

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A This return/report is for:	<div>☐ a multiemployer plan;</div> <div>☒ a single-employer plan;</div> <div>☐ a multiple-employer plan; or</div> <div>☐ a DFE (specify) ____</div>
B This return/report is:	<div>☐ the first return/report;</div> <div>☐ the final return/report;</div> <div>☐ an amended return/report;</div> <div>☐ a short plan year return/report (less than 12 months).</div>
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	<div>☒ Form 5558;</div> <div>☐ automatic extension;</div> <div>☐ the DFVC program;</div> <div>☐ special extension (enter description)</div>

Part II	Basic Plan Information—enter all requested information
1a Name of plan	STERLING JEWELERS INC. 401(K) RETIREMENT SAVINGS PLAN AND TRUST
1b Three-digit plan number (PN) ▶	001
1c Effective date of plan	08/01/1969
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)	STERLING JEWELERS INC. 375 GHENT RD FAIRLAWN, OH 44333-4601
2b Employer Identification Number (EIN)	52-0964503
2c Sponsor's telephone number	330-668-5928
2d Business code (see instructions)	448310

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/04/2010	SIMON CASHMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/04/2010	SIMON CASHMAN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") STERLING JEWELERS INC. 375 GHENT RD FAIRLAWN, OH 44333-4601	3b Administrator's EIN 52-0964503 3c Administrator's telephone number 330-668-5928
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	14419
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	12097
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	506
d Subtotal. Add lines 6a , 6b , and 6c	6d	12603
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	2
f Total. Add lines 6d and 6e	6f	12605
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	4348
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	2118

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 2T

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☒ 1 **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

<div>SCHEDULE A (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan STERLING JEWELERS INC. 401(K) RETIREMENT SAVINGS PLAN AND TRUST	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500. STERLING JEWELERS INC.	D Employer Identification Number (EIN) 52-0964503	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	450280	12605	01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	29536469

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions	7c(6)	
d Total of balance and additions (add b and c(6))	7d	
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions	7e(5)	
f Balance at the end of the current year (subtract e(5) from d)	7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan STERLING JEWELERS INC. 401(K) RETIREMENT SAVINGS PLAN AND TRUST	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 STERLING JEWELERS INC.	D Employer Identification Number (EIN) 52-0964503	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRINCIPAL LIFE INSURANCE COMPANY
42-0127290

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
--

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HIGHLAND CONSULTING ASSO

34-1753575

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	INVESTMENT ADVISOR	43600	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 37 50 64	CONTRACT ADMINISTRATOR	101484	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

<div>SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration</div>	<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan STERLING JEWELERS INC. 401(K) RETIREMENT SAVINGS PLAN AND TRUST		B Three-digit plan number (PN) ► 001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 STERLING JEWELERS INC.		D Employer Identification Number (EIN) 52-0964503
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MONEY MARKET SA-I2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-024	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 15129
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-I1		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-016	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4278450
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP S&P 600 INDEX SA-I1		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-028	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 258404
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP S&P 400 IDX SA-I1		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-023	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 190417
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-I1		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-026	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1243248
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP GROWTH I SA-I1		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-066	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7203105
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP VALUE III SA-I1		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-068	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10608395
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule D (Form 5500) 2009 v.092308.1		

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETM 2010 SEP ACCT-I1**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-075	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 555951
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETM 2020 SEP ACCT-I1**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-076	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1592878
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETM 2030 SEP ACCT-I1**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-077	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1299593
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETM 2040 SEP ACCT-I1**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-078	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1282368
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETM 2050 SEP ACCT-I1**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-079	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 854269
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETM STR INC SA-I1**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-080	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 154262
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a Name of MTIA, CCT, PSA, or 103-12 IE: ABN AMRO INCOME PLUS D FUND**b** Name of sponsor of entity listed in (a): ABN AMRO INVESTMENT TRUST CO

c EIN-PN 03-0373646-007	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 25456983
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>STERLING JEWELERS INC. 401(K) RETIREMENT SAVINGS PLAN AND TRUST</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>STERLING JEWELERS INC.</u>	D Employer Identification Number (EIN) <u>52-0964503</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	18
(2) Participant contributions	1b(2)	0	338865
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	4940952	5327977
(9) Value of interest in common/collective trusts	1c(9)	28471475	25456983
(10) Value of interest in pooled separate accounts	1c(10)	21272741	29536469
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	43676303	60534050
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	508116	1470031
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	98869587	122664393

Liabilities

g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	98869587	122664393
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	379303	
(B) Participants	2a(1)(B)	10057522	
(C) Others (including rollovers)	2a(1)(C)	441399	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		10878224
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	322980	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		322980
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1396786	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1396786
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	90074	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	39519	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		50555

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	975624	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		975624
(6) Net investment gain (loss) from common/collective trusts	2b(6)		764459
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		6487657
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		12307804
c Other income.....	2c		354
d Total income. Add all income amounts in column (b) and enter total.....	2d		33184443

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	9059691	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		9059691
f Corrective distributions (see instructions)	2f		184064
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	101484	
(3) Investment advisory and management fees	2i(3)	43602	
(4) Other	2i(4)	796	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		145882
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		9389637

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		23794806
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BOBER, MARKEY, FEDOROVICH & CO.

(2) EIN: 34-1523030

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	0
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	0
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	0
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	0
e Was this plan covered by a fidelity bond?.....	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>STERLING JEWELERS INC. 401(K) RETIREMENT SAVINGS PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>STERLING JEWELERS INC.</u>	D Employer Identification Number (EIN) <u>52-0964503</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-0127290</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

December 31, 2009 and 2008



STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
ANNUAL REPORT INDEX
December 31, 2009 and 2008

The following financial statements and other information of Sterling Jewelers Inc. 401(k) Retirement Savings Plan and Trust are included herewith:

- Statements of Net Assets Available for Benefits as of December 31, 2009 and 2008;
- Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2009 and 2008;
- Notes to Financial Statements.

The following supplemental schedule of Sterling Jewelers Inc. 401(k) Retirement Savings Plan and Trust included in the Annual Report of the Plan on Form 5500 file with the Department of Labor for the year ended December 31, 2009 is included herewith:

- Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

All other supplemental schedules and notes for which provisions is made in the applicable rules and regulations of the Department of Labor are not required under the related instructions or are inapplicable and, therefore, have been omitted.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST

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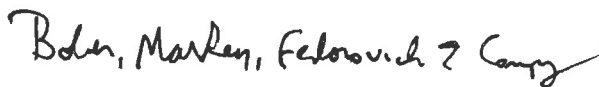
INDEPENDENT AUDITORS' REPORT

To the Plan Committee of the
Sterling Jewelers Inc.
401(k) Retirement Savings Plan and Trust
Akron, Ohio

We were engaged to audit the accompanying financial statements and supplementary schedule of Sterling Jewelers Inc. 401(k) Retirement Savings Plan and Trust (the "Plan") as of December 31, 2009 and 2008 and for the years then ended, as listed in the accompanying index. These financial statements and the supplementary schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Principal Trust Company, the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained certifications from the Trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



BOBER, MARKEY, FEDOROVICH & COMPANY

September 27, 2010

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
INVESTMENTS - AT FAIR VALUE		
Mutual funds	\$ 60,534,050	\$ 43,676,303
Common stock	1,470,031	508,116
Pooled separate accounts	29,536,469	21,272,741
Common/collective funds	25,456,983	28,471,475
Participant loans	<u>5,327,977</u>	<u>4,940,952</u>
 TOTAL INVESTMENTS	 122,325,510	 98,869,587
RECEIVABLES		
Employer contributions receivable	18	-
Employee contributions receivable	<u>338,865</u>	<u>-</u>
 TOTAL ASSETS	 122,664,393	 98,869,587
LIABILITIES		
PAYABLES		
Corrective distributions payable	<u>218,660</u>	<u>83,694</u>
 NET ASSETS AVAILABLE FOR BENEFITS - AT FAIR VALUE	 122,445,733	 98,785,893
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>2,198,190</u>	<u>2,458,489</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u>\$ 124,643,923</u>	 <u>\$ 101,244,382</u>

The accompanying notes are an integral part of these financial statements.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Years Ended December 31, 2009 and 2008

	2009	2008
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
INVESTMENT INCOME		
Dividends on common stock	\$ -	\$ 79,309
Participant loan interest	322,980	358,402
	<u>322,980</u>	<u>437,711</u>
CONTRIBUTIONS		
Employee salary deferrals	10,057,522	11,812,368
Employee rollovers	441,399	718,064
Employer contributions	379,303	2,074,462
	<u>10,878,224</u>	<u>14,604,894</u>
TOTAL ADDITIONS	11,201,204	15,042,605
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	9,378,721	10,514,697
Administrative expenses	145,882	95,706
	<u>9,524,603</u>	<u>10,610,403</u>
TOTAL DEDUCTIONS	9,524,603	10,610,403
NET APPRECIATION (DEPRECIATION) IN FAIR VALUE OF INVESTMENTS		
Mutual funds	13,704,944	(20,899,110)
Common stock	1,026,179	(1,101,070)
Pooled separate accounts	6,487,657	(14,286,533)
Common/collective funds	504,160	1,012,525
	<u>21,722,940</u>	<u>(35,274,188)</u>
TOTAL NET APPRECIATION (DEPRECIATION)	21,722,940	(35,274,188)
NET INCREASE (DECREASE)	23,399,541	(30,841,986)
NET ASSETS AVAILABLE FOR BENEFITS:		
BEGINNING OF YEAR	101,244,382	132,086,368
END OF YEAR	<u>\$ 124,643,923</u>	<u>\$ 101,244,382</u>

The accompanying notes are an integral part of these financial statements.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 1 - DESCRIPTION OF PLAN

The following description of Sterling Jewelers Inc. 401(k) Retirement Savings Plan and Trust (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of Sterling Jewelers Inc. (the "Company") who have 1 year of service, 1,000 hours of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Trustee

The Plan's trustee and account administration services provider is Principal Trust Company, a member of the Principal Financial Group ("Principal").

Contributions

Each year participants can contribute up to 40 percent of compensation, as defined by the Plan, not to exceed Internal Revenue Service ("IRS") limitations. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Through February 28, 2009, the Company contributed 25 percent of the first 6 percent of compensation that a participant contributed to the Plan. After this date, discretionary contributions may be contributed at the option of Company's board of directors annually.

Effective July 2010, the Company reinstated the employer contribution match as listed above.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution, and an allocation of the investment income (loss) based on account balances. Such amounts are allocated at the discretion of the participant.

Vesting

Participants are immediately vested in their voluntary contributions plus earnings thereon. Vesting in the Company's contribution portion of participants' accounts plus actual earnings thereon is based on years of credited service. Participants are partially vested after two years of credited service and become fully vested after five years of credited service.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

Forfeitures

The forfeited balances of terminated participants' non-vested accounts (forfeitures) are used to reduce Company matching contributions or to reduce administrative fees paid by the Company. Forfeitures amounted to \$87,199 and \$126,638 for years ended December 31, 2009 and 2008.

Participant Loans

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less. Loan terms range from 1 to 5 years or up to 10 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan's trustee at the time of granting the loan. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Upon termination of service due to retirement, death or termination of employment a participant's vested account balance will be distributed in the form of a joint and survivor annuity unless the participant elects to receive a lump sum payment. Vested account balances of less than \$1,000 may be involuntarily distributed in a single lump sum payment. Vested account balance greater than \$1,000, but less than \$5,000 may be involuntarily distributed through direct rollover into a qualified Individual Retirement Account. Withdrawals for financial hardship, as defined, are also permitted under the plan document.

In conjunction with the Economic Growth and Tax Relief Reconciliation Act of 2001 mandatory distributions greater than \$1,000 will be automatically rolled into an individual retirement account, unless the participant elects otherwise.

Administrative Expenses

Fees paid by the Plan for trust services to Principal amounted to approximately \$101,484 and \$95,706 for the years ended December 31, 2009 and 2008, respectively. Forfeitures for terminated participants non-vested accounts were used to pay fees for advisory services to Highland Consulting amounting to approximately \$43,600 for the year ended December 31, 2009. For the year ended December 31, 2008, advisory services fees were paid by the Company. There are also indirect fees deducted directly from investment earnings of the Plan. In addition, a loan set-up fee of \$100 is charged against a participant's account when a new loan is established.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

Use of Estimates

In preparing the Plan's financial statements, management is required to make estimates and assumptions that affect the reported amounts of Plan assets, liabilities, and the reported increases and reductions of Plan assets during the reporting period. Actual results could differ from these estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at current market value. The Statements of Changes in Net Assets Available for Benefits presents net appreciation (depreciation) in fair value of investments, which includes both unrealized and realized gains and losses. The change in the difference between current value and the cost of investments is reflected as unrealized appreciation or depreciation. The realized gain or loss on the sale of investments shall be the difference between the proceeds received and the cost of the investments sold. Securities listed on any generally recognized stock exchange shall be valued at the last sale price reported on an exchange on the valuation date, or, if there were no sales on the valuation date, then on the quoted bid price on the valuation date. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

Investment contracts held by a defined-contribution plan are generally required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contract from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on contract value basis.

Fair Value Measurements

Fair value estimates are made at a specific point in time based on relevant market information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

As required by the Fair Value Measurements and Disclosures Topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"), the Plan adopted the new standard related to financial assets and liabilities effective January 1, 2008. The adoption of this standard had no significant impact on the financial statements.

Payment of Benefits

Benefits are recorded when paid, except for corrective distributions required to be paid for the purpose of complying with nondiscrimination regulations.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

Subsequent Events

Effective for fiscal years and interim periods ending after June 15, 2009, the Plan is required to prospectively adopt the Subsequent Events Topic of the FASB ASC. This standard sets forth the period after the date of the financial statements during which management of a plan should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which a plan should recognize events or transactions occurring after the date of its financial statements, and the disclosures that a plan should make about events or transactions that occurred after the date of the financial statements.

The Plan adopted this standard during the year ended December 31, 2009. In accordance with this standard, the Plan has evaluated subsequent events through September 27, 2010, the date the financial statements were available to be issued.

New Accounting Standards and Interpretations

In 2010, the FASB amended the Fair Value Measurements and Disclosures Topic of the FASB ASC to require additional disclosures about: 1) transfers of Level 1 and Level 2 fair value measurements, including the reason for the transfers; 2) purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements; 3) additional disaggregation to include fair value measurement disclosures for each class of assets and liabilities; and 4) disclosure of inputs and valuation techniques used to measure fair value of both recurring and nonrecurring fair value measurements. The amendment is effective for fiscal year beginning after December 31, 2009, except for the disclosures about the purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements, which is effective for fiscal years beginning after December 15, 2010.

NOTE 3 - TRUSTEE CERTIFICATIONS

Principal has certified as to the completeness and accuracy of the investments it holds at December 31, 2009 and 2008 and the changes in net assets arising from the investment activity for the years ended December 31, 2009 and 2008. Principal holds all of the Plan's investments except for the Dodge & Cox Balanced Portfolio. The balance of this investment at December 31, 2009 and 2008 was \$15,669,244 and \$12,472,781, respectively. Investment gains (losses) relating to this investment totaled \$3,370,907 and (\$6,551,332) for the years ended December 31, 2009 and 2008, respectively.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 4 - INVESTMENTS

Investments Exceeding 5% of Net Assets:

The Plan's investments, which individually exceed 5% of net assets available for benefits as of December 31, 2009 and 2008, are as follows:

	2009	2008
T. Rowe Price Mid Cap Value Fund	\$ 12,217,507	\$ 8,551,503
American Funds Europacific Growth R4 Fund	\$ 7,678,105	\$ 5,363,244
Dodge & Cox Balanced Portfolio	\$ 15,669,244	\$ 12,472,781
PIMCO Total Return Adm Fund	\$ 14,758,631	\$ 10,889,595
Principal Large Cap Growth I Separate Account	\$ 7,203,105	\$ 4,321,186
Principal Large Cap Value III Separate Account	\$ 10,608,395	\$ 9,448,385
ABN AMRO Income Plus D Fund	\$ 25,456,983	\$ 28,471,475

Non-participant Directed Investment

The common stock held by the Plan originated from the merger of an acquired company's defined contribution benefit plan and is not an active investment option of the Plan; therefore, participants are unable to direct their contributions into this fund. The only investment in the stock fund is comprised of shares in Signet Jewelers Limited, the ultimate parent of the Company. At December 31, 2009 and 2008, the stock fund held 55,016 and 58,606 shares, with fair values of \$1,470,031 and \$508,116, respectively.

NOTE 5 - FAIR VALUE MEASUREMENTS

Fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the Agency uses a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Valuation is based upon quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Valuation is based upon quoted prices for similar assets or liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly for substantially the full term of the financial instrument.

Level 3: Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

The classification of fair value measurement within the hierarchy is based upon the lowest level of input that is significant to the measurement. Valuation methodologies used for assets and liabilities measured at fair value are as follows:

Mutual funds and common stock: Determined by quoted market prices and are classified within Level 1 of the valuation hierarchy.

Common/collective funds and pooled separate accounts: Valued at the respective net asset value as reported by such trusts/funds, which are reported at fair value. The net asset value is a quoted price in a market that is not active and classified within Level 2 of the valuation hierarchy.

Participant loans: Valued at amortized cost, which approximates fair value and classified within Level 3 of the valuation hierarchy.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

In 2009, the Plan adopted amended FASB accounting guidance applicable to the Fair Value Measurements and Disclosures Topic of the FASB ASC. The guidance is to determine whether there has been a significant decrease in the volume and level of activity for an asset or liability when compared to normal market activity for such asset or liability (or similar assets and liabilities) and to identify circumstances that indicate a transaction with regards to such an asset or liability is not orderly. The guidance also expands, starting in 2009, the disclosures and requires that the major categories of debt and equity securities in the fair value table be determined on the basis of the nature and risks of the investments. There was no impact of the adoption on the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

	2009			
	Level 1	Level 2	Level 3	Total
Mutual funds				
Mid Cap Value	\$ 12,217,507	\$ -	\$ -	\$ 12,217,507
Small Cap Value Inv	1,565,503	-	-	1,565,503
Explorer	1,390,334	-	-	1,390,334
International Equity Inv	1,809,763	-	-	1,809,763
Eurpacific Growth R4	7,678,105	-	-	7,678,105
Mid Cap A	5,324,368	-	-	5,324,368
Balanced Portfolio	15,669,244	-	-	15,669,244
International Stock Index	120,595	-	-	120,595
Total Return Adm	14,758,631	-	-	14,758,631
Total mutual funds	60,534,050	-	-	60,534,050
Common stock	1,470,031	-	-	1,470,031
Pooled separate accounts				
Money Market	-	15,129	-	15,129
Large Cap S&P 500 Index	-	4,278,450	-	4,278,450
Large Cap Growth I	-	7,203,105	-	7,203,105
Mid Cap S&P 400 Index	-	190,417	-	190,417
Small Cap S&P 600 Index	-	258,404	-	258,404
Mid Cap Growth III	-	1,243,248	-	1,243,248
Large Cap Value III	-	10,608,395	-	10,608,395
Lifetime Strategic Income	-	154,262	-	154,262
Lifetime 2010	-	555,951	-	555,951
Lifetime 2020	-	1,592,878	-	1,592,878
Lifetime 2030	-	1,299,593	-	1,299,593
Lifetime 2040	-	1,282,368	-	1,282,368
Lifetime 2050	-	854,269	-	854,269
Total pooled separate accounts	-	29,536,469	-	29,536,469
Common/collective fund				
Income Plus D Fund	-	25,456,983	-	25,456,983
Total common/collective fund	-	25,456,983	-	25,456,983
Participant loans	-	-	5,327,977	5,327,977
Total assets at fair value	\$ 62,004,081	\$ 54,993,452	\$ 5,327,977	\$ 122,325,510

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

	2008			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 43,676,303	\$ -	\$ -	\$ 43,676,303
Common stock	508,116	-	-	508,116
Pooled separate accounts	-	21,272,741	-	21,272,741
Common/collective fund	-	28,471,475	-	28,471,475
Participant loans	-	-	4,940,952	4,940,952
Total assets at fair value	<u>\$ 44,184,419</u>	<u>\$ 49,744,216</u>	<u>\$ 4,940,952</u>	<u>\$ 98,869,587</u>

The following table summarizes the changes in fair value of the Plan's level 3 participant loans for the years ended December 31, 2009 and 2008:

	2009	2008
Balance, beginning of year	\$ 4,940,952	\$ 4,508,071
Purchases, sales, issuances and settlements, net	387,025	432,881
Balance, end of year	<u>\$ 5,327,977</u>	<u>\$ 4,940,952</u>

NOTE 6 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their accounts.

NOTE 7 - TAX STATUS

The IRS has determined and informed the Company by a letter dated June 30, 2010 that the Plan is a qualified plan and is exempt from Federal Income Tax under the appropriate sections of the Internal Revenue Code. The Plan has been amended since having filed for this determination letter. However, the Company believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 8 - PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are interests in pooled separate accounts maintained by Principal. Principal receives income directly from certain investments, and one of the investments held (Signet) is the parent company of the Plan Sponsor. Such transactions and investments qualify as party-in-interest. See Note 1 for additional information.

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31:

	<u>2009</u>	<u>2008</u>
Net assets available for benefits per the financial statements	\$ 124,643,923	\$ 101,244,382
Corrective distributions payable recorded for financial preparation but not for Form 5500 presentation	218,660	83,694
Amount for adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(2,198,190)</u>	<u>(2,458,489)</u>
Net assets available for benefits per the Form 5500	<u>\$ 122,664,393</u>	<u>\$ 98,869,587</u>

The following is a reconciliation of net appreciation (depreciation) in fair value of investments per the financial statements for the year ended December 31:

	<u>2009</u>	<u>2008</u>
Net appreciation in fair value (stated on a contract value basis) of common/collective fund per the financial statements	\$ 504,160	\$ 1,012,525
Impact of reflecting fully benefit-responsive investment contract at contract value at December 31, 2009 and 2008	<u>260,299</u>	<u>(2,213,044)</u>
Net appreciation (depreciation) in fair value of common/collective fund per the Form 5500	<u>\$ 764,459</u>	<u>\$ (1,200,519)</u>

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

The following is a reconciliation of benefits paid to participants per the financial statements for the year ended December 31:

	<u>2009</u>	<u>2008</u>
Benefits paid to participants per the financial statements	\$ 9,378,721	\$ 10,514,697
Impact of reflecting corrective distributions payable	<u>(134,966)</u>	<u>56,917</u>
Benefits paid to participants per the Form 5500	<u>\$ 9,243,755</u>	<u>\$ 10,571,614</u>

STERLING JEWELERS INC.
401(k) RETIREMENT SAVINGS PLAN AND TRUST
Schedule H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EMPLOYER NO. 52-0964503
PLAN NO. 001
December 31, 2009

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party.	Description of investment, including maturity date, rate of interest, collateral, par or maturity value.	Cost	Current Value
	T. Rowe Price Mid Cap Value Fund	Mutual Funds	^	\$ 12,217,507
	American Beacon Small Cap Value Inv Fund	Mutual Funds	^	1,565,503
	Vanguard Explorer Fund	Mutual Funds	^	1,390,334
	American Beacon International Equity Inv Fund	Mutual Funds	^	1,809,763
	American Funds Europacific Growth R4 Fund	Mutual Funds	^	7,678,105
	Fidelity Advisors Mid Cap A Fund	Mutual Funds	^	5,324,368
	Dodge & Cox Balanced Portfolio	Mutual Funds	^	15,669,244
	Dreyfus International Stock Index Fund	Mutual Funds	^	120,595
	PIMCO Total Return Adm Fund	Mutual Funds	^	14,758,631
				<u>60,534,050</u>
*	Signet Jewelers Limited	Common Stock	\$ 1,233,614	1,470,031
*	Principal Money Market Sep Acct	Pooled Separate Accounts	^	15,129
*	Principal Large Cap S&P 500 Index Sep Acct	Pooled Separate Accounts	^	4,278,450
*	Principal Large Cap Growth I Sep Acct	Pooled Separate Accounts	^	7,203,105
*	Principal Mid Cap S&P 400 Index Sep Acct	Pooled Separate Accounts	^	190,417
*	Principal Small Cap S&P 600 Index Sep Acct	Pooled Separate Accounts	^	258,404
*	Principal Mid Cap Growth III Sep Acct	Pooled Separate Accounts	^	1,243,248
*	Principal Large Cap Value III Sep Acct	Pooled Separate Accounts	^	10,608,395
*	Principal Lifetime Strategic Income Sep Acct	Pooled Separate Accounts	^	154,262
*	Principal Lifetime 2010 Sep Acct	Pooled Separate Accounts	^	555,951
*	Principal Lifetime 2020 Sep Acct	Pooled Separate Accounts	^	1,592,878
*	Principal Lifetime 2030 Sep Acct	Pooled Separate Accounts	^	1,299,593
*	Principal Lifetime 2040 Sep Acct	Pooled Separate Accounts	^	1,282,368
*	Principal Lifetime 2050 Sep Acct	Pooled Separate Accounts	^	854,269
				<u>29,536,469</u>
	ABN AMRO Income Plus D Fund	Common/Collective Fund	^	25,456,983
*	Participant Loans	Participant loans receivable with repayment terms of 1 to 10 years and interest from 4.25% to 10.50%	\$ -	<u>5,327,977</u>
				<u>\$ 122,325,510</u>

* Indicates party-in-interest.

^ Information not required pursuant to Form 5500 instructions for participant-directed funds.

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

STERLING JEWELERS INC. 401(K) RETIREMENT
 SAVINGS PLAN AND TRUST
 EIN 52 0964503
 PLAN NUMBER 001
 PLAN YEAR 01/01/2009 TO 12/31/2009

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
	The American Funds	Registered Investment Company Am Fds EuroPacific Grth R4 Fd	\$ 0.00	\$ 7,678,104.88
	American Beacon	Registered Investment Company Amer Beacon Intl Eq Inv Fd	\$ 0.00	\$ 1,809,762.59
	American Beacon	Registered Investment Company Amer Beacon Sm Cp Val Inv Fd	\$ 0.00	\$ 1,565,503.15
	ABN AMRO Investment Trust Co	Common/Collective Trust ABN AMRO Income Plus D Fund	\$ 0.00	\$ 25,456,983.00
	Dreyfus Service Corporation	Registered Investment Company Dreyfus Intl Stock Index Fund	\$ 0.00	\$ 120,595.00
	DODGE & COX	Registered Investment Company DODGE & COX BALANCED FUND	\$ 0.00	\$ 15,669,244.00
	Fidelity Investments	Registered Investment Company Fidelity Adv Mid Cap A Fund	\$ 0.00	\$ 5,324,368.20
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LargeCap Growth I SA-I1	\$ 0.00	\$ 7,203,105.14
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LargeCap Value III SA-I1	\$ 0.00	\$ 10,608,395.33
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LgCap S&P 500 Index SA-I1	\$ 0.00	\$ 4,278,449.65
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTm Str Inc SA-I1	\$ 0.00	\$ 154,262.08
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTm 2010 Sep Acct-I1	\$ 0.00	\$ 555,951.13
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTm 2020 Sep Acct-I1	\$ 0.00	\$ 1,592,878.23
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTm 2030 Sep Acct-I1	\$ 0.00	\$ 1,299,593.29
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTm 2040 Sep Acct-I1	\$ 0.00	\$ 1,282,367.52

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

STERLING JEWELERS INC. 401(K) RETIREMENT
SAVINGS PLAN AND TRUST
EIN 52 0964503
PLAN NUMBER 001
PLAN YEAR 01/01/2009 TO 12/31/2009

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTm 2050 Sep Acct-I1	\$ 0.00	\$ 854,268.60
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap Growth III SA-I1	\$ 0.00	\$ 1,243,248.20
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap S&P 400 Idx SA-I1	\$ 0.00	\$ 190,417.01
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Money Market SA-I2	\$ 0.00	\$ 15,128.58
*	Principal Life Insurance Company	Pooled Separate Accounts Prin SmCap S&P 600 Index SA-I1	\$ 0.00	\$ 258,404.41
	PIMCO Funds	Registered Investment Company PIMCO Total Return Adm Fund	\$ 0.00	\$ 14,758,630.98
*	Signet Jewelers Limited	Employer Security Signet Jewelers Limited	\$ 0.00	\$ 1,470,030.68
	T. Rowe Price Funds	Registered Investment Company T. Rowe Price Mid-Cap Value Fd	\$ 0.00	\$ 12,217,507.20
	Vanguard Group	Registered Investment Company Vanguard Explorer Fund	\$ 0.00	\$ 1,390,334.31
	Participant Loans	Range of Interest Rates Rates Range From 0.00% To 10.50%	\$ 0.00	\$ 5,327,977.00