

Notice of Proposed Settlement of Class Action

TO: All persons residing in the United States who purchased products through Defendants' website, which website noted a "shipping charge" and which products were delivered by local florists, during the period from March 1, 2006 through February 5, 2008 ("Class Members").

IF YOU ARE A MEMBER OF THIS CLASS OF PERSONS, YOU SHOULD READ THIS NOTICE CAREFULLY BECAUSE IT WILL AFFECT YOUR RIGHTS.

PURPOSE OF THIS NOTICE

This notice informs you about the action referenced herein and a proposed settlement on behalf of a certain class of persons. This notice advises you of the benefits that may be available to you under the proposed settlement and your rights and options as a Class Member, and notifies you that hearings will be held to approve the settlement.

There is currently pending in the California Superior Court for the County of Los Angeles an action entitled *Molnar v. 1-800-Flowers Retail, Inc.*, Case No. BC 382828 (the "Action"). On January 8, 2010, Judge Hon. Zaven V. Sinanian of the Los Angeles County Superior Court, tentatively approved a proposed settlement in this Action.

WHAT THE ACTION IS ABOUT

Plaintiff Thomas Molnar (hereinafter referred to as "Plaintiff") filed a class action lawsuit against 1-800-Flowers.com, Inc. and 800-Flowers, Inc. (erroneously sued as 1-800-Flowers Retail, Inc.) (hereinafter referred to as "Defendants" or "1-800-Flowers") on behalf of himself and all Class Members. Plaintiff's law firm is Westrup Klick, LLP ("Class Counsel") and that firm represents Plaintiff and the Class Members.

The lawsuit alleges that 1-800-Flowers made misleading statements and omitted information concerning the shipping and delivery charges associated with certain online purchases of floral products. Specifically, Plaintiff alleges that he and other similarly-situated consumers were either charged for a service they did not receive, *i.e.* shipping, or were charged and paid for delivery twice – once as a "shipping charge" despite that the floral arrangements were hand delivered by a local florist, and once as a delivery charge that was built into the merchandise price of the product. Plaintiff alleges Defendants' violation of certain New York General Business Law provisions, along with common law counts. 1-800-Flowers denies these claims, and denies that it has done anything wrong. 1-800-Flowers asserts that all Class Members knew the total charges for their orders prior to completing their orders, that 1-800-Flowers performed valuable services necessary to have the orders delivered, and that no Class Members were damaged in any way. In addition, Defendants asserted a Counterclaim against Plaintiff Molnar personally for violation of the Terms and Conditions of its website. The Court did not decide who was right. However, to avoid the expense, inconvenience and interference with its business operations created by the Action, Defendants have concluded that it is in their and their customers' best interests to settle the Action on the terms summarized in this Notice.

The settlement was reached through extensive arms-length negotiations between the parties and with the assistance of a neutral mediator, the Honorable Judge Edward A. Infante (Ret.).

The Court has determined that the Action should proceed as a Class Action for purposes of settlement only, with Plaintiff as the representative of the Class, and has granted preliminary approval of the settlement, subject to a final fairness hearing discussed below.

THE PROPOSED SETTLEMENT

THE PARTIES HAVE AGREED TO THE SETTLEMENT GENERALLY DESCRIBED BELOW:

You are a Class Member if you purchased products through Defendants' website, which website noted a "shipping charge" and which products were delivered by local florists, during the period from March 1, 2006 through February 5, 2008.

For those Class Members who do not timely opt-out of the settlement, you will be entitled to receive a \$10 Gift Voucher for each qualifying online purchase you made from the www.1800flowers.com website during the period March 1, 2006 through February 5, 2008. Each Voucher is valid for a single online purchase made at www.1-800-Flowers.com and usable at time of checkout. The \$10 Gift Voucher is subject to the terms and conditions described below.

The Parties agreed that, subject to the Court's final approval, the named Plaintiff, Thomas Molnar, shall be entitled to an incentive award of up to \$5,000 in recognition of the risk to Plaintiff as the Class representative in commencing the lawsuit in the Action, both financial and otherwise; the amount of time and effort spent by Plaintiff as the Class representative; and for serving the public interest. The Parties also agreed that, subject to the Court's final approval, Class Counsel shall be entitled to an award of attorneys' fees and costs of up to \$400,000. The payment of attorneys' fees will not affect the benefits provided to the Class Members.

You may review a copy of the Settlement Agreement at www.MolnarSettlement.com.

RELEASE OF ALL CLAIMS

If the settlement is granted final approval, 1-800-Flowers.com, Inc. and 800-Flowers, Inc. and each of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys, insurers and reinsurers, and each of their respective successors and predecessors in interest, affiliates, parents, and subsidiaries (the "Released Parties") will be released from all claims, liabilities, demands, debts, accounts, obligations, actions, and causes of action, known or unknown, suspected or unsuspected, at law or in equity, of any kind or nature whatsoever (collectively "Claims") that were alleged or that could have arisen out of the facts alleged in the Second Amended Complaint filed in the Action and all predecessor complaints thereto.

FINAL FAIRNESS HEARING

A final hearing will be held before Judge Zaven V. Sinanian, of the Los Angeles County Superior Court, on March 29, 2010 at 8:30 a.m., to determine whether the proposed settlement is fair, reasonable and adequate and should be finally approved. The hearing will take place at the Los Angeles County Superior Court, in Dept. 23, located at 111 North Hill Street, Los Angeles, CA 90012. **You do not need to attend the hearing in order to participate in the settlement.**

WHAT YOU CAN DO

1. To Receive And Use The \$10 Gift Voucher. Upon the Court's final approval of the settlement, you will be entitled to \$10 Gift Voucher towards a purchase at www.1-800-Flowers.com by entering the "Gift Voucher Code" at time of check out (See your individual Gift Voucher Code or Codes on the Summary Notice that you received). Each \$10 Gift Voucher shall be effective for a six (6) month period after Final Judicial Approval of the settlement. Please check the settlement website to determine (i) whether and when Final Approval is granted, and (ii) the exact dates of the Redemption Period for the \$10 Gift Voucher. The settlement website is www.MolnarSettlement.com.

The \$10 Gift Voucher is subject to the following conditions: (1) the Gift Voucher is valid only for online purchases from www.1-800-Flowers.com; (2) the Gift Voucher expires 6 months after Final Judicial Approval of the settlement, and is not valid for redemption or delivery of products during the following dates: December 18-25, 2009, February 7-14, 2010, and May 3-09, 2010; (3) the Gift Voucher is limited to one Gift Voucher per transaction; (4) the Gift Voucher must be used in a single transaction (i.e., no change or cash of any kind will be given by 1-800-Flowers for all or any portion of the value of \$10 Gift Voucher) and any balance not used in the single transaction will be lost.

A final hearing will be held to determine whether the proposed settlement is fair, reasonable, and adequate and should be finally approved. The hearing date is calendared for March 29, 2010 in Dept. 23 of the Los Angeles Superior Court, located at 111 North Hill Street, Los Angeles, CA 90012. You are not required to attend the hearing in order to participate in the settlement.

If you decide to participate in this settlement, or if you fail to timely opt-out of the settlement, you will be bound by the terms of the settlement and the Court's final order.

2. To Exclude Yourself From The Settlement. If for some reason you desire to exclude yourself from the settlement, you may do so by mailing a request to "**OPT OUT**," postmarked no later than February 22, 2010. The request must state: "I wish to be excluded from the 1-800-Flowers Class Action Settlement." Mail your request to be excluded to:

Thomas Molnar v. 1-800-Flowers Retail, Inc. et al.
c/o The Garden City Group, Inc.
P.O. Box 9558
Dublin, OH 43017-4858

If you timely and validly request exclusion from the Class, you will be excluded from the Class; you will not receive any benefits from the settlement; you will not be bound by the judgment entered in the Action and you will not be precluded from otherwise prosecuting any individual claim, if timely, against 1-800-Flowers based on the transactions complained of in the Action. If you do not wish to exclude yourself, and have no objection to the settlement, you will get the benefits of the settlement once the Court grants final approval.

3. To Object To The Settlement. If for some reason you desire to object to the terms of the settlement, you may do so under the procedures set forth below. If your objection is rejected you will be bound by the final judgment just as if you had not objected.

If you decide to appear and object, you must file and serve your written request to appear and object with the Court, and upon Counsel for all of the parties February 22, 2010. You must serve all such notices and papers upon Class counsel and Defendants' counsel at the following addresses:

(Class Counsel)

Mark Van Buskirk, Esq.
Westrup Klick, LLP
444 West Ocean Blvd., Suite 1614
Long Beach, CA 90802

(Defendants' Counsel)

Judith A. Powell, Esq.
Kilpatrick Stockton LLP
1100 Peachtree Street, Suite 2800
Atlanta, GA 30309

The Court's mailing address for filing objections is:

Los Angeles County Superior Court
Dept. 23
111 North Hill Street
P.O. Box 151
Los Angeles, CA 90012

Class Members who do not timely make their objections in this manner will be deemed to have waived all objections and shall not be entitled to be heard at the settlement approval hearing.

If you have further questions regarding this lawsuit you may contact Plaintiff's Counsel, Westrup Klick, LLP at 1-800-374-9916. DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT, TO THE JUDGE, TO 1-800-FLOWERS.COM, OR TO COUNSEL FOR DEFENDANTS.