

<p>MATTHEW L. CHIPEGO, CHARLENE K. MOWREY, KIMBERLY CATALANO-PIKE, EXECUTRIX OF THE ESTATE OF CONSTANCE C. CHURCHILL, DECEASED, JOSEPH W. EWING, individually and on behalf of themselves and all other similarly situated</p> <p style="text-align: right;">Plaintiffs</p> <p style="text-align: center;">v.</p> <p>FIVE STAR BANK and FINANCIAL INSTITUTIONS, INC.</p> <p style="text-align: right;">Defendants</p>	<p>COURT OF COMMON PLEAS PHILADELPHIA COUNTY</p> <p>CIVIL ACTION</p> <p>MAY TERM, 2017</p> <p>NO. 02466</p>
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NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

You may be entitled to receive a settlement payment and other benefits in connection with a class action against Five Star Bank and Financial Institutions, Inc.

*A Pennsylvania Court has authorized this notice.
This is not a solicitation from a lawyer.
You are not being sued.*

- This settlement resolves a lawsuit over whether Five Star Bank and Financial Institutions, Inc. (“Defendants”) sent borrowers proper notice of their rights after vehicle repossession and sale.
- Defendants deny and dispute the claims asserted in the Litigation. The parties disagree about whether any money (and if so, how much) could have been awarded to you if the Plaintiffs were to prevail at trial. The settlement avoids the costs and risks to members of the Class like you from continuing with the lawsuit, and it provides relief to the Class.
- This settlement will: (a) provide a gross fund of \$29,500,000.00 to be used for distribution to Class Members, payment of administrative costs, Class Counsel fees and expenses, and service awards to each of the Plaintiffs; (b) eliminate disputed Deficiencies of approximately \$51,600,000.00; and (c) require Defendants to request credit reporting agencies to delete your auto loan history from your credit report, if any, in accordance with the proposed Class Action Settlement Agreement.
- Your rights are affected whether you act or not. Read this notice carefully.

Your Legal Rights and Options in this Settlement:

Do Nothing If the settlement is approved by the Court as presented, any balance remaining after the auction-sale of your repossessed vehicle (*i.e.* “Deficiency”) will be eliminated, and Defendants will request the credit

reporting agencies to delete any loan history from your credit report. You will also be paid a proportionate share of the net settlement proceeds. You can find the anticipated amount of your check and your eliminated Deficiency on this website: www.fivestarbancrepoaction.com.

The payment will be sent to you by check unless you promptly contact the Settlement Administrator to request one of the other available payment methods it offers. See the enclosed election form.

Exclude Yourself Get no payment. This is the only option that allows you to ever be part of any separate lawsuit against Defendants concerning your financed vehicle. Act by **Monday, October 13, 2025**.

Object Write to the Court about why you don't like the settlement and do not want it approved. Act by **Monday, October 13, 2025**.

Go to a Hearing Ask to speak in Court about the fairness of the settlement at the hearing scheduled for **Tuesday, November 4, 2025, at 9:15 a.m.**

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after any appeals are resolved. Please be patient.
- For more information, visit the website www.fivestarbancrepoaction.com.

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BASIC INFORMATION

1. Why did I get this notice package?

The Court approved this notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it and appeals (if any) are resolved, the Settlement Administrator will make the payments the settlement allows.

The Court in charge of the case is the Court of Common Pleas of Philadelphia County, Pennsylvania, and the case is known as *Matthew Chipego v. Five Star Bank*, May Term 2017, No. 02466. The persons suing are Matthew L. Chipego, Charlene K. Mowery, Kimberly Catalano-Pike, executrix for the estate of Constance C. Churchill, deceased, and Joseph W. Ewing, the Plaintiffs (also called “Class Representatives”). The companies being sued, Five Star Bank and Financial Institutions, Inc., are called the Defendants, or the “Bank.”

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible, and how to get them.

The Bank’s records reflect that you and any co-borrower on your vehicle loan were sent a notice from the Bank following the repossession and/or sale of your vehicle from May 16, 2011 through September 30, 2021. The Bank’s conduct post-repossession, specifically its use of these post-repossession notices, forms the basis for this lawsuit.

2. What is this lawsuit about?

The lawsuit claims that the Bank violated Pennsylvania law and New York law by failing to send its borrowers proper notice after repossessing their vehicles. The Bank denies that its notices violated any law, and it asserts that it satisfied all of the legal requirements as to its notices. The Bank asserts other defenses. The Bank further contends that many of the members of the Class owe the Bank money for balances still due on their accounts following the sale of their repossessed vehicle(s) at auction, called “Deficiencies.”

3. Why is this a class action?

In a class action, one or more people called Class Representatives sue on behalf of all people who have similar claims. All these people are “Class Members,” and grouped together are a “Class.” One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. The Bank has challenged whether this case should proceed as a class action, but the Court, by Order and Opinion dated September 30, 2021, certified this matter as a class action. This is a notice that the class action suit has been resolved, subject to court approval.

4. Why is there a settlement?

The Parties agreed to settle this case to eliminate risk of an unfavorable outcome should the case have proceeded to trial and verdict. Post-trial proceedings, including an appeal of any verdict, could have caused substantial delays and created additional risks for the Parties. But,

there has been no trial. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial and appeal, and Class Members like yourself will get compensation and other settlement benefits promptly. The Class Representatives and their attorneys think the settlement is best for all Class Members.

WHO IS IN THE SETTLEMENT

5. How do I know that I am part of the settlement?

If you received this Notice in the mail, the Bank's records reflect that you are a member of the Class(es), which includes certain persons who had their vehicle(s) repossessed by the Bank and was thereafter sent one or more specific forms of notice at some point between May 16, 2011 and September 30, 2021.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the settlement provide for me?

- Cash Component:
 - The Bank has agreed to create a Settlement Fund of \$29,500,000.00. Court approved Class Counsel fees and expenses, service awards for the Class Representatives, and expenses of settlement administration will be paid from that fund. Then, the Net Fund that remains will be distributed to the members of the Class.
 - If fees and expenses are determined by the Court to be reasonable as requested, it is anticipated that your cash payment will be approximately the amount shown on the website (www.fivestarbancorepoaction.com) associated with your claim number, unless there were multiple borrowers on your loan in which case you will receive equal portions of this amount. **This amount will be sent to you by check unless you promptly contact the Settlement Administrator to request one of the other available payment methods it offers. Visit the website to select other options.**
 - If after the first distribution to the Class more than \$100,000.00 remains in the Net Fund (typically from uncashed or undistributable checks), there will be a second distribution to the Class. For any balance remaining after the second distribution 50% will be paid to the Pennsylvania Interest on Lawyers Trust Account ("IOLTA") as required by law, and the remaining 50% will be sent to the following nonprofits for use in providing legal assistance to low income consumers: (b) 25% to Philadelphia Legal Assistance; and (c) 25% to the Center for Elder Law & Justice in Buffalo, NY.
- Credit Reporting Relief: The Bank will request that the Credit Reporting Agencies update your credit report to remove any reference to the auto loan account with the Bank. Details about

how and when this will be done, and limits on the Bank's obligation to provide credit reporting relief are spelled out further in the Settlement Agreement.

- **Elimination of Disputed Deficiency:** If you have been advised by the Bank that there is a shortfall after the auction of your repossessed vehicle, that balance claimed due is called a "Deficiency." The Bank's right to each Class Member's Deficiency as an offset to the Bank's exposure in this Class Action is disputed. The Deficiency asserted on your vehicle loan will be eliminated as a result of this settlement, and the Bank will cease collection of any remaining balance. To learn whether you have a Deficiency claimed or the amount, submit your NoticeID and PIN on this website www.fivestarbancrepoaction.com.

TAX IMPLICATIONS

7. Tax Implications

This settlement has potential tax implications for you. The Settlement Administrator plans to issue IRS 1099-series forms for cash payments over \$600.00. You may be required to furnish your Social Security Number to the administrator as a condition of payment of settlement proceeds over \$600.00. You should consult your tax advisor if you have any questions.

HOW YOU GET THE BENEFITS OF THE SETTLEMENT

8. Do I need to do anything to get a payment or the credit reporting benefit

No. You do not need to do anything further to remain in the Class. You will get a payment and any credit reporting benefit automatically, assuming court approval of the Settlement.

9. Do I need to do anything to have my outstanding debt eliminated?

No. Any outstanding debt remaining after the auction of your repossessed vehicle will automatically be eliminated upon final approval of the settlement by the Court. If your Deficiency was sued upon resulting in a judgment, then that judgment will be marked as "satisfied" as part of this settlement.

10. When is the hearing on final approval of the proposed settlement?

The Court will hold a hearing on Tuesday, November 4, 2025 at 9:15 A.M. via Zoom to decide whether to approve the settlement. After the Court rules on whether to approve the class settlement, there may be appeals. Resolving an appeal can take time, often more than a year. Please be patient.

11. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you will stay in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against the Bank related to your repossessed motor vehicle. It also means that the Court's orders will apply to you and legally bind you. Unless you

“opt-out” or exclude yourself from this case, you will automatically be deemed to have agreed to a release of claims as set forth in the Settlement Agreement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment or other benefits from this settlement but you want to keep the right to sue or continue to sue the Bank for a claim related to your repossessed motor vehicle, then you must take steps to get out of the Class. This is called excluding yourself—sometimes referred to as “opting out” of the Class.

12. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter to the Settlement Administrator saying that you, as well as any and all other person(s) who signed your vehicle finance agreement, want to be excluded from *Chipego v. Five Star Bank*, Court of Common Pleas, Philadelphia County, May Term 2017, No. 02466. Be sure to include your name, address, email (if available), telephone number, and your signature. Mail your exclusion request postmarked no later than Monday, October 13, 2025 to:

Settlement Administrator
Chipego v. Five Star Bank
P.O. Box 23698
Jacksonville, FL 32241

13. If I exclude myself, can I get money from this settlement?

No. You must exclude yourself from this Class to continue your own lawsuit. If you exclude yourself, you will not receive any money from this lawsuit or settlement, credit report deletion, elimination of any disputed Deficiency, or other relief that this Class Settlement provides. Unless you exclude yourself, you give up any right to sue the Bank for the claims that this settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

The Court has approved the following lawyers and law firms to represent you and other Class Members: Cary L. Flitter, Andrew M. Milz, and Jody Thomas López-Jacobs, along with the law firm of Flitter Milz, P.C., and Matthew Parham along with Western New York Law Center, and Carlo Sabatini along with Sabatini Law Firm LLC. These lawyers are called Class Counsel. You will not be charged individually for these lawyers. If you want to be represented by your own lawyer, you may hire a firm at your own expense.

15. How will the lawyers and Class Representative be paid?

As part of the class settlement, Plaintiffs will ask the court to approve a \$40,000.00 service award to each of the four Plaintiffs (for a total of \$160,000.00) for their time and effort in bringing

this case. Plaintiffs will ask the Court to approve a payment out of the Settlement Fund in the amount of up to \$11,800,000.00 for Class Counsel fees and up to \$150,000.00 for reimbursement of expenses. The fees will pay Class Counsel for investigating the facts, preparing legal filings, litigating the case (including a mid-case appeal) negotiating the settlement, and filing legal papers with the Court. It also compensates for oversight of future implementation of the settlement and resolving inquiries from Class Members. Class Counsel have not been paid for their time or services since this case was filed in May 2017. The Court could award less than this amount.

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I don't like the settlement?

If you are a Class Member, you can object to the settlement if you don't like any part of it. You should state why you object and why you think the Court should not approve the settlement. The Court will consider your views. To object, you must send a letter to the Settlement Administrator stating your name, address, email address (if available), telephone number, that you object to the settlement in *Chipego v. Five Star Bank*, May Term 2017, No. 02466, and the reasons you object to the settlement. Mail the objection to the address listed in Section 12 above, postmarked no later than October 13, 2025.

17. What's the difference between objecting and excluding?

Objecting is telling the Court that you don't like something about the settlement, and that you, for that reason, want the settlement not to be approved. You can object only if you stay in the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement, and the amount of fees, awards, and expenses that should be approved. You may attend and you may ask to speak, but you don't have to. Attendance is not required or expected unless you have advised that you intend to appear or have your lawyer appear.

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

The Court will hold a Fairness Hearing on Tuesday, November 4, 2025 at 9:15 A.M. via Zoom. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate and meets the test for class action settlements. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court may also determine the Class Representative Service Award and Class Counsel fees and expenses. Following the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

19. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you file an objection, you don't have to come to Court to talk about

it, but you may. As long as you properly mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, if you wish.

20. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. You cannot speak at the hearing if you exclude yourself from the settlement.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do not exclude yourself and the Court gives final approval to the settlement, you will receive a settlement payment(s), elimination of your disputed Deficiency (if any), and credit reporting relief as provided in the Class Action Settlement Agreement.

GETTING MORE INFORMATION

22. Are there more details about the settlement?

This notice summarizes the proposed settlement. The pleadings and other records in this litigation, including a copy of the Settlement Agreement, may be examined at any time during regular office hours at the Court of Common Pleas of Philadelphia County. Select case records and a copy of the full Settlement Agreement may also be viewed on the website related to this case: www.fivestarbancrepoaction.com.

You may also call or write to the following:

The Settlement Administrator:

Chipecto v. Five Star Bank
c/o Settlement Administrator
P.O. Box 23698
Jacksonville, FL 32241
800-564-0758
info@fivestarbancrepoaction.com

Class Counsel:

FLITTER MILZ, P.C.
450 N. Narberth Avenue, Suite 101
Narberth, PA 19072
888-668-1225
consumers@consumerslaw.com

Please **do not** call the Court, the Bank, or the Bank's counsel.