UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO

Maria Coto v. Dairyland Insurance Company, Sentry Insurance Company, a/k/a Sentry Insurance a Mutual Insurance Company, a/k/a Sentry Insurance,
Case No. 25-cv-00160

IMPORTANT NOTICE OF CLASS ACTION SETTLEMENT

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

PLEASE READ THIS NOTICE CAREFULLY.

A settlement has been reached in the case ***Maria Coto, individually and on behalf of other similarly situated individuals, v. Dairyland Insurance Company, Sentry Insurance Company, a/k/a Sentry Insurance a Mutual Insurance Company, a/k/a Sentry Insurance*, United States District Court for the District of New Mexico, Case No. 25-cv-00160**, entitling some insureds to a cash payment who had an underinsured motorist claim reduced or "offset" by the amount paid by the at-fault driver in an accident between October 1, 2010 through December 31, 2022, and others who purchased UM/UIM coverage between those dates to receive a partial refund of their premium. This Notice explains (1) the terms of the Settlement, (2) who is a member of the Settlement Class, (3) how to submit a Claim Form for payment, (4) how to request exclusion from the Settlement, (5) how to object to the Settlement, and (6) how to get more information about the Settlement.

IF YOU ARE A SETTLEMENT CLASS MEMBER, THIS LEGAL PROCEEDING MAY AFFECT YOUR RIGHTS.

HELP IS AVAILABLE TO ASSIST YOUR UNDERSTANDING OF THIS NOTICE. Call **1-877-269-0873** toll-free or visit NMUIMClassSettlement.com for more information.

What Is a Class Action?

A class action is a lawsuit in which one or more individuals bring claims on behalf of other persons or entities. These persons or entities are referred to as a class or class members. In a certified class action, the court resolves certain issues, legal claims, and/or defenses for all class members in a single action, except for those persons or entities who ask in writing to be excluded from the class.

What Is this Class Action About?

Plaintiff alleges that Defendants and affiliated entities Dairyland Insurance Company, Sentry Insurance Company (formerly known as Sentry Insurance, A Mutual Company), Peak Property and Casualty Insurance Corporation, Viking Insurance Company of Wisconsin, and Sentry Select

Insurance Company (hereinafter referred to together as "Sentry") breached automobile insurance policy contracts, were negligent and unjustly enriched, breached the duty of good faith and fair dealing, engaged in negligent misrepresentation, violated the New Mexico Unfair Trade Practices Act, and violated the New Mexico Unfair Insurance Practices Act, and thus seeks damages, reformation of automobile insurance policy contracts, declaratory judgment, and injunctive relief for Defendants failing to properly advise Plaintiff and other New Mexico insureds that any amounts payable on an underinsured motorist claim are required by law to be reduced, or "offset," by amounts the insured received from the insurer of the driver who was at fault for the auto accident. Sentry maintains that it complied with the terms of the automobile insurance policies and applicable law, denies that it acted wrongfully or unlawfully, and continues to deny all material allegations.

Settlement Terms

As a part of the Settlement, Sentry has agreed, upon court approval, to pay $2,750,000 into a Settlement Fund that will pay for the following:

1. Payment for timely, valid claims submitted by Settlement Class Members who had an *under*insured motorist claim reduced or "offset" by the amount paid by the at-fault driver in an accident between **October 1, 2010, through December 31, 2022,** under a New Mexico auto insurance policy issued by Sentry with an effective date prior to January 1, 2022. These persons are referred to as "Offset Subclass Members." Offset Subclass Members who submit a timely, valid claim will receive up to $25,000 for the claim. This amount may be reduced pro rata if the number of claims exceeds the amount set aside to pay these claims.

2. A partial premium refund to all other Settlement Class Members who purchased UM/UIM motorist coverage on a New Mexico Sentry insurance policy with an effective date prior to January 1, 2022, between **October 1, 2010, through December 31, 2022**. The amount of the refund will be determined by the amount the Settlement Class Member paid in UM/UIM premiums during the Class Period, the cost of administering the Settlement Fund, the amount approved by the Court to pay Plaintiff's attorneys' fees, costs, and an Incentive Compensation Award to the Plaintiff, and the amount remaining, if any, of the portion of the Settlement Fund designated for payments to Offset Subclass Members.

3. The costs of administering the Settlement Fund.

4. Class Counsel's Fees, an Incentive Compensation Award to Plaintiff, and court-awarded costs from the Settlement Fund, with all amounts to be approved by the Court.

In exchange, Plaintiff and the Settlement Class Members who do not exclude themselves from the Settlement agree to give up any claim they have for (1) any and all claims disputing the value of UM/UIM coverage or premiums based on or relating to the *Schmick* offset or New Mexico being a "gap theory" state with respect to the payment of UIM benefits; (2) any and all claims related to

or arising out of UIM benefits being reduced or denied due to a *Schmick* offset; (3) any and all claims for penalties arising from or relating to late payment, non-payment, or underpayment of benefits for UM/UIM claims; and (4) any and all claims arising from or relating to the charging of premiums for Underinsured and Uninsured Motorist insurance coverage. If you are a member of the Offset Subclass, you can submit a Claim Form to be eligible to be paid. Alternatively, you may, if you wish, request to be excluded from the Settlement, which means you are not eligible for payment, and you maintain your right to sue Sentry individually and separately. You may also object to the terms of the Settlement, if you comply with the requirements set forth below.

How Do I Know if I'm a Member of the Settlement Class?

You are a member of the Settlement Class against Defendant if you either (1) had an *under*insured motorist claim reduced or "offset" by the amount paid by the at-fault driver in an accident between October 1, 2010, through December 31, 2022, under a New Mexico auto insurance policy issued by Sentry with an effective date prior to January 1, 2022, or (2) purchased or paid premiums for a Sentry New Mexico automobile insurance policy with an effective date prior to January 1, 2022, containing UM/UIM motorist coverage between October 1, 2010, through December 31, 2022.

If I Am a Class Member, What Are My Options?

If you are a Class Member, you have four options.

Option 1: Submit a Claim Form for Payment.

You may submit a Claim Form for payment of up to $25,000 if you submitted an *under*insured motorist coverage claim from **October 1, 2010, through December 31, 2022,** under a New Mexico auto insurance policy issued by Sentry with an effective date prior to January 1, 2022, and the claim was reduced, or "offset," by the amount you received from the insurer of the at-fault driver. **NOTE**, if the driver of the vehicle that was at-fault in the accident had *no* liability insurance, then you had an *un*insured motorist coverage claim, not an *under*insured motorist claim, and you are not eligible for payment under this option. You can submit a claim by signing the Claim Form and mailing it to the Settlement Administrator. You can call **1-877-269-0873** or visit NMUIMClassSettlement.com and request that the Settlement Administrator send you a Claim Form as described above. If you were identified as a potential Offset Subclass Member, you may file a claim online. In order to file online, you will need the Unique ID and PIN provided on the postcard notice that was mailed to you.

If you submit a Claim Form, it must be postmarked by **January 8, 2027**. If the address you submit on your Claim Form changes within 60 days after the Effective Date of the Settlement, you must contact the Settlement Administrator to provide a current address, or you may not receive your Settlement Class Member Payment.

All claims will be verified by referencing Sentry's business records. Only valid claims will be paid. Knowingly submitting a false claim is a violation of federal law.

Option 2: Do Nothing.

If you do not submit a claim related to an accident during the Class Period but you purchased a New Mexico automobile insurance policy with UM/UIM coverage during that period, you will automatically receive a check in the mail. The amount of that check will be based upon a portion of the total UM/UIM premiums you paid during the period, the number of Settlement Class Members, and the amount available in the Settlement Fund after paying Offset Subclass claims, attorneys' fees, Incentive Compensation Award payments, and costs of Settlement Administration.

Option 3: Exclude Yourself from the Settlement.

You have the right to not be part of the Settlement by excluding yourself from, or "opting out" of, the Settlement Class. If you wish to exclude yourself, you must do so on or before **December 24, 2026**, as described below. You do not need to hire your own lawyer to request exclusion from the Settlement Class. If you exclude yourself from the Settlement Class, you give up your right to receive any benefits as part of this Settlement, and you will not be bound by any judgments or orders of the Court, whether favorable or unfavorable. However, you will keep your right to sue any Sentry entity separately in another lawsuit if you choose to pursue one.

To exclude yourself from this lawsuit and/or preserve your right to bring a separate case, you must make a request to be excluded in writing and, with sufficient postage, mail the request to the following address:

Coto v. Sentry Insurance Company
Settlement Administrator
P.O. Box 2449
Portland, OR 97208-2449

Requests for exclusion must be postmarked on or before December 24, 2026.

Your request for exclusion must contain the following:

1. The name of the Action (*Maria Coto v. Dairyland Insurance Company, Sentry Insurance Company*)
2. Your full name
3. Your current address
4. A clear statement that you wish to be excluded from the Settlement Class, such as "I request exclusion from the Settlement Class"
5. Your signature

The Settlement Administrator will file your request for exclusion with the Court. If you are signing on behalf of a Settlement Class Member as a legal representative (such as an estate, trust, or incompetent person), please include your full name, contact information, and the basis for your authority. A request for exclusion must be exercised individually and not on behalf of a group.

IF YOU DO NOT EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY THE POSTMARK DEADLINE OF DECEMBER 24, 2026, YOU WILL REMAIN PART OF THE

SETTLEMENT CLASS AND WILL BE BOUND BY THE ORDERS OF THE COURT IN THIS LAWSUIT AND BY THE TERMS OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT, EVEN IF YOU DO NOT SUBMIT A CLAIM FORM FOR PAYMENT. IF YOU DO NOT WISH TO BE BOUND BY DECISIONS OR SETTLEMENT IN THIS CASE, YOU MUST REQUEST EXCLUSION FROM THE CLASS ACTION.

Option 4: Object to the Terms of the Settlement.

The full terms of the Settlement can be found at NMUIMClassSettlement.com. If you think the terms of the Settlement are not fair, reasonable, or adequate to the Settlement Class Members, you may file a Notice of Intent to object to the terms of the Settlement. If you object to the terms of the Settlement, you cannot request exclusion from the Settlement. If you object to the terms of the Settlement and your objection is overruled, you will be bound by the terms of the Settlement and all rulings and orders from the Court.

To properly object to the terms of the Settlement, you must send, with sufficient postage, a Notice of Intent to object to the terms of the Settlement and to appear at the Final Fairness Hearing (described below) to the following address:

Coto v. Sentry Insurance Company
Settlement Administrator
P.O. Box 2449
Portland, OR 97208-2449

The Notice of Intent must include all of the following information:

1. The name of the case and case number

2. Your name, address, telephone number, email address (if any), and signature

3. The specific reason(s) why you object to the terms of the proposed Settlement

4. A written statement of all grounds for objection, accompanied by any legal support you care to submit

5. The name, address, bar number, and telephone number of any attorney who represents you related to your intention to object to the terms of the Settlement

6. A list of all persons who will be called to testify at the Final Fairness Hearing in support of the objection

7. A statement confirming whether you and/or your attorney intends to personally appear and/or testify at the Final Fairness Hearing

8. Your signature, or the signature of any attorney representing you

Notices of Intent to object must be postmarked by December 9, 2026. Any Notice of Intent that is not postmarked by the deadline set forth above or which does not comport with the requirements listed above may waive the right to be heard at the Final Fairness Hearing. If you file a Notice of Intent, you waive the right to request exclusion from the Settlement Class and will be bound by any decisions and orders from the Court and by the terms of the Settlement if it is approved by the Court. If you do not want to be bound by the decisions and rulings by the Court, you must file a request for exclusion and not a Notice of Intent.

Who Is Representing the Class?

The Court has preliminarily appointed Plaintiff Maria Coto to be the Class Representative of the Settlement Class. The Court has also preliminarily appointed the following lawyers as Class Counsel for the Settlement Class:

Kedar Bhasker
Law Office of Kedar Bhasker, LLC
2741 Indian School Rd. NE, Suite 208
Albuquerque, NM 87106
Phone: 1-505-720-2113
Fax: 1-505-709-3279
Email: Kedar@BhaskerLaw.com

Corbin Hildebrandt
Corbin Hildebrandt, P.C.
Sycamore Square, Suite 2000
1400 Central Ave. SE
Albuquerque, NM 87106
Phone: 1-505-998-6626
Fax: 1-505-998-6628
Email: Corbin@HildebrandtLawNM.com

Geoffrey R. Romero
Nikko Harada
Chris Winters
Romero, Harada & Winters, LLC
4801 All Saints Rd.
Albuquerque, NM 87120
Phone: 1-505-247-3338
Email: Geoff@RHWLawNM.com
Nikko@ RHWLawNM.com
Chris@ RHWLawNM.com

Jonathan D. Woods
Prince, Schmidt & Woods, LLP
630 Paseo De Peralta
Santa Fe, NM 87501
Phone: 1-505-982-5380
Fax: 1-505-986-9176
Email: Jonathan@LawForPersonalInjury.com

Class Counsel will file an application for attorneys' fees of no more than 33 1/3% and costs of no more than $6,200, subject to approval by the Court. The Motion for attorneys' fees will be posted on the Settlement Website after it is filed.

Class Counsel will also seek an Incentive Compensation Award for the Class Representative in the amount of $10,000, subject to court approval. The Incentive Compensation Award is designed to reward the Class Representative for securing the recovery awarded to members of the Settlement Class and to acknowledge the time spent by the Plaintiff participating in the case and prosecuting the claims for the benefit of the Settlement Class. Payment of the Incentive Compensation Award will be made from the Settlement Fund.

What Claim(s) Against Sentry Are Settlement Class Members Releasing?

As a part of the Settlement, Settlement Class Members agree not to sue Sentry for any claims relating to premiums charged for UM/UIM coverage during the Class Period, any claims disputing the value of UM/UIM coverage or premiums based on or relating to the *Schmick* offset (which is reducing underinsured motorist coverage benefits by the amount available from the at-fault driver's liability insurance) or New Mexico being a "gap theory" state with respect to the payment of UIM benefits, any and all claims related to or arising out of UIM benefits being reduced or denied due to a *Schmick* offset, any and all claims for penalties arising from or relating to late payment, non-payment, or underpayment of benefits for UM/UIM claims, and any and all claims arising from or relating the charging of premiums for Underinsured and Uninsured Motorist insurance coverage. Full terms of the Released Claims and Released Parties can be found in the proposed Settlement Agreement at NMUIMClassSettlement.com.

How Do I Find Out More About This Lawsuit?

If you have any questions about the lawsuit or any matter raised in this Notice, please call **1-877-269-0873** toll-free or go to the Settlement Website, NMUIMClassSettlement.com.

The Settlement Website provides the following:

1. The process for requesting a Claim Form or blank form;
2. The full terms of the Settlement
3. Information and requirements for submitting a Claim Form, requesting exclusion, or filing an objection to the terms of the Settlement
4. A copy of the Complaint filed by Plaintiff and other important rulings and orders from the Court during the case prior to settlement
5. Other general information about the class action

You also may contact Class Counsel, whose contact information and websites are provided above.

If the address you submit on your Claim Form changes within 60 days after the Effective Date of the Settlement, you must contact the Settlement Administrator to provide a current address, or you may not receive your Settlement Class Member Payment.

DO NOT TELEPHONE OR OTHERWISE CONTACT THE COURT, THE CLERK OF THE COURT, SENTRY, OR SENTRY'S COUNSEL REGARDING THIS NOTICE.

DATED: September 24, 2026