

Notice of Class Action Settlement

Craig Streit, et al. v. Farmers Group, Inc., et al.
Los Angeles County Superior Court Case No. BC434852

If you had a Farmers property or vehicle insurance policy in California, this class action settlement may affect your rights. For more information about your rights, visit www.farmersshortratesettlement.com.

A court authorized this notice. This is not a solicitation from an attorney.

- Three former policyholders have sued Farmers Group, Inc., Fire Insurance Exchange (FIE), Mid-Century Insurance Company (Mid-Century), and Fire Underwriters Association (collectively “Farmers”), alleging that they violated California law and paid California policyholders smaller refunds than they were obligated to pay when policyholders canceled their policies before the end of the policy term.
- The Court allowed the lawsuit to be a class action on behalf of **all California policyholders of FIE and Mid-Century who cancelled their policies midterm and whose return of premium Farmers calculated on a basis other than pro rata for refunds after April 1, 2006. This practice by Farmers ended in approximately 2011.** This Notice is regarding the claims against Farmers based on plaintiffs’ allegations that Farmers engaged in unlawful, unfair and fraudulent business practices under Business & Professions Code section 17200; and, that Farmers allegedly breached the covenant of good faith and fair dealing, and the insurance contracts with their policyholders (the “Claims”). Farmers denies these allegations but has agreed to settle the class’ Claims.
- Farmers has agreed to pay a total amount of \$20,000,000 to settle the claims. The proposed settlement calls for this sum to be distributed to the Class Members on a pro rata basis after requested deductions for: (a) costs of the lawsuit up to a maximum of \$325,000 (other than the cost of notice and administration which is currently estimated at approximately \$588,633.47); (b) attorney’s fees up to one-third of the gross settlement amount (that is, up to a total maximum of \$6,666,666.67); and (c) Class Representatives’ service awards for acting as the class representatives of up to an aggregate total maximum of \$130,000.
- For each Class Member who suffered alleged damage, their proportionate share of the net settlement sum will be determined in proportion to the alleged damages of each Class Member based on the information produced by Farmers during discovery conducted during the lawsuit. Some Class Members did not suffer any damages alleged due to the particular facts of their policy cancellations. Those Class Members will not receive any money from the settlement.
- This is a notice of a settlement. You are being provided this notice because you may be a member of the class in this lawsuit, and you may be entitled to receive a portion of the settlement sum. If you do not exclude yourself from this class action settlement, your legal rights against Farmers regarding how it calculated your return of premium will be determined by this settlement. Your legal rights are affected by this settlement, and you now have a choice to make:

Your Rights and Choices:

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| Take Steps to Exclude Yourself | <u>Get out of this lawsuit and settlement. Receive no benefits from it, if any. Keep rights.</u> If you ask to be excluded from this settlement now, or if the Court approves the entire settlement agreement and you do not cash your settlement check by the check cashing deadline that will be printed on the settlement check, you will not share in the money or benefits conferred by this settlement. But, you keep any rights to sue Farmers separately about the claims made in the lawsuit. |
| Remain in Lawsuit | <u>Stay in this lawsuit and settlement. Share in the benefits of the settlement, if any. Give up certain rights.</u> By doing nothing, and, if the Court approves the entire settlement agreement, cashing your settlement check by the check cashing deadline, you retain your right to share in any money or benefits, if any, that may come from the settlement of this lawsuit. But, you give up any rights to sue Farmers separately about the claims made in the lawsuit. |
| Object to the Settlement | Any Class Member may object to the settlement. If you wish to object, you must do so in writing and must state the basis for your objection(s). To object, you must prepare and complete your objection, sign it and mail it to the Settlement Administrator at the address provided below, on or before April 5, 2021. |

- Your options are explained in more detail on the website www.farmersshortratesettlement.com. To ask to be excluded, you must act on or before April 5, 2021 by sending a letter or an email to: Farmers Insurance Settlement Administrator, Attention: Exclusions, P.O. Box 58220, Philadelphia, PA 19102, or email: info@farmersshortratesettlement.com.
- A Final Approval Hearing regarding this settlement will be held in Department 9 of the Los Angeles County Superior Court located at 312 N. Spring St., Los Angeles, CA 90012, on May 14, 2021 at 10:00 a.m.. Please visit the Settlement Administrator’s website for updates regarding the Final Approval Hearing at: www.farmersshortratesettlement.com. Any appearance at the hearing must be in accordance with the then current procedures required by the Superior Court of California, County of Los Angeles. The Court’s procedures for hearing appearances are detailed in the Court’s “Here for You | Safe for You” program which can be found on the Court’s website at: <http://www.lacourt.org>.
- Any Class Member who does not request exclusion may, if the member so desires, enter an appearance through counsel of their own selection. If you hire your own lawyer, separate from Class Counsel, you will have to make arrangements to pay for that attorney the fees that attorney may charge.
- The following attorneys serve as Class Counsel: Eppsteiner Law, APC, Stuart M. Eppsteiner, Esq., 5519 Clairemont Mesa Blvd., Suite 5129, San Diego, CA 92117, Tel.: 858-350-1500, sme@eppsteiner.com; Kralowec Law, P.C., Kimberly A. Kralowec, Esq., Kathleen Styles Rogers, Esq., 750 Battery Street, Suite 700, San Francisco, CA 94111, Tel.: 415-546-6800, kkralowec@kraloweclaw.com, kr Rogers@kraloweclaw.com
- To obtain more information about this lawsuit and settlement, visit www.farmersshortratesettlement.com, or contact the Administrator for this settlement:

Farmers Insurance Settlement Administrator
1650 Arch Street, Suite 2210
Philadelphia, PA 19103
Telephone: 1-855-264-6525
Email: info@farmersshortratesettlement.com

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1650 Arch Street, Suite 2210
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