

THE CIRCUIT COURT FOR KNOX COUNTY, TENNESSEE

NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT AND SETTLEMENT HEARING

If you are a JTV customer who:

Purchased individual or loose red and green andesine-labradorite gemstones from JTV,
and / or

Purchased red and green andesine-labradorite jewelry or products from JTV,

Between May 1, 2004 and July 31, 2008,

You may be eligible to receive a cash refund or JTV store credit through a proposed Class Action Settlement.

The Circuit Court for Knox County, Tennessee (“the Court”) has authorized this Notice. It is not a solicitation from a lawyer. *You are not being sued.*

The Proposed Settlement: There is a proposed settlement (“the Settlement”) with America’s Collectibles Network, Inc. d/b/a Jewelry Television (“JTV”) resulting from a class action pending in Knox County, Tennessee. The name of the lawsuit is *Hurd v. America’s Collectibles Network, Inc. d/b/a Jewelry Television*, No. 225508 (“the Lawsuit”).

The Lawsuit: The Lawsuit claims that red and green andesine-labradorite gemstones advertised by JTV as highly coveted, extremely rare, and all natural, were in reality color enhanced. JTV has denied, and continues to deny, all allegations of wrongdoing and liability in the Lawsuit, and asserts that the representations it made about the gemstones were properly based on industry literature, representations and information from suppliers, and gemstone laboratory reports from nationally accredited laboratories.

Benefits of the Settlement: Depending on what you purchased, you may be entitled to a full or partial cash refund or a store credit. For instance, if you purchased loose red and/or green andesine-labradorite gemstone(s), conditioned upon your returning the gemstones in an undamaged condition together with proof of purchase, you may, under certain circumstances, receive a full or partial refund or store credit.

Your Legal Rights and Options in This Settlement:		
Option	Deadline	Result
Submit a Claim Form	To Be Determined. You will receive a claim form in the mail if the Settlement is granted final approval.	This is the only way to get a payment or JTV store credit. <i>No action is required at this time.</i> If the Settlement is granted final approval by the Court, JTV will send claim forms and instructions within 30 days of final approval. You may choose not to submit a claim, but you will remain part of the settlement class unless you exclude yourself.
Exclude Yourself		Get no payment or JTV store credit.
Object and/or Go to the Hearing		Write to the Court about why you approve of or don’t like the Settlement and/or ask to speak in Court about the Settlement
Do Nothing		You will remain a part of the Settlement Class, but you keep your gemstones and will not be eligible for any refund payment or store credit.

***YOUR LEGAL RIGHTS ARE AFFECTED EVEN IF YOU DO NOT ACT.
PLEASE READ THIS NOTICE CAREFULLY***

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BASIC INFORMATION

1. **WHY DID I GET THIS NOTICE?** You were sent this Notice because JTV's purchase records indicate that you bought red or green andesine-labradorite gemstones or jewelry between May 1, 2004 and July 31, 2008. The purpose of this Notice is to tell you, as a potential Class Member, of the existence of the Lawsuit and proposed Class Action Settlement pending in the Circuit Court for Knox County, Tennessee. This Notice explains the Lawsuit, provides a summary of the terms of the proposed Settlement, and explains your legal rights with respect to the proposed Settlement.
2. **WHY SHOULD I READ THIS NOTICE?** This Notice is given pursuant to an Order of the Court, dated October 22, 2008. Its purpose is to inform you that a Settlement has been reached on behalf of all purchasers of red and green andesine-labradorite gemstones from JTV from May 1, 2004 to July 31, 2008. If the Court approves this Settlement, there will be a distribution of cash refunds and store credits to members of the Class who file claims in accordance with the claims procedure approved by the Court.
3. **WHAT DOES THE CLASS PERIOD MEAN?** The "Class Period" sets the time limit for andesine-labradorite purchases that qualify for the Settlement. All purchases made from May 1, 2004 – July 31, 2008 are within the Class Period.
4. **WHAT IS THIS LAWSUIT ABOUT?** Plaintiffs filed Lawsuits against JTV on May 23, 2008 and June 5, 2008, claiming that JTV falsely advertised red and green andesine-labradorite gemstones by describing them as highly coveted, extremely rare, and all natural, when, in reality, the gemstones were color enhanced. It is JTV's position that the representations it made about the gemstones were properly based on industry information, representations from its suppliers, and gemstone laboratory reports from nationally recognized laboratories. JTV has always denied, and continues to deny, all allegations of wrongdoing and liability in the Lawsuit.
5. **WHAT IS A CLASS ACTION?** Plaintiffs filed this lawsuit as a class action, which is a lawsuit where one or more people called "class representatives" sue on behalf of all other people who have similar claims. The people together are a "class" or "class members." A court must determine if it will allow a lawsuit to proceed as a class action. As part of the Settlement in this case, the Parties asked the Court to certify two classes, known as "Temporary Settlement Classes" solely for purposes of the Settlement. On October 22, 2008, the Court agreed, and certified for settlement purposes only both classes the (1) "A-L Gemstone Purchaser Class" and (2) the "A-L Jewelry and Other Products Purchaser Class." These classes are described in detail below.
6. **HOW DO I KNOW IF I AM INCLUDED IN THE PROPOSED SETTLEMENT?** You are a member of the Temporary Settlement Classes if you fall into either of the two definitions below* and do not request exclusion from the Class or Classes you are in:

A-L Gemstone Purchaser Class: All natural persons and legal entities located in the United States who purchased any red and/or green andesine-labradorite as loose gemstone(s) from JTV between May 1, 2004 and July 31, 2008. This temporary class specifically excludes purchasers of andesine-labradorite from JTV who purchased it in mixes or parcels of gemstones of which andesine or labradorite was one or more of the gemstones.

A-L Jewelry and Other Products Purchaser Class: All natural persons and legal entities located in the United States who purchased any of the following from JTV between May 1, 2004 and July 31, 2008:

- (i) jewelry that contains one or more red and/or green andesine-labradorite gemstones;
- (ii) gemstones parcels that contain one or more red and/or green andesine-labradorite gemstones along with other gemstones; and
- (iii) any other items (e.g., non-jewelry, gift items) that contain one or more red and/or green andesine-labradorite gemstones.

* Both classes exclude officers, directors or employees of JTV, any entity in which JTV has a controlling interest, any affiliate of JTV, and any judicial officer presiding over this settlement, and any member of the judicial officer's family and court staff.

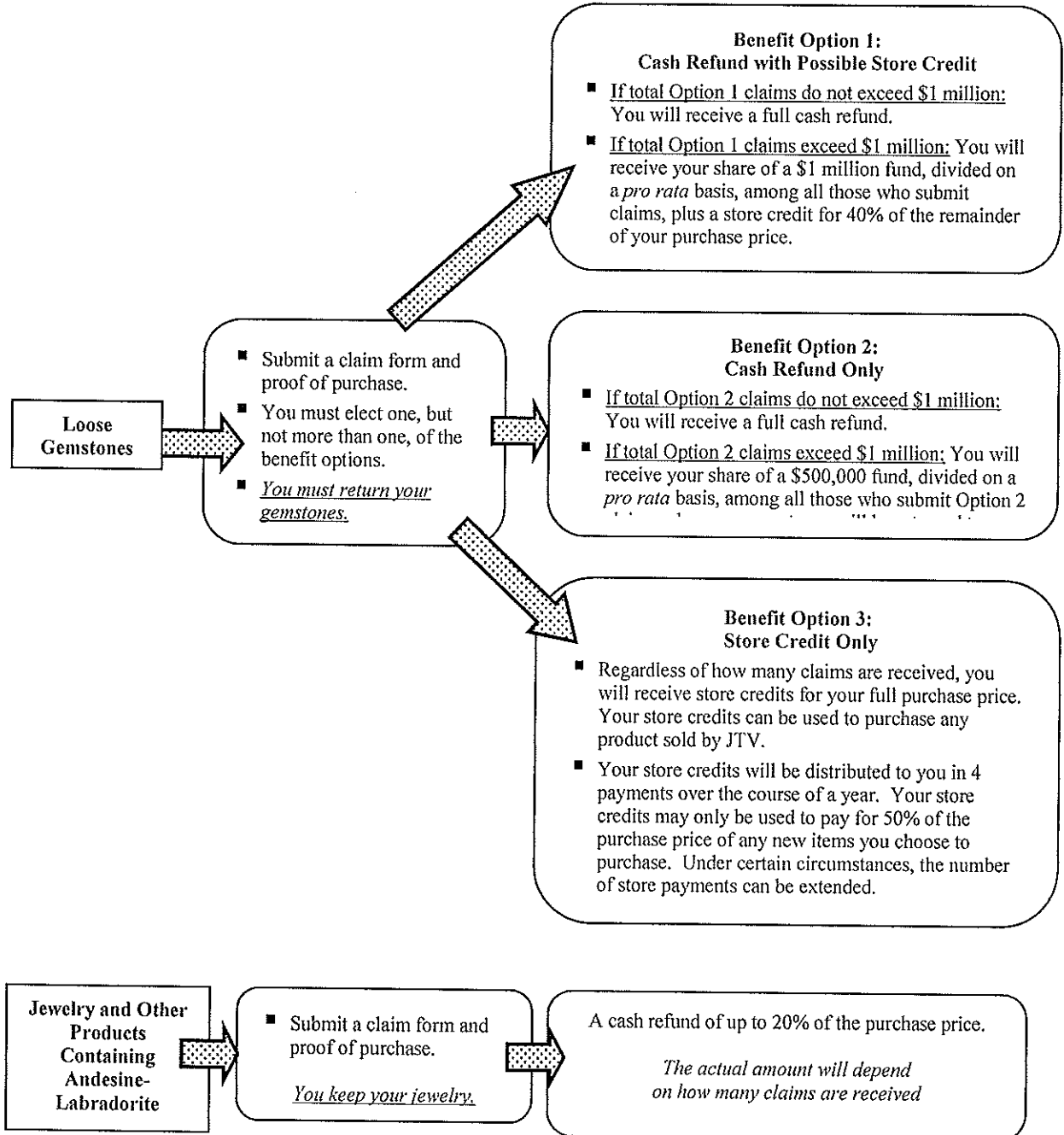
BENEFITS OF THE SETTLEMENT – WHAT YOU MAY GET

7. WHAT BENEFITS DOES THE PROPOSED SETTLEMENT PROVIDE?

If you Purchased

You must

In order to be eligible to receive ...



8. WHAT ELSE HAS JTV AGREED TO DO UNDER THE PROPOSED SETTLEMENT?

Disclosures. Under the proposed Settlement, JTV will tell the public of any and all treatments known by it to have been applied to any of the andesine-labradorite sold by JTV during the Class Period.

Consumer Education. JTV will also provide education on the Gemstones to its customers, explaining what is now known and/or theorized about the andesine-labradorite gemstones, their treatment, and their origin. This will include a presentation by a JTV spokesperson about what JTV knew about the gemstones and what representations it made.

Training. Finally, JTV will give training to its television hosts and call center employees in an effort to make sure that future marketing of andesine-labradorite complies with relevant rules and regulations, including the applicable Federal Trade Commission's Guides for the Jewelry, Precious Metals, and Pewter Industries.

WHAT YOU CAN DO AS A CLASS MEMBER

9. WHAT ARE MY OPTIONS AS A CLASS MEMBER?

Your Legal Rights and Options in This Settlement:		
Option	Deadline	Result
Submit a Claim Form	To Be Determined. You will receive a claim form in the mail if the Settlement is granted final approval.	This is the only way to get a payment or JTV store credit. <i>No action is required at this time.</i> If the Settlement is granted final approval by the Court, JTV will send claim forms and instructions within 30 days of final approval. You may choose not to submit a claim, but you will remain part of the settlement class unless you exclude yourself.
Exclude Yourself		Get no payment or JTV store credit.
Object and/or Go to the Hearing		Write to the Court about why you approve of or don't like the Settlement and/or ask to speak in Court about the Settlement
Do Nothing		You will remain a part of the Settlement Class, but you keep your gemstones and will not be eligible for any refund payment or store credit.

10. HOW DO I REMAIN A CLASS MEMBER, AND WHAT DOES THAT MEAN? To remain a Class Member and become a member of the Settlement Class, you do not have to do anything at this time. If the Settlement receives final approval from the Court, and if you want to be eligible for money or store credit, you will have to submit a timely written claim form. Being a Settlement Class Member means that if the Settlement is approved by the Court and the judgment becomes final, you will be entitled to the benefits of the Settlement and, if you submit a claim form in accordance with the guidelines, together with any required return of gemstones with proof of purchase, you may receive money and/or JTV store credits. In exchange for those benefits, you will be bound by any release, judgment or other disposition of this Lawsuit.

11. HOW DO I MAKE A CLAIM? If the Settlement is granted final approval by the Court, JTV will send by U.S. Mail and/or electronic mail a Notice of Final Approval, Claim Form, and instructions for submitting a claim. The claim form will be due (postmarked) *35 days from date notice of final approval is sent*. If you want to be eligible to recover money or JTV store credits under the proposed Settlement, *you will have to fill out a claim form* and submit it to JTV. You will have to return your loose Gemstones (but not your jewelry and other products), and will have to provide proof of purchase to make a claim. The claim form will have instructions on how to do this.

12. WHAT QUALIFIES AS A PROOF OF PURCHASE? For purposes of this Settlement, a proof of purchase may include a receipt (invoice), electronic receipt (invoice), e-mail confirmation of purchase, shipping or packing documents bearing barcodes and item descriptions, or any other proof sufficient to show (1) a description of the item, (2) the purchase price of the item, and (3) that the item was purchased from JTV. You will be required to submit a proof of purchase at the time you submit a claim.

13. DO I NEED TO RETURN MY GEMSTONES OR JEWELRY TO JTV TO PARTICIPATE IN THE SETTLEMENT? If you submit a claim for your loose A-L Gemstones, you will have to return your A-L Gemstone(s) in order to make a claim. The Gemstones will not be returned, with one exception (under Benefit Option 2, you may get your Gemstone back if the total claims exceed \$1,000,000). Out of the funds, JTV will pay for shipping charges incurred as a result of the return of the A-L Gemstones. If you submit a claim for A-L jewelry or other products (so you are a member of the A-L Jewelry and Other Products Purchaser Class), you do not need to return your A-L jewelry or other product to make a claim

14. CAN I OBJECT TO OR COMMENT ON THE PROPOSED SETTLEMENT? Yes. As a Class Member, you have the right to object to or comment in support of the proposed Settlement, the proposed award of attorneys' fees and expenses, or the proposed payment of service awards to the named plaintiffs and potential class representatives, which are described below. The service awards are given to those plaintiffs and potential class representative that were actively involved in bringing the lawsuit(s), and recognize the time and effort these individuals spent on the lawsuit. To file an objection to or comments on the proposed Settlement, you must submit a written statement setting forth: (1) your name, address, and telephone number; (2) the reference "*Hurd v. America's Collectibles Network d/b/a Jewelry Television*, Case No. 2255-08"; (3) the approximate dates and total purchase prices of your andesine-labradorite purchases made from JTV; and (4) your objections, comments and any supporting arguments, to:

Office of the Clerk of the Court
Circuit Court for Knox County, Tennessee
400 West Main Street, Suite M-30
Knoxville, Tennessee 37902

You must also mail copies of your entire written submission to the lawyers for the Class and to JTV's lawyers at the following addresses:

Counsel for the Class		Counsel for JTV
Gregory Coleman COLEMAN AND EDWARDS, P.C. 4800 Old Kingston Pike, Suite 120 Knoxville, TN, 37919 (865) 247-0080	Kenneth A. Wexler Edward A. Wallace WEXLER WALLACE LLP 55 West Monroe, Suite 3300 Chicago, IL 60603 (312) 346-2222	Andrew L. Colocotronis BAKER, DONELSON, BEARMAN, CALDWELL & BERKOWITZ, PC 2200 Riverview Tower 900 S. Gay Street Knoxville, TN 37901 (865) 549-7119

To be considered by the Court, your objections or supporting comments must be sent to the Clerk of the Court, the lawyers for the Class, and JTV's lawyers, and must be *postmarked by December 29, 2008*.

15. WHAT IF I DO NOT WISH TO PARTICIPATE IN THE SETTLEMENT? If you want to pursue your own case against JTV for damages based on the conduct Plaintiffs have alleged in the Lawsuit, or you just do not want to be in the Class, you have the right to request exclusion ("opt out") from the Class. Even if you opt out, JTV still has to comply with its equitable obligations (in other words, JTV will still have to comply with the provisions explained in Number 7 above). If you request exclusion from the Class, you will not participate in the Settlement and may pursue your own claims for money damages. *If you wish to be excluded from the money damages portion of the Class for any reason*, you must complete a Request for Exclusion Form, which may be requested in writing at the address below. You must submit your Request for Exclusion Form to Class Counsel, *postmarked by December 29, 2008* and addressed to:

Gregory Coleman - COLEMAN AND EDWARDS, P.C.
4800 Old Kingston Pike, Suite 120, Knoxville, TN, 37919
dholt@colemanedwardspc.com
(865) 247-0080

Alternatively, you may DO NOTHING. Doing nothing allows you to keep your gemstones, receive no benefits from the Settlement, and remain a member of the Settlement Class.

16. DO I HAVE A LAWYER REPRESENTING MY INTERESTS IN THIS CASE? Yes. The Court has appointed the following lawyers to represent you and other Settlement Class Members: (1) Gregory Coleman of Coleman and Edwards, P.C., 4800 Old Kingston Pike, Suite 120, Knoxville, TN, 37919; and (2) Kenneth A. Wexler and Edward A. Wallace of Wexler Wallace LLP, 55 West Monroe, Suite 3300, Chicago, IL 60603.

17. WHY DO THE LAWYERS REPRESENTING THE CLASS RECOMMEND THIS SETTLEMENT? Relative to the risks and costs of continuing the litigation, the lawyers representing the Class believe this proposed Settlement provides a favorable recovery which is in the best interests of the Class. Their evaluation is based on the extensive investigation and informal discovery they have undertaken, and upon their experience prosecuting similar cases. Absent settlement, Plaintiffs would have to secure class certification on the claims set forth in the Lawsuit over the strenuous opposition of JTV. Additionally, at trial, Plaintiffs would have the burden of proof to establish liability and the amount of damages. If successful, Plaintiffs would also have to recover what was awarded, and JTV's financial status is not guaranteed in these difficult financial times. The case involves many unresolved factual and legal issues, some of which could be decided against Plaintiffs at or before trial, and which would jeopardize Plaintiffs' ability to certify a class or to obtain a favorable judgment and preserve it on appeal. Settling the case now avoids the very substantial additional costs and delay that further litigation would involve. Even if a favorable judgment were obtained at trial, it could well produce less net recovery to the Class Members than the present settlement.

18. HOW ARE THE LAWYERS WHO REPRESENT THE CLASS BEING PAID? Since they filed this case earlier this year, the lawyers representing the Class have not received any payment for their services in prosecuting the Lawsuit, nor have they been reimbursed for any out-of-pocket expenses, including travel and fees for experts and consultants. If the Court approves the proposed Settlement, they will ask the Court to award them attorneys' fees and out-of-pocket expenses in the amount not to exceed \$500,000. This sum is considerably less than the attorneys' fees and expenses actually incurred by these lawyers. Any award of attorneys' fees will be paid separately from and will not reduce the benefits provided to Class Members under the Settlement.

*As a Class Member, you do not have to pay the lawyers representing the Class
for the work they performed on behalf of the Class.*

19. **ARE THE NAMED PLAINTIFFS RECEIVING ANYTHING FOR THE TIME AND EFFORT THEY CONTRIBUTED TO THE LAWSUIT?** As part of the proposed Settlement, and subject to the Court's final approval of the Settlement, the Parties have agreed that JTV will pay service awards in the amount of \$1,000 each to each of the named plaintiffs¹ and prospective Class members for the extensive time and effort they contributed to the prosecution of the Lawsuit.

THE COURT'S FINAL APPROVAL HEARING AND THE FUTURE OF THE LAWSUIT

20. **WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO GRANT FINAL APPROVAL OF THE PROPOSED SETTLEMENT?** The Court will hold a Fairness Hearing on January 12, 2009, at 8:30 a.m. EDT, before the Honorable Harold Wimberly, at the Circuit Court for Knox County, Tennessee, 400 W. Main Street, Knoxville, Tennessee, to determine: (1) whether the proposed Settlement of the Lawsuit is fair, reasonable, and adequate for the Class as a whole and should be granted final approval; (2) whether the certification of the Class for Settlement purposes only should be made final; (3) whether the Court should enter the proposed judgment dismissing the Lawsuit with prejudice; (4) whether the Court should grant the application of Class Counsel for attorneys' fees and reimbursement of expenses and, if so, in what amount; and (5) whether the Court should grant the request for incentive awards to the named plaintiffs and prospective class members and, if so, in what amount.

21. **DO I HAVE TO ATTEND THE FINAL APPROVAL HEARING?** You may attend the Final Approval Hearing if you wish, but are not required to do so to participate in the Settlement. If there are further actions taken by the Court that affect your rights, you will receive notice as determined by the Court.

22. **IF THE COURT APPROVES THE SETTLEMENT, WILL THAT END THE LAWSUIT?** Yes. If the Court approves the proposed Settlement, it will enter a judgment that will dismiss with prejudice the claims of Class Members against JTV, except those Class Members who request to be excluded from the Settlement. Once the time for appeals expires, assuming no appeals are filed, the lawsuit will officially be over.

23. **WHAT HAPPENS IF THE COURT DOES NOT APPROVE THE SETTLEMENT?** If the Settlement is not granted final approval, or if the Settlement is granted final approval but the judgment does not become final, the certification of the Class will be vacated and the Lawsuit will proceed as though no Settlement had been reached.

24. **WHERE CAN I FIND ADDITIONAL INFORMATION?** You can get more information by visiting the settlement website, or by writing or telephoning Class Counsel at:

www.andesineclassaction.com

Gregory Coleman COLEMAN AND EDWARDS, P.C. 4800 Old Kingston Pike, Suite 120 Knoxville, TN, 37919 (865) 247-0080	Kenneth A. Wexler Edward A. Wallace WEXLER WALLACE LLP 55 West Monroe, Suite 3300 Chicago, IL 60603 (312) 346-2222
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This Notice is only a summary and does not describe all details of the Settlement. For full details of the matters discussed in this Notice, you may wish to review the Settlement Agreement on file with the Court and available at www.andesineclassaction.com. Complete copies of the Settlement Agreement and all other pleadings and papers filed in the Lawsuit are on file at the Circuit Court for Knox County, Tennessee, and may be examined and copied during regular office hours at the Office of the Clerk of the Court, Circuit Court for Knox County, Tennessee, 400 West Main Street, Suite M-30, Knoxville, Tennessee 37902.

Please do not telephone the Court or the Office of the Clerk for information regarding this Settlement or the claim process!

¹ This includes the named plaintiffs in *Hurd v. America's Collectibles Network d/b/a Jewelry Television*, Case No. 2225-08, filed in the Circuit Court for Knox County, Tennessee, as well as the named plaintiffs in a related case, *Weed v. America's Collectibles Network, Inc. d/b/a Jewelry Television*, Case No. 08-CV-0925, filed in the United States District Court for the Southern District of California. In addition, the following individuals will be eligible for a service payment: Ralph Russo, Carol Russo, Mary Massey, Joan Mojonnier, Gloria Manning, Michael Pelletieri, Debora O'Brien, Yvonne Hess, Sue Ann Beer, Victor Krohn, Mary Lukowski, Janet DiDonato, Diane Leonard, Anita Stever, Michael Evans, Cathy Wood, James Buechler, James Evans, Sarah Opolka, Arthur Moilanen and Dennis Ramshaw.