

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

You May Be Eligible for a Payment from a Class Action Settlement as an Allstate Auto Insurance Policyholder in California at any time between July 1, 2016, and September 30, 2022.

Para una notificación en español, visitar www.AllstateCaliforniaAutoRatingSettlement.com.

- A **\$25,000,000 Settlement** has been reached in a class action case known as *Stevenson v. Allstate Insurance Co., et al.*, Case No. 4:15-cv-04788-YGR (N.D. Cal.).
- If the Settlement is approved by the Court, you may be entitled to an automatic payment. **Your rights and options under the Settlement—and the deadlines to exercise them—are explained below.** Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
EXCLUDE YOURSELF	Get no benefits from the Settlement. This is the only option that allows you to be part of any other lawsuit against Allstate about the legal claims in this case. The deadline to exclude yourself is April 9, 2024 . For more information, see questions 11-13, below.
OBJECT	Write to the Court about why you do not like the Settlement. The deadline to object is April 9, 2024 . For more information, see question 16, below.
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement.
DO NOTHING	If you received a Notice by email or in the mail about this Settlement, a payment by check or Policy credit will automatically be issued to you if the Settlement is approved.

*The United States District Court for the Northern District of California (“the Court”) authorized this Notice. This is not a solicitation from a lawyer. **This is not a legal action against you and you are not required to take any action to receive benefits that may be approved.***

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BASIC INFORMATION

1. Why is this Notice being provided?

A Court authorized this Notice because you have a right to know about a proposed Settlement of this class action lawsuit and about all of your options before the Court decides whether to give “Final Approval” to the Settlement. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who may be eligible for those benefits, and how to get them.

For the precise terms and conditions of the Settlement, you may also see the Settlement Agreement available at www.AllstateCaliforniaAutoRatingSettlement.com, or by scanning the QR included below on this Notice; (2) contact Class Counsel representing the Settlement Class (contact info listed under Question 15 below); (3) access the Court docket in this case, for a fee, through the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>; or (4) visit the office of the Clerk of Court for the United States District Court for the Northern District of California, Phillip Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue, 16th Floor, San Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

Judge Yvonne Gonzalez Rogers of the United States District Court for the Northern District of California is overseeing this class action. The Settlement resolves the case known as *Stevenson v. Allstate Insurance Co., et al.*, Case No. 4:15-cv-04788-YGR (N.D. Cal.).

The person who sued is called the “Class Representative,” and the companies sued, Allstate Insurance Company and Allstate Indemnity Company, are called collectively “Allstate” or “Defendants.”¹

2. What is this Action about?

In California, as in other states, drivers are required to maintain auto insurance. Auto insurance companies are not permitted to determine auto insurance premiums based on what the market will bear, but instead must determine premiums based on those rating factors that the Insurance Commissioner has approved as having a substantial relationship to the risk of loss. This case was brought as a class action complaint alleging that Allstate violated California’s Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 et seq. (“UCL”), California’s False Advertising Law, Cal. Bus. & Prof. Code § 17500 et seq. (“FAL”), and California Insurance Code, § 1861.10, and that Allstate was unjustly enriched, by improperly using price optimization/elasticity of demand (a policyholders’ or class of policyholders’ willingness to tolerate a price increase as a compared to other policyholders or other classes of policyholders) as a factor in calculating premiums in California (the “Action”). This Notice is just a summary of the allegations. The complaint in the Action is posted at www.AllstateCaliforniaAutoRatingSettlement.com and contains all

¹ Although not named as a Defendant in the Action, during the time period covered by the Settlement Allstate Northbrook Indemnity Company issued private passenger auto insurance policies that are covered by the terms of the Settlement and therefore is also a party to the Settlement and included in the definition of “Allstate.”

of the allegations. Allstate denies these allegations; however, in order to avoid the expense, inconvenience, and distraction of continued litigation, Allstate has agreed to the Settlement described herein.

3. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case Andrea Stevenson) sue on behalf of people who have similar claims. All of these people are a “Settlement Class” or “Settlement Class Members.” One Court resolves the issues for all Settlement Class Members, except for those who timely exclude themselves from the Settlement Class.

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendants. Instead, both sides agreed to settle this case to avoid the cost and risk of a trial. The proposed Settlement does not mean that any law was broken or that the Defendants did anything wrong. Defendants deny all legal claims in this case. Class Representative and her lawyers think that in light of litigation uncertainties and the lengthy delay that would result from a trial and possible appeal, the proposed Settlement is in the best interest of the Settlement Class Members.

WHO IS IN THE SETTLEMENT

To see if you will be affected by the Settlement or if you can get a payment from it, you first have to determine if you are a Settlement Class Member.

5. How do I know if I am part of the Settlement?

If you received Notice of the Settlement by email or by mail then Allstate’s records show you may be a Settlement Class Member. But even if you did not receive a Notice, you may still be a Settlement Class Member.

The Proposed “Settlement Class” is composed of:

All current and former Allstate California auto insurance Primary Policy Holders whose total premiums were calculated, at any time on or after July 1, 2016, based on Allstate’s selection of a rating factor relativity exceeding both the Current and Indicated rating factor relativities for certain coverages in connection with the Years Licensed and/or Multipolicy rating factors. Specifically, those Primary Policy Holders include (a) any Primary Policy Holder whose premiums were determined based on licensure for 29 or more years and had Comprehensive coverage, (b) any Primary Policy Holder whose premiums were determined based on licensure of 34 or more years and had Collision coverage, and (c) any Primary Policy Holder who in addition to their auto policy had a condo, life, and/or mobile home policy and did not have a renters policy. The policy or policies held by such multipolicy Primary Policy Holders (group (c)) in

addition to their auto Policy are the following: Condo; Mobilehome; Life; Owner + Life; Condo + Life; Mobilehome + Life; Condo + PUP; Mobilehome + PUP; Life + PUP; Owner, Life + PUP; Condo, Life + PUP; Mobilehome, Life + PUP.

“Primary Policy Holder” means each person who has an ownership interest in and financial responsibility for a Policy or Policies during the Class Period. There is one Primary Policy Holder for each Policy issued by Allstate, also known as the first named insured on each Policy issued by Allstate. Other persons insured (i.e., additional named insureds) under a Policy are not Primary Policy Holders.

“Policy” means any private passenger auto insurance policy issued by Allstate in the state of California.

“Class Period” means the period from July 1, 2016, through September 30, 2022.

Excluded from the Settlement Class are (a) officers, directors, and employees of Allstate; (b) the judge overseeing the proposed Settlement and the judge’s immediate family and (c) all Primary Policy Holders who make a timely election to be excluded.

6. What if I am not sure whether I am included in the Settlement?

If you are not sure whether you are in the Settlement Class, or have any other questions about the Settlement, visit the Settlement Website at www.AllstateCaliforniaAutoRatingSettlement.com or call the toll-free telephone number, (833) 383-4978. You may also write with questions to

Stevenson v. Allstate
c/o Kroll Settlement Administration LLC
PO Box 225391
New York, NY 10150-5391

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

If the Settlement is approved and becomes final, it will provide benefits to Settlement Class Members.

7. What does the Settlement provide?

Allstate will pay a Settlement Amount of \$25 million to make payments or give Policy credits to Settlement Class Members at the direction of the Settlement Administrator as well as to pay Class Counsel’s attorneys’ fees, costs, Settlement Administration Costs, and Service Award. The maximum estimated amounts for the deductions from the \$25 million Settlement Amount are as follows: Class Counsel’s attorneys’ fees (**\$7,500,000**), costs (**\$400,000**), Settlement Administration Costs (**\$1,057,030**) and Service Award (**\$5,000**). After these fees and costs are deducted from the Settlement Amount, the remaining Net Settlement Amount (**approximately \$16,037,970**) will be divided by the total number of Settlement Class Members (approximately 1,293,698) to calculate the payment amount for each

Settlement Class Member. All Settlement Class Members will receive an equal payment amount **(estimated at \$12.40)**.

Settlement Class Members who are “Remaining Current Policy Holders” will receive a credit. “Non-Remaining Current Policy Holders” and those Settlement Class Members who are no longer Policyholders will receive their Settlement Class Member Payment by paper check, unless they elect to receive a digital electronic payment.

“Remaining Current Policy Holder” means a Settlement Class Member who continues to have his or her Policy as of the Effective Date and who remains a Current Primary Policy Holder as of the Payment Date.

“Non-Remaining Current Primary Policy Holder” means a Settlement Class Member who continues to have his or her Policy as of the Effective Date and who is no longer a Primary Policy Holder as of the Payment Date.

“Effective Date” means the day following: (A) the entry by the Court of the Final Order and Judgment: (i) affirming certification of the Settlement Class; (ii) finding the Settlement Agreement to be fair, adequate and reasonable; (iii) finding that the Notice to the Class of the Settlement Agreement was fair, adequate and reasonable; (iv) resolving any and all objections to the fairness and reasonableness of the Settlement Agreement, if any; and (B) the expiration of the deadline for seeking appellate review of the Final Order and Judgment if no appeal is sought; or the day following the date all appellate courts with jurisdiction affirm the Final Judgment and Order with no possibility of further appellate review existing.

“Payment Date” means that date occurring after the Effective Date on which Allstate credits the Policy of a Remaining Current Primary Policy Holder or would credit the Policy of a Non-Remaining Current Primary Policy Holder, if such Policy Holder were a Remaining Current Policy Holder.”

“Payment Period” means the period beginning on the Effective Date and ending 120 days after the Effective Date.

The Settlement also includes additional non-monetary relief which constrains Allstate’s ability to implement price optimization measures in California.

Details on all the Settlement benefits are in the Settlement Agreement, which is available at www.AllstateCaliforniaAutoRatingSettlement.com.

HOW TO GET A PAYMENT

8. How can I get a Settlement Class Member Payment?

If you received a Notice by email or in the mail telling you that you are Settlement Class Member, you will receive an automatic Settlement Class Member Payment or Policy credit once the Settlement is approved by the Court and the Effective Date passes, provided you have not requested exclusion from the

Settlement (*see* — “Excluding Yourself From The Settlement” below). If you are a former Allstate customer (or choose to cancel your policy prior to issuance of a credit) you will receive your payment as a check unless you elect to receive a digital electronic payment. You may elect to receive a digital payment online at www.AllstateCaliforniaAutoRatingSettlement.com or by scanning the QR code included below on this Notice.

If you did not receive a Notice by email or in the mail and believe you are a Settlement Class Member, please contact the Settlement Administrator at www.AllstateCaliforniaAutoRatingSettlement.com or by calling (833) 383-4978.

9. When will I get my Settlement Class Member Payment?

Settlement Class Member Payments and Policy credits will be made after the Effective Date, which comes after Court grants “Final Approval” to the Settlement and after any appeals are resolved (*see* “The Court’s Final Approval Hearing” below). It is uncertain when the Court will decide to approve or disapprove the proposed Settlement and whether any appeals will be filed. Please be patient.

10. What am I giving up to get a Settlement Class Member Payment?

If the Settlement becomes final, Settlement Class Members who do not timely request exclusion from the Settlement will be releasing Allstate per the Settlement Agreement and Release as follows:

“As of the Effective Date, Plaintiff and each Settlement Class Member, each on behalf of itself and on behalf of its respective heirs, assigns, beneficiaries and successors (“Releasing Parties”), shall automatically be deemed to have fully and irrevocably released and forever discharged Allstate and each of its present and former parents, subsidiaries, divisions, affiliates, predecessors, successors and assigns, and the present and former directors, officers, employees, agents, insurers, members, attorneys, advisors, consultants, representatives, partners, joint venturers, independent contractors, wholesalers, resellers, distributors, retailers, predecessors, successors and assigns of each of them (“Released Parties”), of and from any claims that were or could have been alleged based on the facts pleaded in the Complaint dated November 5, 2015 and/or any subsequent amended complaint filed in conjunction with the Court’s approval of the Settlement (“Released Claims”).”

This means you will no longer be able to sue Allstate regarding any of the claims described in the Settlement Agreement.

The Settlement Agreement is available at www.AllstateCaliforniaAutoRatingSettlement.com. The Settlement Agreement provides more detail regarding the Release and describes the Released Claims with specific descriptions in necessary, accurate legal terminology, so read it carefully. You can talk to the law firms representing the Settlement Class listed in the section “The Lawyers Representing You” for free or

you can, at your own expense, talk to your own lawyer if you have any questions about the Released Claims or what they mean.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to participate in this proposed Settlement and you want to keep the right to sue Allstate about the legal issues in this case, then you must take steps to opt out of the Settlement. This is called asking to be excluded from, or sometimes called “opting out” of, the Settlement Class.

11. If I exclude myself, can I get anything from this Settlement?

No. If you exclude yourself, you may not apply for any benefits under the Settlement and you cannot object to the proposed Settlement. If you ask to be excluded, however, you will retain any right you have to sue or be part of a different lawsuit against the Defendants in the future. You will not be bound by anything that happens in this lawsuit.

12. If I do not exclude myself, can I sue later?

No, not over the issues raised in this case.

13. How do I get out of the Settlement?

If you wish to exclude yourself from the Settlement Class, you must send a letter to the Settlement Administrator including your full name and current address and statement that you wish to exclude yourself from the Settlement Class in *Stevenson v. Allstate Insurance Co., et al.*, Case No. 4:15-cv-04788-YGR (N.D. Cal.).

To be effective you must submit the above information to the following address **postmarked no later than April 9, 2024**:

Stevenson v. Allstate
c/o Kroll Settlement Administration LLC
PO Box 225391
New York, NY 10150-5391

This is a firm deadline for requesting exclusion from the proposed Settlement. You cannot ask to be excluded on the phone, by email, or on the Settlement Website.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in the case?

The Court approved the law firms of Mehri & Skalet PLLC, Tycko & Zavareei LLP and Berger Montague PC, as Class Counsel to represent the Settlement Class. You will not be charged separately for these

lawyers. If you wish to be represented by your own lawyer in this case, you may hire one at your own expense.

15. How will the lawyers be paid?

Class Counsel will apply to the Court for an award of attorneys' fees of up to \$7,500,000 plus costs and expenses (capped at \$400,000) for investigating the facts, litigating the cases, and negotiating the Settlement. To date, Class Counsel have not received any payment for their services in conducting this Action on behalf of the Class Representative and the Settlement Class, nor have Class Counsel been reimbursed for their costs and expenses to date in this case. Class Counsel will also request the Court to award a Service Award of \$5,000 to the Class Representative in recognition of her service to the Settlement Class. The amount of the fees, expenses and service award will be determined by the Court. Class Counsel's contact information is as follows:

CLASS COUNSEL		
MEHRI & SKALET PLLC Cyrus Mehri, Esq. 1250 Connecticut Ave. NW, Suite 300 Washington, DC 20036	TYCKO & ZAVAREEI LLP Andrea Gold, Esq. 2000 Pennsylvania Ave, N.W., Suite 1010 Washington, DC 20006	BERGER MONTAGUE PC Jeff Osterwise, Esq. 1818 Market Street, Suite 3600 Philadelphia, PA 19103

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court if I do not like the Settlement?

You can object to the Settlement if you do not like some part of it. You cannot ask the Court to order a different settlement; the Court can only approve or reject the Settlement.

Any objection to the proposed Settlement must be in writing. If you submit a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney.

All objections must:

- a. clearly identify the case name and case number of this Action (*Stevenson v. Allstate Insurance Co.*, et al., Case No. 4:15-cv-04788-YGR (N.D. Cal.));
- b. state your full name, current address, and phone number;

- c. state whether the objection applies only to you, to a specific subset of the Settlement Class, or to the entire Settlement Class;
- d. state with specificity the grounds for the objection;
- e. include a Notice of Intention to Appear in the body of the objection, if you wish to appear and be heard at the Final Approval Hearing.

Your objection must be submitted to the Court either by mailing it to the Clerk of Court for the United States District Court for the Northern District of California, Phillip Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue, Box 36060, San Francisco, CA 94102, or by filing it in person at any location of the United States District Court for the Northern District of California. Your objection must be **filed or postmarked no later than April 9, 2024**. This is a firm deadline. Objections postmarked after this date will not be recognized.

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

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you cannot object to the Settlement, and you will not be eligible to apply for any benefits under the Settlement because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

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

The Court will hold a Final Approval Hearing at 2:00 p.m. on **May 22, 2024**, at the United States District Court for the Northern District of California, United States Courthouse, Courtroom 1 on the 4th Floor, 1301 Clay Street, Oakland, CA 94612. At the Final Approval Hearing, the Court will consider whether the proposed Settlement is fair, reasonable, and adequate. The Court may also consider Class Counsel's request for attorneys' fees, costs and expenses, and Service Award. If there are objections received by the deadline, the Court may consider them. After the Final Approval Hearing, the Court will decide whether to approve the Settlement and how much to award in attorneys' fees, costs and expenses, as well as the Service Award. The Court is limited to approving or denying the proposed Settlement, and that it cannot change the terms of the Settlement Agreement.

The Final Approval Hearing may be moved to a different date or time without additional notice, so it is recommended that you periodically check www.AllstateCaliforniaAutoRatingSettlement.com or call the toll-free telephone number for updated information.

19. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend the hearing at your own expense. If you send in a written objection, you do not have to come to the Final Approval Hearing to talk about it. As long as you filed or mailed your written objection on time, the Court may consider it. You may also pay your own lawyer to attend the Final Approval Hearing, but their attendance is not necessary.

IF YOU DO NOTHING

20. What happens if I do nothing?

If you are a Settlement Class Member and received a Notice by email or in the mail telling you that you will receive an automatic payment or Policy credit, you do not need to do anything in order to receive your payment or policy credit (provided the Court approves the Settlement). If you *did not* receive a Notice by email or in the mail telling you that you will receive an automatic payment or Policy credit and do nothing, you *will not* get a payment or Policy credit from this Settlement. In addition, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendant about the claims in this case, ever again.

GETTING MORE INFORMATION

21. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. The Settlement Agreement and other relevant documents are available on www.AllstateCaliforniaAutoRatingSettlement.com. You also may write with questions to Stevenson v. Allstate, c/o Kroll Settlement Administration LLC, PO Box 225391, New York, NY 10150-5391. Inquiries should NOT be directed to the Court.