

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

BRANDON HATHEWAY, on behalf of
himself and all others similarly situated,

Plaintiff,

vs.

INTERNATIONAL MOTORS, LLC,

Defendant.

Civil Action No.: 1:25-cv-07989

Hon. Lindsay C. Jenkins

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (the “Settlement Agreement”) is entered into between and among the Class Representative, all Class Members, and the Defendant, as defined herein.

NOW, THEREFORE, without any admission or concession on the part of the Class Representative of any lack of merit of the Class Action, and without any admission or concession on the part of Defendant as to the merits of the allegations or claims asserted in the Class Action, it is hereby STIPULATED AND AGREED, by and among the Settling Parties (also referred to as “Parties”) to this Settlement Agreement, through their respective attorneys, subject to approval of the Court pursuant to Federal Rule of Civil Procedure 23(e), in consideration of the benefits flowing to the Settling Parties hereto from the Settlement Agreement, that all Released Claims as against the Released Parties shall be compromised, settled, released, and dismissed with prejudice, upon and subject to the following terms and conditions:

1. ARTICLE 1 – DEFINITIONS

- 1.1. As used in this Settlement Agreement and the Exhibits hereto, unless otherwise defined, the following terms have the meanings specified below:
- 1.2. “Action” or “Class Action” means the class action lawsuit of *Brandon Hatheway v. International Motors, LLC*, 1:25-cv-07989-LCJ, in the United States District Court for the Northern District of Illinois.
- 1.3. “Administrative Expenses” means expenses incurred in the administration of this Settlement Agreement, including (a) all fees, expenses, and costs associated with providing the Settlement Notice to the Class Members; (b) related tax expenses (including taxes and tax expenses as described in Section 7.2); (c) all expenses and costs associated with the distribution of funds under the Plan of Allocation; (d) all fees and expenses of the Settlement Administrator; and (e) all fees and expenses of the Independent Fiduciary, not to exceed \$25,000. Excluded from

Administrative Expenses are the Settling Parties' respective legal fees and expenses. Administrative Expenses shall be paid from the Gross Settlement Amount.

- 1.4. "Attorneys' Fees and Costs" means the amount awarded by the Court as compensation for the services provided by Class Counsel. The amount of attorneys' fees for Class Counsel shall not exceed 33 and 1/3% (33.33%) of the Gross Settlement Amount and shall be recovered from the Gross Settlement Amount.
- 1.5. "CAFA" means the Class Action Fairness Act of 2005, 28 U.S.C. §§ 1711-1715.
- 1.6. "CAFA Notice" means notice of this Settlement to the appropriate federal and state officials pursuant to CAFA.
- 1.7. "Case Contribution Award" means the monetary amount awarded by the Court to the Class Representative in recognition of the Class Representative's assistance in the prosecution of this Class Action, for which Class Counsel may seek an amount not exceeding \$5,000.00 payable from the Gross Settlement Amount.
- 1.8. "Class Counsel" means Siri and Glimstad LLP.
- 1.9. "Class Members" or "Settlement Class Members" means all individuals in the Settlement Class, including the Class Representative.
- 1.10. "Class Period" means the period from January 1, 2016 through December 31, 2025.
- 1.11. "Class Representative" means Brandon Hatheway.
- 1.12. "Court" means the United States District Court for the Northern District of Illinois.
- 1.13. "Defendant" means International Motors, LLC (f/k/a Navistar, Inc. and d/b/a International Motors USA LLC in Illinois and Ohio).
- 1.14. "Defense Counsel" means Jackson Lewis P.C.
- 1.15. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001 *et seq.*
- 1.16. "Fairness Hearing" means the hearing scheduled by the Court to consider (a) any objections by Class Members to the Settlement; (b) Class Counsel's petition for Attorneys' Fees and Costs and Class Representative's Case Contribution Awards; and (c) whether to finally approve the Settlement under Fed. R. Civ. P. 23(e). The Parties agree that, subject to Court approval, the Fairness Hearing may be conducted telephonically or via videoconferencing.
- 1.17. "Final" means, with respect to any judicial ruling, order, or judgment, that the period for any motions for reconsideration, motions for rehearing, appeals,

petitions for certiorari, or the like (“Review Proceeding”) has expired without the initiation of a Review Proceeding, or, if a Review Proceeding has been timely initiated, that it has been fully and finally resolved, either by court action or by voluntary action of any party, without any possibility of a reversal, vacatur, or modification of any judicial ruling, order, or judgment, including the exhaustion of all proceedings in any remand or subsequent appeal and remand. The Settling Parties agree that absent an appeal or other attempted Review Proceeding, the period after which the Final Order becomes Final is thirty-one (31) calendar days after its entry by the Court.

- 1.18. “Final Order” means the entry of the order and final judgment approving the Settlement Agreement, implementing the terms of this Settlement Agreement, and dismissing the Class Action with prejudice, to be proposed by the Settling Parties for approval by the Court, in substantially the form attached as Exhibit D hereto.
- 1.19. “Complaint” means the Complaint filed in this class action on July 14, 2025 at Dkt. 1.
- 1.20. “Gross Settlement Amount” means the sum of one hundred and fifty thousand dollars (\$150,000). The Gross Settlement Amount shall be the full and sole monetary payment to the Settlement Class, Plaintiff, and Class Counsel made by or on behalf of Defendant in connection with the Settlement effectuated through this Settlement Agreement. Defendant shall not make any additional payment in connection with the Settlement of the Class Action.
- 1.21. “Independent Fiduciary” means an independent fiduciary who will serve as a fiduciary to the Plan to approve and authorize the settlement of Released Claims on behalf of the Plan in accordance with Section 2.1 that has no relationship or interest in any of the Settling Parties. Defendant will select the Independent Fiduciary.
- 1.22. “Net Settlement Amount” means the Gross Settlement Amount minus (a) all Attorneys’ Fees and Costs paid to Class Counsel as authorized by the Court; (b) any Case Contribution Award authorized by the Court; and (c) all Administrative Expenses.
- 1.23. “Person” means an individual, partnership, corporation, governmental entity or any other form of entity or organization.
- 1.24. “Plaintiff” means the Class Representative and each member of the Settlement Class.
- 1.25. “Plan” means International Motors, LLC Health Plan (f/k/a Navistar, Inc. Health Plan) and each of its predecessor plans or successor plans that were merged and/or acquired, individually and collectively, and any trust created under such plan.

- 1.26. “Plan of Allocation” means the method of allocating settlement funds to Class Members. A proposed form of the Plan of Allocation is attached hereto as Exhibit A.
- 1.27. “Preliminary Approval Order” means the order of the Court in substantially the form attached hereto as Exhibit C, whereby the Court preliminarily approves this Settlement.
- 1.28. “Released Claims” means any and all claims, demands, rights, actions, causes of action, liabilities, damages, penalties, and remedies of every nature and description, whether known or unknown, suspected or unsuspected, based on the facts alleged or that could have been alleged in the Action arising out of or relating to tobacco surcharges, wellness program notices or administration, reasonable alternative standards, or related ERISA fiduciary or statutory duties during the Class Period.
- 1.28.1. “Released Claims” do not include any claims for vested benefits that may be asserted against the Plan that the Class Representative or the Settlement Class has or may have arising solely under ERISA § 502(a)(1)(B), 29 U.S.C. § 1132(a)(1)(B), to the extent such claims do not relate to the Released Claims in Section 1.28. However, other claims asserted, or which could have been asserted in this action for breaches of fiduciary duties under ERISA § 502(a)(2), 29 U.S.C. § 1132(a)(2) or ERISA § 502(a)(3), 29 U.S.C. § 1132(a)(3) to address the claims asserted in the Complaint are included within the definition of “Released Claims.”
- 1.29. “Released Parties” means (a) Defendant, its representatives, attorneys, agents, directors, managers, officers, or employees; (b) Defendant’s insurers, co-insurers, excess carriers, and reinsurers, (c) Defendant’s direct and indirect, past, present and future parents, subsidiaries, affiliates, divisions, joint ventures, predecessors, successors, successors-in-interest, assigns, board of trustees, board of directors, officers, trustees, directors, managers, partners, agents, managers, employees or heirs (including any individuals who serve or served in any of the foregoing capacities, such as members of the board of trustees or boards of directors or boards of managers that are associated with any of Defendant’s past, present, and future affiliates), and each Person that controls, is controlled by, or is under common control with them, (d) the Plan and the Plan’s current and past fiduciaries, committees, subcommittees, administrators, plan administrators, recordkeepers, service providers, consultants, attorneys, agents, insurers and parties-in-interest and (e) Defendant’s independent contractors, representatives, attorneys, administrators, insurers, fiduciaries, accountants, auditors, advisors, consultants, personal representatives, spouses, heirs, executors, administrators, associates, employee benefit plan fiduciaries (with the exception of the Independent Fiduciary), employee benefit plan administrators, employee benefit plan committees and subcommittees, service providers to the Plan (including their owners and employees), members of their immediate families, consultants, subcontractors, and all persons acting under, by, through, or in concert with any of them.

- 1.30. “Review Proceeding” shall have the meaning set forth in Section 1.17.
- 1.31. “Settlement” means the settlement to be consummated under this Settlement Agreement and its exhibits, including any modifications or amendments adopted pursuant to Section 13.13.
- 1.32. “Settlement Administrator” means the entity selected and retained by Class Counsel to administer the Settlement and Plan of Allocation.
- 1.33. “Settlement Agreement” means this agreement embodying the terms of the Settlement, including any modifications or amendments hereto.
- 1.34. “Settlement Agreement Execution Date” means the date on which the final signature is applied to this Settlement Agreement.
- 1.35. “Settlement Class” means all individuals residing in the United States who, during the Class Period, paid a tobacco surcharge in connection with participation in the Plan, as alleged in the Action, subject to exclusions and any modifications ordered by the Court for settlement purposes only.
- 1.36. “Settlement Effective Date” means the date on which the Final Order is Final, provided that by such date the Settlement has not been terminated in accordance with Article 11.
- 1.37. “Settlement Notice” means the Notice of Class Action Settlement and Fairness Hearing to be sent to Class Members identified by the Settlement Administrator following the Court’s issuance of the Preliminary Approval Order, in substantially the form attached hereto as Exhibit A. The Settlement Notice shall inform Class Members of a Fairness Hearing to be held with the Court, on a date to be determined by the Court, at which any Class Member satisfying the conditions set forth in the Preliminary Approval Order and the Settlement Notice may be heard regarding (a) the terms of the Settlement Agreement; (b) the petition of Class Counsel for award of Attorneys’ Fees and Costs; (c) payment of and reserve for Administrative Expenses; and (d) Class Representative’s Case Contribution Awards.
- 1.38. “Settling Parties” or “Parties” means the Defendant and the Class Representative, on behalf of himself, the Plan, and each of the Settlement Class Members.
- 1.39. “Successor-In-Interest” shall mean a Person or Party’s estate, legal representatives, heirs, successors or assigns, including successors or assigns that result from corporate mergers or other structural changes.

2. ARTICLE 2 – REVIEW AND APPROVAL BY INDEPENDENT FIDUCIARY, PRELIMINARY SETTLEMENT APPROVAL, AND NOTICE TO THE CLASS

- 2.1. Independent Fiduciary. The Independent Fiduciary, retained by Defendant on behalf of the Plan, shall have the following responsibilities, including whether to approve and authorize the settlement of Released Claims on behalf of the Plan.
- 2.1.1. The Independent Fiduciary shall comply with all relevant conditions set forth in Prohibited Transaction Class Exemption 2003-39, “Release of Claims and Extensions of Credit in Connection with Litigation,” issued December 31, 2003, by the United States Department of Labor, 68 Fed. Reg. 75,632, as amended (“PTE 2003-39”), in making its determination.
- 2.1.2. The Independent Fiduciary shall notify Defendant directly of its determination, in writing (with copies to Class Counsel and Defense Counsel), which notification shall be delivered no later than 14 calendar days before the Final Fairness Hearing. Should the Independent Fiduciary approve the Settlement, it shall execute and deliver a written release in its capacity as a fiduciary of the Plan and for and on behalf of the Plan coextensive with the release from the Plaintiff and the Settlement Class Members; that (i) authorizes the Settlement in accordance with Prohibited Transaction Class Exemption 2003-39; and (ii) finds that the Settlement does not constitute a prohibited transaction under ERISA § 406(a).
- 2.1.3. All reasonable fees and expenses associated with the Independent Fiduciary’s determination and performance of its obligations in connection with the Settlement, up to the amount of \$25,000 will be paid as an Administrative Expense from the Qualified Settlement Fund, to be deducted from the Gross Settlement Amount.
- 2.1.4. Defendant, Defense Counsel, and Class Counsel shall respond to reasonable requests by the Independent Fiduciary for information so that the Independent Fiduciary can review and evaluate the Settlement Agreement.
- 2.1.5. If Defendant concludes that the Independent Fiduciary’s determination does not comply with PTE 2003-39 or is otherwise deficient, Defendant shall so inform the Independent Fiduciary within five (5) calendar days of receipt of the determination.
- 2.1.6. A copy of the Independent Fiduciary determination letter and report shall be provided to Class Counsel who may file it with the Court in support of Final Approval of the Settlement.
- 2.2. Preliminary Approval. As soon as reasonably possible and subject to any relevant Court Order, the Class Representative, through Class Counsel, shall file with the Court a motion seeking preliminary approval of this Settlement Agreement and for entry of the Preliminary Approval Order in substantially the form attached

hereto as Exhibit C. Defendant will not take a position on these motions so long as they are consistent with the terms herein. The Preliminary Approval Order to be presented to the Court shall, among other things:

- 2.2.1. Grant the motion to certify the Settlement Class for settlement purposes only under Fed. R. Civ. P. 23(b)(1);
- 2.2.2. Approve the text of the Settlement Notice for mailing or sending by electronic means to Class Members;
- 2.2.3. Determine that under Fed. R. Civ. P. 23(c)(2), the Settlement Notices constitute the best notice practicable under the circumstances, provide due and sufficient notice of the Fairness Hearing and of the rights of all Class Members, and comply fully with the requirements of Fed. R. Civ. P. 23, the Constitution of the United States, and any other applicable law;
- 2.2.4. Cause the Settlement Administrator to send by first-class mail and/or e-mail the Settlement Notice to each Class Member identified by the Settlement Administrator based upon the data provided by Defendant;
- 2.2.5. Provide that, pending final determination of whether the Settlement Agreement should be approved, no Class Member may directly, through Representatives, or in any other capacity, commence any action or proceeding in any court or tribunal asserting any of the Released Claims against Defendant, the Released Parties, and/or the Plan;
- 2.2.6. Set the Fairness Hearing for no sooner than one hundred and twenty (120) calendar days after the date the motion for entry of the Preliminary Approval Order is filed, in order to determine whether (a) the Court should approve the Settlement as fair, reasonable, and adequate; (b) the Court should enter the Final Order; and (c) the Court should approve the application for Attorneys' Fees and Costs, Class Representative's Case Contribution Awards, Administrative Expenses incurred to date, and a reserve for anticipated future Administrative Expenses;
- 2.2.7. Provide that any objections to any aspect of the Settlement Agreement shall be heard, and any papers submitted in support of said objections shall be considered, by the Court at the Fairness Hearing if they have been filed validly with the Clerk of the Court and copies provided to Class Counsel and Defense Counsel. To be filed validly, the objection and any notice of intent to participate or supporting documents must be filed at least fourteen (14) calendar days prior to the scheduled Fairness Hearing. Any Person wishing to speak at the Fairness Hearing shall file with the Clerk of the Court a notice of intent to participate within the time limitation set forth above;
- 2.2.8. Provide that any party may file a response to an objection by a Class Member at least seven (7) calendar days before the Fairness Hearing; and

- 2.2.9. Provide that the Fairness Hearing may, without further direct notice to the Class Members, other than by notice to Class Counsel, be adjourned or continued by order of the Court and/or be heard by Zoom or other United States District Court sanctioned videoconference methodologies.
- 2.3. Settlement Administrator. Defendant and Defense Counsel shall use reasonable efforts to respond timely to written requests, including by e-mail, from the Settlement Administrator for readily accessible data that is reasonably necessary to determine the feasibility of administering the Plan of Allocation or to implement the Plan of Allocation.
- 2.3.1. The Settlement Administrator must agree to be bound by any confidentiality agreement negotiated by the Settling Parties and any further non-disclosure or security protocol required by the Settling Parties.
- 2.3.2. The Settlement Administrator shall use the data provided by Defendant solely for the purpose of meeting its obligations as Settlement Administrator, and for no other purpose.
- 2.3.3. Defendant shall provide the Settlement Administrator with Class Member data using the last known addresses available to Defendant.
- 2.3.4. The Settlement Administrator shall provide a written protocol addressing how the Settlement Administrator will maintain and store information provided to it in order to ensure that reasonable and necessary precautions are taken to safeguard the privacy and security of such information.
- 2.4. Settlement Notice. By the date and in the manner set by the Court in the Preliminary Approval Order, and unless otherwise set forth below, the Settlement Administrator shall cause to be sent to each Class Member identified by the Settlement Administrator a Settlement Notice in the form and manner to be approved by the Court, which shall be in substantially the form attached hereto as Exhibit A or a form subsequently agreed to by the Settling Parties and approved by the Court. The Settlement Administrator shall use commercially reasonable efforts to locate any Class Member whose Settlement Notice is returned and re-send such documents one additional time.
- 2.5. CAFA Notice. No later than ten (10) calendar days after the filing of the motion for preliminary approval of the Settlement, Defendant will cause the Settlement Administrator to serve a CAFA Notice on the Attorney General of the United States, the Secretary of the Department of Labor, and the attorneys general of all states in which Class Members reside, as specified by 28 U.S.C. § 1715.

3. ARTICLE 3 – FINAL SETTLEMENT APPROVAL

- 3.1. No later than thirty (30) days before the date for filing Objections set in the Preliminary Approval Order, Class Counsel shall submit to the Court a motion for

entry of the Final Order (Exhibit D) in the form approved by Class Counsel and Defense Counsel, which shall request approval by the Court of the terms of this Settlement Agreement and entry of the Final Order in accordance with this Settlement Agreement. The Final Order as proposed by the Settling Parties shall provide for the following, among other things, as is necessary to carry out the Settlement consistent with applicable law and governing Plan documents:

- 3.1.1. Approval of the Settlement of the Released Claims covered by this Settlement Agreement; adjudging the terms of the Settlement Agreement to be fair, reasonable, and adequate to the Plan and the Class Members; and directing the Settling Parties to take the necessary steps to effectuate the terms of the Settlement Agreement
- 3.1.2. A determination under Fed. R. Civ. P. 23(c)(2) that the Settlement Notice constitutes the best notice practicable under the circumstances and that due and sufficient notice of the Fairness Hearing and the rights of all Class Members has been provided;
- 3.1.3. Dismissal with prejudice of the Class Action and all Released Claims asserted therein whether asserted by Class Representative on his own behalf or on behalf of the Class Members, or on behalf of the Plan, without costs to any of the Settling Parties other than as provided for in this Settlement Agreement;
- 3.1.4. That the Plan and each Class Member (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns) shall be (a) conclusively deemed to have, and by operation of the Final Order shall have, fully, finally, and forever settled, released, relinquished, waived, and discharged the Released Parties from all Released Claims; and (b) barred and enjoined from suing the Released Parties in any action or proceeding alleging any of the Released Claims.
- 3.1.5. That each Class Member shall release the Released Parties, Defense Counsel, and Class Counsel for any claims, liabilities, and attorneys' fees and expenses arising from the allocation of the Gross Settlement Amount or Net Settlement Amount, any calculations that are part of the allocation and distribution process of the Settlement, and for all tax liability and associated penalties and interest as well as related attorneys' fees and expenses;
- 3.1.6. That the provisions of Sections 3.1.4 and 3.1.5 shall apply even if any Class Member may thereafter discover facts in addition to or different from those which the Class Members or Class Counsel now know or believe to be true with respect to the Class Action and the Released Claims, whether or not such Class Members receive a monetary benefit from the Settlement, whether or not such Class Members actually received the Settlement Notice, whether or not such Class Members have filed an

objection to the Settlement or to any application by Class Counsel for an award of Attorneys' Fees and Costs, and whether or not the objections or claims for distribution of such Class Members have been approved or allowed;

- 3.1.7. That all applicable CAFA requirements have been satisfied;
 - 3.1.8. That the Settlement Administrator shall have final authority to determine the share of the Net Settlement Amount to be allocated to each Class Member in accordance with the Plan of Allocation approved by the Court; and
 - 3.1.9. That within thirty (30) calendar days following the issuance of all settlement payments to Class Members as provided by the Plan of Allocation approved by the Court, the Settlement Administrator shall prepare and provide to Class Counsel and Defense Counsel a list of each Person who received a settlement payment or contribution from the Qualified Settlement Fund and the amount of such payment or contribution.
- 3.2. The Final Order and judgment entered by the Court approving the Settlement Agreement shall provide that upon its entry, all Settling Parties, the Settlement Class and the Plan shall be bound by the Settlement Agreement and the Final Order.

4. ARTICLE 4 – ESTABLISHMENT OF QUALIFIED SETTLEMENT FUND

- 4.1. Monetary Relief. Defendant shall fund a non-reversionary common fund in the total amount of \$150,000 (the "Settlement Fund"), to be used to pay: (i) Settlement Class member payments as described below; (ii) any Court-approved Class Counsel Attorneys' Fees and Costs; (iii) any Court-approved Case Contribution Awards to Plaintiff; and (iv) Administrative Expenses, all subject to Court approval.
- 4.2. Allocation to Settlement Class members. Each Settlement Class member will receive a pro rata cash payment from the net settlement amount based on the number and amount of surcharges paid, with reasonable minimum and *de minimis* thresholds as determined by the Settlement Administrator and Class Counsel, subject to Court approval.
- 4.3. No Reversion. No portion of the Qualified Settlement Fund shall revert to Defendant after all distributions, payments, and obligations authorized by the Court are made; any residual shall be distributed in accordance with a Court-approved plan, which may include a cy pres recipient if appropriate.

5. ARTICLE 5 – ATTORNEYS’ FEES AND COSTS

- 5.1. Application for Attorneys’ Fees and Class Representative’s Case Contribution Awards. Class Counsel intends to seek to recover their attorneys’ fees not to exceed 33.33% of the Gross Settlement Amount, which shall be recovered from the Gross Settlement Amount. Class Counsel also intends to seek a Class Representative’s Case Contribution Award, in an amount not to exceed \$5,000 for Brandon Hatheway, which shall be recovered from the Gross Settlement Amount.
- 5.2. Class Counsel will file a motion for an award of Attorneys’ Fees and Costs at least twenty-one (21) calendar days before the deadline set in the Preliminary Approval Order for objections to the proposed Settlement, which may be supplemented thereafter.

6. ARTICLE 6 – RELEASE AND COVENANT NOT TO SUE

- 6.1. As of the Settlement Effective Date, the Plan (subject to Independent Fiduciary approval as required by Section 2.1) and the Class Members (and their respective heirs, beneficiaries, executors, administrators, estates, past and present partners, officers, directors, agents, attorneys, predecessors, successors, and assigns), on their own behalf and on behalf of the Plan, shall fully, finally, and forever settle, release, relinquish, waive, and discharge all Released Parties from the Released Claims, whether or not such Class Members may discover facts in addition to or different from those which the Class Members or Class Counsel now know or believe to be true with respect to the Action and the Released Claims; whether or not any Class Member receives a monetary benefit from the Settlement, whether or not such Class Members have actually received the Settlement Notice, whether or not such Class Members have filed an objection to the Settlement or to any application by Class Counsel for an award of Attorneys’ Fees and Costs, and whether or not the objections or claims for distribution of such Class Members have been approved or allowed.
- 6.2. As of the Settlement Effective Date, the Class Representative, the Class Members and the Plan (subject to Independent Fiduciary approval as required by Section 2.1), expressly agree that they, acting individually or together, or in combination with others, shall not sue or seek to institute, maintain, prosecute, argue, or assert in any action or proceeding (including but not limited to an IRS determination letter proceeding, a Department of Labor proceeding, an arbitration or a proceeding before any state insurance or other department or commission), any cause of action, demand, or claim on the basis of, connected with, or arising out of any of the Released Claims. Nothing herein shall preclude any action to enforce the terms of this Settlement Agreement in accordance with the procedures set forth in this Settlement Agreement.
- 6.3. Class Counsel, the Class Representative, Class Members, or the Plan may hereafter discover facts in addition to or different from those that they know or believe to be true with respect to the Released Claims. Such facts, if known by them, might have affected the decision to settle with the Released Parties, or the

decision to release, relinquish, waive, and discharge the Released Claims, or the decision of a Class Member not to object to the Settlement. Notwithstanding the foregoing, each Class Member and the Plan shall expressly, upon the entry of the Final Order, be deemed to have, and, by operation of the Final Order, shall have fully, finally, and forever settled, released, relinquished, waived, and discharged any and all Released Claims. The Class Representative, Class Members and the Plan acknowledge and shall be deemed by operation of the Final Order to have acknowledged that the foregoing waiver was bargained for separately and is a key element of the Settlement embodied in this Settlement Agreement of which this release is a part.

- 6.4. Each Class Representative, each Class Member, and the Plan hereby stipulate and agree with respect to any and all Released Claims that, upon entry of the Final Order, the Class Members shall be conclusively deemed to, and by operation of the Final Order shall, settle, release, relinquish, waive, and discharge any and all rights or benefits they may now have, or in the future may have, under any law relating to the releases of unknown claims pertaining specifically to Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Also, the Class Representative, Class Members and the Plan shall, upon entry of the Final Order with respect to the Released Claims, waive any and all provisions, rights and benefits conferred by any law or of any State or territory within the United States or any foreign country, or any principle of common law, which is similar, comparable or equivalent in substance to Section 1542 of the California Civil Code.

- 6.5. Dismissal With Prejudice. The Class Action and all Released Claims shall be dismissed with prejudice.
- 6.6. No Impact on Prior Releases. The Released Claims in the Class Action shall not invalidate or impair any prior release of claims by any Class Members against any of the Released Parties.

7. ARTICLE 7 – COVENANTS

- 7.1. The Settling Parties covenant and agree as follows:
- 7.2. Taxation. Plaintiff acknowledges that the Released Parties have no responsibility for any taxes due on funds deposited in or distributed from the Qualified Settlement Fund or that the Plaintiff or Class Counsel receives from the Gross Settlement Amount. Plaintiff further acknowledges that any such tax payments, and any professional, administrative, or other expenses associated with such tax

payments, shall be paid out of the settlement fund. Nothing herein shall constitute an admission or representation that any such taxes will or will not be due.

- 7.3. Cooperation. Defendant shall cooperate with Class Counsel by using reasonable efforts to provide, to the extent reasonably accessible, information to identify Settlement Class Members and to implement the Plan of Allocation.
 - 7.3.1. On or before March 13, 2026, or on a later date mutually agreed upon by the Parties, the Defendant or Defense Counsel shall provide to Class Counsel records identifying all individuals who paid a tobacco surcharge during the Settlement Class Period and the amount(s) of such surcharges by participant.
 - 7.3.2. Class Counsel and their agents will use any information provided by Defendant or Defense Counsel pursuant to Section 7.3.1 solely for the purpose of providing notice and administering this Settlement and for no other purpose and will take all reasonable and necessary steps as required by law to maintain the security and confidentiality of this information.
- 7.4. The Settling Parties shall reasonably cooperate with each other to effectuate this Settlement, including with respect to the Plan of Allocation, and shall not do anything or take any position inconsistent with obtaining a prompt Final Order approving the Settlement unless expressly permitted by this Settlement Agreement. The Settling Parties shall suspend any and all efforts to prosecute and to defend the Class Action pending entry of the Final Order or, if earlier, termination of the Settlement Agreement.

8. ARTICLE 8 – REPRESENTATION AND WARRANTIES

- 8.1. Settling Parties’ Representations and Warranties. The Settling Parties, and each of them, represent and warrant as follows, and each Settling Party acknowledges that each other Settling Party is relying on these representations and warranties in entering into this Settlement Agreement:
 - 8.1.1. That they have diligently prepared the case pursuant to the Court’s orders; that they are voluntarily entering into this Settlement Agreement as a result of arm’s length negotiations; that in executing this Settlement Agreement they are relying solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims hereunder and regarding all matters which relate in any way to the subject matter hereof; and that, except as provided herein, they have not been influenced to any extent whatsoever in executing this Settlement Agreement by any representations, statements, or omissions pertaining to any of the foregoing matters by any Settling Party or by any Person representing any Settling Party to this Settlement Agreement. Each Settling Party assumes the risk of mistake as to facts or law. Each Settling Party further recognizes that additional

evidence may have come to light, but that they nevertheless desire to avoid the expense and uncertainty of litigation by entering into the Settlement.

8.1.2. That they have carefully read the contents of this Settlement Agreement, and this Settlement Agreement is signed freely by each Person executing this Settlement Agreement on behalf of each of the Settling Parties. The Settling Parties, and each of them, further represent and warrant to each other that he, she, or it has made such investigation of the facts pertaining to the Settlement, this Settlement Agreement, and all of the matters pertaining thereto, as he, she, or it deems necessary.

8.2. Signatories' Representations and Warranties. Each Person executing this Settlement Agreement on behalf of any other Person does hereby personally represent and warrant to the other Settling Parties that he or she has the authority to execute this Settlement Agreement on behalf of, and fully bind, each principal whom such individual represents or purports to represent.

9. ARTICLE 9– NO ADMISSION OF LIABILITY

9.1. The Settling Parties understand and agree that this Settlement Agreement embodies a compromise settlement of disputed claims, and that nothing in this Settlement Agreement, including the furnishing of consideration for this Settlement Agreement, shall be deemed to constitute any finding, admission or suggestion of any wrongdoing or liability by Defendant, or give rise to any inference of wrongdoing or admission of wrongdoing or liability in this or any other proceeding.

9.2. This Settlement Agreement and the payments made hereunder are made in compromise of disputed claims and are not admissions of any liability of any kind, whether legal or factual. Defendant specifically denies any such liability or wrongdoing and states that it is entering into this Settlement Agreement to eliminate the burden and expense of further litigation. Further, the Class Representative, while believing that the claims brought in the Class Action have merit, has concluded that the terms of this Settlement Agreement are fair, reasonable, and adequate to the Plan, themselves and members of the Settlement Class given, among other things, the inherent risks, difficulties and delays in complex ERISA litigation such as the Class Action. Neither the fact nor the terms of this Settlement Agreement shall be used or offered or received in evidence in any action or proceeding for any purpose, except in an action or proceeding to enforce this Settlement Agreement or arising out of or relating to the Final Order.

10. ARTICLE 10 – CONDITIONS TO FINALITY OF SETTLEMENT

10.1. This Settlement shall be contingent upon each of the following conditions in this Article 10 being satisfied. The Settling Parties agree that if any of these conditions is not satisfied, then this Settlement Agreement is terminated (subject to Defendant's right to waive the condition set forth in Section 10.5) and the Class

Action will, for all purposes with respect to the Settling Parties, revert to its status as of the Settlement Agreement Execution Date. In such event, Defendant will not be deemed to have consented to the class certification order referenced in Section 10.1, the agreements and stipulations in this Settlement Agreement concerning class definition or class certification shall not be used as evidence or argument to support a motion for class certification, and Defendant will retain all rights with respect to challenging class certification.

- 10.2. Court Approval and Class Certification for Settlement Purposes. The Court shall have certified the Settlement Class for settlement purposes only (and Defendant will not object to this certification for settlement purposes only), the Settlement shall have been approved by the Court, the Court shall have entered the Final Order substantially in the form attached as Exhibit D hereto, and the Settlement Effective Date shall have occurred.
- 10.3. Finality of Settlement. The Settlement shall have become Final.
- 10.4. Resolution of CAFA Objections (if Any). In the event that any of the government officials who received a CAFA Notice object to and request modifications to the Settlement, Class Representative and Class Counsel agree to cooperate and work with Defendant and Defense Counsel to overcome such objection(s) and requested modifications. In the event such objection(s) or requested modifications are not overcome, Defendant shall have the right to terminate the Settlement Agreement pursuant to Article 11.
- 10.5. Settlement Authorized by Independent Fiduciary. At least ten (10) calendar days before the Fairness Hearing, the Independent Fiduciary shall have approved and authorized in writing the Settlement, and given a release to all of the Released Parties in its capacity as fiduciary of the Plan for and on behalf of the Plan in accordance with PTE 2003-39. If the Independent Fiduciary disapproves or otherwise does not authorize the Settlement or refuses to execute the release on behalf of the Plan, then the Settling Parties may mutually agree to modify the terms of this Settlement Agreement as necessary to facilitate an approval by the Independent Fiduciary and/or the Independent Fiduciary's release on behalf of the Plan. Otherwise, Defendant shall have the option to waive this condition, in which case such option is to be exercised in writing within five (5) calendar days after the Settling Parties' receipt of the Independent Fiduciary's written determination, unless otherwise agreed by the Settling Parties.
- 10.6. At its sole discretion, Defendant shall have the right to withdraw from this Settlement and terminate the Agreement if:
 - (a) On or before fourteen (14) calendar days before the Fairness Hearing, the United States Department of Labor files any objection to the Agreement or Settlement in any court, brings a claim against any Releasees relating to the Released Claims, or notifies any Releasee that it intends to file such a Claim;

- (b) At any time, another party files a separate class action that raises comparable claims against the same Releasees during some part of the same class period addressed by the First Amended Complaint.

11. ARTICLE 11 – TERMINATION, CONDITIONS OF SETTLEMENT, AND EFFECT OF DISAPPROVAL, CANCELLATION, OR TERMINATION

- 11.1. The Settlement Agreement shall automatically terminate, and thereby become null and void with no further force or effect if:
 - 11.1.1. Under Section 2.1, (a) either the Independent Fiduciary does not approve the Settlement Agreement or disapproves the Settlement Agreement for any reason whatsoever, or Defendant reasonably concludes that the Independent Fiduciary's approval does not include the determinations required by the PTE 2003-39; and (b) the Settling Parties do not mutually agree to modify the terms of this Settlement Agreement to facilitate an approval by the Independent Fiduciary or the Independent Fiduciary's determinations required by PTE 2003-39; and (c) Defendant does not exercise its option to waive this condition as provided in Section 10.5;
 - 11.1.2. The Preliminary Approval Order or the Final Order is not entered by the Court in substantially the form submitted by the Settling Parties or in a form which is otherwise agreed to by the Settling Parties;
 - 11.1.3. The Settlement Class is not certified as defined herein or in a form which is otherwise agreed to by the Settling Parties;
 - 11.1.4. This Settlement Agreement is disapproved by the Court or fails to become effective and the Settling Parties do not mutually agree to modify the Settlement Agreement in order to obtain the Court's approval or otherwise effectuate the Settlement; or
 - 11.1.5. The Preliminary Order or Final Order is finally reversed on appeal, or is modified on appeal, and the Settling Parties do not mutually agree to any such modifications.
- 11.2. If the Settlement Agreement is terminated, deemed null and void, or has no further force or effect, the Class Action and the Released Claims asserted by the Class Representative shall for all purposes with respect to the Settling Parties revert to their status as though the Settling Parties never executed the Settlement Agreement. The entirety of the Gross Settlement Amount paid to Plaintiff, and any interest earned thereon, shall be returned to Defendant's insurer within thirty (30) calendar days after the Settlement Agreement is finally terminated or deemed null and void.
- 11.3. It shall not be deemed a failure to approve the Settlement Agreement if the Court denies, in whole or in part, Class Counsel's request for Attorneys' Fees and Costs and/or Class Representative's Case Contribution Awards and/or modifies any of

the proposed orders relating to Attorneys' Fees and Costs and/or Class Representative's Case Contribution Awards.

12. ARTICLE 12 – CONFIDENTIALITY OF THE SETTLEMENT NEGOTIATIONS AND PERMITTED SETTLEMENT-RELATED COMMUNICATIONS

- 12.1. Except as set forth explicitly below, the Settling Parties, Class Counsel, and Defense Counsel agree to keep confidential all positions, assertions, and offers made during settlement negotiations relating to the Class Action and the Settlement Agreement, except that they may discuss the negotiations with the Class Members, the Independent Fiduciary, and the Settling Parties' auditors, tax, legal, and regulatory advisors, provided in each case that they (a) secure written agreements with such persons or entities that such information shall not be further disclosed to the extent such persons are not already bound by confidentiality obligations at least as restrictive as those in this Article 12 and which would otherwise cover the Settlement Agreement; and (b) comply with this Article 12 in all other respects.
- 12.2. Defendant, Class Representative, Class Counsel, and Defense Counsel agree that they will not at any time make (or encourage or induce others to make) any public statement regarding the Class Action or the Settlement that disparages any Released Party; provided, however, that this prohibition does not preclude Class Counsel from restating the allegations made in the Complaint for purposes of the motion for preliminary approval of the Settlement, motion for final approval of the Settlement, or the request for Attorneys' Fees and Costs, Administrative Expenses, and Case Contribution Awards. This prohibition does not prohibit any Settling Party from making any statements pursuant to a valid legal process, a request by a regulatory agency, or as required by law.
- 12.3. Defendant, Class Representative, Class Counsel, and Defense Counsel agree that they will not issue any press release regarding the Settlement, advertise the Settlement, or affirmatively contact any media sources regarding the Settlement. Defendant may make statements to its employees in the course and scope of employment concerning the litigation and the settlement. Class Counsel may identify the Settlement on their websites.
- 12.4. Defendant, Class Representative, Class Counsel, and Defense Counsel agree that they will not publicly disclose the terms of the Settlement until after the motion for preliminary approval of the Settlement has been filed with the Court, other than as necessary to administer or effectuate the Settlement, or unless such disclosure is pursuant to a valid legal process, a request by a regulatory agency, or as otherwise required by law, government regulations including corporate reporting obligations, or order of the Court.

13. ARTICLE 13 – GENERAL PROVISIONS

- 13.1. The Settling Parties agree to cooperate fully with each other in seeking Court approvals of the Preliminary Approval Order and the Final Order, and to do all

things as may reasonably be required to effectuate preliminary and final approval and the implementation of this Settlement Agreement according to its terms. The Settling Parties agree to provide each other with copies of any filings necessary to effectuate this Settlement reasonably in advance of filing.

- 13.2. This Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder are not, and shall not be construed as, deemed to be, or offered or received as evidence of an admission by or on the part of any Released Party of any wrongdoing, fault, or liability whatsoever by any Released Party, or give rise to any inference of any wrongdoing, fault, or liability or admission of any wrongdoing, fault, or liability in the Class Action or any other proceeding.
- 13.3. Defendant and Released Parties admit no wrongdoing, fault, or liability with respect to any of the allegations or claims in the Class Action. This Settlement Agreement, whether or not consummated, and any negotiations or proceedings hereunder, shall not constitute admissions of any liability of any kind, whether legal or factual. Subject to Federal Rule of Evidence 408, the Settlement and the negotiations related to it are not admissible as substantive evidence, for purposes of impeachment, or for any other purpose.
- 13.4. Defendant denies all allegations of wrongdoing. Defendant believes that the Plan has been managed, operated, and administered at all relevant times reasonably, lawfully, and prudently, in the best interest of the Plan's participants, and in accordance with ERISA, including the fiduciary duty and prohibited transaction provisions of ERISA.
- 13.5. Neither the Settling Parties, Class Counsel, nor Defense Counsel shall have any responsibility for or liability whatsoever with respect to (a) any act, omission, or determination of the Settlement Administrator, or any of their respective designees or agents, in connection with the administration of the Gross Settlement Amount or otherwise; (b) the determination of the Independent Fiduciary; (c) the management, investment, or distribution of the settlement fund; (d) the Plan of Allocation as approved by the Court; (e) the determination, administration, calculation, or payment of any claims asserted against the settlement Fund; (f) any losses suffered by, or fluctuations in the value of, the settlement Fund; or (g) the payment or withholding of any taxes, expenses, and/or costs incurred in connection with the taxation of the Qualified Settlement Fund or tax reporting, or the filing of any returns. Further, neither Defendant nor Defense Counsel shall have any responsibility for, or liability whatsoever with respect to, any act, omission, or determination of Class Counsel in connection with the administration of the Gross Settlement Amount or otherwise.
- 13.6. The Released Parties shall not have any responsibility for or liability whatsoever with respect to the Plan of Allocation, including, but not limited to, the determination of the Plan of Allocation or the reasonableness of the Plan of Allocation.

- 13.7. The Settling Parties acknowledge that any payments to Class Members or their attorneys may be subject to applicable tax laws. Defendant, Defense Counsel, Class Counsel, and Class Representative will provide no tax advice to the Class Members and make no representation regarding the tax consequences of any of the settlement payments described in the Settlement Agreement. To the extent that any portion of any settlement payment is subject to income or other tax, the recipient of the payment shall be responsible for payment of such tax. Deductions will be made, and reporting will be performed by the Settlement Administrator, as required by law with respect to all payments made under the Settlement Agreement.
- 13.8. Each Class Member who receives a distribution under this Settlement Agreement shall be fully and ultimately responsible for payment of any and all federal, state, or local taxes resulting from or attributable to the distribution received by such person. Each such Class Member shall hold the Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from any tax liability, including penalties and interest, related in any way to payments under the Settlement Agreement, and shall hold the Released Parties, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to such tax liability.
- 13.9. Only Class Counsel shall have standing to seek enforcement of this Settlement Agreement on behalf of Plaintiff and Class Members. Any individual concerned about Defendant's compliance with this Settlement Agreement may so notify Class Counsel and direct any requests for enforcement to them. Class Counsel shall have the full and sole discretion to take whatever action they deem appropriate, or to refrain from taking any action, in response to such request. Any action by Class Counsel to monitor or enforce the Settlement Agreement shall be done without additional fee or reimbursement of expenses beyond the Attorneys' Fees and Costs determined by the Court.
- 13.10. This Settlement Agreement shall be interpreted, construed, and enforced in accordance with applicable federal law and, to the extent that federal law does not govern, Illinois law, without giving effect to any conflict of law provisions that would cause the application of the laws of any jurisdiction other than Illinois.
- 13.11. The Settling Parties agree that the Court has personal jurisdiction over the Settlement Class and Defendant and shall maintain personal and subject-matter jurisdiction for purposes of resolving any disputes between the Settling Parties concerning compliance with this Settlement Agreement. Any motion or action to enforce this Settlement Agreement—including by way of injunction—may be filed in the U.S. District Court for the Northern District of Illinois, or asserted by way of an affirmative defense or counterclaim in response to any action asserting a violation of the Settlement Agreement.
- 13.12. Each party to this Settlement Agreement hereby acknowledges that he, she, or it has consulted with and obtained the advice of counsel prior to executing this

Settlement Agreement and that this Settlement Agreement has been explained to that party by his, her, or its counsel.

- 13.13. Before entry of the Preliminary Approval Order, this Settlement Agreement may be modified or amended only by written agreement signed by or on behalf of all Settling Parties. Following entry of the Preliminary Approval Order and approval by the Independent Fiduciary, this Settlement Agreement may be modified or amended only if such modification or amendment is set forth in a written agreement signed by or on behalf of all Settling Parties, and only if such modification or amendment is approved in writing by the Independent Fiduciary and the Court.
- 13.14. The provisions of this Settlement Agreement may be waived only by an instrument in writing executed by the waiving party and specifically waiving such provisions. The waiver of any breach of this Settlement Agreement by any party shall not be deemed to be or construed as a waiver of any other breach or waiver by any other party, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.
- 13.15. Each of the Settling Parties agrees, without further consideration, and as part of finalizing the Settlement hereunder, that it will in good faith execute and deliver such other documents and take such other actions as may be necessary to consummate and effectuate the subject matter of this Settlement Agreement.
- 13.16. All of the exhibits attached hereto are incorporated by reference as though fully set forth herein. Exhibit A – Notice of Class Action Settlement and Fairness Hearing; Exhibit B – Plan of Allocation; Exhibit C – Preliminary Approval Order; Exhibit D – Final Approval Order.
- 13.17. No provision of the Settlement Agreement or of the exhibits attached hereto shall be construed against or interpreted to the disadvantage of any party to the Settlement Agreement because that party is deemed to have prepared, structured, drafted, or requested the provision.
- 13.18. Principles of Interpretation. The following principles of interpretation apply to this Settlement Agreement:
 - 13.18.1. Headings. Any headings included in this Settlement Agreement are for convenience only and do not in any way limit, alter, or affect the matters contained in this Settlement Agreement or the Articles or Sections they caption.
 - 13.18.2. Singular and Plural. Definitions apply to the singular and plural forms of each term defined.
 - 13.18.3. Gender. Definitions apply to the masculine, feminine, and neuter genders of each term defined.

- 13.18.4. References to a Person. References to a Person are also to the Person's permitted successors and assigns, except as otherwise provided herein.
- 13.18.5. Terms of Inclusion. Whenever the words "include," "includes," or "including" are used in this Settlement Agreement, they shall not be limiting but rather shall be deemed to be followed by the words "without limitation."
- 13.19. Survival. All of the covenants, representations, and warranties, express or implied, oral or written, concerning the subject matter of this Settlement Agreement are contained in this Settlement Agreement. No Party is relying on any oral representations or oral agreements. All such covenants, representations, and warranties set forth in this Settlement Agreement shall be deemed continuing and shall survive the Settlement Effective Date
- 13.20. Notices. Any notice, demand, or other communication under this Settlement Agreement (other than the Settlement Notice, or other notices given at the direction of the Court) shall be in writing and shall be deemed duly given upon receipt if it is addressed to each of the intended recipients as set forth below and personally delivered, sent by registered or certified mail postage prepaid, or delivered by reputable express overnight courier or via e-mail:

IF TO CLASS REPRESENTATIVE:

Oren Faircloth
Siri & Glimstad LLP
745 Fifth Avenue
Suite 500
New York, NY 10151
Tel: (212) 532-1091
ofaircloth@sirillp.com

IF TO DEFENDANT:

Lindsey Chopin
Jackson Lewis P.C.
601 Poydras Street
Suite 1400
New Orleans, LA 70130
Tel: (504) 208-1755
Fax: (504) 208-1759
Lindsey.Chopin@jacksonlewis.com

- 13.21. Any Settling Party may change the address at which it is to receive notice by written notice delivered to the other Settling Parties in the manner described above.
- 13.22. Entire Agreement. This Settlement Agreement and the exhibits attached hereto constitute the entire agreement among the Settling Parties and no representations, warranties, or inducements have been made to any party concerning the Settlement other than those contained in this Settlement Agreement and the exhibits thereto.

It specifically supersedes any settlement terms or settlement agreements relating to the Defendant that were previously agreed upon orally or in writing by any of the Settling Parties.

- 13.23. Counterparts. The Settlement Agreement may be executed by exchange of executed signature pages, and any signature transmitted by facsimile or e-mail attachment of scanned signature pages for the purpose of executing this Settlement Agreement shall be deemed an original signature for purposes of this Settlement Agreement. The Settlement Agreement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed an original, and all such counterparts shall together constitute the same instrument.
- 13.24. Binding Effect. This Settlement Agreement binds and inures to the benefit of the Settling Parties hereto, their assigns, heirs, administrators, executors, and successors.
- 13.25. Destruction/Return of Confidential Information. Within thirty (30) days after the Final Order, Class Representative and Class Counsel shall fully comply with any Stipulated Protective Order entered in this case. Further, the Settling Parties agree that the preliminary and final lists of Class Members are deemed Confidential. Further, the Settling Parties shall have the right to continue to designate documents provided to any party in connection with this Settlement Agreement as Confidential pursuant to this paragraph or pursuant to any Stipulated Protective Order entered in this case.

IN WITNESS WHEREOF, the Settling Parties have executed this Settlement Agreement on the dates set forth below.

Date: 03/06/2026

Date: 03/06/2026

On Behalf of Plaintiff, Individually and as a Representative of the Settlement Class:

Oren Faircloth

Oren Faircloth
SIRI & GLIMSTAD LLP
ofaircloth@sirillp.com
745 Fifth Ave., Suite 500
New York, NY
Tel: (212) 532-1091

Proposed Class Counsel

On Behalf of Defendant:



Lindsey.Chopin (Mar 6, 2026 10:44:08 CST)

Lindsey Chopin
JACKSON LEWIS P.C.
Lindsey.Chopin@jacksonlewis.com
601 Poydras Street, Suite 1400
New Orleans, LA 70130
Tel: (504) 208-1755

Counsel for Defendant

EXHIBIT A

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

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 Plaintiffs’ lawyers, and any case contribution award to Plaintiffs. 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.■■■■■■.com prior to the Final Approval Hearing. Payments will be made directly to Settlement Settlement Class members by check.
- **Please read this notice carefully.** Your legal rights are affected whether you act, or don’t act.

QUESTIONS? CALL [HOTLINE NUMBER] TOLL FREE, OR VISIT WWW. .COM

THIS TABLE CONTAINS A SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		
OBJECT [REDACTED], 2026	BY	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.
ATTEND HEARING	A	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 www.[REDACTED].com 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.
DO NOTHING		If the Court approves the Settlement, you will get a share of the Settlement benefits to which you are entitled.

BASIC INFORMATION

1. What is this notice and why should I read it?
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 need not 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.
2. What is a class action lawsuit?
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?

Plaintiffs 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 Plaintiffs' allegations is in the Complaint and is available on the Settlement Website at www.████████.com.

Defendant has denied and continues to deny Plaintiffs' claims and allegations in their entirety, denies that it is liable at all to the Plaintiffs or the Settlement Class members, and denies that the Plaintiffs, 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 Plaintiffs had litigated the case and lost. The Plaintiffs and their 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 \$████████), and case contribution

awards to Plaintiffs of \$_____ each (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 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._____.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.

Each Settlement Class member will receive payment under the Settlement directly in the form of a check.

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.) Checks 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 _____, **2026**.

Settlement Class members will receive their payment under the Settlement in the form of a check 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 \$ [REDACTED] total may be paid to the Class Representative in recognition of the time and effort they 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 Plaintiffs allege in their 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.____.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 _____, 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	Oren Faircloth Mason A. Barney Siri & Glimstad LLP 745 Fifth Avenue, Suite 500 New York, NY 10151 ofaircloth@sirillp.com	Lindsey H. Chopin Jackson Lewis P.C. 601 Poydras Street, Suite 1400 New Orleans, LA 70130 Lindsey.Chopin@jacksonlewis.com

Street, Chicago, IL 60604	mbarney@sirillp.com Tel: (212) 532-1091	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 twenty-eight (28) days prior to _____, 2026. The Fairness Hearing has been set for _____, 2026, at _____. 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 Plaintiffs 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._____.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._____.com. You can also get more information by writing to the Settlement Administrator at [SETTLEMENT ADMINSTRATOR CONTACT INFORMATION]. 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 [SETTLEMENT ADMINISTRATOR HOTLINE NUMBER].

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

EXHIBIT B

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

BRANDON HATHEWAY, on behalf of himself
and all others similarly situated,

Plaintiff,

vs.

INTERNATIONAL MOTORS, LLC,

Defendant.

Civil Action No.: 1:25-CV-07989

PLAN OF ALLOCATION FOR CLASS SETTLEMENT

I. DEFINITIONS

Except as indicated in this Plan of Allocation, the capitalized terms used herein shall have the meaning ascribed to them in the Settlement Agreement.

II. CALCULATION OF ALLOCATION AMOUNTS

A. Per the Settlement Consideration and Relief section of the Settlement Agreement and its subparts, Defendant shall provide the Settlement Administrator with the data reasonably necessary to determine the amount of the Net Settlement Amount to be distributed to each Settlement Class member in accordance with this Plan of Allocation.

B. The data reasonably necessary to perform calculations under this Plan of Allocation is the total amount each Settlement Class member paid in tobacco surcharges from January 1, 2016 through December 31, 2025, less any refunds applied to tobacco surcharge payments during that period (“Net Surcharge Payments”).

C. The Net Settlement Amount will be allocated as follows:

1. Calculate the Net Surcharge Payment by each Settlement Class member based on the data as of the dates above. This amount shall be that Settlement Class member’s “Balance.”

2. Sum the Balance for all Settlement Class members.
3. Allocate each Settlement Class member a share of the Net Settlement Amount in proportion to the sum of that Settlement Class member's Balance as compared to the sum of the Balance for all Settlement Class members, i.e. where the numerator is the Settlement Class member's Balance and the denominator is the sum of all Settlement Class members' Balances. The amounts resulting from this initial calculation will be known as the "Entitlement Amount."

F. Settlement Class members shall be paid directly by the Settlement Administrator by check. Checks issued to Settlement Class members pursuant to this paragraph shall be valid for 200 days from the date of issue.

G. The Settlement Administrator shall utilize the calculations required to be performed herein for making the required distributions of the Entitlement Amount, less any required tax withholdings or penalties, to each Settlement Class member. In the event that the Settlement Administrator determines that the Plan of Allocation would otherwise require payments exceeding the Net Settlement Amount, the Settlement Administrator is authorized to make such changes as are necessary to the Plan of Allocation such that said totals do not exceed the Net Settlement Amount. The Settlement Administrator shall be solely responsible for performing any calculations required by this Plan of Allocation.

H. If the Settlement Administrator concludes that it is impracticable to implement any provision of the Plan of Allocation, it shall be authorized to make such changes to the methodology as are necessary to implement as closely as possible the terms of the Settlement Agreement, so long as the total amount of distributions does not exceed the Net Settlement Amount.

I. No sooner than twenty (20) calendar days following the expiration of all undeposited checks issued pursuant to this Plan of Allocation, any amount remaining in the Qualified Settlement Fund shall, if feasible, be redistributed pro rata among Settlement Class members who cashed their checks. If redistribution is not economically feasible, any balance

shall be distributed as a cy pres award to a nonprofit organization approved by the Court that promotes public health.

J. Neither the Released Parties, Defense Counsel, nor Class Counsel shall have any responsibility for or liability whatsoever with respect to any tax advice or tax events given to or as to any Settlement Class members.

III. QUALIFICATIONS AND CONTINUING JURISDICTION

The Court will retain jurisdiction over the Plan of Allocation to the extent necessary to ensure that it is fully and fairly implemented.

EXHIBIT C

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

BRANDON HATHEWAY, on behalf of himself
and all others similarly situated,

Plaintiff,

vs.

INTERNATIONAL MOTORS, LLC,

Defendant.

Civil Action No.: 1:25-CV-07989

[PROPOSED] PRELIMINARY APPROVAL ORDER

- (1) **CONFIRMING PRELIMINARY CERTIFICATION OF THE SETTLEMENT CLASS;**
- (2) **GRANTING PRELIMINARY APPROVAL OF THE SETTLEMENT;**
- (3) **APPOINTING A SETTLEMENT ADMINISTRATOR;**
- (4) **ENJOINING SETTLEMENT CLASS MEMBERS FROM PURSUING ANY CLAIMS THAT ARISE OUT OF OR RELATE IN ANY WAY TO THE RELEASED CLAIMS PENDING FINAL APPROVAL OF THE SETTLEMENT;**
- (5) **DIRECTING NOTICE TO SETTLEMENT CLASS MEMBERS AND APPROVING THE FORM AND MANNER OF NOTICE;**
- (6) **APPROVING THE PLAN OF ALLOCATION;**
- (7) **SCHEDULING A FAIRNESS HEARING; AND**
- (8) **SCHEDULING A HEARING ON CLASS COUNSEL'S FEE AND EXPENSE APPLICATION AND PLAINTIFFS' REQUEST FOR CASE CONTRIBUTION AWARDS.**

The Court, having received and considered the Unopposed Motion for a Preliminary Approval Order (the "Motion") of Plaintiffs and Class Representative Brandon Hatheway (collectively, "Plaintiff" or "Class Representative") in *Hatheway, et al. v. International Motors, Inc.*, Case No. 1:25-CV-07989, and the papers filed in support of the Motion, including the Class Action Settlement Agreement entered into as of [SETTLEMENT AGREEMENT EXECUTION DATE] and all exhibits thereto (the "Agreement"), and the declarations of counsel, having further considered the arguments of counsel and the pleadings and record in this case, and finding good cause for granting the Motion,

HEREBY ORDERS AS FOLLOWS:

1. Capitalized terms not defined in this Order shall have the meaning ascribed to them in Article 1 of the Settlement Agreement and throughout the Settlement Agreement.
2. This Court has jurisdiction to consider the Motion and the relief requested therein under 28 U.S.C. § 1331 and 29 U.S.C. § 1132(e)(1).
3. Venue before the Court is proper pursuant to 29 U.S.C. § 1132(e)(2).

4. The Court finds, on a preliminary basis and for the purposes of settlement only, that the requirements for certification under Rule 23(a) and Rule 23(b)(1) are satisfied:

a) The Settlement Class meets the numerosity requirement of Rule 23(a)(1), as it consists of approximately 734 Settlement Class members.

b) The Class Representative has asserted claims that have at least one common question of law or fact to the Settlement Class and relate to the management of the Plan as a whole.

c) The Class Representative is a former participant in the Plan and is typical of other Settlement Class members.

d) The Class Representative has no conflicts with other Settlement Class members, are adequate to represent the Settlement Class, and have retained experienced and qualified counsel to represent the Settlement Class as Class Counsel.

5. Class certification is appropriate under Rule 23(b)(1) because the Class Representative asserts claims on behalf of the Plan as a whole, and prosecution of separate actions by individual Settlement Class members would create a risk of inconsistent or varying adjudications with respect to individual Settlement Class members that would establish incompatible standards of conduct for Defendant and would be dispositive of the interests of other Settlement Class members as a practical matter or would substantially impair or impede their ability to protect their interests.

a) The Court appoints Siri & Glimstad LLP as Class Counsel, and appoints Brandon Hatheway, the Named Plaintiff, as the Class Representative.

b) The non-opt out Settlement Class will be preliminarily certified for settlement purposes only, under the terms of the Settlement Agreement. The Settlement Class is defined as: All individuals residing in the United States who paid a tobacco surcharge in connection with their participation in the Plan between January 1, 2016 and December 31, 2025 (the "Class Period").

c) If the Court does not issue the Final Approval Order and Judgment, then the certification will be vacated, and Defendant shall not be deemed to have admitted the propriety of Class certification under any provision of Federal Rule 23.

d) The terms set forth in the Settlement Agreement are preliminarily approved, subject to further consideration at the hearing the Court will hold pursuant to Federal Rule of Civil Procedure 23(e) to determine whether the Settlement should receive final approval by the Court, as provided for below (the “Fairness Hearing”). The Agreement is sufficiently within the range of reasonableness to warrant the preliminary approval of the Agreement, the scheduling of the Final Fairness Hearing, and the issuance of Notice to Settlement Class members, each as provided for in this Order.

6. The Court approves the retention by Class Counsel of [SETTLEMENT ADMINISTRATOR] as the Settlement Administrator.

7. In further aid of the Court’s jurisdiction to review, consider, implement, and enforce the Settlement, the Court orders that Plaintiff, all Settlement Class members and the Plan are preliminarily enjoined and barred from commencing, prosecuting, or otherwise litigating, in whole or in part, either directly, individually, representatively, derivatively, or in any other capacity, whether by complaint, counterclaim, defense, or otherwise, in any local, state, or federal court, arbitration forum, or in any agency or other authority or forum wherever located, any contention, allegation, claim, cause of action, matter, lawsuit, or action (including but not limited to actions pending as of the date of this Order), that arises out of or relates in any way to the Released Claims.

8. The Court approves the Notice to Settlement Class members in substantially the form attached as Exhibit A to the Agreement. The Court approves the form and content of the Notice and finds that the proposed Settlement Notice fairly and adequately:

- a. Summarizes the claims that are asserted;
- b. Identifies the Settlement Class;
- c. Describes the terms and effect of the Settlement Agreement, including the benefits of the Settlement and the class release;

- d. Notifies the Settlement Class that Class Counsel will seek compensation from the Net Settlement Amount for Administrative Expenses, Attorneys' Fees and Expenses, and Case Contribution Fees;
- e. Describes how the recipients of the Class Notice may object to the Settlement, or any requested Administrative Expenses, Attorneys' Fees and Expenses, or Case Contribution Fees; and
- f. Gives notice to the Settlement Class of the time and place of the Fairness Hearing, and Settlement Class members' right to appear.

9. The Court finds that the Plan of Allocation proposed by Plaintiffs and Class Counsel for allocating the Settlement Amount to Settlement Class members, as described in **Exhibit B** to the Agreement, is likely to receive final approval and that the agreement is within the range of reasonableness to warrant preliminary approval.

Manner of Giving Notice

10. Defendant shall provide to the Settlement Administrator, within fourteen (14) calendar days of the entry of this Preliminary Approval Order, the Settlement Class member List, as defined in the Settlement Agreement, sufficient to implement the Plan of Allocation, and distribute the Net Settlement Amount on the terms provided for in the Agreement. The Settlement Class member List provided to the Settlement Administrator pursuant to this Order shall be used solely for the purpose of providing Notice of this Settlement and distribution of the Settlement Fund, and for no other purpose.

11. Within ten (10) calendar days of receipt of the Settlement Class member List, the Settlement Administrator shall cause the Notice to be sent to each Settlement Class member by first class mail.

12. The same date the Notice is initially mailed, the Settlement Administrator shall establish a website containing the Notice, the Agreement and its exhibits, this Order, the Second Amended Complaint, and the Motions for Preliminary Approval and Final Approval (when filed); the Motion for Attorneys' Fees and Expenses (when filed); any approval order or other Court orders related to the Settlement, any amendments or revisions to these documents, and any

other documents or information mutually agreed upon by the Parties, as well as the date, time, and instructions to attend the Fairness Hearing (and any changes thereto).

13. The same date the Notice is initially mailed, the Settlement Administrator shall establish a toll-free telephone number to which Settlement Class members can direct questions about the Settlement.

14. The Court finds that the Notice to be provided as set forth in this Order is the best means of providing notice to the Settlement Class members as is practicable under the circumstances and, when completed, shall constitute due and sufficient notice of the Settlement and the Final Fairness Hearing to all persons affected by or entitled to participate in the Settlement or the Final Fairness Hearing, in full compliance with the requirements of due process and the *Federal Rules of Civil Procedure*.

15. All reasonable costs incurred by the Settlement Administrator for providing the Notice as well as for administering the Settlement shall be paid as set forth in the Agreement.

Fairness Hearing

16. The Court will hold the Final Fairness Hearing on [REDACTED], at [REDACTED], in the United States District Court for the Northern District of Illinois, located at the Everett Dirksen U.S. Courthouse, 219 South Dearborn Street, Chicago, IL 60604, in person before the Honorable Lindsay C. Jenkins, for the following purposes: (a) to determine whether the proposed Settlement on the terms and conditions provided for in the Agreement is fair, reasonable, adequate, and in the best interests of the Class and should be finally approved by the Court; (b) to determine whether Class Counsel's fee and expense application is reasonable and should be approved; (c) to determine whether Plaintiffs' request for Case Contribution Awards is reasonable and should be approved; (e) to determine whether a Final Approval Order and Judgment substantially in the form attached as **Exhibit D** to the Agreement should be entered; and (f) to consider any other matters that may properly be brought before the Court in connection with the Settlement. Notice of the Settlement and the Final Fairness Hearing shall be given to Settlement Class members as set forth in Paragraphs 11-13 of this Order.

17. The Court may adjourn the Final Fairness Hearing and approve the Settlement with such modification as the Parties may agree to, if appropriate, without further notice to the Class.

18. Not later than forty-five (45) calendar days before the Final Fairness Hearing, Class Counsel shall submit their papers in support of final approval of the Settlement Agreement and in support of Class Counsel's Fees and Costs application and approval of Case Contribution Awards.

19. Not later than thirty-five (35) calendar days before the Final Fairness Hearing, the Settlement Administrator shall submit its declaration affirming that the notice process has been completed pursuant to the Settlement Agreement.

Objections to the Settlement

20. Settlement Class members can request the Court to deny approval of the Settlement and/or Class Counsel's motion for Attorneys' Fees and Costs or the Case Contribution Awards to be requested for the Class Representative by filing an objection or making an appearance at the Fairness Hearing and stating the objection. The Court will consider written comments and objections to the Settlement, to the proposed motion for Attorneys' Fees and Costs, and to Plaintiffs' request for Case Contribution Awards. No appearance is necessary at the Final Fairness Hearing if the objection is submitted in writing. If the objection is submitted in writing, it should (a) clearly identify the case name and number (i.e. *Hatheway, et al. v. International Motors, Inc.*, Case No. 1:25-CV-07989), (b) be submitted to the Court either by mailing it to the Clerk of the Northern District of Illinois 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, or by filing it in person at any location of the United States District Court for the Northern District of Illinois, and (c) be filed or postmarked on or before [REDACTED] [actual date to be 14 days before Final Fairness Hearing]. The objection should including the following information: (1) the objecting Settlement Class member's full name, current address, and current telephone number, and, if represented by counsel, any of his/her/its counsel's name

and contact information; (2) whether the objection applies only to the objecting Settlement Class member, to a specific subset of the Class, 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 wishes to submit in support of his/her/its 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.

21. Any Settlement Class member who files and serves a written comment or objection may also appear at the Final Fairness Hearing either in person or through qualified counsel retained at their own expense. Any comment or objection that is timely filed or postmarked will be considered by the Court even in the absence of a personal appearance by the Settlement Class member or that Settlement Class member's counsel.

22. The Parties may file written responses to any objections not later than seven (7) calendar days before the Final Fairness Hearing or submit an oral response at the Final Fairness Hearing.

Termination of Settlement

23. This Order shall become null and void, ab initio, and shall be without prejudice to the rights of the Parties, all of whom shall be deemed to have reverted to their respective status in the Action as of [DATE THE SETTLEMENT AGREEMENT WAS FULLY EXECUTED] (for Plaintiff and Defendant), if the Settlement is terminated in accordance with the terms of the Agreement.

Use of Order

24. This Order is not admissible as evidence for any purpose against the Defendant or the Released Parties in any pending or future litigation. This Order: (a) shall not give rise to any inference of, and shall not be construed or used as an admission, concession, or declaration against any of the Defendant or the Released Parties of wrongdoing or liability in the Action or any other proceeding; (b) is not an admission of any liability of any kind, whether legal or factual; (c) shall not be used or received in evidence in any action or proceeding for any purpose, except

in an action or proceeding to enforce the Settlement Agreement, whether affirmatively or defensively; (d) shall not be construed or used as an admission, concession, or declaration by or against Plaintiffs, the Plan, or the Settlement Class members that their claims lack merit or that the relief requested in the Action is inappropriate, improper or unavailable; and (e) shall not be construed or used as an admission, concession, declaration or waiver by any party of any arguments, defenses, or claims he, she, or it may have in the event that the Agreement is terminated. This Order and the Settlement Agreement and any proceedings taken pursuant to the Settlement Agreement are for settlement purposes only.

Jurisdiction

25. The Court may adjourn or continue the Fairness Hearing without further direct notice to the Settlement Class members other than by notice to Class Counsel and retains jurisdiction to consider all further applications or matters arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Parties, if appropriate, without further notice to the Class.

IT IS SO ORDERED.

Dated:

HON. LINDSAY C. JENKINS
U.S. DISTRICT JUDGE

EXHIBIT D

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

BRANDON HATHEWAY, on behalf of himself
and all others similarly situated,

Plaintiff,

vs.

INTERNATIONAL MOTORS, LLC,

Defendant.

Civil Action No.: 1:25-CV-07989

[PROPOSED] FINAL APPROVAL ORDER AND JUDGMENT

WHEREAS, Plaintiff and Class Representative Brandon Hatheway (“Plaintiff” or “Class Representative”) in the action *Hatheway, et al. v. International Motors, Inc.*, Case No. 1:25-CV-07989, on behalf of himself and the Class, on the one hand, and Defendant International Motors, Inc.. (“Defendant”) on the other hand, have entered into a Settlement Agreement and Release dated [EFFECTIVE DATE OF SETTLEMENT AGREEMENT] (the “Agreement” or “Settlement Agreement”), which provides for a complete dismissal with prejudice of all claims asserted in the Action against Defendant by the Class on the terms and conditions set forth in the Agreement, subject to the approval of this Court (the “Settlement”);

WHEREAS, the capitalized terms not defined in this Final Approval Order and Judgment shall have the same meaning ascribed to them in Article 1 of the Agreement;

WHEREAS, by Order dated _____, 2026 (the “Preliminary Approval Order”), this Court (1) preliminarily certified the Class for settlement purposes only; (2) preliminarily approved the Settlement; (3) appointed a Settlement Administrator; (4) directed notice be given to the Class and approved the form and manner of Notice; (5) approved the Plan of Allocation; and (6) scheduled a Fairness Hearing;

WHEREAS, the Court conducted a hearing on _____, 2026 (the “Fairness Hearing”), to consider, among other things: (1) whether the Class should be certified for settlement purposes only; (2) whether the proposed Settlement on the terms and conditions provided for in the Agreement is fair, reasonable, adequate, and in the best interests of the Class and should be finally approved by the Court; (3) whether Class Counsel’s Fees and Costs Application is reasonable and should be approved; (4) whether Plaintiff’s requests for Case Contribution Awards are reasonable and should be approved; and (5) whether this Final Approval Order and Judgment

should be entered dismissing with prejudice all claims asserted in the Action against Defendant;
and

WHEREAS, the Court having reviewed and considered the Agreement, all papers filed and proceedings held herein in the Action in connection with the Settlement, all oral and written comments received regarding the Settlement, and the record in the Action, and good cause appearing therefor;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. **Jurisdiction**: The Court has jurisdiction over the subject matter of the Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the parties and each of the Settlement Class members.

2. **Incorporation of Settlement Documents**: This Final Approval Order and Judgment incorporates and makes a part hereof: (a) the Agreement filed with the Court on [DATE], including the exhibits submitted therewith; and (b) the Notice approved by the Court on ____, 2026.

3. **Class Certification**: The Court has held that the non-opt out Class should be certified under Federal Rule of Civil Procedure 23(a) and 23(b)(1), under the terms of the Agreement. The Court confirms that the class preliminarily certified under Fed. R. Civ. P. 23(b)(1) is appropriate for the reasons set forth in its Preliminary Approval Order, and hereby finally certifies the following non-opt-out class:

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

4. **Notice**: The Court finds that the dissemination of the Notice: (a) was implemented in accordance with the Preliminary Approval Order; (b) constituted the best notice reasonably

practicable under the circumstances; (c) constituted notice that was reasonably calculated, under the circumstances, to apprise all Settlement Class members of the pendency of the Action, of the effect of the Settlement (including the releases provided for therein), of their right to object to the Settlement and appear at the Fairness Hearing, of Class Counsel's Motion for Attorneys' Fee and Costs, and of the Class Representative's request for Case Contribution Awards; (d) constituted due, adequate, and sufficient notice to all persons or entities entitled to receive notice of the proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution including the Due Process Clause, and all other applicable law and rules.

Objections: The Court finds that there were no objections submitted to the Settlement Agreement, to the Administration Expenses, to the Motion for Attorneys' Fees and Costs, and the Class Representative's request for Case Contribution Awards.

Final Settlement Approval: Pursuant to Fed. R. Civ. P. 23(e), the Court hereby approves the Settlement and the terms therein as a fair, reasonable, and adequate settlement and compromise of the claims asserted in the Class Action. The Court finds that the Settlement is fair, reasonable, and adequate to the Plan and Settlement Class members based on the following findings of fact, conclusions of law, and determinations of mixed fact/law questions:

- a. The Settlement resulted from arm's-length negotiations by experienced and competent counsel;
- b. The Settlement was negotiated only after Class Counsel had conducted a pre-settlement investigation and received pertinent information and documents from Defendant in discovery;

- c. Class Counsel and Plaintiff were well-positioned to evaluate the value of the Action;
- d. If the Settlement had not been achieved, Plaintiff and the Settlement Class members faced significant expense, risk, and uncertainty in connection with the litigation, which likely would have been prolonged;
- e. The amount of the Settlement is fair, reasonable, and adequate in light of the claims that were asserted, the risks of litigation, and settlements in other similar cases, and the Plan of Allocation is also fair, reasonable, and appropriate;
- f. The Class Representative and Class Counsel support the Settlement, and have concluded that the Agreement is fair, reasonable, and adequate;
- g. Settlement Class members had the opportunity to be heard on all issues relating to the Settlement and the requested Administrative Expenses, Attorneys' Fees and Costs, and Class Representative's Case Contribution Awards by submitting objections to the Settlement Agreement to the Court. There were no objections to the Settlement.
- h. The Settlement also was reviewed by an Independent Fiduciary, who has approved and authorized the Settlement.

7. The Motion for Final Approval of the Settlement Agreement is hereby GRANTED, the Settlement of the Class Action is APPROVED as fair, reasonable, and adequate to the Plan and the Settlement Class, and the Parties are hereby directed to take the necessary steps to effectuate the terms of the Agreement.

8. Plaintiffs' Motion for Attorneys' Fees and Costs, and Class Representative's Case Contribution Awards, is hereby approved.

9. Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court fully and finally approves the Settlement set forth in the Agreement in all respects including, without limitation, the terms of the Settlement; the releases provided for therein; and the dismissal with prejudice of the claims asserted in the Action, and finds that the Settlement is, in all respects, fair, reasonable, and adequate, and is in the best interests of Plaintiffs, the Class, and the Plan. The Parties are directed to implement, perform, and consummate the Settlement in accordance with the terms and provisions of the Agreement.

10. The Settlement Administrator shall have final authority to determine the share of the Net Settlement Amount to be allocated to each Settlement Class member pursuant to the Plan of Allocation.

11. Within thirty (30) calendar days following the issuance of all settlement payments to Settlement Class members as provided by the Plan of Allocation, the Settlement Administrator shall prepare and provide to Defense Counsel a list of each person who received a settlement payment or contribution from the Qualified Settlement Fund and the amount of such payment or contribution.

12. **Dismissal of Claims:** As of the Settlement Effective Date, pursuant to Fed. R. Civ. P. 54(b), all of the Claims against Defendant are dismissed with prejudice. The Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Agreement.

13. **Binding Effect:** The terms of the Agreement and of this Final Approval Order and Judgment shall be forever binding on Defendant, Plaintiffs, and all Settlement Class members, as well as their respective current and former beneficiaries, heirs, descendants, dependents, marital communities, administrators, executors, representatives, predecessors, successors, and assigns, and as described under the Agreement.

14. **CAFA:** Pursuant to the Class Action Fairness Act, 29 U.S.C. § 1711, et seq., a separate notice of the Settlement (“CAFA Notice”) was provided to the Attorneys General for each of the states in which a Settlement Class member resides, the Attorney General of the United States, and the United States Secretary of Labor. All requirements of the Class Action Fairness Act (“CAFA”), 29 U.S.C. § 1711, et seq., have been met, and Defendant have fulfilled their obligations under CAFA.

15. **Releases:** The releases of the Released Claims, as set forth in the Agreement (the “Releases”), are expressly incorporated herein in all respects. The Releases are effective as of the date of the entry of this Final Approval Order and Judgment.

16. **No Admissions:** This Final Approval Order and Judgment, the Preliminary Approval Order, the Agreement, including the exhibits thereto and the Plan of Allocation contained therein (or any other plan of allocation that may be agreed-upon by the Parties or approved by the Court) and any other supporting papers, and any related negotiations or proceedings: (a) shall not give rise to any inference of, and shall not be construed or used as an admission, concession, or declaration against the Defendant or Released Parties of wrongdoing or liability in the Action or any other proceeding; (b) are not an admission of any liability of any kind, whether legal or factual; (c) shall not be used or received in evidence in any action or proceeding for any purpose, except in an action or proceeding to enforce the Agreement, whether affirmatively or defensively; (d) shall not be construed or used as an admission, concession, or declaration by or against Plaintiffs, the Plan, or the Class that their claims lack merit or that the relief requested in the Action is inappropriate, improper, or unavailable; and (e) shall not be construed or used as an admission, concession, declaration, or waiver by any Party of any arguments, defenses, or claims he, she, or it may have in the event that the Agreement is

terminated. This Final Approval Order and the Agreement and any proceedings taken pursuant to the Agreement are for settlement purposes only.

17. **Retention of Jurisdiction:** Without affecting the finality of this Final Approval Order and Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of the administration, interpretation, implementation, and enforcement of the Settlement; (b) the disposition of the Settlement Fund; (c) Class Counsel's Fee and Expense Application and the Class Representative's request for Case Contribution Awards; and (d) the Settlement Class members for all matters relating to the Action.

18. **Modification of the Agreement:** Without further approval from the Court, Plaintiffs and Defendant are authorized to agree to and adopt such amendments or modifications of the Agreement or any exhibits attached thereto to effectuate this Settlement that: (a) are not materially inconsistent with this Final Approval Order and Judgment; and (b) do not materially limit the rights of Settlement Class members in connection with the Settlement.

19. **Termination:** If the Settlement does not go into effect or is terminated as provided for in the Agreement, then this Final Approval Order and Judgment (and any orders of the Court relating to the Settlement) shall be vacated, rendered null and void, and be of no further force or effect, except as otherwise provided by the Agreement.

20. **Entry of Final Judgment:** There is no just reason to delay entry of this Final Approval Order and Judgment as a final judgment with respect to the claims asserted in the Action. Accordingly, the Clerk of the Court is expressly directed to immediately enter this Final Approval Order and Judgment pursuant to Fed. R. Civ. P. 54(b).

IT IS SO ORDERED.

4908-3458-6004, v. 3










2026 03 06 Hatheway Class Settlement Agreement (Final)

Final Audit Report

2026-03-06

Created:	2026-03-06
By:	Courtney Barousse (Courtney.Barousse@jacksonlewis.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAkofZ3TnW8T0gETvOeY2RVqroFQAadyTxX

"2026 03 06 Hatheway Class Settlement Agreement (Final)" History

-  Document created by Courtney Barousse (Courtney.Barousse@jacksonlewis.com)
2026-03-06 - 4:38:13 PM GMT
-  Document emailed to lindsey.chopin@jacksonlewis.com for signature
2026-03-06 - 4:40:03 PM GMT
-  Email viewed by lindsey.chopin@jacksonlewis.com
2026-03-06 - 4:41:25 PM GMT
-  Signer lindsey.chopin@jacksonlewis.com entered name at signing as Lindsey Chopin
2026-03-06 - 4:44:06 PM GMT
-  Document e-signed by Lindsey Chopin (lindsey.chopin@jacksonlewis.com)
Signature Date: 2026-03-06 - 4:44:08 PM GMT - Time Source: server
-  Document emailed to Oren Faircloth (ofaircloth@sirillp.com) for signature
2026-03-06 - 4:44:11 PM GMT
-  Email viewed by Oren Faircloth (ofaircloth@sirillp.com)
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