

<p>CHRISTA ROBEY, on behalf of herself and all others similarly situated,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>EEG, INC. and FRANK SCHOENEMAN, all conducting business as the “Empire Beauty School,”</p> <p style="text-align: center;">Defendants.</p>	<p>SUPERIOR COURT OF NEW JERSEY CAMDEN COUNTY LAW DIVISION</p> <p>DOCKET NO. CAM-L-1462-19</p> <p>Civil Action</p>
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ATTENTION: ALL PERSONS WHO RECEIVED A COSMETOLOGY SERVICE AT AN EMPIRE BEAUTY SCHOOL IN NEW JERSEY BETWEEN JANUARY 13, 2017 AND JANUARY 13, 2020.

This notice informs you of a proposed settlement (“Settlement”) of class action claims against EEG, Inc. and Frank Schoeneman (collectively “Defendants”). Under the terms of the Settlement, and as further discussed below, you may be eligible to receive certain benefits if you submit a valid and timely Claim Form.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Receive a Benefit by Submitting a Claim Form	If you are an eligible Settlement Class Member and complete and submit a Claim Form in a timely manner, you will receive up to four \$5 Service Vouchers (with a total value of \$20.00) that can be redeemed in exchange for, or discounts against, student-provided services at any Empire Beauty School in New Jersey (subject to applicable terms and conditions). The Claim Form is necessary to ensure that only eligible Settlement Class Members receive a benefit. A Claim Form is available at the Settlement Website at www.empirebeautyschoolsettlement.com , by calling the Claims Administrator toll free at (833)-556-6383, or by writing the Claims Administrator at Empire Beauty School Litigation Claims Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.
Do Nothing	By doing nothing, you forfeit the opportunity to receive any benefits under the Settlement and you also give up any rights you may have to sue Defendants, and certain parties related to them, separately about the claims that have been or could have been asserted in this lawsuit.
Ask to be Excluded	By asking to be excluded, you will forfeit the opportunity to receive benefits under the Settlement, but you will preserve any rights you may have to sue Defendants separately about the claims that have been or could have been asserted in this lawsuit.
Object	If you choose to participate in the Settlement but object to its terms, you may write to the Court and explain why you do not like the Settlement.
Go To A Hearing	If you choose to participate in the Settlement but object to its terms, you may ask to speak in Court about the fairness of the Settlement.

Your rights and options – and the deadlines to exercise them – are explained in detail below.

The Court in charge of this case still has to decide whether to approve the Settlement. Class benefits will be distributed if the Court approves the Settlement and after appeals are resolved. Please be patient.

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BASIC INFORMATION

1. Why did I receive notice of this lawsuit?

This lawsuit involves allegations that Defendants charged excessive prices for cosmetology, hairstyling and other services provided by their cosmetology students to members of the public at Empire Beauty Schools in New Jersey (“the Schools”).

Questions? Visit www.empirebeautyschoolsettlement.com or call toll free (833)-556-6383

Defendants’ records indicate that you received student-provided services at one or more Empire Beauty Schools in New Jersey between January 13, 2017 and January 13, 2020.

You received a postcard or email notice because you have a right to know about the proposed settlement of this class action lawsuit, and about your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, an administrator appointed by the Court will distribute the settlement benefits to eligible Class Members.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Superior Court of New Jersey, Camden County, and the case is pending before the Honorable Steven J. Polansky, P.J.Cv.. The lawsuit is known as *Christa Robey v. EEG, Inc., et al.*, and is pending under Docket No. CAM-L-1462-19. The person who sued is called the Plaintiff, and the parties sued are called the Defendants.

2. What is this lawsuit about?

This is a proposed class action on behalf of customers who received student-provided services at an Empire Beauty School in New Jersey between January 13, 2017 and January 13, 2020. One of the Defendants operates the Schools, and the clinics within the Schools (“the Clinic”), where students provide cosmetology, hairstyling and other services to the general public in exchange for certain fees. Plaintiff contends that these fees exceeded the cost of the materials used in providing the services, in violation of New Jersey law.

Defendants deny Plaintiff’s allegations and claims in their entirety, but have agreed to settle the lawsuit to avoid the burdens and costs of litigation.

3. Why is this lawsuit a class action and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” or “Lead Plaintiffs” sue on behalf of other people who have similar claims. The people together are called a “Class” or “Class Members” (in this case the Settlement Class). The persons who sued – and all of the Settlement Class Members like them – are called the Plaintiffs. The company and individuals they sued (in this case EEG, Inc. and Frank Schoeneman) are called the Defendants. If the Court approves the Settlement, the Settlement will resolve the covered claims of everyone in the Settlement Class, except for those people who choose to exclude themselves from the Settlement Class. Judge Polansky is in charge of this case and has certified the lawsuit as a class action for settlement purposes only.

4. Why is there a settlement?

The Court did not issue a final ruling in favor of Plaintiff or Defendants. Instead, Lead Plaintiff and Defendants agreed to enter into the Settlement after an exchange of information and vigorous arms-length negotiations. That way, they avoid litigation costs, and the people affected will receive certain settlement benefits. The Lead Plaintiff, and counsel for the Lead Plaintiff and the Settlement Class Members (“Class Counsel”), think the Settlement is best for the Settlement Class Members.

WHO IS COVERED BY THE SETTLEMENT?

5. Am I a Settlement Class Member?

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Your receipt of a postcard notice or email notice indicates that you have been identified as a potential Settlement Class Member because, according to Defendants' records, you received student-provided cosmetology services at an Empire Beauty School in New Jersey between January 13, 2017 and January 13, 2020.

THE SETTLEMENT BENEFITS - WHAT YOU GET

6. What does the Settlement provide?

If approved by the Court, the Settlement will result in dismissal of this case and final resolution of all claims that the Settlement Class raised or could have raised against Defendants in the lawsuit. Such dismissal will release Defendants, and certain parties related to them, from liability for those claims. The terms of the Settlement are described in full in a document known as the Settlement Agreement ("Settlement Agreement"). The Settlement Agreement is available for your inspection at the website www.empirebeautyschoolsettlement.com. The capitalized terms used in this notice have the same meaning as the terms set forth in the Settlement Agreement.

7. What can I get from the Settlement?

Under the Settlement, Defendants are establishing a Settlement Fund of \$315,000.00, comprised of \$65,000 in cash and \$250,000 in Service Vouchers. The Cash Settlement Fund will be used to pay an incentive award to the Lead Plaintiff, to cover the costs incurred by the Settlement Administrator in administering the Settlement, and to cover the fees and costs incurred by Class Counsel, as described in the Settlement Agreement. The Service Voucher Fund will be used to compensate claims of eligible Settlement Class Members. Each Settlement Class Member who submit a timely claim will be eligible to receive up to four \$5 Service Vouchers (for a total of \$20 in Service Vouchers) that can be redeemed in exchange for, or for discounts against, student-provided cosmetology services at any Empire Beauty School in New Jersey. Service Vouchers are not redeemable for cash, and they may not be used for products or goods. Other terms and conditions apply and are set forth in the Settlement Agreement. In the event that the Settlement Fund, net of the payments described herein, is not sufficient to enable a payment of four \$5 Service Vouchers (for a total of \$20 in Service Vouchers) for each claim, the per-claim payment will be decreased in proportion to the total number of claims made. If you are an eligible Settlement Class Member and wish to receive this benefit, you must timely complete and submit a Claim Form to the Claims Administrator as described below.

HOW YOU GET BENEFITS - SUBMITTING A CLAIM

8. How can I make a claim?

If you are an eligible Settlement Class Member and you wish to receive up to four \$5 Service Vouchers, you need to complete and submit a Claim Form in a timely manner. This form is necessary to ensure that only eligible Settlement Class Members receive a benefit. The Claim Form is available at the Settlement Website at www.empirebeautyschoolsettlement.com or by calling the Claims Administrator toll free at (833)-556-6383 or by writing the Claims Administrator at Empire Beauty School Litigation Claims Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.

The fully completed Claim Form must be submitted via either email to info@empirebeautyschoolsettlement.com, fax to 215-529-0209, or U.S. mail to the Empire Beauty School Litigation Claims Administrator at 1650 Arch Street, Suite 2210, Philadelphia, PA 19103. The deadline for submission of the Claim Form is July 27, 2020. Accordingly, to be valid, Claim Forms must be postmarked, emailed or faxed no later than July 27, 2020, and accurately addressed to the Claims Administrator. You may attend the court hearing described below if you wish, but your attendance or non-attendance will not affect your eligibility to submit the Claim Form. You do not need to appear in court, and you do not need to hire an attorney in this case.

Questions? Visit www.empirebeautyschoolsettlement.com or call toll free (833)-556-6383

9. When would I get my payment?

The Court will hold a hearing on June 12, 2020, to decide whether to approve the Settlement. If Judge Polansky approves the Settlement, and no appeal is taken thereafter, then you can expect to receive your payment promptly. If an appeal is taken, then resolving it may take some time, perhaps up to, or more than, a year. Please be patient.

10. What am I giving up to get a payment or stay in the Settlement 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 Defendants regarding the same subject matter as this case. It also means that all of the Court's orders will apply to you and legally bind you. In addition, as further detailed in the Settlement Agreement, Settlement Class Members who have not timely requested exclusion from this Settlement Class shall be deemed to Release all claims consistent with the Release set forth in the Settlement Agreement. Under the Settlement Agreement and Release, Plaintiff, for herself and on behalf of all Settlement Class Members, and each of Plaintiff's and the Settlement Class Members' respective heirs, spouses, parents, family members, trustees, executors, administrators, successors, assigns, employees, agents, representatives, any and all other persons or entities acting under the supervision, direction, control or on behalf of any of the foregoing, and any and all other persons or entities that could claim by or through them (collectively, "Releasers"), hereby fully, finally, and forever settle and compromise with, and release and discharge the Released Persons of and from all claims that were alleged or could have been alleged in the Action arising prior to the Settlement Effective Date, known or unknown, including, but not limited to, any and all manner of legal, equitable, federal, state, administrative, statutory or common law action or causes of action, suits, claims, debts, liabilities, charges, losses, demands, obligations, guarantees, torts, contracts, agreements, promises, liens, damages of any kind (including liquidated damages and punitive damages), restitution, interest, penalties, attorneys' fees, costs and expenses of any kind or nature whatsoever, asserted or unasserted, willful or not willful, intentional or not intentional, fixed or contingent, liquidated or unliquidated which the Releasers (collectively and/or individually) now have, ever had or shall later have against the Released Persons, or any of them, arising out of, relating to, or in connection with the fees or prices charged for services at any of Defendants' schools or clinics or any conduct alleged or that could have been alleged in the Action, including, but not limited to, any claims under the New Jersey Consumer Fraud Act (CFA), N.J.S.A. § 56:8-1, et. seq., the Truth in Consumer Contract, Warranty and Notice Act (TCCWNA), any claims related to or arising from N.J.S.A. § 45:5B-3(h), as well as for negligence/inadvertent overcharging, negligent omission, breach of implied contract for violation of implied duty of good faith and fair dealing, and/or unjust enrichment/disgorgement (collectively, the "Released Claims").

Under the Settlement Agreement and Release, "Released Persons" shall mean Defendants EEG, Inc. and Frank Schoeneman, and their respective present and former parent companies, subsidiaries, divisions, related or affiliated companies (including but not limited to Regis Corporation), entities directly or indirectly under their control, each such entity's owners, shareholders, partners, members, officers (including but not limited to Michael Bouman), directors, managers, employees, consultants, agents, attorneys, insurers, representatives, accountants, beneficiaries, heirs, successors, predecessors, assigns, vendors, business partners, and any individual or entity which could be jointly liable with any of the foregoing, and all other persons acting under the supervision, direction, control or on behalf of any of the foregoing.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to receive a benefit from the Settlement, but you want to preserve your right to sue or continue to sue Defendants (and/or certain other parties related to them), on your own, concerning the same subject matter

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and legal issues involved this case, then you must take steps to get out. This is called excluding yourself or opting out of the Settlement Class.

11. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail saying that you want to be excluded from the Empire Beauty School Litigation Settlement. Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request letter postmarked by May 23, 2020, to Empire Beauty School Litigation Claims Administrator, Attn: Exclusions, at P.O. Box 58220, Philadelphia, PA 19102.

You cannot exclude yourself by phone or e-mail. If you ask to be excluded, you will not get any settlement benefit, and you cannot object to the Settlement. If you exclude yourself, you will not be legally bound by anything that happens in this lawsuit.

12. If I do not exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Defendants, and certain other parties related to them, for the claims that the Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately. You must exclude yourself from this Settlement Class to continue your own lawsuit. Remember, the exclusion deadline is May 23, 2020. Any exclusion request postmarked after that date will not be valid, and the sender will be a Settlement Class Member and bound by the Settlement and Release.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court decided that the law firm of DeNittis Osefchen Prince, P.C. of Marlton, New Jersey is qualified to represent you and all Settlement Class Members. The law firm is called “Class Counsel.” It is experienced in handling similar cases. More information can be obtained about this law firm, its practices, and its lawyers’ experience by contacting the following Class Counsel:

Stephen P. DeNittis, Esq.
DENITTIS OSEFCHEN PRINCE, P.C.
5 Greentree Centre, Suite 410, Marlton, NJ 08053
(856) 797-9951
Email: sdenittis@denittislaw.com
Website: www.denittislaw.com

14. How will the lawyers be paid?

Class Counsel has pursued this lawsuit on a contingent basis and has paid all costs of the lawsuit. These attorneys have not yet been paid or recovered any of their costs associated with the lawsuit. As part of the Settlement, Class Counsel will request a payment of 15.8% of the \$315,000 fund to cover its fees and up to \$1,000 in costs. Class Counsel’s petition for fees and costs will be filed with the Court no later than June 12, 2020, and may be reviewed by any interested party. The Court will make a determination of reasonable fees and costs at the Fairness Hearing based on Class Counsel’s Application and responses thereto, if any.

OBJECTING TO THE SETTLEMENT

If you choose not to exclude yourself from the Settlement Class, you can tell the Court that you do not agree with the Settlement or some part of it.

Questions? Visit www.empirebeautyschoolsettlement.com or call toll free (833)-556-6383

15. How do I tell the Court that I do not like the Settlement?

If you are a class member and do not exclude yourself from/opt out of the Proposed Settlement, you can express your objection to the terms of the Proposed Settlement. The Court will consider your views. To object, you must mail a letter to the Court, located at 101 S. Fifth St., Camden, NJ 08001 saying that you object to the terms of the settlement in Christa Robey v. EEG, Inc., Docket No. CAM-L-1462-19 and list the reasons why you think the Court should not approve it. You must include your name, address, and telephone number, your signature, the reasons you object to the settlement, and the case name and number as indicated in the previous sentence; and if you are represented by your own separate counsel, you must also provide that attorney’s name, address and telephone number. The objection also must clearly state in detail the legal and factual ground(s) for your objection. The objection must be postmarked no later than May 23, 2020. Copies of your objection must also be mailed on the same date to Class Counsel and Defendants’ Counsel at the following addresses:

Counsel for Plaintiff and the Settlement Class	Counsel for Defendants
Stephen P. DeNittis, Esq. DENITTIS OSEFCHEN PRINCE, P.C. 5 Greentree Centre, Suite 410 Marlton, NJ 08053 (856) 797-9951	James L. Beausoleil, Esq. Duane Morris, LLP 30 South 17th Street Philadelphia, PA 19103-4196 (215) 979-1000

If you file an objection, you are still a member of the Settlement Class and will receive the benefits of the Settlement and will be subject to the release, unless an objection results in a modification of the settlement (in which case you will receive the benefits of the modified settlement and will still be subject to the release).

16. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the 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 or the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT’S FAIRNESS HEARING

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing on June 12, 2020, at 10:00 a.m., at the Superior Court of New Jersey, Camden County, Hall of Justice, 101 S. Fifth Street, Camden, NJ 08001. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Polansky will make the decision whether to listen to people who have asked to speak at the hearing. At or after the hearing, the Court will also decide whether to approve the Settlement and how much to pay Class Counsel. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge Polansky may have. But you are welcome to come at your own expense. If you send an objection, you may come in person to the Court for the Fairness Hearing, retain your own attorney to appear for you at the Fairness Hearing, or not come at all, and the Court will consider your objection.

Questions? Visit www.empirebeautyschoolsettlement.com or call toll free (833)-556-6383

19. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your “Notice of Intention to Appear in Christa Robey v. EEG, Inc., et al., Docket No. CAM-L-1462-19.” Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be postmarked no later than May 23, 2020, and be sent to Empire Beauty School Litigation Settlement at 1650 Arch Street, Suite 2210, Philadelphia, PA 19103, and to the Court at the Superior Court of New Jersey, Camden County, 101 S. Fifth Street, Camden, NJ 08001. You cannot speak at the hearing if you have excluded yourself from the Settlement Class.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, you forfeit the opportunity to receive any Settlement benefits and you give up any rights to sue Defendants, and certain parties related to them, separately about the claims that have been or could have been asserted in this lawsuit.

GETTING MORE INFORMATION

21. Are there more details available?

The Pleadings, the Settlement Agreement, and other papers filed in this lawsuit are available for your inspection in the Superior Court of New Jersey, Camden County, 101 S. Fifth St., Camden, NJ 08001.

Additional information may be obtained at the Settlement Website at www.empirebeautyschoolsettlement.com. You may also contact the Claims Administrator toll free at (833)-556-6383 or in writing at Empire Beauty School Litigation Claims Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103. Additionally, you may contact Class Counsel, whose contact information is listed above.

PLEASE DO NOT TELEPHONE THE COURT OR THE CLERK OF THE COURT.

DATE: MARCH 27, 2020.