

**UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION****NOTICE OF CLASS ACTION,  
PROPOSED SETTLEMENT, AND SETTLEMENT HEARING**

**If you were or are a California resident who purchased one or both of the following policies issued by Life Insurance Company of the Southwest (“LICS”):**

- **SecurePlus Provider** universal life insurance policy
- **SecurePlus Paragon** universal life insurance policy

**a class action lawsuit may affect your rights.**

*Please read this Notice carefully.*

*A federal court authorized this Notice. This is not a solicitation from a lawyer.*

- You have been identified as a potential member of a Class of Plaintiffs in a class action lawsuit (“this case,” “the Lawsuit,” or “the Action”) pending before the United States District Court for the Central District of California in Santa Ana, California, known as *Walker et al. v. Life Insurance Company of the Southwest*, Case No. CV-10-9198-JVS-JDE.
- Current and former California residents who purchased SecurePlus Provider Policies or SecurePlus Paragon Policies (“the Policies”) have sued LICS, alleging that LICS violated California’s Unfair Competition Law in connection with the provisions of California law that govern life insurance illustrations. The United States District Court for the Central District of California (“the Court”) has ruled that the claims may proceed as a class action. LICS denies that it has violated the law or that it has harmed policyholders in any way.
- The primary purpose of this Notice is to inform you of the proposed settlement of the Lawsuit (“the Settlement”). The Court directed that this Notice be made available to you because you have a right to know about the Settlement, and your rights and options under the Settlement, before the Court decides whether to approve it. This Notice explains the Lawsuit, the Settlement, your legal rights under the Settlement, what settlement benefits are included in the Settlement, who is eligible for the proposed settlement benefits, and how the settlement benefits can be obtained if the Court approves the Settlement.
- **If your insurance policy is in force, the Lawsuit has not changed its terms, and all contractual guarantees remain in place.** If you have any questions about your insurance policy that are unrelated to this Notice or this Lawsuit, you should contact LICS or your insurance agent as usual. LICS contact information appears at the end of this Notice.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING IN RESPONSE TO THIS NOTICE</b>	By doing nothing in response to this Notice, if you fall within the class definition (described below), you will remain a member of the Class and remain eligible to share in the settlement benefits. However, you will also give up the right to file your own lawsuit against LICS regarding the issues raised in this Lawsuit.
<b>OBTAINING THE CASH RELIEF OPTION</b>	If the Court approves the Settlement, the amount that is left after the Surrender Charge Credits are distributed and Administrative Costs and Taxes are paid, plus an additional \$500,000, will be made available to certain Class Members as a Cash Relief Option. The amount of Cash Relief available to each eligible Class Member will be the lesser of: (1) the total premiums paid on the Underlying Life Insurance Policy owned by the electing Class Member; or (2) a pro rata share (by total premium paid on each Underlying Life Insurance Policy electing to receive the Cash Relief Option) of the amount that is left in the Settlement Fund. In order to receive the Cash Relief Option, a Class Member must complete and submit a Proof of Claim Form, as described more fully below under question 11.

<b>OBTAINING THE SURRENDER CHARGE CREDIT</b>	<p>If the Court approves the Settlement, LICS will make available to the Class a one-time opportunity to fully surrender an in-force Underlying Life Insurance Policy and obtain a refund of some or all of the surrender charge incurred on the full surrender of the Policy. LICS will make available to the Class up to \$1,000,000 in aggregate Surrender Charge Credit from a Settlement Fund. The amount of Surrender Charge Credit available to each eligible Class Member will be the lesser of: (1) the amount of surrender charge actually incurred on full surrender of the Class Member's Underlying Life Insurance Policy; or (2) a percentage of the total premiums paid on the Class Member's Underlying Life Insurance Policy, as described more fully below under question 12. In order to receive the Surrender Charge Credit, a Class Member must complete and submit a Proof of Claim Form and Surrender Form, as described more fully below under question 12.</p>
<b>OBTAINING THE TERM INSURANCE RELIEF</b>	<p>If the Court approves the Settlement, LICS will make available to the Class as a whole up to \$35,000,000 in aggregate face value of term life insurance. (In other words, when the face amount of insurance made available to each Class Member is added up, the total amount combined will be up to \$35,000,000 in face value). Each Class Member electing Term Insurance Relief will receive a three-year term policy. The face value of each Term Policy will be a percentage of the face value of the Underlying Life Insurance Policy owned by the Class Member receiving the Term Policy, as described more fully below under question 13. In order to receive the Term Insurance Relief, a Class Member must complete and submit a Proof of Claim Form and Term Insurance Application, as described more fully below under question 13.</p>
<b>EXCLUDING YOURSELF</b>	<p>You may exclude yourself from the Settlement. If you exclude yourself, you will receive no settlement benefits whatsoever. Excluding yourself is the only option that allows you ever to be part of any other lawsuit against LICS concerning the claims and legal issues covered and resolved by the Settlement. All exclusion requests must be submitted by U.S. Mail to the address listed below under question 18 of this Notice—postmarked no later than <b>May 21, 2021</b>.</p>
<b>OBJECTING TO THE SETTLEMENT</b>	<p>If you do not like the Settlement and you do not exclude yourself, you may write to the Court to object and explain why. All objections must be filed electronically and/or submitted by U.S. Mail to the addresses listed below under question 25 of this Notice, postmarked no later than <b>May 21, 2021</b>. If you submit a written objection, the Court will take it into account in considering whether to approve the Settlement.</p>
<b>SPEAKING AT THE SETTLEMENT HEARING</b>	<p>You may ask to speak in Court about the fairness of the Settlement at the Settlement Hearing set for <b>June 7, 2021</b>, but <b>ONLY</b> if you do not exclude yourself from the Settlement <b>AND</b> you properly and timely submit a written objection and a notice of intention to appear, as instructed under questions 25 and 29 of this Notice.</p>

- These rights and options—and the deadlines to exercise them—are explained in this Notice. To be excluded from the Lawsuit, you must act promptly by mailing a written request to exclude yourself that is postmarked no later than **May 21, 2021**. For a complete description of the terms and conditions of the Settlement, you should read the agreement called the Stipulation and Agreement of Settlement (“Stipulation of Settlement”), which was filed with the Court and is available at the following website: [www.lswclassaction.com](http://www.lswclassaction.com). A copy of the Stipulation of Settlement also can be obtained by contacting the Claims Administrator at the address and toll-free telephone numbers listed below under question 32 of this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. **Settlement benefits will be available only if and after the Court approves the Settlement.** Please be patient.
- **Any questions?** Read on and visit [www.lswclassaction.com](http://www.lswclassaction.com).

## WHAT THIS NOTICE CONTAINS

<b>BASIC INFORMATION</b> .....	PAGE 4
<ol style="list-style-type: none"> <li>1. Why did I get this Notice?</li> <li>2. What is this Lawsuit about?</li> <li>3. What is a class action and who is involved?</li> <li>4. Why is this a class action?</li> <li>5. Why is there a settlement?</li> </ol>	
<b>WHO IS COVERED BY THE SETTLEMENT</b> .....	PAGE 5
<ol style="list-style-type: none"> <li>6. Am I part of this Class?</li> <li>7. Are any policyholders excluded from the Class?</li> <li>8. Do the estates or heirs of deceased policyholders have rights in this Lawsuit?</li> <li>9. What if I am still not sure if I am included in the Settlement?</li> </ol>	
<b>THE SETTLEMENT BENEFITS—WHAT CAN YOU GET</b> .....	PAGE 6
<ol style="list-style-type: none"> <li>10. What benefits does the Settlement generally provide?</li> <li>11. What is the Cash Relief Option, and how can I obtain it?</li> <li>12. What is the Surrender Charge Credit, and how can I obtain it?</li> <li>13. What is the Term Insurance Relief, and how can I obtain it?</li> <li>14. What are the other settlement benefits?</li> <li>15. When would I get my settlement benefit?</li> <li>16. What am I giving up to get a settlement benefit or stay in the Class?</li> </ol>	
<b>EXCLUDING YOURSELF FROM THE SETTLEMENT</b> .....	PAGE 8
<ol style="list-style-type: none"> <li>17. Why would I ask to be excluded?</li> <li>18. How do I exclude myself from the Settlement?</li> <li>19. If I exclude myself, can I get relief from the Settlement?</li> <li>20. If I do not exclude myself, can I sue LICS for the same thing later?</li> </ol>	
<b>THE LAWYERS IN THIS LAWSUIT</b> .....	PAGE 9
<ol style="list-style-type: none"> <li>21. Do I have a lawyer in the case?</li> <li>22. Should I get another lawyer?</li> <li>23. How will the Lead Counsel lawyers be paid?</li> <li>24. Does LICS have lawyers in this case?</li> </ol>	
<b>OBJECTING TO THE SETTLEMENT</b> .....	PAGE 10
<ol style="list-style-type: none"> <li>25. How do I tell the Court I do not like the Settlement?</li> <li>26. What is the difference between objecting and excluding?</li> </ol>	
<b>THE COURT’S SETTLEMENT HEARING</b> .....	PAGE 11
<ol style="list-style-type: none"> <li>27. When and where will the Court decide whether to approve the Settlement?</li> <li>28. Do I have to come to the hearing?</li> <li>29. May I speak at the hearing?</li> </ol>	
<b>IF YOU DO NOTHING</b> .....	PAGE 11
<ol style="list-style-type: none"> <li>30. What happens if I do nothing at all?</li> </ol>	
<b>GETTING MORE INFORMATION</b> .....	PAGE 12
<ol style="list-style-type: none"> <li>31. Are more details about the Settlement available?</li> <li>32. How do I get more information?</li> </ol>	

## **BASIC INFORMATION**

### **1. Why did I get this Notice?**

You are listed in LICS's records as a current or former owner of a SecurePlus Provider and/or SecurePlus Paragon indexed universal life insurance Policy, who resided in California when the Policy was issued, and who obtained the Policy between September 24, 2006, and April 27, 2014 ("the Class Period").

The Court directed the parties to make this Notice available to you because you have a right to know about the Settlement, and about your rights and options under the Settlement, before the Court decides whether to approve it. This Notice explains the Lawsuit, the Settlement, your legal rights, and your options.

The Court in charge of the case is the United States District Court for the Central District of California in Santa Ana, California, and the case is known as *Walker et al. v. Life Insurance Company of the Southwest*, Case No. CV-10-9198-JVS-JDE.

If the Court approves the Settlement, LICS will provide the settlement relief benefits provided for in the approved Settlement.

### **2. What is this Lawsuit about?**

This Lawsuit relates to illustrations used in the sale of life insurance policies issued by LICS, known as the SecurePlus Provider Policy and the SecurePlus Paragon Policy which are indexed universal life insurance policies. In this Lawsuit, the Plaintiffs alleged, on behalf of the Class, that illustrations issued by LICS at or before the time of policy application do not comply with the California Insurance Code and that they meet other requirements for relief under California's Unfair Competition Law. Specifically, Plaintiffs assert that Provider and Paragon illustrations violated section 10509.956(b)(4) of the California Insurance Code because the terms "Guaranteed Values at 2.00%" and "Guaranteed Values at 2.50%" were not defined. Plaintiffs assert that this violation was important to policyholders because Plaintiffs allege that the illustrations do not disclose that the guaranteed interest rates are not paid each year, but are instead retrospectively calculated average rates. Plaintiffs also assert that Paragon illustrations violated section 10509.956(e)(3) of the California Insurance Code because they reflected the elimination of a Monthly Percent of Accumulated Value Charge after ten policy years, without that planned elimination being described in the life insurance Policies. Plaintiffs assert that this violation is important because Plaintiffs allege that it increases the Policy values that LICS showed in its Paragon illustrations without a corresponding guarantee that the planned elimination would in fact occur. Plaintiffs claim that these violations entitle the Class to relief.

LICS disputes all of these claims and denies that it did anything wrong. LICS contends that it has not violated the Unfair Competition Law, that its pre-application illustrations comply with the law, and that no policyholders were harmed by any asserted violations. LICS believes that the terms and features of its Policies are fully disclosed and set forth in a variety of materials and settings, including in conversations between policyholders and their agents or brokers and in written materials (including the Policy itself, marketing materials, buyers' guides, and illustrations).

### **3. What is a class action and who is involved?**

In a class action lawsuit, one or more persons, called Class Representatives (in this case Joyce Walker, Kim Bruce Howlett, Muriel Spooner, Taline Bedelian, and Oscar Guevara), sue on behalf of people (called "Class Members") who have similar claims. The Class Representatives who sued—and all of the Class Members like them—are called Plaintiffs. The company they sued (in this case LICS) is called a Defendant. One court resolves the issues for all Class Members, except for those members who ask to be excluded from the Class.

### **4. Why is this a class action?**

United States District Judge James V. Selna of the United States District Court for the Central District of California ("Judge Selna" or "the Court") is in charge of this case, and he has certified a class action. The Court decided that this Lawsuit can be a class action because it meets the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal courts. Specifically, the Court found that:

- LICS issued SecurePlus Paragon or SecurePlus Provider Policies to individuals in California between September 24, 2006, and April 27, 2014;

- There are legal questions and facts that are common to each of these individuals;
- The claims of the Class Representatives are typical of the claims of the rest of the Class;
- The Class Representatives and the lawyers representing the Class will fairly and adequately represent the Class's interests;
- The common legal questions and facts predominate over any questions that affect only individuals; and
- This class action will be more efficient than having many individual lawsuits.

## 5. Why is there a settlement?

The Court did not decide in favor of the Plaintiffs or the Defendant. Instead, both sides agreed to a settlement before the case proceeded to a trial. The Class Representatives and their attorneys think the Settlement is best for all members of the Class.

## WHO IS COVERED BY THE SETTLEMENT

To determine if you can get any settlement benefits from this settlement if the Court approves it, you first have to establish that you are a member of the Class.

## 6. Am I part of this Class?

The Class consists of all persons who purchased a SecurePlus Provider Policy or SecurePlus Paragon Policy from Life Insurance Company of the Southwest that was issued between September 24, 2006, and April 27, 2014, who resided in California at the time the Policy was issued, and who received an illustration on or before the date of policy application.

The Paragon or Provider Policy purchased by a Class Member that causes such Class Member to fall within the Class is referred to in this Notice as the "Underlying Life Insurance Policy." In the event a Class Member owns multiple Underlying Life Insurance Policies, the terms of the Settlement will apply to each such Underlying Life Insurance Policy.

## 7. Are any policyholders excluded from the Class?

The Class includes only policyholders who received an illustration *on or before* the date of policy application. Policyholders who only received an illustration *after* the date of policy application are not in the Class.

Additionally, the following persons are not included in the Class: past or present officers, directors, agents, brokers, or employees of LICS, or its parent or subsidiary corporations; any agents, brokers, or others who sold the SecurePlus Provider or SecurePlus Paragon Policies for LICS, or for its parent or subsidiary corporations; any entity in which LICS has a controlling interest; the affiliates, legal representatives, attorneys or assigns of LICS or its parent or subsidiary corporations; any judge, justice, or judicial officer presiding over this matter and the staff and immediate family of any such judge, justice, or judicial officer; Persons who previously had settled disputes with LICS with respect to their SecurePlus Provider or SecurePlus Paragon Policies and signed releases; and any Person who submits a valid request to be excluded from the Class.

## 8. Do the estates or heirs of deceased policyholders have rights in this Lawsuit?

The estates or heirs of deceased policyholders may have the same rights as the deceased policyholder would have if still living, including the right to share in the settlement benefits obtained on behalf of the Class.

## 9. What if I am still not sure if I am included in the Settlement?

If you are still not sure whether you are included in the Settlement, you can ask for free help. You can call the Claims Administrator, Epiq Class Action & Claims Solutions, Inc., toll-free at 1-877-432-3865, send an email to [info@LSWClassAction.com](mailto:info@LSWClassAction.com), or write to Walker v. LICS Class Action, c/o Epiq Class Action & Claims Solutions, Inc., P.O. Box 5053, Portland, OR 97208-5053.

## THE SETTLEMENT BENEFITS—WHAT CAN YOU GET

### 10. What benefits does the Settlement generally provide?

LICS has agreed as part of the Settlement to guarantee that it will eliminate the Monthly Percent of Accumulated Value Charge on Class Members' in-force Paragon Policies after each Policy has been in force for ten policy years. LICS has also already made certain changes to the contents of pre-application illustrations in order to address Plaintiffs' claims.

Additionally, LICS has agreed to make available three additional benefits: (1) a Cash Relief Option; (2) a Surrender Charge Credit; and (3) Term Insurance Relief. Details about each benefit are below. Please note that a Class Member may not receive all three benefits. Instead, each benefit has particular eligibility criteria that a Class Member must meet, and no Class Member may receive both the Cash Relief Option and Term Insurance Relief. Whether a Class Member is eligible to receive a particular settlement benefit may depend of the status of the Class Member's Underlying Life Insurance Policy, as explained below.

**None of these benefits will be available to any Class Member who excludes himself or herself from the Settlement, or if the Court does not give final approval to the Settlement.**

### 11. What is the Cash Relief Option, and how can I obtain it?

If the Court approves the Settlement, the amount that is left in the Settlement Fund after the payment of Surrender Charge Credits, Administrative Costs, and Taxes (the "Residual"), as described in the Stipulation of Settlement, will be made available to Class Members as a Cash Relief Option. If a Class Member elects to receive Term Insurance Relief and the insured on the Class Member's Underlying Life Insurance Policy dies prior to issuance of the Term Insurance Relief, then the Class Member shall receive the Cash Relief Option.

The amount of Cash Relief available to each eligible Class Member will be the lesser of: (1) the total premiums paid on the Underlying Life Insurance Policy owned by the electing Class Member; or (2) a pro rata share (by total premium paid on each Underlying Life Insurance Policy electing to receive the Cash Relief Option) of the Residual.

If the Court approves the Settlement, the Claims Administrator will disseminate to all Class Members (except those individuals who exclude themselves from the Class, as described below) a Proof of Claim Form. In order to receive the Cash Relief Option, a Class Member must submit to the Claims Administrator, within 60 days of receipt, a completed Proof of Claim Form electing the Cash Relief Option. The Claims Administrator will calculate the amount of Cash Relief due to each eligible and electing Class Member after calculating the Residual (i.e., following the payment of Surrender Charge Credits, Administrative Costs, and Taxes). The Claims Administrator will then distribute a check to each electing Class Member in the amount of the Cash Relief.

### 12. What is the Surrender Charge Credit, and how can I obtain it?

If the Court approves the Settlement, LICS will make available to the Class a one-time opportunity to fully surrender an in-force Underlying Life Insurance Policy and obtain a refund of some or all of the surrender charge incurred on the full surrender of the policy. LICS will make available to the Class up to \$1,000,000 in aggregate Surrender Charge Credit from a Settlement Fund.

The amount of Surrender Charge Credit available to each eligible Class Member will be the lesser of: (1) the amount of surrender charge actually incurred on full surrender of the Class Member's Underlying Life Insurance Policy in accordance with the Stipulation of Settlement; or (2) an amount determined by the following formula: (a) first, calculate a percentage (which will be the same for all eligible Class Members) equal to one million dollars (\$1,000,000) divided by the aggregate premium paid on all SecurePlus Paragon and SecurePlus Provider Policies issued to individuals in California during the Class Period, and then (b) multiply that percentage times the total premiums paid on the eligible Class Member's Underlying Life Insurance Policy that is being surrendered. The percentage is currently estimated to be 0.256%, and will be finalized as part of the settlement administration process. To illustrate the foregoing calculation on a purely hypothetical basis, suppose a Class Member has paid total premiums of \$20,000 on an Underlying Life Insurance Policy, fully surrenders it in accordance with the Stipulation of Settlement, and incurs a surrender charge of \$200. In this instance, if the percentage is 0.256%, then the Surrender Charge Credit is \$51.20 (i.e., 0.256% of \$20,000).

If the Court approves the Settlement, the Claims Administrator will disseminate to all Class Members (except those individuals who exclude themselves from the Class, as described below) a Proof of Claim Form. In order to receive the Surrender Charge Credit, a Class Member must submit to the Claims Administrator, within 60 days of receipt, a completed Proof of Claim Form electing the Surrender Charge Credit **and an accompanying Surrender Form**, and must maintain his or her Underlying Life Insurance Policy in force until the surrender has been processed in accordance with the Settlement. The Claims Administrator will provide to LICS all valid, timely, and complete Surrender Forms. LICS will, within a reasonable time thereafter, process the full surrenders and notify the Claims Administrator of the amount of surrender charge imposed on each eligible and electing Class Member, **and electing Class Members will incur any applicable surrender charge before the Surrender Charge Credit is distributed**. The Claims Administrator will then distribute a check to each electing Class Member in the amount of the Surrender Charge Credit. In the event a death benefit comes due on an Underlying Life Insurance Policy prior to the processing of a surrender in accordance with the Settlement, the Surrender Charge Credit will not be given and a death claim will be processed in accordance with the Policy terms. Please note that, separate and apart from the Surrender Charge Credit, Class Members retain all contractual rights to surrender their Policies at any time in accordance with policy terms.

### 13. What is the Term Insurance Relief, and how can I obtain it?

If the Court approves the Settlement, Class Members will have the opportunity to receive from LICS at no cost a term life insurance policy. This is referred to in this Notice as “Term Insurance Relief.” Specifically, LICS will make available to the Class as a whole up to \$35,000,000 in aggregate face value of term life insurance. Term Insurance Relief will be available to all Class Members **unless the insured on a Class Member’s Underlying Life Insurance Policy has died prior to the actual issuance of Term Insurance Relief**. The Term Policies will contain the following terms and limitations:

- Three-year term with no ability to extend, convert, or renew the Term Policy.
- The insured under a Term Policy shall be the insured on a Class Member’s Underlying Life Insurance Policy, with no ability to change the insured.
- The owner or owners shall be the same owner or owners as are, as of the time of issuance of the Term Policy, reflected on the Underlying Life Insurance Policy. In the case of a terminated Underlying Life Insurance Policy, the owner or owners of the Term Policy shall be the same as the owner or owners of the Underlying Life Insurance Policy as of the time of such termination.
- The beneficiary or beneficiaries shall be identified on a Term Insurance Application that each Class Member electing Term Insurance Relief must complete and submit to the Claims Administrator. Change of beneficiary shall be allowed in accordance with the terms of the Term Policies.
- The Term Policies shall not include any benefits other than a death benefit, and (without limitation) shall not include accelerated death benefit riders, other riders, or any ability to take loans or cash withdrawals.
- LICS shall be entitled to conform or alter any provision of the Term Policies to obtain or ensure compliance with all laws, regulations, and requirements or requests imposed by any government regulatory agency.

The face value of each Term Policy will be a percentage of the face value of the Underlying Life Insurance Policy owned by the Class Member receiving the Term Policy. The percentage, which will be the same for all Term Policies, is equal to \$35,000,000 divided by the product of: (i) the aggregate face value of all SecurePlus Paragon and SecurePlus Provider Policies issued to individuals in California during the Class Period (other than Policies that have paid a death claim prior to the date on which the Stipulation of Settlement was executed), multiplied by (ii) 0.75. The percentage is currently estimated to be 0.51%, and will be finalized as part of the settlement administration process. To illustrate the calculation on a purely hypothetical basis, if a Class Member has an Underlying Life Insurance Policy with a face value of \$500,000 and the percentage is 0.51%, if the Class Member elects to receive Term Insurance Relief, the face value of her Term Policy will be \$2,561. In the event that the total aggregate face value of the Term Policies to be issued calculated using the formula outlined above exceeds \$35,000,000, then the face value of each Term Policy shall instead be based on a pro rata share (by face value of each Underlying Life Insurance Policy electing to receive the Term Insurance Relief Option) of the \$35,000,000, such that the total aggregate face value of Term Policies does not exceed \$35,000,000.

If the Court approves the Settlement, the Claims Administrator will disseminate to all Class Members (except those individuals who exclude themselves from the Class, as described below) a Proof of Claim Form. In order to receive the Term Insurance Relief, a Class Member must submit to the Claims Administrator, within 60 days of receipt, a completed Proof of Claim Form electing the Term Insurance Relief **and an accompanying Term Insurance Application**. The Claims Administrator will provide to LICS all valid, timely, and complete Term Insurance Applications. LICS will, within a reasonable time thereafter, process the Term Insurance Applications and issue the Term Insurance Relief.

#### 14. What are the other settlement benefits?

The Settlement requires LICS to guarantee that it will continue to eliminate the Monthly Percent of Accumulated Value Charge (“MPAVC”) on each Class Member’s Underlying Life Insurance Policy, *if that Policy is a Paragon Policy*, once the Policy has been in force for ten policy years. During the course of this Lawsuit, LICS also made certain updates to its pre-application life insurance illustrations, including but not limited to adding definitions of “Current Basis A” and “Current Basis B,” and adding clarifying text pertaining to the illustration of the elimination of the MPAVC. LICS acknowledges that these changes were made as a result of this Lawsuit.

#### 15. When would I get my settlement benefit?

The Court will hold a hearing on June 7, 2021, called the Settlement Hearing to decide whether to approve the Settlement. If the Court approves the Settlement, the Claims Administrator will disseminate to all Class Members (except those individuals who exclude themselves from the Class, as described below) a Proof of Claim Form. Class Members must complete and submit a Proof of Claim Form to the Claims Administrator within 60 days of receipt in order to receive the Cash Relief Option, Surrender Charge Credit, and/or Term Insurance Relief provided for in the approved Settlement. Class Members who elect to receive the Term Insurance Relief must also submit an accompanying Term Insurance Application with their Proof of Claim Form. Class Members who elect to receive the Surrender Charge Credit must also submit an accompanying Surrender Form with their Proof of Claim Form. Once all Proof of Claims, Term Insurance Applications, and Surrender Forms have been submitted, LICS will issue Term Insurance Policies and process full surrenders, as applicable. The Claims Administrator will then distribute checks to Class Members to provide the Surrender Charge Credit or Cash Relief Option, as applicable.

If the Court’s approval of the Settlement is appealed, when any and all appeals will finally be resolved, and when the Settlement will become Final, are uncertain. Resolving appeals can take time, perhaps more than a year. It also takes a long time, often many months, for all Claims to be accurately reviewed and processed. Please be patient. Updates regarding the status of the Settlement will be posted periodically as events warrant at LSWClassAction.com.

#### 16. What am I giving up to get a settlement benefit or stay in the Class?

Unless you properly exclude yourself, you are staying in the Class, and that means you will be bound by the release of Claims, as described in the Stipulation of Settlement, if the Settlement is approved. That means you and each of your immediate family members, heirs, executors, trustees, administrators, successors, assigns, and present and former employees, officers, directors, attorneys, legal representatives, accountants, insurers, reinsurers, managers, and agents will release (agreeing never to sue, continue to sue, or be part of any other lawsuit), unless prohibited by law, any and all Claims and Unknown Claims (as defined in the Stipulation of Settlement) relating in any way, directly or indirectly, to any Paragon or Provider life insurance Policies issued in California between September 24, 2006, and April 27, 2014, that have been or could have been asserted by or on behalf of any of the Releasing Plaintiff Parties, in any capacity, which concern, arise out of, are based upon, or refer or relate in any way to the same events, transactions, circumstances, or factual predicate as the claims asserted in the Action, including without limitation any communications, disclosures, omissions, or nondisclosures related to the Policies, whether written or oral, including any Policy illustrations; the offering of advice in any manner related to the Policies; the design, marketing, solicitation, application, sale, appropriateness, or administration of the Policies; or the crediting of interest to Policy accounts. Releasing Parties, on behalf of themselves, their successors and assigns, and any other Person claiming (now or in the future) through or on behalf of them (regardless of whether any such Releasing Party ever seeks or obtains by any means, including without limitation by submitting a Proof of Claim, any Term Insurance Relief or any disbursement from the Settlement Fund), shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties and shall have covenanted not to sue the Released Parties with respect to all such Released Claims, and shall be permanently barred and enjoined from asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way participating in the commencement or prosecution of any action or other proceeding, in any forum, asserting any Released Claim, in any capacity, against any of the Released Parties. It also means that all of the Court’s orders in this Lawsuit, whatever they provide, will apply to you and legally bind you, even if you had objected to the Settlement. *Please refer to the Stipulation of Settlement for the full terms of the release, including definitions of the capitalized terms used in this paragraph.*

### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you fall within the Class definition, you have to decide whether to stay in the Class or ask to be excluded from the Class. If you decide to exclude yourself, you must act promptly and mail a written request to exclude yourself that is postmarked no later than **May 21, 2021**.



### 17. Why would I ask to be excluded?

Class Members who exclude themselves are free to file individual lawsuits against LICS about the issues in the Lawsuit.

If you already have your own lawsuit against LICS based on issues raised in this Lawsuit and want to continue with your own lawsuit, you must ask to be excluded from the Class.

If you start your own lawsuit against LICS after you exclude yourself, you will have to prove your claims. If you intend to file your own individual lawsuit against LICS, you may want to consult with a lawyer soon, because your claims may be subject to a time limit, known as a statute of limitations.

### 18. How do I exclude myself from the Settlement?

To ask to be excluded, send a notification in writing to Walker v. LICS Exclusions, c/o Epiq Class Action & Claims Solutions, Inc., P.O. Box 5053, Portland, OR 97208-5053. There is no required form—you can send a letter, or any other writing that indicates that you wish to be excluded. Please be sure to include your name, address, telephone number, policy number(s), signature, and a statement that you wish to be excluded from the Class in *Walker et al. v. Life Insurance Company of the Southwest*, No. 10-CV-9198-JVS-JDE. A request to be excluded will not be effective unless it legibly provides the required information. Your request to be excluded must be postmarked by **May 21, 2021** at the latest. If you fail to send a notification that is postmarked on or before **May 21, 2021**, you will be included in the Class. You can't exclude yourself by telephone or by e-mail.

### 19. If I exclude myself, can I get relief from the Settlement?

No. If you exclude yourself, do not send in a Proof of Claim Form seeking any settlement relief because you will not be entitled to any benefits from this settlement.

### 20. If I do not exclude myself, can I sue LICS for the same thing later?

No. Unless you properly exclude yourself, you give up any rights to sue LICS and the other Released Parties for any and all Released Claims (as those terms are defined in the Stipulation of Settlement). If you do not exclude yourself, you will not be entitled to receive any recovery in any other action against LICS or any of the Released Parties based on or arising out of the Released Claims.

## THE LAWYERS IN THIS LAWSUIT

### 21. Do I have a lawyer in this case?

Yes. The Court decided that the law firm of Kasowitz Benson Torres LLP is qualified to represent you and all Class Members. Information about Lead Counsel can be found by visiting the website listed below:

<p><b>Kasowitz Benson Torres LLP</b>  kasowitz.com  Veronica Nauts  101 California Street, Suite 3000  San Francisco, CA 94111  (415) 421-6140</p>
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You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 22. Should I get another lawyer?

That is your decision. Lead Counsel is working on your behalf and on behalf of all Class Members. If you want your own lawyer, you will have to hire and pay that lawyer.

### 23. How will the Lead Counsel lawyers be paid?

Lead Counsel will ask the Court for an award of attorneys' fees and costs in the aggregate of \$2,500,000. The Court will decide the amount of attorneys' fees and costs that gets awarded to Lead Counsel. Lead Counsel also will ask the Court to award payments to each of the five Class Representatives, which may vary depending on the extent of their active involvement in this case, for a total payment of up to \$100,000 for all Class Representatives combined. The Court may award less than these amounts. LICS will pay the attorneys' fees and expenses, and any payments to the Class Representatives, that the Court awards, up to the foregoing amounts. These amounts will not come out of the funds for the specific settlement benefits awarded to Class Members.

### 24. Does LICS have lawyers in this case?

Yes. LICS is also represented by counsel. LICS's counsel do not represent you or any other Class Member.

## OBJECTING TO THE SETTLEMENT

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

### 25. How do I tell the Court I do not like the Settlement?

If you are a Class Member, you can object to the Settlement if you don't like any part of it. The Court will consider your views in connection with the Settlement Hearing described below. To object, you must submit your objection in writing, stating that you object to the Settlement of *Walker et al. v. Life Insurance Company of the Southwest*, No. 10-CV-9198-JVS-JDE. Your written objection must include your name, address, telephone number, policy number(s), and signature, the reasons you object to the Settlement, and any documents that you wish to submit in support of your position. Your written objection must be filed with the Clerk of the United States District Court for the Central District of California, Southern Division by either: (1) filing the objection on the electronic case docket through the Court's Case Management/Electronic Case Filing (CM/ECF) System (visit [www.cacd.uscourts.gov/e-filing](http://www.cacd.uscourts.gov/e-filing) for additional information on electronic filing); or (2) mailing the objection to the following address:

Clerk of the Court  
Central District of California - Southern Division  
Ronald Reagan Federal Building and United States Courthouse  
411 West 4<sup>th</sup> Street, Room 1053  
Santa Ana, CA 92701-4516

Your written objection must be filed electronically or postmarked no later than May 21, 2021.

Your written objection must also be sent by First Class Mail to each of the following addresses, postmarked no later than May 21, 2021.

CLAIMS ADMINISTRATOR	LEAD COUNSEL	DEFENSE COUNSEL
Walker v. LICS Class Action c/o Epiq Class Action & Claims Solutions, Inc. P.O. Box 5053 Portland, OR 97208-5053	Veronica Nauts Kasowitz Benson Torres LLP 101 California Street, Suite 3000 San Francisco, CA 94111	Timothy J. Perla Wilmer Cutler Pickering Hale and Dorr LLP 60 State Street Boston, MA 02109

You do not need to attend the Settlement Hearing to have your written objection considered by the Court.

If you do not timely submit an objection in accordance with the above requirements, you will not be treated as having filed a valid objection to the Settlement.

If you hire an attorney for the purpose of objecting to any aspect of the Settlement, the attorney must file an entry of appearance with the Clerk of the Court no later than **May 21, 2021**, and send a copy of such entry of appearance to the Claims Administrator, Lead Counsel, and Defense Counsel (at the addresses listed above) by U.S. Mail postmarked no later than **May 21, 2021**.

## 26. What is the difference between objecting and excluding?

**Objecting** is 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 do not want to be part of the Class and the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

## THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak by following the process described below, but you don't have to.

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

The Court will hold a Settlement Hearing on June 7, 2021, at 1:30 p.m., at the United States District Court for the Central District of California, Southern Division, Ronald Reagan Federal Building and United States Courthouse, 411 West 4<sup>th</sup> Street, Courtroom 10C, Santa Ana, CA 92701-4516. The Court may hold the Settlement Hearing telephonically or by other virtual means. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Selna may listen to people who, prior to the hearing, properly and timely requested in writing to speak at the hearing, as described under question 29 of this Notice. The Court also may decide how much Lead Counsel will be paid and the amount of any payments to the Class Representatives. At or following the Settlement Hearing, the Court will decide whether to approve the Settlement, but we do not know exactly when that decision will be made.

Also at the hearing the Court will decide whether to approve the dismissal with prejudice of all claims against Defendants.

## 28. Do I have to come to the hearing?

No. Lead Counsel will answer questions Judge Selna may have, but you are welcome to attend the hearing. You also may pay your own lawyer to attend the hearing if you so choose. If you submit a written objection, you don't have to come to Court to talk about it and you don't have to send your own lawyer. As long as you properly submitted your written objection and it was postmarked on time, the Court will consider it.

Please be aware that the Court may change the date or time of the Settlement Hearing without further notice to Class Members. If you or your attorney plan to attend the hearing, you should check with Lead Counsel to be sure that the date or time has not changed.

Class Members do not need to appear at the hearing or take any other action to indicate their approval of the matters being considered at the hearing.

## 29. May I speak at the hearing?

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must do two things. First, you must object to the Settlement in accordance with the procedures described above under question 25. Second, you must send a letter stating that it is your "Notice of Intention to Appear in *Walker et al. v. Life Insurance Company of the Southwest*." You must include your name, address, telephone number, and your signature on your Notice of Intention to Appear. Your Notice of Intention to Appear must be submitted by U.S. Mail to the Clerk of the Court, Lead Counsel, and Defense Counsel, at their respective addresses given under question 25, and must be postmarked and received by the Court no later than **May 21, 2021**. You cannot speak at the hearing if you do not follow these procedures, or if you exclude yourself.

## IF YOU DO NOTHING

## 30. What happens if I do nothing at all?

By doing nothing in response to this Notice, you are staying in the Class if you fall within the class definition. Keep in mind that if you do nothing now, you will give up all rights ever to bring a lawsuit or action, to continue with a pending lawsuit or action, or to be part of any other lawsuit or action against LICS concerning the claims and legal issues covered and resolved by the Settlement.

If the Court approves the Settlement, you will receive a Proof of Claim Form that you must complete and submit to the Claims Administrator within 60 days of receipt in order to receive the Cash Relief Option, Surrender Charge Credit, and/or Term Insurance Relief provided for in the approved Settlement.

## **GETTING MORE INFORMATION**

### **31. Are more details about the Settlement available?**

Yes. This Notice and accompanying documents provide only a summary of the Settlement. More details are contained in an agreement between the Plaintiffs and LICS called the Stipulation of Settlement. The full Stipulation of Settlement is on file with the Clerk of Court. To obtain a copy of the Stipulation of Settlement, or additional information about this Notice or this class action, you can call 1-877-432-3865 (toll-free); write to Walker v. LICS Class Action, c/o Epiq Class Action & Claims Solutions, Inc., P.O. Box 5053, Portland, OR 97208-5053; or visit the website at LSWClassAction.com. Please do not call the Court or the Court Clerk.

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

To get more information about the Settlement, you can:

- Call 1-877-432-3865 (toll-free);
- Write to Walker v. LICS Class Action, c/o Epiq Class Action & Claims Solutions, Inc., P.O. Box 5053, Portland, OR 97208-5053; or
- Visit the settlement informational website at LSWClassAction.com, where you will find copies of the Stipulation of Settlement, Proof of Claim Form, and other information concerning the Settlement.

For any information about your policy other than about this Notice or the Lawsuit, you can contact LICS or your insurance agent by calling 1-800-732-8939, by emailing LICS at LifeCustomerService@NationalLife.com, or by visiting LICS's website at NationalLife.com.

**Notice Date: March 22, 2021**