

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE THE ALLSTATE CORPORATION
SECURITIES LITIGATION

Case No. 16-cv-10510

Hon. Robert W. Gettleman

NOTICE OF PENDENCY OF CLASS ACTION

TO: ALL PERSONS AND ENTITIES THAT PURCHASED THE COMMON STOCK OF THE ALLSTATE CORPORATION FROM OCTOBER 29, 2014 THROUGH AUGUST 3, 2015, INCLUSIVE, AND WERE DAMAGED THEREBY (THE “CLASS”)

A federal court has authorized this Notice. This is not junk mail or a solicitation from a lawyer.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.
YOU MAY BE A MEMBER OF THE CLASS DESCRIBED IN THIS NOTICE, AND YOUR RIGHTS
MAY BE AFFECTED BY A PENDING CLASS ACTION LAWSUIT. THIS NOTICE ADVISES YOU
OF YOUR OPTIONS.**

**PLEASE DO NOT CALL OR WRITE THE COURT. IF YOU HAVE ANY QUESTIONS,
YOU SHOULD CONTACT CLASS COUNSEL OR THE ADMINISTRATOR.**

This Notice was issued pursuant to Federal Rule of Civil Procedure 23 (“Rule 23”) and an Order of the United States District Court for the Northern District of Illinois (the “Court”) to inform you: (i) of a class action lawsuit that is now pending in the Court under the above caption (the “Action”) against The Allstate Corporation (“Allstate”), Thomas J. Wilson and Matthew E. Winter (collectively, the “Defendants”); and (ii) that the Action has been certified by the Court to proceed as a class action on behalf of the Class defined in ¶ 1 below. **This Notice is not a settlement notice and you are not being asked to submit a claim.**

1. By its December 21, 2020 Order, the Court certified the Action as a class action on behalf of the following Class:

All persons and entities that purchased the common stock of The Allstate Corporation from October 29, 2014 through August 3, 2015, inclusive, (the “Class Period”) and who were damaged thereby.

Excluded from the Class are: Allstate and its subsidiaries; the individual defendants Thomas J. Wilson and Matthew E. Winter, any trust they control or beneficially own, and their immediate families; the officers and directors of Allstate during the Class Period and their immediate families; the legal representatives, heirs, successors, or assigns of any excluded person or entity; and those who timely and validly request exclusion from the Class.

2. This Notice is directed to members of the Class. If you meet the Class definition, you are a member of the Class and your rights will be affected by the Action. If you are not a member of the Class, this Notice does not apply to you. **Receipt of this Notice does not mean you are a Class Member, because the parties do not have a list of all Class Members.** If you are uncertain whether you are in the Class, please contact Class Counsel or the Administrator.

3. This Notice is not an expression of any opinion by the Court as to the merits of the Action, or a finding by the Court that the claims asserted by the Class Representatives¹ in the Action are valid. This Notice is intended solely to inform you of the pendency of the Action and of your rights concerning the Action, including the right to request exclusion from the Class if you are a member of the Class. **There is no judgment, settlement, or monetary recovery at this time.** Defendants have denied Class Representatives' claims, and contend that they are not liable for the harm alleged by Class Representatives.

4. The Class definition may be changed by the Court in the future, pursuant to Rule 23.

DESCRIPTION AND STATUS OF THE LAWSUIT

5. This is a securities class action against Defendants for alleged violations of the federal securities laws during the Class Period. Class Representatives allege that during the Class Period, Defendants made statements that misrepresented, and/or they failed to disclose material facts concerning, the existence and reasons for a large spike in "claims frequency"—*i.e.*, the number of claims filed against Allstate auto insurance policies. When the truth was allegedly revealed via a series of disclosures between February and August 2015, Allstate's stock price fell, allegedly causing losses to investors. Defendants deny these allegations, deny that they engaged in any wrongdoing, deny that Class Representatives or any members of the Class suffered damages asserted in the Action, and deny any liability whatsoever to any member of the Class.

6. On November 10, 2016, an initial complaint was filed in the Court against Allstate and certain of Allstate's officers, asserting violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, 15 U.S.C. §§ 78j(b) and 78t(a) ("Exchange Act"), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5.

7. On January 17, 2017, the Court appointed Carpenters Pension Trust Fund for Northern California and Carpenters Annuity Trust Fund for Northern California as Lead Plaintiffs, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"), and appointed Lead Plaintiffs' selection of Labaton Sucharow LLP ("Labaton Sucharow") as Lead Counsel. On March 30, 2017, Lead Plaintiffs filed their Consolidated Class Action Complaint against Defendants.

8. Defendants moved to dismiss the consolidated complaint on June 1, 2017, and Defendants' motion to dismiss was fully briefed by the parties. The Court, by Order dated February 27, 2018, denied Defendants' motion to dismiss. On March 27, 2018, Defendants filed an answer to the consolidated complaint. Since that time, the parties have pursued discovery concerning their respective claims and defenses.

¹ The Court has appointed Carpenters Pension Trust Fund for Northern California, Carpenters Annuity Trust Fund for Northern California, and City of Providence Employees Retirement System as the representatives for the Class ("Class Representatives").

9. On September 12, 2018, Lead Plaintiffs filed the operative Second Amended Consolidated Class Action Complaint (“Second Amended Complaint”), which was amended to add Class Representative City of Providence.

10. On June 22, 2018, Lead Plaintiffs filed a motion for class certification. Defendants opposed the motion. By Order dated March 26, 2019, the Court granted Lead Plaintiffs’ motion and certified a class. However, Defendants filed an interlocutory appeal of the Order to the United States Court of Appeals for the Seventh Circuit (the “Seventh Circuit”). The Seventh Circuit vacated the Court’s Order and remanded the matter back to the Court for further proceedings related to whether Defendants had rebutted the “presumption of reliance” established by the United States Supreme Court in *Basic, Inc. v. Levinson*, 485 U.S. 224 (1988). *See In re Allstate Corp. Sec. Litig.*, 966 F.3d 595, 610 (7th Cir. 2020).

11. After further proceedings, on December 21, 2020, the Court ruled that Defendants had not rebutted the presumption of reliance asserted by Lead Plaintiffs and certified a class consisting of all persons and entities that purchased the common stock of Allstate from October 29, 2014 through August 3, 2015, inclusive, and who were damaged thereby. In addition, the Court appointed Lead Plaintiffs and City of Providence as Class Representatives and appointed Labaton Sucharow as Class Counsel.

12. The Action is ongoing. Fact and expert discovery have been completed. A trial date has not been scheduled. Defendants have indicated that they intend to move for summary judgment in their favor as to all of the claims asserted on behalf of the Class.

13. No court has made a ruling on the merits of Class Representatives’ allegations or on Defendants’ denials and defenses. This Notice does not describe all the claims and defenses asserted by the parties. The section below entitled “Where You Can Find Additional Information” describes how you can obtain additional information about the Action and the claims and defenses asserted.

YOUR RIGHTS AS A CLASS MEMBER

14. A class action is a type of lawsuit in which one or several individuals or entities bring claims on behalf of all members of a “class” of similarly situated persons and entities to obtain monetary or other relief for the benefit of the entire group. Class actions avoid the necessity of each member of a class having to file his, her, or its own separate lawsuit to obtain relief. Class actions are used to decide legal and factual issues that are common to all members of a class.

15. If you invested in the common stock of Allstate from October 29, 2014 through August 3, 2015, inclusive, and were damaged thereby, and you are not excluded by definition from the Class, then you are a member of the Class. If you are a member of the Class, you have the right to decide whether to remain a member of the Class. If you are a member of the Class and wish to be excluded from the Class, you must request exclusion in accordance with the procedures set forth in ¶ 17 below. ***If you want to remain a member of the Class, you do not need to do anything at this time other than to retain your documentation reflecting your transactions in Allstate common stock during the Class Period as discussed below in ¶ 16.*** Your decision is important for the following reasons:

- a. **If you choose to remain a member of the Class**, you ***will be bound*** by all past, present, and future orders and judgments in the Action, whether favorable or unfavorable. If any money is awarded to the Class, either through a settlement with Defendants or a judgment of the Court after a trial and appeal, you may be eligible to receive a share of that award. However, if you remain a member of

the Class, you may not pursue a lawsuit on your own behalf with regard to any of the issues in the Action in connection with your investments in Allstate common stock.

Pursuant to Rule 23(e)(4), it is within the Court's discretion whether to allow a second opportunity to request exclusion from the Class if there is a settlement, or if there is a judgment in the Action after a trial and any appeal.

Please note that if you remain a member of the Class, you will not be personally responsible for Class Counsel's attorneys' fees or expenses. Class Counsel has agreed to represent the Class on a contingent fee basis, which means that they will be awarded fees and expenses, as approved by the Court, only if they succeed in obtaining a recovery from one or more Defendants. Any attorneys' fees and expenses for Class Counsel will be awarded by the Court from a settlement or judgment, if any, obtained on behalf of the Class.

As a member of the Class, you will be represented by Class Counsel. Alternatively, you may remain a member of the Class and elect to be represented by counsel of your own choosing. If you do retain separate counsel, you will be responsible for that attorney's fees and expenses and that attorney must enter an appearance on your behalf by filing a Notice of Appearance with the Court and mailing it to Class Counsel at the addresses set forth in ¶ 21 below on or before **May 11, 2021**.

- b. **If you choose to be excluded from the Class**, you *will not be bound* by any orders or judgments in this Action, nor will you be eligible to share in any recovery that might be obtained in this Action. You will retain any right you have to individually pursue any legal rights that you may have against any Defendants with respect to the claims asserted in the Action and Defendants retain all their defenses to your claims. ***Please note, if you decide to exclude yourself from the Class, you may be time-barred from asserting all or a portion of the claims covered by the Action. Class Counsel offer no advice and no opinion on whether you will be able to maintain such claims.*** Please refer to ¶¶ 17-20 below if you would like to request exclusion from the Class.

16. Members of the Class will be eligible to participate in any recovery that might be obtained in the Action in the future. This Notice is not intended to suggest any likelihood that Class Representatives or members of the Class will obtain any recovery. Should there be a recovery, members of the Class will be required to submit claim forms to demonstrate their membership in the Class and document their purchases and sales of Allstate common stock during the relevant periods. ***For this reason, please be sure to keep all records of your transactions in Allstate common stock. However, DO NOT mail them to Class Counsel or the Administrator at this time.***

HOW TO BE EXCLUDED FROM THE CLASS

17. To exclude yourself from the Class, you must send a letter by first-class mail stating that you "request exclusion from the Class in *In re The Allstate Corp. Securities Litigation*, No. 16-cv-10510 (N.D. Ill.)." Your request must state your full name, address, e-mail, telephone number, and you must sign it. If you are signing on behalf of a Class Member (such as an estate, corporation, or partnership), please indicate your full name and the basis of your authority to act on behalf of the Class Member. Your request for exclusion must also state the amount of Allstate common stock purchased and sold during the Class Period, as well as the dates and prices of each such purchase and sale. You must mail your exclusion request, ***postmarked no later than May 11, 2021***, to:

Allstate Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 173001
Milwaukee, WI 53217

18. You cannot exclude yourself from the Class by telephone, facsimile, or e-mail. **Requests for exclusion that do not comply with the above requirements will be invalid**, unless they are otherwise accepted by the Court, subject to any objections of the parties to be resolved by the Court.

19. Do not request exclusion if you wish to participate in the Action as a member of the Class.

20. If you properly request exclusion from the Class, you will not be bound by any orders or judgments in the Action, but you also will not be eligible to share in any recovery that might be obtained in the future. If you properly request exclusion from the Class, you may be entitled to pursue an individual lawsuit, claim, or remedy, if available, which you may have, at your own expense. **Please note: if you decide to exclude yourself from the Class, you may be time-barred from asserting all or a portion of the claims covered by the Action.** Class Counsel offer no advice and no opinion on whether you will be able to maintain such claims.

CLASS COUNSEL

21. The Court appointed the law firm of Labaton Sucharow as Class Counsel. If you have any questions concerning the matters raised in this Notice, you may contact Class Counsel at:

LABATON SUCHAROW LLP
Thomas G. Hoffman, Jr., Esq.
140 Broadway
New York, NY 10005
Telephone: 888-219-6877
info@labaton.com
www.labaton.com

22. As noted above, unless you elect to retain your own personal lawyer, if you remain in the Class, you will not have any direct obligation to pay the costs of the litigation. If there is a recovery by the Class in the Action, all costs and expenses of the Action, including Class Counsel's attorneys' fees, will be paid from that recovery in an amount approved by the Court.

23. If you want to be represented by your own lawyer, you may hire one at your own expense. If you do retain your own lawyer, your counsel must enter an appearance on your behalf by filing a Notice of Appearance with the Clerk of the Court at the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, **on or before May 11, 2021**. Your Notice of Appearance must also be mailed to Class Counsel at the address set forth in ¶ 21 above, **on or before May 11, 2021**.

PLEASE KEEP YOUR ADDRESS CURRENT

24. To assist the Court and the parties in maintaining accurate lists of Class Members, you are requested to mail notice of any changes in your address to:

Allstate Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 173121
Milwaukee, WI 53217
www.AllstateSecuritiesLitigation.com

25. If you receive a Postcard Notice relating to the Action by mail and that Postcard Notice was forwarded to you by the postal service, or if it was otherwise sent to you at an address that is not current, you should immediately contact the Administrator at the address above, by e-mail at info@AllstateSecuritiesLitigation.com, or by calling 877-829-4143 and provide them with your correct address. If the Administrator does not have your correct address, you may not receive notice of important developments in the Action.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

26. This Notice gives only a summary of the lawsuit and the claims asserted by Class Representatives. For more detailed information regarding the Action, you may contact Class Counsel or visit www.AllstateSecuritiesLitigation.com. You may also contact the Administrator by e-mail at info@AllstateSecuritiesLitigation.com, or by phone at 877-829-4143.

27. Copies of the pleadings, orders, and other documents filed in this Action are available to subscribers at <http://www.pacer.gov> or at the office of the Clerk of the Court, United States District Court for the Northern District of Illinois, located at the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, under Case No. 16-cv-10510.

NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

28. If, for the beneficial interest of any person or entity other than yourself, you purchased Allstate common stock from October 29, 2014 through August 3, 2015, inclusive, you MUST EITHER: (i) WITHIN TEN (10) CALENDAR DAYS of receipt of this Notice, provide a list of the names and addresses (and e-mail addresses, if available) of all such beneficial owners to the Administrator at *Allstate Securities Litigation, c/o A.B. Data, Ltd., P.O. Box 173121, Milwaukee, WI 53217*; or (ii) WITHIN TEN (10) CALENDAR DAYS of receipt of this Notice, request from the Administrator sufficient copies of the Postcard Notice to forward to all such beneficial owners and WITHIN SEVEN (7) CALENDAR DAYS of receipt of those Postcard Notices forward them to all such beneficial owners. If you choose the second option, YOU MUST send a statement to the Administrator confirming that the mailing was made and YOU MUST retain your mailing records for use in connection with any further notices that may be provided in the Action. If you choose the first option, the Administrator will send a copy of the Postcard Notice to the beneficial owners. Upon FULL AND TIMELY compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Administrator with proper documentation supporting the expenses for which reimbursement is sought.

DATED: March 12, 2021

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS