

<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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SETTLEMENT AGREEMENT AND RELEASE

Plaintiff Christa Robey ("Plaintiff") and Defendants EEG, Inc. and Frank Schoeneman (collectively "Defendants"), by and through their counsel, hereby enter into this Settlement Agreement and Release providing, subject to Court approval, for the settlement of the claims of Plaintiff and the Settlement Class against Defendants, as described herein.

RECITALS:

1. WHEREAS, defendant EEG, Inc. owns and operates several cosmetology schools in the state of New Jersey, under the name "Empire Beauty Schools" (hereafter "Schools");
2. WHEREAS, defendant EEG, Inc. owns and operates an associated "clinic" ("Clinic") within each School, as defined by N.J.S.A. § 45:5B-3(h), at which cosmetology and other services are provided to the general public exclusively by senior students at the Schools, under the supervision of licensed instructors, in exchange for a fee paid to defendant EEG, Inc.;
3. WHEREAS, During all relevant time periods hereunder, N.J.S.A. § 45:5B-3(h) provided that the fees charged by cosmetology schools for student-provided services "shall be calculated to recoup only the cost of materials used in the performance of those services". As of January 13, 2020, the said statute has been amended wherein cosmetology schools may charge a

fee for services performed by students as long as those fees are posted within the cosmetology schools.;

4. WHEREAS, Plaintiff, who received a cosmetology service at Defendants' Clinic from Defendants' student and paid a fee to defendant EEG, Inc. for that service, has filed an action against Defendants, captioned Robey v. EEG, Inc., et al., Docket No. CAM-L-1462-19 (N.J. Super. Ct., Law. Div., Camden Cnty.), alleging that Defendants employ a uniform policy in their Schools and Clinics of charging fees to members of the public, including Plaintiff, for student-provided services that are higher than the costs of the materials used in providing those services;

5. WHEREAS, Plaintiff has specifically alleged that Defendants' alleged uniform policy described above violates N.J.S.A. § 45:5B-3(h) and also violates the New Jersey Consumer Fraud Act, N.J.S.A. § 56:8-1, et seq., and moreover constitutes unjust enrichment and a breach of an implied contract;

6. WHEREAS, Plaintiff has asserted these claims on behalf of herself and a putative class defined as: "All persons who received student-provided cosmetology services at one of Defendants' Empire Beauty School student salon clinics in New Jersey between January 13, 2017 and April 12, 2019, and who paid a fee for such services" (the "Putative Class");

7. WHEREAS, Plaintiff's action sought redress, on behalf of herself and the Putative Class, in the form of compensatory damages, statutory penalties, and treble damages;

8. WHEREAS, Defendants vehemently deny the claims of Plaintiff and the Putative Class, specifically deny any wrongdoing or liability to Plaintiff and the Putative Class, and assert that they fully complied with N.J.S.A. § 45:5B-3(h) and all other applicable laws;

9. WHEREAS, notwithstanding the above, Defendants have concluded that Settlement is desirable in order to avoid the time, expense, and inherent uncertainties of defending protracted litigation and to resolve finally and completely all pending and potential claims of Plaintiff and all members of the Settlement Class, as defined below in paragraph II, that were or could have been asserted in this lawsuit relating to the practices at issue;

10. WHEREAS, Defendants provided certain informal discovery to Plaintiff;

11. WHEREAS, arms-length settlement negotiations have taken place between the Parties, including numerous telephone conferences and other communications among counsel;

12. WHEREAS, this Settlement has been reached, subject to the Court approval process set forth herein;

13. WHEREAS, Plaintiff recognizes the costs and risks of prosecuting this lawsuit, and believes that her interest, and the interest of all members of the Settlement Class, as defined below, in resolving this action and any and all claims against Defendants are best served by and through the terms and conditions contained within this Settlement Agreement;

14. WHEREAS, Defendants also recognize the costs and risks of litigation and believe this Settlement is a fair means of resolving the disputes between the Parties that are the subject of this lawsuit;

15. WHEREAS, Defendants enter into this Settlement with no admission of liability;

16. WHEREAS, solely for purposes of settlement, the Parties agree to the certification of a Settlement Class;

17. WHEREAS, Plaintiff and Class Counsel (each defined below) believe that the Settlement memorialized in this Settlement Agreement offers significant benefits to the Settlement Class Members and is fair, reasonable, adequate and in the best interest thereof; and

18. WHEREAS, this Settlement Agreement is made and entered into by and among Plaintiff and Defendants and on behalf of the Settlement Class.

NOW, THEREFORE, it is hereby stipulated and agreed, by and between the undersigned Parties, as follows:

I. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meaning set forth below. Where appropriate, terms used in the singular shall be deemed to include the plural and vice versa.

A. Action. "Action" shall mean this above-captioned putative class action pending before the Superior Court of New Jersey, Law Division, Camden County, under Docket No. CAM-L-1462-19.

B. Claim. "Claim" shall have the meaning set forth in paragraph 3.4 below.

C. Claim Form. "Claim Form" means the document to be submitted by Class Members seeking service vouchers pursuant to this Settlement Agreement. The Claim Form will be available online on Class Counsel's website and the Settlement Website (defined in paragraphs LL and 5.3(d) below), and the contents of the Claim Form will be approved by the Court. The proposed Claim Form is attached hereto as **Exhibit A**.

D. Claimant. "Claimant" shall mean a Class Member who submits a Claim for service vouchers as described in paragraph 3.4 of this Settlement Agreement.

E. Claims Period. "Claims Period" shall mean the time period during which Claim Forms may be submitted by Class Members and shall conclude one hundred fifty (150) days after the entry of the Preliminary Approval Order (defined below) with respect to this Settlement.

F. Class Counsel. "Class Counsel" shall mean DeNittis Osefchen Prince, P.C.

G. Class Counsel Fees and Costs. “Class Counsel Fees and Costs” means the amount awarded to Class Counsel by the Court for attorneys’ fees and costs.

H. Class Members. “Class Members” means the members of the Settlement Class.

I. Class Postcard Notice. “Class Postcard Notice” shall mean the Court-approved form of postcard notice to Class Members informing them of: (i) the preliminary approval of the Settlement; (ii) the scheduling of the Final Approval Hearing; and (iii) the opportunity to submit a Claim. The proposed form of this Class Postcard Notice agreed upon by the Parties is attached hereto as **Exhibit B** and shall be approved by the Court prior to its dissemination

J.. Class Long Form Notice. The Class Long Form Notice will contain information about the case and the procedure for Class Members to object to and/or or opt out of: (i) the Settlement; (ii) the application for Class Counsel Fees and Costs; and (iii) the application for a Class Representative Incentive Award. The proposed form of this Class Long Form Notice is attached hereto as **Exhibit C**.

K. Class Representative. Class Representative shall mean Plaintiff Christa Robey.

L. Clinic Services. “Clinic Services” shall mean student-provided services offered to the public at the Clinics located in Defendants’ New Jersey Schools, as identified on Defendant EEG, Inc.’s Guest Services menu (a current version of which is available at <https://www.empire.edu/guest-services>).

M. Court. “Court” shall mean the Superior Court of New Jersey, Law Division, Camden County.

N. Defendants. “Defendants” shall mean EEG, Inc. and Frank Schoeneman, individually and collectively, as well as their affiliates, predecessors, successors, assigns, directors, officers, agents, attorneys, representatives, and employees.

O. Defendants’ Counsel. “Defendants’ Counsel” shall mean Duane Morris LLP.

P. Effective Date. “Effective Date” is the date on which this Settlement becomes Final within the meaning of paragraph Q.

Q. Final. With respect to any judgment, this Settlement, or any award of any Claims or Class Counsel Fees and Costs, “Final” means that the time for appeal or writ review has expired or, if an appeal or petition for review is taken and dismissed or the Settlement is affirmed, the time period during which further petition for hearing, appeal, or writ of certiorari can be taken has expired. If the judgment is set aside, materially modified, or overturned by the Court or on appeal, and is not fully reinstated on further appeal, the judgment shall not become Final. Any proceeding or order or any appeal or petition for review or writ of certiorari pertaining solely to the award of Class Counsel Fees and Costs or any award of incentive payments to Plaintiff will not in any way delay or preclude the judgment from becoming Final.

R. Final Approval Hearing and Order. “Final Approval Hearing” shall mean the hearing at which the Court will consider and finally decide whether to enter the Final Approval Order, and “Final Approval Order” shall mean the Court order that approves this Settlement Agreement, approves payment of Class Counsel Fees and Costs and the Incentive Award, and makes such other final rulings as are contemplated by this Settlement Agreement.

S. Incentive Award. “Incentive Award” shall mean the two thousand dollars (\$2,000) payment that the Defendant EEG, Inc. has agreed to pay to the Class Representative Plaintiff Christa Robey, subject to approval of the Court.

T. [Reserved]

U. Objection Date. “Objection Date” shall mean the date agreed upon by the Parties or otherwise ordered by the Court for Class Members to object to the Settlement Agreement and submit any required statements, proof, or other materials and/or argument.

V. [Reserved]

W. [Reserved]

X. Parties. “Parties” shall mean the Plaintiff and Defendants. “Party” refers to either Plaintiff or any individual Defendant.

Y.. Plaintiff. “Plaintiff” shall mean Christa Robey.

Z.. Preliminary Approval. “Preliminary Approval” means that the Court has entered an order preliminarily approving the terms and conditions of this Settlement Agreement, including the manner of providing and content of the notice to Class Members.

AA. Preliminary Approval Order. “Preliminary Approval Order” shall mean the order of the Court preliminarily approving this Settlement and Agreement. The proposed form of the Preliminary Approval Order, which is subject to Court approval, is attached hereto as Exhibit D.

BB. Publication Notice. “Publication Notice” shall mean the Court-approved form of notice. The proposed form of this Publication Notice agreed upon by the Parties is attached hereto as Exhibit E and shall be approved by the Court prior to its dissemination.

DD. Released Persons. “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.

EE. Request for Exclusion. “Request for Exclusion” shall mean any request by any Class Member to opt out of, or for exclusion from, the Settlement that is in compliance with the provisions of Section VI of this Settlement Agreement.

FF. Settlement. “Settlement” shall mean the agreement by the Parties to resolve the Action and all Released Claims, the terms of which have been memorialized in this Settlement Agreement.

GG. Settlement Administrator. “Settlement Administrator” means Angeion Group (“Angeion”).

HH. Settlement Agreement. “Settlement Agreement” or “Agreement” shall mean this Settlement Agreement and all exhibits attached hereto.

II. Settlement Class. “Settlement Class” shall mean:

All persons who received one or more cosmetology services at one or more of Defendants’ Schools or Clinics in New Jersey between January 13, 2017 and January 13, 2020.

JJ. [Reserved]

KK. Settlement Fund. “Settlement Fund” means the total cash and service voucher commitment of Defendant EEG, Inc. for purposes of this Settlement, as described in Section III of this Settlement Agreement, with a value of Three Hundred Fifteen Thousand dollars (\$315,000) and comprised of two distinct parts – the Cash Settlement Fund and the Voucher Settlement Fund, as defined below:

a. The Cash Settlement Fund consists of Sixty Five Thousand dollars (\$65,000), paid by or caused to be paid by Defendant EEG, Inc. for purposes of effectuating this Settlement, the payment and disposition of which is subject to the provisions of this Agreement.

b. The Voucher Settlement Fund consists of Two Hundred Fifty Thousand dollars (\$250,000) in service vouchers, the creation and disposition of which is subject to the provisions of this Settlement Agreement.

LL. Settlement Website. "Settlement Website" means a website created, operated, and maintained by the Settlement Administrator solely for the purposes of making available to the Class Members the documents, information, and online Claims submission process referenced in paragraphs 3.4 through 3.7 below. The content of the Settlement Website must be approved by Class Counsel and Defendants' Counsel prior to positing or otherwise making it available to Class Members.

II. REQUIRED EVENTS

2.0. Promptly after execution of this Settlement Agreement by all Parties:

2.1. Class Counsel shall take all reasonable and necessary steps, subject to the Court's availability, to obtain entry of the Preliminary Approval Order, after Defendants' Counsel's review and approval of the moving papers. Defendants' Counsel shall cooperate.

2.2. The Preliminary Approval Order shall be in the same or substantially similar form as that attached hereto as **Exhibit D**, subject to Court approval.

2.3. Class Counsel will use their best reasonable efforts, consistent with the terms of this Settlement Agreement, to promptly obtain a Final Approval Order. Defendants' Counsel shall cooperate.

2.4. In the event the Court fails to issue the Preliminary Approval Order or Final Approval Order in all material aspects as those proposed to the Court, this Settlement Agreement is voidable by any Party or Parties adversely affected by the Court's failure to provide approval, except that (1) any failure to approve Class Counsel Fees and Costs or the Incentive Award in the amounts requested shall not give Plaintiff the right to void the Settlement Agreement; and (2) before voiding the Settlement Agreement, the Parties will negotiate and cooperate in good faith to revise the Settlement Agreement to resolve the concerns of the Court and obtain its approval of the Settlement.

2.5. The Parties acknowledge that prompt approval, consummation, and implementation of the Settlement set forth in this Settlement Agreement is essential. The Parties shall cooperate with each other in good faith to carry out the purposes of and effectuate this Settlement Agreement, shall promptly perform their respective obligations hereunder, and shall promptly take any and all actions and execute and deliver any and all additional documents and all other materials and/or information reasonably necessary or appropriate to carry out the terms of this Settlement Agreement and the transactions contemplated hereby.

III. SETTLEMENT TERMS

3.1 Benefit to Settlement Class Members from the Settlement Fund. The Settlement Fund will be used to provide benefits to or on behalf of the Settlement Class as follows:

a. Defendant EEG, Inc. will pay \$65,000 in cash to establish the Cash Settlement Fund for payment of the following: (i) the notice and other administrative costs actually incurred by the Settlement Administrator, as described in paragraph 5.3 below; (ii) voucher distribution costs; (iii) Class Counsel Fees and Costs, as described in paragraph 4.1 below, and (iv) the Incentive Award to the Class Representative, not to exceed \$2,000, as may be

ordered by the Court and as described in paragraph 4.2 below. Defendants shall have no further cash payment obligations to Plaintiff, the Class, or Class Counsel under this Agreement after payment of this \$65,000.

b. Defendant EEG, Inc. will provide \$250,000 in service voucher value to the Voucher Settlement Fund to satisfy the Claims of those Class Members who submit Claims for vouchers for Clinic Services pursuant to paragraph 3.4, below.

3.2 Total Financial Commitment. Defendants' total financial commitment and obligation under this Settlement Agreement, including but not limited to paragraphs 3.1(a) and 3.1(b), shall not exceed \$315,000 (specifically, the \$65,000 in cash and \$250,000 in vouchers for Clinic Services described above).

3.3 Schedule of Payments into Cash Settlement Fund and for Other Items.

a. *Establishment of Cash Settlement Fund.* Defendant EEG, Inc. shall make payment into a non-interest bearing bank account within five business days after the Effective Date to establish the Cash Settlement Fund.

b. *Notice and Other Administrative Costs.* The cost of mailing the Class Postcard Notice and other administrative costs shall be paid from the Cash Settlement Fund.

c. *Class Counsel Fees and Costs.* Class Counsel Fees and Costs shall be paid from the Cash Settlement Fund as described in paragraph 4.1, below.

d. *Incentive Awards.* An amount equal to Representative Plaintiff's Incentive Award, as ordered by the Court, shall be paid from the Cash Settlement Fund as described in paragraph 4.2, below.

3.4 Claims Process. Each Class Member shall be entitled to submit a Claim for four \$5.00 service vouchers valued at a total of \$20.00.

a. *Voucher Payment.* Class Members who timely complete and submit a valid Claim Form will receive four \$5.00 Service Vouchers valued in the total amount of \$20.00. The Service Vouchers: (a) shall have a two-year expiration date from the date of mailing; (b) shall not be transferrable, (c) shall, subject to retailer policies, be redeemable at any of Defendants' Schools in New Jersey that offer the Clinic Services at the time of redemption, provided the Class Member must make an appointment for the services and (d) shall be redeemable in exchange for, or for discounts against, any Clinic Service listed on Defendant EEG, Inc.'s Guest Services menu at the time of redemption. Only one Service Voucher may be used for each service. Claims will be fulfilled after the Claims Period has concluded and will be paid from the Voucher Settlement Fund. Subject to adjustment of the value of vouchers pursuant to Paragraph 3.7 below, the face value of each voucher shall be deducted from the Voucher Settlement Fund for each valid Claim submitted. If the total amount of all valid Class Member Claims exceeds \$250,000, individual Claims shall be reduced on a pro-rata basis as described in paragraph 3.7 below, so that the total amount of all valid Class Member Claims does not exceed \$250,000. Service Vouchers are not redeemable for any cash whatsoever. Further, Service Vouchers may not be used towards the purchase of products, goods, or to provide tips and are redeemable only for Clinic Services offered by Clinics located in Defendants' New Jersey Schools at the time of redemption.

b. *Voucher Payment from Fund.* All Claims will be paid from the Voucher Settlement Fund after the Claims Period has concluded and the Settlement becomes Final.

c. *Use of Service Vouchers.* The Parties recognize that the student salon clinics where Service Vouchers are redeemable are educational institutions, and anticipate that implementation of the Service Voucher commitment may present challenges. The Parties and

Class Counsel therefore agree that Claimants will be notified that they are required to notify Class Counsel of any difficulties they encounter in attempting to use their Service Voucher benefits, in lieu of taking any legal action in connection with use of the Service Vouchers, and that Class Counsel will raise and address any such issues with Defendants' Counsel, in lieu of taking any legal action in connection with use of the Service Vouchers.

3.5 Proof of Claim. A maximum of one Claim, submitted on a single Claim Form, may be submitted by each Class Member. A Claimant must include all requested information on the Claim Form, which must be completed online or in hard copy mailed to the Settlement Administrator.

3.6 Review of Claims. The Settlement Administrator shall be responsible for reviewing Claims to determine their validity. The Settlement Administrator shall reject any Claim that does not comply in any material respect with the instructions on the Claim Form or the terms of paragraph 3.4 and 3.5, above, or is submitted after the close of the Claims Period, or is submitted by an individual who has not been identified or otherwise verified by EEG as a Class Member.

3.7 Pro-Rata Reduction of Benefits. If the aggregate dollar value of all valid Class Member Claims, determined in accordance with paragraphs 3.4 and 3.5 above, exceeds \$250,000, awards to Class Members from the Voucher Settlement Fund, individual Claims will be reduced on a pro-rata basis, such that the aggregate dollar value of all valid Class Member Claims does not exceed \$250,000.

3.8 Cy Pres Distribution of Unclaimed Amounts in Settlement Funds. Any cash remaining in the Cash Settlement Fund after payment of Notice and Other Administrative Costs, Incentive Award, and Class Counsel Fees and Costs shall be paid to the Virtua Foundation for

the benefit of the Cancer Center Hair Boutique, subject to Court approval. Any voucher value remaining in the Voucher Settlement Fund after payment of all valid Claims shall be null and void.

IV. ATTORNEYS' FEES AND COSTS AND INCENTIVE AWARD

4.1. Class Counsel shall petition the Court for an award of attorneys' fees and costs in an amount not to exceed 15.8% of the total \$315,000 value of the Settlement Fund, plus reimbursement of Class Counsel's costs and expenses not to exceed \$1,000. Defendants have agreed not to oppose this request. The Class Counsel Fees and Costs, if approved by the Court, shall be payable within 10 days after the Effective Date.

4.2. Given the efforts of Plaintiff on behalf of the Class Members, the Parties have also agreed that Plaintiff Christa Robey should receive a one-time Incentive Award in the amount of Two Thousand Dollars (\$2,000.00) to be paid from the Cash Settlement Fund. Such award shall be paid by check made payable to Christa Robey and shall be delivered to Class Counsel within ten (10) days after the Effective Date.

V. CLAIMS ADMINISTRATION AND NOTICE TO CLASS MEMBERS

5.1 Angeion Group shall be the Settlement Administrator, subject to Court approval, to help implement the terms of the proposed Settlement Agreement. The Settlement Administrator shall be responsible for administrative tasks, including, without limitation, (a) notifying the appropriate state officials about the Settlement, (b) distributing and publishing notice and Claim Forms to Class Members, (c) answering inquiries from Class Members and/or forwarding such written inquiries to Class Counsel, (d) receiving and maintaining on behalf of the Court and the Parties any Class Member correspondence regarding requests for exclusion from the Settlement, (e) establishing the Settlement Website, (f) receiving and processing Claims and distributing

Service Vouchers to Class Members, and (g) otherwise assisting with implementing and administering the Settlement Agreement terms. The actual costs and expenses of the Settlement Administrator will be paid from the Cash Settlement Fund.

5.2 Performance Standards of Settlement Administrator. The Settlement Administrator shall be obligated to abide by the following performance standards:

a. The Settlement Administrator shall accurately and neutrally describe, and shall train and instruct its employees and agents to accurately and objectively describe, the provisions of the Settlement Agreement in communications with Class Members;

b. The Settlement Administrator shall provide prompt, accurate, and objective responses to inquiries from Class Counsel or their designee, Defendants, and/or Defendants' Counsel; shall periodically report to Class Counsel and Defendants' Counsel on Claims, objectors, opt-outs, etc.; and shall provide prompt notice to Class Counsel and Defendants' Counsel once Claims have been paid pursuant to this Settlement Agreement; and

c. The Settlement Administrator shall seek clarification, instruction, or authorization for performance of its duties and expenditure or disposition of cash from both Class Counsel and from Defendants' Counsel.

5.3 Notice Requirements to Class Members

a. The Settlement Administrator will send a Postcard Notice to the Class Members (defined by the Settlement Class) for whom Defendants have email addresses in their possession. The Postcard Notice will contain information informing Class Members of: (i) the preliminary approval of the Settlement; (ii) the scheduling of the Final Approval Hearing; and (iii) the website information for Class Members to obtain a Claim Form (Exhibit A) in order to

submit a Claim. The Postcard Notice shall be in substantially the form attached as **Exhibit B**, as shall be approved by the Court prior to dissemination.

b. The Settlement Administrator shall be responsible, subject to Court approval, for mailing the Postcard Notice to all persons whom Defendants' records indicate may be Class Members, at their last known email or postal addresses. Should the Settlement Administrator receive any undelivered Postcard Notices, it will conduct one skip trace or postal look-up to search for a new address for the said Class Member and resend the Notice to any newly found email or postal address.

c. The Settlement Administrator shall be responsible, subject to the Court approving the same, for publishing the Class Notice Postcard on one date in the Courier Post (1/6 of a page Monday through Friday). All publication notices shall be paid from the Administrative Fee paid to Angeion from the Cash Settlement Fund. The Publication Notice shall be in substantially the form attached as **Exhibit E**.

d. The Settlement Administrator shall create a Settlement Website, www._____.com, which will contain information describing the Settlement and will contain the Postcard Notice, the Long Form Notice (**Exhibit C**), a Claim Form (**Exhibit A**), Class Counsel's contact information, a copy of the Settlement Agreement, and a copy of Plaintiff's Complaint. The cost for the Settlement Website will be paid to the Settlement Administrator from the Settlement Cash Fund. The Postcard Notice and the Long Form Notice and Claim Form will also be posted by Class Counsel in a prominent location on Class Counsel's website, www.denittislaw.com.

e. The Claims Period shall run for a period of one hundred fifty (150) days, commencing on the date the Preliminary Approval Order is entered.

f. The Settlement Administrator shall mail, and/or publish all Notices and create the Settlement Website within thirty (30) days of Preliminary Approval.

g. Proof of Notice. No later than ten (10) days prior to the Final Approval Hearing, the Settlement Administrator shall provide an affidavit to the Court, with a copy to Class Counsel, attesting that notice was emailed, mailed, and published in a manner consistent with the terms of this Settlement Agreement.

i. All Claim Forms must be postmarked, emailed, faxed or delivered to the Settlement Administrator no later than 150 days from the date of the Preliminary Order.

j. Within 90 days of the the end of the Claims Period , the Settlement Administrator shall send Service Vouchers via first class mail, distributing the Voucher Settlement Fund to eligible Class Members who have, in a timely manner, completed Claim Forms and submitted such forms to the Settlement Administrator. Should a Service Voucher be returned as insufficiently addressed, the Settlement Administrator will use its best efforts to conduct a postal look-up to locate the proper address of the Class Member in order to re-mail the Voucher to the proper address. The costs for processing and mailing Service Vouchers to Class Members will be paid to the Settlement Administrator from the Cash Settlement Fund.

VI. REQUESTS FOR EXCLUSION BY CLASS MEMBERS

6.1 Any Class Member may make a Request for Exclusion by mailing or delivering such request in writing to the Settlement Administrator, Class Counsel, and Defendants' Counsel at the addresses set forth in the Long Form Notice. Any Request for Exclusion must be postmarked or delivered not later than twenty (20) days prior to the date of the Final Approval

hearing. Any Request for Exclusion shall state the name, address, and telephone number of the person requesting exclusion, proof that they are a Class Member, and contain a clear statement communicating that such person elects to be excluded from the Settlement Class and elects to be excluded from any judgment entered pursuant to this Settlement.

6.2. Any Class Member who submits a timely Request for Exclusion may not file an objection to the Settlement and shall be deemed to have waived any rights or benefits under this Settlement Agreement.

6.3. The Settlement Administrator shall report the names of all individuals who have submitted a Request for Exclusion to the Court no less than ten (10) days prior to the Final Approval Hearing.

6.4. This Settlement Agreement is voidable by Defendants if more than five percent (5%) of the Settlement Class requests exclusion from the Settlement.

VII. OBJECTIONS BY CLASS MEMBERS

7.1. The Parties will request that the Court enter an order requiring any Class Member who wishes to be heard orally at the Final Approval Hearing, or who wishes for any objection to be considered, to file a written notice of objection with the Court no later than twenty (20) days prior to the Final Approval Hearing (“Objection Date”). Such objection shall state the name, address and telephone number of the person, whether the person is represented by counsel, and provide proof of membership in the Settlement Class, as well as a detailed statement of each objection asserted, including the grounds for objection and reasons for appearing and being heard, together with any documents such person wishes to be considered.

7.2. The procedure for filing objections in connection with the Final Approval Hearing is intended to ensure the efficient administration of justice and the orderly presentation of any

Class Member's objections to the Settlement Agreement, in accordance with his or her due process rights. The Preliminary Approval Order and Long Form Notice will require all Class Members who have objections to file a notice of objection or request to be heard with the Court, and serve by mail or hand delivery such notice or request upon the Settlement Administrator, Class Counsel, and Defendants' Counsel at the addresses set forth in the Long Form Notice, by the Objection Date. The Preliminary Approval Order will further provide that objectors who fail to properly or timely file their objections with the Court, along with the required information and documentation set forth above, or to serve them as provided above shall not be heard during the Final Approval Hearing, nor shall their objections be considered by the Court.

VIII. RELEASE, DISMISSAL OF ACTION, AND JURISDICTION OF COURT

8.1. Upon the Effective Date, 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 Releasors (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"). This paragraph is referred to in this Settlement Agreement as the "Release."

8.2. This Settlement Agreement and Release does not affect the rights of Class Members who timely and properly request exclusion from the Settlement.

8.3. The administration and consummation of the Settlement as embodied in this Settlement Agreement shall be under the authority of the Court. The Court shall retain jurisdiction to protect, preserve, and implement the Settlement Agreement, including, but not limited to, the Release. The Court expressly retains jurisdiction in order to enter such further orders as may be necessary or appropriate in administering and implementing the terms and provisions of the Settlement Agreement, including but not limited to orders enjoining Class Members from prosecuting claims that are released pursuant to the Settlement Agreement.

8.4. Upon issuance of the Final Approval Order and the Effective Date of the Settlement: (i) the Settlement Agreement shall be the exclusive remedy for the Released Claims

of any and all Class Members, except those who have opted out in accordance with the terms and provisions hereof; (ii) Released Persons shall not be subject to liability or expense of any kind to any Class Members with respect to the Released Claims, except as set forth herein; and (iii) Class Members shall be permanently barred from initiating, asserting, or prosecuting any and all Released Claims against Released Persons in any federal or state court in the United States or any other tribunal.

8.5 Dismissal of the Action and No Other Action Pending. Plaintiff agrees that, if she has not already done so, she will take steps to cause the Action to be dismissed or withdrawn with prejudice and agree not to refile the Action or otherwise pursue the Released Claims. Other than the Action, Plaintiff represents that she has not filed any lawsuit, claim, charge, or complaint against any Released Person with any local, state, or federal agency or court. In the event that any agency or court assumes jurisdiction of any lawsuit, claim, charge or complaint, or purports to bring any legal proceedings on Plaintiff's behalf with respect to the Released Claims against any Released Person, then Plaintiff shall promptly request that the agency or court withdraw from and dismiss the lawsuit, claim, charge, or complaint with prejudice.

IX. REPRESENTATIONS, WARRANTIES AND COVENANTS

9.1. Class Counsel, who are signatories hereof, represent and warrant that they have the authority, on behalf of Plaintiff, to execute, deliver, and perform this Settlement Agreement and to consummate all of the transactions contemplated hereby. This Settlement Agreement has been duly and validly executed and delivered by Class Counsel and Plaintiff and constitutes their legal, valid and binding obligation.

9.2. Defendants' Counsel, who are signatories hereof, represent and warrant that they have the authority to execute, deliver, and perform this Settlement Agreement and to

consummate the transactions contemplated hereby. The execution, delivery and performance by Defendants of this Settlement Agreement and the consummation by them of the actions contemplated hereby have been duly authorized by all necessary corporate action on the part of Defendants. This Settlement Agreement has been duly and validly executed and delivered by Defendants and constitutes their legal, valid, and binding obligation.

X. MISCELLANEOUS PROVISIONS

10.1. This Settlement Agreement, and the exhibits and related documents hereto, are not to be used in evidence and shall not at any time be construed or deemed to be any admission or concession by Defendants with respect to any alleged wrongdoing, fault, or omission of any kind whatsoever, regardless of whether or not this Settlement Agreement results in entry of a Final Approval Order as contemplated herein. Defendants specifically deny all of the allegations made in connection with the Action. This provision shall survive the expiration or voiding of the Settlement Agreement.

10.2. This Settlement Agreement is entered into only for purposes of Settlement. Except as otherwise provided herein, in the event that this Settlement Agreement is not finally approved in all material ways as written, then this Settlement Agreement, including any releases or dismissals hereunder, is canceled, and no term or condition of this Settlement Agreement, or any draft thereof, or of the discussion, negotiation, documentation or other part or aspect of the Settlement shall have any effect, nor shall any such matter be admissible in evidence for any purpose, or used for any purpose whatsoever in the Action, and all Parties shall be restored to their prior positions as if the Settlement Agreement had not been entered into.

10.3. The headings of the sections and paragraphs of this Settlement Agreement are included for convenience only and shall not be deemed to constitute part of this Settlement

Agreement or to affect its construction.

10.4. This Settlement Agreement, including all exhibits attached hereto, may not be modified or amended except in writing signed by all of the Parties.

10.5. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one document.

10.6. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey without giving effect to any choice or conflict of law provision, or rule that would cause the application of the laws of any other jurisdiction.

10.7. Except as otherwise provided in this Settlement Agreement, each party to this Settlement Agreement shall bear his, her or its own costs of the Action.

10.8. The Parties to this Settlement Agreement reserve the right, by agreement and subject to the Court's approval, to grant any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

10.9. The determination of the terms of, and the drafting of, this Settlement Agreement, including its exhibits, has been by mutual agreement after negotiation, with consideration by and participation of all Parties and their counsel. Since this Settlement Agreement was drafted with the participation of all Parties and their counsel, the presumption that ambiguities shall be construed against the drafter does not apply. Each of the Parties was represented by competent and effective counsel throughout the course of settlement negotiations and in the drafting and execution of this Settlement Agreement, and there was no disparity in bargaining power among the Parties to this Settlement Agreement.

10.10. Integrated Agreement. All of the Exhibits to this Settlement Agreement are material and integral parts hereof, and are fully incorporated herein by reference. This

Settlement Agreement and the Exhibits hereto constitute the entire, fully integrated agreement among the Parties and cancel and supersede all prior written and unwritten agreements and understandings pertaining to the Settlement of the Action.

10.11. Dispute Resolution. The Parties agree that any disputes regarding the terms and conditions of this Agreement, the Parties' rights and obligations under this Agreement, and/or the manner in which any issue or dispute arising under this Agreement should be resolved shall be submitted to the Court.

10.12. Notices. All notices to the Parties or counsel required by this Agreement shall be made in writing and communicated by electronic and regular mail as follows:

If to Plaintiff or Class Counsel:

Stephen P. DeNittis, Esquire
DeNittis Osefchen Prince, P.C.
5 Greentree Centre
525 Route 73 North, Suite 410
Marlton, NJ 08053
856-797-9951 (phone)
sdenittis@denittislaw.com

If to Defendants or Defendants' Counsel:

James L. Beausoleil, Esquire
Duane Morris, LLP
30 South 17th Street
Philadelphia, PA 19103-4196
215-979-1000 – phone
jlbeausoleil@duanemorris.com

IN WITNESS WHEREOF, Plaintiff and Defendants and their respective counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: Jan 27, ²⁰²⁰~~2019~~



Stephen P. DeNittis
Counsel for Plaintiff and the Settlement Class

Dated: Jan 22, 2020, ~~2019~~



Christa Robey
Plaintiff

Dated: _____, 2019

James L. Beausoleil, Jr.
Counsel for Defendants

Dated: _____, 2019

EEG, Inc.
By: Frank Schoeneman, Chairman

Dated: _____, 2019

Frank Schoeneman, individually

IN WITNESS WHEREOF, Plaintiff and Defendants and their respective counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: Jan 27, ²⁰²⁰/~~2019~~



Stephen P. DeNittis
Counsel for Plaintiff and the Settlement Class

Dated: Jan 22, ²⁰²⁰/~~2019~~



Christa Robey
Plaintiff

Dated: _____, ²⁰²⁰/~~2019~~

James L. Beausoleil, Jr.
Counsel for Defendants

Dated: 2/9, ²⁰²⁰/~~2019~~



EEG, Inc.
By: Frank Schoeneman, Chairman

Dated: 2/9, ²⁰²⁰/~~2019~~



Frank Schoeneman, individually

IN WITNESS WHEREOF, Plaintiff and Defendants and their respective counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

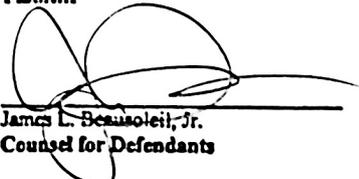
Dated: Jun 27, ²⁰²⁰/₂₀₁₉


Stephen P. DeNittis
Counsel for Plaintiff and the Settlement Class

Dated: Jun 22, ²⁰²⁰/₂₀₁₉


Christa Robey
Plaintiff

Dated: 2/11, ²⁰²⁰/₂₀₁₉


James L. Beauvolet, Jr.
Counsel for Defendants

Dated: 2/9, ²⁰²⁰/₂₀₁₉


EEG, Inc.
By: Frank Schooneman, Chairman

Dated: 2/9, ²⁰²⁰/₂₀₁₉


Frank Schooneman, individually

Defendants have agreed that each class member who submits a timely, valid Claim Form will have the right to receive up to four \$5 Service Vouchers (for a total value of \$20 in Services Vouchers), which may be redeemed at any Empire Beauty School in New Jersey in exchange for, or for discounts against, any Clinic Service offered at the School at the time of redemption. The Service Vouchers will be valid for a period of two years from the date of mailing and are not transferrable. Other terms and conditions regarding use of the Service Vouchers apply and are set forth in a Settlement Agreement between the parties to the lawsuit.

To be eligible for relief, you must sign and return this claim form no later than [REDACTED].

TO COMPLETE YOUR CLAIM, PLEASE COMPLETE AND SIGN THIS FORM AND RETURN, BY EITHER EMAIL, FAX OR UNITED STATES REGULAR MAIL, TO THE ADDRESS, FAX NUMBER OR EMAIL ADDRESS SET FORTH BELOW BEFORE THE CLAIM DEADLINE.

BY SIGNING HERE YOU ARE DECLARING UNDER OATH THAT THE FOREGOING INFORMATION IS ACCURATE TO THE BEST OF YOUR KNOWLEDGE.

SIGNATURE: _____

Return the completed claim form to:

(Claim Administrator)

ATT:

[REDACTED]
[REDACTED]

[.com](#)

Facsimile [REDACTED]

EXHIBIT B

Christa Robey v. EEG, Inc., et al.
Superior Court of New Jersey, Camden County, Civil Action No. CAM-L-1462-19

THIS CARD ONLY PROVIDES LIMITED INFORMATION ABOUT THIS SETTLEMENT

Your rights may be affected by a proposed class action settlement of claims against EEG, Inc. and Frank Schoeneman (collectively "Defendants"). The settlement would resolve a lawsuit in which Plaintiff asserts various claims against Defendants involving the prices charged to customers for student-provided cosmetology services at the clinics operated by Defendants' Empire Beauty Schools ("the Schools") in New Jersey. Plaintiff alleges that Defendants violated the law by charging customers more than the reasonable cost of materials used in the performance of such services. Plaintiff brought a lawsuit on her own behalf and **on behalf of all people who paid a fee for student-provided cosmetology services at the Schools between January 13, 2017 and January 13, 2020**. Defendants deny the allegations in the lawsuit in their entirety but have agreed to settle the case to avoid the costs of litigation. You received this Notice because Defendants' records indicate that you might be a member of the Settlement Class.

The Settlement provides that eligible Settlement Class Members may receive up to four \$5 Service Vouchers (with a total value of \$20.00), which may be used to pay for future cosmetology services at any Empire Beauty School in New Jersey. Service Vouchers are not redeemable for cash and may not be used for products or goods. Other terms and conditions apply. To receive vouchers, you must timely complete and submit a Claim Form and forward it to the administrator by either fax or email no later than [REDACTED], 2020, or by mail postmarked no later than [REDACTED], 2020. You may obtain complete information about the Settlement (including the Long Form Notice and Claim Form) and deadlines by visiting the Settlement Website at [www.\[REDACTED\].com](http://www.[REDACTED].com), telephoning [REDACTED], or writing the Empire Beauty School Litigation Claims Administrator at **1801 Market Street, Suite 660, Philadelphia, PA 19103**.

If you do not wish to be a part of this Settlement, you may exclude yourself. If you do not exclude yourself, you will be bound by the Settlement and all Orders of the court. As a result, you will no longer be able to sue or continue to sue the Defendants or other Releasees for the claims covered by the Settlement. To request exclusion, you must mail your request in writing, postmarked no later than [REDACTED], 2020, to the Empire Beauty School Litigation Claims Administrator at **1801 Market Street, Suite 660, Philadelphia, PA 19103**. The Court, located at Hall of Justice, 101 S. Fifth St. Camden NJ 08001, will conduct a hearing on whether to approve the Settlement on [REDACTED], 2020, and if approved, to determine what amount of fees and costs should be awarded to class counsel and the class representative. If you do not exclude yourself, you or your own lawyer may ask to appear and speak at the hearing at your own cost. You may object to the Settlement in advance of the hearing by following the procedure set forth in the Long Form Notice. Your objection must be received by [REDACTED].

Christa Robey v. EEG, Inc., et al.
Class Action Settlement
1801 Market Street, Suite 660
Philadelphia, PA 19103

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

THIS NOTICE ADVISES YOU OF A PROPOSED CLASS ACTION SETTLEMENT CONCERNING STUDENT-PROVIDED COSMETOLOGY SERVICES YOU RECEIVED AT AN EMPIRE BEAUTY SCHOOL IN NEW JERSEY. THE BACK OF THIS CARD PROVIDES A WEBSITE, TELEPHONE NUMBER, AND ADDRESS WHERE YOU CAN OBTAIN INFORMATION IN ORDER TO SUBMIT A CLAIM FORM.

THIS NOTICE MAY AFFECT YOUR LEGAL RIGHTS. PLEASE READ IT CAREFULLY.

UNIQUE ID: [REDACTED]

[BAR CODE CLAIM NUMBER]

[NAME]

[STREET]

[CITY, STATE ZIP]

[POSTAL BAR CODE]

EXHIBIT C

<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>
--	--

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.

EXHIBIT C

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 [redacted], by calling the Claims Administrator toll free at [redacted], or by writing the Claims Administrator at [redacted].
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.

Questions? Visit [website] or call toll free [phone number]

EXHIBIT C

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- 21. Are there more details available?

Questions? Visit [\[website\]](#) or call toll free [\[phone number\]](#)

EXHIBIT C

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”).

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 [REDACTED]. 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 [REDACTED] is in charge of this case and has certified the lawsuit as a class action for settlement purposes only.

Questions? Visit [website] or call toll free [phone number]

EXHIBIT C

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?

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 [redacted]. 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

Questions? Visit [website] or call toll free [phone number]

EXHIBIT C

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. .com or by calling the Claims Administrator toll free at or by writing the Claims Administrator at

The fully completed Claim Form must be submitted via either email to , fax to xxx-xxx-xxxx, or U.S. mail to the Empire Beauty School Litigation Claims Administrator at . The deadline for submission of the Claim Form is Month 00, 2020. Accordingly, to be valid, Claim Forms must be postmarked, emailed or faxed no later than Month 00, 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.

9. When would I get my payment?

The Court will hold a hearing on Month 00, 2020, to decide whether to approve the Settlement. If Judge 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

Questions? Visit [\[website\]](#) or call toll free [\[phone number\]](#)

EXHIBIT C

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 Releasors (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/d 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 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 **Month 00, 2020**, to Empire Beauty School Litigation Settlement - Exclusions, at

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?

Questions? Visit **[website]** or call toll free **[phone number]**

EXHIBIT C

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 **Month 00, 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 [redacted], 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.

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-

Questions? Visit [\[website\]](#) or call toll free [\[phone number\]](#)

EXHIBIT C

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 [REDACTED], 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:**

Stephen P. DeNittis, Esq.
DENITTIS OSEFCHEN PRINCE, P.C.
5 Greentree Centre, Suite 410
Marlton, NJ 08053
(856) 797-9951

Counsel for Defendants:

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 **Month 00, 2020**, at **TIME**, 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 [REDACTED] 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?

Questions? Visit **[website]** or call toll free **[phone number]**

EXHIBIT C

No. Class Counsel will answer any questions Judge [redacted] 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.

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 Month 00, 2020, and be sent to Empire Beauty School Litigation Settlement at [redacted] 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. [redacted] .com]. You may also contact the Claims Administrator toll free at [redacted] or in writing at [redacted]. 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: Month 00, 2020.

Questions? Visit [website] or call toll free [phone number]

3. The Court preliminarily appoints Plaintiff Christa Robey as the named Class Representative and preliminarily appoints Stephen DeNittis, Esq. of DeNittis Osefchen Prince, P.C. as Class Counsel.

4. For purposes of the proposed settlement only, the Court finds that this action meets the requirements for certification of a Settlement Class under R. 4:32-1 such that class notice should be provided.

5. The Court appoints Angeion Group as the Settlement Administrator.

6. The Court approves the content of the proposed Claim Form, Postcard Notice, Long Form Notice, and Publication Notice submitted by Counsel.

7. The Court approves the proposed manner of notice distribution set forth in the Settlement Agreement. The Court directs Defendants to provide to the Settlement Administrator a list of any and all persons whom Defendants' records indicate may be class members and their last known email or postal addresses within 15 days of this Order. The Court further directs that within 30 days of this Order, the Postcard Notice shall be sent by first class mail by the Settlement Administrator to all persons whom Defendants' records indicate may be class members at their last known email or postal address as well as published in the *Courier Post* pursuant to the terms set forth in the Settlement Agreement.

8. Within 30 days of this Order, the Settlement Administrator shall create a Settlement Website www. .com, which will contain information describing the settlement and will contain the Claim Form (Exhibit A to Settlement Agreement), the Postcard Notice (Exhibit B to Settlement Agreement), the Long Form Notice (Exhibit C to Settlement Agreement), the Publication Notice (Exhibit E to the Settlement Agreement), information regarding Defendants' location, Class Counsel's contact information, a copy of the Settlement

Agreement, and a copy of Plaintiff's complaint. The Postcard Notice and the Long Form Notice and Claim Form will also be posted by Class Counsel in a prominent location on Class Counsel's website www.denittislaw.com.

9. Any objections to the proposed Class Settlement, or requests for exclusion from the class, must be submitted to the Clerk, post-marked no later than twenty (20) days prior to the Fairness Hearing scheduled in this matter. Pursuant to R. 4:32-2(e)(C), a Final Approval/Fairness hearing on whether to grant final, binding approval to the proposed class action settlement shall be held on _____, 2020 (suggested date any date after _____, 2020) at the Camden County Courthouse, 101 S. Fifth St., Camden, NJ 08001, Courtroom _____ at _____.

10. Any memoranda of law or other documents in support of final approval of the proposed class settlement, copies of any objections or requests from exclusion that have been submitted to class counsel or defense counsel, and an affidavit attesting that class notice has been distributed in a manner consistent with this Order, must be submitted to the Court no later than 10 days prior to the hearing on final approval.

11. In the event that the proposed settlement as provided in the Settlement Agreement is not granted final approval by the Court, then the Settlement Agreement, and all drafts, negotiations, discussions and documentation related thereto and orders entered by the Court in connection therewith shall become null and void. In such event the Agreement and all negotiations and proceedings related thereto shall be withdrawn without prejudice to the rights of any and all parties thereto, who shall be restored to their respective positions as of the date of the execution of the Agreement.

SO ORDERED:

, J.S.C.

EXHIBIT E

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

THIS NOTICE ADVISES YOU OF A PROPOSED CLASS ACTION SETTLEMENT CONCERNING STUDENT-PROVIDED COSMETOLOGY SERVICES YOU MAY HAVE RECEIVED AT AN EMPIRE BEAUTY SCHOOL IN NEW JERSEY. THIS NOTICE PROVIDES A WEBSITE, TELEPHONE NUMBER, AND ADDRESS WHERE YOU CAN OBTAIN INFORMATION IN ORDER TO SUBMIT A CLAIM FORM.

THIS NOTICE MAY AFFECT YOUR LEGAL RIGHTS. PLEASE READ IT CAREFULLY.

Christa Robey v. EEG, Inc., et al.

Superior Court of New Jersey, Camden County, Civil Action No. CAM-L-1462-19

THIS NOTICE ONLY PROVIDES LIMITED INFORMATION ABOUT THIS SETTLEMENT

Your rights may be affected by a proposed class action settlement of claims against EEG, Inc. and Frank Schoeneman (collectively “Defendants”). The settlement would resolve a lawsuit in which Plaintiff asserts various claims against Defendants involving the prices charged to customers for student-provided cosmetology services at the clinics operated by Defendants’ Empire Beauty Schools (“the Schools”) in New Jersey. Plaintiff alleges that Defendants violated the law by charging customers more than the reasonable cost of materials used in the performance of such services. Plaintiff brought a lawsuit on her own behalf and **on behalf of all persons who received one or more cosmetology services at one or more of Defendants’ Schools or Clinics in New Jersey between January 13, 2017 and January 13, 2020.** Defendants deny the allegations of the lawsuit in their entirety but have agreed to settle the case to avoid the costs of litigation. You might be a member of the Settlement Class if you received a student-provided cosmetology service at an Empire Beauty School in New Jersey between January 13, 2017 and January 13, 2020.

The Settlement provides that eligible Settlement Class Members may receive up to four \$5 Service Vouchers (with a total value of \$20.00), which may be used to pay for future cosmetology services at any Empire Beauty School in New Jersey. Service Vouchers are not redeemable for cash and may not be used for products or goods. Other terms and conditions apply and are set forth in the Settlement Agreement. To receive vouchers, you must timely complete and submit a Claim Form and forward it to the administrator by either fax or email no later than [REDACTED], 2020, or by mail postmarked no later than [REDACTED], 2020. You may obtain complete information about the Settlement (including the Long Form Notice and Claim Form) and deadlines by visiting the Settlement Website at [www.\[REDACTED\].com](http://www.[REDACTED].com), telephoning [REDACTED], or writing Empire Beauty School Litigation Claims Administrator at **1801 Market Street, Suite 660, Philadelphia, PA 19103.**

If you do not wish to be a part of this Settlement, you may exclude yourself. If you do not exclude yourself, you will be bound by the Settlement and all Orders of the court. As a result, you will no

longer be able to sue or continue to sue the Defendants, or certain entities related to them, about the claims covered by the Settlement. To request exclusion, you must mail your request in writing, postmarked no later than [REDACTED], 2020, to the Empire Beauty School Litigation Claims Administrator at 1801 Market Street, Suite 660, Philadelphia, PA 19103. The Court, located at Hall of Justice, 101 S. Fifth St. Camden NJ 08001, will conduct a hearing on whether to approve the Settlement on [REDACTED], 2020, and if approved, to determine what amount of fees and costs should be awarded to class counsel and the class representative. If you do not exclude yourself, you or your own lawyer may ask to appear and speak at the hearing at your own cost. You may object to the Settlement in advance of the hearing by following the procedure set forth in the Long Form Notice. Any objection must be received by [REDACTED].