, suits, elections as to remedy, Québec civil law claims and statutory liabilities, rights, debts, sums of money, payments, obligations, reckonings, contracts, agreements, executions, promises, damages, liens, judgments and demands of whatever kind, type, or nature and

whatsoever, both at law and in equity, whether direct or indirect, whether class, individual, or otherwise in nature, whether personal or subrogated, whether past, present, or future, mature or not yet mature, known or unknown, suspected or unsuspected, contingent or non-contingent, whether based on federal, provincial, territorial, or municipal law, statute, ordinance, regulation, code, contract, common law, or any other source, or any claim that Plaintiffs or Class Members ever had, now have, may have, or hereafter can, shall, or may ever have against the Releasees in any other court, tribunal, arbitration panel, commission, agency, or before any governmental and/or administrative body, or any other adjudicatory body, on the basis of, connected with, arising from, or in any way whatsoever relating to the marketing and sale of Eligible Shoes and/or Eligible Apparel purchased during the Class Period or the claims alleged, or that could have been alleged, in the Proceedings, and, more particularly, but without in any way limiting the generality of the foregoing, arising from, directly or indirectly, or in any way whatsoever pertaining or relating to the claims alleged, or that could have been alleged, in the Proceedings, including, but not limited to, communications, disclosures, nondisclosures, representations, statements, claims, omissions, messaging, design, testing, marketing, advertising, promotion, packaging, displays, brochures, studies, manufacture, distribution, operation, performance, functionality, notification, providing, offering, dissemination, replacement, sale and/or resale by the Releasees of Eligible Apparel and/or Eligible Shoes; any claims for rescission, restitution, or unjust enrichment for all damages of any kind; violations of any province's or territory's deceptive, unlawful, and/or unfair business and/or trade practices, false, misleading, or fraudulent advertising, consumer fraud and/or consumer protection statutes; any breaches of express, implied, and/or any other warranties, any similar federal, provincial, territorial, or municipal acts, statutes, or codes, damages, costs, expenses, extra-contractual damages, compensatory damages, exemplary damages, special damages, penalties, punitive damages and/or damage multipliers, disgorgement, declaratory relief, expenses, interest, and/or attorneys' fees and costs against the Releasees pertaining to or relating to the claims alleged, or that could have been alleged, in the Proceedings, notwithstanding that Plaintiffs and the Class acknowledge that they may hereafter discover facts in addition to or different from those

that they now know or believe to be true concerning the subject matter of the Proceedings and/or the Released Claims.

- (23) ***Releasees*** means, jointly and severally, the Defendants and their respective present and former parents (including, but not limited to, Adidas AG, and any intermediary and/or ultimate parents), officers, directors, employees, stockholders, shareholders, agents, attorneys, suppliers, distributors, reorganized successors, spin-offs, assigns, holding companies, related companies, subsidiaries, affiliates, joint ventures, partners, members, divisions, predecessors, servants, representatives, authorized retailers, and wholesalers for resale, including, without limitation, Reebok Canada Retailers, Reebok Concept Stores, Reebok.com, and Reebok Outlets, as well as other third-party retailers or wholesalers, and the successors, heirs, executors, administrators, trustees, and assigns of each of the foregoing.
- (24) ***Releasors*** means, jointly and severally, individually and collectively, the Plaintiffs, Class Members, and their respective successors, heirs, executors, administrators, trustees, and assigns, and their affiliated, predecessor, successor, and related companies.
- (25) ***Settlement Agreement or Settlement*** means this agreement, including the Recitals and Schedules.
- (26) ***Settlement Amount*** means the amount paid by the Defendants herein, plus any interest accrued.

SECTION 2 - CONDITION PRECEDENT: COURT APPROVAL

Subject to section 7.4 below, this Settlement Agreement shall be null and void and of no force or effect unless the Courts approve this Settlement Agreement, and the orders so given have become Final Orders and the Effective Date has occurred.

SECTION 3 - SETTLEMENT APPROVAL

3.1 Best Efforts

The Parties shall use their best efforts to effectuate this Settlement.

3.2 Motion for Approval

- (1) The Plaintiffs shall file motions before the Courts for orders certifying/authorizing the proceedings as class proceedings (for settlement purposes only) and approving this Settlement Agreement.
- (2) The orders referred to in paragraph 3.2(1) shall be in a form agreed upon by Class Counsel and counsel for the Defendants and approved by the Courts.

SECTION 4 - SETTLEMENT BENEFITS

4.1 Payment of Settlement Amount

- (1) The Defendants agree to pay the Settlement Amount in accordance with this Settlement Agreement, in full satisfaction of all of the Released Claims against the Releasees.
- (2) Contingent on dismissal of the claims and approval of the Settlement in the Proceedings, Defendants have agreed to pay the Settlement Amount of not less than \$1,000,000¹ and not more than \$2,200,000.
 - (a) If, as more specifically described in section 5.6 of Schedule “C”, the total amount of funds expended from the Account as provided herein is less than or equal to \$1,000,000, then Reebok shall donate, to Special Olympics Canada, an amount equal to the difference between the total amount of funds expended from the Account and \$1,000,000.
- (3) Defendants shall pay the amount set forth in section 4.1(2) above as follows:
 - (a) Within sixty (60) days of the date the Settlement Agreement is finally approved by the last Court whose approval is required, including any appeals thereto, Defendants will pay \$1,000,000 to the Claims Administrator. Funds will be converted to Canadian dollars upon deposit.
 - (b) If the monies in the Account drop below CAD\$250,000, the Claims Administrator shall notify Defendants and Defendants, within fifteen (15) business days, shall pay the Claims Administrator an additional \$250,000, such process to repeat as necessary, up to the maximum of \$2,200,000.

¹ Unless otherwise indicated herein, all money amounts are intended to be in U.S. Dollars.

- (4) To the extent reasonably practicable, the Claims Administrator will invest the monies paid by Defendants in a bankers acceptance issued by a Schedule 1 chartered Canadian bank. All interest accrued will be added to the fund used to compensate Class Members.
- (5) If the total amount of eligible claims, together with Administration Expenses and any other deductions from the Account permitted by this Settlement Agreement, will exceed \$2,200,000, then the amounts payable to Eligible Claimants pursuant to section 4.2(8), below, shall be reduced by the Claims Administrator on a pro rata basis.
- (6) The Defendants shall have no obligation to pay any amount, for any reason, except as specifically provided in this Settlement Agreement.
- (7) The Claims Administrator shall maintain the Account as provided for in this Settlement Agreement and shall not pay out any monies from the Account, except in accordance with the provisions of this Settlement Agreement, without an order of the Court made on notice to or on consent of the Parties.

4.2 **Claims and Claimants**

- (1) Class Members shall be eligible for the relief provided in this Settlement Agreement, provided Class Members complete and timely submit, either in paper form or electronically via a website maintained by the Claims Administrator, the Claim Form, substantially in the form attached hereto as Schedule “B”, as agreed upon by Class Counsel and counsel for the Defendants and approved by the Courts, to the Claims Administrator prior to the Claims Deadline.
- (2) The Claim Form shall advise Class Members that, upon request and under certain enumerated circumstances, the Claims Administrator has the right to request verification of the purchase of Eligible Apparel and/or Eligible Shoes, including, but not limited to, receipt(s) or other documentation demonstrating purchase of any and all of the Eligible Shoes and/or Eligible Apparel during the Class Period. If the Class Member does not timely comply and/or is unable to produce documents to substantiate and/or verify the information on the Claim Form and the Claim is otherwise not approved, the Claim shall be disqualified.

- (3) Claims submitted in connection with the settlement in *In re Reebok Easytone Litigation*, Case No. 4:10-CV-11977-FDS, in the United States District Court for the District of Massachusetts (the “U.S. Settlement”), by Canadian residents who are Class Members herein, and which were not paid by the Claims Administrator in the U.S. Settlement (the “U.S. Settlement Claimants”), shall be transferred for consideration under this Settlement Agreement. Any such transferred claims shall be considered timely submitted pursuant hereto, and the Claims Administrator shall notify the U.S. Settlement Claimants that their claims have been transferred.
- (4) The Claims Administrator shall provide periodic updates to Class Counsel and Defendants regarding Claim Form submissions beginning not later than thirty (30) days after the first completed Claim Form is received by the Claims Administrator and continuing on a monthly basis thereafter.
- (5) The Defendants will have the right to examine the supporting documentation for any claim submitted to the Claims Administrator.
- (6) Any disputes between the Parties with respect to whether a claimant has met any criteria will be resolved in accordance with Schedule “C”.
- (7) The Claims Administrator shall begin to pay timely, valid, and approved Claims within sixty (60) days after the Claims Deadline. The Claims Administrator shall use its best efforts to complete the payment to Class Members who have submitted timely, valid, and approved Claims, within ninety (90) days after the Claims Deadline.
- (8) The relief to be provided to eligible Class Members shall be as follows:
 - (a) For all Eligible Shoes: An initial amount of CAD\$50.00, and a maximum of not more than CAD\$100.00.
 - (b) For EasyTone Capri and EasyTone Pants: An initial amount of CAD\$40.00, and a maximum of not more than CAD\$80.00.
 - (c) For all other Eligible Apparel: An initial amount of CAD\$25.00, and a maximum of not more than CAD\$50.00.

4.3 Taxes and Interest

- (1) All interest earned on the Settlement Amount shall become and remain part of the Account.
- (2) Class Counsel shall bear all risks related to the investment of the Settlement Amount in the Account.
- (3) All funds held by the Claims Administrator shall be deemed and considered to be in the custody of the Ontario Court, and shall remain subject to the jurisdiction of the Ontario Court until such time as such funds shall be distributed pursuant to the Settlement Agreement and/or further order of the Ontario Court.
- (4) Class Counsel, jointly and severally, hereby indemnifies, defends, and holds harmless the Defendants from and against any harm or injury suffered by reason of the use, misuse, erroneous disbursement, or other action taken or failure to act by Class Counsel or by the Claims Administrator with respect to the Settlement Amount, or funds in the Account not strictly in accordance with the provisions of this Settlement Agreement or any orders of the Courts.
- (5) All taxes payable on any interest which accrues on the Settlement Amount in the Account or otherwise in relation to the Settlement Amount, shall be the responsibility of the Class. The Claims Administrator in consultation with Class Counsel shall be solely responsible to fulfill all tax reporting and payment requirements arising from the Settlement Amount in the Account, including any obligation to report taxable income and make tax payments. All taxes (including interest and penalties) due with respect to the income earned by the Settlement Amount shall be paid from the Account.
- (6) The Defendants shall have no responsibility to make any tax filings relating to the Account and shall have no responsibility to pay tax on any income earned by the Settlement Amount or pay any taxes on the monies in the Account.

SECTION 5 - RELEASES AND DISMISSALS

5.1 Release of Releasees

- (1) Upon the Effective Date, and for the consideration provided in this Settlement Agreement, the Releasers will fully, finally, and forever release, relinquish, acquit, and

discharge the Releasees from and for the Released Claims, and shall not now or hereafter institute, maintain, or assert on their own behalf, on behalf of the Class, or on behalf of any other person or entity, any Released Claim or Released Claims.

- (2) The Parties intend that the final Settlement Agreement will be approved by the Courts and will result in the dismissal of all claims asserted or which could have been asserted by members of the putative classes herein on the terms set forth herein in Ontario and Québec.
- (3) Without limiting any other provisions herein, each Class Member who did not opt-out, whether or not he or she submits a claim or otherwise receives an award, will be deemed by the Settlement Agreement completely and unconditionally to have released and forever discharged the Releasees from any and all Released Claims, including all claims, actions, causes of action, suits, debts, duties, accounts, bonds, covenants, contracts, and demands whatsoever, whether known or unknown, that were asserted or could have been asserted in the litigation that is the subject of this Settlement Agreement.
- (4) The Parties agree that each Class Member who did not opt-out, whether or not he or she submits a claim or otherwise receives an award, will be forever barred and enjoined from continuing, commencing, instituting, or prosecuting any action, litigation, investigation or other proceeding in any court of law or equity, arbitration, tribunal, proceeding, governmental forum, administrative forum, or any other forum, directly, representatively, or derivatively, asserting against any of the Defendants, Releasees, and/or third-party any claims that relate to or constitute any Released Claims covered by the final Settlement Agreement.

5.2 **Dismissal of Proceedings**

The Parties shall, on consent, as part of the motions for approval of the Settlement, request the Courts to dismiss the Proceedings with prejudice as against the Defendants, without costs.

SECTION 6 - OPTING-OUT AND RIGHT TO TERMINATE AGREEMENT

6.1 Procedure

- (1) The procedure for opting out, including timing and notice requirements and the information required from the person seeking to opt-out as set forth in Schedule “A”, shall be agreed to by the Parties and approved by the Courts.
- (2) Class Counsel shall, as part of the motions for approval of the Settlement, submit a notice in a form that is mutually agreed by the Parties and substantially similar to Schedule “G”, which shall include, *inter alia*, information regarding opting out of the action, for approval by the Courts. This notice shall require that on a date (the “Opt-Out Deadline”) sixty (60) days prior to the Claims Deadline, Class Members who do not want to participate in the Settlement Agreement must submit a timely and valid request for exclusion from the Class in the Opt-Out Form attached as Schedule “A”.

6.2 Opt-Out Report

Within fifteen (15) days after the expiration of the Opt-Out Deadline, the Defendants and Class Counsel shall be provided with a report from the Claims Administrator advising as to the names of any Opt-Outs, the reasons for their opting out, if known, and a copy of all information provided by that Opt-Out (“Opt-Out Report”).

6.3 Right to Terminate

If 250 or more Class Members Opt-Out of the Settlement and indicate an intention to pursue a claim against the Defendants either individually or collectively, then the Defendants may terminate this Settlement Agreement.

SECTION 7 - TERMINATION OF SETTLEMENT AGREEMENT

7.1 Manner of Termination

If Defendants exercise their right to terminate this Settlement Agreement pursuant to paragraph 6.3, then they shall give written notice of the termination to Class Counsel no later than thirty (30) days after receipt of the Opt-Out Report.

7.2 Effect of Termination

In the event of termination of this Settlement Agreement pursuant to paragraph 6.3, and notwithstanding any other provisions of this Agreement, all Parties shall be restored to their respective positions in and with respect to the Proceedings immediately prior to the date on which this Settlement Agreement is signed by all Parties. Any certification/authorization order made for the purposes of settlement shall be rescinded on consent.

The Parties further agree that any certification/authorization of a class for the purposes of settlement shall be without prejudice to any position that any of the Parties may later take on any issue in the Proceedings in the event of termination, and that the Defendants' consent to certification/authorization for the purposes of settlement shall not constitute and shall not be deemed or construed as any admission on the part of the Defendants that the Proceedings, or any other class proceeding, putative or otherwise, is appropriate for trial as a class proceeding.

7.3 Survival of Provisions After any Termination

If this Settlement Agreement is terminated pursuant to paragraph 6.3, the provisions of this Settlement Agreement will have no force or effect and all obligations related thereto shall cease immediately, with the exception that the agreements and commitments contained in Section 11 shall survive termination.

7.4 Not Approved by the Court

- (1) If this Settlement Agreement is not approved by each of the Ontario and Québec Courts:
 - (a) it shall be null and void and shall have no force or effect, and the Parties shall not be bound by its terms, with the sole exception of the agreements and commitments contained in section 11, which shall survive; and
 - (b) all negotiations, statements, and proceedings relating to the Settlement and the Settlement Agreement shall be deemed to be without prejudice to the rights of the

Parties, and the Parties shall be deemed to be restored to their respective positions existing immediately before it was executed.

- (2) The parties expressly reserve all their respective rights to the extent that the Ontario and Québec Courts do not approve this Settlement Agreement.

SECTION 8 - DISTRIBUTION OF THE SETTLEMENT AMOUNT AND ACCRUED INTEREST

8.1 Monies in the Account

In no event shall the Defendants have any responsibility, financial obligations, or liability whatsoever with respect to the investment, distribution, use, or administration of monies in the Account including, but not limited to, the costs and expenses of such investment, distribution, use, and administration and Administration Expenses except as otherwise provided for in section 4 of this Settlement Agreement.

SECTION 9 - LEGAL FEES AND DISBURSEMENTS

- (1) Class Counsel will bring motions to the Courts for approval of Class Counsel Fees. Such Fees are awarded at the discretion of the Courts after hearing from counsel for the Parties. The Defendants will not take any position with respect to the amount of Class Counsel Fees requested by Class Counsel.
- (2) Class Counsel Fees shall be paid out of the Settlement Amount and may be paid out only after Class Counsel obtain the approval of the Courts. The approval of the Settlement shall not be contingent upon the approval Class Counsel Fees.
- (3) Class Members who have retained, or in the process of making a claim do retain, lawyers to assist them in making their individual claims to this Settlement shall be responsible for the legal fees and expenses of such lawyers.

SECTION 10 - ADMINISTRATION AND IMPLEMENTATION

10.1 Mechanics of Administration

Except to the extent provided for in this Settlement Agreement, the mechanics of the implementation and administration of this Settlement Agreement shall be determined by the Courts on motion brought by the Parties, or any of them.

10.2 Notices Required

- (1) The Class shall be given notice of (i) the hearing at which the Courts will be asked to approve the Settlement Agreement; (ii) the outcome of that hearing; and (iii) any termination of this Settlement Agreement if the Settlement is terminated after notice of the hearing to approve the Settlement was provided.
- (2) Class Counsel and the Defendants will jointly prepare such Notices to the Class as may be required, to provide for “Short Form” and “Long Form” Notices substantially in the form attached in Schedules “D”, “E”, “F”, and “G”, respectively, as well as a plan for distribution of the Notices (Schedules “H” and “I”). Counsel acknowledge that all Notices and the plan for distribution of Notices must be approved by the Courts. No Notices shall be disseminated anywhere until such time as they are approved by the Ontario Superior Court of Justice and the Superior Court of Québec.

SECTION 11 - NO ADMISSION OF LIABILITY

The Parties agree that, whether or not this Settlement Agreement is finally approved or is terminated, this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions, and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be deemed, construed, or interpreted to be an admission of any violation of any statute or law, or of any wrongdoing or liability by the Releasees or any of them, or of the truth of any of the claims or allegations made in the Proceedings or in any other pleading filed by the Plaintiffs.

The Parties further agree that, whether or not this Settlement Agreement is finally approved or is terminated, neither this Settlement nor any document relating to it shall be offered in evidence in any action or proceeding in any court, agency or tribunal, except to seek court

approval of this Settlement Agreement or to give effect to and enforce the provisions of this Settlement Agreement.

SECTION 12 - MISCELLANEOUS

12.1 Motions for Directions

- (1) The Plaintiffs, Class Counsel, the Claims Administrator, or the Defendants may apply to the Courts for directions in respect of the implementation and administration of this Settlement Agreement.
- (2) All motions contemplated by this Settlement Agreement, including applications to the Courts for directions, shall be on notice to the Parties.

12.2 Timing

The Parties will make their best efforts to bring the motion to approve the Settlement Agreement within sixty (60) days of the execution of the Settlement Agreement.

12.3 Releasees Have No Liability for Administration

The Releasees have no responsibility for and no liability whatsoever with respect to the administration of the Settlement Agreement.

12.4 Headings, etc.

In this Settlement Agreement:

- (a) the division of the Settlement Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Settlement Agreement; and
- (b) the terms “this Settlement Agreement”, “the Settlement Agreement”, “hereof”, “hereunder”, “herein”, “hereto”, and similar expressions refer to this Settlement Agreement and not to any particular section or portion of this Settlement Agreement.

12.5 Ongoing Jurisdiction

The Ontario Superior Court of Justice and the Superior Court of Québec shall retain exclusive jurisdiction over all matters relating to the implementation and enforcement of this Settlement Agreement as it relates to the Proceedings in their respective Court. The Parties agree that any claim that a Party has breached the Settlement Agreement may be adjudicated before the Ontario Court, with appeal rights from any decisions preserved as provided in the Rules of Civil Procedure.

12.6 Governing Law

This Settlement Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario with respect to the National Class, and governed, construed, and interpreted in accordance with the laws of Québec with respect to the Québec Class.

12.7 Entire Agreement

This Settlement Agreement constitutes the entire agreement among the Parties, and supersedes any and all prior and contemporaneous understandings, undertakings, negotiations, representations, communications, promises, agreements, agreements in principle, and memoranda of understanding in connection herewith. The Parties agree that they have not received or relied on any agreements, representations, or promises other than as contained in this Settlement Agreement. None of the Parties shall be bound by any prior obligations, conditions, or representations with respect to the subject matter of this Settlement Agreement, unless expressly incorporated herein. This Settlement Agreement may not be modified or amended except in writing and on consent of all Parties hereto, and any such modification or amendment must be approved by the Courts.

12.8 **Binding Effect**

Once the Settlement Agreement is approved by the Courts and the approval orders become Final Orders, this Settlement Agreement shall be binding upon, and inure to the benefit of, the Plaintiffs, Class Members, the Releasers, the Defendants, the Releasees, Class Counsel, and the Claims Administrator.

12.9 **Survival**

The representations and warranties contained in this Settlement Agreement shall survive its execution and implementation.

12.10 **Counterparts**

This Settlement Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same agreement, and a facsimile signature shall be deemed an original signature for purposes of executing this Settlement Agreement. This Settlement Agreement may be delivered and is fully enforceable in either original, faxed, or other electronic form provided that it is duly executed.

12.11 **Negotiated Agreement**

This Settlement Agreement has been the subject of negotiations and discussions among the Parties, each of which has been represented and advised by competent counsel, so that any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Settlement Agreement shall have no force and effect. The Parties further agree that the language contained or not contained in previous drafts of this Settlement Agreement, or any agreement in principle, shall have no bearing upon the proper interpretation of this Settlement Agreement.

12.12 **Language**

The Parties acknowledge that they have required and consented that this Settlement Agreement and all related documents be prepared in English; les Parties reconnaissent avoir exigé que la présente convention et tous les documents connexes soient rédigés en anglais.

12.13 **Dates**

Dates referred to in this Settlement Agreement may be altered with the written consent of the Parties and with the approval of the Courts.

12.14 **French Translation**

A French translation of this Settlement Agreement, all Schedules attached hereto, and all Notices pursuant to this Settlement Agreement shall be prepared by the Claims Administrator and made available to Class Members upon their request.

The English and French versions of this Settlement Agreement shall be equally authoritative.

12.15 **Transaction**

The present Settlement Agreement constitutes a transaction in accordance with Articles 2631 and following of the *Civil Code of Québec*, and the parties are hereby renouncing to any errors of fact, law, and/or calculation.

12.16 **Confidentiality**

When the Notice of Settlement Approval is first disseminated in accordance with Schedule “T”, the Claims Administrator will publish a press release, the form and content of which will be agreed to by the Parties. The Claims Administrator will be permitted to respond to inquiries from the media for the sole purpose of explaining the Settlement and claims process.

The Parties agree that no public statements shall be made by the Claims Administrator regarding these Proceedings or their settlement which are in any way inconsistent with the terms of the Settlement Agreement. In particular, the Parties agree that any public statements regarding these Proceedings will indicate clearly that the Settlement has been negotiated, agreed, and approved by the Courts without any admissions or findings of liability or wrongdoing, and without any admissions or conclusions as to the truth of any of the facts alleged in the Proceedings, all of which are specifically denied.

Each Party agrees not to disparage the opposite Parties or their counsel with respect to any of the matters in issue in the Proceedings or the manner in which the Proceedings were conducted or settled. The Parties agree that any public statements that are inconsistent with the terms of this Settlement Agreement could cause irreparable harm, including harm to the business and reputation of the Defendants.

12.17 Recitals

The recitals to this Settlement Agreement are true and form part of the Settlement Agreement.

12.18 Schedules

The Schedules annexed hereto form part of this Settlement Agreement.

12.19 Acknowledgments

Each of the parties hereby affirms and acknowledges that:

- (a) he, she, or a representative of the Party with the authority to bind the Party with respect to the matters set forth herein has read and understood the Settlement Agreement;
- (b) the terms of this Settlement Agreement and the effects thereof have been fully explained to him, her, or the Party's representative by his, her, or its counsel;

- (c) he, she, or the Party's representative fully understands each term of the Settlement Agreement and its effect; and
- (d) no Party has relied upon any statement, representation, or inducement (whether material, false, negligently made, or otherwise) of any other Party with respect to the first Party's decision to execute this Settlement Agreement.

12.20 Authorized Signatories

Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Settlement Agreement.

12.21 Notice

Where this Settlement Agreement requires a Party to provide notice or any other communication or document to another, such notice, communication, or document shall be provided by email, facsimile, or letter by overnight delivery to the representatives for the Party to whom notice is being provided, as identified below:

For Plaintiffs and for Class Counsel:

Daniel Bach
Siskinds LLP
47 Colborne Street, Suite 203
Toronto, ON M5E 1P8
Tel: (416) 362-8334 x222
Fax: (519) 660-2085
Email: daniel.bach@siskinds.com

Me Jeff Orenstein
Consumer Law Group Inc.
1123 Clark St., 3rd Floor
Montréal, QC H2Z 1K3
Tel: (514) 266-7863
Fax: (514) 868-9690
Email: jorenstein@clg.org


For Defendants:

Michael A. Eizenga
Bennett Jones LLP
Suite 3400, 1 First Canadian Place
PO Box 130
Toronto, ON M5X 1A4
Tel: (416) 777-4879
Fax: (416) 863-1716
Email: eizengam@bennettjones.com

Céline Legendre
McCarthy Tétrault LLP
Bureau 2500
1000, rue De La Gauchetière Ouest
Montreal, QC H3B 0A2
Tel: (514) 397-7848
Fax: (514) 875-6246
Email: clegendre@mccarthy.ca

The Parties have executed this Settlement Agreement as of the date on the cover page.

CHELSEA HENEY and [REDACTED]
[REDACTED]

By: 
Name: Siskinds LLP
Title: Counsel for Chelsea Heney

By: _____
Name: Consumer Law Group Inc.
Title: Counsel for [REDACTED]

**REEBOK CANADA INC., REEBOK
INTERNATIONAL LTD., and ADIDAS
CANADA LIMITED**


By: _____
Name: Bennett Jones LLP
Title: Counsel for the Defendants

By: _____
Name: McCarthy Tétrault LLP
Title: Counsel for the Defendants

The Parties have executed this Settlement Agreement as of the date on the cover page.

CHELSEA HENEY and [REDACTED]
[REDACTED]

By: _____
Name: Siskinds LLP
Title: Counsel for Chelsea Heney

By:  _____
Name: Consumer Law Group Inc.
Title: Counsel for [REDACTED]

**REEBOK CANADA INC., REEBOK
INTERNATIONAL LTD., and ADIDAS
CANADA LIMITED**

By: _____
Name: Bennett Jones LLP
Title: Counsel for the Defendants

By: _____
Name: McCarthy Tétrault LLP
Title: Counsel for the Defendants

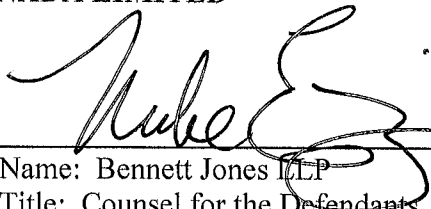
The Parties have executed this Settlement Agreement as of the date on the cover page.

CHELSEA HENEY and [REDACTED]
[REDACTED]

By: _____
Name: Siskinds LLP
Title: Counsel for Chelsea Heney

By: _____
Name: Consumer Law Group Inc.
Title: Counsel for [REDACTED]

**REEBOK CANADA INC., REEBOK
INTERNATIONAL LTD., and ADIDAS
CANADA LIMITED**

By:  _____
Name: Bennett Jones LLP
Title: Counsel for the Defendants

By: _____
Name: McCarthy Tétrault LLP
Title: Counsel for the Defendants

The Parties have executed this Settlement Agreement as of the date on the cover page.

CHELSEA HENEY and [REDACTED]

By: _____
Name: Siskinds LLP
Title: Counsel for Chelsea Heney

By: _____
Name: Consumer Law Group Inc.
Title: Counsel for [REDACTED]

REEBOK CANADA INC., REEBOK INTERNATIONAL LTD., and ADIDAS CANADA LIMITED

By: _____
Name: Bennett Jones LLP
Title: Counsel for the Defendants

By: Celine Legendre, McCarthy Tétrault LLP
Name: McCarthy Tétrault LLP
Title: Counsel for the Defendants

SCHEDULE B

Reebok Toning Shoes and Apparel Class Action Settlement

Claim Form

Use this claim form only if you bought eligible Reebok toning shoes or apparel between **December 5, 2008 and [DATE]**. The eligible Reebok shoes and apparel are listed below.

All claim forms must be electronically submitted no later than **[DATE]** or postmarked no later than **[DATE]** to:

[Claims Administrator]
[Address]
[City, Province, Postal Code]

CLAIM INFORMATION
CLASS MEMBER INFORMATION

Name:

Mailing Address:

Number and Street

City: Province: Postal Code:

Best Telephone Number: () - E-mail Address:

<i>PURCHASE INFORMATION – REEBOK SHOES</i>	
<i>Eligible Reebok Shoe Types</i>	<i>Quantity Purchased</i>
EasyTone	
EasyTone Flip	
RunTone	

TrainTone	
JumpTone	
SimplyTone	
SlimTone	

<i>PURCHASE INFORMATION – REEBOK APPAREL</i>	
<i>Eligible Reebok Apparel</i>	<i>Quantity Purchased</i>
EasyTone Capri	
EasyTone Pants	
EasyTone Shorts	
EasyTone Long Bra Top	
EasyTone Sleeveless Shirt	
EasyTone Short Sleeve Top	

Payment amounts to eligible Class Members will vary depending upon, among other factors, the product(s) purchased, the number of claims and amounts claimed by all Class Members, and other adjustments and deductions as specified in the Settlement Agreement.

Please note: If you submit a claim where the amount sought exceeds \$200.00, the Class Action Settlement Administrator may request proof of purchase to validate your claim. If the total amount of all claims submitted by all class members exceeds the total available relief, subject to any and all applicable deductions, the Class Action Settlement Administrator may request proof of purchase to validate your claim. If requested, you must provide proof of purchase or your claim will be reduced or denied and you may not appeal the reduction or denial.

AFFIRMATION

I declare or affirm, under penalty of perjury, that the information in this claim form is true and correct to the best of my knowledge and that I purchased the applicable product(s) claimed above between December 5, 2008 and [DATE]. I understand that the decision of the Claims Administrator is final and binding. I understand that my claim form may be subject to audit, verification, and Court review.

Signature: _____ Date: _____

Claim Forms must be electronically submitted no later than [DATE] or postmarked no later than [DATE], 2012.

Questions? Visit [www.\[insert website\].com](http://www.[insert website].com) or call, toll-free, [number].

SCHEDULE C

CLAIMS ADMINISTRATION PROCEDURES

The procedures set forth herein are for the administration of the Settlement Agreement and for the submission, processing, approval, compensation, and appeal of individual claims pursuant to the Reebok Toning Shoes and Apparel Class Action Settlement Agreement. The procedures shall be implemented by the Claims Administrator, subject to the ongoing authority and supervision of the Courts. The Claims Administrator may adopt additional policies and procedures for the administration of the Settlement Agreement that are consistent with the Settlement Agreement and the Orders of the Courts.

1. ADMINISTRATION OF SETTLEMENT FUNDS

Following appointment by the Courts, the Claims Administrator shall receive directly from the Defendants all settlement funds provided for in Section 4 of the Settlement Agreement at the times outlined in the Settlement Agreement. The Claims Administrator shall invest the funds in the classes of securities provided in Section 26 of the *Trustee Act*, R.S.O 1990, c.23, with all interest or other income on such funds being added to the monies in trust for the benefit of the Class Members and all costs and fees of the custodian and/or manager of the funds to be paid out of the interest or sole income on such funds. The Claims Administrator shall implement the Settlement Agreement so as to provide benefits to Eligible Claimants only, and in a timely manner designed to treat similarly situated Claimants as uniformly as reasonably possible and to minimize to the extent reasonably possible the administration and other transaction costs associated with the implementation of the Settlement Agreement. The Claims Administrator shall provide to Class Counsel and to Defendants' Counsel:

- (a) periodically, and no less than twenty-one (21) days before any proposed distribution is made, a list of the persons who the Claims Administrator has identified as Eligible Claimants and the amount that the Claims Administrator proposes to compensate each Eligible Claimant ("List of Approved Claims"); and
- (b) a written report on the distribution made and monthly written reports on monies remaining in trust subsequent to the distribution.

2. CLAIM FORMS AND CLAIM DEADLINE

Eligibility under the Settlement Agreement requires proper completion and execution of the claim form in the form attached to the Settlement Agreement as Schedule "B" ("Claim Form").

Claimants must submit their Claim Form by the Claims Deadline. Subject to Section 3.1(b)(iii) below, any Claimant who fails to file their Claim Form in a timely manner will not be entitled to share in any distribution made in accordance with the Settlement Agreement.

3. GENERAL CLAIMS REVIEW AND PROCESSING GUIDELINES

The Claims Administrator shall process all Claims in a cost-effective and timely manner.

3.1 General Guidelines

- (a) The Claims Administrator shall conduct Claims processing so that it is completed within the time period specified in the Settlement Agreement. Except as provided below, Class Members must submit their Claims so that they are postmarked or submitted online on or before the Claims Deadline.
- (b) The Claims Administrator shall gather, review, prepare, and address the Claim Forms received pursuant to the Settlement Agreement and these Procedures.
 - (i) Claims that have been properly submitted shall be designated as “Approved Claims”. The Claims Administrator shall examine the Claim Form before designating the Claim as an Approved Claim, to determine that the information on the Claim Form is reasonably complete. In determining whether a Claim Form is reasonably complete, the Claims Administrator shall consider what an ordinary person would be able to complete on the Claim Form, and shall readily deem a Claim as an Approved Claim provided a sufficient amount of money is available in the Account to pay all properly completed Claim Forms and all fees and costs that are permitted to be deducted from the Account pursuant to the Settlement Agreement and sufficient information is provided on the Claim Form to enable the mailing of the settlement payment to the Claimant.
 - (ii) No Claimant may submit more than one Claim Form for each pair of Eligible Shoes or each piece of Eligible Apparel owned by the Claimant, and two or more Claimants may not submit Claim Forms for all or part of the same purchase. The Claims Administrator shall identify any Claim Forms that appear to seek relief on behalf of the same Claimant (“Duplicative Claim Forms”). The Claims Administrator shall determine whether there is any duplication of Claims, if necessary by contacting the Claimant(s) or their counsel. The Claims Administrator shall designate any such Duplicative Claims as rejected Claims to the extent they allege the same damages or allege damages on behalf of the same Claimant.
 - (iii) The Claims Administrator shall have discretion to accept claim forms submitted after the Claims Deadline but prior to the distribution of settlement funds. In deciding whether to accept Claim Forms submitted after the Claims Deadline but prior to the distribution of settlement funds, the Claims Administrator shall

consider i) any written explanation provided by Claimant; and ii) whether the late-submitted Claim would delay the distribution of settlement funds to Claimants.

- (iv) The Claims Administrator shall exercise, in its discretion, all usual and customary steps to prevent fraud and abuse and take any reasonable steps to prevent fraud and abuse in the Claim process. The Claims Administrator may, in its discretion, deny in whole or in part any Claim to prevent actual or possible fraud or abuse.
 - (v) By agreement of the Parties, the Parties can instruct the Claims Administrator to take whatever steps they deem appropriate to preserve the Account to further the purposes of the Settlement Agreement if the Claims Administrator identifies actual or possible fraud or abuse relating to the submission of Claims, including, but not limited to, denying in whole or in part any Claim to prevent actual or possible fraud or abuse.
- (c) The Claims Administrator shall provide periodic reports to Class Counsel, and Defendants regarding the implementation of the Settlement Agreement and this Procedure. To the extent a review of individual Claim Forms is needed, such review should be limited to Class Counsel.
- (i) For those claims where the amount sought by the Class Member exceeds \$200.00, the Claims Administrator may review timely submitted Claim Forms and approve or contest any of the Claims, including, but not limited to, requesting that the Class Member submit a receipt demonstrating purchase of the Eligible Shoes and/or Eligible Apparel during the Class Period. Failure to timely or fully respond to a deficiency letter from the Claims Administrator may result in a reduction or denial of the Class Member's Claim, unless Defendants and Class Counsel otherwise agree.
 - (ii) If the total amount of Claims submitted by all Class Members exceeds the available relief as specified in Sections 4 of the Settlement Agreement and/or Section 4(c) of this Procedure, then the Claims Administrator may request proof of purchase for some or all of the Claims.
 - (iii) If, during Claims processing, the Claims Administrator finds that technical deficiencies exist in a Claimant's Claim Form that the Claims Administrator determines preclude the proper processing of such Claim, the Claims Administrator shall notify the Claimant via first class regular mail, or by email if the Claimant provided an email address, of the technical deficiencies, and shall allow the Claimant thirty-five (35) days from the mailing of such notice to

correct the deficiencies. If the deficiencies are not corrected within the thirty-five (35) day period, the Claims Administrator shall reject the Claim. The Claimant will have no further opportunity to correct the technical deficiency.

- (iv) If a Claim Form is not contested, that Claim shall be processed for payment by the Claims Administrator. If a Claim Form is contested, including but not limited to, requesting supporting documentation, the Claims Administrator shall promptly notify the Parties and mail a letter that advises the Claimant of the reason(s) why the Claim Form was contested and request, if applicable, any and all additional information and/or documentation, to validate the Claim and have it submitted for payment. The additional information and/or documentation can include, for example, receipts evidencing purchase of the Eligible Shoes and/or Eligible Apparel and/or the payment amount. The Claimant shall have thirty-five (35) days from the date of the postmarked letter sent by the Claims Administrator to respond to the request from the Claims Administrator and the Claimant shall be so advised.
 - (1) In the event the Claimant timely provides the requested information and/or documentation, the Claim shall be deemed validated and shall be processed by the Claims Administrator for payment.
 - (2) In the event the Claimant does not timely and completely provide the requested information and/or documentation, the Claims Administrator shall send the Claimant a letter stating that the Claim has been reduced or denied unless Defendants and Class Counsel otherwise agree.
- (d) The Claims Administrator's reduction or denial of a Claim pursuant to paragraph 3.1(c)(iv) above is final and may not be appealed by the Claimant, Class Counsel, or Defendants. However, if a Claimant's Claim is reduced or denied because the Claims Administrator determined that the documentation submitted to support Claimant's Claim was not sufficient to prove the Claim, the Claims Administrator shall provide a report to Class Counsel and Defendants who shall meet and confer in an attempt to resolve these deficient Claims. If Class Counsel reasonably recommends payment of the Claim or payment of a reduced claim amount and Defendants agree (and Defendants' agreement shall not be unreasonably withheld), then Class Counsel shall instruct the Claims Administrator to pay those Claims. Class Counsel may move before the Court in the event Defendants' agreement is unreasonably withheld.
- (e) The Claims Administrator shall provide all information gathered in investigating Claims, including, but not limited to, copies of all correspondence and email and

all notes of the Claims Administrator, the decision reached, and all reasons supporting the decision, if requested by Class Counsel or Defendants.

4. CLAIM CALCULATION AND PAYMENT OF VALID CLAIMS

- (a) As specified in Section 4 of the Settlement Agreement, the Claims Administrator shall select the timely, valid, and approved Claims submitted pursuant to the Claim process to be paid from the Account (i) minus any payments or expected payments for the costs and expenses associated with disseminating the notice, including, but not limited to, the short and long form Notice of Hearing and the short and long form Notice of Settlement Approval, to the Class and the costs and expenses associated with claims administration; (ii) minus Class Counsel Fees; and/or (iii) subject to any pro rata adjustments.
- (b) The Claims Administrator shall pay timely, valid, and approved Claims not before ten (10) days after the Claims Deadline. Not later than ninety (90) days after the Claims Deadline, the Claims Administrator shall have completed the payment to Class Members who have submitted timely, valid and approved Claims.
- (c) The relief to be provided to eligible Class Members shall be as follows:
 - (i) For all Eligible Shoes: A maximum of not more than CAD\$100.00.
 - (ii) For EasyTone Capri and EasyTone Pants: A maximum of not more than CAD\$80.00.
 - (iii) For all other Eligible Apparel: A maximum of not more than CAD\$50.00.
- (d) Applicable sales or similar taxes shall not be used to calculate the relief percentages relating to the purchase of the Eligible Shoes and/or Eligible Apparel.
- (e) If the total of the timely, valid, and approved Claims submitted by Class Members exceeds the available relief, minus any covered fees and costs as specified in section 4(a) herein, each eligible Class Member's award shall be reduced on a pro rata basis.

5. MISCELLANEOUS

5.1 French Translation

Pursuant to Section 12.14 of the Settlement Agreement, the Claims Administrator shall prepare and make available to Class Members, upon their request, a French translation of the Settlement Agreement, all Scheduled attached thereto, and all Notices pursuant to the Settlement Agreement.

5.2 Internet Web Site

The Claims Administrator shall establish an internet website that will inform Class Members of the terms of the Settlement Agreement, their rights, dates, and deadlines and related information. The website shall include, in .pdf format, materials agreed upon by the Parties and/or required by the Courts, and shall provide for the electronic submission of Claims by Class Members. The website shall be available in both French and English.

5.3 Timeliness of Submissions

All submissions by Claimants to the Claims Administrator relating to a Claim shall be made electronically via the Settlement website or in paper form transmitted via regular first class mail or delivery by courier. All electronic submissions shall be conclusively deemed to have been submitted to the Claims Administrator upon transmission. All submissions by mail shall be conclusively deemed to have been submitted to the Claims Administrator on the postmark date of such mail. All submissions delivered to the Claims Administrator by overnight or other courier shall be conclusively deemed to have been submitted to the Claims Administrator on the date the submissions were deposited with the overnight or other courier. These provisions shall determine the timeliness of any submissions to the Claims Administrator. Submissions to the Claims Administrator by any other means, including without limitation, facsimile or electronic mail, shall not be considered timely unless such materials are also submitted to the Claims Administrator electronically via the Settlement website or via mail or courier delivery by the Claim Deadline.

5.4 Call Centre

The Claims Administrator shall establish a toll-free call centre for the assistance of Class Members and may devise such other means as the Claims Administrator deems appropriate to provide Claimants with information on the status of their Claims. The toll-free call centre and all other means of communication shall be available in both French and English.

5.5 Correspondence with Class Members

All written communications from the Claims Administrator to a Class Member shall be transmitted via regular first class mail to the last address provided by the Class Member to the Claims Administrator. Such written communications shall be directed to the Class Member's legal counsel, if the Class Member is represented by counsel. Payments by the Claims Administrator to a represented Claimant shall be made to the Claimant's counsel in trust for the Claimant. The Claimant (and legal counsel to a represented Claimant) shall be responsible for apprising the Claims Administrator of the Claimant's and counsel's correct and current mailing address. The Claims Administrator shall have no responsibility for locating Claimants for any mailing returned to the Claims Administrator as undeliverable. The Claims Administrator shall have the discretion, but is not required, to reissue payments to Claimants returned as undeliverable under such policies and procedures as the Claims Administrator deems appropriate.

5.6 Surplus Settlement Monies

If, within twelve (12) months of the payments being issued to Claimants from the Claims Administrator, a balance exists in the trust account as a result of returned or un-cashed cheques, interest earned on the Settlement Amount and not allocated to Claimants, or any other surplus monies, the balance in the trust account shall be paid to Defendants, provided, however, that if the total amount of funds already expended from the trust account is less than or equal to \$1,000,000, then Reebok shall donate, to Special Olympics Canada, an amount equal to the difference between the total amount of funds already expended from the trust account and \$1,000,000.

5.7 Legal Counsel to Claimants

A Claimant shall be considered to be represented by legal counsel in connection with a Claim only if the Claims Administrator has received written notice signed by the Claimant of the identity of the Claimant's counsel. A Claimant may discontinue such representation at any time by written notice to the Claims Administrator. No liens or claims for counsel fees or costs may be asserted against the Claims Administrator or the funds held by the Claims Administrator at any time.

5.8 Preservation and Disposition of Claim Submissions

The Claims Administrator shall preserve, in hard copy or electronic form, as the Claims Administrator deems appropriate, the submissions relating to a Claim, until the termination of one (1) year after the last Claim has been paid out and/or after any appeals have been dealt with and at such time shall dispose of the submissions, by shredding or such other means as will render the materials permanently illegible.

5.9 Assistance to the Claims Administrator

The Claims Administrator shall have the discretion to enter into such contracts and obtain financial, accounting, and other expert assistance as are reasonably necessary in the implementation of the Settlement Agreement.

5.10 Taxation of the Funds

The Claims Administrator shall take all reasonable steps to minimize the imposition of taxes upon the monies in trust, and shall have the discretion to pay any taxes imposed on such monies out of the monies in trust.

SCHEDULE D

SHORT FORM NOTICE OF HEARING – SETTLEMENT APPROVAL

DID YOU PURCHASE REEBOK TONING SHOES OR APPAREL?

IF YOU PURCHASED CERTAIN REEBOK TONING SHOES AND/OR APPAREL BETWEEN DECEMBER 5, 2008 AND [DATE], PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS AND YOU MAY BE ELIGIBLE FOR COMPENSATION

Class action lawsuits were initiated in Ontario and Québec alleging that Reebok Canada Inc., Reebok International Ltd., and Adidas Canada Limited (the “Defendants”) marketed and sold toning shoes and apparel through the use of false and misleading advertisements and representations regarding the perceived benefits of the shoes and apparel. The Defendants deny the plaintiffs’ allegations and deny any wrongdoing or liability. The court has not taken any position as to the truth or merits of the claims or defences asserted by either side. The allegations made by the plaintiffs have not been proven in court.

If you purchased any of the Reebok toning shoes or apparel listed below between December 5, 2008 and [DATE], you may be entitled to compensation. Not all class members will be eligible for compensation.

Eligible Shoes		Eligible Apparel	
EasyTone	JumpTone	EasyTone Capri	EasyTone Long Bra Top
EasyTone Flip	SimplyTone	EasyTone Pants	EasyTone Sleeveless Shirt
RunTone	SlimTone	EasyTone Shorts	EasyTone Short Sleeve Top
TrainTone			

A Settlement Agreement has been reached. If you purchased any of the Reebok toning shoes and/or apparel listed above between December 5, 2008 and [DATE], you should immediately review the full legal notice in this matter to ensure that you understand your legal rights. A copy of the full legal notice can be viewed at [insert website(s)] or can be obtained by contacting Class Counsel as listed below.

In the Ontario Proceeding lawsuit, which covers all of Canada, except Québec, a settlement approval hearing has been scheduled for _____, 2012, at ____:____.m. in the City of London. In the Québec Proceeding lawsuit, a settlement approval hearing has been scheduled for _____, 2012, at ____:____.m. in the City of Montreal. At these hearings, the Ontario and Québec Courts will determine whether the Settlement Agreement is fair, reasonable, and in the best interests of Class Members.

All written submissions received by the appropriate Class Counsel by _____, 2012, will be considered at the settlement approval hearings. If you support the settlement, you do not have to do anything at this time and further notice will be published following the settlement approval hearings. This will contain details of the procedure to be followed by Class Members making claims for compensation.

Class Counsel can be reached as follows:

In all provinces
other than Québec: Siskinds LLP
47 Colborne St., Unit 203
Toronto, Ontario M5E 1P8

Daniel E.H. Bach
Tel: (416) 362-8334
Email: daniel.bach@siskinds.com

In Québec:

Consumer Law Group Inc.
1123, Clark St., 3rd Floor
Montreal, Québec H2Z 1K3

Me Jeff Orenstein
Tel: (514) 266-7863 x220
Email: jorenstein@clg.org

PUBLICATION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE
ONTARIO AND QUÉBEC COURTS

SCHEDULE E

LONG FORM NOTICE OF HEARING – SETTLEMENT APPROVAL

REEBOK TONING SHOES AND APPAREL CLASS ACTION

NOTICE OF SETTLEMENT APPROVAL HEARING

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR RIGHTS.

TO ALL CLASS MEMBERS:

To all Canadian residents who purchased any of the Reebok toning shoes and/or apparel list below between **December 5, 2008 and [DATE]**.

Eligible Shoes		Eligible Apparel	
EasyTone	JumpTone	EasyTone Capri	EasyTone Long Bra Top
EasyTone Flip	SimplyTone	EasyTone Pants	EasyTone Sleeveless Shirt
RunTone	SlimTone	Easytone Shorts	EasyTone Short Sleeve Top
TrainTone			

Purpose of this Notice

Class action lawsuits were initiated in Ontario and Québec alleging that Reebok Canada Inc., Reebok International Ltd., and Adidas Canada Limited (the “Defendants”) marketed and sold toning shoes and apparel through the use of false and misleading advertisements and representations regarding the perceived benefits of the shoes and apparel. The Defendants deny the plaintiffs’ allegations and deny any wrongdoing or liability. The court has not taken any position as to the truth or merits of the claims or defences asserted by either side. The allegations made by the plaintiffs have not been proven in court.

Without any admission of liability or wrongdoing, a Settlement Agreement has been reached. If you would like a copy of the Settlement Agreement, it is available at **[insert website(s)]** or a copy can be obtained by contacting Class Counsel as listed below.

Approval of the Settlement Agreement

In order for the settlement to become effective, it must be approved by the Courts. A motion to approve this Settlement Agreement will be heard by the Ontario Superior Court of Justice in the City of London on **_____, 2012, at __: __.m.**, and the Superior Court of Québec, in Montreal on **_____, 2012, at __: __.m.** At these hearings, the Courts will determine whether the Settlement Agreement is fair, reasonable, and in the best interests of Class Members. All timely filed written submissions from Class Members will be considered at these times.

If you wish to comment or make an objection to the Settlement Agreement, you may deliver a written submission to the appropriate Class Counsel addresses listed below by **_____, 2012**. Class Counsel will forward such submissions to the appropriate court. Or, if you choose, you may appear at the hearing and make your submissions orally. If you support the settlement, you do not have to do anything at this time and further notice will be published following the settlement approval hearings. This will contain details of the procedure to be followed by Class Members making claims for compensation.

Should the Settlement Agreement receive final approval, further Notices will be published at **[insert website(s)]** or a copy can be obtained by contacting Class Counsel as listed below,

and will be disseminated pursuant to the Settlement Agreement.

Distribution Protocol

If the Settlement Agreement is approved by the Courts, the settlement payments will be paid out in accordance with the Settlement Agreement, a copy of which can be obtained from the website(s) listed below.

Summary of Settlement Agreement

-
- The Defendants, while not admitting liability, will pay a sum of at least \$1,000,000 and not more than \$2,200,000 to settle the claims of Eligible Claimants.
 - Claimants may be eligible to receive a settlement payment if they purchased any of the Reebok toning shoes and/or apparel listed above between December 5, 2008 and [DATE].
 - Any arguments based on statutes of limitations or repose shall be waived for Class Members participating in the settlement.
 - The timing and process for filing a claim will be available in a further notice to be published after the settlement is approved by the Courts.

Further details regarding the Settlement Agreement may be viewed at [insert website(s)] or a copy can be obtained by contacting Class Counsel as listed below.

Opting Out

The deadline for opting out of the settlement is _____, 2012.

Legal Fees

Class Counsel will seek court approval of legal fees not to exceed ____% of the total settlement benefits plus disbursements and applicable taxes. The settlement provides that any fees or disbursements awarded by the Courts will be paid out of the settlement amount.

Further Information

For further information, please contact Class Counsel as follows:

In all provinces except Québec:	Siskinds LLP 47 Colborne St., Unit 203 Toronto, Ontario M5E 1P8	In Québec:	Consumer Law Group Inc. 1123, Clark St., 3rd Floor Montreal, Québec H2Z 1K3
	Daniel E.H. Bach Tel: (416) 362-8334 Email: daniel.bach@siskinds.com		Me Jeff Orenstein Tel: (514) 266-7863 x220 jorenstein@clg.org

THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO AND QUÉBEC COURTS.

SCHEDULE F

SHORT FORM NOTICE OF SETTLEMENT APPROVAL

DID YOU PURCHASE REEBOK TONING SHOES OR APPAREL?

IF YOU PURCHASED CERTAIN REEBOK TONING SHOES AND/OR APPAREL BETWEEN **DECEMBER 5, 2008 AND [DATE]**, PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS AND YOU MAY BE ELIGIBLE FOR COMPENSATION

Class action lawsuits were initiated in Ontario and Québec alleging that Reebok Canada Inc., Reebok International Ltd., and Adidas Canada Limited (the "Defendants") marketed and sold toning shoes and apparel through the use of false and misleading advertisements and representations regarding the perceived benefits of the shoes and apparel. The Defendants deny the plaintiffs' allegations and deny any wrongdoing or liability. The court has not taken any position as to the truth or merits of the claims or defences asserted by either side. The allegations made by the plaintiffs have not been proven in court.

If you purchased any of the Reebok toning shoes and/or apparel listed below between **December 5, 2008 and [DATE]**, you may be eligible to receive compensation.

Eligible Shoes		Eligible Apparel	
EasyTone	JumpTone	EasyTone Capri	EasyTone Long Bra Top
EasyTone Flip	SimplyTone	EasyTone Pants	EasyTone Sleeveless Shirt
RunTone	SlimTone	EasyTone Shorts	EasyTone Short Sleeve Top
TrainTone			

A Settlement Agreement has been reached and approved by the courts. The Settlement Agreement provides for compensation for purchases of eligible shoes of not more than \$100 and purchases of eligible apparel of not more than \$50 or \$80, depending on the type of apparel.

If you purchased any of the Reebok toning shoes and/or or apparel listed above between **December 5, 2008 and [DATE]**, you should immediately review the full legal notice in this matter to ensure that you understand your legal rights. A copy of the full legal notice can be viewed at **[insert website(s)]** or can be obtained by contacting Class Counsel as listed below or by contacting the Claims Administrator.

Claim forms must be completed by **_____**, 2012.

The deadline to opt out of the settlement is **_____**, 2012.

The Claims Administrator can be reached at 1-**800-XXX-XXXX**.

Class Counsel can be reached as follows:

In all provinces
other than Québec: Siskinds LLP
47 Colborne St., Unit 203
Toronto, Ontario M5E 1P8

Daniel E.H. Bach
Tel: (416) 362-8334
Email: daniel.bach@siskinds.com

In Québec:

Consumer Law Group Inc.
1123, Clark St., 3rd Floor
Montreal, Québec H2Z 1K3

Me Jeff Orenstein
Tel: (514) 266-7863 x220
Email: jorenstein@clg.org

PUBLICATION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE
ONTARIO AND QUÉBEC COURTS

SCHEDULE G

LONG FORM NOTICE OF SETTLEMENT APPROVAL

REEBOK TONING SHOES AND APPAREL CLASS ACTION

NOTICE OF SETTLEMENT APPROVAL HEARING

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR RIGHTS.

TO ALL CLASS MEMBERS:

To all Canadian residents who purchased any of the Reebok toning shoes and/or apparel list below between **December 5, 2008 and [DATE]**.

Eligible Shoes		Eligible Apparel	
EasyTone	JumpTone	EasyTone Capri	EasyTone Long Bra Top
EasyTone Flip	SimplyTone	EasyTone Pants	EasyTone Sleeveless Shirt
RunTone	SlimTone	Easytone Shorts	EasyTone Short Sleeve Top
TrainTone			

Please be advised that the Ontario and Québec Courts have approved the Settlement Agreement reached in class actions in Ontario and Québec, which alleged that Reebok Canada Inc., Reebok International Ltd., and Adidas Canada Limited (the "Defendants") marketed and sold toning shoes and apparel through the use of false and misleading advertisements and representations regarding the perceived benefits of the shoes and apparel.

The Defendants deny the plaintiffs' allegations and deny any wrongdoing or liability. The court has not taken any position as to the truth or merits of the claims or defences asserted by either side. The allegations made by the plaintiffs have not been proven in court.

If you would like a copy of the Settlement Agreement, it is available at **[insert website(s)]** or a copy can be obtained by contacting Class Counsel as listed below or by contacting the Claims Administrator.

To be entitled to payment, Class Members must file a claim with the Claim Administrator by **_____, 2012** in the manner described below.

Summary of Settlement Agreement

- The Defendants, while not admitting liability, will pay a sum of at least \$1,000,000 and not more than \$2,200,000 to settle the claims of Eligible Claimants.
- Claimants may be eligible to receive a settlement payment if they purchased any of the Reebok toning shoes and/or apparel listed above between **December 5, 2008 and [DATE]**.
- The Settlement Agreement provides for compensation for purchases of eligible shoes of not more than \$100 and purchases of eligible apparel of not more than \$50 or \$80, depending on the type of apparel.
- Any arguments based on statutes of limitations or repose shall be waived for Class

Members participating in the settlement.

- Class Members have until _____, 2012 to file a Claim.

Opting Out

The deadline for opting out of the settlement is _____, 2012.

Legal Fees

The Ontario and Québec Courts have awarded legal fees, expenses, and applicable taxes to Class Counsel in the amount of \$XXX. Class Counsel were retained on a contingent basis. Class Counsel were responsible for funding all disbursements incurred in pursuing this litigation. Pursuant to the Settlement Agreement, any fees or disbursements awarded by the Courts will be paid out of the Settlement Amount.

Claimants are not liable for any legal fees incurred to date. Claimants may, but are not obliged to, retain their own lawyers to assist them in making individual claims under the Settlement Agreement and they may not find it necessary to do so. Submitting a Claim under the Settlement Agreement is considerably less complex and less expensive than pursuing an individual lawsuit. In the event that claimants feel they require the assistance of a lawyer in making their Claim, they will be responsible to pay the legal fees of any lawyer they retain to prepare their claim.

Important Deadlines

_____, 2012 — Deadline to File a Claim. Your completed claim form must be electronically submitted or postmarked on or before this date.

_____, 2012 — Deadline to Opt Out of the Settlement.

Because of the deadline, you must act without delay.

Further Information

To obtain a complete copy of the Settlement Agreement, a claim form, an Opt-Out Form, or other documents, visit [insert website(s)]. You may submit a claim form online. To obtain a paper copy of any of the documents other than through the website, please call the **Claims Administrator** at 1-800-XXX-XXXX.

For further information, please contact **Class Counsel** as follows:

In all provinces
except Québec: Siskinds LLP
47 Colborne St., Unit 203
Toronto, Ontario M5E 1P8

Daniel E.H. Bach
Tel: (416) 362-8334
Email: daniel.bach@siskinds.com

In Québec: Consumer Law Group Inc.
1123, Clark St., 3rd Floor
Montreal, Québec H2Z 1K3

Me Jeff Orenstein
Tel: (514) 266-7863 x220
jorenstein@clg.org

THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO AND QUÉBEC COURTS.

SCHEDULE H

METHOD OF DISSEMINATING NOTICE OF SETTLEMENT APPROVAL HEARING

Notice of the settlement approval hearing will be published once in the form of a ¼ page, or slightly smaller, advertisement in the Lifestyle (or equivalent) section of the weekday edition of the following newspapers:

- The Globe & Mail (National Edition)
- La Presse (French language publication in Québec) (National Edition)

SCHEDULE I

DISSEMINATION OF NOTICE OF SETTLEMENT APPROVAL

1. Newspaper Advertisements

Notice of the settlement approval will be published once in the form of a ¼ page, or slightly smaller, advertisement in the Lifestyle (or equivalent) section of the weekday edition of the following regional newspapers:

- Toronto Star (National Edition)
- Globe & Mail (National Edition)
- Vancouver Sun
- Edmonton Journal
- Calgary Herald
- Regina Leader-Post
- Star Phoenix (Saskatoon)
- Winnipeg Free Press
- La Presse
- The Gazette
- New Brunswick Times & Transcript
- Halifax Chronicle-Herald
- Charlottetown Guardian
- The Newfoundland Telegram
- The Ottawa Citizen

An additional notice of identical size will be published once in the weekend edition Lifestyle (or equivalent) section of the following national newspapers:

- The Globe & Mail (National Edition)
- La Presse (French Language) (National Edition)

2. **Magazine Advertisements**

A ¼ page magazine ad will be published on a one time basis in the following Canadian magazine publications:

- Flare
- Best Health

Given the deadlines for submitting advertising to these publications (approximately two months in advance) we propose to publish this notice in the final month of the claims period.

3. **Social Media Advertisements**

Ads will be displayed on the Google Search and Display Networks using Google's Cost-per-click (CPC) pricing model. The parties propose a maximum budget for the Google advertising campaign of CAD\$18,000.00.

(a) Google Display Network

We propose to engage Google's services in respect of the Google Display Network for the duration of the 90 day claims period.

The key terms selected include: "Reebok settlement," "Reebok class action," "EasyTone," "RunTone," "TrainTone," "JumpTone," "SimplyTone," "SlimTone," "Easy Tone," "Run Tone," "Train Tone," "Jump Tone," "Simply Tone," "Slim Tone," "toning shoes" and "toning clothes".

(b) Google Search Network

We likewise propose to engage Google's services in respect of the Google Search Network for the duration of the proposed 90 day claims period.

The key terms for the Search Network will mirror those outlined above.

4. **Other**

- CNW News Release in both English and French (with respect to the Notice of Settlement Approval).
- Website (Crawford Class Action Services will be responsible for both creation and maintenance).