

In re Signet Jewelers Limited Securities Litigation

COURT: United States District Court for the Southern District of New York
CASE NUMBER: 1:16-cv-06728 (CM)
CLASS PERIOD: 08/29/2013 - 05/25/2017
CASE LEADERS: John Rizio-Hamilton, Rebecca E. Boon
CASE TEAM: Michael Mathai, Megan Taggart

This securities fraud class action (the “Action”) asserted claims pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 against Defendants seeking to recover for their fraudulent course of conduct that artificially inflated the price of Signet Jewelers Limited (“Signet” or the “Company”) common stock during the period from August 29, 2013 to May 25, 2017 (the “Class Period”).

Lead Plaintiff Has Settled the Action for \$240 Million

Lead Plaintiff, the Public Employees’ Retirement System of Mississippi (“Lead Plaintiff”), on behalf of itself and the Court-certified Class (defined below), has reached a settlement of the Action for \$240,000,000 in cash that resolves all claims in the Action (the “Settlement”). On July 21, 2020, the Court held a hearing on final approval of the Settlement and related matters. Following the hearing, the Court entered a Decision and Order finally approving the Settlement, approving the Plan of Allocation for the proceeds of the Settlement, and awarding attorney’s fees and litigation expenses to Plaintiffs’ Counsel.

The claims administration was completed in September 2021. On November 12, 2021 the Motion for Approval of Distribution Plan was filed. On November 16, 2021, the Court entered the Order Approving the Distribution Plan. The initial distribution occurred on March 4, 2022. The second distribution occurred on May 18, 2023. The third distribution occurred in October 2024. Subsequent distributions will occur on a rolling basis, provided that net settlement funds are available.

The Net Settlement Fund (i.e., the Settlement Amount, plus any and all interest earned thereon, less court-awarded attorneys’ fees and Litigation Expenses, Notice and Administration Costs, any required Taxes, and any other fees or costs approved by the Court) was distributed in accordance with the Court-approved Plan of Allocation. The Plan of Allocation is set forth in paragraphs 55-75 of the [Notice](#).

You may also visit the Settlement website, www.SignetSecuritiesLitigation.com, for more information about the Settlement.

Background

Signet is the world’s largest retailer of diamond jewelry. It operates thousands of jewelry stores in North America and the United Kingdom under well-known trademarks including “Kay,” “Jared,” “Zales,” “J.B. Robinson,” and “Peoples.” The action alleged that, throughout the Class Period, Signet and its senior officers made a series of materially misleading statements and omissions about (i) the strength of its in-house customer financing credit portfolio, and (ii) a culture of severe sexual harassment at the Company.

Specifically, throughout the Class Period, Signet falsely touted the Company’s financial strength by repeatedly representing that its credit portfolio was a key strategic advantage for the Company, that was very “conservatively managed,” including with “stringent” underwriting practice. However, after years of maintaining these assurances,

Signet suddenly revealed in mid-2016 that it had begun a strategic review of its credit portfolio, and worse, had solicited offers to sell the entire credit book. In May 2017, Signet revealed, for the first time, that 45% of portfolio consisted of subprime loans. As a result of these unexpected disclosures, the price of the Company's stock plummeted, causing substantial investor losses.

Separately, Signet has been defendant in a class action arbitration, pending since 2008, alleging gender discrimination. Signet never fully disclosed the extent of its misconduct, and always downplayed its alleged misconduct as involving only allegations of gender discrimination concerning store-level employment practices. In truth, Signet was rife with systemic sexual harassment that pervaded the Company at all levels, and which was condoned and exemplified by the behavior of its former CEO, who personally participated in harassing and discriminatory activities. When documents making these facts clear were released in February 2017 and reported on by the Washington Post, Signet's stock plummeted, causing additional losses.

On July 27, 2017, the Public Employees' Retirement System of Mississippi was appointed Lead Plaintiff in the Action against Signet and its senior officers, and BLB&G was appointed Lead Counsel. Lead Plaintiff filed the Fifth Amended Complaint on March 22, 2018. On March 30, 2018, Defendants moved to dismiss the Fifth Amended Complaint; briefing on Defendants motion was completed on April 13, 2018; and on November 26, 2018, the Court denied Defendants' motion to dismiss.

On March 15, 2019, Lead Plaintiff filed its motion for class certification. On July 10, 2019, the Court granted Lead Plaintiff's motion for class certification, in part, and certified a class of investors in Signet stock from August 29, 2013 to May 25, 2017.

On July 24, 2019, Defendants filed a petition for appeal to the Second Circuit pursuant to Federal Rule of Civil Procedure 23(f) based on the Court's class certification decision. Lead Plaintiff opposed that petition on August 5, 2019. The Second Circuit granted Defendants' petition on November 19, 2019.

On March 16, 2020, Lead Plaintiffs and Defendants entered into the Stipulation and Agreement of Settlement setting forth the terms and condition of the proposed Settlement of the Action for \$240 million in cash. On March 26, 2020, Lead Plaintiff filed its motion for preliminary approval of the settlement with the Court. The Court granted Lead Plaintiff's motion on April 14, 2020. Lead Plaintiff filed its motion for final approval of the Settlement with the Court on June 16, 2020. During a final settlement hearing on July 21, 2020, the Court granted Lead Plaintiff's motion and the Settlement was approved.

Case Documents

- Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and Litigation Expenses ("Notice")
- November 17, 2021 - Order Approving Distribution
- November 12, 2021 - Motion for Approval of Distribution Plan
- November 12, 2021 - Memorandum of Law In Support of Motion for Approval of Distribution Plan
- November 12, 2021 - Declaration of Luiggy Segura in Support Motion for Approval of Distribution Plan
- November 12, 2021 - Exhibit A

- November 12, 2021 - Exhibit B
- November 12, 2021 - Exhibit C
- November 12, 2021 - Exhibit D
- November 12, 2021 - Exhibit E
- November 12, 2021 - Exhibit F
- November 12, 2021 - Exhibit G
- November 12, 2021 - Proposed Order
- July 21, 2020 - Decision and Order Approving Settlement, Plan of Allocation and the Fee Award
- July 14, 2020 - Reply Memorandum of Law in Further Support of (I) Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan Of Allocation and (II) Lead Counsel's Motion for an Award of Attorneys' Fees and Litigation Expenses
- July 14, 2020 - Supplemental Declaration of Luigy Segura Regarding: (A) Mailing of the Notice and Claim Form and (B) Report on Requests for Exclusion Received
- June 16, 2020 - Notice of Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation
- June 16, 2020 - Memorandum of Law in Support of Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation
- June 16, 2020 - Notice of Lead Counsel's Motion for an Award of Attorney's Fees and Litigation Expenses
- June 16, 2020 - Memorandum of Law in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Litigation Expenses
- June 16, 2020 - Declaration of John Rizio-Hamilton in Support of (I) Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation and (II) Lead Counsel's Motion for an Award of Attorneys' Fees and Litigation Expenses
- April 14, 2020 - Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement
- March 22, 2018 - Fifth Amended Class Action Complaint for Violations of the Federal Securities Laws
- March 16, 2020 - Stipulation and Agreement of Settlement