

United States Court for the
District of New Mexico

Margaret Vega v. Metropolitan Direct Property and Casualty Insurance Company, Case No. 1:22-cv-616-JB-SCY

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 *Margaret Vega v. Metropolitan Direct Property and Casualty Insurance Company*, Case No. 1:22-cv-616-JB-SCY, entitling some insureds 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 January 31, 2022**, and others who purchased UM/ŪIM 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 **1-877-239-5487** toll-free or visit MetropolitanUIMSettlement.com for more information.

Questions? Go to MetropolitanUIMSettlement.com or call +1 877-239-5487

BASIC INFORMATION

1. Why Did I Get This Notice?

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.

2. What is This Class Action About?

Plaintiff alleges that Metropolitan violated New Mexico law by misrepresenting underinsured motorist (“UIM”) coverage or failing to disclose the limitations of UIM coverage in their written materials and applying an offset due to the insurance coverage limits of third parties responsible for injuries or property damage. The Plaintiff asserts a variety of claims: (1) breach of contract, (2) negligence, (3) negligent misrepresentation, (4) violations of New Mexico’s Unfair Trade Practices Act, (5) violations of New Mexico’s Unfair Insurance Practices Act, (6) breach of the implied duty of good faith and fair dealing, (7) unjust enrichment, (8) declaratory judgment, (9) injunctive relief, and (10) punitive damages.

Metropolitan denies any wrongdoing, and no court or other entity has made any judgment or other determination of any wrongdoing, or that any law has been violated. By entering into this Settlement, Metropolitan is not admitting any wrongdoing.

3. What Are the Settlement Terms?

Metropolitan has agreed to create a settlement fund in the amount of \$1,200,000.00 (the “Settlement Fund”). The Settlement Fund will be used to provide the benefits to Settlement Class Members summarized below. It will also be used to pay the costs and attorney fees of Class Counsel approved by the Court, incentive awards to Plaintiff approved by the Court, and the cost of administering the Settlement.

Common Settlement Fund to be funded by or on behalf of Farmers Direct Property & Casualty Insurance Company (fka Metropolitan Direct Property & Casualty Insurance Company), Economy Premier Assurance Company, and Farmers Property & Casualty Insurance Co. (collectively, the “Farmers Direct”) in the aggregate amount of \$1,200,000. This common fund is the full extent of the Farmers Direct’s aggregate settlement payment obligation (except for half the mediator’s fee), inclusive of and limited to the following all of which will be paid out of the Common Settlement Fund:

- Summary of Settlement Class Benefits:
 - Pay timely, valid claims submitted by Settlement Class Members 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 January 31, 2022. These persons are referred to as “Offset Subclass Members.” Offset Subclass Members who submit a timely, valid claim will receive up to \$25,000.00 for the claim. The total amount of the Settlement Fund to be made available for Offset Subclass Payments shall be \$360,000.00. If the number of valid Offset Subclass claims exceeds \$360,000.00, Offset Subclass Payments will be reduced pro rata. If the total amount paid to Offset Subclass members is less than the total amount made available for Offset Subclass Payments, any remaining amounts will be added to the Direct Premium Refund Fund.
 - RETURN OF UM/UIM PREMIUMS – If you are a Metropolitan policyholder who paid premiums to Metropolitan for Uninsured/Underinsured Motorist (UM/UIM) coverage between October 1, 2010 and January 31, 2022 (the “Class Period”), and are not eligible for a UIM claim readjustment, or are eligible for UIM claim readjustment but choose not to make a claim, you are entitled to a refund of a portion of all premiums paid for UM/UIM coverage during the Class Period. The amount of payment will be based on the amount of UM/UIM premiums paid by you during the Class Period and the amount of the Direct Premium Refund Settlement Fund, which will be determined after payment of settlement administration costs, attorney fees, costs and expenses to Class Counsel, incentive fee awards to the Class Representatives, and Valid Claims for UIM claim readjustments. Class members eligible for a return of UM/UIM premiums do **not** have to submit a claim to receive a premium refund. If the Settlement is approved, the Settlement Administrator will issue a check to your last known address.

Questions? Go to MetropolitanUIMSettlement.com or call +1 877-239-5487

If there is any money left over in the Settlement Fund after payments of all valid claims for UIM claim readjustment and UM/UIM premium refunds, attorney fees, costs, expenses, incentive awards to Class Representatives, and settlement administration costs, it will be donated to Equal Access for Justice, Inc.

4. How Do I Know If I Am a Member of the Settlement Class?

You are a member of the Settlement Class against Defendant if you either: 1) 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 January 31, 2022**, or 2) purchased a New Mexico automobile insurance policy containing UM/UIM motorist coverage from **October 1, 2010 through January 31, 2022**.

5. 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 \$25,000, if you submitted an *underinsured* motorist coverage claim from **October 1, 2010 through January 31, 2022** that 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 *uninsured* motorist coverage claim, not an *underinsured* motorist claim, and you are not eligible for payment under this option. You can submit a claim by signing the Claim Form and putting the Claim Form in the mail. If you need a copy of the Claim Form, you can call 1-877-239-5487 or visit MetropolitanUIMSettlement.com and request that the Settlement Administrator send you a Claim Form as described above.

If you submit a Claim Form, it must be postmarked no later than **May 26, 2026**. 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 Metropolitan’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 class members, and the amount of the Settlement Fund available after paying claims under Option 1, attorneys’ fees, Incentive Compensation Award, 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 or “opting out” of the Settlement Class. If you wish to exclude yourself, you must do so on or before **April 27, 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 Metropolitan Insurance 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:

Vega v. Metropolitan
Settlement Administrator
PO Box 4196
Portland, OR 97208-4196

A request for exclusion must be postmarked on or before **April 27, 2026**.

Questions? Go to MetropolitanUIMSettlement.com or call +1 877-239-5487

Your request for exclusion must contain the following:

1. The name of the Action (*Vega v. Metropolitan Dir. Prop. Ins. Cas.*);
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"; and
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 APRIL 27, 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 MetropolitanUIMSettlement.com. If you think the terms of the Settlement are not fair, reasonable, or adequate to the 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 Fairness Hearing (described below) to the following:

Vega v. Metropolitan
Settlement Administrator
PO Box 4196
Portland, OR 97208-4196

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

1. The name of the case and case number;
2. our name, address, telephone number, email address (if any) and signature;
3. The specific reasons 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 intend to personally appear and/or testify at the Final Fairness Hearing; and
8. Your signature, or the signature of any attorney representing you.

Notices of Intent to object must be postmarked by **May 11, 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.

Questions? Go to MetropolitanUIMSettlement.com or call +1 877-239-5487

6. Who Is Representing the Class?

The Court has preliminarily appointed Plaintiff Joshua Smith, 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
 KEDAR BHASKER
 2741 Indian School Rd. NE
 Albuquerque, NM 87106
 Phone: (505) 407-2088
 kedar@bhaskerlaw.com

Geoffrey Romero
 ROMERO, HARADA, & WINTERS, LLC
 4801 All Saints Road NW Ste. A
 Albuquerque, NM 87120
 Phone: (505) 247-3338
 geoff@rhwlawnm.com

Corbin Hildebrandt
 CORBIN HILDEBRANDT, P.C.
 2741 Indian School Rd. NE
 Albuquerque, NM 87106
 Phone: (505) 998-6626
 corbin@hildebrandtlawnm.com

Class Counsel will file an application for attorney's fees not to exceed 33 1/3% of the common fund plus costs and New Mexico gross receipts tax, as well as the approximately \$110,000 in fees for administering the Settlement, all paid out of the Settlement Fund. The Motion for attorneys' fees will be posted on the website after it is filed.

Class Counsel will also seek an Incentive Compensation Award for the Class Representative 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.

7. What Claim(s) Against Metropolitan Are Class Members Releasing?

As a part of the Settlement, Class Members agree not to sue Metropolitan for any claims 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 and Release at MetropolitanUIMSettlement.com.

8. 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 toll-free at **1-877-239-5487** or go to MetropolitanUIMSettlement.com.

This MetropolitanUIMSettlement.com website provides:

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; and
5. Other general information about the class action.

You also may contact Class Counsel, whose contact information is 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 CONTACT THE COURT, THE CLERK OF THE COURT, OR METROPOLITAN OR METROPOLITAN'S COUNSEL REGARDING THIS NOTICE.

Questions? Go to MetropolitanUIMSettlement.com or call +1 877-239-5487