

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

CYNTHIA WEST, KRISTINE HOLLANDER, )  
JENNIFER ZIMMERMAN, MARY ROMAN, )  
MARIE ESPOSITO, and MICHELLE BALLON, )  
individually and on behalf of all others similarly )  
situated, )

Plaintiffs, )

v. )

ACT II JEWELRY, LLC, a Delaware limited )  
liability corporation d/b/a lia sophia, and VICTOR K. )  
KIAM, III, )

Defendants. )

Case No. 1:15-cv-05569

Judge Samuel Der-Yeghiayan

**NOTICE OF SETTLEMENT**

**If you purchased jewelry or initial starter kits from,  
or sold jewelry for, Act II Jewelry, LLC f/k/a lia sophia,  
you may benefit from this class action settlement.**

*A Federal court authorized this notice. This is not a solicitation from a lawyer.*

**THIS IS A NOTICE OF A SETTLEMENT OF A CLASS ACTION LAWSUIT.  
THIS IS NOT A NOTICE OF A LAWSUIT AGAINST YOU.**

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM BY APRIL 9, 2018</b>	If you submit a Claim Form, available on <a href="http://www.LiaSophiaSettlement.com">www.LiaSophiaSettlement.com</a> , by <b>April 9, 2018</b> , your Claim Form will be considered for a Cash Award.
<b>EXCLUDE YOURSELF FROM THE SETTLEMENT BY APRIL 9, 2018</b>	You will receive no benefits, but you will retain your legal claims against the Defendants.
<b>OBJECT BY APRIL 9, 2018</b>	Write to the Court about why you do, or do not, like the settlement. You must remain in the Settlement Class(es) to object to the Settlement.
<b>GO TO A HEARING ON JUNE 6, 2018 at 9:00 a.m.</b>	Ask to speak in Court about the fairness of the settlement.

## 1. What is this lawsuit about?

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This lawsuit claims that Defendant Act II Jewelry, LLC f/k/a lia sophia (“Act II”) breached its promise to its customers to provide a lifetime warranty for the jewelry sold by its sales advisors. The lawsuit further alleges that Act II harmed its sales advisors by misappropriating their customer information, and making misstatements to those sales advisors concerning the closing of its business. Act II denies the allegations in the lawsuit and denies any wrongdoing. The Court has not decided who is right.

## 2. Why did I get this notice?

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You are receiving a notice because Act II’s records show that you: (a) purchased jewelry from Act II; (b) sold jewelry from Act II; and/or (c) purchased initial starter kits from Act II, within the definitions of the Settlement Classes listed in Question 5 below.

## 3. Why is this a class action?

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In a class action, one or more people called Class Representatives (in this case, Plaintiffs Cynthia West, Kristine Hollander, Jennifer Zimmerman, Mary Roman, Marie Esposito, and Michelle Ballon), sue on behalf of a group or groups (or a “Class” or “Classes”) of people who have similar claims. In this case, those claims are related to Act II’s revocation of lifetime warranties on its jewelry and alleged misrepresentations or omissions to its sales advisors.

## 4. Why is there a settlement?

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To avoid the cost, risk, and delay of litigation, the Parties reached a settlement agreement as to Plaintiffs’ and the Classes’ claims.

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

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For settlement purposes, the Court has certified three Classes consisting of all people who meet the following definitions:

1. **Customer Class** – All individuals in the United States who purchased jewelry from Act II between June 23, 2011, and December 1, 2014. Class Counsel estimates that, based on Act II’s records, there are approximately 4 million people in the Customer Class.
2. **Sales Advisor Class** – All individuals in the United States who sold at least \$250 of jewelry for Act II between January 1, 2014, and August 17, 2014. Class Counsel estimates that, based on Act II’s records, there are approximately 19,069 people in the Sales Advisor Class.
3. **New Sales Advisor Class** – All individuals in the United States who purchased initial starter kits from Act II between August 1, 2014, and December 1, 2014. Class Counsel estimates that, based on Act II’s records, there are approximately 2,709 people in the New Sales Advisor Class.

Specifically excluded from the Customer Class, Sales Advisor Class, and New Sales Advisor Class are the following persons: (a) Defendants and their respective affiliates, (b) Class Counsel and their

immediate family members; and (c) the judges who have presided over this Litigation and their immediate family members.

## YOUR BENEFITS UNDER THE SETTLEMENT

### 6. What can I get from the settlement?

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A Settlement Fund of \$6,700,000 has been established to pay valid claims, attorneys' fees, service awards, costs, expenses and settlement administration. After deduction of settlement administration expenses (\$1,300,000), attorneys' fees and expenses (approximately \$1,800,000), and service awards to the Class Representatives (approximately \$25,000), a Class Fund of approximately \$3,575,000 will be established to pay valid claims. The attorneys' fees award and the service awards are subject to Court approval.

If you submit a Valid Claim form, which is available on this website, by **April 9, 2018**, you will be entitled to a monetary benefit depending on the Class(es) you belong to. Only one Claim is allowed per Class Member. You may qualify to be a member of more than one Class and may apply to receive a benefit for each Class you qualify for on the same Claim Form. You may submit a Claim even if you did not receive an email or postcard with a Class Member ID.

#### ***Customer Class Members***

Fifty-seven percent (57%) of the Class Fund will be allocated to the Customer Class. Customer Class Members who submit Valid Claims will receive a share of this allocation depending on the total dollar value of that Customer Class Member's purchases from Act II between June 23, 2011, and December 1, 2014, as reflected in Act II's records.

- **Tier One:** Each Customer Class Member who submits a Valid Claim and purchased less than \$100 in jewelry from Act II during this time period will be deemed to be in "Tier One" of the Customer Class.
- **Tier Two:** Each Customer Class Member who submits a Valid Claim and purchased between \$100 to \$299.99 in jewelry from Act II during this time period will be deemed to be in "Tier Two" of the Customer Class. A Tier Two Customer Class Member will receive double the amount received by each Customer Class Member in Tier One.
- **Tier Three:** Each Customer Class Member who submits a Valid Claim and purchased \$300 or more in jewelry from Act II during this time period will be deemed to be in "Tier Three" of the Customer Class. A Tier Three Customer Class Member will receive triple the amount received by each Customer Class Member in Tier One.

The final cash payment amount to Customer Class Members will depend on the total number of Valid Claims filed by the Customer Class. Below is a chart that estimates what each Customer Class Member may receive based on the percentage of Customer Class Members submitting Valid Claims:

Percentage of Claiming Class Members	Estimated Settlement Payment (Tier One)	Estimated Settlement Payment (Tier Two)	Estimated Settlement Payment (Tier Three)
1%	\$40.09	\$80.18	\$120.27
3%	\$13.36	\$26.72	\$40.08

5%	\$8.01	\$16.02	\$24.03
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These numbers are estimates only. The exact amount that Customer Class Members receive will depend on the percentage of Customer Class Members who submit Valid Claim forms. That percentage is still unknown; it could be less than 1% or more than 5%.

**Sales Advisor Class Members**

Thirty-eight percent (38%) of the Class Fund will be allocated to the Sales Advisor Class. Sales Advisor Class Members who submit Valid Claims will receive a share of this allocation proportional to the amount of sales made by that Sales Advisor Class Member between January 1, 2014, and August 17, 2014 as reflected in Act II’s records (“Your 2014 Sales”). You may find Your 2014 Sales on the online claim form associated with your claim identifier provided on the Notice you received or from the Settlement Administrator. The final cash payment amount to Sales Advisor Class Members will depend on the total number of Valid Claims filed by the Sales Advisor Class. Below is a chart that estimates what each Sales Advisor Class Member may receive based on the percentage of Sales Advisor Class Members submitting Valid Claims:

Percentage of Claiming Class Members	Estimated Settlement Payment
10%	20.04% of Your 2014 Sales
15%	13.36% of Your 2014 Sales
25%	8.02% of Your 2014 Sales

These numbers are estimates only. The exact amount that Sales Advisor Class Members receive will depend on the percentage of Act II’s sales from January 1, 2014, through August 17, 2014, made by Sales Advisor Class Members who submit Valid Claim forms. That percentage is still unknown, it could be less than 10% or more than 25%.

**New Sales Advisor Class Members**

Five percent (5%) of the Class Fund will be allocated to the New Sales Advisor Class. New Sales Advisor Class Members who submit Valid Claims will receive a full reimbursement of the amount paid by that New Sales Advisor for his or her initial starter kit, which ranged from \$99 to \$149. In the event the number of Valid Claims for New Sales Advisors exhausts the amount allocated to the New Sales Advisor Class, each New Sales Advisor who submits a Valid Claim will have his or her Cash Award reduced proportionally so that the total amount of Cash Awards paid to New Sales Advisors will not exceed five percent (5%) of the Class Fund. In the event that there is money remaining for the New Sales Advisor Class after payment of Cash Awards to all New Sales Advisor Class Members who submit Valid Claims, the remainder shall be added back to the Class Fund and distributed to the Customer Class and Sales Advisor Class in the same proportion as described above.

**7. When will I receive these benefits?**

You will receive these benefits approximately 90 days after the Court enters a Final Approval Order. This estimate is premised on the assumption that no objections are received and no appeal is filed.

## **8. I want to be a part of the settlement. What do I do?**

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You must submit a claim form, available on this website, either: (1) online at [www.LiaSophiaSettlement.com](http://www.LiaSophiaSettlement.com); or by mail to *West, et al. v. Act II Jewelry, LLC, et al.* Settlement Administrator, Lia Sophia Settlement, c/o Heffler Claims Group, P.O. Box 170, Philadelphia, PA 19105-0170. You must submit your claim form so it is postmarked by **April 9, 2018**, or file your form online by **April 9, 2018** at 11:59 pm Central Time. If your claim form is approved, you will receive a Cash Award. There can only be one Cash Award per Class Member. If you do not submit a Valid Claim form, you will not be considered for a Cash Award.

Depending on the value of your Cash Award, you may be asked to fill-out a W-9 for tax reporting reasons. The W-9 will be mailed to you along with a letter containing further instructions. If you do not complete a W-9 when requested, your Cash Award may be subject to automatic backup tax withholding.

## **9. What am I giving up if I remain in the settlement?**

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By staying in the Class(es), all of the Court's orders will apply to you, and you give Defendants and their affiliates a "release." A release means you cannot sue or be part of any other lawsuit against Defendants and their affiliates about the claims or issues in this lawsuit.

## **10. How much will the Class Representatives receive?**

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The Plaintiffs, Cynthia West, Kristine Hollander, Jennifer Zimmerman, Mary Roman, Marie Esposito, and Michelle Ballon, will each receive payments ranging from \$2,500 to \$7,500 for their services as Class Representatives. These payments are subject to the Court's Approval.

## **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want to remain in the settlement, but you want to keep your legal claims against Defendants, then you must take steps to exclude yourself from this settlement.

## **11. How do I get out of the settlement?**

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To exclude yourself from the settlement, you must send a letter by mail stating that you want to be excluded from *West, et al. v. Act II Jewelry, LLC, et al.*, Case No. 1:15-cv-5569 (N.D. Ill.). Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request so that it is postmarked **no later than April 9, 2018**, to:

Lia Sophia Settlement  
c/o Heffler Claims Group  
P.O. Box 170  
Philadelphia, PA 19105-0170

## **12. If I exclude myself, do I still receive benefits from this settlement?**

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No, you will not receive anything resulting from the settlement, but you will have the right to sue Defendants over the claims raised in this case, either on your own or as a part of a different lawsuit. If you exclude yourself, the time you have in which to file your own lawsuit (called the “statute of limitations”) will begin to run again. You will have the same amount of time to file the suit that you had when this case was filed.

## **THE LAWYERS REPRESENTING YOU**

### **13. Do I have a lawyer in this case?**

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The Court has appointed the law firm of Siprut PC to serve as Class Counsel. You will not be charged for these lawyers; however, they will receive a payment from the Settlement in an amount to be determined by the Court on a later date. If you want to be represented by your own lawyer, you may hire one at your own expense.

### **14. How will the lawyers be paid?**

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Class Counsel will be paid reasonable attorneys’ fees and costs from the Settlement Fund. Class Counsel will seek an Attorneys’ Fee Award of one-third of the Net Settlement Fund after the deduction of settlement administration expenses.

## **CLASS COUNSEL’S VIEWS ABOUT THE SETTLEMENT**

### **15. Is this a fair settlement?**

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Class Counsel believes the settlement is fair. Plaintiffs claim Act II violated the Illinois Consumer Fraud Act and committed breach of contract and fraud by revoking the lifetime warranties on its jewelry and by making material misrepresentations or omissions to its sales advisors. Therefore, Plaintiffs claim that: (a) those who purchased jewelry from Act II – *i.e.* the Customer Class – have sustained damages through the diminished value of the jewelry they purchased; and (b) those who continued to work and purchase jewelry, supplies, and initial starter kits from Act II – *i.e.* the Sales Advisor Class and the New Sales Advisor Class – have sustained damages through their reliance on Act II’s statements.

The Settlement Fund of \$6,700,000 will be used to provide direct monetary benefits to Class Members who submit Valid Claims, as illustrated in Question 6 above. Given the inherent risks and costs of continuing with complex litigation of this nature, Class Counsel believes this settlement is a meaningful achievement.

## **16. What is the Defendants' view of this settlement?**

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The Defendants deny any wrongdoing or liability in this lawsuit. However, the Defendants desire to settle the claims of the Classes to avoid the expense, burden, and uncertainty of further litigation, and to put to rest all claims and issues in this lawsuit.

## **OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the settlement or some part of it.

## **17. How do I tell the Court that I do not like the Settlement?**

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If you are a member of one or more of the three Settlement Classes, you can object to the Settlement. In order to object to the Settlement, you must send a written objection (such as a letter or legal brief) stating that you object and the reasons why you think the Court should not approve the Settlement. Your objection must be personally signed by you and include: (1) your name, address, telephone number; (2) a sentence stating under penalty of perjury that you are a member of one or more of the Settlement Classes; (3) the name and number of the case: *West, et al. v. Act II Jewelry, LLC, et al.*, Case No. 1:15-cv-5569 (N.D. Ill.); (4) the factual basis and legal grounds for your objection to the Settlement; (5) the identities of any witnesses whom you may call to testify at the Final Approval Hearing; and (6) copies of any exhibits you may seek to offer into evidence at the Final Approval Hearing. Your written objection must indicate whether your lawyer(s) intend to appear at the Final Approval Hearing. If you have a lawyer, your lawyer who intends to appear at the Final Approval Hearing also must enter a written Notice of Appearance of Counsel with the Clerk of the Court no later than **April 9, 2018**, and must include the full caption and case number of each previous class action case in which that counsel has represented an objector. You must also file your objection so that it is postmarked no later than **April 9, 2018** to:

Clerk of the Court  
United States District Court for the Northern District of Illinois  
219 South Dearborn Street, Chicago IL 60604  
Attention: "*West, et al. v. Act II Jewelry, LLC, et al.*, Case No. 1:15-cv-5569"

You must also send a copy of your objection postmarked no later than **April 9, 2018** to:

Lia Sophia Settlement  
c/o Heffler Claims Group  
P.O. Box 170  
Philadelphia, PA 19105-0170

## **THE FINAL APPROVAL HEARING**

The Court will hold a hearing to decide whether to approve the settlement. You may attend if you wish, but you are not required to do so.

## **18. Where and when is the final approval hearing?**

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The Court will hold a hearing on **June 6, 2018 at 9:00 p.m.** in Courtroom 1903 of the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. The purpose of the hearing will be for the Court to determine whether the proposed settlement is fair, reasonable, and adequate and in the best interests of the Classes and to determine the appropriate amount of compensation for Class Counsel and Plaintiffs. At that hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement.

YOU ARE **NOT** REQUIRED TO ATTEND THIS HEARING TO BENEFIT FROM THIS SETTLEMENT. The hearing may be postponed to a later date without notice.

### **GETTING MORE INFORMATION – CONTACT:**

Visit: [www.LiaSophiaSettlement.com](http://www.LiaSophiaSettlement.com)

Class Counsel, Todd L. McLawhorn of Siprut PC, at  
17 N. State Street, Suite 1600, Chicago, IL 60602;  
Telephone: (312) 236-0000;  
Facsimile: (312) 878-1342;  
E-Mail: [reception@siprut.com](mailto:reception@siprut.com)

**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR  
THE LITIGATION TO THE CLERK OF THE COURT OR TO THE JUDGE.**

They are not permitted to answer your questions.