

IN THE SUPERIOR COURT OF NEW JERSEY LAW DIVISION – MERCER COUNTY
McCullough, et al. v. New Jersey Manufacturers Ins. Co.
Docket No. MER-L-001401-20

If your leased vehicle was totaled while insured by New Jersey Manufacturers Insurance Company from March 19, 2015, to August 6, 2025, you may be entitled to a cash payment for sales tax.

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 (the “Settlement”) has been reached and memorialized in a Settlement Agreement (the “Settlement Agreement”) in the lawsuit entitled *McCullough, et al. v. New Jersey Manufacturers Ins. Co.*, Docket No. MER-L-001401-20 (the “Lawsuit”), which is pending in the Superior Court of New Jersey Law Division – Mercer County (the “Court”).¹ The Lawsuit claims that New Jersey Manufacturers Insurance Company (“NJM”) underpaid sales taxes allegedly owed to certain insured lessees of certain leased vehicles when settling those insureds’ total loss claims. NJM denies all claims asserted in the Lawsuit and denies all wrongdoing and liability of any kind. The Court did not rule in favor of Plaintiff or NJM. Instead, the parties agreed to a Settlement.

Members of the Settlement Class who submit a valid and timely Claim Form are eligible for payment of the full estimated “Leased Vehicle Sales Tax Payment” at the applicable state rate based on the policy address and date of loss.

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 LAWSUIT AFFECTS YOUR RIGHTS.

YOUR LEGAL RIGHTS & OPTIONS		DEADLINE
Submit a Claim Form	The only way to receive a Settlement Class Member Payment is to submit a timely and valid Claim Form.	Submitted or Postmarked by: NOVEMBER 15, 2025
Exclude Yourself	If you opt-out of the Settlement, you will receive no Settlement Class Member Payment but will keep any right you may have to file your own lawsuit against the Released Persons about the Released Claims as part of the Settlement.	Postmarked by: OCTOBER 1, 2025
Object to the Settlement	If you do not opt-out of the Settlement, you can tell the Court why you do not agree with the Settlement. You will still be bound by the Settlement if the Court finally approves it.	Postmarked by: OCTOBER 1, 2025
Do Nothing	You will be bound by the Settlement and any Court orders, will not be eligible to receive a Settlement Class Member Payment, and will relinquish any right you may have to file your own lawsuit against NJM and/or the Released Persons about the Released Claims.	

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court must decide whether to finally approve the Settlement, attorneys’ fees, expenses, and service awards. No Settlement benefits will be provided unless the Court finally approves the Settlement.

Call 1-877-879-4133 toll free or visit www.NJAutoLossSettlement.com for more information.

¹ Capitalized terms used in this Notice have the same meaning as those used in the Settlement Agreement.

**QUESTIONS? CALL 877-879-4133 TOLL-FREE,
OR VISIT WWW.NJAUTOLOSSSETTLEMENT.COM**

1. What Is a Class Action?

A class action is a lawsuit in which one or more individuals attempt to sue on behalf of other persons or entities who allegedly have similar legal claims. In a certified class action, those persons or entities are referred to as a “class” or “class members.” In a certified class action, one Court resolves certain legal issues, legal claims, and/or legal defenses for all class members in a single lawsuit, except for those persons or entities who timely and properly ask in writing to be excluded from the class.

2. What Is This Class Action About?

This Lawsuit alleges that NJM breached certain auto insurance policies by allegedly underpaying sales taxes allegedly owed to certain insureds of leased vehicles when settling those insureds’ total loss claims.

NJM denies the allegations of this lawsuit, maintains that it fully complied with the terms and provisions of its auto insurance policies and the law, and expressly denies all wrongdoing and liability of any kind. The Court did not rule in favor of Plaintiff or NJM. Instead, the parties agreed to a Settlement of the Lawsuit.

3. What Are the Settlement Terms?

NJM has agreed to pay the full estimated “Leased Vehicle Sales Tax Payment” at the applicable state rate based on the policy address and date of loss to Settlement Class Members who timely submit a valid Claim Form.

The “Leased Vehicle Sales Tax” is calculated as the average estimated sales tax on the lease capitalized cost minus all sales taxes paid by NJM to each Settlement Class Member that submits a timely and valid Claim Form. For the purpose of settlement only, the Parties agree that the sales tax on the lease capitalized cost is 75.4% of the sales tax on the full vehicle value as determined by NJM on the date of loss.

Class Counsel will be seeking attorneys’ fees of no more than \$2,000,000.00, subject to approval by the Court. Class Counsel also intend to seek approximately \$21,000.00 in costs, and a \$5,000.00 service award for Plaintiff Cotoyva Morgan as the Class Representative, to be approved by the Court. NJM will be permitted to deduct each Settlement Class Member’s pro-rata percentage of attorneys’ fees and documented litigation costs from each settlement payment made in response to each timely and valid Claim Form. The parties estimate this will reduce each Class Member’s settlement payment by approximately 26%.

4. How Do I Know if I’m a Member of the Settlement Class?

If you have already been identified as a Settlement Class Member from NJM’s claims data, you have received an email notice and/or a postcard notice. You are a member of the Settlement Class if you fall into this category:

All Insureds of leased vehicles covered under any New Jersey automobile insurance policy issued by New Jersey Manufacturers Insurance Company covering first-party claims for auto physical damage for comprehensive or collision loss that made a first-party property damage claim on or after March 19, 2015, to August 6, 2025, which resulted in the leased vehicle being deemed a “total loss”.

“Insureds”, as used in the Settlement Class definition, include only NJM insured lessees of NJM insured vehicles that sustained a “total loss” on or after March 19, 2015, to August 6, 2025.

Excluded from the Settlement Class are: (i) NJM’s officers, directors, employees, or legal representatives; (ii) all Superior Court of New Jersey Judges to whom this case is or was assigned, along with any members of their immediate families; (iii) all Insureds for whom sales tax was already paid by NJM; and (iv) any person who timely opts out of the Settlement Class.

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

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

Option 1: Submit a Claim Form for Payment.

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If you are a Settlement Class Member, you may submit a timely and valid Claim Form to be eligible to receive the Leased Vehicle Sales Tax Payment. You can submit a claim by signing the Claim Form you received in the mail, carefully tearing at the perforation, and putting the Claim Form in the mail. You can call 1-877-879-4133 or visit www.NJAutoLossSettlement.com and request that the Settlement Administrator send you a Claim Form.

If you submit a Claim Form in the mail, it must be postmarked no later than **November 15, 2025** and mailed to:

McCullough v. NJM Settlement
PO Box 4209
Portland, OR 97208-4209

If the address you submit on your Claim Form changes, you must contact the Settlement Administrator to provide a current address, or you may not receive your Settlement Class Member Payment.

You can also submit a Claim Form online at www.NJAutoLossSettlement.com by entering your Unique ID and PIN. Online Claim Forms must be submitted by 11:59 pm EST on **November 15, 2025**. Your Unique ID and PIN can be found on the postcard and email notices you received.

Option 2: Exclude yourself from the Settlement.

If you are a Settlement Class Member, 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 **October 1, 2025** 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 any right you may have to file a separate lawsuit at your own expense against NJM if you choose to pursue one.

To exclude yourself from this Lawsuit, the Settlement Class, and/or preserve any right you may have to bring a separate lawsuit at your own expense, you must make a request to be excluded in writing and, with sufficient postage, mail the request to:

McCullough v. NJM Settlement
PO Box 4209
Portland, OR 97208-4209

A request for exclusion must be postmarked on or before **October 1, 2025**.

If you are a Settlement Class Member, your request for exclusion must contain the following:

1. The name of the lawsuit (*McCullough, et al. v. New Jersey Manufacturers Insurance Company*);
2. The Docket Number (MER-L-001401-20);
3. Your full name;
4. Your current address;
5. Your current phone number;
6. A clear statement that you wish to be excluded from the Settlement Class, such as: “I request exclusion from the Settlement Class”; and
7. 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.

Option 3: Object to the Terms of the Settlement.

The full terms of the Settlement can be found here: www.NJAutoLossSettlement.com. If you are a Settlement Class Member, and 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, you will still be bound by the terms of the Settlement and all rulings and orders from the Court.

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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 (described below) to the following:

McCullough v. NJM Settlement
PO Box 4209
Portland, OR 97208-4209

The Notice of Intent to Object to the terms of the Settlement must include all of the following information:

1. The name of the case and case number;
2. Your name, current address, current telephone number, and signature;
3. A verification under oath that you are a Settlement Class member, including a verification under oath of the approximate date of your total loss or attached documents establishing, or providing information sufficient to allow the Parties to confirm, that you are a Settlement Class Member;
4. The specific reasons why you object to the terms of the Proposed Settlement;
5. Any documents that you believe support your objection;
6. The name, address, bar number, and telephone number of any lawyer who represents you and/or may be entitled to compensation for any reason related to your intention to object to the terms of the Settlement;
7. Whether you and/or your lawyer intend to appear at the Fairness Hearing and whether you and/or your lawyer will request permission to address the Court at the Fairness Hearing; and
8. The case name and number of any other case in which you have objected in the last five (5) years.

If you and/or your lawyer intend to request permission to address the Court at the Fairness Hearing, your Notice of Intent to Object must also include all of the following information:

1. A statement of the legal and factual basis for each objection;
2. A list of any and all witnesses the Settlement Class Member may seek to call at the Fairness Hearing;
3. A list of any legal authority the Settlement Class Member will present at the Fairness Hearing; and
4. Identify either your class member number or full name and address when the total loss occurred.

Notices of Intent to Object must be postmarked by **October 1, 2025**. If any Settlement Class Member files a Notice of Intent to Object to the Settlement that is not postmarked by the deadline set forth above, or which does not comport with the requirements listed above, then that Settlement Class Member will waive the right to be heard at the Fairness Hearing. If you file a Notice of Intent to Object, you will 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 finally approved by the Court. If you do not want to be bound by the Settlement and any decisions and rulings by the Court, you must file a timely and valid request for exclusion and not a Notice of Intent to Object to the Settlement.

Option 4: Do Nothing Now. Stay in the Lawsuit.

If you are a Settlement Class Member, you have the right to do nothing. If you do nothing, you will be bound by the terms of the Settlement and any orders of the Court, will not be eligible to receive a Settlement Class Member Payment, and will release and relinquish any and all legal claims you may have against NJM relating to the facts and circumstances alleged in the Lawsuit.

6. Who Is Representing the Settlement Class?

The Court has preliminarily appointed Plaintiff, Cotoyya Morgan, to be the Class Representative. The Court has also preliminarily appointed the following lawyers as Class Counsel for the Settlement Class: Shamis & Gentile, P.A.; Normand PLLC; and Edelsberg Law, P.A.

These lawyers are experienced in handling class action lawsuits, including actions on behalf of insured policyholders. More information about Class Counsel is available on their websites.

Class Counsel will be seeking attorneys' fees of up to \$2,000,000.00, and costs up to \$21,000.00, with all amounts to be approved by the Court.

Class Counsel will also seek a Service Award for Plaintiff Morgan as the Class Representative in the amount of \$5,000.00, subject to Court approval. The Service 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 lawsuit for the benefit of the Settlement Class.

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

As a part of the Settlement, Settlement Class Members agree not to sue NJM and/or the Released Persons for any and all legal claims arising out of or relating in any way to the facts and circumstances alleged in the Lawsuit, including any and all legal claims that arise out of, relate, pertain, and/or seek sales taxes allegedly owed in connection with NJM's settlement of covered first-party leased vehicle total loss claims made during the Class Period beginning on March 19, 2015, and concluding on August 6, 2025. Released Claims do not include any timely and valid legal claims for personal injury, medical payment, uninsured motorist, or underinsured motorist benefits. Full terms of the Released Claims and Released Persons can be found in the proposed Settlement Agreement at www.NJAutoLossSettlement.com.

8. When and Where will the Court Decide Whether to Approve the Settlement?

The Court will hold a **Fairness Hearing on October 31, 2025, at 9:30 a.m. EST** on the 3rd Floor of Mercer County Civil Courthouse, 175 South Broad Street, Trenton, New Jersey 08650. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also decide Class Counsel's application for attorneys' fees and expenses and the Class Representative's application for a service award. We do not know how long these decisions will take. The Court may change the date or time of the Fairness Hearing without further notice, so please check the Settlement Website for any changes.

9. Do I Need to Attend the Fairness Hearing?

No. Settlement Class Members are not required to attend the Fairness Hearing, but you may attend the hearing at your own expense or pay your own lawyer to attend the hearing on your behalf if you wish. Class Counsel will answer any questions the Court may have at the Fairness Hearing.

If you send a written objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection on time and followed the instructions above, the Court will consider it. However, if you want to speak about your objection, you may attend the hearing at your own expense and speak at the hearing only if you have clearly written "Intention to Appear" on your written objection letter.

10. 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 1-877-879-4133 or go to www.NJAutoLossSettlement.com.

The www.NJAutoLossSettlement.com website provides:

1. A blank Claim 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
5. Other general information about the Lawsuit.

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

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