

**UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS**

**If you were a participant in the Navistar Inc. Health Plan, now known as the International Motors, LLC Health Plan, (the “Plan”) between January 1, 2016 and December 31, 2025, and paid a tobacco surcharge, you may be a part of a class action settlement.**

IMPORTANT

PLEASE READ THIS NOTICE CAREFULLY

THIS NOTICE RELATES TO THE PENDENCY OF A CLASS ACTION  
LAWSUIT AND, IF YOU ARE A SETTLEMENT CLASS MEMBER,  
CONTAINS IMPORTANT INFORMATION ABOUT  
YOUR RIGHTS TO OBJECT TO THE SETTLEMENT

*You are not being sued.  
This is not a solicitation from a lawyer.*

**You are receiving this notice because you may have paid a tobacco surcharge for your health insurance. The Court has approved this notice to explain your rights.**

- A Settlement has been reached in a class action lawsuit against Defendant International Motors, LLC (formerly known as Navistar, Inc.) (“Defendant”). The class action lawsuit asserts claims under the Employee Retirement Income Security Act of 1974 (“ERISA”) concerning a wellness program that allegedly discriminated against employees based on an impermissible health factor by failing to provide a reasonable alternative standard with respect to the Plan’s tobacco surcharge policy.
- You are included as a Settlement Class member if you are or were a participant in the Plan and paid a tobacco surcharge between January 1, 2016 and December 31, 2025 (the “Class Period”).
- Defendant has agreed to pay \$150,000 into a Qualified Settlement Fund. Settlement Class members are eligible to receive a pro rata share of the amount in the Qualified Settlement Fund remaining after payment of administrative expenses, any attorneys’ fees and expenses that the Court awards to Plaintiff’s lawyers, and any case contribution award to Plaintiff – less any applicable tax withholdings. The amount of each Settlement Class member’s payment will be based on the amount of the tobacco surcharge he or she paid during the class period and will be determined according to the terms of the Settlement in the Settlement Agreement, which will be available on the Settlement Website at [www.SmokerSurchargeClassAction.com](http://www.SmokerSurchargeClassAction.com) prior to the Final Approval Hearing. You may choose your preferred payment method online through the settlement website no later than August 13, 2026. Payments to Settlement Class members will be considered wages for tax purposes.
- **Please read this notice carefully.** Your legal rights are affected whether you act, or don’t act.

<b>THIS TABLE CONTAINS A SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>OBJECT BY AUGUST 13, 2026</b>	You may write to the Court and counsel if you don't like the Settlement to explain why you object or wish to make comments about the settlement. More information is provided below under Section 15. If the Court approves the Settlement, you will get a share of the Settlement benefits to which you are entitled, regardless of whether you objected to or commented about the Settlement.
<b>ATTEND A HEARING</b>	You may ask to speak in Court about the fairness of the Settlement at the Final Fairness Hearing. More information on when and where to attend is provided below under Section 16. You should check the settlement website at <a href="http://www.SmokerSurchargeClassAction.com">www.SmokerSurchargeClassAction.com</a> before the hearing date stated in this notice to get updated information as to the hearing date. If the Court approves the Settlement, you will get a share of the Settlement benefits to which you are entitled, regardless of whether you spoke in Court about the fairness of the Settlement.
<b>DO NOTHING</b>	If the Court approves the Settlement, you will get a share of the Settlement benefits to which you are entitled.

## **BASIC INFORMATION**

<b>1. What is this notice and why should I read it?</b>
A court authorized this notice to let you know about a proposed settlement of a class action lawsuit called <i>Hatheway, et al. v. International Motors, Inc.</i> , Case No. 1:25-CV-07989, filed in the United States District Court for the Northern District of Illinois (the "Action"). You do not need to live in Illinois to get a benefit under the Settlement. This notice describes the Settlement. Please read this notice carefully. Your rights and options—and the deadlines to exercise them—are explained in this notice. Please understand that if you are a Settlement Class member, your legal rights are affected regardless of whether you act.
<b>2. What is a class action lawsuit?</b>
A class action is a lawsuit in which one or more plaintiffs sue on behalf of a group of people who allegedly have similar claims. After the Parties reached an agreement to settle this Action, the Court granted preliminary approval of the Settlement. Among other things, this preliminary approval permits Settlement Class members to voice their support of or opposition to the Settlement or to comment about the settlement before the Court makes a final determination as whether to approve the Settlement. In a class action, the court resolves the issues uniformly for all Settlement Class members.

### 3. What is this lawsuit about?

Plaintiff filed a class action complaint against Defendant on behalf of a class of Plan participants alleging that Defendant violated ERISA through a wellness program that discriminated against employees based on an impermissible health factor by failing to provide a reasonable alternative standard with respect to the Plan's tobacco surcharge policy. A complete description of Plaintiff's allegations is in the Complaint and is available on the Settlement Website at [www.SmokerSurchargeClassAction.com](http://www.SmokerSurchargeClassAction.com).

Defendant has denied and continues to deny Plaintiff's claims and allegations in their entirety, denies that it is liable at all to the Plaintiff or the Settlement Class members, and denies that the Plaintiff, Settlement Class members, or the Plan have suffered any harm or damage. Defendant denies all allegations of wrongdoing and asserts that its conduct was lawful. Defendant is settling the Action solely to avoid the expense, inconvenience, and inherent risk and disruption of litigation.

### 4. Why is there a Settlement?

The Court has not decided in favor of either side in this Action. Instead, both sides agreed to a settlement. That way, both sides avoid the cost and risk of a trial. The affected current and former Plan participants will get substantial benefits that they would not have received if Plaintiff had litigated the case and lost. The Plaintiff and his attorneys believe the Settlement is in the best interests of the Settlement Class members and the Plan.

## WHO'S INCLUDED IN THE SETTLEMENT?

### 5. How do I know if I am a Settlement Class member and included in the Settlement?

The Court decided that everyone who fits this description is a **Settlement Class member**:

All individuals residing in the U.S. who paid a tobacco surcharge in connection with their participation in the Plan between January 1, 2016 and December 31, 2025.

## THE SETTLEMENT BENEFITS

### 6. What does the Settlement provide?

Defendant has agreed to pay \$150,000 into a Qualified Settlement Fund, which will be used to pay expenses associated with administering the Settlement, an independent fiduciary's review of the settlement, attorneys' fees and costs (not to exceed \$49,950), and case contribution awards to Plaintiff of \$5,000 (all of which must be approved by the Court), and benefits to Settlement Class members. (See Questions No. 9-10.).

The Net Settlement Amount will be distributed to Settlement Class members in proportion to the total tobacco surcharges each paid during the Class Period (between January 1, 2016 and December 31, 2025), less any refunds of such surcharges during that period. These adjusted amounts are referred to as each Settlement Class member's "Net Surcharge Payments." This ensures that each Settlement Class member's recovery corresponds directly to the amount of tobacco surcharges actually paid during the Class Period. The Net Settlement Payment will be considered wages for tax purposes. As a result, the amount you receive may be less than your gross settlement allocation. Neither Class Counsel nor

Defendant provides tax advice regarding this payment. You are encouraged to consult a tax professional regarding your individual tax obligations

The amount of each Settlement Class member's payment will be determined according to a Settlement plan set forth in the Settlement Agreement, which will be available on the Settlement Website at [www.SmokerSurchargeClassAction.com](http://www.SmokerSurchargeClassAction.com) prior to the Final Approval Hearing. The Settlement plan takes into account the total amount of any tobacco surcharges that you paid as a Plan participant.

You may choose your preferred payment method online through the settlement website at [www.SmokerSurchargeClassAction.com](http://www.SmokerSurchargeClassAction.com) no later than **August 13, 2026**.

## HOW TO GET BENEFITS

### 7. How do I get benefits?

You do not have to submit claim forms in order to receive settlement benefits. The benefits of the Settlement will be distributed automatically once the Court approves the Settlement. (See Question No. 6.) If you opt to receive a check, it will be mailed automatically to the last known address of each Settlement Class member after the Settlement becomes final.

Each **check will be valid for 200 days** from the date of issue. If a check is not cashed within 200 days, the Settlement Administrator will handle any remaining funds in accordance with the Court-approved Settlement.

### 8. When will I get my payment?

The hearing to consider the final fairness of the Settlement is scheduled for **August 27, 2026**.

Settlement Class members will receive their payment under the Settlement in due course once the Settlement has received final approval and/or after any appeals have been resolved in favor of the Settlement.

These payments may have certain tax consequences; you should consult your tax advisor. Class Counsel cannot provide tax advice concerning the settlement.

## THE LAWYERS REPRESENTING YOU

### 9. Who represents the Settlement Class members?

The Court has appointed lawyers from the law firm of Siri & Glimstad LLP. If you want to be represented by your own lawyer, you may hire one at your own expense. In addition, the Court appointed Brandon Hatheway to serve as the Class Representative. He is also a Settlement Class member.

Subject to approval by the Court, Class Counsel has proposed that up to \$5,000 total may be paid to the Class Representative in recognition of the time and effort he expended on behalf of the Settlement Class

members. The Court will determine the proper amount of any such award. The Court may award less than the requested amount.

#### **10. How will the lawyers be paid?**

From the beginning of the case, which was filed in July 2025, to the present, Class Counsel have not received any payment for their services in prosecuting the case or obtaining the settlement, nor have they been reimbursed for any out-of-pocket expenses they have incurred. Class Counsel will apply to the Court for an award of attorneys' fees and expenses not to exceed 33.33% of the \$150,000 monetary value of the settlement (maximum \$49,950). The Court will determine the proper amount of any attorneys' fees and expenses to award Class Counsel.

Any attorneys' fees and expenses awarded by the Court will be paid to Class Counsel from the Settlement Fund.

### **YOUR RIGHTS AND OPTIONS**

#### **11. What is the effect of final approval of the Settlement?**

If the Court grants final approval of the Settlement, a final order and judgment dismissing the case will be entered in the Action. Once the appeal period expires or any appeal is resolved, payments under the Settlement will then be processed and distributed, and the release by Settlement Class members will also take effect. All Settlement Class members included in the Settlement will release and forever discharge Defendant from any and all Released Claims (as defined in the Settlement Agreement). Please refer to Sections 1.28 and Article 6 of the Settlement Agreement for a full description of the claims and persons that will be released upon final approval of the settlement.

No Settlement Class member will be permitted to continue to assert Released Claims in any other litigation against Defendant or the other persons and entities covered by the Release. If you object to the terms of the Settlement Agreement, you may notify the Court of your objection. (See Table on page 2 of this Notice.) If the Settlement is not approved, the case will proceed as if no settlement had been attempted or reached.

If the Settlement is not approved and the case resumes, there is no assurance that Settlement Class members will recover more than is provided for under the Settlement, or anything at all.

#### **12. What happens if I do nothing at all?**

If you do nothing, you will release any claims you may have against Defendant and the Released Parties concerning the conduct Plaintiff alleges in the complaint and the management and administration of the Plan. (See Question No. 14.) You will also receive a payment as described in Question No. 8.

#### **13. How do I get out of the Settlement?**

If the Court approves the Settlement, you will be bound by it and will receive whatever benefits you are entitled to under its terms. You cannot exclude yourself from the Settlement, but you may notify the Court of your objection to the Settlement or your comments as to the Settlement. (See Question No. 15.) If the Court approves the Settlement, it will do so under Federal Rule of Civil Procedure 23(b)(1), which does not permit Settlement Class members to opt out of the Class.

**14. Can I sue Defendant for the same claims later?**

No. If the Court approves the Settlement, you will have given up any right to sue Defendant for all Released Claims covered by this Settlement.

**15. How do I object to the Settlement?**

You can object to and/or comment about the Settlement if you don't like any part of it. You can do that in one of two ways: (1) by showing up at the Final Fairness Hearing. The date and location of the Final Fairness Hearing is available at [www.SmokerSurchargeClassAction.com](http://www.SmokerSurchargeClassAction.com); or (2) stating an objection in writing where no appearance may be necessary.

If you object in writing, it should clearly identify the case name and number (*i.e.*, *Hatheway, et al. v. International Motors, Inc.*, Case No. 1:25-CV-07989), and include the following information: (1) your full name, current address, and current telephone number, and, if represented by counsel, your counsel's name and contact information; (2) whether the objection/comment applies only to the objecting Settlement Class member or to the entire Class; (3) a statement of the position(s) the objector wishes to assert; (4) copies of any other documents that the objector/commentor wishes to submit in support of their position; and (5) a list of any other objections to any class action settlements submitted in any court, whether state, federal, or otherwise, in the United States in the previous five (5) years.

The Court will consider your views. Your objection to the Settlement must be postmarked no later than **August 13, 2026**, and must be sent to the Court and the attorneys for the Parties at the addresses below:

<u>CLERK OF THE COURT</u>	<u>CLASS COUNSEL</u>	<u>DEFENDANT'S COUNSEL</u>
United States District Court, Northern District of Illinois Everett Dirksen U.S. Courthouse 219 South Dearborn Street, Chicago, IL 60604	Oren Faircloth Mason A. Barney Siri & Glimstad LLP 745 Fifth Avenue, Suite 500 New York, NY 10151 ofaircloth@sirillp.com mbarney@sirillp.com Tel: (212) 532-1091	Lindsey H. Chopin Jackson Lewis P.C. 601 Poydras Street, Suite 1400 New Orleans, LA 70130 Lindsey.Chopin@jacksonlewis.com Tel: (504) 208-1755  Sung Cheol Sam Park Jackson Lewis P.C. 150 N. Michigan Ave., Suite 2500 Chicago, IL 60601 Sam.Park@jacksonlewis.com Tel: (312) 787-4949

## THE COURT'S FAIRNESS HEARING

### 16. When and where will the Court hold a hearing on the fairness of the Settlement?

Class Counsel will file with the Court their request for attorneys' fees at least twenty-eight (28) days prior to August 27, 2026. The Fairness Hearing has been set for **August 27, 2026**, at 9:15 AM. The hearing will be conducted in person before The Honorable Lindsay C. Jenkins at the Northern District of Illinois, Everett Dirksen U.S. Courthouse, 219 South Dearborn Street, Chicago, IL 60604. At the hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will hear any comments, objections, and arguments concerning the fairness of the proposed Settlement, including the amount requested by Class Counsel for attorneys' fees and expenses and the incentive award to Plaintiff as the Class Representative. You do not need to attend this hearing. You also do not need to attend to have an objection considered by the Court. (See Question No. 17.)

**Note:** The date, time, and location of the Fairness Hearing are subject to change by Court Order, but any changes will be posted on the Settlement Website at [www.SmokerSurchargeClassAction.com](http://www.SmokerSurchargeClassAction.com).

### 17. Do I have to come to the Fairness Hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you send an objection and/or comment, you don't have to come to Court to talk about it as long as any written objection and/or comment you choose to make is filed and mailed on time and meets the other criteria described in the Settlement Agreement, the Court will consider it. You may also pay another lawyer to attend, but you don't have to.

### 18. Where can I get additional information?

This notice provides only a summary of the matters relating to the Settlement. For more detailed information, you may wish to review the Settlement Agreement. You can view the Settlement Agreement and get more information on the Settlement Website at [www.SmokerSurchargeClassAction.com](http://www.SmokerSurchargeClassAction.com). You can also get more information by writing to the Settlement Administrator at Hatheway v. International Motors c/o IMH Settlement Administrator 1650 Arch St, Suite 2210, Philadelphia, PA 19103. The Agreement and all other pleadings and papers filed in the case are available for inspection and copying during regular business hours at the office of the Clerk of the Northern District of Illinois located at Office of the Clerk, United States District Court for the Northern District of Illinois, Everett Dirksen U.S. Courthouse, 219 South Dearborn, Street, Chicago, IL 60604. If you would like additional information, you can also call (855) 647-4291.

**PLEASE DO NOT CONTACT THE COURT, THE JUDGE, OR DEFENDANT WITH QUESTIONS ABOUT THE SETTLEMENT.**