

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
Judge Philip A. Brimmer

Civil Action No. 07-cv-02351-PAB-KLM
(Consolidated with 07-cv-02412; 07-cv-02454; 07-cv-02465; and 07-cv-02469)

In re Crocs, Inc. Securities Litigation

FINAL JUDGMENT AND ORDER OF PARTIAL DISMISSAL WITH PREJUDICE

This matter is before the Court on the application of the Plaintiffs and the Settling Defendants for approval of the proposed Settlement set forth in the Stipulation and Agreement of Partial Class Settlement dated as of May 14, 2012 [Docket No. 194] (the “Stipulation”). Pursuant to the orders entered in this case, having considered all papers filed and proceedings held herein, and otherwise being fully informed in the premises and good cause appearing therefor, it is hereby

ORDERED that:

1. This Class Judgment incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings set forth in the Stipulation.
2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Members of the Settlement Class.
3. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, the Court hereby certifies, solely for purposes of this Settlement, a Settlement Class of all Persons who purchased or otherwise acquired publicly-traded securities of Crocs, Inc. between April 2, 2007 and April 14, 2008, inclusive. Excluded from the Settlement Class are Defendants, their officers and directors during the Settlement Class Period, the members of their immediate families, and their respective

representatives, heirs, successors, and assigns, as well as any entity in which Defendants have or had a controlling interest. Also excluded from the Settlement Class are Merle Lee Bourn, Nathan E. Jackson, Michael Harcourt, Gregory A. Bates, Dudney Shillington, James Dicks, Edward J. Lavalley, John N. Van Name, Phillip L. Bruce (deceased), Donna M. Bowling, Patricia J. Harms, Pamela G. Lillard, and James Regnante who otherwise satisfy the above requirements for membership in the Settlement Class, but who timely and validly requested exclusion from the Settlement Class.

4. The Court finds, solely for the purposes of this Settlement, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the Members of the Settlement Class are so numerous that joinder of all Settlement Class Members in the Action is impracticable; (b) there are questions of law and fact common to the Settlement Class which predominate over any individual questions; (c) the claims of one or more of the Plaintiffs are typical of the claims of the Settlement Class; (d) one or more of the Plaintiffs and Plaintiffs' Counsel have fairly and adequately represented and protected the interests of all of the Settlement Class Members; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy, considering: (i) the interests of the Members of the Settlement Class in individually controlling the prosecution of the separate actions; (ii) the extent and nature of any litigation concerning the controversy already commenced by Members of the Settlement Class; (iii) the desirability or undesirability of continuing the litigation of these claims in this particular forum; and (iv) the

difficulties likely to be encountered in the management of the Action.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and solely for purposes of the Settlement, the Court further finally certifies Plaintiffs Antonio Pedrera Sánchez, Fernando Pedrera Sánchez, Harvey Babitt, and Daniel Lundberg as class representatives for the Settlement Class and appoints Plaintiffs' Counsel as counsel for the Settlement Class.
6. The Court finds that notice of the pendency of this Action as a class action and of the proposed Settlement was given to all Settlement Class Members who could be identified with reasonable effort. The notification provided for and given to the Settlement Class was in compliance with the Preliminary Approval Order, constituted the best notice practicable under the circumstances, fully satisfied the requirements of Federal Rule of Civil Procedure 23, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995, the requirements of due process, and any other applicable law.
7. Pursuant to and in compliance with Rule 23 of the Federal Rules of Civil Procedure, the Court finds that due and adequate notice of these proceedings was directed to the Settlement Class Members, advising them of the Settlement, the Plan of Allocation, and Plaintiffs' Counsel's intent to apply for an award of attorneys' fees and reimbursement of expenses, and of their right to object thereto, and a full and fair opportunity was accorded to the Settlement Class Members to be heard with respect to the foregoing matters. Thus, it is hereby determined that all Settlement Class Members who did not timely and properly elect to exclude themselves by

written communication postmarked or otherwise delivered on or before the date set forth in the Notice and the Preliminary Approval Order are bound by this Class Judgment.

8. Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, this Court hereby finds that: (a) the Settlement is, in all respects, fair, reasonable, and adequate, and in the best interests of the Settlement Class; (b) the Settlement is the product of good-faith, informed, arm's-length negotiations between competent, experienced counsel representing the interests of the respective Settling Parties; (c) there was no evidence of collusion in connection with the Stipulation; and (d) the record is sufficiently developed and complete to have enabled Plaintiffs and Settling Defendants to have adequately evaluated and considered their positions. Accordingly, the Court gives final approval to the Settlement set forth in the Stipulation in all respects and authorizes and directs the Settling Parties to consummate the Settlement in accordance with the terms and provisions of the Stipulation and of this Class Judgment. The objections by National Roofing Industry Pension Plan and Peter Encinosa are overruled.
9. The Action and all claims contained therein at anytime, including, but not limited to, all of the Released Claims (including Unknown Claims), are dismissed in their entirety with prejudice as against each and all of the Released Parties, except as to any individual claim of those Persons named in Paragraph 3 of this Class Judgment who otherwise satisfy the above requirements for membership in the Settlement Class, but who have validly and timely requested exclusion from the Settlement

Class. The parties are to bear their own costs, except as otherwise provided in the Stipulation.

10. Upon the Effective Date, Plaintiffs and each of the Settlement Class Members for themselves and for each of their respective past, present, and future accountants, administrators, advisors, affiliates, agents, analysts, assignees, assigns, associates, attorneys, auditors, co-insurers, commercial bank lenders, consultants, controlling shareholders, directors, divisions, domestic partners, employees, employers, executors, financial advisors, general or limited partners, general or limited partnerships, heirs, insurers, investment advisors, investment bankers, investment banks, joint ventures and joint venturers, managers, marital communities, members, officers, parents, personal or legal representatives, predecessors, principals, reinsurers, representatives, shareholders, spouses, subsidiaries, successors, and underwriters, and any other Person claiming (now or in the future) through or on behalf of any of them (whether or not such Settlement Class Member ever seeks or obtains by any means, including without limitation, by submitting a Proof of Claim and Release, any distribution from the Settlement Fund) shall be deemed to have, and by operation of this Class Judgment shall have fully, finally, and forever released, relinquished, and discharged all Released Claims (including Unknown Claims) against each and all of the Released Parties, and shall have covenanted not to sue any of the Released Parties with respect to all such Released Claims, except to enforce the releases and other terms and conditions contained in the Stipulation or this Class Judgment entered pursuant thereto. The Settling Parties acknowledge, and the Settlement Class Members shall be deemed

by operation of this Class Judgment to have acknowledged, that the foregoing waiver of Unknown Claims, and of the provisions, rights, and benefits of § 1542 of the California Civil Code, was bargained for and is a key element of the Settlement of which the release in this paragraph is a part.

11. Upon the Effective Date, Plaintiffs and each of the Settlement Class Members for themselves and for each of their respective past, present, and future accountants, administrators, advisors, affiliates, agents, analysts, assignees, assigns, associates, attorneys, auditors, co-insurers, commercial bank lenders, consultants, controlling shareholders, directors, divisions, domestic partners, employees, employers, executors, financial advisors, general or limited partners, general or limited partnerships, heirs, insurers, investment advisors, investment bankers, investment banks, joint ventures and joint venturers, managers, marital communities, members, officers, parents, personal or legal representatives, predecessors, principals, reinsurers, representatives, shareholders, spouses, subsidiaries, successors, and underwriters of each of them, and any other Person claiming (now or in the future) through or on behalf of any of them, directly or indirectly, individually, representatively, or in any other capacity (whether or not such Settlement Class Member executes and delivers a Proof of Claim and Release) shall be forever permanently barred, enjoined, and restrained from commencing, instituting, asserting, maintaining, enforcing, prosecuting, or continuing to prosecute, either directly or in any other capacity, any Released Claim (including any Unknown Claim) against any of the Released Parties, in the Action or in any other action or any proceeding, in any state, federal, or foreign court of law

or equity, arbitration tribunal, administrative forum, or other forum of any kind, or in the court of any foreign jurisdiction. It is expressly agreed to by the Settling Parties that nothing in the Stipulation bars, shall bar or is intended to bar any claim by Plaintiffs and/or any Settlement Class Member against Deloitte.

12. Upon the Effective Date, each of the Settling Defendants shall be deemed to have, and by operation of this Class Judgment, shall have fully, finally, and forever released, relinquished, and discharged each and all of the Settlement Class Members and Plaintiffs, including their respective successors, assigns, heirs, domestic partners, spouses, marital communities, executors, administrators, attorneys and legal representatives, from all claims, including Unknown Claims, arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the Action, except to enforce the releases and other terms and conditions contained in the Stipulation or any Court order (including but not limited to this Class Judgment) entered pursuant thereto.
13. The Court hereby enters a Bar Order as required by section 21D(f)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(f)(7) and it shall be as broad as permitted by state or federal law, and shall permanently and forever bar all Persons from filing, instituting, prosecuting, or maintaining, directly or indirectly, in any capacity, any claims under state, federal, or common law for contribution or indemnity against any Settling Defendant, whether based in tort, contract, or any other theory, arising from, based upon, or related to the Released Claims, the Action, or the subject matters of the Action.

14. The Court hereby approves the Plan of Allocation as set forth in the Notice, and directs Plaintiffs' Counsel to proceed with the processing of Proofs of Claim and the administration of the Settlement pursuant to the terms of the Settlement and Plan of Allocation and, upon completion of the claims processing procedure, to present to this Court a proposed final distribution order for the distribution of the Net Settlement Fund to Members of the Settlement Class as provided in the Stipulation and Plan of Allocation.
15. No Person shall have any claim against Plaintiffs, Plaintiffs' Counsel, any claims administrator, the Escrow Agents, or any agent designated by Plaintiffs' Counsel, any claims administrator, the Escrow Agent or any agent designated by Settling Defendants, Defendants' counsel, or their respective counsel, based on the investment or distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or further orders of the Court. The Settling Defendants and the other Released Parties shall have no responsibility for, or liability whatsoever with respect to, the Settlement Fund, the Escrow Agent, the Escrow Agent's actions, any transaction executed or approved by the Escrow Agent, or the Escrow Agent's administration of the Settlement Fund.
16. The Court hereby awards Plaintiffs' Counsel attorneys' fees in the amount of \$3,000,000, or 30% of the Settlement Fund, and reimbursement of their out-of-pocket expenses incurred in the prosecution of this Action on behalf of the Settlement Class in the amount of \$122,592.43, with interest at the same rate earned by the Settlement Fund on such amounts from the date of this Class Judgment until such amounts are actually paid to Plaintiffs' Counsel. The Court

finds that the amount of attorneys' fees awarded herein is fair and reasonable based on the work performed and costs incurred by Plaintiffs' Counsel; the complexity of the case; the risks undertaken by Plaintiffs' Counsel and the contingent nature of their employment; the quality of the work performed by Plaintiffs' Counsel in this Action and their standing and experience in prosecuting similar class action securities litigation; awards to successful plaintiffs' counsel in other, similar litigation; the benefits achieved for Members of the Settlement Class through the Settlement; and the lack of objections from Settlement Class Members to either the application for an award of attorneys' fees or reimbursement of expenses to Plaintiffs' Counsel. The Court also finds that the requested reimbursement of expenses is proper as the expenses incurred by Plaintiffs and Plaintiffs' Counsel, including the costs of experts, were reasonable and necessary in the prosecution of this Action on behalf of Settlement Class Members.

17. Plaintiffs' Counsel may apply to the Court, from time to time, for any fees and/or expenses incurred by them solely in connection with the administration of the Settlement and distribution of the Settlement Fund to Settlement Class Members.
18. The Court finds that the Claim Administrator, The Garden City Group, Inc. ("GCG"), has incurred costs and expenses up to December 12, 2013 in providing notice to the Settlement Class as directed by the Preliminary Approval Order and administering the Settlement of \$551,555.74, which the Court finds reasonable and commercially competitive. The Court approves a payment of \$551,555.74 to GCG from the Net Settlement Fund.
19. The attorneys' fees and reimbursement of expenses awarded above to Plaintiffs'

Counsel shall be deducted from the Settlement Fund upon entry by the Court of this Class Judgment. Plaintiffs' Lead Counsel shall allocate any attorneys' fees awarded to Plaintiffs' Counsel by the Court between and among Plaintiffs' Counsel in the Action in a manner in which Plaintiffs' Lead Counsel, in good faith, believes reflects the relative contributions of such counsel to the prosecution and settlement of the Action. In the event this Stipulation is terminated for any reason, the Effective Date does not otherwise occur, or this order awarding Plaintiffs' Counsel attorneys' fees and/or reimbursement of expenses is reversed or modified, then any of Plaintiffs' Counsel who have received a payment shall, within five (5) business days from Plaintiffs' Counsel receiving notice from Settling Defendants' Counsel or from a court of appropriate jurisdiction, refund to the Settlement Fund the fees and expenses previously paid to them from the Settlement Fund, plus interest thereon at the same rate as earned by the Settlement Fund, in an amount consistent with such reversal or modification. The return obligation set forth in this paragraph is the obligation of all Plaintiffs' Counsel who receive a payment in the Action. Each such Plaintiffs' Counsel's law firm, as a condition of receiving such fees and expenses, on behalf of itself and each partner and/or shareholder of it, agrees that the law firm and its partners and/or shareholders are subject to the jurisdiction of the Court for the purpose of enforcing the provisions of this subparagraph. Without limitation, each such law firm and its partners and/or shareholders agree that the Court may, upon application of Settling Defendants on notice to Plaintiffs' Counsel, summarily issue orders, including, but not limited to, judgments and attachment orders, against them or any of them should such law firm fail timely to repay fees,

expenses and interest pursuant to the Stipulation.

20. Neither appellate review of nor modification of the Plan of Allocation set forth in the Class Judgment or the award to Plaintiffs' Counsel of attorneys' fees and/or reimbursement of expenses shall disturb or affect the final approval of the Settlement as provided in this Class Judgment. The Plan of Allocation set forth in the Class Judgment and the award to Plaintiffs' Counsel of attorneys' fees and/or reimbursement of expenses shall be considered separate for the purposes of appellate review of this Class Judgment.
21. This Class Judgment, the Stipulation, and any negotiations, discussions, proceedings, acts performed, or documents executed pursuant to, in furtherance of, or in connection with this Class Judgment, the Stipulation, or the Settlement, are not an admission of any liability, fault, or omission of any Settling Defendant or other Released Party, and shall not be used against or offered against any or all of the Released Parties in any way for any reason in any proceeding whatsoever, including, without limitation:
 - a. as evidence of, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Settling Defendant or other Released Party of, the validity of any Released Claim or any claim asserted or that could have been or might have been asserted in the Action or in any action;
 - b. as evidence of, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Settling Defendant or other Released Party of, the validity of any allegation made in the Action, or that

- could have been or might have been made in the Action or in any action;
- c. as evidence of, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Settling Defendant or other Released Party of, the truth of any fact alleged or that could have been or might have been alleged in the Action or in any action;
 - d. as evidence of, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Settling Defendant or other Released Party of, the deficiency of any defense asserted or that could have been or might have been asserted in the Action or in any other action;
 - e. as evidence of, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Settling Defendant or other Released Party, of any wrongdoing, fault, negligence, gross negligence, recklessness, misrepresentation, omission, non-disclosure, or liability whatsoever of any Settling Defendant or other Released Party;
 - f. as evidence of, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Settling Defendant or other Released Party of, any wrongdoing, fault, negligence, gross negligence, recklessness, misrepresentation, omission, non-disclosure, or liability whatsoever with respect to any statement or written document approved or made by any Settling Defendant or other Released Party; or
 - g. as evidence that, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Settling Defendant or other

Released Party that, the consideration to be given hereunder represents the amount that could be or would have been recovered after trial.

22. Neither this Class Judgment, the Stipulation, nor the Settlement, whether or not consummated, nor any negotiations, discussions, proceedings, acts performed, or documents executed pursuant to, in furtherance of, or in connection with this Class Judgment, the Stipulation or the Settlement shall be admissible in any proceeding for any purpose, except to enforce the terms of the Settlement, and except that any Defendant or other Released Party may file the Stipulation and/or this Class Judgment in any action that may be brought against any or all of them to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or other theory of claim preclusion or issue preclusion or similar defense.
23. Given the complexity of this Action and the Court's familiarity with the issues therein, and without affecting the finality of this Class Judgment in any way, this Court finds compelling reasons to retain jurisdiction over this Action and hereby retains continuing exclusive jurisdiction over: (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) approval of a Plan of Allocation; (c) the allowance, disallowance or adjustment of any Settlement Class Member's claim on equitable grounds and any awards or distribution of the Settlement Fund; (d) disposition of the Settlement Fund; (e) hearing and determining applications for attorneys' fees and expenses in the Action; (f) all Settling Parties for the purpose of consummating, construing, enforcing, and administering the Stipulation; (g) all other proceedings related to the

implementation and enforcement of the terms of the Stipulation and/or the Settlement; and (h) all other matters related or ancillary to the foregoing.

24. In the event that the Settlement does not become Final in accordance with the terms of the Stipulation or the Effective Date does not occur, or in the event that the Settlement Fund, or any portion thereof, is returned to the Settling Defendants, then this Class Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation, and the parties shall be restored to their respective positions in the Action as of the date of the Stipulation. Specifically, in the event the Stipulation does not become effective, the appeal in *Sanchez v. Crocs, Inc., et al.*, Case No. 11-1116, will be reinstated and decided based on the parties' already-completed briefing (and any oral argument that the Tenth Circuit may direct).
25. Neither this Class Judgment, the Stipulation, nor the Settlement, whether or not consummated, nor any negotiations, discussions, proceedings, acts performed, or documents executed pursuant to, in furtherance of, or in connection with this Class Judgment, the Stipulation, or the Settlement shall be in any way referred to for any reason by Plaintiffs or any Settlement Class Member as against any Settling Defendant or other Released Party in any civil, criminal, or administrative action or proceeding in any court, administrative agency, or other tribunal (including, but not limited to, any formal or informal investigation or inquiry by the SEC or any other state or federal governmental or regulatory agency), other than such proceedings

as may be necessary to effectuate the provisions of this Class Judgment or the Stipulation; provided, however, that if the Stipulation and/or this Class Judgment are approved by the Court, any or all Released Parties may refer to it to effectuate the liability protections granted them thereunder.

26. Pursuant to Section 21(D)(c)(1) of the Private Securities Litigation Reform Act of 1995, the Court hereby finds that each Settling Party, and his, her, or its respective counsel, has complied with each requirement of Rule 11(b) of the Federal Rules of Civil Procedure as to all papers and filings related to the Released Claims, and that insofar as it relates to the Released Claims, the Action was filed on a good faith basis, was not brought for any improper purpose, and is not unwarranted under existing law or legally frivolous.
27. Without further order of the Court, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.
28. This Class Judgment is a final judgment in the Action as to all claims asserted therein at anytime. This Court finds, for purposes of Federal Rule of Procedure 54(b) , that there is no just reason for delay and expressly directs the Clerk of Court to enter judgment as set forth herein.
29. Judgment shall be, and hereby is, entered dismissing the Action against the Settling Defendants in its entirety with prejudice and on the merits.

DATED September 19, 2014.

BY THE COURT:

s/Philip A. Brimmer
PHILIP A. BRIMMER
United States District Judge