

## NOTICE OF CLASS ACTION SETTLEMENT AND FAIRNESS HEARING

**If you purchased an Allianz Life Insurance Company of North America annuity from Sean M. Meadows between January 1, 2004, and August 5, 2014, you may be entitled to benefits from a class action settlement.**

**COURT AUTHORIZED LEGAL NOTICE  
THIS IS NOT A SOLICITATION FROM A LAWYER  
YOU ARE NOT BEING SUED**

**YOUR LEGAL RIGHTS ARE AFFECTED  
WHETHER YOU ACT OR DO NOT ACT**

**PLEASE READ THIS ENTIRE NOTICE CAREFULLY**

This notice is to inform you of a proposed class action settlement in the case of *Berthiaume v. Allianz Life Insurance Co. of North America*, Case No. 27-CV-17-15118, a lawsuit pending in the State of Minnesota District Court for Hennepin County that arose from the conduct of Sean M. Meadows who was formerly associated with Defendants Allianz Life Insurance Company of North America ("Allianz") and Imeriti, Inc. ("Imeriti").

You received this Notice because you are listed as being a current or former owner of an Allianz annuity policy that is included in the proposed settlement of this lawsuit. The Court directed that this Notice be sent to you because you have a right to know about the proposed settlement, and your rights and options under the proposed settlement, before the Court decides whether to approve it. This Notice explains the lawsuit, the proposed settlement, your legal rights under the settlement, what settlement benefits are included in the proposed settlement, who is eligible for the proposed settlement benefits, and how the settlement benefits can be obtained if the Court approves the settlement. Please provide a copy of this Notice to any additional former owners of your policy if they have not already received it.

**You should consult your own tax advisor regarding the tax consequences to you of the proposed settlement, including, without limitation, any tax reporting obligations you may have with respect to the proposed settlement. Neither the Parties, nor their counsel, are making any representations or providing any advice concerning the possible tax implications of the Settlement for any person.**

## QUESTIONS?

CALL 1-888-394-9699  
FROM MONDAY THROUGH FRIDAY  
8:00 A.M. - 4:00 P.M. CST (EXCLUDING HOLIDAYS)

Your Legal Rights and Options in this Settlement	
<b>Do Nothing</b>	If you are a current or former owner of a policy in the Class, you do not have to do anything in response to this notice in order to be eligible to receive a Claim Form through which you may seek Settlement Relief. However, if you receive a Claim Form and do not submit it, you will give up all rights to receive any settlement funds from Defendants.
<b>Submit a Claim For Settlement Relief</b>	If you are a current or former owner of a policy in the Class, you do not have to do anything in response to this notice in order to be eligible to receive a Claim Form through which you may seek Settlement Relief. In order to be eligible for Settlement Relief, you must submit a Claim Form. This requires completion, notarization, and timely return of a Claim Form that will be sent to you if and after the Court gives final approval to this settlement. The Claim Form will include notice of a Claim Deadline. All claims must be postmarked by the Claim Deadline.
<b>Object</b>	If you do not like the proposed settlement, you may write to the Court to explain why by filing a written objection with the Court. If you do so, the Court will take your written objection into account in considering whether to approve the settlement, and you will be entitled to ask to speak to the Court about the fairness of the settlement at the Fairness Hearing set for December 4, 2020. All written objections must be mailed to the addresses listed in section 16 of this Notice, postmarked no later than November 23, 2020.
<b>Speak at the Fairness Hearing</b>	You may ask to speak in Court about the fairness of the settlement at the Fairness Hearing set for December 4, 2020, but <b>ONLY</b> if you properly and timely submit a written objection and a notice of intention to appear, as instructed under sections 16 and 19 of this Notice.

The rights and options described in the above Summary of Your Legal Rights and Options in this Settlement—and the procedures and deadlines to exercise them—are explained in more detail below. Please note, however, that this Notice is only a summary of the terms and conditions of the proposed settlement. For a complete description of the terms and conditions of the proposed settlement, you should read the agreement called the Stipulation of Settlement in its entirety, which was filed with the Court. See section 5 of this notice for instructions on how to obtain a copy of the Stipulation of Settlement.

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.

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### BASIC INFORMATION

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

You received this notice because you are a member of the Class certified by the Court in this Action. You are a member of the Class because you are a current or former owner of an Allianz annuity or life insurance policy purchased from Sean M. Meadows between January 1, 2004 and August 5, 2014 and you did not previously exercise your right to opt out of the Class.

The Court has directed that the parties send you this notice because you have a right to know about the proposed settlement, and about your rights and options under the proposed settlement, before the Court decides whether to approve it. If the Court approves the settlement and it becomes final, Allianz and Imeriti will provide the settlement relief provided for in the approved settlement.

This Notice summarizes the lawsuit, the settlement, your legal rights, what settlement benefits are available, who is eligible for settlement benefits, and how the benefits can be obtained.

## 2. What is this lawsuit about?

The Court in charge of the case is the Fourth Judicial District Court for Hennepin County, Minnesota, and the case is known as *Berthiaume, et al. v. Allianz Life Insurance Company of North America and Imeriti, Inc. d/b/a Imeriti Financial Network*. Judge Laurie J. Miller is the judge overseeing this class action. The people who sued are called the Plaintiffs, and the companies they sued, Allianz and Imeriti, are called the Defendants.

The lawsuit is about whether Allianz violated Minnesota law in the manner in which it marketed certain Allianz annuity products sold by Sean M. Meadows, a former independent financial advisor previously associated with Allianz and Imeriti, and whether Allianz and Imeriti violated Minnesota law by breaching duties they owed to Mr. Meadows' clients, including failing to prevent Mr. Meadows from directing his clients to surrender annuities within a short time after purchasing them, and aiding and abetting Mr. Meadows' theft of investment funds in a Ponzi scheme. Plaintiffs allege that this caused them to pay surrender charges and incur other damages and that Allianz and Imeriti are responsible for their losses.

Allianz and Imeriti deny any and all responsibility for any misconduct by Mr. Meadows, an independent agent authorized to sell annuities from life insurance companies including Allianz, and they deny that they violated any legal duty to Plaintiffs or the class relating to annuities sold by Mr. Meadows or any misconduct by Mr. Meadows. Rather, Defendants contend that they acted properly and lawfully in all respects. Allianz further contends that it timely reported Mr. Meadows to law enforcement authorities. Mr. Meadows is now serving 25 years in federal prison after having been convicted on federal fraud charges.

## 3. Why is this a class action?

A class action is a lawsuit in which the claims and rights of many people are decided in a single court proceeding. One court resolves the issues for all class members, except for those who choose to exclude themselves. In other words, the class wins together or loses together. In a class action, representative plaintiffs, known as "Class Representatives," assert claims on behalf of the entire class. In this case, the Class Representatives are Robert Berthiaume, Doris Burnham, Richard Burnham, Nancy Mayer-Gosz, and Fletcher Lewis.

The Court decided that the claims asserted against Allianz and Imeriti can proceed as a class action because the Class Representatives satisfied the necessary requirements under Minnesota law governing class actions. The Court has not decided whether the Defendants did anything wrong.

## 4. Why is there a settlement?

The Court has not ruled in favor of Plaintiffs or Defendants. 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 proposed settlement Class.

## 5. Are filed papers in this lawsuit available?

Yes. Complete copies of the pleadings, the Stipulation of Settlement, and other papers filed in the lawsuit are available from the Hennepin County District Court Records Center. The address is Hennepin County Government Center, 300 S. 6th St., Room A250 Skyway Level, Administration (A) Tower, Minneapolis, MN 55487. Certain pleadings and other papers are available on the dedicated Internet website: [www.meadowsconsumerclassnotice.com](http://www.meadowsconsumerclassnotice.com). The title of this case is *Berthiaume, et al. v. Allianz Life Insurance Company of North America and Imeriti, Inc. d/b/a Imeriti Financial Network*, and the case number is 27-CV-17-15118.

In addition, you may obtain more information by contacting Class Counsel, listed in section 14 below, or the Settlement Claims Administrator.

## WHO IS IN 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 settlement Class.

## 6. How do I know if I am part of the Class?

You are a member of the Class if you meet one or more of the following requirements and did not previously opt out of the Class:

- (1) All residents of the United States who, during the Class Period, purchased an Allianz annuity or other Allianz life insurance product from Sean M. Meadows and were defrauded of some or all of their investment. The Class Period commences on January 1, 2004 and continues through August 5, 2014. Excluded from the class is any parent, subsidiary, affiliate, controlled person, officer, director, agent, servant, employee, or immediate family member of Defendants.
- (2) All residents of the State of Minnesota who, during the Class Period, purchased an Allianz annuity or other Allianz life insurance product from Sean M. Meadows and were defrauded of some or all of their investment. The Class Period commences on January 1, 2004 and continues through August 5, 2014. Excluded from the class is any parent, subsidiary, affiliate, controlled person, officer, director, agent, servant, employee, or immediate family member of Defendants.
- (3) All residents of the State of Minnesota who are senior citizens or disabled, who during the Class Period, purchased an Allianz annuity or other Allianz life insurance product from Sean M. Meadows and were defrauded of some or all of their investment. The Class Period commences on January 1, 2004 and continues through August 5, 2014. Excluded from the class is any parent, subsidiary, affiliate, controlled person, officer, director, agent, servant, employee, or immediate family member of Defendants.

If you are still not sure whether you are included in the Class, you may ask for help. Please contact Class Counsel, listed in section 14 below, or call the toll-free dedicated helpline at 1-888-394-9699.

## 7. Are there exceptions to being included in the settlement Class?

Yes. All persons who receive this notice and fall under the definition of the Class, but who previously submitted a timely opt-out notice are excluded from the Class.

#### 8. Are there exceptions to being eligible for settlement benefits?

Yes. To be entitled to settlement benefits, Class Members must demonstrate that (1) they surrendered or partially surrendered an Allianz annuity between January 1, 2004, and August 5, 2014 and, (2) within 15 days before or after the surrender, (3) either invested the surrender proceeds in another annuity with Sean Meadows or invested in a Meadows Financial Group (“MFG”) Investment. In addition, Class Members must complete a written Claim Form, providing the information, documents, affirmations, and required notarization to the Settlement Claims Administrator, postmarked by the Claim Deadline, to be eligible for settlement benefits.

#### 9. Are the estates of deceased policy owners entitled to relief?

Yes. The rights under the proposed settlement of a deceased owner of a policy may be exercised by the estate of the owner, upon reasonable showing of proof of authority from the purported representative of the estate. But without such proof, beneficiaries under the policies are not included in the Class, and the proposed settlement relief is not available to any such beneficiaries.

### THE SETTLEMENT BENEFITS – WHAT YOU CAN RECEIVE

#### 10. What benefits does the settlement provide?

The settlement provides that Class Members who submit a timely, valid, and notarized Claim Form by the Claim Deadline may be eligible for a settlement benefit. The amount of the settlement benefit available varies depending upon whether you lost money on your Allianz annuity, whether you surrendered, or partially surrendered your Allianz annuity and when, whether you invested any proceeds from any surrender of an Allianz annuity into another annuity through Sean Meadow or a Meadows Financial Group (“MFG”) investment and when, whether you received proceeds from any MFG investment, and what type of supporting documentation you submit.

There are two categories of settlement benefits for which you may be eligible: An Annuity Loss Benefit, and an MFG Investment Loss Benefit.

##### **Annuity Loss Benefit:**

You may be eligible to receive 50 percent of any net out-of-pocket loss on any eligible Allianz annuity you owned and surrendered in full or in part between January 1, 2004 and August 5, 2014 (the “Class Period”).

The net out-of-pocket loss is calculated as the difference between (x) and (y), where (x) is the premium you paid and (y) is all payments you received from the annuity up to the date of that surrender transaction (including required minimum distributions, free withdrawals, and surrender proceeds) plus the cash surrender value of the annuity at the time of the transaction.

##### **MFG Investment Loss Benefit:**

In addition to any Annuity Loss Benefit, you may also be eligible to receive a MFG Investment Loss Benefit. If you had multiple MFG Investments, you are entitled to recover for each such investment that qualifies for relief.

If you used proceeds from the surrender of an Allianz annuity for a MFG Investment prior to October 1, 2013 and you have qualifying documentation of your investment, you may be

eligible for 40 percent of your total MFG Investment loss.

If you used proceeds from the surrender of an Allianz annuity for a MFG Investment on or after October 1, 2013 and you have qualifying documentation of your investment, you may be eligible for 50 percent of your total MFG Investment loss.

If you used proceeds from the surrender of an Allianz annuity for a MFG Investment but do not have any documentation, you may be eligible for 12 percent of your total MFG Investment loss.

#### 11. How can I obtain the settlement benefits?

If the Court approves the proposed settlement, the Settlement Claims Administrator will mail a Claim Packet to all Class Members. To receive settlement benefits, you must return a completed Claim Form to the Settlement Claims Administrator, postmarked with a date no later than the Claim Deadline, for each eligible annuity. Instructions for completing the Claim Form will be provided and can also be reviewed on the dedicated website, [www.meadowsconsumerclassnotice.com](http://www.meadowsconsumerclassnotice.com).

In addition, the Claim Form must be notarized by a notary public in accordance with the laws of the state in which you reside governing in-person or remote notarization, affirming that you executed the Claim Form making the required statements and affirmations under oath in the presence of the notarial authority, and bearing evidence of the notarial authority in compliance with the law of the state in which it is being executed (*e.g.*, a seal, etc.).

Please note that Claim Forms that are not complete, signed, and notarized will be invalid and you will not be entitled to any settlement benefits.

A separate Claim Form will be provided and is required for each policy for which settlement benefits are sought.

If more than one person owned the policy when it was surrendered, each Owner must sign the Claim Form.

#### 12. When would I get my settlement benefits?

The Court will hold a hearing on December 4, 2020, called the Fairness Hearing, to decide whether to approve the settlement. If the Court approves the settlement, the Settlement Claims Administrator will mail a Claim Packet to all Class Members to be completed and returned to the Settlement Claims Administrator. Upon receiving a completed and notarized Claim Form postmarked by the Claim Deadline, the Settlement Claims Administrator will forward the Claim Form to Allianz to be reviewed and the settlement benefits calculated. If the lawyers representing the class and the defendants agree on your settlement amount, Allianz will have thirty (30) days after the settlement benefits are calculated to process the Claims and remit to you the appropriate amount of settlement benefits by check. If the lawyers disagree on the settlement amount, a neutral third party will decide the appropriate amount and Allianz will have 30 days from that decision to remit to you the appropriate amount of settlement benefits by check.

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

Unless you previously excluded yourself, you are a member of the Class, and that means: (1) that you cannot sue, continue to sue, or be part of or receive any benefits in or from any other lawsuit, arbitration, administrative or regulatory proceeding, order, or other legal proceeding anywhere against Allianz, Imeriti, and certain other released parties included as "Releasees" under the Stipulation of Settlement, concerning the marketing, solicitation, purchase, administration, or

surrender of your annuity or other life insurance product, Allianz and Imeriti's supervision of Sean M. Meadows, Meadows' theft of funds, or any other legal claims that were made or could have been made in this case; and (2) that you *give up*, or *release*, any and all claims – regardless of whether they are presently known or suspected, presently unknown or unsuspected, presently existing, or might exist in the future – against the Releasees relating to (a) the annuities or other life insurance products at issue in this case or the manner in which those annuities or other life insurance products were marketed, solicited, purchased, administered or surrendered, (b) Allianz and Imeriti's supervision of Sean M. Meadows, (c) Meadows' theft of funds, (d) any other legal claims that were made or could have been made in this case against Allianz, Imeriti, and/or the Releasees, and/or (e) any and all matters concerning or relating to this settlement (including, without limitation, the award, election, and/or implementation of any settlement relief with respect to a policy). It also means that all of the Court's orders, whatever they provide, will apply to you and legally bind you, even if you objected to the proposed settlement.

### THE LAWYERS REPRESENTING YOU

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

The Court appointed Amy Conners, Jennifer Olson, and Thomas Heffelfinger of the law firm Best & Flanagan LLP as Class Counsel to represent the Class. If you are a member of the Class and do not wish to be represented by Class Counsel, you have the right to hire your own attorney to represent you in the lawsuit at your expense. If you hire a lawyer to speak for you or appear in Court, your lawyer must file a Notice of Appearance.

#### 15. How will the lawyers be paid?

Class Counsel will ask the Court for an award of attorneys' fees and expenses of \$1,750,000. Class Counsel also will ask the Court to award payments to the Class Representatives of \$75,000 for all Class Representatives combined. The Court may award less than these amounts. Allianz and Imeriti will pay the attorneys' fees and expenses, and any payments to Class Representatives, in the amount awarded by the Court, up to the foregoing amounts. These amounts will not come out of the funds for the specific settlement benefits awarded to Class Members. Allianz and Imeriti also will separately pay costs to administer the settlement.

### OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

#### 16. How do I tell the Court that I do not agree with the settlement?

If you are a Class Member, you can object to the settlement if you do not like any part of it. The Court will consider your views in connection with the Fairness Hearing described below. To object, you must file your objection with the Court and send copies of your objection in writing to the Parties, stating that you object to the proposed settlement between Plaintiffs, Allianz, and Imeriti in *Berthiaume, et al. v. Allianz Life Insurance Company of North America and Imeriti, Inc. d/b/a Imeriti Financial Network*. Your written objection must include your full name, current address, telephone number, policy number(s), and signature, and state whether you object to a portion of or the whole settlement, set forth the legal and factual reasons you object, and include any documents you wish to submit in support of your position. Your written objection must be mailed to each of the following places, postmarked no later than **November 23, 2020**.

COURT	CLASS COUNSEL	ALLIANZ COUNSEL	IMERITI COUNSEL
4 <sup>th</sup> District Civil Court Hennepin County Gov't Ctr. 300 S. 6th St., C-332 Minneapolis, MN 55487	Amy S. Conners Thomas B. Heffelfinger Jennifer L. Olson BEST & FLANAGAN LLP 60 S. 6th St., Ste. 2700 Minneapolis, MN 55402	Jeffrey D. Hedlund Larry E. LaTarte FAEGRE DRINKER BIDDLE & REATH LLP 2200 Wells Fargo Ctr. 90 S. Seventh Street Minneapolis, MN 55402	David P. Pearson Kyle R. Kroll WINTHROP & WEINSTINE, P.A. Capella Tower 225 S. 6th St., Ste. 3500 Minneapolis, MN 55402

**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 proposed settlement.**

If you hire an attorney for the purpose of objecting to any aspect of the proposed settlement, the attorney must file an entry of appearance with the Clerk of Court no later than November 23, 2020, and send a copy of such entry of appearance to Class Counsel and counsel for Allianz and Imeriti (at the addresses listed above), postmarked no later than November 23, 2020.

### THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you do not have to.

#### 17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing on December 4, 2020, at 3:00 P.M., at the Fourth District Judicial Court, before the Honorable Laurie J. Miller, Hennepin County Government Center, 300 South 6th Street, C-332, Minneapolis, Minnesota 55487. 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 Miller may listen to people who, prior to the hearing, properly and timely requested in writing to speak at the hearing, as described under section 19 of this Notice. The Court may also decide how much Class Counsel will be paid and the amount of any payments to the Class Representatives. At or following the hearing, the Court will decide whether to approve the settlement, but we do not know exactly when that decision will be made.

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

No. Class Counsel will answer questions the Honorable Laurie J. Miller may have, but you are welcome to come at your own expense. 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.

#### 19. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must do two things. First, you must object to the settlement in accordance with the procedures described

above under section 16. Second, you must send a letter stating that it is your “Notice of Intention to Appear in the *Settlement of Berthiaume, et al. v. Allianz Life Insurance Company of North America and Imeriti, Inc. d/b/a Imeriti Financial Network.*” 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 sent to the Clerk of the Court, Class Counsel, Allianz’s Counsel, and Imeriti’s Counsel, at their respective addresses given under section 16, and must be postmarked and received by the Court no later than **November 23, 2020**. You cannot speak at the hearing if you do not follow these procedures.

### **IF YOU DO NOTHING**

#### **20. What happens if I do nothing at all in response to this Notice?**

If you are a current or former owner of a policy in the Class, you do not have to do anything in response to this notice in order to be eligible to receive a Claim Form through which you may seek Settlement Relief.

In addition, if you do nothing, you will give up all rights to object to the terms of this settlement. If you do not think the Court should approve this settlement, you must formally object using the procedure described in section 16 above.

### **OBTAINING MORE INFORMATION**

#### **21. Are more details about the settlement available?**

You may address written questions to the attorney listed below:

Amy Conners  
Best & Flanagan LLP  
60 South Sixth Street, Suite 2700  
Minneapolis, Minnesota 55402  
(612) 349-5693  
aconners@bestlaw.com

Additionally, you can visit the Internet website created and maintained by the Settlement Claims Administrator, or call the following toll-free number maintained by the Settlement Claims Administrator: 1-888-394-9699.

**Please do not contact the Court or Judge Miller. They cannot answer any questions or discuss the lawsuit with you.**