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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN DIEGO

JEFF CARD, an individual and on behalf of all
others similarly situated,

Plaintiff,

vs.

JOE'S JEANS, Inc., a California Corporation;
and DOES 1 through 100, inclusive,

Defendants.

CASE NO. 37-2015-00021834-CU-BT-CTL
(consolidated with CASE NO.: 37-2015-
00000566-CU-BT-CTL)

CLASS ACTION

**NOTICE OF FILING OF SECOND
AMENDMENT TO AGREEMENT OF
SETTLEMENT**

Dept.: C-65
Judge: Hon. Joan Lewis

EINAT NOIMAN, an individual and on behalf of
all others similarly situated,

Plaintiff,

vs.

HUDSON CLOTHING, LLC, a California
Limited Liability Company; and DOES 1 through
100, inclusive,

Defendants

1 PLEASE TAKE NOTICE that Plaintiffs Jeff Card and Einat Noiman (collectively
2 "Plaintiffs"), both individually and on behalf of all Class Members (as defined below), and
3 Defendants Joe's Jeans, Inc. (now Differential Brands Group, Inc.) ("Joe's") and Hudson
4 Clothing, LLC ("Hudson") (collectively "Defendants") hereby file their jointly negotiated
5 Second Amendment to Agreement of Settlement.

6 As requested by this Court, the parties discussed the viability of expanding the class
7 award to include the option of a branded t-shirt in addition to the option of a branded tote-bag.
8 The parties were able to come to mutually agreeable terms and hereby propose a modification to
9 the Settlement Agreement to provide claimants with the option of a either a tote-bag or t-shirt.
10 Attached hereto is the parties' proposed amendment to the Settlement Agreement to effectuate
11 said option.

12
13 Dated: February __, 2017

BARNES & THORNBURG, LLP

14
15 By: _____

Kevin D. Rising

Devin Stone

16 Attorneys for Hudson Clothing, LLC and Joe's
17 Jeans, Inc. (now known as Differential Brands
18 Group, Inc.)

19 Dated: February __, 2017

DEL MAR LAW GROUP, LLP

20
21 By: _____

John H. Donboli

22 Attorneys for Einat Noiman, Jeffrey Card, as
23 individuals, and on behalf of all others similarly
situated

24 Dated: February __, 2017

CUNEO, GILBERT & LaDUCA, LLP

25
26 By: _____

Jonathan W. Cuneo

27 Attorneys for Maya Schulert, an individual, and on
28 behalf of all others similarly situated

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN DIEGO

JEFF CARD, an individual and on behalf of all
others similarly situated,

Plaintiff,

vs.

JOE’S JEANS, Inc., a California Corporation;
and DOES 1 through 100, inclusive,

Defendants.

CASE NO. 37-2015-00021834-CU-BT-CTL
(consolidated with CASE NO.: 37-2015-
00000566-CU-BT-CTL)

CLASS ACTION

**SECOND AMENDMENT TO
AGREEMENT OF SETTLEMENT**

Dept.: C-65
Judge: Hon. Joan Lewis

EINAT NOIMAN, an individual and on behalf of
all others similarly situated,

Plaintiff,

vs.

HUDSON CLOTHING, LLC, a California
Limited Liability Company; and DOES 1 through
100, inclusive,

Defendants

This Second Amendment to Agreement of Settlement (“Amendment”), is made as of the 15th day of February 2017, by and between Plaintiffs Jeff Card, Maya Schulert, and Einat Noiman (collectively “Plaintiffs”), both individually and on behalf of all Class Members (as defined below), and Defendants Joe’s Jeans, Inc. (now Differential Brands Group, Inc.) (“Joe’s”) and Hudson Clothing, LLC (“Hudson”) (collectively “Defendants”).

RECITALS

1. There are currently three actions pending resolution before the above-referenced Court: (a) *Noiman v. Hudson Clothing, LLC*, Case No. 37-2015-00000566-CU-BT-CTL; (b) *Card v. Joe's Jeans, Inc.*, Case No. 37-2015-00021834-CU-BT-CTL; and *Schulert v. Hudson Clothing, LLC*, Case No. 2:15-cv-00276-JDL.

2. All three of the cases are referred herein collectively as the “Actions”.

3. On April 15, 2016, the Joe's and Hudson cases were consolidated by Order of this Court.

4. On or about September 2, 2016, the Court denied Preliminary Approval of Class Action Settlement noting concerns with particular aspects of the proposed settlement.

5. On or about November 9, 2016, the parties signed an Amendment to Settlement Agreement that addressed many of the Court's concerns raised at the September 2, 2016 court hearing.

6. On or about December 2, 2016, the Court continued the parties' second motion for Preliminary Approval of Class Action Settlement after oral argument and indicated that potentially adding a second form of restitution (i.e., t-shirts) should resolve the Court's primary concern regarding the adequacy of the restitution and value of same.

7. WHEREAS, the Parties have made particular changes to their settlement to address the Court's concerns as outlined specifically below.

NOW THEREFORE, it is agreed by the undersigned, on behalf of Plaintiffs and on behalf of Defendants, that the Agreement of Settlement is amended to incorporate the Parties' above-referenced understanding as follows:

///

1 **A. Paragraph D.2. is hereby amended to read:**

2 2. In full and complete settlement of all claims which have been, might have been,
3 are now or could be asserted in the Action by Class Members against the Released Parties,
4 within forty-five (45) days after the Effective Date, Defendants, either directly or indirectly
5 through the Claims Administrator, will send to each Qualifying Claimant who timely submits an
6 executed Claim Form, either one tote bag (*conservatively* valued at \$55.00), or one t-shirt (in the
7 size of the Qualifying Claimant's section, available in men's sizes XS to XL) (approximate retail
8 value of \$68.00) to the Qualifying Claimant per jeans product purchased by the Claimant (the
9 tote bag and t-shirt available to class claimants shall be collectively referred to as the "Tote Bag"
10 or "Tote Bags"). The Court shall retain jurisdiction to enforce this Agreement.

11 **B. Paragraph D.3. is hereby amended to read:**

12 3. Every class member who submits a valid claim shall receive one Tote Bag (either
13 a tote bag or t-shirt at their option). There shall be no cap on the number of Tote Bags
14 distributed. Defendants shall pay for the first 15,000 Tote Bags (regardless of the proportion of
15 tote bags and t-shirts). Class counsel shall pay for 25% of the cost of any Tote Bag required to
16 be produced over the first 15,000 (regardless of the proportion of tote bags and t-shirts).

17 **C. Exhibit "A" (Notice of Proposed Settlement).** Exhibit "A" to the Agreement is
18 amended as attached hereto.

19 **D. Exhibit "C" ([Proposed] Order Granting Preliminary Approval of Class**
20 **Settlement).** Exhibit "C" to the Agreement is amended as attached hereto.

21 **E. Exhibit "E" (Judgment).** Exhibit "E" to the Agreement is amended as attached
22 hereto.

23 **F. Exhibit "F" (Notice).** Exhibit "F" to the Agreement is amended as attached
24 hereto.

25 **G. No Other Amendments.** Except as expressly amended hereby, the Agreement of
26 Settlement shall remain unaltered and in full force and effect.

1 H. **Counterparts.** This Amendment may be executed in one or more counterparts,
2 each of which shall be deemed an original and all of which, taken together, shall constitute one
3 and the same agreement.

4 IN WITNESS WHEREOF, the parties have caused this Amendment to Agreement of
5 Settlement to be executed by their officers or representatives hereunto duly authorized, effective
6 as of the date first above mentioned. In so doing, the parties expressly agree to and intend to be
7 legally bound by this Amendment to Agreement of Settlement.

8
9 Dated: February __, 2017

Einat Noiman, Plaintiff

10
11 Dated: February __, 2017

Maya Schulert, Plaintiff

12
13 Dated: February __, 2017

Jeffrey Card, Plaintiff

14
15 Dated: February __, 2017

Hudson Clothing, LLC

16
17 Lori Nembirkow
By: (Print Name)

18 [Signature]

19 Title: SVP Legal

20
21
22 Dated: February __, 2017

Joe's Jeans, Inc. (now known as Differential
Brands Group, Inc.)

23 Lori Nembirkow
By: (Print Name)

24 [Signature]

25
26 Title: SVP Legal

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APPROVED AS TO FORM:

Dated: February __, 2017

BARNES & THORNBURG, LLP

By: _____
Kevin D. Rising
Devin Stone
Attorneys for Hudson Clothing, LLC and Joe's
Jeans, Inc. (now known as Differential Brands
Group, Inc.)

Dated: February __, 2017

DEL MAR LAW GROUP, LLP

By: _____
John H. Donboli
Attorneys for Einat Noiman, Jeffrey Card, as
individuals, and on behalf of all others similarly
situated

Dated: February __, 2017

CUNEO, GILBERT & LaDUCA, LLP

By: _____
Jonathan W. Cuneo
Attorneys for Maya Schulert, an individual, and on
behalf of all others similarly situated

JEFF CARD, an individual and on behalf of all
others similarly situated,

Plaintiff,

vs.

JOE'S JEANS, INC., a California Limited
Liability Company; and DOES 1 through 100,
inclusive,

Defendants)

CASE NO.: 37-2015-00021834-CU-BT-CTL
(consolidated with CASE NO.: 37-2015-
00000566-CU-BT-CTL)

**NOTICE OF PROPOSED SETTLEMENT
OF CLASS ACTION CASE**

Judge: Hon. Joan M. Lewis
Dept.: C-65

EINAT NOIMAN, an individual and on behalf of
all others similarly situated,

Plaintiff,

vs.

HUDSON CLOTHING, LLC, a California
Limited Liability Company; and DOES 1 through
100, inclusive,

Defendants)

IF YOU PURCHASED JOE'S JEANS OR HUDSON CLOTHING, LLC'S PRODUCTS
LABELED AS **"MADE IN USA"** FROM JANUARY 7, 2011 TO DECEMBER 31, 2015,
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DON'T ACT.
PLEASE READ THIS NOTICE CAREFULLY.

1. **Introduction** - This Notice of Proposed Class Actions ("Notice") concerns a proposed settlement (the "Proposed Settlement") of lawsuits (the "Actions") against Joe's Jeans, Inc. (now Differential Brands Group, Inc.) ("Joe's") and Hudson Clothing, LLC ("Hudson") (collectively, "Defendants") based on claims that Defendants misrepresented the country of origin of various Defendants' products by claiming that the products were **"Made in USA"** when they contained foreign made component parts. The Actions are currently pending in the Superior Court of California, County of San Diego (the "Court"). For settlement purposes only, the Court

has certified the Actions to proceed as class actions on behalf of the class described below. The details of the Proposed Settlement are set forth below.

2. **Court Approval** - This Notice was court approved in its entirety by the Agreement of Settlement on file with the Court.

3. **Purpose of Notice** - This Notice is intended (1) to inform you of the Proposed Settlement of the Actions, (2) to describe the Proposed Settlement, and (3) to advise you of your rights and your options with respect to the Proposed Settlement.

4. **Description of the Actions** - The Actions allege that Defendants violated California law by improperly labeling and selling Joe's and Hudson products as "Made in USA" when doing so was prohibited by a California false advertising statute that requires that if any foreign-made component is part of a product that is otherwise designed, produced and assembled in the U.S., that product cannot be labeled as "Made In USA."

5. **Defendants' Denials** - Defendants deny the allegations of the operative complaints and have asserted a number of defenses to the claims.

6. **Definition of the Class** - The Settlement Class is defined as all persons who made a purchase in the United States of Joe's products or Hudson's products containing foreign-made component parts that was labeled as "MADE IN USA" or "MADE IN THE USA" (the "Products"), from January 7, 2011 to December 31, 2015, for non-commercial use.

7. **The Proposed Settlement** - The parties have reached a Proposed Settlement of the Actions, which the attorneys for the Settlement Class believe is fair, reasonable, adequate and in the best interest of the members of the Settlement Class ("Class Member(s)"). Defendants agree to the Proposed Settlement, without admitting liability, to avoid the costs and other burdens of continued litigation. The Proposed Settlement provides the following:

- a. **Restitution** to every Qualifying Claimant who timely submits an executed valid Claim Form. Restitution will consist of, one (1) Tote Bag (*conservatively* valued at \$55.00), OR one t-shirt (in the size of the Qualifying Claimant's section) (approximate retail value of \$68.00) to the Qualifying Claimant per Product purchased by the Claimant.
- b. Every class member who submits a valid claim shall receive a tote bag or t-shirt. There shall be no cap on the number of tote bags or t-shirts distributed. Class counsel shall pay for 25% of the cost of any tote bag or t-shirt required to be produced over the first 15,000. The remaining balance of tote bags or t-shirts (if any) shall be donated to mutually agreeable 501(c)(3) charities whose charter includes assisting consumers.
- c. Defendants agree to pay an enhancement fee to plaintiffs Einat Noiman, Jeff Card, and Maya Schulert that does not exceed \$5,000.00, per representative plaintiff.

- d. Upon the Court's final approval, the Court shall retain jurisdiction to enforce this Agreement, including adequate supervision to ensure that the donation was actually completed by Defendants.
- e. Defendants must agree to comply with California Business & Professions Code Section 17533.7 and relevant federal law, as well as the laws of the other 49 states and the District of Columbia (including Maine Unfair Trade Practices Act, 5 M.R.S.A. § 207 *et seq.*, Maine Deceptive Trade Practices Act, 10 M.R.S.A. § 1212 *et seq.*, and the Federal Trade Commission Act, 15 U.S.C. § 45a), in conjunction with all future sales of the Class Products to consumers, downstream sellers, or other third parties for as long as Section 17533.7 is not repealed or amended, and to permit the entry of the stipulated injunction as fully detailed herein.

Defendants also agree to the payment of Attorneys' Fees and the reimbursement of actual expenses, which will be paid by Defendants in an amount not to exceed \$425,000 which is inclusive of all three lawsuits. The attorneys' fees shall be divided as follows: \$165,000 for *Noiman v. Hudson Clothing, LLC* (San Diego Superior Court Case No.: 37-201500000566-CU-BT-CTL), \$200,000 for the *Card v. Joe's Jeans, Inc.*, (San Diego Superior Court Case No.: 37-2015-00021834-CU-BT-CTL) and \$60,000 for *Schulert v. Hudson Clothing, LLC* (United States District Court, District of Marine Case No.: 2:15-cv-00276-JDL). This issue shall be determined solely by the Court by way of a written motion.

8. **Releases** - In return for the Settlement described above, Class Members who do not request exclusion from the class agree to release (give up) all claims against Defendants, and each of their present and former parent companies, subsidiaries, affiliates, divisions, purchasers, operators, assignees, predecessors, successors, partners, heirs, executors, administrators, officers, directors, insurers, employees, agents, dealers, retailers (including, but not limited to, Joe's Jeans boutiques, Macy's, Bloomingdales, Nordstrom's, and Nordstrom Rack), manufacturers, suppliers, packagers, distributors, wholesalers, and legal representatives in addition to all such persons or entities relating to actions or omissions in manufacturing, advertising, marketing, labeling, packaging, promotion, sale and distribution of the Class Products (including but not limited to any act or omission regarding the geographic location that any Class Product, or any component of any Class Product, was manufactured, assembled and/or created) including those claims which have been asserted or which could reasonably have been asserted by the Class Members against the Defendants in these Actions (the "Released Claims").

9. **How to Make a Claim** – The Claims Administrator shall be tasked with mailing the Postcard Notice to potential class members. For any and all Notices returned to the claims Administrator that have forwarding addresses provided by the postal service, the Claims Administrator shall re-mail the Notices to the new addresses, except that the Claims Administrator will have no obligation to re-mail returned Notices that they receive from the postal service no later than fifty (50) days after entry of the Preliminary Approval Order. Within twenty (20) days after the entry of order for Preliminary Approval, Defendants shall provide notice of this settlement on their homepages (<http://hudsonjeans.com/> and www.joesjeans.com) with a hyperlink stating "Notice to Consumers." The hyperlink will direct consumers directly to the Settlement Website. Defendants and the Claims Administrator shall ensure that the

Settlement Website is active and able to accept online claims within ten (10) days of entry of the Preliminary Approval Order, or as soon thereafter as reasonably practicable. The Notice of Settlement and/or Settlement Website shall stay online for the entirety of the claims period. The Claim Form must be mailed or submitted electronically to the Claims Administrator and postmarked no later than **[INSERT DATE]** (the last day of the Claims Period). Only Class Members who submit an online claim or mail a Claim Form to the address listed below no later than **[INSERT DATE]** (the last day of the Claims Period) will be eligible to participate in the settlement. If you received this Notice in the mail, a Claim Form is enclosed. If you received this Notice in any other way or do not have a Claim Form, you may go to <http://hudsonjeanssettlement.com/> and/or www.joesjeanssettlement.com to complete and submit a copy of the Claim Form online, or print out a copy of the Claim Form to complete and mail to:

Joe's Jean's Current Class Actions
c/o KCC
P.O. Box [xxxx]
_____, CA [xxxxx]

10. All valid and timely claims will be honored within three hundred and sixty (360) days of the expiration of the Claims Period or Effective Date (whichever occurs last). **Request for Exclusion from the Class** - Under California law, if you are a Class Member, you have the right to be excluded from the class. If you wish to be excluded from the class, you must mail a letter so that it is postmarked no later than **[INSERT DATE]** to counsel for Plaintiff and the Class and Counsel for Defendants at the addresses listed in paragraph 12 below. The letter must clearly state your full name, current mailing address, phone number, and signature and include the following statement: "I want to be excluded from the plaintiff class in *Noiman v. Hudson Clothing, LLC*, *Card v. Joe's Jeans, Inc.*, and/or *Schulert v. Hudson Clothing, LLC*."

The request for exclusion must be submitted in your own name and signed by you personally; no individual may request that other persons be excluded from the class. Do not send a letter requesting exclusion if you wish to remain a Class Member or file a claim for monetary payment under the settlement. **If you exclude yourself from the class, you will not be entitled to share in any benefits that the class may obtain.** If you do not exclude yourself, you will not be able to file a separate claim against Defendant based on the events, circumstances and/or practices alleged in the Actions.

11. **Objection** - If you do not request exclusion, you may still object to the Proposed Settlement. You may also move to appear in the Actions.

If you wish to object, it is suggested that you file a written objection with the Court. The objection should include: (1) your complete name and current residence and business address (giving the address of any lawyer who represents you is not sufficient); (2) a statement that you fall within the definition of the class, including the approximate date (during the Class Period) and place of purchase of the Product(s), the type of Product(s) purchased, that the Product(s) purchased bore a "Made in the USA" label, that your decision to purchase the Product was influenced by the presence of a "Made in the USA" label, and that you would not have purchased the Product(s) at that time had you known that the Product(s) in question was/were not entirely manufactured within the United States of U.S.-made materials; and (3) each ground for comment

or objection and any supporting papers you wish the Court to consider (*i.e.*, a mere statement that “I object” is insufficient).

You or your personal attorney may attend the settlement hearing at your expense and state your support or objection orally, but you are not required to do so. If you intend to attend the hearing and orally state your opinion, your written objection should state “**I intend to appear at the hearing.**” Class Members, or their attorneys, may also attend the Final Approval Hearing and assert their objections (if any) with the Court. Written objection (to the extent filed) must be filed with the Court and mailed to Class Counsel no later than **[INSERT DATE]** at the following addresses:

Superior Court of the State of California-County of San Diego
Dept. C-65
220 W. Broadway
San Diego, CA 92101

Counsel for Plaintiff/Class
John H. Donboli
DEL MAR LAW GROUP, LLP
12250 El Camino Real
Suite 120
San Diego, CA 92130
Tel.: 858-793-6244

Counsel for Defendants:
Kevin D. Rising
BARNES & THORNBURG, LLP
2029 Century Park East
Suite 300
Los Angeles, CA 90067
Tel.: 310-284-3880

If you wish to submit a brief to the Court in support of any objection, such brief must be filed with the Court, and served by mail on counsel for the plaintiff class and counsel for Defendants, at the addresses listed above no later than **[INSERT DATE]**.

12. Hearing On Proposed Settlement - The Court will hold a Final Approval Hearing to consider: (a) whether the Proposed Settlement summarized above is fair, reasonable, adequate, and in the best interests of the plaintiff class, and (b) whether Plaintiffs and their attorneys have fully, fairly and adequately represented the plaintiff class in the Actions and in negotiating the Proposed Settlement. The Final Approval Hearing is presently scheduled for **[INSERT DATE & TIME]** in Department C-65 of the Superior Court of the State of California-County of San Diego, 220 W. Broadway, San Diego, CA 92101. The time and date of the approval may be changed by the court order without further notice to the class.

13. Hearing On Class Counsel Fees and Class Representative Enhancement Fee - The Court will/may also hold a hearing on **[INSERT DATE & TIME]** to consider whether to award attorneys’ fees and costs to Class Counsel and whether to award a class representative incentive fee to Plaintiffs. The motion shall be heard in Department C-65 of the Superior Court of the State of California-County of San Diego, 330 W. Broadway, San Diego, CA 92101. The time and date of the hearing may be changed by the Court without further notice to the class. At the above-referenced court hearing, Plaintiff shall request that the Court grant: (i) Class Counsel’s attorneys’ fees and reimbursement of expenses. The payment of attorneys’ fees, reimbursement of actual expenses, and an award of a class representative enhancement fee (if any) to Plaintiffs will be paid by Defendants in addition to the recovery to the Settlement Class.

Any party, including Class Members, who wish to file an objection and/or oppose **Plaintiff's motion for Class Counsel fees and/or the class representative enhancement fee** are **encouraged to do so in writing and must do so by [INSERT DATE]** by filing with the Court and serving his or her objections as set forth above. In addition, if a Class Member wishes to submit to the Court any brief in support of his or her objections, he or she must file the brief with the Court and serve it on both Class Counsel and counsel for Defendants prior to **[INSERT DATE]**.

14. **Accessing Court Documents** - The filed documents and orders in this case may be examined and copied during regular business hours at the offices of the Clerk of the Court, of the Superior Court of the State of California-County of San Diego, 330 W. Broadway, San Diego, CA 92101. If you wish to obtain additional information about this Notice or the Proposed Settlement, you may examine the Court's file on the case at the address shown above or you may contact Plaintiff's attorneys in writing at the address in paragraph 11 above. **The Court has not ruled in favor of or against the Plaintiff or Defendants on the merits of any of their claims, denials, or defenses in this case.**

**PLEASE DO NOT CALL OR WRITE TO THE COURT FOR INFORMATION OR
ADVICE.**

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

JEFF CARD, an individual and on behalf of all
others similarly situated,

Plaintiff,

vs.

JOE'S JEANS, INC., a California Limited
Liability Company; and DOES 1 through 100,
inclusive,

Defendants

CASE NO.: 37-2015-00021834-CU-BT-
CTL

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT AND
APPROVING FORM AND MANNER
OF SERVICE**

Judge: Hon. Joan M. Lewis
Dept.: C-65

1 WHEREAS, this action is pending before this Court as a putative class action; and

2 WHEREAS, the parties applied to this Court for an Order preliminarily approving the
3 settlement of the above-captioned litigation ("Action") in accordance with the Agreement of
4 Settlement, dated April 20, 2016 and the Amendment thereto, dated November 9, 2016, and the
5 Second Amendment thereto dated February 15, 2017, which, together with the exhibits annexed
6 thereto, sets forth the terms and conditions for a proposed settlement of the Action, and for
7 dismissal of the Action with prejudice against defendant Joe's Jeans ("Joe's") and Hudson
8 Clothing, LLC ("Hudson") (collectively "Defendants") upon the terms and conditions set forth
9 therein; and the Court having read and considered the Settlement Agreement and the exhibits
10 annexed thereto;

11 NOW, THEREFORE, it is hereby ORDERED:

12 1. This Preliminary Approval Order incorporates by reference the definitions in the
13 Agreement of Settlement, and all terms used herein shall have the same meaning as set forth in
14 the Agreement of Settlement.

15 2. The Court does hereby preliminarily approve the Agreement of Settlement.

16 3. The Court finds that the requirements of Section 382 of the Code of Civil
17 Procedure, California Rules of Court 3.766 and 3.769 have been satisfied, in that (a) the
18 Settlement Class is so numerous that joinder of all individual Settlement Class Members is
19 impracticable; (b) there are questions of law and fact common to the Settlement Class and those
20 common questions of law and fact predominate over any individual questions; (c) the claims of
21 the Plaintiff are typical of the claims of the Class; (d) the Plaintiff and Class Counsel will fairly
22 and adequately represent the interests of the Class; and (e) a class action is superior to other
23 available methods for the fair and efficient adjudication of the controversy.

24 4. Accordingly, the Court hereby conditionally certifies the Settlement Class for
25 settlement purposes only. The Settlement Class is defined as follows:

26 **All person in the United States who purchased Current Joe's**
27 **Jeans jeans or Hudson Clothing jeans from January 7, 2011 to**
28 **December 31, 2015 that were sold with an unqualified "Made**
 in USA" or "Made in the USA" label. Excluded from the

1 **Settlement Class are all persons who are employees, directors,**
2 **officers, and agents of Defendants or their subsidiaries and**
3 **affiliated companies, as well as the Court and its immediate**
4 **family and staff.**

5 5. Having considered the relevant factors set forth in Section 382 of the Code of
6 Civil Procedure, California Rules of Court 3.766 and 3.769, the Court has made a preliminary
7 determination that Plaintiffs Jeff Card, Einat Noiman, and Maya Schulert and Class Counsel are
8 adequate representatives of the Settlement Class and hereby appoints them as such solely for
9 purposes of settlement.

10 6. **Preliminary Approval of Settlement.** The Parties have agreed to settle the
11 Action upon the terms and conditions set forth in the Agreement, which has been filed with and
12 reviewed by the Court.

13 7. The Court preliminarily finds: (a) that Plaintiff in the Action, by and through her
14 counsel, investigated the facts and law relating to the matters alleged in the complaint and
15 evaluated the risks associated with continued litigation, trial, and/or appeal; (b) that the
16 Settlement was reached as a result of arm's-length negotiations between counsel for Plaintiff and
17 counsel for Defendant and a mediation session with a respected mediator, the Honorable Wayne
18 Peterson (Ret.); (c) that the proponents of the settlement, counsel for the parties, are experienced
19 in similar litigation; and (d) that the Settlement confers substantial benefits upon the Settlement
20 Class, particularly in light of the damages that Plaintiff and Class Counsel believe are potentially
21 recoverable or provable at trial, without the costs, uncertainties, delays, and other risks
22 associated with continued litigation, trial, and/or appeal.

23 8. Accordingly, the Court preliminarily approves the Agreement and the terms and
24 conditions of the Settlement as fair, reasonable, and adequate pursuant to section 382 of the Code
25 of Civil Procedure, California Rules of Court 3.766 and 3.769, subject to further consideration at
26 the Fairness Hearing (as described below).

27 9. **Fairness Hearing.** A hearing (the "Fairness Hearing") will be held before this
28 Court at Department C-65, 220 West Broadway, San Diego, CA 92101 on _____, 2017,

1 at ____ a.m./p.m., to determine: (a) whether the proposed settlement of the Action on the terms
2 and conditions provided for in the Settlement Agreement are fair, reasonable and adequate,
3 and (b) whether a final approval order and judgment should be entered herein. The Court may
4 adjourn or continue the Final Approval Hearing without further notice to the Settlement Class.

5 10. The parties may further modify the Agreement prior to the Fairness Hearing so
6 long as such modifications do not materially change the terms of the Settlement provided
7 thereunder. The Court may approve the Agreement with such modifications as may be agreed to
8 by the parties, if appropriate, without further notice to the Settlement Class.

9 11. After the Fairness Hearing, the Court may enter a Final Order and Judgment in
10 accordance with the Agreement that will adjudicate the rights of the Settlement Class Members
11 (as defined in the Agreement) with respect to the claims being settled.

12 12. **Approval of Form of Notice.** The Court hereby approves, as to form and
13 content, the forms of notice annexed as Exhibits A, B, C, D, E, and F to Settlement Agreement
14 and the Notice Program set forth in paragraphs E.1 to E.6 of the Settlement. The Court finds that
15 the Notice and Short-Form Notice meet the requirements of section 382 of the Code of Civil
16 Procedure, California Rules of Court 3.766 and due process, and are the best notice practicable
17 under the circumstances, and shall constitute due and sufficient notice to all persons entitled
18 thereto.

19 13. **Approval of Notice Procedures.** The Court hereby approves the procedures set
20 forth in the Settlement Agreement, and described below, for providing notice to the proposed
21 Settlement Class. The Court finds that the procedures are fair, reasonable, and adequate; the best
22 notice practicable under the circumstances; consistent with due process; and shall constitute due
23 and sufficient notice to all persons entitled thereto.

24 14. Within twenty (20) days of the date of this Order, the Court hereby directs
25 Defendant to distribute the Notice as set forth in paragraphs E.1 to E.6 of the Settlement.
26 Defendants shall pay the costs of claims administration, including the costs associated with
27 preparing, printing and disseminating to the Settlement Class the Notices as set forth in
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1 paragraphs E.1 to E.6 of the Settlement Agreement in amount not to exceed \$60,000.00. Any
2 cost exceeding \$60,000 shall be paid by Class Counsel.

3 15. At least thirty (30) days prior to the Fairness Hearing, Defendants, through their
4 counsel of record, shall cause to be filed with the Court a sworn affidavit evidencing compliance
5 with the provisions of Settlement Agreement as it relates to providing Notice.

6 16. Pending resolution of these settlement proceedings, no other action now pending
7 or hereinafter filed arising out of all or any part of the subject matter of the Action shall be
8 maintained as a class action and, except as provided by further order of the Court, for good cause
9 shown, all persons are hereby enjoined, during the pendency of these settlement proceedings,
10 from filing or prosecuting purported class actions against Defendants with respect to any of the
11 Released Claims as defined in the Settlement Agreement.

12 17. Upon the Settlement Effective Date, as defined in the Settlement Agreement, all
13 members of the Settlement Class who have not opted out of the settlement shall be enjoined and
14 barred from asserting any of the Released Claims against Defendants and the Released Parties,
15 and each Class Member shall be deemed to release any and all such Released Claims as against
16 Joe's Jeans and the Released Parties, as these terms are defined in the Settlement Agreement.

17 18. Any Class Member may enter an appearance through counsel of such member's
18 own choosing and at such member's own expense or may appear individually and show cause, if
19 he or she has any facts or arguments to present, as to: (a) why the proposed settlement of the
20 Action as set forth in the Settlement Agreement should or should not be approved as fair,
21 reasonable, and adequate; and (b) why the final approval order and judgment should or should
22 not be entered on the proposed Settlement Agreement. Service of any objections shall be made
23 to Class Counsel, Attn: John H. Donboli, DEL MAR LAW GROUP, LLP, 12250 El Camino
24 Real, Suite 120, San Diego, CA 92130, and Joe's Jeans and Hudson Clothing counsel: Kevin D.
25 Rising, BARNES & THORNBURG, LLP, 2029 Century Park East, Suite 300, Los Angeles, CA
26 90067. In addition, if a Class Member wishes to submit to the Court any brief in support of his
27 or her objection, he or she must file the brief with the Court and serve it on both Class Counsel
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1 and counsel for Defendants prior to _____, 2017. In addition, Class Members may
2 personally appear and object at the Fairness Hearing.

3 19. Any Class Member who does not make their objection in the manner provided for
4 in this Preliminary Approval Order shall be deemed to have waived such objection and shall
5 forever be foreclosed from making any objection to or appeal of the fairness, reasonableness or
6 adequacy of the proposed settlement, and to the award of fees and expenses to Class Counsel and
7 other costs, all as set forth in the Settlement Agreement and Preliminary Order.

8 20. Any member of the Settlement Class may choose to exclude himself or herself
9 from the settlement. Any such person who chooses to be excluded from the settlement will not
10 be entitled to any recovery and will not be bound by the Settlement Agreement or have any right
11 to object, appear or comment thereon. Any such person who chooses to request exclusion may
12 do so by submitting a written statement requesting exclusion from the class on or before
13 _____, 2017. Such written request for exclusion must contain the name, address,
14 and telephone number of the person requesting exclusion, reference the name and number of this
15 litigation (*Card v. Joe's Jeans*, San Diego Superior Court Case No.: 37-2015-00021834-CU-BT-
16 CTL, *Noiman v. Hudson Clothing, LLC*, San Diego Superior Court Case No. 37-201500000566-
17 CU-BT-CTL and *Schulert v. Hudson Clothing, LLC*, United States District Court, District of
18 Maine Case No.: 2:15-cv-00276-JDL), be signed personally by the person requesting exclusion,
19 and be mailed to Class Counsel and counsel for Defendants and postmarked on or before
20 _____, 2017.

21 21. Neither the Settlement Agreement, nor any of its terms or provisions, nor any of
22 the negotiations or proceedings connected with it, shall be construed in this or any lawsuit as an
23 admission or concession by Defendants of the truth of any of the allegations of the Action, or of
24 any liability, fault, or wrongdoing of any kind, or by the named Plaintiff Card or any other
25 member of the Settlement Class of the merit of any defense or lack of merit of any claim.

26 22. The Court reserves the right to continue or adjourn the date of the Fairness
27 Hearing without further notice to the Settlement Class, and retains jurisdiction to consider all
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1 further applications arising out of or connected with the proposed settlement.

2 23. Class Counsel and Defense Counsel are hereby authorized to use all reasonable
3 procedures in connection with approval and administration of the settlement that are not
4 materially inconsistent with this Preliminary Approval Order or the Agreement, including
5 making, without further approval of the Court, minor changes to the form or content of the
6 Notice, Summary Notice, and other exhibits that they jointly agree are reasonable or necessary to
7 effectuate the Settlement and the purposes of this Preliminary Approval Order.

8 IT IS SO ORDERED.

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11 Dated: _____
12 HONORABLE JOAN M. LEWIS
13 SUPERIOR COURT JUDGE OF CALIFORNIA
14 FOR THE COUNTY OF SAN DIEGO
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

JEFF CARD, an individual and on behalf of all
others similarly situated,

Plaintiff,

vs.

JOE'S JEANS, INC., a California Limited
Liability Company; and DOES 1 through 100,
inclusive,

Defendants

EINAT NOIMAN, an individual and on behalf
of all others similarly situated,

Plaintiff,

vs.

HUDSON CLOTHING, LLC, a California
Limited Liability Company; and DOES 1
through 100, inclusive,

Defendants

CASE NO.: 37-2015-00021834-CU-BT-
CTL (consolidated with CASE NO.: 37-
2015-00000566-CU-BT-CTL)

CLASS ACTION

**FINAL JUDGMENT AND
PERMANENT INJUNCTION**

Judge: Hon. Joan M. Lewis
Dept.: C-65

1 Plaintiffs Jeff Card, Einat Noiman, and Maya Schulert, individually, and on behalf of all
2 members of the class, and Defendants Joe's Jeans, Inc. ("Joe's") and Hudson Clothing, LLC
3 ("Hudson") (collectively "Defendants"), through their respective attorneys of record, having
4 stipulated to the entry of this Final Judgment and Permanent Injunction (the "Judgment") without
5 the taking of proof, without trial or adjudication of any fact or law herein, without the judgment
6 constituting evidence of or an admission by Defendants regarding any issue of fact or law
7 alleged in the operative complaints herein, and without Defendants admitting any liability, and
8 good cause appearing therefore:

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

10 This action is brought under California and Federal laws, and this Court has jurisdiction
11 over the allegations and subject matter of the operative complaint in the above-captioned matter
12 on file herein.

13 This Court has personal jurisdiction over the parties to this action, including the Class
14 Members (as defined below).

15 This Judgment has been reviewed by this Court, and this Court finds that it has been
16 entered into in good faith and to be in all respects suitable and equitable.

17 The injunctive provisions of this Judgment are applicable to Defendants only ("Enjoined
18 Parties").

19 The members of the class are all persons who made a purchase of a Joe's or Hudson's
20 product that was sold with an unqualified "MADE IN USA" or "MADE IN THE USA" label
21 (the "Jeans Products"), from January 7, 2011 to December 31, 2015, for non-commercial use and
22 who did not timely exercise his or her right to opt out of participation in the settlement (the
23 "Class Members").

24 Permanent Injunction. Without admitting any liability or wrongdoing whatsoever,
25 pursuant to California Business and Professions Code Sections 17203 and 17535, the Enjoined
26 Parties, and each of them, shall be enjoined and restrained from directly or indirectly doing or
27 performing any and all of the following acts or practices: representing, labeling, advertising,

1 selling, offering for sale, and/or distributing any Jeans Products that fail to comply with the
2 California "Made in USA" Statute, the "Textile Act", and the "FTC ACT."

3 Payment to Class Members. Without admitting any liability or wrongdoing whatsoever,
4 Defendants shall distribute to each Class Member, who timely submitted a properly completed,
5 signed claim form, that is not rejected by the Claims Administrator, one (1) Tote Bag
6 (*conservatively* valued at \$55.00), or one t-shirt (in the size of the Qualifying Claimant's section)
7 (approximate retail value of \$68.00) to the Qualifying Claimant per jeans product purchased by
8 the Claimant (as determined by the Claims Administrator) (the tote bag and t-shirt available to
9 class claimants shall be collectively referred to as the "Tote Bag" or "Tote Bags"). Defendants
10 also agree to pay an enhancement award to Plaintiffs Einat Noiman, Jeff Card, and Maya
11 Schulert that does not exceed \$5,000.00, per representative plaintiff.

12 Charitable Donation. The remaining balance of Tote Bags (if any) shall be donated to
13 mutually agreeable 501(c)(3) charities whose charter includes assisting consumers.

14 This Court retains jurisdiction for the purpose of enabling any party to this Judgment to
15 apply to this Court at any time for such further orders and directions as may be necessary or
16 appropriate for the construction or carrying out of this Judgment, for the modification of any of
17 the provisions hereof, for the enforcement of compliance herewith, and for the punishment of
18 violations hereof.

19 The parties agree to negotiate in good faith to try to resolve any disputes that may arise
20 relating to this Judgment. The parties further agree that Plaintiffs and/or Class Members shall
21 give Defendants thirty (30) days' notice and an additional reasonable opportunity to resolve any
22 alleged violation before filing an application or other pleading seeking any relief for any
23 purported violation of this Judgment from any other court, tribunal, arbitration panel,
24 commission, agency or before any governmental and/or administrative body, or any other
25 adjudicatory body. Plaintiffs and/or Class Members further agree that they will not take any
26 action to enforce the Permanent Injunction without first meeting and conferring with Defendants
27 and/or their counsel.

1 The Permanent Injunction shall apply only to Joe's and Hudson's jeans created and
2 placed on the shelves after the Effective Date.

3 Nothing in this Judgment shall be deemed to permit or authorize any violation of the
4 laws, rules, or regulations of California or otherwise be construed to relieve Defendants of any
5 duty to comply with any applicable laws, rules, or regulations of California.

6 This Judgment is a final resolution and disposition of all those matters, claims, and causes
7 of action alleged in the operative complaints herein. This Judgment shall have a *res judicata*
8 effect that bars Plaintiffs and all Class Members from bringing and asserting any and all actions,
9 claims, demands, rights, suits, and causes of action of any kind or nature whatsoever against
10 Defendants, and each of their present and former parent companies, subsidiaries, affiliates,
11 divisions, purchasers, operators, assignees, predecessors, successors, partners, heirs, executors,
12 administrators, officers, directors, insurers, employees, agents, dealers, retailers, manufacturers,
13 suppliers, packagers, distributors, wholesalers, and legal representatives in addition to all such
14 persons or entities relating to actions or omissions in manufacturing, advertising, marketing,
15 labeling, packaging, promotion, sale and distribution of the Class Products (including but not
16 limited to any act or omission regarding the geographic location that any Class Product, or any
17 component of any Class Product, was manufactured, assembled and/or created) (the "Released
18 Persons"), including damages, costs, expenses, penalties, and attorneys' fees, whether at law or
19 equity, known or unknown, foreseen or unforeseen, developed or undeveloped, direct, indirect or
20 consequential, liquidated or unliquidated, arising under common law, regulatory law, statutory
21 law, or otherwise, based on federal, state, or local law, statute, ordinance, regulation, code,
22 contract, common law, or any other source, or any claim that Plaintiffs or Class Members ever
23 had, now have, may have, or hereafter can, shall or may ever have against the Released Persons
24 in any other court, tribunal, arbitration panel, commission, agency or before any governmental
25 and/or administrative body, or any other adjudicatory body, on the basis of, connected with,
26 arising from or in any way whatsoever relating to actions or omissions in manufacturing,
27 advertising, marketing, labeling, packaging, promotion, sale and distribution of the Products,
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1 and/or any claims or omissions regarding the geographic location any Product and/or any
2 component of any Product was manufactured, assembled and/or created, from January 7, 2011 to
3 the Effective Date, and any claims arising after the date of final approval which could be asserted
4 based on labels or marketing in existence as of the date of final approval of the Agreement.

5 This Judgment shall take effect immediately upon entry thereof, without further notice to
6 Defendants.

7 The Court finds an attorneys' fees award of \$_____ to be fair and
8 reasonable and awards same to Class Counsel.

9 The Court also awards Class Counsel the amount of \$_____ as
10 reimbursement of costs and expenses.

11 The Court further awards Plaintiffs Einat Noiman, Jeff Card, and Maya Schulert an
12 incentive award of \$5,000.00 per representative plaintiff, which the Court finds to be fair and
13 reasonable.

14 The attorneys' fees award, reimbursement of expenses, and the Plaintiff incentive awards
15 shall be paid within ten (10) days of the filing of the notice of entry of Judgment in this Action.

16 The Clerk shall enter this Judgment forthwith.

17 **IT IS SO ORDERED.**

18
19 Dated: _____

20 _____
21 HONORABLE JOAN M. LEWIS
22 SUPERIOR COURT JUDGE OF CALIFORNIA
23 FOR THE COUNTY OF SAN DIEGO
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TO ALL CURRENT JOE'S JEANS AND HUDSON CLOTHING CUSTOMERS

NOTICE OF CLASS ACTION LAWSUIT

IF YOU PURCHASED A JOE'S JEANS PRODUCT OR HUDSON CLOTHING PRODUCT WITH AN UNQUALIFIED "MADE IN USA" LABEL FROM JANUARY 7, 2011 TO DECEMBER 31, 2015, YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DON'T ACT. PLEASE READ THIS NOTICE CAREFULLY.

1. As part of a pending proposed settlement (the "Proposed Settlement"), the Superior Court of California, for the County of San Diego, certified the *Joe's Jeans, Inc.*, and *Hudson Clothing, LLC* cases as a class actions and approved this notice. The lawsuits contend that Joe's Jeans, Inc. (now Differential Brands Group, Inc.) ("Joe's") and Hudson Clothing, LLC ("Hudson") (collectively "Defendants") misrepresented the country of origin of its Current Joe's and Hudson products by claiming that the product was "Made in USA" when it contained foreign-made component parts.

2. Defendants will revise their labeling. Accordingly, the relevant Class Period in this matter is from January 7, 2011 to December 31, 2015.

3. As part of the Proposed Settlement, if you made a purchase, in the United States, a Joe's or Hudson's product labeled with an unqualified "MADE IN USA" or "MADE IN THE USA" label, from January 7, 2011 to December 31, 2015, you may be entitled to receive one (1) tote bag, worth \$55.00 OR one (1) t-shirt, worth \$68.00, to the Qualifying Claimant, per jeans product, purchased by claimant.

4. You have the right to exclude yourself from the class. If you exclude yourself, your claims against Joe's and/or Hudson will not be resolved in this lawsuit and you will retain your right to separately pursue your claims at your own cost. You will not be bound by any judgment, rulings or orders in this case. However, if you exclude yourself, you will not receive your Tote Bag.

5. Please go to <http://hudsonjeanssettlement.com/> and/or [www.joesjeanssettlement.com](http://joesjeanssettlement.com) for more information about how to submit a claim form to receive the Tote Bag as detailed above or to exclude yourself, including a more detailed, five-page class notice. You can also call the attorney for Plaintiff and Class Members (John Donboli of Del Mar Law Group, LLP) at 858.793.6244 for additional information.

6. Joe's and Hudson deny all allegations of wrongdoing and disclaims any liability with respect to any and all claims in the lawsuit. Nothing in the Proposed Settlement shall constitute an admission of liability or be used as evidence of liability, by or against the Plaintiffs, or Joe's or Hudson.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION OR ADVICE.