

I. CLASS MEMBERSHIP

The class is comprised of all individuals (1) owning real property within the Kilgore Independent School District's ("KISD") boundaries, (2) which property had a valid and existing homestead exemption during one or more of the tax years 2016, 2017, 2018, and 2019, and (3) who actually paid property taxes on those properties in one or more of tax years 2016, 2017, 2018, and 2019 (the "Relevant Tax Years").

II. THE ACTION AND CLAIMS ASSERTED

The Plaintiffs named above ("Class Representatives") filed this action alleging that KISD wrongfully repealed or reduced its local option homestead exemption ("LOHE") for the Relevant Tax Years, and assessed and collected property taxes on residence homestead value that the LOHE protected from taxation. On behalf of themselves and the class members, the Class Representatives seek a refund of these taxes. The Court has made no determination regarding the merits of Plaintiffs' allegations, and this Notice is not to be construed as an expression of any opinion by the court with respect to the merits of the respective claims or defenses of the parties. This Notice is sent merely to advise you of the pendency of the action and the rights which you have with respect to it.

III. DEFENDANTS

The Defendants in this action are KISD and the members, both current and former, of its Board of Trustees, in their official capacity. Defendants have denied any wrongdoing and have denied any liability to Plaintiffs or any member of the class and have demanded that the Plaintiffs prove their allegations as required by law.

IV. CLASS COUNSEL AND ATTORNEYS' FEES

If the court approves the settlement of the case, the court will determine an award of attorneys' fees and reimbursement of costs and expenses to Class Counsel. Class Counsel will request the Court approve an attorneys' fee award of 1/3 of the Maximum Settlement Amount. The attorneys' fees will be paid solely by subtracting the amount directly from the funds to be distributed among the class members. The Defendants have agreed not to oppose a motion for fees, costs, and expenses within the limit above.

Counsel for the Plaintiffs and for the members of the class included in this action are:

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All communications and questions concerning this Notice should be sent to these attorneys, and should not be addressed to the clerk of this Court. You should not attempt to contact the Defendants or their attorneys regarding the lawsuit.

v. SUMMARY OF PROPOSED SETTLEMENT

KISD has agreed to refund to the Plaintiff Settlement Class the total amount of \$2,970,967.56 less the amount of attorney's fees, costs, and expenses to be paid to Class Counsel (the "Maximum Settlement Amount"). As a member of the Plaintiff Settlement Class, you would be entitled to recover your pro rata share of the Maximum Settlement Amount that has been calculated for you.

VI. SETTLEMENT PARTICIPATION AND CLASS MEMBERS RIGHTS

To participate in the Proposed Settlement Class, you must follow a specific claims procedure. This means that, in order to obtain payment, you must submit your claim for payment along with satisfactory proof of identity (such as a copy of your driver's license, passport, or other state-issued identification). You will be entitled to payment when the information that you present is verified and your claim is approved. A Claim Form and instructions on how to submit the claim form are available at www.kilgoresettlement.com.

You may appear pro se or hire your own attorney to represent you and appear before the court to challenge the court's determination as to the class and its representation. You must make your own fee arrangement with your attorney. Your attorney must file an Entry of Appearance in this case. The Entry of Appearance must be filed and served by February 27, 2023, and should be mailed to the following address: District Clerk of Gregg County, Texas, 101 E. Methvin, Suite 334, Longview, Texas 75601. All members who do not enter an appearance through counsel of their own choosing will be represented by Plaintiffs through their counsel named in Section IV.

YOU MAY OBJECT TO THE PROPOSED CLASS SETTLEMENT. Any member of the Plaintiff Settlement Class may object to the Proposed Settlement and/or the payment of attorneys' fees, costs and expenses to the Plaintiff Class Counsel. For directions on how to file an objection, see Section VII.

YOU MAY REQUEST TO BE EXCLUDED FROM THE PROPOSED SETTLEMENT CLASS. Any member of the Plaintiff Settlement Class may submit a request to be excluded from the Proposed Settlement Class. For directions on how to file a request to be

excluded from the Proposed Settlement Class, see Section VII.

VII. HEARING TO DECIDE ON APPROVAL OF PROPOSED SETTLEMENT, INCLUDING ATTORNEYS' FEES

On March 6, 2023, at 10:00 a.m., the court will hold a formal, final approval hearing to determine whether the Proposed Settlement is fair, adequate, and reasonable, and whether the proposed request for the payment of attorneys' fees, costs, and other expenses to Class Counsel is reasonable (the "Settlement Hearing"). The hearing may be rescheduled to a later time without further notice. Any member of the Plaintiff Settlement Class who objects to the Proposed Settlement may file an objection to the settlement, and/or the proposed payment of attorneys' fees, costs, and other expenses to Class Counsel. You must sign your objection personally. Your objection must list your full name and address. Your objection must state why you object to the settlement and any reasons supporting your position. You, or an attorney representing you, also have the right to attend the settlement hearing to voice your support or objection, but you are not required to do so. If you wish to attend the settlement hearing and voice your position, you must include in your written objection the following sentence: "I intend to appear at the hearing." Only class members (or their attorneys) who submit a written objection that is actually received no later than 7 days before settlement hearing, or later if good cause is shown, will have it considered by the court, and be heard at the final approval hearing. Also, any member of the Plaintiff Settlement Class may submit a request to be excluded from the Proposed Settlement Class and not participate in the Proposed Settlement.

Any request to be excluded from the Proposed Settlement Class, Objection of the Proposed Class Settlement, or notice of intent to appear must be actually received by the Court no more than 7 days before settlement hearing. These documents must be mailed to the following address: District Clerk of Gregg County, Texas, 101 E. Methvin, Suite 334, Longview, Texas 75601. Anyone who does not file a request to be excluded from the Proposed Settlement Class or an Objection to the Proposed Class Settlement in the time and manner described above will not be permitted to raise any objection to such matters later.

VIII. EFFECT OF SETTLEMENT APPROVAL

If the settlement is approved, it will be binding and will end any and all claims that you or any other member of the Plaintiff Settlement Class made or could have made in this lawsuit. These claims include only those claims arising from KISD's alleged wrongful repeal or reduction of its LOHE for the Relevant Tax Years.

IX. FURTHER INFORMATION

If the address of any class member changes or is different than the address used for this Notice, advice concerning the change or a correction should be sent by mail to the attorneys named above.

The pleadings and other papers filed in this action are available for inspection at the Gregg County Courthouse, 101 E. Methvin, Longview, Texas 75601. DO NOT WRITE OR TELEPHONE THE COURT OR DISTRICT CLERK FOR INFORMATION.

Date: December 20, 2022