

## LEGAL NOTICE

**If you purchased a surplus lines insurance policy for a residential property located in Lava Zone 1 on the Island of Hawai‘i with a Lava Exclusion at any time during the period of January 1, 2012 through and including May 4, 2018 that was brokered through Monarch and underwritten and/or subscribed to by Underwriters, you are eligible to receive a payment from a class action settlement.**

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

***Your legal rights are affected whether you act or don't act. Read this notice carefully.***

A Settlement has been proposed to resolve litigation against Defendants Lloyd's Syndicates 2003, 318, 4020, 2121, 2007, 1183, 1729, and 510 (collectively, "Underwriters"), Borisoff Insurance Services, Inc. d/b/a Monarch E&S Insurance Services, Specialty Program Group, LLC d/b/a SPG Insurance Solutions, LLC (collectively, "Monarch"), Aloha Insurance Services, Inc. ("Aloha"), and Ilikea LLC d/b/a Moa Insurance Services Hawaii ("Moa") (collectively, "Defendants") brought by a putative class of individuals who purchased a certain surplus lines insurance policy for a residential property located in Lava Zone 1 on the Island of Hawai‘i with a Lava Exclusion. If you qualify, you may receive a cash payment, or you can exclude yourself from the Settlement, or object to it. The United States District Court for the District of Hawaii authorized this notice. Before any money is paid, the Court will have a hearing to decide whether to approve the Settlement.

### **Who Is Included?**

You are a member of the Settlement Class and affected by the Settlement if you purchased a surplus lines insurance policy for a residential property located in Lava Zone 1 on the Island of Hawai‘i with a Lava Exclusion at any time during the period of January 1, 2012 through and including May 4, 2018 ("Class Period") that was brokered through Monarch and underwritten and/or subscribed to by Underwriters. "Lava Exclusion" means an exclusion for the peril of lava and/or lava flow causing direct or indirect physical damage or loss of use of the insured property. "Lava Zone 1" means the zone or area designated by the U.S. Geological Survey map on the island of Hawai‘i for volcanic hazard zones as having the highest risk of experiencing lava flow.

### **What Is This Case About?**

The lawsuit—*Aquilina, et al. v. Certain Underwriters at Lloyd's London, et al.*, No. 18-cv-00496-ACK-KJM (D. Haw.)—asserts claims for violations of HRS §§480-1, *et seq.* (as to all Defendants), breach of the implied covenant of good faith and fair dealing (as to Underwriters), and negligence and unjust enrichment (as to Moa and Aloha). The lawsuit primarily alleges that Defendants violated the diligent search requirement of the Hawai‘i Surplus Lines Act. Defendants deny these allegations, any wrongdoing, and that they are liable in any amount to the affected individuals.

### **What Does the Settlement Provide?**

Under the Settlement, Defendants have agreed to pay \$1.8 million dollars into a common fund, which will be used to pay all Class Member distributions, and any Court-approved reasonable Plaintiffs' attorneys' fees and expenses, Settlement Administrator's costs and expenses, and Plaintiffs' Service Awards up to \$2,500 to each of the two sets of Plaintiffs. Certain Defendants also have agreed to pay up to an additional \$50,000 to defray the Settlement Administrator's costs and expenses.

### **What Are Your Options?**

If you do nothing, you automatically will receive a cash payment. No specific documentation is required. The settlement payment will come from the Settlement Fund and will be based on the proportional amount you paid in total premiums paid during the Class Period compared to the aggregate total premiums paid by all Class Members during the Class Period, after paying the above Service Awards, attorneys' fees, and expenses of litigation, and costs of settlement administration (the "Net Settlement Fund"). If you do nothing, you also will forfeit your right to sue or bring any claim against Defendants and/or Releasees related to the Released Claims as defined in Section 9 of the Settlement. The Release in the Settlement specifically provides that certain claims are included in the Release and others are not.

If you do not want to be legally bound by the Settlement, you must exclude yourself by **December 6, 2021**, or you will not be able to sue, or continue to sue, Defendants or any other Releasees (as defined in the Settlement Agreement) for any of the claims resolved by the Settlement. To exclude yourself, you must provide all required information. If you exclude yourself, you cannot get money from this Settlement. If you stay in the Settlement Class but wish to object, you must do so by **December 6, 2021**. Details for excluding yourself or objecting to the Settlement can be found in the Settlement Agreement and the Mail Notice, both of which are available on the Settlement Website.

The Court will hold a hearing in this case on **March 3, 2022 at 10:00 am HT**, to consider whether to approve the Settlement. At the hearing, the Court will also consider a request by the lawyers representing all Class Members for attorneys' fees, costs, and expenses for investigating the facts, litigating the case, and negotiating the Settlement, as well as for Service Awards to the Plaintiffs for their time participating in the case. You may ask to appear at the hearing, but you do not have to.

### **Want More Information?**

If you have any questions, you may contact the attorneys for Plaintiffs: Joseph P. Guglielmo at Scott+Scott Attorneys at Law LLP, The Helmsley Building 230 Park Avenue, 17th Floor New York, NY 10169, Tel.: 212-223-6444, Fax: 212-223-6334, [jguglielmo@scott-scott.com](mailto:jguglielmo@scott-scott.com) or E. Kirk Wood at Wood Law Firm, LLC, P. O. Box 382434 Birmingham, AL 35238-2434, Tel.: 205-908-4906, Fax: 866-747-3905, [ekirkwood1@bellsouth.net](mailto:ekirkwood1@bellsouth.net) or Gregory W. Kugle at Damon Key Leong Kupchak Hastert, a Law Corporation, 1003 Bishop Street, Suite 1600, Honolulu, Hawai‘i 96813, Tel.: (808) 531-8031, Fax: (808) 533-2242, [gwk@hawaiiilawyer.com](mailto:gwk@hawaiiilawyer.com).

You can also visit the Settlement Website at [www.Lloydslavasettlement.com](http://www.Lloydslavasettlement.com).