

LEGAL NOTICE BY ORDER OF THE COURT

You may have a claim for benefits in a proposed settlement involving Metropolitan life insurance sold before 1973 to insure African-Americans and other non-Caucasians.

- This Notice is about a proposed settlement of a class action lawsuit involving Metropolitan Life Insurance Company (“Metropolitan”).
- The lawsuit alleges racial discrimination in the sale of certain Metropolitan life insurance policies sold from 1901 through 1972, to insure African-Americans and other non-Caucasians. **For many of these policies, agents went door-to-door to sell them and collect premiums.**
- If you or someone in your family had one of these policies, and the Court in charge of this case approves the settlement, you may be entitled to receive valuable settlement benefits.
- To get settlement benefits, you may need to submit the yellow “Claim Form” in this package.
- You also may have legal rights to exclude yourself from the settlement or object. There are deadlines **soon** for each of these options.
- This is not a solicitation from a lawyer. A federal Court authorized this notice. You are not being sued.
- Please read this entire package carefully. If you have any questions or do not understand, call the Metropolitan Life Settlement Administration Center at 1-8XX-XXX-XXXX (a free call) and someone will help you.
- If you use TDD/TYY, call 1-8yy-yyy-yyyy if you need help.

Part 1: Basic Information About This Package

Why did I get this notice package?

You or someone in your family may have owned, been insured under, or received a death benefit from a Metropolitan life insurance policy that is part of this settlement. The policies included were sold from 1901 through 1972, to insure African-Americans and other non-Caucasians.

This package explains a lawsuit that some people filed about these policies, a proposed settlement of the lawsuit, what benefits are available, who can get benefits, and how to get them. It also explains other legal rights you may have to get out of the settlement or object to it.

What is the lawsuit about?

The people who brought the lawsuit believe Metropolitan charged more for life insurance policies it sold to African-Americans and other non-Caucasians than it charged to Caucasians. They brought the lawsuit for themselves and for all other people with policies like theirs. Metropolitan denies the claims.

Both sides now want to settle the lawsuit. Settling provides benefits to the people who brought the lawsuit and others with policies like theirs. It also avoids the costs, risks and delays of a trial.

The proposed settlement will be reviewed by the Court in charge of this case to make sure it is fair, reasonable and adequate for everyone who is part of the settlement. If the Court approves the settlement, and any appeals are resolved, then the settlement benefits will be distributed.

The Court is the United States District Court for the Southern District of New York. The case is known as *Karl Thompson and Lucile Ellis, on behalf of themselves and all others similarly situated, vs. Metropolitan Life Insurance Company*. The Court's number for the case is 00-CIV-5071 (HB).

Part 2: Who Is In the Settlement?

How can I tell if I'm part of the settlement?

If there is a [COLOR] page in this package labeled "Your Benefits Under the Settlement," then the person this package was addressed to is probably part of the settlement.

If there is not a [COLOR] page in this package, you may still be included. Read the next section. If you believe you are part of the settlement, fill out the yellow page labeled "Claim Form" and return it no later than _____, 2002.

Who is part of

If you answer "Yes" to each of the three questions below, then you probably

Questions? Call 1-8xx-xxx-xxxx (a free call), or visit [www.\[SITE\].com](http://www.[SITE].com)

the settlement?

are part of the settlement. If you answer “No” to any of the questions, you are not part of the settlement. **However, you may be able to get settlement benefits if you are a family member of a person who is part of the settlement but has died, so ask yourself the same three questions for your deceased relatives.** Page ___ of this notice tells you how to know if you can get a deceased relative’s settlement benefits.

* * * * *

Here are the three questions:

QUESTION 1: Do any of these statements apply to you (or your deceased family member)?

- Metropolitan ***sold you*** a life insurance policy sometime from 1901 through 1972.

OR

- Metropolitan sold a life insurance policy ***insuring your life*** sometime from 1901 through 1972.

OR

- Metropolitan ***paid you a death benefit*** for a life insurance policy sold sometime from 1901 through 1972.

Yes? Continue. No? You are not part of the settlement.

QUESTION 2: Did that life insurance policy insure an African-American or other non-Caucasian?

Yes? Continue. No? You are not part of the settlement.

QUESTION 3: Was that life insurance policy any of the types listed below?

- An “**Industrial**” life insurance policy? **Metropolitan’s agents went door-to-door to sell these policies and collect premiums.**

(An “Industrial” policy will say that the death benefit is less than \$1,000, and probably will have the word “Industrial” printed on the policy. Premiums were payable weekly or monthly, and probably were collected at your home. These policies were only sold before 1965.)

OR

Questions? Call 1-8xx-xxx-xxxx (a free call), or visit [www.\[SITE\].com](http://www.[SITE].com)

- An “**Ordinary**” life insurance policy with a less-than-standard risk classification?

“Less-than-standard” means that the rate charged was “other than the best rate available.” (If you aren’t sure about your policy’s “risk classification,” but you think it’s included, fill out and send in the yellow “Claim Form” in this package, or call the number below.)

OR

- A "**Metropolitan Series**" life insurance policy that states a death benefit on the policy of no less than \$4,500, but no more than \$5,000?

(To be included, this type of policy must have been sold no earlier than 1960 and no later than 1972. The number on the policy will include an “M”. The number is shown on the [PLACE] of these policies.)

***Yes?** You are probably part of the settlement. **No?** You are not part of the settlement.*

* * * * *

If you answered “Yes” to all 3 questions for yourself, you’re probably included.

Note: Only policies that were sold to an individual person or family are included. If the policy was sold to provide insurance through an employer or other organization, you are not part of the settlement.

If you answered “Yes” to all 3 questions for a family member who has died, that relative is probably included. Although this doesn’t mean you’re part of the settlement, you may be able to get the relative’s settlement benefits. See Page ___ of this Notice for details.

If you answered “No” to any of the 3 questions - for yourself and for each of your deceased relatives - you are not eligible for any settlement benefits. You don’t have to take any further action.

Still not sure if you or a deceased relative is included? Call 1-8xx-xxx-xxxx for help. Or, complete and return the yellow “Claim Form” and we’ll try to help you.

Since many of these policies were sold door to door, you may remember that *other* people in your neighborhood had them. If you know other

Questions? Call 1-8xx-xxx-xxxx (a free call), or visit [www.\[SITE\].com](http://www.[SITE].com)

people who may be part of the settlement, tell them they should call us to get a notice package.

Part 3: What You Have To Do Now

If I think I am part of the settlement, do I have to do something now?

Yes. There are 3 decisions you need to make right now:

DECISION 1: Do you want to participate in the settlement?

If you decide to participate, you can get settlement benefits if the Court approves the settlement. You will not be able to sue Metropolitan again for the claims that are being settled. If you already have a lawsuit against Metropolitan about those claims, you cannot continue it.

If you do not want to participate, you must take the steps to get out of the settlement (“exclude yourself”) that are explained on p. ___ of this Notice *by no later than* _____. If you exclude yourself, you will not get any settlement benefits.

DECISION 2: Do you need to file a Claim Form?

If this package includes a [COLOR] page called “Your Benefits Under the Settlement”, *and* it says “you do *not* need to fill out and return the yellow ‘Claim Form’ to receive these benefits,” then you don’t need to send in a Claim Form for that policy. Otherwise, you must fill out and send in a Claim Form, **postmarked no later than** _____, to possibly get benefits.

Even if the [COLOR] “Your Benefits” page says you don’t need to send in a Claim Form for one policy, you should send in a Claim Form if you think you or your deceased relatives had other policies that are part of the settlement. Page ___ of this Notice describes who can get the settlement benefits for a person who is part of the settlement but has died.

If I need to file a Claim Form, what do I need to do?

Fill out, sign and return the yellow Claim Form in this package so that it is **postmarked no later than** _____. This notice package includes a pre-addressed and pre-paid envelope that you may use to send in a Claim Form. Or, get a Claim Form on the Internet, at www.website.com. If you fill out a form on the Internet, the completed Claim Form will be sent to you for you to sign and return.

Try to find the policy number. See www.website.com for some examples of policies and where policy numbers may be found. Even if you can’t find the policy, include as much information in the Claim Form as you can. The more information you provide the better chance Metropolitan has to find the policy. If we can’t find a record of the policy, you may not get any benefits.

Questions? Call 1-8xx-xxx-xxxx (a free call), or visit [www.\[SITE\].com](http://www.[SITE].com)

If you are not sure if you need to file a Claim Form, or if you need help filling one out, please call 1-8xx-xxx-xxxx (a free call).

DECISION 3: Do you want to act on any other rights and options?

If you decide to participate, you can also object to the settlement, or appear at the final “Fairness Hearing” in Court. Read about these and other rights starting at Page ___ of this Notice.

Part 4: The Settlement Benefits

What benefits can I get as part of the settlement?

The exact amount of settlement benefits any one person may get can't be specified until after all claims have been filed and the settlement is final. But if this package includes a [COLOR] page called “Your Benefits Under the Settlement,” that page will give you information about how much you may get. Even if this package doesn't include a [COLOR] page, we can give you more information about your benefits if you have the number of your policy.

Generally, settlement benefits depend on:

- The type of policy
- Whether it is still “in force” (active and providing coverage)
- Whether it has already paid a death or maturity benefit
- Whether it was terminated or surrendered

A. In-Force Policies – Settlement Benefits

If a policy is still providing insurance coverage (meaning that it hasn't paid a death or maturity benefit to anyone, been surrendered, or terminated), the settlement will provide extra insurance benefits that will be paid at the earliest of death, maturity or termination. If you are eligible for these increased insurance benefits, you will be given the chance after the settlement is final to choose an immediate cash payment instead. However, the death benefit increase will be greater than the cash payment.

For certain Ordinary policies that were issued in the 1920s and 1930s on a “substandard” or “intermediate” basis and are still providing insurance coverage, future dividends will be at the same level as policies issued on a “standard” basis.

B. Policies That Already Paid Death or Maturity Benefits – Settlement Benefits

If a policy has already paid a death benefit or a maturity benefit, the settlement will provide a cash payment to increase the death or maturity benefit that already has been paid.

C. Surrendered or Terminated Policies – Settlement Benefits

If a policy has already been surrendered or terminated, the settlement benefits will depend on the type of policy:

- For *most* terminated policies, the settlement will provide 5 years of free death benefit coverage. The 5 years of coverage will start when the Court has given final approval to the settlement. If the person who was insured under the terminated policy dies within the 5 years of coverage, the settlement will pay cash. (If that person is already dead, someone else can be chosen to be covered for the five-year period.)
- For some terminated policies, the settlement will provide a cash payment.

NOTE: Unless this package has a [COLOR] “Your Benefits Under the Settlement” sheet that says you don’t need to file a Claim Form, you need to file a Claim Form to get any of these benefits. Claim Forms are due by _____, 2002.

D. Distributing the Benefits to Relatives or an Estate

Can I get my deceased relative’s settlement benefits?

If your relative is part of the settlement but has died, you may be able to get his or her settlement benefits. Fill out the yellow Claim Form included in this package and return it *postmarked no later than* _____. Fill it out as completely as you can.

Also, if you can show that you were the one who handled a relative’s affairs when he or she died, you may make a claim for the relative’s settlement benefits on behalf of the estate. Please call 1-8xx-xxx-xxxx for more information on what you need to do to act on behalf of the estate.

What if more than one person claims a deceased relative's settlement benefits?

If more than one person claims a deceased relative's settlement benefits, those with the highest "priority" will get the benefits. For most settlement benefits, the following priorities apply:

Priority:

1. Person Entitled to Act for the Deceased's Estate.
2. Deceased's Husband, Wife or Domestic Partner.
3. Deceased's Son or Daughter.
4. Deceased's Mother or Father.
5. Deceased's Sister or Brother.
6. Deceased's Grandchild/Great Grandchild.
7. Any Other Relative of the Deceased.

If more than one relative with the same "priority" files a claim, settlement benefits generally will be split equally among all of them. These priorities do *not* apply to the "free death benefit coverage" for terminated policies (see p. ___). If the person entitled to act for the estate doesn't file a claim, then the first relative to file a claim will get these benefits.

Before you can get a deceased relative's settlement benefits, you will need to agree to be bound by the release of claims in this case. See p. ___ and Appendix A of this Notice for details.

How much will Metropolitan pay to provide these benefits?

The settlement requires Metropolitan to provide settlement benefits costing at least \$52 million, but no more than \$90 million. If, once all claims have been processed, the total cost of the settlement benefits is less than \$52 million, then the benefits provided will be increased so that the total cost is \$52 million. If the total cost is more than \$90 million, then the benefits provided will be decreased so that the total cost is \$90 million.

In addition to paying for the settlement benefits, Metropolitan has to pay the costs of administering the settlement, its own lawyers, and any final award of attorneys' fees to Class Counsel.

Does the settlement have any other benefits?

Under the settlement, Metropolitan will perform new searches for other policies that already should have paid death or maturity benefits. Metropolitan will use its best efforts to find and pay anyone the searches show is owed these benefits.

Will I be taxed for any settlement benefits I get?

Your taxes might be affected if you get benefits, and Metropolitan may send a Form 1099 to you and to the IRS. Ask your own tax advisors how the settlement may affect your taxes. Neither Metropolitan nor Class Counsel can give you any tax advice.

Part 5: Excluding Yourself From the Settlement

If I don't want to get any benefits, and I don't want to be bound by the settlement, how do I get out?

If you do not want settlement benefits, and don't want to give up any rights because of the settlement, you must send a "**Request for Exclusion**" so that it is **received** at the address below **no later than _____, 2002**. State the following in writing:

1. "Request for Exclusion – Thompson v. Metropolitan Life, No. 00-CIV-5071 (HB)."
2. Your name, address and telephone number.
3. The policy number for each policy you want to exclude from the settlement, if you have it.

(If you don't give any policy numbers, all of your policies will be excluded.)

4. The names of the people insured under any policies you want to exclude.
5. A statement that you want to be excluded from the settlement for each policy listed.
6. Your signature.

Mail your "Request for Exclusion" to:

Metropolitan Life Settlement Administration Center
P.O. Box _____
Minneapolis, MN 554 _____

If you ask to be excluded, you will not get any settlement benefits, and you cannot object to the settlement. Also, you will not be bound by anything that happens in the settlement. If your Exclusion Request is not received by _____, 2002, you will not be excluded.

A few more things about Exclusion Requests to keep in mind:

- If you own more than one policy that is part of the settlement, you may stay in the settlement for some policies, but exclude others. You can get settlement benefits only for the policies in the settlement. You will not get settlement benefits for any policies you ask to exclude.
- If you and someone else are both Class Members for the same policy, and either one of you excludes yourself, you *both* will be excluded from the settlement. Neither one of you will get any settlement benefits.

Questions? Call 1-8xx-xxx-xxxx (a free call), or visit [www.\[SITE\].com](http://www.[SITE].com)

- Even if you can get a deceased relative's settlement benefits, you generally cannot exclude his or her policy from the settlement. However, if you are the administrator or personal representative of the estate of someone who is part of the settlement, you may ask to exclude the policy on behalf of the estate.

If I stay in the settlement, may I sue Metropolitan for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Metropolitan for the claims resolved by this settlement. Attached to this Notice is something called "Exhibit A: Release of Claims." It describes exactly the legal claims you give up if you stay in the settlement. It is very important for you to read the Release of Claims carefully so you understand what you give up in exchange for getting settlement benefits. If you have a pending lawsuit, you must exclude yourself from the class to continue the lawsuit. Speak to your attorney in that case about this settlement before the exclusion deadline in this case.

There is also an injunction against other lawsuits. This means that, while the proposed settlement is pending, the Court will not allow anybody to sue, or continue to sue, Metropolitan based on the claims in this case. When the settlement is finalized, the parties will ask the Court to prohibit anyone who has not excluded themselves from suing Metropolitan for the claims that are being settled. They also will ask the Court to prohibit *anyone* - even if he or she has requested exclusion - from trying to sue Metropolitan on behalf of people who have not excluded themselves, or from trying to prove any individual claims using information about the Company-wide practices alleged in this case.

Part 6: The Lawyers For The Class

Do I have an attorney in the case?

The Court chose three law firms to represent you as "Lead Counsel." These firms are: Milberg Weiss Bershad Hynes & Lerach LLP; Bonnett, Fairbourn, Friedman & Balint, P.C.; and Herman Herman Katz & Cotlar, LLP. Other lawyers from many parts of the country (called "Class Counsel") have assisted Lead Counsel in this case. ***You will not be charged for the services or expenses of any of these attorneys.***

How will Class Counsel be paid?

Class Counsel will ask the Court for an award of attorneys' fees and expenses to be paid by Metropolitan. ***You don't have to pay these attorneys' fees and expenses. This payment will not reduce the settlement benefits.*** Also, Class Counsel may ask the Court to award each of the six people who brought the lawsuit up to \$5,000 in additional settlement benefits for their efforts in

bringing and prosecuting this case.

Part 7: Objecting To The Settlement

May I tell the Court if I don't like the settlement, or some part of it?

Any person who is a part of the settlement who does not exclude himself or herself can object to the settlement and give reasons why he or she does not think the settlement should be approved. To object, you must:

- (1) *Not* exclude yourself.
- (2) On your own paper, write:
 - “Objection - Thompson v. Metropolitan Life, No. 00-CIV-5071 (HB).”
 - Your name, address and telephone number.
 - Your policy number (if you have it).
 - The reasons why you object to the settlement.

Your written objection must be *filed* with the Court by _____, 2002 in order for the Judge to consider it. You can deliver it or mail it, but it must arrive at the Court on time to:

Clerk of the Court
United States District Court for the
Southern District of New York
500 Pearl Street
New York, NY 10007

You must also deliver or mail copies of your objection to Lead Counsel and Metropolitan's counsel so that they arrive by _____.

Lead Counsel's address is:

John J. Stoia, Jr.
JoBeth Halper
Milberg Weiss Bershad Hynes & Lerach LLP
401 B. Street, Suite 1700
San Diego, CA 92101

Metropolitan's counsel's address is:

Bruce E. Yannett
Debevoise & Plimpton
919 Third Avenue
New York, NY 10022

Part 8: The Court's Fairness Hearing on the Settlement

When will the Court decide whether to approve the settlement? On _____, 2002, at _____ [a.m./p.m.] Eastern Time, the Court will hold a "Fairness Hearing." At this hearing, the Court will decide whether the settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will also formally exclude anyone who has asked to be excluded. The Court may also decide how much in attorneys' fees should be paid to Class Counsel.

The hearing will be at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York, in Courtroom 23B. The Court may change the date or time of the hearing without notifying you.

Do I have to come to the "Fairness Hearing"? No. The attorneys who have been appointed to represent everyone who is part of the settlement will attend and answer any questions the Court may have about the settlement. However, you are welcome to come, at your own expense. You may also have your own lawyer attend, but it is not necessary. If you hire a lawyer other than Class Counsel, you must pay that lawyer.

May I, or my own lawyer, speak at the "Fairness Hearing"? If you, or a lawyer you hire at your own expense, properly file an objection to the settlement, you may ask the Court to speak at the Fairness Hearing. You don't have to come to Court to talk about your objection. As long as you have properly filed your written objection, the Court will consider it.

If you want to speak at the hearing write, on a piece of paper:

- "Notice of Intention to Appear - Thompson v. Metropolitan Life, No. 00-CIV-5071 (HB)."
- Your name, address and telephone number.
- Your policy number (if you have it).
- That you or your lawyer will appear at the hearing.

Your Notice of Intention to Appear must be *filed* with the Court and delivered

Questions? Call 1-8xx-xxx-xxxx (a free call), or visit [www.\[SITE\].com](http://www.[SITE].com)

to Class Counsel and Counsel for Metropolitan (not just mailed, but in their hands) by _____, 2002. The addresses appear above on page __.

You or your attorney may also, at your expense, go to the office of Class Counsel to review the documents and materials obtained during “discovery” while the case was being litigated. You need to make an appointment with Class Counsel. Discovery materials are available for review until _____ [7 DAYS BEFORE OPT-OUT DATE]. You (or your attorney) will first have to sign a confidentiality agreement that says you will only use the materials for this case. If you hire an attorney, he or she must file a Notice of Appearance with the Court, and serve the notice on Lead Counsel and counsel for Metropolitan. The Court and the attorneys must receive any notice of appearance no later than _____, 2002.

Part 9: More Information

How may I get more information?

This is only a summary. There is a document called the "Stipulation of Settlement that fully describes the settlement. There is also an “Amended Consolidated Class Action Complaint,” which fully describes the allegations in this case. These are on file with the Clerk of the Court in the United States District Court for the Southern District of New York. You may review these documents at the Clerk's office at any time during normal business hours.

You may also call 1-800-xxx-xxxx to ask any questions about the settlement. (If you use a TDD/TTY terminal for the hearing impaired, call 1-877-yyy-yyyy). These are free calls. An operator who has been trained about the settlement will answer the call. You may also speak, for free, to the lawyers who brought this lawsuit. Just ask how to speak with a lawyer.

PLEASE DO NOT CALL THE COURT OR THE CLERK OF THE COURT.

DATED: _____
CLERK OF THE COURT

40054065

Questions? Call 1-8xx-xxx-xxxx (a free call), or visit [www.\[SITE\].com](http://www.[SITE].com)