

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

LEILAND STEVENS, Individually and on Behalf of All  
Others Similarly Situated,

Plaintiff,

v.

QUIKSILVER, INC., ANDREW P. MOONEY, and  
RICHARD SHIELDS,

Defendants.

Case No. 8:15-cv-00516 JVS (JCGx)

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

**If you purchased Quiksilver, Inc. common stock between between June 6, 2014 and March 26, 2015, you could receive a payment from a class action settlement.**

*A federal court authorized this Notice. This is not a solicitation from a lawyer.*

- The proposed Settlement, if approved by the Court, will provide \$1,500,000 to pay claims from investors who purchased or otherwise acquired Quiksilver, Inc. (“Quiksilver”) common stock on the public market between June 6, 2014 and March 26, 2015, both dates inclusive. If purchasers of all the estimated 40.8 million shares of Quiksilver shares submit claims, this will result in a recovery of approximately \$0.037 per share, *before* the deduction of attorneys’ fees, costs, and expenses, as approved by the Court.
- The Settlement resolves a U.S. lawsuit over whether Defendants disseminated materially false and misleading statements and omissions concerning Quiksilver’s implementation of a new enterprise-wide reporting system. The two sides disagree on whether the investors could have won at trial and, if so, how much money they could have won.
- Court-appointed lawyers for investors have litigated this matter on a contingent basis and advanced all expenses incurred on behalf of the Class. These lawyers will ask the Court for \$375,000 in attorneys’ fees (25% of the Settlement) and reimbursement for expenses of up to \$36,250 for their work litigating the case and negotiating the Settlement. If approved by the Court, these amounts will be deducted from the \$1,500,000 Settlement (totaling \$0.01 per share, assuming claims are submitted on behalf of 40.8 million shares).
- After deducting for any attorneys’ fees and expenses, the award to Lead Plaintiffs, and administration costs, the estimated average recovery from the Settlement, assuming claims are made on behalf of 40.8 million shares, is \$0.027 per share (assuming claims are submitted on behalf of 40.8 million shares).
- The Court has not yet approved the Settlement. Payments will be made only if the Court approves the Settlement and after any appeals are resolved. Please be patient.
- **Your legal rights are affected whether you act or don’t act. Read this Notice carefully.**

## YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<b>SUBMIT A CLAIM FORM NO LATER THAN MAY 10, 2017</b>	The only way to get a payment if you have a Recognized Claim.
<b>EXCLUDE YOURSELF NO LATER THAN APRIL 3, 2017</b>	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against the Released Persons about the Released Claims.
<b>OBJECT NO LATER THAN APRIL 3, 2017</b>	Write to the Court about why you do not like the Settlement. You may, but are not required to, appear at the Final Approval Hearing.
<b>GO TO A HEARING</b>	You may ask to speak in Court about the fairness of the Settlement.
<b>DO NOTHING</b>	Get no payment. Give up rights.

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**BASIC INFORMATION****1. Why did I get this notice package?**

You or someone in your family may have purchased or otherwise acquired shares of Quiksilver common stock between June 6, 2014 and March 26, 2015, inclusive. The Court directed that this Notice be sent to potential Settlement Class members because they have a right to know about a proposed settlement of a class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and any appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

**2. What is this lawsuit about?**

Lead Plaintiff's Consolidated Class Action Complaint (the "Consolidated Complaint"), filed on August 25, 2015, alleges that Defendants Andrew P. Mooney and Richard Shields ("Defendants") violated Sections 10(b) and Section 20(a) of the Exchange Act of 1934. According to the Consolidated Complaint, Defendants violated these statutes by disseminating false and misleading statements and omissions concerning the Company's implementation of a new ERP, referred to by Defendants as "SAP." The lawsuit seeks money damages against Defendants for alleged violations of the federal securities laws. Defendants believe that the claims asserted in the action are completely without merit. Defendants have denied and continue to deny any and all wrongdoing whatsoever and maintain that their conduct was at all times proper and in compliance with applicable provisions of law. Defendants have denied and continue to deny each and all of the claims and contentions alleged by Lead Plaintiff in the Litigation and deny that they have committed any of the wrongful acts or violations of law that are alleged in the Litigation, including that they made any material misrepresentations or omissions. Defendants deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue to deny, among other things, the allegations that Lead Plaintiff or the Settlement Class has suffered damages and that Lead Plaintiff or the Settlement Class was harmed by the conduct alleged in the Consolidated Complaint or its predecessor complaints.

**3. Why is this a class action?**

In a class action, one or more people called "class representatives" (in this case, the Lead Plaintiff Babulal Parmar) sue on behalf of people who have similar claims. All persons with similar claims are members of the Settlement Class. Bringing a case, such as this one, as a class action allows the collective adjudication of many similar claims that might be economically too small to bring in individual actions. One court resolves the issues for all class members, except for those who exclude themselves from the class. Judge James V. Selna of the U.S. District Court for the Central District of California is overseeing this class action.

**4. Why is there a settlement?**

The Court did not decide in favor of Lead Plaintiff or Defendants. Instead, both sides agreed to the Settlement. That way, they avoid the costs and risks of further litigation and trial. As explained above, Lead Plaintiff and his attorneys think the Settlement is best for all members of the Settlement Class.

**WHO IS PART OF THE SETTLEMENT?****5. How do I know if I am part of the Settlement?**

The Court directed that, for the purposes of the proposed Settlement, everyone who fits this description is a member of the Settlement Class: all Persons who purchased or otherwise acquired Quiksilver common stock (ticker symbol: ZQK) on the public market between June 6, 2014 and March 26, 2015, inclusive.

**6. Are there exceptions to being included?**

Excluded from the Settlement Class are Defendants; members of the Defendants' immediate families; officers, directors, and subsidiaries of Quiksilver; any firm, entity, or corporation wholly owned by any Defendant and/or any member(s) of a Defendant's immediate family; any trust of which a Defendant is the settlor or which is for

the benefit of a Defendant and/or any member of their immediate families; and the legal representatives, heirs, or successors-in-interest of Quiksilver and the Defendants. Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the Settlement Class pursuant to the Notice of Proposed Class Action Settlement to be sent to members of the Settlement Class.

If a mutual fund in which you invested purchased or otherwise acquired Quiksilver common stock during the Settlement Class Period, that does not make you a member of the Settlement Class. You are a member of the Settlement Class only if you directly purchased or otherwise acquired Quiksilver common stock during the Settlement Class Period. Contact your broker to see if you purchased or otherwise acquired Quiksilver common stock during the Settlement Class Period.

If you **sold** but did not purchase Quiksilver common stock during the Settlement Class Period, you are not a member of the Settlement Class. You are a member of the Settlement Class only if you **purchased or otherwise acquired** your shares during the Settlement Class Period.

## 7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator by writing to *Quiksilver Securities Litigation*, Claims Administrator, P.O. Box 5053, Portland, OR 97208-5053 for more information.

### WHAT ARE THE SETTLEMENT BENEFITS?

## 8. What does the Settlement provide?

Defendants have agreed to create a \$1.5 million fund to be distributed, after the payment of claims administration and notice costs and Lead Counsel's attorneys' fees and expenses as awarded by the Court, to all members of the Settlement Class who send in a valid and timely Proof of Claim and Release form.

In return, the Litigation will be dismissed, and Lead Plaintiff and all members of the Settlement Class who do not timely and validly request exclusion from the Settlement Class agree to release, relinquish, and discharge all Released Claims (including Unknown Claims) against the Defendants, Quiksilver, and their respective Related Persons, whether or not these members of the Settlement Class execute and deliver the Proof of Claim and Release.

## 9. How will the Settlement be allocated among class members?

The proposed Settlement provides for a Settlement Amount of \$1,500,000 in cash. After payment of any attorneys' fees and reimbursement of costs, expenses, and administrative fees ("Net Settlement Fund"), the Settlement Amount will be distributed to the Settlement Class according to the Plan of Allocation.

The objective of the Plan of Allocation is to equitably distribute the Settlement proceeds to those Settlement Class members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation generally measures the amount of loss that a Settlement Class member can claim for purposes of making *pro rata* allocations of the Net Settlement Fund to Authorized Claimants. The Plan of Allocation is not a formal damage analysis. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Settlement Class members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

If the sum total of claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's claim divided by the total claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

If the Net Settlement Fund exceeds the sum total amount of the claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

The Claims Administrator will use the following plan of allocation to determine how much each Claimant is entitled

to claim:

For each share of Quiksilver common stock *purchased or otherwise acquired during the Class Period*, the amount of the claim will be:

<u>CLAIM AMOUNT</u>		<u>SOLD</u>		
		<u>6/6/2014– 3/3/2015</u>	<u>3/4/2015– 3/25/2015</u>	<u>Retained on 3/26/2015</u>
<u>PURCHASED</u>	<u>6/6/2014– 3/3/2015</u>	\$0.00	\$0.09	\$0.44
	<u>3/4/2015– 3/25/2015</u>	N/A	\$0.00	\$0.35

- i. For any shares you sold before March 4, 2015, then your claim is \$0. The alleged truth concerning Defendants' alleged misstatements and omissions did not emerge until March 4, 2015, and therefore, any loss you may have sustained is not causally related to Defendants' alleged conduct;
- ii. For any shares you retained on March 4, 2015 but then sold prior to March 26, 2015, then your Recognized Claim is equal to the number of these shares multiplied by the decline in Quiksilver's stock price immediately following Quiksilver's disclosures on March 4, 2015, or \$0.09 per share;
- iii. For any shares you purchased on or after March 4, 2015 and then retained through the end of the Class Period on March 26, 2015, then your Recognized Claim is equal to the number of these shares multiplied by the decline in Quiksilver's stock price immediately following Quiksilver's disclosures on March 26, 2015, or \$0.35 per share;
- iv. For any shares you purchased before March 4, 2015 and then retained through the end of the Class Period on March 26, 2015, then your Recognized Claim is equal to the number of these shares multiplied by the total decline in Quiksilver's stock price immediately following Quiksilver's disclosures on March 4 and 26, 2015, or \$0.44 per share;
- v. For any shares you purchased on or after March 4, 2015 but then sold prior to March 26, 2015, then your Recognized Claim is \$0 because you did not retain these shares during a time when the decline in value allegedly was causally related to Defendants' alleged conduct.

## 10. How much will my payment be?

If you are entitled to a payment, your share of the Settlement Fund will depend on the number of members of the Settlement Class who submit valid Proofs of Claim (the "Authorized Claimants"). Payments will be calculated on a *pro rata* basis, meaning that the Settlement Fund (less all administrative costs, including the costs of notice, attorneys' fees, and expenses) will be divided among the Authorized Claimants and distributed accordingly after the deadline for submission of Proof of Claim and Release forms has passed.

Claims that result in payment of less than \$10 will be deemed *de minimis*, and payment will not be issued. No claims will be calculated for any purchase of Quiksilver securities to cover a short sale.

To the extent that any amount of the Settlement Fund remains after the Claims Administrator has caused distributions to be made to all Authorized Claimants, whether by reason of uncashed distributions or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants cash their distributions, any balance remaining in the Settlement Fund one (1) year after the initial distribution of such funds shall be redistributed to Authorized Claimants who have cashed their initial distributions, after payment of any unpaid costs or fees incurred in administering the Settlement Fund for such redistribution if Lead Counsel, in consultation with the Claims Administrator, determines that additional redistributions, after deduction of any additional fees and expenses that would be incurred with respect to such redistribution, would be cost-effective. At such time as it is determined that the redistribution of funds remaining in the Settlement Fund is not cost-effective, the remaining balance in the Settlement Fund shall be contributed to nonsectarian, nonprofit 501(c)(3) organization(s), to be recommended by Lead Counsel and approved by the Court.

**HOW CAN YOU RECEIVE A PAYMENT?****11. How can I get a payment?**

To qualify for a payment, you must send in a Proof of Claim and Release form. A Proof of Claim and Release form accompanies this Notice. You may also download a Proof of Claim and Release form from the Claims Administrator's website, [www.QuiksilverSecuritiesLitigation.com](http://www.QuiksilverSecuritiesLitigation.com). Read the instructions carefully, fill out the Proof of Claim and Release form, include all the documents the form asks for, sign it, and mail it postmarked no later than **May 10, 2017**. Any Settlement Class member who fails to submit a Proof of Claim and Release by such date shall be forever barred from receiving any distribution from the Settlement Fund (unless by order of the Court the deadline to submit a Proof of Claim and Release is extended or such Settlement Class member's Proof of Claim and Release is accepted), but otherwise shall be bound by all of the terms of the Stipulation and the Settlement, including the releases in the Stipulation, and will be permanently barred and enjoined from commencing or prosecuting any action asserting any Released Claims against any Released Persons.

**12. When would I get my payment?**

The Court will hold a hearing on **May 1, 2017**, to decide whether to approve the Settlement. If the Settlement is approved, the Claims Administrator will complete the administration process and determine how much each Authorized Claimant is entitled to receive. Lead Counsel will then seek permission from the Court to distribute the Settlement Amount on a *pro rata* basis to Authorized Claimants. This may take several months.

**13. What am I giving up to get a payment or stay in the Settlement Class?**

Unless you exclude yourself, you will remain a member of the Settlement Class, and that means that, upon the "Effective Date," you will release all "Released Claims" against the "Released Persons."

The "Effective Date" will occur when an order entered by the Court approving the Settlement becomes Final and not subject to appeal and when all conditions of the Stipulation have been met.

"Related Persons" of a Person or entity means any of that Person or entity's past, present, or future directors, officers, employees, parents, partners, members, principals, agents, owners, fiduciaries, shareholders, related or affiliated entities, subsidiaries, divisions, accountants, auditors, attorneys, associates, consultants, advisors, insurers, co-insurers, reinsurers, trustees, estates, beneficiaries, administrators, foundations, underwriters, banks or bankers, personal or legal representatives, divisions, joint ventures, spouses, domestic partners, family members, heirs, executors, or any other person or entity acting or purporting to act for or on behalf of that Person or entity, and each of their respective predecessors, successors, and assigns, and any trusts for which any of them are trustees, settlors, or beneficiaries.

"Released Claims" means any and all claims (including Unknown Claims as defined below), duties, debts, demands, rights, disputes, suits, matters, damages, losses, obligations, proceedings, issues, judgments, liabilities, and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, whether compensatory, consequential, special, punitive, exemplary, or otherwise; restitution, rescission, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, charges, or liability whatsoever), whether based on federal, state, local, statutory, common, administrative, or foreign law, or any other law, rule, or regulation, or at equity, whether known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, liquidated or unliquidated, accrued or unaccrued, matured or unmatured, at law or in equity, whether class, derivative, or individual in nature, which now exist, or heretofore have existed, been asserted, or that could have been asserted by Lead Plaintiff or any member of the Settlement Class against the Defendants, Quiksilver, and their respective Related Persons based upon, arising out of, or relating in any way to: (a) the allegations, matters, facts, transactions, events, occurrences, disclosures, statements, acts, omissions, or failures to act that were or could have been alleged in the Litigation, or (b) the purchase, acquisition, disposition, sale, or retention of Quiksilver common stock by Lead Plaintiff or any member of the Settlement Class during the Settlement Class Period. Expressly excluded from Released Claims are the matters set forth in paragraph 5.5 of the Stipulation.

"Released Persons" means each and all of the Defendants, Quiksilver, and their respective Related Persons.

"Unknown Claims" means any and all claims, of every nature and description, that Lead Plaintiff and/or any member of the Settlement Class does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons, which, if known by him, her, or it, would or might have affected his, her, or its settlement with

and release of the Released Persons, or would or might have affected his, her, or its decision not to object to this Settlement or not to exclude himself, herself, or itself from the Settlement Class or to release the Released Claims. Lead Plaintiff and members of the Settlement Class may hereafter discover facts in addition to or different from those that he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff upon the Effective Date shall expressly, fully, finally, and forever settle and release, and each member of the Settlement Class, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly waive, and each of the members of the Settlement Class shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights, and benefits of California Civil Code Section 1542, which provides:

**A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.**

Lead Plaintiff shall expressly waive and relinquish, and each of the members of the Settlement Class shall be deemed to have, and by operation of the Judgment shall have, expressly waived and relinquished any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code Section 1542. Lead Plaintiff acknowledges, and the members of the Settlement Class shall be deemed by operation of the Judgment to have acknowledged, that the inclusion of Unknown Claims in the definition of Released Claims and the foregoing waiver were separately bargained for and a key element of the Settlement of which this release is a material and essential part.

If you remain a member of the Settlement Class, all of the Court's orders will apply to you and legally bind you.

#### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this Settlement, but you want to keep any right you may have to sue or continue to sue Defendants on your own about the Released Claims, then you must take steps to exclude yourself—or as it is sometimes referred to, you must “opt out” of the Settlement Class.

#### **14. How do I exclude myself from the proposed Settlement?**

To exclude yourself from the Settlement Class, you must send a letter by mail stating that you “request exclusion from the Settlement Class in *Stevens v. Quiksilver, Inc., et al.*, 8:15-cv-00516-JVS-JCG (C.D. Cal.)” Your letter must state the date(s), price(s), and number(s) of shares of all your purchases, acquisitions, and sales of Quiksilver shares during the Settlement Class Period. In addition, be sure to include your name, address, daytime telephone number, and your signature. You must mail your exclusion request **postmarked no later than April 3, 2017** to the Claims Administrator at *Quiksilver Securities Litigation*, Claims Administrator, P.O. Box 5053, Portland, OR 97208-5053.

**You cannot exclude yourself by telephone, fax, or email.** If you ask to be excluded, you will not receive any payment from the Settlement Fund, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue Quiksilver and the other Released Persons about the Released Claims in the future.

#### **15. If I do not exclude myself, can I sue Quiksilver, Defendants, or the other Released Persons later for the Released Claims?**

No. Unless you exclude yourself, you give up any rights to sue Defendants and the other Released Persons, or to enforce any existing judgments against any of the Released Persons, for any and all Released Claims. If you have a pending lawsuit against Defendants or the other Released Persons, speak to your lawyer in that case immediately to determine if you have to exclude yourself from *this* Settlement Class to continue your own lawsuit. Remember, the exclusion deadline is **April 3, 2017**.

**16. If I exclude myself, can I get money from the proposed Settlement?**

No. If you exclude yourself, do not send in a Proof of Claim and Release form to ask for any money. But, you may exercise any right you may have to sue, continue to sue, or be part of a different lawsuit against Defendants and the other Released Persons.

**THE LAWYERS REPRESENTING YOU****17. Do I have a lawyer in this case?**

The Court appointed the law firms of Levi & Korsinsky LLP as Lead Counsel to represent all Settlement Class members. These lawyers are called Lead Counsel. You will **not** be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

**18. How will the lawyers be paid?**

Lead Counsel are moving the Court to award attorneys' fees from the Settlement Fund in an amount not to exceed twenty-five percent (25%) of the Settlement Fund and for reimbursement of their expenses of approximately \$36,250, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. Lead Counsel, without further notice to the Settlement Class, may subsequently apply to the Court for fees and expenses incurred in connection with administering and distributing the Settlement proceeds to the members of the Settlement Class and any proceedings subsequent to the Final Approval Hearing.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for its efforts in achieving the Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel has not been paid for its services for conducting this Litigation on behalf of Lead Plaintiffs and the Settlement Class nor for its substantial out-of-pocket expenses. The fee requested will compensate Lead Counsel for its work in achieving the Settlement Fund. The Court may, however, award less than this amount. In that case, the difference will remain with the Settlement Fund.

**OBJECTING TO THE SETTLEMENT****19. How do I tell the Court that I do not like the proposed Settlement?**

If you are a member of the Settlement Class, you can object to the Settlement or any of its terms, the proposed Plan of Allocation, or the application by Lead Counsel for an award of fees and reimbursement of expenses. You may write to the Court setting out your objections. You may give reasons why you think the Court should not approve any or all of the Settlement terms or arrangements and submit any documentation you believe is appropriate. The Court will only consider your views if you file a proper objection within the deadline identified and according to the following procedures.

To object, you must send a signed letter or other court submission stating that you object to the proposed Settlement in *Stevens v. Quiksilver, Inc., et al.*, 8:15-cv-00516-JVS-JCG (C.D. Cal.). You must include your name, address, telephone number, and your signature; identify the date(s), price(s), and number(s) of shares of all purchases and sales of the Quiksilver shares you made during the Settlement Class Period; and state the reasons why you object to the Settlement. Your objection must be filed with the Court and served on all the following counsel so that **it is actually received, not merely postmarked, on or before April 3, 2017**:

**COURT:**

Clerk of the Court  
United States District Court Central District of California  
Ronald Reagan Federal Building and United States Courthouse  
411 West Fourth Street, Room 1053  
Santa Ana, CA 92701-4516



**LEAD PLAINTIFF'S LEAD COUNSEL:**

Nicholas I. Porritt, Esq.  
 LEVI & KORSINSKY LLP  
 1101 30<sup>th</sup> Street NW  
 Washington, D.C. 20007

**COUNSEL FOR THE DEFENDANTS:**

Meryl L. Young, Esq.  
 GIBSON, DUNN, & CRUTCHER LLP  
 3161 Michelson Drive  
 Irvine, CA 92612

**THE COURT'S FINAL APPROVAL HEARING****20. What is the difference between objecting and excluding?**

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you cannot object because the case no longer affects you.

**21. When and where will the Court decide whether to approve the proposed Settlement?**

The Court will hold a Final Approval Hearing at 1:30 p.m. on May 1, 2017, at the United States District Court for the Central District of California, Ronald Reagan Federal Building and U.S. Courthouse, 411 West Fourth Street, Courtroom 10C, Santa Ana, California 92701. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. At the Final Approval Hearing, the Court also will consider the proposed Plan of Allocation for the proceeds of the Settlement and the application of Lead Counsel for an award of attorneys' fees and reimbursement of expenses. The Court will take into consideration any written objections that are timely and properly submitted in accordance with the terms of this Notice. The Court may change the date and time of the Final Approval Hearing. Please check with Lead Counsel before coming to be sure that the date and/or time has not changed.

**22. Do I have to come to the hearing?**

No. Lead Counsel will answer questions the Court may have, but you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you filed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but attendance is not mandatory. Members of the Settlement Class do not need to appear at the hearing or take any other action to indicate their approval.

**23. May I speak at the hearing?**

If you object to the Settlement, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must include with your objection (see Question 19 above) a statement stating that it is your "Notice of Intention to Appear in *Stevens v. Quiksilver, Inc., et al.*, 8:15-cv-00516-JVS-JCG." Members of the Settlement Class who intend to object to the Settlement, the Plan of Allocation, or Lead Counsel's application for an award of attorneys' fees and reimbursement of expenses, and desire to present evidence at the Final Approval Hearing must include in their written objections the identities of any witnesses they propose to call to testify and any exhibits they intend to offer into evidence at the Final Approval Hearing. You cannot speak at the hearing if you excluded yourself from the Settlement Class or if you have not provided written notice of your intention to speak at the Final Approval Hearing by the deadline identified.

**IF YOU DO NOTHING****24. What happens if I do nothing at all?**

If you do nothing, you will get no money from this Settlement, and unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the Released Persons about the claims being released in the Settlement. All members of the Settlement Class who do not submit valid and timely Proof of Claim and Release forms shall be forever barred from receiving any payments from the Settlement, but will in all other respects be subject to and bound by the provisions of the Stipulation and any Judgment entered.

**GETTING MORE INFORMATION****25. Are there more details about the proposed Settlement?**

This Notice summarizes the proposed Settlement. More details are in a Stipulation of Settlement dated as of November 21, 2016 (the “Stipulation”). You may obtain a copy of the Stipulation by writing to Nicholas I. Porritt, Esq., Levi & Korsinsky LLP, 1101 30<sup>th</sup> Street, N.W., Suite 115, Washington, D.C. 20007, or on Lead Counsel’s website at [www.zlk.com](http://www.zlk.com). You also can contact the Claims Administrator by mail at *Quiksilver Securities Litigation*, Claims Administrator, P.O. Box 5053, Portland, OR 97208-5053; by toll-free phone at 844-319-9621; or by visiting the website [www.QuiksilverSecuritiesLitigation.com](http://www.QuiksilverSecuritiesLitigation.com) to obtain information and forms. The pleadings and other court filings are available for inspection at the Office of the Clerk of the United States District Court for the Central District of California, Ronald Reagan Federal Building and U.S. Courthouse, 411 West Fourth Street, Room 1053, Santa Ana, California 92701, during regular business hours.

**DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.**

## SPECIAL NOTICE TO NOMINEES

If you are a broker, bank, or other nominee that purchased Quiksilver common stock at any time between and including June 6, 2014 and March 26, 2015, inclusive, then within ten (10) calendar days of your receipt of the Notice, you must either:

- (a) Provide the Claims Administrator, Epiq, with a list of the names and last known addresses of beneficial owners described above; or
- (b) Request from the Claims Administrator sufficient copies of the Notice and Proof of Claim (“Notice”) to forward to all such beneficial owners and, within ten (10) calendar days of receipt of those copies, forward the Notice to such beneficial owners.

**If you are providing a list of names and addresses to the Claims Administrator:**

- (a) Compile a list of names and addresses of beneficial owners who purchased or acquired Quiksilver common stock at any time between June 6, 2014 through and including March 26, 2015, inclusive;
- (b) Prepare the list in Microsoft Excel format, for which a preformatted spreadsheet can be found on the website, [www.QuiksilverSecuritiesLitigation.com](http://www.QuiksilverSecuritiesLitigation.com). Then, either:
  - a. Email the list to [info@QuiksilverSecuritiesLitigation.com](mailto:info@QuiksilverSecuritiesLitigation.com); or
  - b. Burn the Microsoft Excel file(s) to a CD or DVD and mail the CD or DVD to Epiq, the Claims Administrator, at:

*Quiksilver Securities Litigation*  
 Claims Administrator  
 P.O. Box 5053  
 Portland, OR 97208-5053

**If you are mailing the Notice Packet to beneficial owners:**

Request the needed number of copies of the Notice and Proof of Claim via email to [info@QuiksilverSecuritiesLitigation.com](mailto:info@QuiksilverSecuritiesLitigation.com). You must mail the Notice Packets to the beneficial owners within ten (10) calendar days of your receipt of the Notice Packets.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you are entitled to reimbursement for your reasonable expenses actually incurred in complying with the foregoing, including reimbursement of reasonable postage expenses and reasonable costs of obtaining the names and addresses of beneficial owners, provided you timely submit an invoice to the Claims Administrator. Please submit a copy of your invoice to the Claims Administrator within one month of the completion of mailing or delivery date.

If you have any questions, contact the Claims Administrator at [info@QuiksilverSecuritiesLitigation.com](mailto:info@QuiksilverSecuritiesLitigation.com) or by calling 1-844-319-9621.

Dated: January 16, 2017

**BY ORDER OF THE COURT  
 UNITED STATES DISTRICT COURT  
 CENTRAL DISTRICT OF CALIFORNIA**