

Gentes Trust #1 and Gentes Trust #2 v. Frontier-Mt Carroll Mutual Insurance
Case No. 2022-LA-000269
Circuit Court for the Third Judicial Circuit of Madison County, Illinois

A class action settlement involving certain Illinois property insurance structural damage claims may provide payments to those who qualify.

- A proposed settlement has been reached in a class action about whether Frontier-Mt Carroll Mutual Insurance properly deducted labor depreciation when adjusting certain insurance claims in Illinois.
- You may be eligible for a payment if you qualify and timely submit a valid Claim Form.
- Your legal rights are affected whether you act or don't act. Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS UNDER THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	The only way to get a payment.
ASK TO BE EXCLUDED	You get no payment. This is the only option that allows you to individually sue the Insurer over the claims resolved by this Settlement.
OBJECT	Write to the Court about why you don't agree with the Settlement.
GO TO A HEARING	Ask to speak in Court about the Settlement.
DO NOTHING	You get no payment. You give up rights.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. If it does, and if any appeals are resolved in favor of the Settlement, then money will be distributed to those who timely submit claims and qualify for payment. Please be patient.

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BASIC INFORMATION

1. Why was this Notice issued?

A Court authorized this Notice because you have a right to know about a proposed settlement of this class action, including the right to claim money, and about your options regarding this Settlement before the Court decides whether to give “Final Approval” to the Settlement. If the Court approves the parties’ 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 them, and how to get them.

The Circuit Court for the Third Judicial Circuit of Madison County, Illinois is overseeing this class action. The case is called *Gentes Trust #1 and Gentes Trust #2 v. Frontier-Mt Carroll Mutual Insurance*, Case No. 2022-LA-000269. The trusts that sued are called the “Plaintiffs,” and the company they sued is called the “Defendant.”

2. What companies are part of the Settlement?

The Settlement includes Defendant Frontier-Mt Carroll Mutual Insurance.

3. What is this lawsuit about?

The lawsuit claims that Frontier-Mt Carroll Mutual Insurance improperly deducted depreciation attributable to the estimated costs of labor from insureds’ actual cash value payments when adjusting some insurance claims in Illinois. Frontier maintains that it paid claims reasonably and appropriately and denies all allegations that it acted wrongfully or unlawfully.

4. Why is this a class action?

In a class action, one or more persons, organizations or trusts called “Class Representatives” (in this case, Gentes Trust #1 and Gentes Trust #2) sued on behalf of others who have similar claims. All of those included are a “Class” or “Class Members.” One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

5. Why is there a Settlement?

The Court did not decide in favor of the Plaintiffs or the Defendant and has not found that the Defendant did anything wrong. Instead, both sides agreed to settle. That way, the parties avoid the cost of litigation, a trial and, potentially, an appeal, and the people and organizations 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 the Defendant did anything wrong, no trial has occurred, and no merits determinations have been made.

WHO IS IN THE SETTLEMENT?

To see if you are eligible for benefits from this Settlement, you first have to determine if you are a Class Member.

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

If you received this Notice, then you have been identified as someone who is likely to be a member of the Class. The Class includes: All policyholders under any Commercial or Personal Lines property insurance policy issued by Frontier, who made a Structural Loss claim for property

located in the State of Illinois during the applicable Class Periods, that resulted in an ACV Payment from which Labor Depreciation was withheld, or that would have resulted in an ACV Payment but for the withholding of Labor Depreciation causing the loss to drop below the applicable deductible.

A Structural Loss means physical damage to a home, building, manufactured home, condo, rental dwelling, or other structure in Illinois while covered by any Personal Lines or Commercial Lines insurance policy issued by Frontier.

“Covered Loss” means a first party insurance claim for Structural Loss, as defined above, that (a) occurred during the Class Period, and (b) resulted in an ACV Payment by Frontier, or would have resulted in an ACV Payment but for the deduction of Labor Depreciation.

“Labor Depreciation” means any costs depreciated by Frontier or its independent adjusters from an actual cash value payment that are attributable to labor costs. For purposes of the Settlement: (A) For claims in which an .esx file was available to counsels, the amount of “Labor Depreciation” withheld from an ACV Payment is reflected in column “AI” of the spreadsheet produced by Frontier on February 24, 2023; (B) For claims in which no .esx file was available to counsels, the amount of “Labor Depreciation” is calculated as 49.3% of the total withheld depreciation. (This percentage reflects the proportionate share of Labor Depreciation to total withheld depreciation from those claims in which an .esx file was available.)

The Class Period means the following time-period:

For Illinois policyholders of Frontier-Mt Carroll Mutual Insurance, with Structural Loss claims with dates of loss between February 28, 2020, and September 17, 2021, and who submitted timely notice of their loss.

7. Are there exceptions to being included in the Class?

Excluded from the Class are: (a) policyholders whose claims arose under policy forms, endorsements, or riders expressly permitting deduction of Labor Depreciation within the text of the policy form, endorsement or rider, *i.e.*, by express use of the words “depreciation” and “labor”; (b) policyholders who received one or more ACV Payments that exhausted the applicable limits of insurance; (c) policyholders whose claims were denied or abandoned without ACV Payments; (d) Frontier and its officers and directors; (e) members of the judiciary and their staff to whom this action is assigned and their immediate families; and (f) Class Counsel and their immediate families (collectively, “Exclusions”).

8. I’m still not sure I’m included.

If you are not sure whether you are included in the Class, you may call the toll free number 1-800-227-7163 with questions or visit www.FrontierDepreciationSettlement.com.

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

9. How much will Settlement payments be?

Class Members who complete and sign a Claim Form and timely mail it to the proper address, or submit the Claim Form by uploading it on the Settlement Website, may be eligible for a payment. Under the Settlement, Frontier has agreed to pay Class Members who timely submit valid claims, determined as follows:

(a) for Class Members to whom all Labor Depreciation has not been paid (which is a majority of Class Members), 112.5% of the net estimated Labor Depreciation that was withheld from ACV Payments and not subsequently paid. This is calculated by determining the total amount of outstanding withheld Labor Depreciation and multiplying that figure by 1.125. The average claim payment for these Class Members is estimated to be \$1,722.06. If you fall in this group, your claim will most likely be different (lower or higher) than this amount and dependent upon your own claim;

and,

(b) for Class Members who recovered all outstanding Labor Depreciation through the claim process with Frontier, a one-time payment ranging from 2.5% to 10% of the total amount of Labor Depreciation initially withheld depending on the length of time said amount was withheld. If Labor Depreciation costs were withheld for 0-4 months, you will receive 2.5% of the amount initially withheld; if withheld for 5-9 months you will receive 5% of the amount of Labor Depreciation initially withheld; and, if withheld for 10 months or more, you will receive 10% of the amount of Labor Depreciation initially withheld. The average claim for these “interest only” Class Members is approximately \$60.40, but your payment will be dependent upon the amount of Labor Depreciation withheld and the length of time said Labor Depreciation was withheld.

You **must submit a Claim Form** in order to determine whether you are eligible for and the amount of your Settlement payment. If you do not, you will not receive a Settlement payment. For additional details on the payment terms, please see the Settlement Agreement, which is available at www.FrontierDepreciationSettlement.com, or call toll free 1-800-227-7163.

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

10. How can I get a payment?

To find out whether you are eligible for a payment, you must complete and sign a Claim Form truthfully, accurately, and completely, to the best of your ability. **You must mail the completed Claim Form to the following address, postmarked no later than December 15, 2023:**

Gentes Trust v. Frontier Settlement
c/o Atticus Administration
PO Box 64053
Saint Paul, MN 55164

You can also upload to the Settlement Website at www.FrontierDepreciationSettlement.com a signed, scanned copy of a completed Claim Form before midnight Eastern Daylight Time on **December 15, 2023**. A copy of the Claim Form was mailed with this Notice. You may obtain an additional Claim Form by calling the Settlement Administrator at 1-800-227-7163 or visiting www.FrontierDepreciationSettlement.com. If you sign a Claim Form as the representative of a deceased or incapacitated Class Member, you must also submit written proof that you are the legally authorized representative. If you are a contractor to whom an insurance claim was properly assigned by a policyholder, you must submit written proof of the assignment with the filed Claim Form.

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 payments will be mailed to eligible Class Members after the claims administration process is completed. 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 you can't individually sue Frontier over the claims settled in this case relating to deduction of Labor Depreciation from payments for Covered Losses. 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 if you do nothing and stay in the Class, you will agree to release all Released Claims against all Released Persons. "Released Claims" and "Released Persons" are defined in the Settlement Agreement, which you can request by calling 1-800-227-7163 or view at: www.FrontierDepreciationSettlement.com.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this Settlement, and/or if you want to keep the right to individually sue about the issues in this case, then you must take steps to get out of the Settlement. This is called excluding yourself from—or "opting out" of—the Class.

13. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must mail a letter saying that you want to be excluded from the *Gentes Trust #1 and Gentes Trust #2 v. Frontier-Mt Carroll Mutual Insurance*, Case No. 2022-LA-000269 Settlement. Your letter must include your full name, address, and be signed. You must also include a clear statement that you wish to be excluded from the Settlement Class. You must mail your request for exclusion postmarked by September 26, 2023 to:

Gentes Trust v. Frontier Settlement
c/o Atticus Administration
PO Box 64053
Saint Paul, MN 55164

More instructions are in the Settlement Agreement available at: www.FrontierDepreciationSettlement.com. You cannot exclude yourself by phone, by email, or on the website. The right to exclude yourself from the proposed Settlement must be exercised individually, not as a member of a group and, except for a deceased or incapacitated Class Member, not by another person acting or purporting to act in a representative capacity. If you request exclusion on behalf of a deceased or incapacitated Class Member, you must also submit written proof that you are the legally authorized representative.

14. If I don't exclude myself, can I sue the Insurance Company for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Frontier for the claims that this Settlement resolves. You must exclude yourself from the Class to individually sue Frontier over the claims resolved by this Settlement. Remember, the exclusion deadline is September 26, 2023.

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

No. If you exclude yourself from the Settlement, do not submit a Claim Form to ask for a payment.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court appointed the following law firms to represent you and other Class Members as Class Counsel:

David T. Butsch
Christopher E. Roberts
BUTSCH ROBERTS & ASSOCIATES LLC
231 S. Bemiston Ave., Suite 260
Clayton, MO 63105
Tel: (314) 863-5700
Fax: (314) 863-5711
butsch@butschroberts.com
roberts@butschroberts.com

Christopher W. Byron
Christopher J. Petri
BYRON CARSLON PETRI & KALB, LLC
411 St. Louis Street
Edwardsville, IL 62025
Phone: (618) 655-0600
Fax: (618) 655-4004
cwb@bcpldaw.com
cjp@bcpldaw.com

You do not have to pay Class Counsel. If you want to be represented by your own lawyer, and potentially have that lawyer appear in court for you in this case, you may hire one at your own expense.

17. How will the lawyers and Class Representatives be paid?

Class Counsel will ask the Court for up to \$250,000.00 for attorneys' fees and reasonable litigation expenses, and will ask the Court to award the Class Representatives \$10,000.00 in total for their efforts in prosecuting this case (called a service award). Frontier agreed not to oppose the request for fees, expenses, and service awards up to these amounts. The Court may award less than these amounts. Frontier will pay these fees, expenses, and service awards in addition to amounts due to Class Members. These payments will not reduce the amount distributed to Class Members. Frontier will also separately pay the costs to administer the Settlement.

OBJECTING TO THE SETTLEMENT

You can tell the Court if you don't agree with the Settlement or some part of it.

18. How do I tell the Court if I don't agree with the Settlement?

If you don't want the Court to approve the Settlement you must file a written objection with the Court and send a copy to the Settlement Administrator by the deadline noted below. You should include the name of the cases (*Gentes Trust #1 and Gentes Trust #2 v. Frontier-Mt Carroll Mutual Insurance*, Case No. 2022-LA-000269), your full name, address, telephone number, your signature, the specific reasons why you object to the Settlement, and state whether you intend to appear at the Final Approval Hearing in person or through counsel. If you have a lawyer file an objection for you, he or she must follow all local rules and you must list the attorney's name, address, and telephone number in the written objection filed with the Court.

If you intend to appear at the Final Approval Hearing to object to the Settlement, you must also provide the Court with your written objection a detailed statement of the specific legal and factual reasons for each objection, a list of any witnesses you may call at the hearing with each witness's

address and summary of the witness’s testimony, and a description of any documents you may present to the Court at the hearing. 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). The right to object to the Proposed Settlement must be exercised individually by an individual Class Member, not as a member of a group and, except in the case of a deceased or incapacitated Class Member, not by another person acting or purporting to act in a representative capacity. If you file an objection as the representative of a Class Member, you must also submit written proof that you are the legally authorized representative.

File the objection with the Clerk of the Court at the address below by September 26, 2023. Note: You may send it by mail, but it must be received and filed by the Clerk by this date.	And mail a copy of the objection to the Administrator at the following address so that it is postmarked by September 26, 2023:
Court	Administrator
Clerk of the Court 155 N Main Street Courtroom 320 Edwardsville, IL 62025	Gentes Trust v. Frontier Settlement c/o Atticus Administration PO Box 64053 Saint Paul, MN 55164

19. What’s 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 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.

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

The Court has scheduled a Final Approval Hearing at 9:00 a.m., on October 26, 2023, at the Circuit Court Third Judicial Circuit, Madison County, Illinois, 155 N Main Street, Courtroom 320, Edwardsville, IL 62025. 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 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. Check the Settlement Website before to make sure the hearing hasn’t been rescheduled, or to see whether the Court has scheduled the hearing to proceed by video conference or teleconference only, instead of in person.

21. Do I have to come to the hearing?

You are not required to attend, and Class Counsel will answer any questions that the Court may have. If you wish to attend the hearing, 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.

22. 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.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you'll get no payment from this Settlement. But, unless you exclude yourself from the Settlement, you won't be able to individually sue for the claims resolved in this case.

GETTING MORE INFORMATION

24. How do I get more information about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. If you have questions or if you want to request a copy of the Settlement Agreement, which provides more information, call 1-800-227-7163 or visit www.FrontierDepreciationSettlement.com.

**PLEASE DO NOT CALL OR WRITE THE COURT, THE JUDGE OR HIS STAFF, OR
THE INSURANCE COMPANY OR ITS COUNSEL FOR INFORMATION OR ADVICE
ABOUT THE SETTLEMENT**