

NOTICE OF CLASS ACTION SETTLEMENT

TO: All persons who obtained loans from New York Jewelers, Inc., for personal, family or household purposes, pursuant to a loan contract that did not comply with the Truth in Lending Act’s requirements, from September 3, 2008 to August 31, 2009 (the “Settlement Class”).

- The settlement resolves a lawsuit against Defendant New York Jewelers, Inc. (“Defendant”). The Plaintiff, individually and on behalf of all others similarly situated alleges that Defendant’s standard loan contracts violated the Truth in Lending Act, 15 U.S.C. § 1601 et seq., (“TILA”), and Federal Reserve Board Regulation Z, 12 C.F.R. § 226 (“Regulation Z”), that was promulgated pursuant to TILA. This settlement avoids the future costs and risks associated with continuing litigation and entitles you to receive a cash payment (“Settlement Benefits”). The Settlement Benefits are discussed more fully in paragraph 5.
- Your legal rights are affected whether you act or not. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

SUBMIT A CLAIM FORM	The only way to get Settlement Benefits.
EXCLUDE YOURSELF	Receive no Settlement Benefits but retain your right to sue about the legal claims in this case.
OBJECT	Write to the Court about why you do not like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Receive no Settlement Benefits. Give up rights.

- These rights and options – and the deadlines to exercise them – are explained in this Notice.
- The court in charge of this case still has to decide whether to approve the settlement. Settlement Benefits will be distributed if the court approves the settlement and after appeals, if any, are resolved. Please be patient.

1. What is this lawsuit about?

Plaintiff Dave Papeck, on behalf of all members of the Settlement Class, has alleged that Defendant failed to provide individuals who took out loans from Defendant with the required disclosures under TILA and Regulation Z. Although Defendant denies any liability or wrongdoing, it has entered into a class action Settlement Agreement and General Release (“Settlement Agreement”) with Plaintiff in an effort to resolve this lawsuit without the need for a trial. For more information, you may contact Plaintiff’s attorneys (“Class Counsel”) at 312-440-0020.

2. Why is this a class action?

In a class action, one or more people called Class Representative(s) (in this case, Plaintiff) sue on behalf of a group of people who have similar claims. The people with similar claims are a Class or Class members. One court resolves the issues for all Class members, except for those who exclude themselves from the Class.

3. Why is there a settlement?

The court did not decide in favor of Plaintiff or Defendant. Plaintiff thinks that he would have prevailed at a trial. Defendant thinks that it would have prevailed at trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and the people affected will get compensation. The Class Representative and his attorneys think the settlement is best for all Settlement Class members.

4. How do I know if I am part of the settlement?

The Court ruled that everyone who fits the following description is a member of the Settlement Class:

All persons who obtained loans from New York Jewelers, Inc., for family or household purposes, pursuant to a loan contract that did not comply with the Truth in Lending Act's requirements, from September 3, 2008 to August 31, 2009.

5. What does the settlement provide?

The Defendant will establish a fund for the payment of valid claims in the amount of \$18,465 ("Claims Fund").

Each member the Class who does not validly opt out of this settlement and submits a valid claim form shall receive a check for up to \$500.

The Settlement Agreement also requires that (a) \$5,000 will be paid to the Plaintiff for his services as the Class Representative; and (b) Class Counsel shall petition the Court for attorneys' fees and costs of up to \$101,535, minus the amount awarded to the Class Representative and the amount used to pay for Class Notice, and subject to approval by the Court.

6. How can I get a Settlement Benefit?

You must submit a completed claim form by **September 8, 2015**. You can obtain a claim form from the Settlement Administrator, Zimmerman Law Offices, P.C., 77 West Washington, Suite 1220, Chicago, Illinois 60602. You can also download a claim form from Class Counsel's website at www.attorneyzim.com, or call Class Counsel at 312-440-0020 to have a claim form sent to you. In any case, your claim form must be delivered (or postmarked, if mailed) to Zimmerman Law Offices, P.C. by **September 8, 2015**.

7. When would I get my Settlement Benefit?

The Court will hold a hearing on **September 22, 2015 at 11:30 a.m.** at the Circuit Court of Cook County, Richard J. Daley Center, 50 West Washington Street, Courtroom 2102, Chicago, IL 60602, to decide whether to finally approve the settlement. If the Court approves the settlement, somebody may appeal the decision, which could take more than a year to resolve. Please be patient. If the Court approves the settlement and nobody objects to the settlement, Settlement Benefits will be distributed within two months of the Court's approval.

8. What am I giving up to get Settlement Benefits and stay in the Class?

Unless you exclude yourself, you are staying in the Settlement Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues in *this lawsuit*. It also means that all of the Court's orders will apply to you and legally bind you.

9. Can I exclude myself from the Class?

Yes. If you do not want to participate in the settlement or receive any Settlement Benefits, you must notify the Settlement Administrator in writing of your intention to be excluded (opt out). Your election to opt out must contain the following information: the caption *Papeck v. New York Jewelers, Inc.*, your name, your current address, your telephone number, your signature, a statement clearly stating words to the effect of "I/We hereby request to be excluded from the proposed Settlement Class in the New York Jewelers Litigation." You must deliver or mail your exclusion request postmarked no later than **August 24, 2015** to the following:

**Zimmerman Law Offices, P.C.
77 West Washington, Suite 1220
Chicago, Illinois 60602**

If you exclude yourself, you will not get any Settlement Benefits and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) Defendant in the future.

10. How can I object to the settlement?

You can object to the settlement if you do not like any part of it. You must give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must submit a written statement with the caption *Papeck v. New York Jewelers, Inc.*, that includes: (a) your full name and current address; (b) a signed declaration that you are a member of the Settlement Class and that identifies the Loan Contract that you entered into with the Defendant; (c) the specific grounds for the objection or comment in support of the settlement; (d) all documents or writings that you desire the Court to consider; and (e) a notice of intention to appear (if any). If you intend to appear at the fairness hearing through counsel, you must also state the identity of all attorneys representing you who will appear at the fairness hearing. All written objections shall be filed with the Court and postmarked or otherwise delivered to Class Counsel by **August 24, 2015**. If you fail to object in the manner prescribed herein, you shall be deemed to have waived your objections and forever be barred from making any objections in this action or in any other action or proceeding. You must file your objection with the Clerk of the Circuit Court, 50 West Washington Street, 8th Floor, Chicago, IL 60602, and you must serve a copy of your objection on the attorneys for the Class at the following addresses by **August 24, 2015**:

Zimmerman Law Offices, P.C.
77 West Washington Street, Suite 1220
Chicago, Illinois 60602

11. Do I have a lawyer in this case?

The Court appointed lawyers to represent you and other Settlement Class members. These lawyers are called Class Counsel. You will not be charged for these lawyers. They will be paid by Defendant. If you want to be represented by your own lawyer, you may hire one at your own expense. Class Counsel are:

Thomas A. Zimmerman, Jr.
Adam M. Tamburelli
Matthew C. De Re
Nickolas Hagman
Zimmerman Law Offices, P.C.
77 West Washington Street, Suite 1220
Chicago, Illinois 60602

12. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the settlement and that it should not be approved. You can object only if you stay in the Settlement Class. Even if the Court rejects your objection, you cannot thereafter exclude yourself from 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 have no basis to object because the case no longer affects you.

13. When and where will the Court decide whether to approve the settlement?

The Court will hold a hearing (a "Fairness Hearing") to decide whether to finally approve the settlement. The Fairness Hearing will be held on **September 22, 2015** at **11:30 a.m.** at the Circuit Court of Cook County, Richard J. Daley Center, 50 West Washington, Room 2102, Chicago, IL 60602. At the Fairness Hearing, the Court will consider whether the settlement is fair, reasonable and adequate. If there are objections or requests to be heard, the Court may consider them at the hearing.

14. Do I have to attend the Fairness Hearing?

No. Class Counsel will answer questions the Court may have, but you are welcome to attend at your own expense. If you send an objection, you do not have to go to court to talk about it. As long as you mailed or otherwise delivered your written objection on time, the Court will consider it. You may also have your own lawyer attend, but it is not necessary to hire a lawyer. You may ask the Court for permission to speak at the Fairness Hearing by sending a letter saying that it is your "Notice of Intention to Appear in *Papeck v. New York Jewelers, Inc.*" Your letter must also include a reference to case number 09 CH 31995, your name, current address, telephone number and signature, and identify all attorneys representing you who will appear at the Fairness Hearing. You must file your letter with the Circuit Court of Cook County, Richard J. Daley Center, 50 West Washington, 8th Floor, Chicago, IL 60602, and you must serve a copy of your letter on the attorneys at the addresses identified in #10 above by **August 24, 2015**. You cannot speak at the Fairness Hearing if you exclude yourself from the Settlement Class.

15. What happens if I do nothing at all?

If you do nothing, and the Court approves the settlement, you will not get any Settlement Benefits but you will still be bound by the settlement. If you want Settlement Benefits, you must submit a claim form.

16. How do I get more information?

You may seek the advice and guidance of your own private attorney, at your own expense, if you desire; you may review the pleadings, records and other papers on file in this lawsuit, which may be inspected during regular business hours at the Circuit Court of Cook County, Richard J. Daley Center, 50 West Washington, 8th Floor, Chicago, IL 60602; or you may contact Class Counsel at 312-440-0020.

DO NOT CALL THE COURT WITH QUESTIONS

17. What if I move?

If you have moved between the time you submit a claim form and when you receive Settlement Benefits, please update your contact information with Class Counsel at:

Zimmerman Law Offices, P.C.
77 West Washington Street, Suite 1220
Chicago, Illinois 60602