

SCHEDULE "F"

Protective Products of America Inc. Securities Class Action

PLAN OF ALLOCATION

Defined Terms

1. For the purposes of this Plan of Allocation, the definitions set out in the Collateral Settlement Agreement dated January 14, 2014 apply to and are adopted. In addition, the following definitions apply:

(a) "Authorized Claimant" means a Class Member who submits a properly completed Claim Form and all required supporting documentation to the Administrator, on or before the Claims Bar Deadline; and

(b) "Net Settlement Amount" means the amount of the Total Settlement Amount remaining in the Escrow Account after payment of Administration Expenses, Class Counsel Fees, and any payments to the representative plaintiffs approved by the Court as compensation on the basis of *quantum meruit*.

(c) "Net Reserve Savings" means the amount of Reserve Savings remaining in the Escrow Account after payment of any administration expenses and, subject to court approval of any additional application by Class Counsel, Class Counsel Fees.

Initial Distribution

On the later of the Effective Date or a date within one hundred and twenty (120) days after the Claims Bar Deadline, the Administrator shall distribute the Net Settlement Amount to the Authorized Claimants *pro rata* based on their holdings of Eligible Shares.

Potential Future Distribution

If, following the initial distribution, any Reserve Savings are paid into the Escrow Account by the Insurer, the Administrator shall distribute the Net Reserve Savings to the Authorized Claimants *pro rata* based on their holdings of Eligible Shares without further order of the Court.