

NOTICE TO EMPLOYEES

This notice has been posted pursuant to a Consent Decree, entered on ______, approving the resolution of a lawsuit brought by the U.S. Equal Employment Opportunity Commission ("EEOC") against Zale Corporation ("Zale" or "The Company"), in the United States District Court for the District of Alaska, Case No. 3:07-cv-00033-JWS. The Consent Decree resolves EEOC's claims of pregnancy discrimination brought against the Company, and enjoins it from certain conduct prohibited by law. Zale denies the allegations in the EEOC's lawsuit. Federal law and the Consent Decree prohibit discrimination against any individual because of sex or pregnancy.

In accordance with the Consent Decree, Zale will provide anti-discrimination training to all management and supervisory employees in Alaska; distribute its EEO policy to all employees in Alaska; evaluate and where appropriate modify its policies to encourage supervisor accountability with regard to anti-discrimination practices; and report to the EEOC all complaints of pregnancy and/or sex discrimination it receives for the next 2 years.

Federal law also prohibits retaliation against any individual by an employer because the individual complains of discrimination, cooperates with any Investigation of a charge of discrimination, participates as a witness or potential witness in any investigation or legal proceeding, or otherwise exercises his or her rights under the law.

Should you have any complaints of discrimination, you should contact Employee Relations or Shared Services immediately at _____.

Employees also have the right to bring complaints of discrimination or harassment to the U.S. Equal Employment Opportunity Commission, Seattle Field Office at:

909 1st Avenue, Suite 400 Seattle, WA 98104-1061 (206) 220-6883 or 1 (800) 669-4000

This notice shall remain prominently posted at Zale Corporation stores in Alaska for the duration of the Consent Decree referred to above, until ______. This Official Notice shall not be altered, defaced, covered or obstructed by any other material.