

NOTICE OF PROPOSED SETTLEMENT
OF CLASS ACTION AND FAIRNESS HEARING

**IF YOU PURCHASED AN EARTH EXER-WALK SHOE
BETWEEN JANUARY 1, 2009 AND OCTOBER 14, 2015,
A CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.**

A settlement has been proposed in a class action lawsuit pending in the United States District Court for the Northern District of Illinois entitled *Leslie Hedges, individually and on behalf of all others similarly situated, v. Earth, Inc.*, No. 14-cv-9858 (the “the Action”). In the Action, Plaintiff Hedges, in her individual capacity and in her capacity as a representative of a putative class of similarly-situated persons, alleges that Earth violated law by mislabeling its Exer-Walk shoes with certain health benefits. This Notice explains the nature of the lawsuit, the general terms of the proposed settlement, and your legal rights and obligations.

GENERAL BACKGROUND OF THE ACTION

Plaintiff Hedges (the “Class Representative”) filed a class action lawsuit against Earth on behalf of the Class of persons described above. The lawsuit alleges that Earth violated the law by labeling its Exer-Walk shoes with the ability to “improve posture,” “strengthen core muscles,” “reduce joint stress,” and “maximiz[e] calorie burn” by simply wearing the shoe, and seeks civil penalties and attorneys’ fees. Earth denies any wrongdoing or liability whatsoever, and no court or other entity has made any judgment or other determination of any liability against Earth.

The Parties have determined that it is in their best interests to settle the Action to avoid the expenses, inconveniences, and interferences with ongoing business operations that are associated with litigation. In addition, the Court has determined that the Action should proceed as a class action, for settlement purposes only, with Plaintiff Hedges as the Class Representative, and has granted preliminary approval of the settlement, subject to a final fairness hearing discussed below.

THE PROPOSED SETTLEMENT

Earth agreed to make a payment to every Class Member who does not opt out of the Settlement and submits a valid Claim Form equal to a pro rata distribution of the Settlement Fund (\$270,000) after the following expenses have been deducted from the Fund: (i) notice and administration costs (\$80,000); (ii) attorneys’ fees and costs (\$90,000); and (iii) an incentive award to Plaintiff (\$2,000). These expenses are estimated and subject to court approval.

The costs of notice and administration are not exceed \$80,000. The Class Representative will request an incentive award of \$2,000 for her services as Class Representative and her efforts in bringing the Action. The attorneys for the Class (“Class Counsel”) will request attorneys’ fees. These amounts are payable from the Fund.

HOW TO RECEIVE YOUR PAYMENT

You must complete a Claim Form. Claim Forms must be postmarked by **May 19, 2016** or submitted online at www.EarthExer-WalkShoeSettlement.com no later than **May 19, 2016**. There can only be one Approved Claim per Class Member.

DISMISSAL OF ACTION AND RELEASE OF ALL CLAIMS

If the Court approves the proposed Settlement Agreement, it will enter a judgment in the Action with prejudice as to all Class Members. Plaintiff and all Class Members, and each of their respective successors, assigns, legatees, heirs, and personal representatives release and forever discharges Earth, any and all of its present or past heirs, executors, estates, administrators, predecessors, successors, assigns, parents, affiliates, subsidiaries, associates, employers, employees, agents, consultants, independent contractors, insurers, directors, managing directors, officers, partners, principals, members, attorneys, accountants, financial and other advisors, investment bankers, underwriters, shareholders, lenders, auditors, investment advisors, legal representatives, successors in interest, assigns, distributors, retailers, and resellers and persons, firms, trusts, corporations, officers, directors, other individuals or entities in which Earth has a controlling interest or which is affiliated with any of them, or any other representatives of any of these Persons and entities, from any and all actual, potential, filed, known or unknown, fixed or contingent, claimed or unclaimed, suspected or unsuspected, claims, demands, liabilities, rights, causes of action, contracts or agreements, extra contractual claims, damages, punitive, exemplary or multiplied damages, expenses, costs, attorneys' fees and or obligations, whether in law or in equity, accrued or unaccrued, direct, individual or representative, of every nature and description whatsoever, based on any federal, state, local, statutory or common law or any other law, rule or regulation, including the law of any jurisdiction outside the United States, against the Released Parties, or any of them, arising out of the facts, transactions, events, matters, occurrences, acts, disclosures, statements, misrepresentations, omissions or failures to act relating to, or any individual or entity on Earth's behalf, allegedly misrepresenting or omitting statements concerning a Product, and any resulting damages arising therefrom that were or could have been alleged or asserted in the Action, including but not limited to violations of a consumer fraud statute. Notwithstanding the foregoing, "Released Claims" do not include: (i) personal or bodily injury claims; or (ii) class claims that do not relate in any way to the purchase of an Earth Exer-Walk shoe.

FAIRNESS HEARING

On **June 20, 2016** at 9:00 a.m., a hearing will be held on the fairness of the proposed settlement. At the hearing, the Court will be available to hear any objections and arguments concerning the proposed settlement's fairness. The hearing will take place before the Hon. Harry D. Leinenweber in Room 1941 of the Everett McKinley Dirksen United States Courthouse, located at 219 S. Dearborn Street, Chicago, IL 60604.

HOW TO OBJECT TO THE SETTLEMENT

If you do not exclude yourself, you can file an objection, either on your own or through an attorney, explaining why you think the Court should not approve the settlement. The objection must contain the case name and number; your name and address; the number of Earth Exer-Walk shoes you purchased; a statement of your objection; an explanation of the legal and factual basis for the objection; and documentation, if any, to support your objection. The objection may be filed by **May 19, 2016** with: (1) the Clerk of the United States District Court, Northern District of Illinois, 219 S. Dearborn, Chicago, IL 60604; and sent to (2) Plaintiff's counsel c/o Siprut PC, 17 N. State Street, Suite 1600, Chicago, IL 60602; and (3) Earth's counsel c/o Russell Beck, Beck Reed Riden LLP, 155 Federal Street, Suite 1302, Boston, IL 02110.

If you file and serve a written objection, you may appear at the Fairness Hearing, either in person or through personal counsel hired at your expense, to object to the Settlement Agreement. You are not required, however, to appear. If you, or your attorney, intend to make an appearance at the Fairness Hearing, you must also deliver to Class Counsel and Earth's Counsel, and file with the Court, no later than **May 19, 2016**, a Notice of Intention to Appear.

ADDITIONAL INFORMATION

For more information about the Settlement, including the full text of the Settlement Agreement and Court order approving the settlement, visit www.EarthExer-WalkShoeSettlement.com.

Questions? Visit www.EarthExer-WalkShoeSettlement.com or call toll-free (312) 236-0000.