

LEGAL NOTICE BY ORDER OF THE COURT

## **If You Had a Property Insurance Claim with Travelers that Included Rot Damage and Travelers Denied Coverage for the Rot Damage, You May be Entitled to Benefits from a Class Action Settlement**

*A court authorized this notice. This is not a solicitation from a lawyer. You are not being sued.*

A settlement has been proposed in a class action lawsuit pending in the United States District Court for the Eastern District of Pennsylvania (the “Court”). The lawsuit alleges that Travelers improperly applied a long-term seepage/leakage exclusion in certain of its insurance policies to claimed Rot Damage, and that Travelers should have paid for certain claimed Rot Damage under a Rot Remediation Coverage.<sup>1</sup> Travelers denies that it did anything wrong, but has agreed to a proposed settlement.

The proposed settlement will provide monetary benefits to eligible persons who made insurance claims with Travelers for Structural Damage to an Insured Structure where the insurance claim falls within the Settlement Class Period, the Policy included Rot Remediation Coverage and the Rot Damage portion of the claim was denied by Travelers. You are receiving this notice because Travelers’ records show that you may be a Class Member (see Question 3 below).

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS PROPOSED SETTLEMENT</b>	
<b>FILE A CLAIM</b>	You may submit a claim form to the Settlement Administrator. <b>The deadline is May 28, 2020.</b> (see Question 7 below)
<b>EXCLUDE YOURSELF</b>	You may submit a request for exclusion to the Settlement Administrator. <b>The deadline is May 13, 2020.</b> (see Question 8 below)
<b>OBJECT</b>	You may submit an objection to the proposed settlement to the Court. <b>The deadline is May 13, 2020.</b> (see Question 12 below)
<b>GO TO A HEARING</b>	You may attend a hearing at the Court. You may also submit to the Court a request for permission to speak at a hearing (see Questions 14 and 15 below).
<b>DO NOTHING</b>	You will not be able to receive a benefit under the settlement or pursue any other lawsuit against Travelers concerning or relating to any Rot Damage to your structure (see Question 16 below).

These rights and options, and the deadlines to exercise them, are explained in this notice.

The Court still has to decide whether to approve this settlement. Payments for valid claims will be made if the Court approves the settlement and after any appeals are resolved. Please be patient.

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<sup>1</sup> The terms that are capitalized in this notice are defined in the “Definitions” section of the Settlement Agreement, which is available at [www.RoseSettlement.com](http://www.RoseSettlement.com).

**Questions? Call 1-866-977-0336 or visit [www.RoseSettlement.com](http://www.RoseSettlement.com)**

## BASIC INFORMATION

### 1. What is this lawsuit about?

In a class action lawsuit, one or more people called a “Class Representative” (in this case, Sean and Jaime Rose), sue on behalf of people who have similar claims. The people together are a “Class.” One court resolves the issues for everyone in the Class, except for those people who choose to exclude themselves from the Class.

This lawsuit alleges that Travelers improperly applied a long-term seepage/leakage exclusion in certain of its insurance policies for claimed Rot Damage, and that Travelers should have paid for certain claimed Rot Damage under Rot Remediation Coverage. Travelers denies that it did anything wrong, but has agreed to a proposed settlement.

### 2. Why is there a proposed Settlement?

The Court did not reach a final decision in favor of the Class Representatives or Travelers. Instead, both sides agreed to a proposed settlement. Settlements avoid the costs and uncertainty of a trial and related appeals, while providing benefits to members of the Class. The Class Representatives and the attorneys for the proposed class think the proposed settlement is best for all members of the Class.

### 3. Who is affected by the proposed Settlement?

You are a member of the Class (if you do not exclude yourself from the Class as explained in the answer to Question 8 below) and will be affected by the proposed settlement, as explained further in this notice, if you satisfy the following requirements:

- (a) you made a property insurance claim with Travelers for Structural Damage to an Insured Structure located in the United States of America under a Policy issued by Travelers;
- (b) your insurance claim falls within a time period known as the Settlement Class Period (this depends on your jurisdiction, see Exhibit G to the Settlement Agreement at [www.RoseSettlement.com](http://www.RoseSettlement.com) for a list of the applicable time periods for each jurisdiction);
- (c) your Travelers Policy included Rot Remediation Coverage;
- (d) your insurance claim included Rot Damage; and
- (e) the Rot Damage portion of the claim was denied by Travelers.

Even if you satisfy requirements (a)-(e) above, you are not a member of the Class if, as of February 4, 2020, your insurance claim:

- (a) remains open according to Travelers’ records;
- (b) is the subject of an assignment of rights to payment by the policyholder to any third party;
- (c) is the subject of a pending lawsuit, other than the Civil Action (i.e., this lawsuit);
- (d) is the subject of a final judgment in a lawsuit against Travelers or release (i.e., a document signed to settle a lawsuit or disputed insurance claim) executed by the policyholder in favor of Travelers; and/or
- (e) is the subject of an ongoing or completed appraisal proceeding under the terms of an appraisal provision in a Policy.

If you have questions about whether you are a Class Member, you may contact the Settlement Administrator at 1-866-977-0336. You may also contact Class Counsel (see Question 10 below).

If you are a Class Member, you have a right to submit a claim form to receive benefits under the proposed settlement. The process for submitting a claim form is described in Question 7 below.

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#### 4. What benefits are provided?

If you are a Class Member and you submit a valid claim form (with accompanying documentation if required) by the deadline, you will be entitled to a payment, the amount of which will depend on whether your insurance claim falls within the time period for Policy Period Claims or Statutory Period Claims. These time periods depend on your jurisdiction, and are specified in Exhibit G to the Settlement Agreement, which is available at [www.RoseSettlement.com](http://www.RoseSettlement.com). **If the package you received in the mail includes Claim Form A, your insurance claim qualifies as a Policy Period Claim based on Travelers' records. If your mailed package includes Claim Form B, your insurance claim qualifies as a Statutory Period Claim based on Travelers' records. If you misplaced your mailed package, you may contact the Settlement Administrator at 1-866-977-0336 or [info@RoseSettlement.com](mailto:info@RoseSettlement.com).**

**Benefits for Valid Policy Period Claims:** The amounts to be paid for valid Policy Period Claims, which require you to submit Claim Form A if you are eligible, are as follows:

CLAIMED ROT DAMAGE	SETTLEMENT PAYMENT
Less than \$1,000.00	\$200
\$1,000 to \$2,499.99	\$700
\$2,500.00 to \$4,999.99	\$1,350 (without documentation) \$1,750 (with documentation)
\$5,000.00 or more <b>without documentation</b>	\$1,750
\$5,000.00 or more <b>with documentation</b> (for Settlement Class Members who have a Rot Remediation Coverage sublimit of \$5,000)	\$2,375
\$5,000.00 to \$9,999.99 <b>with documentation</b> (for Settlement Class Members who have a Rot Remediation Coverage sublimit of \$10,000 or more)	\$3,000
\$10,000 or more <b>with documentation</b> (for Settlement Class Members who have a Rot Remediation Coverage sublimit of \$10,000 or more)	\$3,750

The term "Claimed Rot Damage" in the table above refers to the actual or estimated cost of repair of Rot Damage. In order to make a valid claim "with documentation" as set forth above, you must provide to the Settlement Administrator, together with Claim Form A, supporting documentation constituting written proof of the claimed Rot Damage, including but not limited to a cancelled check or other evidence of payment to a contractor for repair of Rot Damage, an estimate (that predates repairs), bill(s) or invoice(s) from a contractor or photograph(s) of unrepaired Rot Damage being claimed, regardless of whether or not work has been completed.

**Benefits for Valid Statutory Period Claims:** If you submit a valid claim form for a Statutory Period Claim on Claim Form B, you will be paid \$150.

#### 5. What will happen after I submit a Claim Form?

If you submit a claim form, Travelers may review your claim form together with your claim file. Travelers will have 90 days after the deadline for submission of claim forms to review the claims. Travelers will not dispute claims with Claimed Rot Damage below \$1,000, unless Travelers has reason to believe that your insurance claim did not actually involve any Rot Damage. If Travelers decides to dispute your claim, you will receive a letter from the Settlement Administrator explaining why Travelers

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disputes your claim. The letter from the Settlement Administrator will explain the process and deadline for you to submit any additional documentation or information if you choose to do so. If you and Travelers continue to dispute your claim, it will be submitted to the Neutral Evaluator for a final decision, which will be binding on you and Travelers. This process is explained in Paragraphs 48 and 49 of the Settlement Agreement, available at [www.RoseSettlement.com](http://www.RoseSettlement.com) or by calling 1-866-977-0336.

If you submit a valid claim, you will receive payment within 30 days of the Effective Date of the Settlement or your claim being resolved by the Neutral Evaluator, whichever is later. This takes time. Please be patient.

If you have questions about this, you should contact the Settlement Administrator through the settlement website at [www.RoseSettlement.com](http://www.RoseSettlement.com) or at 1-866-977-0336, or you can contact Settlement Class Counsel (see Question 10 below).

## **6. How will my legal rights be limited by the proposed Settlement?**

### **IF THE PROPOSED SETTLEMENT IS APPROVED, YOU WILL LOSE THE RIGHT TO BRING A LEGAL CLAIM AGAINST TRAVELERS RELATING TO ANY ROT DAMAGE TO YOUR INSURED STRUCTURE.**

If you do not exclude yourself (see Question 8 below) and the proposed settlement is approved, you will be in the “Settlement Class.” That means that you will not be able to sue or be part of any other lawsuit against The Travelers Home and Marine Insurance Company, The Travelers Indemnity Company, The Travelers Indemnity Company of America, Travco Insurance Company, Travelers Casualty and Surety Company, Travelers Commercial Insurance Company, Travelers Indemnity Company of Connecticut, Travelers Lloyds of Texas Insurance Company, Travelers Personal Insurance Company, Travelers Personal Security Insurance Company, Travelers Property Casualty Company of America, Travelers Property Casualty Insurance Company, Farmington Casualty Company, Fidelity and Guaranty Insurance Underwriters Inc., First Floridian Auto and Home Insurance Company, The Automobile Insurance Company of Hartford, Connecticut, The Charter Oak Fire Insurance Company, The Phoenix Insurance Company, The Standard Fire Insurance Company, The Travelers Lloyds Insurance Company, Travelers Casualty Insurance Company of America, Travelers Excess and Surplus Lines Company, Travelers Indemnity Company of Connecticut, or related persons and entities (defined in the Settlement Agreement as the “Released Entities”) about the legal issues in this case. All of the Court’s orders will apply to you and legally bind you. You will “release and discharge” the Released Entities for any claims arising from or relating in any way to any and all Rot Damage to your Insured Structure or any component thereof. The term “Rot Damage” means any and all damage to an Insured Structure or any component thereof, caused by or consisting of rot, and any and all remediation that may be necessary or prudent to remedy any damage to an Insured Structure or any component thereof caused by or consisting of rot, or deter or prevent the occurrence or recurrence of such damage in the future. All of this is described in further detail in Paragraphs 18-20 of the Settlement Agreement. The Settlement Agreement specifically describes the Released Claims in necessarily accurate legal terminology. A complete copy of the Settlement Agreement can be obtained from the settlement website at [www.RoseSettlement.com](http://www.RoseSettlement.com) or from the Settlement Administrator at 1-866-977-0336. Talk to Settlement Class Counsel (see Question 10 in the section on “The Lawyers Representing You” below) or your own lawyer if you have questions about the Released Claims or what they mean.

If you believe the relief provided by the proposed settlement is inadequate (other than a dispute over your individual claim, which is addressed under Question 5 above), your only options are to exclude yourself as explained under Question 8 below and not be part of the Settlement Class, or to explain your views to the Court by filing an objection in the manner described under Question 12 below.

**Questions? Call 1-866-977-0336 or visit [www.RoseSettlement.com](http://www.RoseSettlement.com)**

## SUBMITTING A CLAIM FORM TO PARTICIPATE IN THE SETTLEMENT

### 7. How do I submit a Claim Form to participate in the proposed Settlement?

In order to participate in the proposed settlement and receive a payment, you must submit a claim form. The claim form informs Travelers and Settlement Class Counsel that you wish to participate in the proposed settlement.

If your claim is a Policy Period Claim, you must submit Claim Form A. If your claim is a Statutory Period Claim, you must submit Claim Form B. **If the package you received in the mail includes Claim Form A, your insurance claim qualifies as a Policy Period Claim based on Travelers' records. If your mailed package includes Claim Form B, your insurance claim qualifies as a Statutory Period Claim based on Travelers' records. If you misplaced your mailed package, you may contact the Settlement Administrator at 1-866-977-0336 or info@RoseSettlement.com.** The applicable time periods for Policy Period Claims and Statutory Period Claims, based on the jurisdiction where your Insured Structure is located, are in Exhibit G to the Settlement Agreement, available at [www.RoseSettlement.com](http://www.RoseSettlement.com).

**CLAIM FORMS THAT ARE NOT POSTMARKED ON OR BEFORE MAY 28, 2020, WILL NOT BE HONORED.**

You must submit your claim form by mail. You cannot submit a claim form by telephone, facsimile, email or the settlement website. You cannot submit a claim form by mailing a request to any other location. You cannot submit a claim form after the deadline. The claim form must be filled out and signed by you or your legal representative.

If you submit a timely claim form, you will be included in the Class, and if you are eligible for payment you will receive payment if the settlement is approved by the Court.

If you do not submit a timely claim form, you will not receive any monetary benefit if the proposed settlement is approved. Unless you exclude yourself from the Class (see Question 8 below), you will give up the right you may have, if any, to sue Travelers for relief arising from the claims that this proposed settlement resolves (see Question 6 above).

If you change your mailing address after submitting a claim form, it is your responsibility to provide your new mailing address to the Settlement Administrator. Checks will be sent to the most recent mailing address on file with the Settlement Administrator.

## EXCLUDING YOURSELF FROM THE PROPOSED SETTLEMENT

If you are a Class Member and you want to keep the right you may have, if any, to sue Travelers based on an insurance claim for Rot Damage under an insurance policy that included Rot Remediation Coverage, you must exclude yourself from the Class, as described below.

### 8. How do I exclude myself from the proposed Settlement?

To exclude yourself and not be part of the Settlement Class, you must send a letter by mail saying that you wish to do so. Your letter should state: "I/we (or my business) request that I/we be excluded from the class in *Sean Rose and Jaime Rose v. The Travelers Home and Marine Insurance Company et al.*, Civil Action No. 19-977 and do not wish to participate in the settlement." Be sure to include: (1) your full name(s) (if applicable, the name of your business) and current address(es); and (2) your signature(s). Your request for exclusion must be postmarked no later than **May 13, 2020**, and must be mailed to:

**Rose v. Travelers Settlement Administrator, PO Box 2312, Portland, OR 97208-2312**

**Questions? Call 1-866-977-0336 or visit [www.RoseSettlement.com](http://www.RoseSettlement.com)**

**REQUESTS FOR EXCLUSION THAT ARE NOT POSTMARKED ON OR BEFORE MAY 13, 2020, WILL NOT BE HONORED.**

You cannot exclude yourself by telephone or by email. You cannot exclude yourself by mailing a request to any other location. You cannot exclude yourself by mailing a request after the deadline. The letter must be signed by you or your legal representative. If you exclude yourself, you may not submit a claim form or an objection to the settlement.

**9. If I don't exclude myself, can I sue Travelers for the same thing later?**

No. If the proposed settlement is approved, you give up the right you may have, if any, to sue Travelers for relief arising from the claims that this proposed settlement resolves. See the answer to Question 6 above.

**THE LAWYERS REPRESENTING YOU**

**10. Do I have a lawyer in the case?**

The Court has appointed the following lawyers to represent you and the other Class Members:

<p><b>Anthony DiUlio, Esq.</b> Wheeler, DiUlio &amp; Barnabei 1617 JFK Blvd., Suite 1270 Philadelphia, PA 19103 Tel. 215-568-2900</p>	<p><b>Kenneth J. Grunfeld, Esq.</b> Golomb &amp; Honik 1835 Market Street, Suite 2900 Philadelphia, PA 19103 Tel. 215-985-9177</p>
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These lawyers are called Settlement Class Counsel. You will not be charged by these lawyers for their work on the case. If you want to be represented by your own lawyer, you may hire one at your own expense.

**11. How will the lawyers be paid?**

Payments of attorneys' fees and expenses will not reduce the amounts paid to Settlement Class Members who are entitled to payments under the terms of the Settlement Agreement. Any attorneys' fees and expenses approved by the Court will be paid by Travelers separately from the money paid to Settlement Class Members. Settlement Class Counsel will ask the Court to award \$1,900,000.00 for attorneys' fees and costs to Settlement Class Counsel, and \$10,000 for an incentive award to the Settlement Class Representatives, who are Sean and Jaime Rose. Settlement Class Counsel's request will be available on the Settlement Administrator's website at [www.RoseSettlement.com](http://www.RoseSettlement.com) by **April 28, 2020**. Travelers has agreed not to oppose the request for the award up to these amounts. The Court may award less than these amounts. The costs of notifying Class Members and of administering the proposed settlement will also be paid by Travelers and will not reduce the amounts paid to Settlement Class Members.

**OBJECTING TO THE PROPOSED SETTLEMENT**

**12. How do I tell the Court that I do not like the proposed Settlement?**

If you are a Class Member and you do not exclude yourself (see Question 8 above), you can object to the proposed settlement if you do not think the proposed settlement is fair, reasonable or adequate.

You can ask the Court to deny approval of the proposed settlement by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the

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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.

If you wish to object to the proposed settlement, your objection must be in writing. You may also appear at the Final Approval Hearing, either in person or through your own attorney, at your own expense, if the Court allows. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must: (1) contain a heading which includes the name of the case and case number (*Sean Rose and Jaime Rose v. The Travelers Home and Marine Insurance Company et al.*, Civil Action No. 19-977), (2) identify your full name, address, and telephone number; (3) provide the specific reasons why you object to the proposed settlement; (4) contain the name, address, bar number, and telephone number of the objecting Class Member's counsel, if represented by an attorney; (5) include a statement confirming whether you intend to personally appear and/or testify at the Final Approval Hearing; (6) include a list of any persons (if any) who will be called to testify at the Final Approval Hearing in support of the objection, with the address of each witness and a summary of his or her proposed testimony; (7) include all documentary evidence (if any) that will be offered at the Final Approval Hearing in support of the objection; (8) include a list of any legal authority (if any) you or your counsel will present at the Final Approval Hearing; (9) provide documentary proof of your membership in the Class; (10) identify any counsel representing you who will appear at the Final Approval Hearing; and (11) include your signature (an attorney's signature is not sufficient).

Any objection must be submitted to the Court either by mailing it to the Clerk of Court, United States District Court for the Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106, or by filing it in person at any location of the United States District Court for the Eastern District of Pennsylvania. Any objection must be filed or postmarked on or before **May 13, 2020**.

If you object and the settlement is approved, you will still be entitled to receive benefits under the settlement if you qualify, but you must submit a timely claim form to do so (see Question 7 above). Submitting a timely claim form does not waive an objection to the settlement. If you exclude yourself from the settlement, you may not submit an objection.

### **13. What's the difference between objecting and excluding?**

Objecting is simply telling the Court that you do not like something about the proposed settlement. You can object only if you do not exclude yourself. Excluding yourself is telling the Court that you do not want to be included in the Settlement Class. If you exclude yourself, you have no basis to object to the settlement because the settlement 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 Final Approval Hearing on **June 23, 2020 at 2:00 p.m.** at the United States District Court, James A. Byrne Courthouse, 601 Market Street, Philadelphia, PA (or possibly by telephone). The date of the hearing may change. If you plan to attend, please check the settlement website at [www.RoseSettlement.com](http://www.RoseSettlement.com) or the Court's docket on PACER at <https://ecf.pa.ed.uscourts.gov> or call or visit the Court Clerk's Office to confirm the date of the hearing. At this hearing, the Court will consider whether the proposed settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court may listen to people who have submitted timely requests to speak at the hearing. The Court may also decide how much Settlement Class Counsel will receive as attorneys' fees and expenses, and the amount of an award,

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if any, the Settlement Class Representatives will receive. At or after the hearing, the Court will decide whether to approve the proposed settlement. We do not know how long these decisions will take.

#### **14. Do I have to come to the hearing?**

No. Settlement Class Counsel will answer questions the Court may have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection on time, the Court will consider it.

#### **15. May I speak at the hearing?**

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must send a letter saying that it is your “Notice of Intention to Appear in the *Rose v. The Travelers Home and Marine Insurance Company* case.” You must include your name, address, telephone number and your signature, and your letter must identify the points you wish to speak about at the hearing, enclose copies of any documents you intend to rely on at the hearing, and state whether you intend to have a lawyer speak on your behalf. You must also follow the requirements listed under Question 12 above. You or your lawyer cannot speak at the hearing if you have excluded yourself from the settlement.

### **IF YOU DO NOTHING**

#### **16. What happens if I do nothing?**

If you are a Class Member and you do nothing, you will be included in the Settlement Class, but you will not receive a monetary benefit even if the proposed settlement is approved. You also will not be able to pursue any other lawsuit against Travelers concerning or relating to the claims alleged in this lawsuit.

### **GETTING MORE INFORMATION**

#### **17. Are there more details about the proposed Settlement?**

This notice summarizes the proposed settlement. For precise terms and conditions of the settlement, please see the Settlement Agreement available at [www.RoseSettlement.com](http://www.RoseSettlement.com), by contacting Settlement Class Counsel (see Question 10 above), by accessing the Court docket in this case through the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.paed.uscourts.gov>, or by visiting the Office of the Clerk of the Court for the United States District Court for the Eastern District of Pennsylvania, 601 Market Street, Philadelphia, PA 19106, between 8:30 a.m. and 5:00 p.m., Monday through Friday, excluding Court holidays.

#### **18. What if there are changes to the proposed Settlement?**

If you wish to be notified regarding any changes to the Settlement, you must mail to the Settlement Administrator a request for notice, or send such a request in writing to Settlement Class Counsel, who will maintain a list of all such requests that are received. If you provide an e-mail address, you agree to electronic notification by e-mail.

**PLEASE DO NOT TELEPHONE TRAVELERS, THE COURT, OR THE COURT CLERK’S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.**