

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA
NORTHERN DIVISION**

Annie Arnold, individually and on behalf of all others
similarly situated,

Plaintiff,

v.

STATE FARM FIRE AND CASUALTY
COMPANY,

Defendant.

Civ. Act. No: 2:17-cv-148-TFM-C

DECLARATION OF KIMBERLY K. NESS REGARDING SETTLEMENT

ADMINISTRATION

I, KIMBERLY K. NESS, declare and state as follows:

1. I am a Director of JND Legal Administration LLC (“JND”). JND is a legal administration services provider with its headquarters located in Seattle, Washington. JND has extensive experience with all aspects of legal administration and has administered settlements in hundreds of class action cases. This Declaration is based on my personal knowledge, as well as upon information provided to me by experienced JND employees, and if called upon to do so, I could and would testify competently thereto.

2. JND is serving as the Administrator¹ in the above-captioned litigation (“Action”) for the purposes of administering the Stipulation and Settlement Agreement Among Plaintiff and Class Representative Annie Arnold and Additional Class Representatives Bobby Abney, Tina Daniel,

¹ Capitalized terms used and otherwise not defined in this Declaration shall have the meanings given such terms in the Agreement.

and Kenneth Scruggs, Individually and on Behalf of a Settlement Class, and Defendant State Farm Fire And Casualty Company (“Agreement”) preliminarily approved by the Court in its Order Granting Preliminary Approval of Class Settlement, Directing Notice to the Class, Scheduling a Final Approval Hearing, and Preliminarily Certifying Settlement Class (“Preliminary Approval Order”), dated on April 25, 2022.

3. This Declaration is being filed to report on settlement administration.

CAFA NOTICE

4. In compliance with the Class Action Fairness Act (“CAFA”), 28 U.S.C. § 1715, JND compiled a CD-ROM containing the following documents:

- a. Plaintiff’s Class Action Complaint, filed on March 8, 2017;
- b. State Farm Fire and Casualty Company’s Answer and Additional Defenses to Plaintiff’s Complaint, filed on August 17, 2017;
- c. Plaintiff’s Unopposed Motion for Preliminary Approval of Class Action Settlement, including exhibits, filed on February 9, 2022;
- d. Plaintiff’s Memorandum of Law in Support of Unopposed Motion for Preliminary Approval of Class Action Settlement, filed on February 9, 2022;
- e. The Proposed Stipulation and Settlement Agreement, filed on February 9, 2022 (as an exhibit to Plaintiff’s Unopposed Motion for Preliminary Approval);
- f. and State Farm Fire and Casualty Company’s Separate Submission in Support of Preliminary Approval of Proposed Class Settlement, filed on February 9, 2022.

5. The CD-ROM was mailed on February 17, 2022, to the appropriate Federal and State officials identified in the attachment with an accompanying cover letter and chart of proportionate share of potential class members by state, a copy of which is attached hereto as

Exhibit A.

CLASS MEMBER DATA

6. On February 10, 2022, JND received a spreadsheet containing the names, mailing addresses, claim numbers, policy numbers, dates of loss, and loss locations of individuals identified as potential Class Members.

7. Prior to mailing notices, JND analyzed the raw data to remove duplicate records and consolidated records, resulting in 54,377 unique Class Member records. JND updated the Class Member contact information using data from the National Change of Address (“NCOA”) database.² The Class Member data was promptly loaded into a database established for this Action.

NOTICE MAILING

8. Pursuant to the Settlement, on June 9, 2022, JND sent the Court-approved Class Notice and Claim Form (“Notices”) via U.S Postal Service regular mail to the 54,377 unique Class Members. In the event a Class Member record had more than one mailing address, the Notice was mailed to each address. A representative sample of the Class Notice and Claim Form is attached hereto as **Exhibit B**.

9. As of September 8, 2022, of the total 58,521 Notices mailed, 396 Notices were forwarded to updated addresses by USPS. 2,459 Notices were returned to JND as undeliverable. For the 2,459 undeliverable Notices (which did not have updated address information from USPS), JND conducted advanced address searches and received updated address information for 1,020 Class Members. JND re-mailed the Notice and Claim Form to the 1,020 Class Members, and 182 Notices were returned to JND as undeliverable.

10. On September 9, 2022, JND mailed the Court-approved Postcard Notice to the Class Members who did not submit a claim or exclusion request. A representative sample of the Postcard Notice is attached hereto as **Exhibit C**.

² The NCOA database is the official United States Postal Service (“USPS”) technology product which makes changes of address information available to mailers to help reduce undeliverable mail pieces before mail enters the mail stream.

SETTLEMENT WEBSITE

11. On June 9, 2022, JND established a Settlement Website (www.Arnold-v-StateFarm.com), which hosts copies of important case documents (including, but not limited to, downloadable copies of the Agreement and exhibits, Preliminary Approval Order, and the Long Form Notice and Claim Form in English and Spanish), answers to frequently asked questions, and contact information for the Administrator.

12. As of September 8, 2022, the Settlement Website has tracked 4,556 unique users who registered 17,604 page views.

TOLL-FREE INFORMATIONAL LINE

13. On June 9 2022, JND established a case-specific toll-free telephone number (1-877-540-0864) for Class Members to call to obtain information about the Settlement. Class Members also have the ability to leave a voicemail message for the Administrator and request to be mailed a copy of the Class Notice and/or Claim Form in English or Spanish. The toll-free number is accessible 24 hours a day, 7 days a week.

14. As of September 8, 2022, the toll-free number has received 2,046 calls.

REQUESTS FOR EXCLUSION

15. The Class Notice informed Class Members who wanted to exclude themselves from the Settlement (“opt-out”) that they must do so by submitting an exclusion request letter to the Settlement Administrator, postmarked on or before August 24, 2022.

16. As of September 8, 2022, JND has received seven (7) timely and complete exclusion requests from Walter Snow Bryant and Sarah Bryant (co-borrowers), Curtis W Mc Leod, Sharon Fedorenchik, Stacy Ryan and John Ryan (co-borrowers), Ricky Martin and Chris Martin (co-borrowers), Dennis O’Keefe, and Allen J Seehusen.

OBJECTIONS

17. The Class Notice informed recipients that any Class Members who would like to object to the Settlement may do so by filing a written objection with the Court (and mailing a timely postmarked copy of the written objection to the Administrator) by August 24, 2022.

18. As of September 8, 2022, JND has not received any objections.

CLAIMS RECEIVED

19. Pursuant to the terms of the Agreement, Class Members must submit a complete and timely Claim Form to JND in order to be eligible for a settlement payment. The Claim Form must be uploaded on the Settlement Website or timely postmarked by October 24, 2022 if submitted by mail.

20. Because the time period for Class Members to submit a claim is still open, JND is still receiving and processing claims. The final list of claims received will not be known until after the claim filing deadline passes on October 24 2022.

21. JND is in the process of receiving, reviewing, and validating claim submissions, and can, upon request, provide a supplemental declaration with final claim counts following the claim filing deadline.

I declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on September 13, 2022 at Faribault, Minnesota.



KIMBERLY K. NESS

EXHIBIT A



Jacob L. Kahn
(312) 471-8760
jkahn@rshc-law.com

February 17, 2022

VIA FEDERAL EXPRESS

The Attorneys General, State Insurance
Commissioners and Federal Reserve Bank
Identified in the attached Exhibit A

**Re: Arnold v. State Farm Fire and Casualty Company,
No. 2:17-CV-148-TFM-C (S.D. Ala.)**

To Whom It May Concern:

Pursuant to the notice provisions of the Class Action Fairness Act, 28 U.S.C. § 1715, Defendant State Farm Fire and Casualty Company (“State Farm”) hereby provides this Notice of the proposed class action settlement in the above-referenced matter, currently pending in the U.S. District Court for the Southern District of Alabama, Northern Division.

On February 9, 2022, Plaintiff Annie Arnold (“Plaintiff”) and additional class representatives Bobby Abney, Tina Daniel, and Kenneth Scruggs (“Additional Class Representatives”) filed an Unopposed Motion for Preliminary Approval of Class Action Settlement and Memorandum in Support (Doc. 196), and State Farm filed its Separate Submission in Support of Preliminary Approval of Proposed Class Settlement (Doc. 197).

Pursuant to 28 U.S.C. §§ 1715(b)(1), (2), (3), (4), (5), (7) and (8), enclosed please find copies of the following on the accompanying CD:

- Plaintiff’s Class Action Complaint, filed on March 8, 2017 (Doc. 1-2) [included on the accompanying CD as Exhibit 1];
- State Farm Fire and Casualty Company’s Answer and Additional Defenses to Plaintiff’s Complaint, filed on August 17, 2017 (Doc. 34) [included on the accompanying CD as Exhibit 2];
- Plaintiff’s Unopposed Motion for Preliminary Approval of Class Action Settlement, including exhibits, filed on February 9, 2022 (Doc. 196) [included on the accompanying CD as Exhibit 3];
- Plaintiff’s Memorandum of Law in Support of Unopposed Motion for Preliminary Approval of Class Action Settlement, filed on February 9, 2022 (Doc. 196-6) [included on the accompanying CD as Exhibit 4];
- The Proposed Stipulation and Settlement Agreement, filed on February 9, 2022 (as an exhibit to Plaintiff’s Unopposed Motion for Preliminary Approval) (Doc. No. 196-1) [included on the accompanying CD as Exhibit 5]; and

February 17, 2022

Page 2

- State Farm Fire and Casualty Company's Separate Submission in Support of Preliminary Approval of Proposed Class Settlement, filed on February 9, 2022 (Doc. 197 [included on the accompanying CD as Exhibit 6].

This matter is pending before Judge Terry F. Moorer of the United States District Court for the Southern District of Alabama. With respect to 28 U.S.C. § 1715(b)(2), no preliminary approval hearing or final approval (or "fairness") hearing has yet been scheduled.

With respect to 28 U.S.C. § 1715(b)(3), potential class members will receive notice of the proposed settlement and an opportunity to request exclusion from the lawsuit and the settlement. The proposed notification and procedures for requesting exclusion are set forth in the proposed Settlement Agreement itself [included on the accompanying CD at Exhibit 5] and at Exhibits 2 and 5 of the Proposed Settlement Agreement.

With respect to 28 U.S.C. § 1715(b)(5), there has been no other settlement or agreement contemporaneously made between (i) Counsel for Plaintiff and the Additional Class Representatives and (ii) Counsel for State Farm, other than the proposed Settlement Agreement submitted herewith. With regard to 28 U.S.C. § 1715(b)(6), there has been no final judgment or notice of dismissal filed relating to the proposed settlement.

With respect to 28 U.S.C. § 1715(b)(7), because of the difficulty in conclusively identifying class members, State Farm does not have a precise listing of class members. State Farm has been able to identify the names and addresses of *potential* class members to whom class notice is being sent by mail, but notes that some of the recipients of the notice will not be class members. Accordingly, pursuant to 28 U.S.C. § 1715(b)(7)(B), State Farm provides herewith a table containing reasonable estimate of the potential class members residing in each State and the estimated proportionate share of such potential class members in each State.

Please do not hesitate to contact me with any questions pertaining to this Notice.

Respectfully submitted,



Jacob L. Kahn
*One of the Attorneys for Defendant
State Farm Fire and Casualty Company*

Enclosures

Arnold v. State Farm Fire and Casualty Company

Case No. 2:17-CV-148-TFM-C (S.D. Ala.)

Proportionate Share of Potential Class Members by State

State	# of Potential Class Members	% of Class
Armed Forces Europe	6	0.00834%
Alaska	10	0.01390%
Alabama	66,954	93.07052%
Armed Forces Pacific	5	0.00695%
Arkansas	56	0.07784%
Arizona	55	0.07645%
California	223	0.30998%
Colorado	74	0.10286%
Connecticut	8	0.01112%
District of Columbia	5	0.00695%
Delaware	6	0.00834%
Florida	915	1.27191%
Georgia	977	1.35810%
Guam	1	0.00139%
Hawaii	10	0.01390%
Iowa	19	0.02641%
Idaho	11	0.01529%
Illinois	82	0.11399%
Indiana	64	0.08896%
Kansas	23	0.03197%
Kentucky	87	0.12094%
Louisiana	125	0.17376%
Massachusetts	22	0.03058%
Maryland	39	0.05421%
Maine	1	0.00139%
Michigan	66	0.09174%
Minnesota	24	0.03336%
Missouri	54	0.07506%
Mississippi	292	0.40590%
Montana	14	0.01946%
North Carolina	135	0.18766%
North Dakota	2	0.00278%
Nebraska	8	0.01112%
New Hampshire	8	0.01112%
New Jersey	23	0.03197%
New Mexico	21	0.02919%
Nevada	23	0.03197%
New York	57	0.07923%
Ohio	60	0.08340%
Oklahoma	39	0.05421%
Oregon	20	0.02780%
Pennsylvania	49	0.06811%
Puerto Rico	2	0.00278%
Rhode Island	1	0.00139%

Arnold v. State Farm Fire and Casualty Company

Case No. 2:17-CV-148-TFM-C (S.D. Ala.)

Proportionate Share of Potential Class Members by State

State	# of Potential Class Members	% of Class
South Carolina	121	0.16820%
South Dakota	5	0.00695%
Tennessee	583	0.81041%
Texas	327	0.45455%
Utah	16	0.02224%
Virginia	118	0.16403%
Vermont	1	0.00139%
Washington	39	0.05421%
Wisconsin	25	0.03475%
West Virginia	20	0.02780%
Wyoming	3	0.00417%
International	5	0.00695%
Total	71,939	

The Attorneys General and appropriate Federal and State officials

Treg R. Taylor
Office of the Attorney General
1031 W 4th Ave, Ste 200
Anchorage, AK 99501

Steve Marshall
Attorney General's Office
501 Washington Ave
Montgomery, AL 36104

Leslie Rutledge
Office of the Attorney General
323 Center St
Ste 200
Little Rock, AR 72201

Mark Brnovich
Office of the Attorney General
2005 N Central Ave
Phoenix, AZ 85004

CAFA Coordinator
Office of the Attorney General
Consumer Protection Section
455 Golden Gate Ave., Ste 11000
San Francisco, CA 94102

Phil Weiser
Office of the Attorney General
Ralph L. Carr Judicial Building
1300 Broadway, 10th Fl
Denver, CO 80203

William Tong
Office of the Attorney General
165 Capitol Ave
Hartford, CT 06106

Kathy Jennings
Delaware Department of Justice
Carvel State Office Building
820 N French Street
Wilmington, DE 19801

Ashley Moody
Office of the Attorney General
State of Florida
PL-01 The Capitol
Tallahassee, FL 32399

Chris Carr
Office of the Attorney General
40 Capitol Sq SW
Atlanta, GA 30334

Holly T. Shikada
Department of the Attorney General
425 Queen Street
Honolulu, HI 96813

Thomas J. Miller
Office of the Attorney General
Hoover State Office Building
1305 E. Walnut Street Rm 109
Des Moines, IA 50319

Lawrence G. Wasden
Office of the Attorney General
700 W. Jefferson St, Suite 210
Boise, ID 83720

Kwame Raoul
Office of the Attorney General
James R. Thompson Center
100 W. Randolph St
Chicago, IL 60601

Todd Rokita
Office of the Attorney General
Indiana Government Center South
302 W Washington St 5th Fl
Indianapolis, IN 46204

Derek Schmidt
Office of the Attorney General
120 SW 10th Ave
2nd Fl
Topeka, KS 66612

Daniel Cameron
Office of the Attorney General
Capitol Building
700 Capitol Ave Ste 118
Frankfort, KY 40601

Jeff Landry
Office of the Attorney General
1885 N. Third St
Baton Rouge, LA 70802

CAFA Coordinator
General Counsel's Office
Office of Attorney General
One Ashburton Pl, 20th Floor
Boston, MA 02108

Brian E. Frosh
Office of the Attorney General
200 St. Paul Pl
Baltimore, MD 21202

Aaron Frey
Office of the Attorney General
6 State House Station
Augusta, ME 04333

Dana Nessel
Department of Attorney General
G. Mennen Williams Building, 7th Fl
525 W Ottawa St
Lansing, MI 48933

Keith Ellison
Office of the Attorney General
445 Minnesota St
Suite 1400
St. Paul, MN 55101

Eric Schmitt
Attorney General's Office
Supreme Court Building
207 W High St
Jefferson City, MO 65101

Lynn Fitch
Office of the Attorney General
Walter Sillers Building
550 High St Ste 1200
Jackson, MS 39201

Austin Knudsen
Office of the Attorney General
Justice Building, Third Fl
215 N. Sanders
Helena, MT 59601

Josh Stein
Attorney General's Office
114 W Edenton St
Raleigh, NC 27603

Wayne Stenehjem
Office of the Attorney General
State Capitol, 600 E Boulevard Ave
Dept. 125
Bismarck, ND 58505

Doug Peterson
Attorney General's Office
2115 State Capitol
Lincoln, NE 68509

John Formella
Office of the Attorney General
NH Department of Justice
33 Capitol St.
Concord, NH 03301

Andrew J. Bruck
Office of the Attorney General
Richard J. Hughes Justice Complex
25 Market St 8th Fl, West Wing
Trenton, NJ 08611

Hector Balderas
Office of the Attorney General
Villagra Building
408 Galisteo Street
Santa Fe, NM 87501

Aaron Ford
Office of the Attorney General
Old Supreme Court Building
100 N Carson St
Carson City, NV 89701

CAFA Coordinator
Office of the Attorney General
28 Liberty St
15th Fl
New York, NY 10005

Dave Yost
Attorney General's Office
State Office Tower
30 E Broad St 14th Fl
Columbus, OH 43215

John O'Connor
Office of the Attorney General
313 NE 21st St
Oklahoma City, OK 73105

Ellen F. Rosenblum
Oregon Department of Justice
Justice Building
1162 Court St NE
Salem, OR 97301

Josh Shapiro
PA Office of the Attorney General
Strawberry Square 16th Fl
Harrisburg, PA 17120

Peter F. Neronha
Office of the Attorney General
150 S Main St
Providence, RI 02903

Alan Wilson
Office of the Attorney General
Rembert C. Dennis Bldg
1000 Assembly St Rm 519
Columbia, SC 29201

Jason Ravnsborg
Office of the Attorney General
1302 E Highway 14
Ste 1
Pierre, SD 57501

Herbert H. Slatery, III
Office of the Attorney General
500 Dr Martin L King Jr Blvd
Nashville, TN 37243

Ken Paxton
Office of the Attorney General
300 W. 15th St
Austin, TX 78701

Sean D. Reyes
Office of the Attorney General
Utah State Capitol Complex
350 North State St Ste 230
Salt Lake City, UT 84114

Jason S. Miyares
Office of the Attorney General
202 N. Ninth St.
Richmond, VA 23219

T.J. Donovan
Attorney General's Office
109 State St.
Montpelier, VT 05609

Bob Ferguson
Office of the Attorney General
1125 Washington St SE
Olympia, WA 98501

Josh Kaul
Attorney General's Office
P.O. Box 7857
Madison, WI 53707

Patrick Morrissey
Office of The Attorney General
State Capitol, 1900 Kanawha Blvd E
Building 1 Rm E-26
Charleston, WV 25305

Bridget Hill
Office of the Attorney General
State Capitol Building
200 W 24th St
Cheyenne, WY 82002

Karl A. Racine
Office of the Attorney General
400 6th St NW
Washington, DC 20001

Merrick Garland
Office of the U.S. Attorney General
U.S. Department of Justice
950 Pennsylvania Ave NW
Washington, DC 20530

Leevin Taitano Camacho
Office of the Attorney General
Administration Division
590 S Marine Corps Dr, Suite 901
Tamuning, GU 96913

Domingo Emanuelli Hernández
Dpto. de Justicia de Puerto Rico
Calle Teniente César González 677
Esq. Ave. Jesús T. Piñero
San Juan, PR 00918

Richard Hickson, Attorney General
C/O Marshall Islands Embassy
2433 Massachusetts Ave NW
Washington, DC 20008

Departments of Insurance and Federal Reserve

Lori K Wing-Heier, Director
DCCED Div of Insurance
550 W 7th Ave, Ste 1560
Anchorage, AK 99501

Jim L Ridling, Commr.
Alabama Dept of Insurance
201 Monroe St, Ste 502
Montgomery, AL 36104

Alan McClain, Commr.
Arkansas Insurance Dept
1 Commerce Way
Little Rock, AR 72202

Evan Daniels, Director
DIFI
100 N 15th Ave
Ste 261
Phoenix, AZ 85007

Ricardo Lara, Commr.
California Dept of Insurance
300 Capitol Mall
17th Fl
Sacramento, CA 95814

Michael Conway, Commr.
Colorado DORA Div of Insurance
1560 Broadway
Ste 850
Denver, CO 80202

Andrew N. Mais, Commr.
Connecticut Insurance Dept
153 Market St
7th Fl
Hartford, CT 06103

Trinidad Navarro, Commr.
Delaware Dept of Insurance
1351 West North Street
Suite 101
Dover, DE 19904

David Altmaier, Commr.
Florida Ofc of Insurance Regulation
J Edwin Larson Bldg
200 E Gaines St Rm 101A
Tallahassee, FL 32399

John F. King, Commr.
Ofc of Insurance and Safety
Fire Commissioner
2 MLK Jr Dr, West Tower, Ste 702
Atlanta, GA 30334

Colin M. Hayashida, Commr.
DCCA Insurance Division
King Kalakaua Building
335 Merchant St Rm 213
Honolulu, HI 96813

Doug Ommen, Commr.
Iowa Insurance Division
1963 Bell Ave
Ste 100
Des Moines, IA 50315

Dean L Cameron, Director
Idaho Dept of Insurance
700 W State St
3rd Fl
Boise, ID 83702

Dana P. Severinghaus, Acting Dir.
Illinois Dept of Insurance
320 W Washington St
4th Fl
Springfield, IL 62767

Amy L. Beard, Commr.
Indiana Dept of Insurance
311 W Washington St
Ste 300
Indianapolis, IN 46204

Vicki Schmidt, Commr.
Kansas Insurance Dept
1300 SW Arrowhead Rd
Topeka, KS 66604

Sharon P. Clark, Commr.
Kentucky Dept of Insurance
Mayo-Underwood Building
500 Mero Street, 2 SE 11
Frankfort, KY 40601

James J Donelon, Commr.
Louisiana Dept of Insurance
1702 N Third St
Baton Rouge, LA 70802

Gary D Anderson, Commr.
OCABR Division of Insurance
1000 Washington St
Ste 810
Boston, MA 02118

Kathleen A. Birrane, Commr.
Maryland Insurance Administration
200 St. Paul Pl
Ste 2700
Baltimore, MD 21202

Eric A Cioppa, Superintendent
DPFR Bureau of Insurance
76 Northern Avenue
Gardiner, ME 04345

Anita Fox, Director
DIFS
530 W Allegan St
7th Fl
Lansing, MI 48933

Grace Arnold, Commr.
Minnesota Dept of Commerce
Main Office, Golden Rule Bldg
85 7th Pl E Ste 280
St. Paul, MN 55101

Chlora Lindley-Myers, Director
Missouri DCI
Harry S Truman State Ofc Bldg
301 W High St Rm 530
Jefferson City, MO 65101

Mike Chaney, Commr.
Mississippi Insurance Dept
1001 Woolfolk State Ofc Bldg
501 N West St
Jackson, MS 39201

Troy Downing, Commr.
of Securities and Insurance
Montana State Auditor
840 Helena Ave
Helena, MT 59601

Mike Causey, Commr.
North Carolina Dept of Insurance
Albemarle Bldg
325 N Salisbury St
Raleigh, NC 27603

Jon Godfreed, Commr.
North Dakota Insurance Dept
State Capitol, 600 E Boulevard Ave
Fifth Floor
Bismarck, ND 58505

Eric Dunning, Director
Nebraska Dept of Insurance
1135 M St
Ste 300
Lincoln, NE 68508

Chris Nicolopoulos, Commr.
New Hampshire Insurance Dept
21 S Fruit St
Ste 14
Concord, NH 03301

Marlene Caride, Commr.
NJ Dept of Banking and Insurance
Mary Roebling Bldg
20 W State St
Trenton, NJ 08625

Russell Toal, Superintendent
Ofc of Superintendent of Insurance
1120 Paseo de Peralta
Suite 428
Santa Fe, NM 87501

Barbara D Richardson, Commr.
Nevada Division of Insurance
Dept of Business and Industry
1818 E College Pkwy Ste 103
Carson City, NV 89706

Adrienne A. Harris, Acting Supt.
Dept of Financial Services
One State St
New York, NY 10004

Judith L. French, Director
Ohio Dept of Insurance
50 W Town St
Third Fl Ste 300
Columbus, OH 43215

Glen Mulready, Commr.
Oklahoma Insurance Department
400 NE 50th St
Oklahoma City, OK 73105

TK Keen, Administrator
Division of Financial Regulation
350 Winter St NE
Room 410
Salem, OR 97301

Jessica K Altman, Commr.
Pennsylvania Insurance Dept
1326 Strawberry Square
13th Fl
Harrisburg, PA 17120

Elizabeth Kelleher Dwyer
Superintendent, Div of Insurance
Dept of Business Regulation
1511 Pontiac Ave Bldg 69-2
Cranston, RI 02920

Raymond G Farmer, Director
South Carolina Dept of Insurance
Capitol Center
1201 Main St Ste 1000
Columbia, SC 29201

Marcia Hultman, Secretary
Dept of Labor and Regulation
Division of Insurance
124 S Euclid Ave 2nd Fl
Pierre, SD 57501

Carter Lawrence, Commr.
Dept of Commerce and Insurance
Davy Crockett Tower 12th Fl
500 James Robertson Pkwy
Nashville, TN 37243

Cassie Brown, Commr.
Texas Dept of Insurance
333 Guadalupe St
Austin, TX 78701

Jonathan T. Pike, Commr.
Utah insurance Dept
4315 S 2700 W
Ste 2300
Taylorsville, UT 84129

Scott A White, Commr.
State Corporation Commission
Bureau of Insurance
Tyler Bldg 1300 E Main St
Richmond, VA 23219

Michael Pieciak, Commr
Dept of Financial Regulation
89 Main St
3rd Fl
Montpelier, VT 05620

Mike Kreidler, Commr.
Ofc of the Insurance Commissioner
5000 Capitol Blvd SE
Tumwater, WA 98501

Nathan Houdek, Commr.
Ofc of the Commr of Insurance
125 S Webster St
GEF III - Second Fl
Madison, WI 53703

Allan L. McVey, Commr.
Ofcs of the Insurance Commissioner
900 Pennsylvania Ave
Building 1 Rm E-26
Charleston, WV 25302

Jeff Rude, Commr.
Wyoming Dept of Insurance
106 E 6th Ave
Cheyenne, WY 82002

Karima Woods, Commr.
Dept of Insurance, Securities
and Banking
1050 First St NE Ste 801
Washington, DC 20002

Alexander Adams, Commr.
Oficina del Comisionado de Seguros
Edificio World Plaza 906
268 Ave. Muñoz Rivera
San Juan, PR 00918

Dafne M. Shimizu, Director
Guam Dept of Revenue and Taxation
Regulatory Division
1240 Army Dr
Barrigada, GU 96913

Jerome H. Powell, Chairman
U.S. Federal Reserve Bank
20th St. and Constitution Ave., NW
Washington, DC 20551

EXHIBIT B

UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF ALABAMA
Arnold v. State Farm Fire and Casualty Company

NOTICE OF CLASS ACTION SETTLEMENT

A federal court authorized this notice.

This is not an advertisement or a solicitation from a lawyer.

PLEASE READ THIS NOTICE IN ITS ENTIRETY

If you made a claim to State Farm for structural damage to a dwelling or other structure located in Alabama based on a loss that occurred between March 8, 2011 and August 3, 2017, and you received a payment or an estimate for damage repair from State Farm, this class action settlement may affect your rights.

- A policyholder sued State Farm Fire and Casualty Company (“State Farm”) for depreciating the estimated costs of the labor and other non-material costs needed to repair or replace damaged structures when making actual cash value (“ACV”) payment(s) to Alabama policyholders under State Farm insurance policies. The Court allowed the lawsuit to proceed as a “class action” on behalf of a “Class” of persons and entities who made a structural damage claim under a State Farm policy for damage to a dwelling or other structure located in Alabama based on a loss that occurred between March 8, 2011 and August 3, 2017, which resulted in an ACV payment on which depreciation was applied to estimated labor and other non-material costs, or which would have resulted in such a payment but for the application of such depreciation.
- The parties have now reached a proposed settlement of the lawsuit, which is subject to the Court’s final approval.
- Your legal rights are affected whether you act or don’t act. Your options are explained in this notice.
- You may be eligible for a payment if you qualify and timely submit a valid claim form. **There is a deadline to act.** No payments will be made until the Court approves the settlement and all appeals are resolved.
- Please read this notice carefully.
- **Have a question? Read on and then visit www.Arnold-v-StateFarm.com or call 1-877-540-0864.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

SUBMIT A CLAIM FORM (Deadline: October 24, 2022)	The only way to get a payment if you qualify.
ASK TO BE EXCLUDED (Deadline: August 24, 2022)	You will receive no payment. This is the only option that allows you to ever be part of any other lawsuit against State Farm over the legal claims in this case.
OBJECT (Deadline: August 24, 2022)	Write to the Court about why you don’t agree with the settlement.
GO TO A HEARING (Scheduled for September 23, 2022)	Ask to speak in Court about the settlement.
DO NOTHING	You will get no payment. You give up rights.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION.....3

1. Why was this notice issued?3

2. What is this lawsuit about?3

3. What is a class action and who is involved?3

4. Why is there a settlement?3

WHO IS IN THE SETTLEMENT4

5. Who is in the Settlement Class?.....4

6. Are there exceptions to being included?4

7. Understanding Class Membership.4

8. I’m still not sure if I’m included.5

YOUR LEGAL RIGHTS AND OPTIONS5

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY.....5

9. What am I entitled to receive if I submit a claim form?5

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM6

10. How can I get a payment?6

11. When will I get my payment?6

12. What am I giving up to receive a payment or stay in the Class?6

EXCLUDING YOURSELF FROM THE SETTLEMENT.....7

13. How do I get out of the Settlement?.....7

14. If I don’t exclude myself, can I sue State Farm for the same thing later?.....7

15. If I exclude myself, can I get a payment from this Settlement?.....7

OBJECTING TO THE SETTLEMENT.....8

16. How do I tell the Court if I don’t agree with all or part of the Settlement?8

17. What is the difference between objecting and asking to be excluded?.....8

THE LAWYERS REPRESENTING THE CLASS.....8

18. Do I have a lawyer in this case?.....8

19. Should I get my own lawyer?.....9

20. How will Class Counsel get paid?9

THE COURT’S FINAL APPROVAL HEARING9

21. When and where will the Court decide whether to approve the Settlement?9

22. Do I have to come to the hearing?10

23. May I speak at the hearing?10

IF YOU DO NOTHING.....10

24. What happens if I do nothing at all?10

GETTING MORE INFORMATION.....10

25. How can I get additional information?.....10

BASIC INFORMATION

1. Why was this notice issued?

State Farm's records reflect that you submitted a claim to State Farm for a covered loss to a dwelling or other structure in Alabama under a State Farm structural damage insurance policy, based on a loss occurring between March 8, 2011 and August 3, 2017, for which you either (i) received an ACV payment on which depreciation may have been applied to estimated labor and other non-material costs, or (ii) did not receive a payment but did receive a State Farm estimate for the costs of the damage repair on which depreciation may have been applied to estimated labor and other non-material costs. The Court allowed, or "certified," a class action lawsuit that may affect your rights. The parties have now reached a proposed settlement of that lawsuit.

The Court authorized this notice because you have a right to know of a proposed settlement of this class action, including the right to submit a claim for payment as part of the settlement, and about all your options regarding this settlement before the Court decides whether to give "Final Approval" to the settlement. If the Court approves the parties' Stipulation of Settlement ("Settlement Agreement"), and if any appeals are resolved in favor of the settlement, then payments will be made to those who qualify and timely submit a valid claim. This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who may be eligible for benefits, and how to get them.

The Honorable Judge Terry F. Moorer of the U.S. District Court for the Southern District of Alabama is overseeing this class action. The lawsuit is known as *Arnold v. State Farm Fire and Cas. Co.*, Case No. 17-CV-148-TFM-C.

2. What is this lawsuit about?

This lawsuit is about whether State Farm breached its Alabama insurance policies by applying depreciation to the estimated costs of labor and other non-material costs in calculating ACV payments. Plaintiff contends that such depreciation resulted in Plaintiff and the Class being underpaid and was a breach of the insurance contracts.

State Farm denies that its conduct breached the insurance contracts. State Farm contends that many policyholders received everything they were entitled to under their policy, including through payments for replacement cost benefits.

3. What is a class action and who is involved?

In a class action, one or more people called "Class Representatives" sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The Plaintiff who sued originally, along with three additional class representatives who were appointed by the Court in this case, are the Class Representatives. The person or entity they sue (in this case, State Farm) is called the Defendant. One court resolves the issues for all Class Members. The Court has appointed the lawyers for the Class Representatives (referred to as "Class Counsel," whose names and contact information are provided in response to Question 18) to represent the Class and has appointed the Plaintiff and the three additional class representatives to serve as Class Representatives.

4. Why is there a settlement?

The Court has not decided the merits of this case in favor of either the Plaintiff or State Farm and has not found that State Farm did anything wrong. Instead, both sides agreed to settle. That way, the parties avoid the cost of a trial and potentially an appeal, and the people who qualify will get compensation. The Class Representatives and their attorneys think the settlement is best for all Class members. The settlement does not mean that State Farm did anything wrong. No trial has occurred, and the Court has not yet ruled on Plaintiff's claims or State Farm's defenses.

WHO IS IN THE SETTLEMENT?

To see if you are bound by and/or potentially eligible for benefits from this Settlement, you first have to determine if you are a Class member.

5. Who is in the Settlement Class?

This settlement covers a Class of State Farm insureds who, according to Plaintiff’s allegations, were underpaid because State Farm calculated ACV payments by applying depreciation to estimated labor and other non-material costs.

You are receiving this notice because you are a potential member of the settlement “Class,” consisting of:

All persons and entities insured under a State Farm structural damage policy who made: (1) a structural damage claim for property located in the State of Alabama with a date of loss on or after March 8, 2011, but before August 3, 2017; and (2) which resulted in an actual cash value payment during the class period from which “non-material depreciation” was withheld from the policyholder; or which would have resulted in an actual cash value payment but for the withholding of “non-material depreciation” causing the loss to drop below the applicable deductible.

If you are a member of the Class, you will automatically be included unless you take affirmative steps to exclude yourself. Both current and former State Farm insureds can be part of this lawsuit.

6. Are there exceptions to being included?

The following people are excluded from the Class: (1) all persons and entities with claims arising under policies with State Farm coverage form WH-2101 or endorsement form FE-3650, or any other policy form expressly permitting the “depreciation” of “labor” within the text of the policy form; (2) all persons and entities that received actual cash value payments from State Farm that exhausted the applicable limits of insurance as shown on the declarations page; (3) State Farm and its affiliates, officers, and directors; (4) members of the judiciary and their staff to whom this Action is assigned; and (5) Class Counsel.

7. Understanding Class Membership

This Notice has been mailed to all people who are potentially eligible to receive money under the settlement, but it may also reach some people who are not in the Class. This series of questions may help you determine if you are a Class Member. Please consider all of the questions in order:

Question	Yes <u>or</u> Don’t Know	No
Do you or did you have an Alabama structural insurance policy issued by State Farm Fire and Casualty Company?	Continue	You are not a Class Member.
Did you suffer a loss or damage to a dwelling or other structure located in the State of Alabama between March 8, 2011 and August 3, 2017, and make a claim with State Farm?	Continue	You are not a Class Member.
Did you receive an “actual cash value” payment that included a deduction for estimated depreciation of labor or other non-material costs, or would you have received such a payment had you not had labor and other non-material depreciation deducted by State Farm in calculating “actual cash value”?	You may be a Class Member, subject to certain exclusions.	You are not a Class Member.

8. I'm still not sure if I am included.

There is no document in your possession that will easily disclose whether you are a class member. However, if you are unsure whether you are potentially eligible to receive monies from the settlement, you may timely submit a claim form to have State Farm determine if you are eligible to receive payment. There is no penalty to submitting a claim form and submitting a claim form is the only way to have your claim reviewed, and if eligible, receive money from this settlement.

If you have further questions, you may call the following toll-free number 1-877-540-0864 with questions or visit www.Arnold-v-StateFarm.com.

Please do not call State Farm or your State Farm agent to discuss this lawsuit. You may, however, continue to call State Farm or your State Farm agent regarding any other insurance matters.

YOUR LEGAL RIGHTS AND OPTIONS

You have to decide whether to stay in the Class, whether to make a claim, whether to object, or whether to be excluded, and you have to decide this by the deadlines stated in this Notice.

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

9. What am I entitled to receive if I timely submit a claim form?

Class Members who fully complete a claim form (“Claimants”) and timely mail it to the proper address or upload it to the proper website may be eligible for payment. (A copy of the claim form is attached to the back of this Notice.) State Farm has agreed to pay Claimants the following:

- (1) **Group A: Settlement Claimants Who Previously Received Only an ACV Payment.** The Claim Settlement Payments to Claimants from whom estimated Non-Material Depreciation was initially deducted from their ACV payments and who did not receive any subsequent replacement cost benefit payments will be equal to 100% of the estimated Non-Material Depreciation that was initially deducted from the ACV payment, plus 44% of the estimated General Contractor Overhead and Profit Depreciation (if any) that was initially deducted from the ACV payment, plus simple interest at 5.55% on those additional amounts to be paid from March 8, 2017, to the Effective Date.
- (2) **Group B: Settlement Claimants Who Previously Received Partial RCBs.** The Claim Settlement Payments to Claimants from whom estimated Non-Material Depreciation was initially deducted from their ACV payments and who partially recovered the initially deducted Non-Material Depreciation through payment of replacement cost benefits will be equal to 100% of the estimated Non-Material Depreciation that was not fully recovered, plus 44% of the estimated General Contractor Overhead and Profit Depreciation (if any) that was initially deducted from the ACV payment and that was not fully recovered through payment of replacement cost benefits, plus simple interest at 5.55% on those additional amounts to be paid from March 8, 2017, to the Effective Date.
- (3) **Group C: Settlement Claimants Who Previously Received Full RCBs.** The Claim Settlement Payments to Claimants from whom Non-Material Depreciation was initially deducted from their ACV payments and who subsequently recovered all depreciation will be equal to simple interest at 5.55% on the amount of estimated Non-Material Depreciation initially applied but subsequently recovered, plus simple interest at 5.55% on 44% of the estimated General Contractor Overhead and Profit Depreciation (if any) that was initially applied but subsequently recovered, calculated from the date of the initial ACV payment through the final replacement cost payment.
- (4) **Group D: Settlement Claimants Who Would Have Received an ACV Payment but For Application of Non-Material Depreciation.** The Claim Settlement Payments to these Claimants shall be equal to 100% of the portion of the estimated Non-Material Depreciation that the

Settlement Class Member did not receive as an ACV payment solely because application of Non-Material Depreciation caused the calculated ACV figure to drop below the applicable deductible, plus simple interest at 5.55% on those amounts from March 8, 2017, to the Effective Date.

Each category of payment set forth in 1, 2, 3 and 4 above is subject to State Farm's right to challenge or reduce the amount owed on the basis that (i) the Claimant is not a Class Member; (ii) the Non-Material Depreciation portion of the payment would exceed the applicable limit of liability under the Class Member's Policy; or (iii) the Non-Material Depreciation portion of the payment was already recovered through replacement cost benefits payments, as explained in the Settlement Agreement.

If you have more than one loss during the Class Period of March 8, 2011 through August 3, 2017, you will need to submit a separate claim form for each loss. State Farm's rights, and additional terms and explanation regarding how the payments are to be calculated, are set forth in the Settlement Agreement, which can be viewed at, or downloaded from www.Arnold-v-StateFarm.com.

The amount of money Class members will receive if they submit a claim form and are found eligible for payment is dependent upon the facts and circumstances of their individual claims. These amounts will be calculated for you if you timely submit a claim form, and if the Settlement is approved by the Court.

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

10. How can I get a payment?

To ask for a payment, you must complete a claim form truthfully, accurately, and completely, to the best of your ability. The claim form must be signed. **You must then complete Step A or Step B:**

Step A: Mail the completed claim form to the following address, postmarked no later than October 24, 2022:

Arnold v. State Farm Settlement
c/o JND Legal Administration
PO Box 91431
Seattle, WA 98111

OR

Step B: Upload the completed claim form at www.Arnold-v-StateFarm.com before midnight, Central Time, no later than October 24, 2022.

A blank copy of the claim form should have accompanied this Notice. You may obtain an additional blank claim form by downloading one from www.Arnold-v-StateFarm.com or by calling the Settlement Administrator at 1-877-540-0864.

11. When will I get my payment?

If the Court grants "Final Approval" of the settlement, and if any appeals are resolved in favor of the settlement, then payment will be mailed to eligible Class Members after the claims administration process is completed. If you submit a claim form but do not qualify for a payment, you will be notified of that determination. This process can take time, so please be patient.

12. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue or be part of any other lawsuit against State Farm over the legal claims in this case. It also means that all of the Court's orders will apply to you and legally bind you.

If you submit a Claim Form, or simply stay in the Class and do not exclude yourself (*see* Sections 13-15 regarding "Excluding Yourself from the Class"), you will agree to "release and discharge" all "Released

Persons” of all “Released Claims.” You may view a full copy of the Settlement Agreement at www.Arnold-v-StateFarm.com, which provides more information.

Here is the definition of “Released Claims” and “Released Persons” in the Settlement:

“Released Claims” means and includes any and all past, present and future claims arising from or in any way related to depreciation of any kind on claims within the class period (including, but not limited to, calculation, deduction, determination, inclusion, modification, omission, and/or withholding of depreciation), whether known or unknown, and that were asserted or could have been asserted herein to the full extent of res judicata protection. This release is not intended to prevent an individual Class Member from seeking and potentially recovering any RCBs that may still remain available under the terms of his or her Policy. Additionally, Released Claims do not include any claim for enforcement of this Stipulation of Settlement and/or the Final Judgment.

“Released Persons” means, individually and collectively, (i) State Farm Fire and Casualty Company, and all of the past and present divisions, parent entities, associated entities, affiliates, partners, and subsidiaries; and (ii) all past and present officers, directors, shareholders, agents, attorneys, employees, stockholders, successors, assigns, independent contractors, and legal representatives of the entities set forth in (i). The Released Claims extend only to claims arising under insurance policies issued by the Defendant.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don’t want to participate in this settlement or case for any reason, but you want to keep the right to individually sue State Farm about the issues in this case, then you must take steps to get out of the settlement. This is called excluding yourself from—or is sometimes referred to as “opting out” of—the Class.

13. How do I get out of the Settlement?

To ask to be excluded, you must send an “Exclusion Request” in the form of a letter sent by regular mail. The letter must include: (i) the name of the case (*Arnold v. State Farm Fire and Cas. Co.*, Case No. 17-CV-148, S.D. Ala.); (ii) a sentence expressly stating that you want to be excluded from the Class in this case, (iii) your name, address, telephone number, and (iv) your personal signature (not the signature of your attorney). **You must mail this letter postmarked by August 24, 2022** to the Settlement Administrator at the following address:

Arnold v. State Farm Settlement
c/o JND Legal Administration
PO Box 91431
Seattle, WA 98111

You cannot exclude yourself by phone or at the website.

There is a deadline to ask to be excluded. If you do not want to participate in the Class, then you must postmark the Exclusion Request letter by **August 24, 2022**.

14. If I don’t exclude myself, can I sue State Farm for the same thing later?

No. Unless you exclude yourself, you give up any right to sue State Farm for the claims that this settlement resolves. You must exclude yourself from this Class to sue State Farm over the claims resolved by this settlement. Remember, the exclusion deadline is August 24, 2022.

15. If I exclude myself, can I get a payment from the Settlement?

No. If you exclude yourself, you should not submit a Claim Form to ask for a payment as it will be rejected.

OBJECTING TO THE SETTLEMENT

If you do not exclude yourself from the Settlement, you can tell the Court if you don't agree with the settlement or some part of it.

16. How do I tell the Court if I don't agree with all or part of the Settlement?

If you are a Class Member, you can object to the Settlement if you don't like any part of it. If you want to object, you must do so by the postmark deadline of August 24, 2022, and submit a written objection in that case to the Court and send a copy to the Settlement Administrator as noted below. You must include the name of the case (*Arnold v. State Farm Fire and Cas. Co.*, Case No. 17-CV-148, S.D. Ala.), your full name, address, telephone number, your signature, the specific reasons why you object to the settlement, and a statement as to whether you intend to appear at the Final Approval Hearing in person or through counsel. If you do intend to appear at the Final Approval Hearing to object to the settlement, you must also provide with your written objection a detailed statement of the specific legal and factual basis for each objection, a list of any witnesses you will call at the hearing with each witness' address and summary of the witness' testimony, a detailed description of all evidence you will offer at the hearing with copies of the exhibits attached, and documentary proof of your membership in the Class. You or your lawyer may appear at the Final Approval Hearing if you have filed a written objection as provided above. (See the section on the "Court's Final Approval Hearing" below). If you have a lawyer file an objection for you, he or she must follow all Court's rules and you must list the attorney's name, address, bar number and telephone number in the written objection filed with the Court.

File the objection with the Clerk of the Court by no later than August 24, 2022, or mail the objection to the Clerk of the Court at the address below so that it is postmarked no later than August 24, 2022.	Mail a copy of the objection to the Administrator at the following address so that it is postmarked no later than August 24, 2022.
Court	Administrator
U.S. District Court for the Southern District of Alabama 155 St. Joseph Street Mobile, AL 36602	Arnold v. State Farm Settlement c/o JND Legal Administration PO Box 91431 Seattle, WA 98111

17. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class or the settlement. If you exclude yourself, you have no basis to object because the case no longer affects you. If you object, and the Court approves the settlement anyway, you will still be legally bound by the result.

THE LAWYERS REPRESENTING THE CLASS

18. Do I have a lawyer in this case?

The Court appointed the lawyers for Plaintiff and the additional class representatives in this case to represent the Class ("Class Counsel"). Those lawyers are Erik D. Peterson of MEHR, FAIRBANKS & PETERSON TRIAL LAWYERS, PLLC, J. Brandon McWherter of MCWHERTER SCOTT BOBBITT, T. Joseph Snodgrass of SNODGRASS LAW LLC, and David Martin of THE MARTIN LAW GROUP, LLC:

Erik D. Peterson
Mehr, Fairbanks & Peterson
Trial Lawyers, PLLC
201 West Short Street, Suite 800
Lexington, KY 40507
Tel: 859-225-3731
Email: edp@austinmehr.com

T. Joseph Snodgrass
SNODGRASS LAW LLC
100 S. Fifth Street, Suite 800
Minneapolis, MN 55402
Tel: 612-448-2600
Email: jsnodgrass@snodgrass-law.com

J. Brandon McWherter
MCWHERTER SCOTT & BOBBITT PLC
341 Cool Springs Blvd., Suite 230
Franklin, TN 37067
Tel: (615) 354-1144
Email: brandon@msb.law

David Martin, Esq.
The Martin Law Group, LLC
2117 Jack Warner Parkway, Suite 1
Tuscaloosa, AL 35401
Tel: 205-343-1771
Email: david@erisacase.com

The Court determined that these attorneys are qualified to represent the interests of the Class in this lawsuit. More information about their firm, their practices, and their lawyers' experience is available on the firm websites.

19. Should I get my own lawyer?

You may if you want, but you do not need to hire your own lawyer because Class Counsel represent the Class of which you may be a member. For example, you can hire a lawyer to appear in Court for you if you want someone other than Class Counsel to speak for you. If you hire your own lawyer, you will be responsible for the charges that lawyer requires you to pay for representing you.

20. How will Class Counsel get paid?

If you choose to remain in this lawsuit, you will not be required to pay attorneys' fees or expenses to Class Counsel out of your own pocket. As part of the Settlement, Class Counsel will ask the Court for their attorneys' fees and expenses to be paid in addition to the monetary benefits obtained for the Class. Class Counsel will ask the Court for up to \$8,595,000 for attorneys' fees, costs, and expenses, and will ask the Court to award the Plaintiff \$20,000 and the three additional class representatives \$15,000 each for their efforts in prosecuting this litigation ("Service Awards"). State Farm has agreed not to oppose Class Counsel's request for their fees, costs and expenses, and the Service Awards to the Class Representatives up to these amounts. The Court may award Class Counsel and the Class Representatives less than the amounts they request. State Farm will separately pay Class Counsel's fees, costs and expenses, and Class Representatives' Service Awards that the Court orders. These payments will not reduce the amount distributed to Class Members. State Farm will also separately pay the costs to send notice and to administer the Settlement.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

21. When and where will the Court decide whether to approve the Settlement?

The Court has scheduled a Final Approval Hearing at 9:30 a.m. CST, on September 23, 2022, at the United States Courthouse in Mobile, Alabama. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court may listen to people who have asked to speak about their objection. The Court may also decide how much to award Class Counsel for fees and expenses for representing the Class and how much

(if anything) to award the Class Representatives as Service Awards. At or after the hearing, the Court will decide whether to approve the settlement. It is not known how long this decision will take.

22. Do I have to come to the hearing?

No. Class Counsel will answer any questions that the Court may have. If you wish to attend the hearing, or wish to present your objections to the Settlement, you may come at your own expense. You may also pay your own lawyer to attend, but it's not necessary, unless you choose to have a lawyer appear on your behalf to object to the settlement.

23. May I speak at the hearing?

If you submitted a proper written objection to the settlement, you or your lawyer acting on your behalf may speak at the Final Approval Hearing. You cannot speak at the Hearing if you exclude yourself from the settlement.

IF YOU DO NOTHING

24. What happens if I do nothing at all?

If you do not submit a settlement claim, you'll get no payment from this settlement even if you qualify for one. But, unless you exclude yourself from the settlement, you won't be able to individually sue State Farm for the claims in this case.

GETTING MORE INFORMATION

25. How can I get additional information?

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can visit the website, www.Arnold-v-StateFarm.com, where you will find the Court's Preliminary Approval Order, a copy of the Settlement Agreement, a copy of this Notice, the Claim Form, the Plaintiff's Complaint, and State Farm's Answer to the Complaint. You may also contact the Settlement Administrator at 1-877-540-0864.

Please do not call State Farm or your State Farm agent to discuss this lawsuit. You may, however, continue to call State Farm or your State Farm agent regarding any other insurance matters.

**PLEASE DO NOT CALL OR WRITE THE JUDGE OR
CLERK OF THE COURT WITH QUESTIONS**

**PLEASE DO NOT CALL OR WRITE YOUR
STATE FARM AGENT WITH QUESTIONS**

**DIRECT ALL INQUIRIES TO CLASS COUNSEL
OR AN ATTORNEY OF YOUR OWN CHOOSING**

By Order of the United States District Court for the Southern District of Alabama

**THIS FORM MUST BE SIGNED AND RETURNED BY OCTOBER 24, 2022.
SEE INSTRUCTIONS BELOW.**

CLASS ACTION SETTLEMENT CLAIM FORM

Name: Jane Doe
Address: 1234 Main Street, _____, AL
Unique ID: JND ID

If you are a class member and timely complete and return this Claim Form by October 24, 2022, you may receive a check. If you do not complete the Claim Form, you will not receive any payment.

You are receiving this Claim Form as part of a class action settlement in the case of *Arnold, et al. v. State Farm Fire and Cas. Co.*, Case No. 17-CV-148-TFM-C (S.D. Ala.). The records of State Farm Fire and Casualty Company (“State Farm”) indicate that you may be eligible to receive money from the settlement because you made an insurance claim with State Farm for property damage benefits for the claim identified below. If you timely submit a completed and signed claim form, further information in State Farm’s records will be reviewed to determine whether you are a member of the Class, and if so, the amount of any settlement payment to which you may be entitled if the settlement is approved by the Court.

State Farm records reflect the following claim may be at issue in the class action settlement:

Policy Number: XXXXXXXXXXXX
Claim Number: XXXXXXXXXXXX
Date of Loss: X/X/201X
Address of Insured Premises: 1234 Main Street, _____, AL

This Claim Form applies only to the Covered Loss¹ listed above. If you had more than one Covered Loss during the Class Period (March 8, 2011 through August 3, 2017) then you may submit separate Claim Form(s) for those losses, but you must separately complete, sign and timely submit a separate Claim Form to be eligible for payment on each of those other losses in the event that the settlement is approved by the Court.

Please do not call State Farm or your State Farm agent to discuss this lawsuit or this Claim Form. You may, however, continue to call State Farm or your State Farm agent regarding any other insurance matters.

If you have any questions, please visit www.Arnold-v-StateFarm.com or call 1-877-540-0864.

FOLLOW THE DIRECTIONS ON THE NEXT PAGE TO MAKE A CLAIM.

¹ “Covered Loss” means a first party insurance claim for a Structural Loss (*i.e.*, physical damage to a home or other structure in the State of Alabama while covered by a structural damage insurance policy issued by State Farm) that occurred on or after March 8, 2011, but before August 3, 2017, which State Farm or a court of competent jurisdiction determined to be a covered loss.

TO MAKE A CLAIM, DO THE FOLLOWING:

1. ANSWER THE FOLLOWING TWO QUESTIONS ONLY IF APPLICABLE:

Please provide your current mailing address only if the address listed above is not correct (*leave this answer blank if the above address is correct*):

If all of the State Farm named policyholders for the claim identified above are deceased or incapacitated, and you are submitting this Claim Form as the legally authorized representative, please state how and when you became the legally authorized representative and provide a copy of any documentation you may have supporting the fact that you are the legally authorized representative (*leave this answer blank if there is at least one named policyholder who is neither deceased nor incapacitated*).

2. SIGN AND DATE YOUR CLAIM FORM:

By signing below, I wish to claim any monies I may be owed under the Settlement. I have not assigned my rights to payment under this Settlement to anyone other than my mortgage lender (if any). The information in this Claim Form is true and correct to the best of my knowledge.

Signature

Print Name

Date

3. MAIL YOUR CLAIM FORM OR SUBMIT IT ONLINE:

Once signed, this Claim Form must be either:

- (1) scanned and uploaded on or before October 24, 2022 at the website www.Arnold-v-StateFarm.com:

OR

- (2) postmarked on or before October 24, 2022 and mailed to:

Arnold v. State Farm Settlement
c/o JND Legal Administration
PO Box 91431
Seattle, WA 98111

CLAIMS ADMINISTRATION:

Please be patient. You will receive a letter telling you if you qualify for a payment. If the settlement is approved by the Court and if you do qualify for payment under the Settlement, your Settlement Check will be included with that letter.

EXHIBIT C

REMINDER NOTICE

If you made a claim to State Farm for structural damage to a dwelling or other structure located in Alabama based on a loss that occurred between March 8, 2011 and August 3, 2017, and you received an actual cash value payment or would have received one but for the application of “non-material depreciation,” this class action settlement may affect your rights.

*A court authorized this Notice.
It is not a solicitation from a lawyer.*

www.Arnold-v-StateFarm.com

Arnold v. State Farm Settlement
c/o JND Legal Administration
PO Box 91431
Seattle, WA 98111



[BARCODE]

Unique ID: [JND_ID]



Postal Service: Please do not mark barcode

[NameLine1]

[NameLine2]

[AddressLine1]

[AddressLine2]

You were previously mailed a court-approved Notice explaining that you may be a Class Member in a class action settlement regarding State Farm Fire and Casualty Company's application of depreciation to estimated labor and non-material costs in making actual cash value ("ACV") claim payments under State Farm policies. Our records indicate that you have not submitted a Claim Form or request for exclusion.

Who is included in the Class? The Court approved the following Class definition:

All persons and entities insured under a State Farm structural damage policy who made: (1) a structural damage claim for property located in the State of Alabama with a date of loss on or after March 8, 2011, but before August 3, 2017; and (2) which resulted in an actual cash value payment during the class period from which "non-material depreciation" was withheld from the policyholder; or which would have resulted in an actual cash value payment but for the withholding of "non-material depreciation" causing the loss to drop below the applicable deductible.

In order to receive any monetary benefits from the *Arnold v. State Farm* Settlement, you must complete a Claim Form and either mail it to the address below or upload the completed form at www.Arnold-v-StateFarm.com.

Arnold v. State Farm Settlement
c/o JND Legal Administration
PO Box 91431
Seattle, WA 98111

For details regarding the proposed Settlement, including information about important deadlines, please review the Notice previously sent to you. The Notice, along with other important documents, is also available on the Settlement Website at www.Arnold-v-StateFarm.com.

If you did not receive or no longer have the Notice or Claim Form, you may request that one be mailed to you by contacting the Settlement Administrator at the phone number listed below. You may also contact the Settlement Administrator with any questions you have about the proposed Settlement. Please do not call State Farm or your State Farm agent to discuss this lawsuit.

IN ORDER TO PARTICIPATE IN THIS SETTLEMENT, YOUR CLAIM FORM MUST BE POSTMARKED OR UPLOADED NO LATER THAN OCTOBER 24, 2022.

Additional orders of the Court and relevant deadlines will be posted on the website. This is only a reminder. For more information, call the number or visit the website below.