

UNITED STATES DISTRICT COURT DISTRICT OF ARIZONA

**NOTICE OF CLASS ACTION SETTLEMENT**

**If you were injured in a collision and were paid the policy limit for uninsured or underinsured motorist coverage on one vehicle, but the policy also covered one or more other vehicles, you could be included in a class action settlement.**

*The United States District Court for the District of Arizona ordered this notice.  
This is not an advertisement or solicitation from a lawyer. You are not being sued.*

- A settlement has been reached in a lawsuit pending in the United States District Court for the District of Arizona (the “Court”) against Defendants Economy Preferred Insurance Company (“Economy Preferred”), Farmers Casualty Insurance Company f/k/a Metropolitan Casualty Insurance Company (“Farmers”), Economy Premier Assurance Company (“Economy Premier”), and Farmers Group Property and Casualty Insurance Company f/k/a Metropolitan Group Property and Casualty Insurance Company (“Farmers Group”) (collectively “Defendants” or the “Farmers Defendants”). Plaintiffs’ legal claims in the consolidated lawsuit arise out of how the Farmers Defendants paid underinsured (UIM) or uninsured (UM) motorist claims.
- Arizona law dictates that multi-vehicle insurance policies that provide UM or UIM coverage provide separate coverage for each vehicle and, unless an insurance company complies with the statutory requirements to limit an insured’s coverage to a single vehicle, an insured may stack coverage, meaning they may be entitled to recover up to the policy limits for each insured vehicle.
- Plaintiffs allege Defendants failed to provide the required policy language and notice under Arizona law, and, as a result, did not pay up to the uninsured and underinsured policy limits for each additional vehicle covered by the policy. Defendants deny any wrongdoing. The Court has not decided who is right.
- Your legal rights are affected whether you act or don’t act. These rights and options — **and the deadlines to exercise them** — are explained in this notice. **Please read this notice carefully.**

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<b>DO NOTHING AND RECEIVE A SHARE OF THE SETTLEMENT</b>	<p><b>Stay in the Settlement. Take part in the monetary distribution.</b></p> <p>If you are a Class Member and you do nothing regarding the Settlement, you will remain part of the Class and you will receive a payment from the Settlement if the Court approves the Settlement. The Settlement will resolve your legal claims against the Farmers Defendants, and you will give up your rights to sue the Farmers Defendants about the Released Claims (as defined in the Settlement Agreement). You will be bound by the judgment.</p>
<b>ASK TO BE EXCLUDED BY May 6, 2025</b>  <b>RETAIN YOUR RIGHT TO SUE AND RECEIVE NO SHARE OF THE SETTLEMENT</b>	<p><b>Get out of this Settlement. Get no benefits from it.</b></p> <p>You may request to be excluded from the Settlement. To do this, you must submit a timely and valid request for exclusion to remove yourself from the Settlement.</p> <p>If you ask to be excluded, you will not receive any money from the Settlement, but you will keep any right to sue the Farmers Defendants separately about the legal claims in this lawsuit. This is the only option that allows you to retain your right to sue the Farmers Defendants for legal claims that would otherwise be released by a judgment in the lawsuit, whether that judgment is favorable to the Class or not.</p>
<b>OBJECT BEFORE May 6, 2025</b>	<p>If you are a Class Member and choose not to exclude yourself, you may write to the Court about why you don’t like the Settlement with the Farmers Defendants. Objections must be received by May 6, 2025.</p>
<b>ATTEND THE FAIRNESS HEARING</b>	<p>You may request to speak in Court about the fairness of the Settlement. The fairness hearing is currently scheduled for June 3, 2025. This date may be modified by the Court without further notice. Please check the Court’s docket or the settlement website at <a href="http://www.AZUMInsuranceclaims3.com">www.AZUMInsuranceclaims3.com</a> for updates. To speak at the fairness hearing, you must submit a Notice of Intent to Appear by May 20, 2025.</p>

## BASIC INFORMATION ABOUT THE LAWSUIT

### 1. What is the lawsuit about?

This case involves four separate lawsuits consolidated into one lawsuit. The name of the consolidated lawsuit is *Jesus Caballero v. Economy Preferred Insurance Company, et al.*, and it is pending in the United States District Court for the District of Arizona (CV-22-02023-PHX-MTL). Plaintiffs' legal claims arise out of how the Farmers Defendants paid their insureds for uninsured and underinsured ("UM/UIM") motorist claims.

Arizona law requires an insurer to (1) include policy language that disavows the possibility of stacking and (2) provide timely written notice to its insureds that they have the right to select one policy or coverage when they are making a UM/UIM claim. If the insurer does not include the required policy language and provide the required notice, insureds making a UM/UIM claim are entitled to recover up to the policy limits for each vehicle insured, that is, "stack" their insurance coverage. Plaintiffs allege the Farmers Defendants failed to include the required policy language and provide the required notice to Class Members and was therefore required to stack their insureds' UM/UIM coverage. Plaintiffs assert legal claims against the Farmers Defendants for breach of contract and breach of the covenant of good faith and fair dealing.

You can read copies of the Complaints in each of the individual lawsuits at [www.AZUMInsuranceclaims3.com](http://www.AZUMInsuranceclaims3.com).

### 2. What is the Farmers Defendants' response?

The Farmers Defendants deny that they did anything wrong. The Court has not found the Farmers Defendants did anything wrong.

You can request a copy of the Farmers Defendants' Answers to the Complaints at [www.AZUMInsuranceclaims3.com](http://www.AZUMInsuranceclaims3.com).

### 3. What is a class action?

In a class action lawsuit, one or more people called the "plaintiff" or "plaintiffs" sue on behalf of other people who have similar claims, called the "class members." The court appoints plaintiffs to serve as "class representatives." For the purposes of a class action lawsuit, one court will resolve the issues for all class members, except for those people who properly exclude themselves from the lawsuit, as described in Section 12 below.

### 4. Why is there a Settlement?

The Court did not decide in favor of Plaintiffs or the Farmers Defendants. Plaintiffs believe that, had the Court made a decision, they may have won at trial and possibly obtained a greater recovery. The Farmers Defendants believe that, had the Court made a decision, Plaintiffs would not have won at a trial and that Plaintiffs would have recovered nothing against them. Litigation involves risks to both sides, and Plaintiffs and the Farmers Defendants have agreed to the Settlement. The Settlement requires the Farmers Defendants to pay money (as set forth in the Settlement Agreement). Plaintiffs and their attorneys believe the Settlement is in the best interests of all Class Members.

You may read the full Settlement Agreement at [www.AZUMInsuranceclaims3.com](http://www.AZUMInsuranceclaims3.com).

## WHO IS IN THE CLASS?

### 5. Am I part of the Class?

The Court has decided, unless you submit a valid and timely request to be excluded, you are a Member of the Class based on the Farmers Defendants' records. The "Settlement Class" includes all persons identified in Exhibit A to the Settlement Agreement and who do not timely elect to be excluded from the Settlement Class, which roughly includes all persons (a) insured under a policy issued by one of the Farmers Defendants in Arizona that contained the UM Endorsement or UIM Endorsement and provided UM Coverage or UIM Coverage for more than one motor vehicle; (b) who made a claim for UM Coverage or UIM Coverage; and (c) who (i) received a claim payment equal to the limit of liability for the UM or UIM benefits for one vehicle, or (ii) who were one of multiple claimants in a claim related to a single incident, where the aggregate total paid on the claim was equal to the per incident limit of liability for the UM Coverage or UIM Coverage for one vehicle.

## **6. I'm still not sure if I'm included. What do I do?**

If you are still not sure whether you are included in the Settlement, you can get free help by calling or writing to the lawyers in this case at the phone number or address listed in Section 16 below.

## **THE BENEFITS OF THE SETTLEMENT AGREEMENT WITH DEFENDANT**

## **7. What does the Settlement provide?**

If the Settlement is approved, the Farmers Defendants will pay \$11,600,000.00, minus any reductions made if anyone excludes themselves from the Class (see Section 12 below) (the "Settlement Fund"). This Settlement will resolve all Class Members' legal claims against the Farmers Defendants for the Released Claims (as defined in the Settlement Agreement).

## **8. What is the Settlement Fund being used for?**

No money will be distributed until the Court grants final approval of the Settlement Agreement. A portion of the Settlement Fund will be used by the Settlement Administrator for notice and administration costs. Additionally, Class Counsel may request that the Court award attorneys' fees and litigation expenses to Class Counsel, as well as award a service award to the four Class Representatives. For additional details see Sections 17–18 below.

The portion of the Settlement Fund that remains after payment of the Settlement Administrator's notice and administration costs, Court-ordered attorneys' fees and litigation costs will be distributed to the Class. The portion of the Settlement Fund that remains after payment of the administration expenses and Court-ordered attorneys' fees, litigation expenses, and service award will be distributed to Class Members in accordance with the Court approved allocation (see Sections 9 and 10 below).

## **HOW DO YOU GET A PAYMENT**

## **9. How do I get a payment from the Settlement?**

If you are a Class Member and you stay in the Class, a payment will be sent to you automatically once the Settlement is approved. You do not need to do anything to receive a payment.

## **10. How much will my payment be?**

After the administration expenses and Court-ordered attorneys' fees and litigation expenses are deducted from the Settlement Fund, the remaining funds will be allocated to the Class Members in proportion to each Class Member's available UM/UIM coverage and their individual damages (the "Claim Value"). Your estimated Claim Value is estimated assuming certain costs and fees are awarded by the Court. Your final payment may be reduced even further if you have any outstanding Medicare liens, which will be taken out of your recovery before final payment. Your final payment may also vary slightly depending on the amount of administration costs, as well as attorneys' fees and litigation costs approved by the Court. A final calculation cannot be made until after the final approval hearing.

If you have questions about how your portion of the Settlement Fund was allocated or the requirement to pay Medicare liens, contact Class Counsel (see Section 16 below).

## **YOUR RIGHTS AND OPTIONS**

## **11. How do I stay in the Class?**

You do not have to do anything to stay in the Class. By doing nothing, you will get a payment for your share of the Settlement as outlined above. By staying in the Class, you give up your right to separately sue the Farmers Defendants for the same legal claims in this lawsuit. By staying in the Class, you will also be legally bound by all of the orders the Court issues and the judgment the Court makes in this lawsuit.

## 12. How do I exclude myself from the Class?

You can exclude yourself from (or “opt out” of) the Class by sending a letter by mail to the Settlement Administrator. The exclusion letter must include:

- a) Your full name, address, and email;
- b) The name of this case: *Jesus Caballero v. Economy Preferred Insurance Company, et al.*, Case No. CV-22-02023-PHX-MTL; and
- c) A clear statement that you want to be excluded from the Class.

You must sign and date your exclusion letter, and it must be **received** by **May 6, 2025**. Mail your exclusion letter to:

*Jesus Caballero v. Economy Preferred Insurance Company*  
Exclusion Request  
PO Box 2777  
Portland, OR 97208-2777

## 13. What happens if I exclude myself from the Class?

If you exclude yourself from the Class, you won’t get any money from the Settlement Fund. You will not be bound by the Settlement Agreement or the judgment the Court makes in this lawsuit. By excluding yourself, you will retain any right you may have to sue the Farmers Defendants about the legal claims alleged in this lawsuit at your own expense.

### OBJECTING TO THE SETTLEMENT

## 14. How do I tell the Court that I don’t like the Settlement?

If you are a Class Member and have not excluded yourself from the Settlement, you can object to the Settlement—ask the Court to deny approval of the Settlement Agreement by filing an objection. You can’t ask the Court to order a different settlement; the Court can only approve or deny the Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the Settlement must be made in writing and must include the following information:

- a) Your full name, address, telephone number, and email address and, if represented by an attorney, your attorney’s full name, address, telephone number, and email address;
- b) The name and number of the case: *Jesus Caballero v. Economy Preferred Insurance Company, et al.*, Case No. CV-22-02023-PHX-MTL;
- c) Whether the objection applies only to you (the “Objector”), to a specific subset of the Settlement Class, or to the entire Settlement Class; and
- d) The specific grounds for each objection you are asserting, including a description of the legal authorities and factual basis that support the objection.

If you file a timely written objection, you may, but are not required to, appear at the Final Fairness Hearing, either in person or through your own attorney. If you choose to appear through your own attorney, you are responsible for hiring and paying that attorney.

All written objections and supporting papers must (a) be submitted to the Court by mailing them to the Clerk of the Court, United States District Court for the District of Arizona, with a copy mailed to Class Counsel at the addresses listed below, by filing them in person at any location of the United States District Court for the District of Arizona, or by filing them through the Court’s Public Access to Court Electronic Records (PACER) system at <https://pacer.uscourts.gov/>, and (b) be filed or received on or **before May 6, 2025**, no later than 11:59 p.m. Arizona Time.

**Court:**

Clerk of the Court  
United States District Court  
for the District of Arizona  
401 W. Washington Street  
Phoenix, AZ 85003

**Class Counsel:**

Robert B. Carey  
Hagens Berman Sobol Shapiro LLP  
11 W. Jefferson Street, Suite 1000  
Phoenix, AZ 85003

**15. What is the difference between excluding myself and objecting?**

Objecting is telling the Court that you do not like something about the Settlement. You can object only if you do not exclude yourself from the Class. Excluding yourself is telling the Court that you do not want to be part of the Class or the lawsuit. If you exclude yourself, you cannot object to the Settlement because the Settlement no longer affects you.

**THE LAWYERS REPRESENTING YOU**

**16. As a Class Member, who represents me in this case?**

The Court has appointed Plaintiffs Jesus Caballero, Charles Creasman, Richard Luna, and Brynley Wilhelm as the Class Representatives and the following lawyer and law firm as “Class Counsel” to represent you and other Class Members:

Robert B. Carey  
Hagens Berman Sobol Shapiro LLP  
11 W. Jefferson Street, Suite 1000  
Phoenix, AZ 85003

You may contact Class Counsel by writing to the address above, sending an email to [stacking@hbsslw.com](mailto:stacking@hbsslw.com), or calling (602) 840-5900.

**17. How will the lawyers be compensated?**

At the Final Fairness Hearing, Class Counsel will ask the Court for attorneys’ fees based on their services in this litigation, not to exceed 30% of the Settlement Fund, and may ask to be reimbursed for up to \$200,000.00 in current and ongoing litigation expenses. Any payment to Class Counsel will be subject to Court approval, and the Court may award less than the requested amount. Class Counsel will file that request at least thirty days before the objection deadline. A copy of the motion will be posted on the settlement website at [www.AZUMInsuranceclaims3.com](http://www.AZUMInsuranceclaims3.com). You will have an opportunity to comment on this request if you would like.

**18. Will the Class Representatives receive any money?**

At the Final Fairness Hearing, Class Counsel will ask the Court to award service awards for the four Plaintiffs serving as the Class Representatives. That service award will not exceed \$7,500 for each Class Representative, or a total of \$30,000.

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

You do not need to hire your own lawyer because Class Counsel is working on your behalf. However, if you want your own lawyer, you will have to pay that lawyer. If you hire your own lawyer, you can ask them to appear in Court for you if you want someone other than Class Counsel to speak for you.

**THE COURT’S FAIRNESS HEARING**

**20. When and where will the Court decide on whether to approve the Settlement?**

The Court will hold a Final Fairness Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don’t have to. The Court will hold the hearing on June 3, 2025, at 4:00 p.m., at the United States District Court

for the District of Arizona, Courtroom 524, 401 W. Washington Street, Phoenix, AZ 85003 (or on another date, which may be posted on the Court's public website). At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. You may attend and you may ask to speak, if you make a request as instructed in Section 22, but you don't have to. The Court will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take. The Court may also move the Fairness Hearing to a later date without providing additional notice to the Class.

### **21. Do I have to attend the Final Fairness Hearing?**

You do not need to attend the hearing. Class Counsel will answer any questions the Court may have. If you send an objection, you do not have to go to Court to talk about it. As long as the Court receives your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary. You or your own lawyer are welcome to come at your own expense.

### **22. May I speak at the Final Fairness Hearing?**

You may ask to speak at the Final Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Jesus Caballero v. Economy Preferred Insurance Company, et al.*, Case No. CV-22-02023-PHX-MTL." Be sure to include your name, current mailing address, telephone number, and signature. Your Notice of Intention to Appear must be received no later than May 20, 2025, and it must be sent to the Clerk of the Court and Class Counsel. The address for the Clerk of the Court is: 401 W. Washington Street, Phoenix, AZ 85003. The address for Class Counsel is provided in Section 16 and at [www.AZUMInsuranceclaims3.com](http://www.AZUMInsuranceclaims3.com). You cannot ask to speak at the hearing if you excluded yourself from the Class.

## **GETTING MORE INFORMATION**

### **23. How do I get more information?**

This notice summarizes the proposed Settlement. For more information, please visit the settlement website at [www.AZUMInsuranceclaims3.com](http://www.AZUMInsuranceclaims3.com). For the precise terms and conditions of the settlement, please see the Settlement Agreement available on the website, by contacting Class Counsel (see Section 16), by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://pacer.uscourts.gov/>, or by visiting the office of the Clerk of the Court for the United States District Court for the District of Arizona, 401 W. Washington Street, Suite 130, Phoenix, AZ 85003, between 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding Court holidays.

**PLEASE DO NOT CONTACT THE COURT ABOUT THIS SETTLEMENT.**