

Circuit Court for the Twenty-First Judicial Circuit, St. Louis County, Missouri
Pregon v. State Farm Fire and Casualty Co., Case No. 24SL-CC03130

NOTICE OF CLASS ACTION SETTLEMENT

A court has authorized this notice.

This is not an advertisement or solicitation from a lawyer.

PLEASE READ THIS NOTICE IN ITS ENTIRETY

If your Missouri property was insured by State Farm Fire and Casualty Company (“State Farm”) and you made a claim for structural damage for a loss that occurred between June 5, 2012 and approximately October 2017, this class action settlement may affect your rights.

- A proposed settlement has been reached in a class action about whether State Farm properly depreciated the estimated costs of the labor and other non-material costs needed to replace damaged structures when making actual cash value (“ACV”) payment(s) to Missouri policyholders under State Farm insurance policies.
- 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. **There is a deadline to act.**

YOUR LEGAL RIGHTS AND OPTIONS UNDER THIS SETTLEMENT:	
SUBMIT A CLAIM FORM (Deadline: April 2, 2026)	The only way to get a payment if you qualify.
ASK TO BE EXCLUDED (Deadline: January 30, 2026)	You get no payment. This is the only option that allows you to ever be part of any other lawsuit against State Farm over the claims resolved by this settlement.
OBJECT (Deadline: January 30, 2026)	Write to the Court about why you don’t agree with the settlement.
GO TO A HEARING (Scheduled for March 3, 2026)	Ask to speak in Court about the settlement.
DO NOTHING	You get no payment. You give up rights.

- 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.

Questions? Visit www.Pregon-v-StateFarm.com or call toll-free at 1-877-206-2313
(Para una notificación en Español, llamar o visitar el website.)

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION	1
1. Why was this notice issued?	1
2. What is this lawsuit about?	1
3. Why is this a class action?	1
4. Why is there a settlement?	2
WHO IS IN THE SETTLEMENT?.....	2
5. How do I know if I am part of the settlement?.....	2
6. Are there exceptions to being included in the Settlement Class?.....	3
7. I'm still not sure whether I am a Settlement Class Member.	3
THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY	3
8. How much will settlement payments be?	3
HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM.....	4
9. How can I get a payment?	4
10. When will I get my payment?	4
11. What am I giving up to get a payment or stay in the Settlement Class?	4
EXCLUDING YOURSELF FROM THE SETTLEMENT	5
12. How do I get out of the settlement?.....	5
13. If I don't exclude myself, can I sue State Farm for the same thing later?	5
14. If I exclude myself, can I get a payment from this settlement?	5
THE LAWYERS REPRESENTING YOU	5
15. Do I have a lawyer in this case?	5
16. How will the lawyers and Class Representative be paid?	6
OBJECTING TO THE SETTLEMENT	6
17. How do I tell the Court if I don't agree with the settlement?	6
18. What's the difference between objecting and asking to be excluded?	7
THE COURT'S FINAL APPROVAL HEARING	7
19. When and where will the Court decide whether to approve the settlement?	8
20. Do I have to come to the hearing?	8
21. May I speak at the hearing?	8
IF YOU DO NOTHING	8
22. What happens if I do nothing at all?.....	8
GETTING MORE INFORMATION	8
23. How do I get more information about the settlement?	8

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 Missouri under a State Farm structural damage insurance policy, based on a loss occurring between June 5, 2012 and approximately October 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.

A Court authorized this notice because you have a right to know about a proposed settlement that has been reached in a lawsuit covering these claims. As part of the proposed settlement, the Court has allowed, or "certified," the case to proceed as a class action that may affect your rights. You should know that you have the right to submit a claim for payment as part of the settlement, 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' Class Action Stipulation of Settlement Agreement ("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 Form. 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. A Claim Form is attached to this notice. You can also print a Claim Form online at the settlement website.

The Circuit Court for the Twenty-First Judicial Circuit of St. Louis County, Missouri, is overseeing this class action. The case is called *Pregon v. State Farm Fire and Casualty Co.*, Case No. 24SL-CC03130. The person who sued is called the "Plaintiff," and the company Plaintiff sued is called the "Defendant."

2. What is this lawsuit about?

The lawsuit claims that State Farm improperly deducted non-material depreciation when adjusting some structural loss insurance claims in Missouri.

State Farm has denied all allegations that it acted wrongfully or unlawfully. State Farm contends that policyholders received everything they were entitled to under their policies, including many through payments for replacement cost benefits.

3. Why is this a class action?

In a class action, one or more persons or organizations called "Class Representatives" (in this case, Michael Pregon) sue 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. Here, the Court has appointed the lawyers for the Class Representative (referred to as "Class Counsel," whose names and contact information are provided in response to Question 15) to represent the Settlement Class and has appointed the Plaintiff who filed the lawsuit to serve as Class Representative.

4. Why is there a settlement?

Instead of proceeding to a trial, both sides agreed to settle this case. 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 Representative and his attorneys think the settlement is best for all Settlement Class Members. The settlement does not mean that State Farm did anything wrong. No trial has occurred, and the Court has not finally ruled on Plaintiff's claims or State Farm's defenses. State Farm denies all wrongdoing.

WHO IS IN THE SETTLEMENT?

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

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

If you received this Notice, then you have been identified as someone who may be a Settlement Class Member.

If you are uncertain about whether you are a Settlement Class Member after reviewing the information below, you may complete a Claim Form and your status as a potential Settlement Class Member will be determined for you.

The Settlement Class includes all policyholders (except for those listed in the Exclusions below) insured under a State Farm structural damage policy who: (1) made a structural damage claim for property located in Missouri with a date of loss on or after June 5, 2012; and (2) received an actual cash value ("ACV") payment on that claim where either estimated Non-Material Depreciation or estimated General Contractor Overhead and Profit Depreciation was deducted, or who would have received an ACV payment but for the deduction of estimated Non-Material Depreciation and/or estimated General Contractor Overhead and Profit Depreciation causing the calculated ACV figure to drop below the applicable deductible.

The capitalized terms have the following meanings:

“Class Period” means the period encompassing Settlement Class claims, beginning on June 5, 2012, and ending in approximately October 2017.

“Structural Loss” means physical damage to a dwelling, business, or other structure located in the State of Missouri while covered by a structural damage insurance policy issued by Defendant.

“Covered Loss” means a first party insurance claim for a Structural Loss, as defined above, that occurred during the Class Period and that Defendant or a court of competent jurisdiction determined to be a covered loss.

“Non-Material Depreciation” means Depreciation applied to estimated repair line-item cost elements such as labor, equipment, market conditions, and removal costs, including, for example, Depreciation resulting from the use of the Xactimate® settings “Depreciate Non-Material” and/or “Depreciate Removal.”

“General Contractor Overhead and Profit Depreciation” (or “GCOP Depreciation”) means Depreciation applied to estimated costs (if any) that State Farm has projected a general contractor may charge for coordinating repairs, specifically including Depreciation resulting from the use of the Xactimate® setting “Depreciate O&P.”

“Depreciation” means an estimated amount subtracted from the estimated replacement cost value when calculating the ACV of damaged property, reflecting the age, condition, wear and tear and/or obsolescence of the item(s) of structural damaged property.

6. Are there exceptions to being included in the Settlement Class?

Excluded from the Settlement Class are: (a) all claims arising under State Farm policy forms (including endorsement form FE-3650) expressly permitting the “depreciation” of “labor” within the text of the policy form; (b) all claims in which State Farm’s ACV Payments exhausted the applicable limits of insurance; (c) State Farm and its affiliates, officers and directors; (d) members of the judiciary and their staff to whom this action is assigned; and (e) Class Counsel (collectively, “Exclusions”).

7. I’m still not sure whether I am a Settlement Class Member.

If you are not sure whether you are included in the Settlement Class, you may timely submit a claim form to have State Farm determine if you are eligible to receive payment. There is no penalty for submitting a claim form, and submitting a claim form is the only way to have your claim reviewed and, if you are eligible, receive money from this settlement.

If you have further questions, you may call the following toll-free number 1-877-206-2313 with questions or visit www.Pregon-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.

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

8. How much will settlement payments be?

Under the Settlement, State Farm has agreed to pay Settlement Class Members who fully complete a claim form and timely mail it to the proper address or upload it to the proper website, as follows:

- (a) The Claim Settlement Payments to Settlement Class Members who received an ACV Payment from which either estimated Non-Material Depreciation or estimated GCOP Depreciation was initially deducted and did not subsequently recover all available Depreciation through payments of replacement cost benefits (“RCBs”), will be equal to 90% of the estimated Non-Material Depreciation that was initially deducted from the ACV payment and was not yet recovered through payments of RCBs, plus 50% of the estimated GCOP Depreciation (if any) that was initially deducted from the ACV payment and was not yet recovered through payments of RCBs, plus simple interest at 8.9% per annum on those additional amounts to be paid from August 6, 2021, through the date the Settlement Agreement is fully executed.
- (b) The Claim Settlement Payments to Settlement Class Members who received an ACV Payment from which either estimated Non-Material Depreciation or estimated GCOP Depreciation was initially deducted and subsequently recovered all available Depreciation through payments of RCBs will be equal to simple interest at 8.9% per annum on 90% of the amount of estimated Non-Material Depreciation initially applied but subsequently recovered, plus simple interest at 8.9% per annum on 50% of the estimated GCOP Depreciation (if any) that was initially applied but subsequently recovered, calculated from the date of the initial ACV Payment through the final RCB payment.

(c) The Claim Settlement Payments to Settlement Class Members who did not receive an ACV Payment due to the application of estimated Non-Material Depreciation and/or GCOP Depreciation causing the calculated ACV figure to drop below the applicable deductible shall be equal to 90% of the portion of the estimated Non-Material Depreciation and 50% of the portion of the estimated GCOP Depreciation (if any) that the policyholder did not receive in excess of the applicable deductible, plus simple interest at 8.9% per annum on those amounts to be paid from August 6, 2021, through the date the Settlement Agreement is fully executed.

The amount of these payments will vary based on the size of the claim and the amount of depreciation initially withheld.

You must submit a Claim Form in order for someone to determine whether you are eligible for a settlement payment and, if so, the amount of your settlement payment. If you do not submit a Claim Form, you will not receive a settlement payment. For additional details on the payment terms, please see the Settlement Agreement, which is available at www.Pregon-v-StateFarm.com, or call toll-free at 1-877-206-2313.

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

9. How can I get a payment?

To ask for a payment, you must complete and return a truthful and accurate Claim Form. **You must mail the completed Claim Form to the following address, postmarked no later than April 2, 2026:**

Pregon v. State Farm Settlement
c/o JND Legal Administration
PO Box 91215
Seattle, WA 98111

You can also upload to the settlement website at www.Pregon-v-StateFarm.com a signed, scanned copy of a completed Claim Form before midnight Central Time on April 2, 2026.

A copy of the Claim Form was mailed with this notice. You may obtain an additional blank Claim Form by downloading one from www.Pregon-v-StateFarm.com or by calling the Administrator at 1-877-206-2313. If you sign a Claim Form as the representative of a deceased or incapacitated Settlement Class Member, you must also submit written proof that you are the legally authorized representative of that Settlement Class Member.

10. 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 Settlement Class Members after the claims administration process is completed. This process can take time, so please be patient.

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

Unless you exclude yourself, you are staying in the Settlement Class, and that means you can't sue State Farm and the Released Persons over the claims settled in this case. It also means that all the Court's orders will apply to you and legally bind you.

If you submit a Claim Form, or if you do nothing and do not exclude yourself, you will agree to release all “Released Persons” of all “Released Claims.” “Released Persons” and “Released Claims” are defined in the Settlement Agreement, which you can request by calling 1-877-206-2313 or view at: www.Pregon-v-StateFarm.com.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If 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 “opting out” of—the Class. (If you do exclude yourself from the settlement, you may not submit a claim for potential payment from the settlement.)

12. 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 *Pregon v. State Farm Fire and Casualty Co.*, Case No. 24SL-CC03130 settlement. Your letter must include your full name and address, and must be signed by you (not your attorney). 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 January 30, 2026, to:

Pregon v. State Farm Settlement
c/o JND Legal Administration
PO Box 91215
Seattle, WA 98111

More instructions are in the Settlement Agreement, available at: www.Pregon-v-StateFarm.com. You cannot exclude yourself by phone, by email, or on the settlement 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 Settlement 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 Settlement Class Member, you must also submit written proof that you are the legally authorized representative of that Settlement Class Member. There is a deadline to ask to be excluded. If you do not want to participate in the settlement, then your mailed exclusion request must be postmarked by January 30, 2026.

13. 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 the Settlement Class to sue State Farm over the claims resolved by this settlement. Remember, the exclusion deadline is January 30, 2026.

14. If I exclude myself, can I get a payment from this settlement?

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

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

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

David T. Butsch
Christopher E. Roberts
Butsch Roberts & Associates LLC
7777 Bonhomme Ave., Suite 1300
Clayton, MO 63105
Tel: (314) 863-5700
Butsch@ButschRoberts.com
Roberts@ButschRoberts.com

T. Joseph Snodgrass
Snodgrass Law LLC
100 S. Fifth St., Suite 800
Minneapolis, MN 55402
Tel: (612) 448-2600
jsnodgrass@snodgrass-law.com

J. Brandon McWherter
McWherter Scott Bobbitt PLC
109 Westpark Drive, Suite 260
Brentwood, TN 37027
Tel: (615) 354-1144
brandon@msb.law

Erik D. Peterson
Erik Peterson Law Offices PSC
110 W. Vine Street, Suite 300
Lexington, KY 40507
Tel: (800) 614-1957
erik@eplo.law

Douglas J. Winters
The Winters Law Group, LLC
7700 Bonhomme Avenue, Suite 575
St. Louis, MO 63105
(314) 499-5200
dwinters@winterslg.com

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

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.

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

If you choose to remain in this lawsuit, you will not be required to pay attorneys' fees or litigation expenses to Class Counsel out of your own pocket. As part of this settlement, Class Counsel will ask the Court for up to \$5,125,000 for attorneys' fees and reasonable litigation expenses, and will ask the Court to award Class Representative Michael Pregon \$7,500 for his efforts in representing the Settlement Class (called a service award). State Farm has agreed not to oppose the request for fees, expenses, and service award up to these amounts. The Court may award less than these amounts. State Farm will separately pay these fees, expenses, and service award that the Court orders.

These payments will not reduce the amount distributed to Settlement Class Members. State Farm will also separately pay the costs to administer the settlement.

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.

17. How do I tell the Court if I don't agree with the settlement?

If you are a Settlement Class Member and don't want the Court to approve the settlement, you must file a written objection with the Court and send a copy to the Administrator by the deadline noted below. You must include: (i) the name of this case and case number (*Pregon v. State Farm Fire and*

Casualty Co., Case No. 24SL-CC03130), (ii) your full name, address, telephone number, signature, and the specific reasons why you object to the settlement, and (iii) 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, bar number, and telephone number in the written objection filed with the Court and mailed to the Administrator.

If you intend to appear at the Final Approval Hearing to object to the settlement, you must also: (i) provide the Court with a notice of intention to appear at the Final Approval Hearing by January 30, 2026; and (ii) mail copies of the notice to Class Counsel and State Farm's Counsel, postmarked by January 30, 2026. The notice must include a list of any witnesses you may call at the hearing, with each witness's address and a 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 Settlement Class Member, not as a member of a group and, except in the case of a deceased or incapacitated Settlement 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 Settlement Class Member, you must also submit written proof that you are the legally authorized representative of that Settlement Class Member.

File the written objection with the Clerk of Court at the address below by January 30, 2026. Note: You may send it by mail, but it must be received and filed by the Clerk by January 30, 2026.	And mail a copy of the objection to the Settlement Administrator at the following address so that it is postmarked by January 30, 2026:
Court	Administrator
Clerk of Court St. Louis County Circuit Court 105 South Central Avenue Clayton, MO 63105	Pregon v. State Farm Settlement c/o JND Legal Administration P.O. Box 91215 Seattle, WA 98111

18. 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 Settlement Class. Excluding yourself is telling the Court that you don't want to be part of the Settlement 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.

19. When and where will the Court decide whether to approve the settlement?

The Court has scheduled a Final Approval Hearing at 8:30 a.m. Central Time, on March 3, 2026, in the St. Louis County Circuit Court, Missouri, 105 South Central Avenue, Courtroom 383, Clayton, Missouri. 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 Settlement Class and how much the service award should be for the Class Representative. At or after the Final Approval Hearing, the Court will decide whether to approve the settlement. It is not known how long this decision will take.

Check the settlement website to make sure the Final Approval Hearing hasn't been rescheduled, and to see whether the Court has scheduled the hearing to proceed by video conference or teleconference only, instead of in person.

20. Do I have to come to the hearing?

No. You are not required to attend, and Class Counsel will answer any questions that the Court may have. If you wish to attend the Final Approval 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.

21. May I speak at the hearing?

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

IF YOU DO NOTHING

22. 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 State Farm for the claims resolved in this case.

GETTING MORE INFORMATION

23. 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 1-877-206-2313 or visit www.Pregon-v-StateFarm.com.

PLEASE DO NOT CALL OR WRITE THE COURT, THE JUDGE OR THE JUDGE'S STAFF, OR STATE FARM OR STATE FARM'S COUNSEL FOR INFORMATION OR ADVICE ABOUT THIS SETTLEMENT.

You may, however, continue to call State Farm or your State Farm agent regarding any other insurance matters.