

**IN THE DISTRICT COURT OF TARRANT COUNTY, TEXAS
236th JUDICIAL DISTRICT COURT**

Joe Key, et al. v. Lon Smith & Associates, Inc., et al., Case No. 236-267881-13

NOTICE OF CLASS CERTIFICATION

You may be a Member of a Certified Class if you signed an agreement with Lon Smith Roofing that included the following language, or language substantially similar to the following: “This Agreement is for FULL SCOPE OF INSURANCE ESTIMATE AND UPGRADES and is subject to insurance company approval. By signing this agreement homeowner authorizes Lon Smith Roofing and Construction (“LSRC”) to pursue homeowners best interest for all repairs at a price agreeable to the insurance company and LSRC. The final price agreed to between the insurance company and LSRC shall be the final contract price.”

A court authorized this Notice. It is not a solicitation from a lawyer. You are not being sued.

- **Background.** A class action lawsuit is pending in the 236th District Court of Tarrant County, Texas, against Lon Smith & Associates, Inc. and A-1 Systems, Inc. d/b/a Lon Smith Roofing and Construction (“Defendants” or “Lon Smith Roofing”).
- **Nature of Action.** The lawsuit alleges that by including the foregoing contract provision in its form contracts, Lon Smith Roofing violated certain provisions of the Texas Insurance Code and the Texas Deceptive Trade Practices Act. In Texas, it is illegal for a person or company to perform or promise to perform insurance claims negotiation services on behalf of a property owner unless that person or company is a Public Insurance Adjuster licensed by the State of Texas. At least two prior court decisions have held that the contract provision language, used by Lon Smith Roofing in its form contract, violated Texas law and rendered the contracts illegal, void, and unenforceable. This lawsuit also seeks a declaratory judgment that the Lon Smith Roofing Agreement is illegal, void, and/or unenforceable. Defendants Lon Smith & Associates, Inc. and A-1 Systems, Inc. d/b/a Lon Smith Roofing and Construction deny any and all of the claims asserted by Plaintiffs, including Plaintiffs’ allegation that Defendants, by use of an Agreement for the installation of new roofs, “both held itself out to be and promised to act as a ‘public insurance adjuster’ in relation to Plaintiffs’ insurance claim.”
- **Who is in the Class?** The Court decided the lawsuit should proceed as a class action on behalf of a “Class,” or a group of people and entities, that could include you. The Class consists of “All Texas residents who from June 11, 2003, through the present signed an agreement with Lon Smith that included the following language, or language substantially similar to the following: ‘This Agreement is for FULL SCOPE OF INSURANCE ESTIMATE AND UPGRADES and is subject to insurance company approval. By signing this agreement homeowner authorizes Lon Smith Roofing and Construction (“LSRC”) to pursue homeowners best interest for all repairs at a price agreeable to the insurance company and LSRC. The final price agreed to between the insurance company and LSRC shall be the final contract price.’”

If you are a Class Member, however, you have a choice to make now.

QUESTIONS? VISIT WWW.ROOFINGLITIGATION.COM OR CALL 866-499-4316.

SI DESEA RECIBIR ESTA NOTIFICACIÓN EN ESPAÑOL, VISITE NUESTRA PÁGINA WEB O LLÁMENOS AL 866-499-4316.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
REMAIN A PART OF THE CLASS (REQUIRES NO ACTION BY YOU AT THIS TIME)	Stay in this lawsuit. Keep the right to recover money or other benefits in this case. Give up the right to sue separately.
ASK TO BE EXCLUDED FROM THE CLASS (REQUIRES ACTION BY FEBRUARY 18, 2025)	Exclude yourself from the Class. Get no benefits from this case if any are awarded. Keep the right to sue separately.

Your legal rights are affected whether you act or not. Read this notice carefully.

These rights and options, how to exclude yourself, and how to obtain additional information are explained in this notice. If you have questions after you have read this notice, contact Class Counsel. Please do not contact the Court as it will not be able to answer your questions.

WHAT ARE THE REMEDIES SOUGHT IN THIS LAWSUIT?

Prior court decisions have held that when a person or entity engages in illegal insurance claims adjusting as described above, any money that such person or entity received in connection with such illegal conduct must be returned to the property owner. In other words, under Texas law, you may be able to receive back from Lon Smith Roofing any money that was paid to Lon Smith Roofing in connection with the contract you signed with Lon Smith Roofing. No money or other benefits are available at this time.

YOUR RIGHTS AND OPTIONS IN THIS LAWSUIT

1. Why did I get this Notice?

Defendants' records indicate that after June 11, 2003, you signed an agreement with Lon Smith that included the following language, or language substantially similar to the following: "This Agreement is for FULL SCOPE OF INSURANCE ESTIMATE AND UPGRADES and is subject to insurance company approval. By signing this agreement homeowner authorizes Lon Smith Roofing and Construction ("LSRC") to pursue homeowners best interest for all repairs at a price agreeable to the insurance company and LSRC. The final price agreed to between the insurance company and LSRC shall be the final contract price." For more information, go to: www.RoofingLitigation.com.

This Notice explains that the Court has allowed, or "certified," a class action lawsuit that may affect you. You have legal rights and options that you may exercise. Thomas Lowe of the 236th District Court of Tarrant County, Texas is overseeing this class action lawsuit. The case is captioned as *Joe Key, et al. v. Lon Smith & Associates, Inc., et al.*, Case No. 236-267881-13 (Tarrant County, Texas).

2. What is the lawsuit about?

What do Plaintiffs allege? Plaintiffs allege that Lon Smith Roofing violated certain provisions of the Texas Insurance Code and the Texas Deceptive Trade Practices Act ("DTPA") by including the contract provision (or substantially similar contract provisions) quoted above and, as a result, Lon Smith Roofing must return to any customer who signed a contract containing such a provision all money Lon Smith Roofing was paid under that contract. More information about what Plaintiffs allege is in Plaintiffs' Second Amended Complaint which you may view at the www.RoofingLitigation.com website.

What does Lon Smith say? Defendants Lon Smith & Associates, Inc. and A-1 Systems, Inc. d/b/a Lon Smith Roofing and Construction deny any and all of the claims asserted by Plaintiffs, including Plaintiffs' allegation that Defendants, by use of

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an Agreement for the installation of new roofs, “both held itself out to be and promised to act as a ‘public insurance adjuster’ in relation to Plaintiffs’ insurance claim.”

Defendants deny that the language in the agreements violated the Texas Insurance Code or constituted holding itself out to be or promising to act as a public insurance adjuster, namely: “This Agreement is for FULL SCOPE OF INSURANCE ESTIMATE AND UPGRADES and is subject to insurance company approval. By signing this agreement homeowner authorizes Lon Smith Roofing and Construction (‘LSRC’) to pursue homeowners best interest for all repairs at a price agreeable to the insurance company and LSRC. The final price agreed to between the insurance company and LSRC shall be the final contract price.” Defendants note that the Texas Department of Insurance Commissioner’s Bulletins allows that a “roofer or contractor may discuss the scope of work in its repair estimate with the consumer or the consumer’s insurance company.”

Defendants also deny that (1) their agreements and communications violated Chapters 541 or 4102 of the Texas Insurance Code or Section 17.50 of the Texas Deceptive Trade Practices-Consumer Protection Act, and (2) their agreements to install new roofs are illegal, void, and unenforceable.

Defendants assert that Plaintiffs are not entitled to a refund or return of all amounts paid to Defendants, while Plaintiffs retain the benefits of their roofs, as Cruz v. Andrews Restoration, Inc., 364 S.W.3d 817 (Tex. 2012) requires an “unwinding of the transaction, returning the parties to the status quo ante,” as a homeowner is “not entitled to an order restoring all amounts paid under the contracts without deducting the value received under those agreements,” as such would constitute a “windfall.” Likewise, Defendants contend that Plaintiffs are not entitled to restoration of amounts paid to Defendants by homeowners insurance companies for some or all of the cost of the roofs.

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” have sued on behalf of themselves and other people who have similar claims. These people and entities together are called a “Class” or “Class Members.” The companies the Plaintiffs sued— Lon Smith & Associates, Inc, and A-1 Systems, Inc. d/b/a Lon Smith Roofing and Construction — are called the Defendants. In a class action, one court resolves the issues for all Class Members, except for those who choose to exclude themselves.

4. What has happened in the lawsuit?

On October 15, 2015, the Court certified a Class that consists of “All Texas residents who from June 11, 2003 through the present signed an agreement with Lon Smith that included the following language, or language substantially similar to the following: ‘This Agreement is for FULL SCOPE OF INSURANCE ESTIMATE AND UPGRADES and is subject to insurance company approval. By signing this agreement homeowner authorizes Lon Smith Roofing and Construction (‘LSRC’) to pursue homeowners best interest for all repairs at a price agreeable to the insurance company and LSRC. The final price agreed to between the insurance company and LSRC shall be the final contract price.’”

5. What is the current status of the lawsuit?

The Court is waiting to determine which class members desire to remain in the class and which class members decide to opt out of the class.

6. What are the Class Representatives asking for?

The Class Representatives are asking for a monetary recovery, as well as pre-judgment and post-judgment interest and their reasonable attorneys’ fees and costs.

7. Is there any money available now?

No money or benefits are available at this time. There is no guarantee that money or benefits will be obtained. If they are obtained through either final judgment or settlement, you will receive a notice describing how to receive your share of any funds. For more information, go to: www.RoofingLitigation.com.

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8. How do I know if I am a Class Member?

You are a member of the Class if you signed an agreement with Lon Smith that included the following language, or language substantially similar to the following: “This Agreement is for FULL SCOPE OF INSURANCE ESTIMATE AND UPGRADES and is subject to insurance company approval. By signing this agreement homeowner authorizes Lon Smith Roofing and Construction (“LSRC”) to pursue homeowners best interest for all repairs at a price agreeable to the insurance company and LSRC. The final price agreed to between the insurance company and LSRC shall be the final contract price.”.

9. Are there exceptions to being included in the Class?

Yes, you are NOT a Class Member if you are an employee or officer of any Defendant, or any entity in which any Defendant has a controlling interest, any entity that has a controlling interest in any Defendant, Defendants’ legal representatives, Defendants’ assigns and successors, any judge and any judicial staff and any immediate family of any judge to whom this case is assigned.

10. Are you still not sure if you’re included?

If you are still not sure whether you are included in the Class, you can inquire for more information at: www.RoofingLitigation.com.

11. What are my options as a Class Member?

You can decide whether to stay in the Class or exclude yourself from the Class. Excluding yourself is also called “opting out” of the Class.

12. What happens if I choose to stay in the Class?

If you stay in the Class, you will be permitted to share in a recovery, if any. However, you would give up any rights to sue the Defendants separately concerning the same legal claims in this lawsuit. You also will be legally bound by all Orders the Court issues and Judgments the Court makes in this class action, even if there is no recovery.

13. How do I stay in the Class?

You do not have to do anything at this time to stay in the Class.

14. What happens if I ask to be excluded from the Class?

If you exclude yourself from the Class, you will give up the right to participate in any recovery that may occur. But you will keep any rights you may currently have to sue the Defendants regarding the legal claims at issue in this lawsuit. You also will not be bound by the Orders the Court issues and Judgments the Court makes in this class action.

15. How do I ask to be excluded from the Class?

To exclude yourself, you must complete the “Request to Opt Out” online form, which is available at www.RoofingLitigation.com no later than February 18, 2025.

You may also send a written “Request to Opt Out” to the Notice Administrator by mail so that it is postmarked no later than February 18, 2025. Your written request must include:

- Your name, address, and telephone number;
- A statement confirming that you want to opt out of the Class; and
- The case name and number: *Joe Key, et al. v. Lon Smith & Associates, Inc., et al.*, Case No. 236-267881-13.

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Your Request to Opt Out must be mailed to:

Lon Smith Roofing Class Action
P.O. Box 2007
Chanhassen, MN 55317-2007

16. What happens if I do not do anything?

By doing nothing, you are choosing to stay in the Class. You don't have to do anything now if you want to stay in the Class. If you stay in the Class and the Class Representatives obtain money or benefits, either as a result of a trial or a settlement, you will be notified about how to apply for a share (or how to ask to be excluded from any settlement). However, you will not be able to sue, or continue to sue the Defendants—as part of any other lawsuit—about the same legal claims that are the subject of this lawsuit. You will also be legally bound by all Orders the Court issues and Judgments the Court makes in this class action.

17. As a Class Member, do I have a lawyer representing my interests in this Class Action?

Yes. The Court has appointed lawyers to represent you and other Class Members. These lawyers are called Class Counsel. Class Counsel in this case are Marshall Searcy of Marshall Searcy Law, Bill Warren of Kelly, Hart & Hallman, LLP., and H. Dustin Fillmore, III and Charles W. Fillmore of The Fillmore Law Firm, L.L.P.

18. How will the lawyers be compensated, and will the Class Representatives receive compensation?

If recovery is obtained for the Class, Class Counsel will request from the Court an award for reasonable attorneys' fees and expenses. Class Counsel may also ask the Court to approve reasonable incentive awards for the Class Representatives. If approved, these fees and expenses and incentive awards will either be paid from the recovery obtained for the Class or separately by the Defendants.

19. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working for you. However, you can choose to hire your own lawyer at your own expense. If you hire a lawyer to speak for you or to appear in Court, your lawyer must file a Notice of Appearance.

20. Where do I get more information?

Complete copies of public pleadings, Court rulings, and other filings are available for review and copying at the Clerk's office. The address is 100 N. Calhoun St., Fort Worth, TX 76196.

Information is also available at www.RoofingLitigation.com, by calling 866-499-4316 toll free, by emailing info@RoofingLitigation.com, or by writing to Lon Smith Roofing Class Action, P.O. Box 2007, Chanhassen, MN 55317-2007.

Please do not contact the Court or Judge Tom Lowe. They cannot answer any questions or discuss the lawsuit.

DATED: DECEMBER 20, 2024

BY ORDER OF THE DISTRICT COURT OF TARRANT COUNTY, TEXAS,
236TH JUDICIAL DISTRICT COURT

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