

IN THE MATTER OF

METROPOLITAN LIFE INSURANCE COMPANY

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**REGULATORY SETTLEMENT AGREEMENT**

**VOLUME I**

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IN THE MATTER OF  
METROPOLITAN LIFE INSURANCE COMPANY

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## **REGULATORY SETTLEMENT AGREEMENT**

THIS REGULATORY SETTLEMENT AGREEMENT (the “Regulatory Settlement Agreement”) is entered into as of this 29th day of August 2002, by and between Metropolitan Life Insurance Company (“Metropolitan Life” or “MetLife”) as party of the first part, and the State of New York Insurance Department (the “Department” or “Lead Regulatory Negotiator”), along with the insurance regulators of each of the states of the United States and of the District of Columbia that adopt, approve and agree to this Regulatory Settlement Agreement (the “Participating Regulators”), as parties of the second part.

### **I. BACKGROUND AND RECITALS**

A. On June 22, 2000, the Department issued Supplement No. 1 to Circular Letter No. 19 (2000) notifying all life insurers and fraternal benefit societies that the Department was investigating allegations of race-based underwriting of life insurance by its licensees.

B. The Department thereafter conducted an examination with respect to race-based underwriting practices and policies of MetLife, New England Mutual Life

Insurance Company (“New England Mutual Life”), and United Mutual Life Insurance Company. New England Mutual Life merged with and into MetLife in 1996, and United Mutual Life Insurance Company merged with and into MetLife in 1992. The examination included a review of more than 750,000 pages of documents, thousands of policy application files, extensive data analysis and interviews of current and former employees and agents.

C. Details regarding the scope of, and findings from, the Department’s examination are set forth in a report entitled State of New York Insurance Department Report on Examination of Metropolitan Life Insurance Company Regarding Response to Supplement No. 1 to Circular Letter No. 19 (2000) dated March 1, 2002 (the “Report on Examination”).

D. Members of the National Association of Insurance Commissioners (“NAIC”), including the Participating Regulators, as the chief regulatory officials of their respective jurisdictions, agreed that the Department would be principally responsible as Lead Regulatory Negotiator for negotiating this Regulatory Settlement Agreement on behalf of and for the benefit of the Participating Regulators and the NAIC.

E. After extensive negotiations, MetLife and the Department have agreed to enter into this Regulatory Settlement Agreement. This Regulatory Settlement Agreement provides benefits to current and former policyholders and others who may have been affected by certain race-based underwriting practices.

F. MetLife is a defendant in various lawsuits (collectively, the “Action”), which are more specifically identified at Section II.A.1.a of this Agreement and assert,

among other things, racial discrimination claims relating to the pricing, underwriting, sale, issuance, characteristics, and/or administration of MetLife's Industrial Policies and Ordinary Policies.

G. By the execution of a Stipulation of Settlement (the "Stipulation of Settlement" or "Settlement Agreement") MetLife has agreed to settle the Action without admitting the allegations made or any wrongdoing. A copy of the Stipulation of Settlement accompanies this Regulatory Settlement Agreement.

H. The Department, the Participating Regulators and the Company desire to resolve all regulatory issues arising from or in any way relating to race-based underwriting practices, including the subject matter described in the Report on Examination, on the terms and conditions set forth herein.

IT IS HEREBY STIPULATED AND AGREED:

## **II. GENERAL TERMS**

### **A. Definitions**

1. As used in this Regulatory Settlement Agreement and the annexed exhibits (which are an integral part of this Regulatory Settlement Agreement and are incorporated in their entirety by reference), the following terms have the following meanings, unless a Section or Subsection of this Regulatory Settlement Agreement or its exhibits expressly provides otherwise:

a. "Action" shall mean the lawsuit captioned *Thompson, et al. v. Metropolitan Life Insurance Company*, No. 00 Civ. 5071 (HB), and all cases consolidated with it, including, but not limited to, *Justin, et al. v. Metropolitan Life*

*Insurance Company*, No. 00 Civ. 9068 (HB), *McCallop v. Metropolitan Life Insurance Company*, No. 01 Civ. 2090 (HB) and *Billups v. Metropolitan Life Insurance Company*, No. 01 Civ. 5579 (HB).

b. “Additional Enhancement” shall mean the enhancements or payments, in addition to the enhancements or payments provided as Standard Enhancements (defined in Section II.A.1.jjjj, below), that shall be provided to Holders of certain In-Force Policies and Death/Maturity Policies pursuant to this Regulatory Settlement Agreement.

c. “Additional Insurance” shall mean paid-up insurance additional to the Face Amount of a Policy, having its own contractual cash values.

d. “Additional Premium” shall mean the annualized amount by which the premiums paid for a New England Mutual Affected Policy exceeded the premiums that were charged for an otherwise identical life insurance policy insuring a person of the same age and issued with a standard risk classification.

e. “Adjustment Amount” shall mean the sum of (i) all Additional Premiums on a New England Mutual Affected Policy and (ii) interest on each Additional Premium accumulated at 4% per annum from the premium due date to the date that the benefit under Section XVI is provided.

f. “Administrator” shall mean any third-party agents or administrators whom the Company shall retain to help implement the terms of this Regulatory Settlement Agreement.

g. “Affinity Group” shall mean (i) the Class Member or his or her spouse, sibling, parent or child (including a stepchild residing with the Class Member), and/or (ii) any person in whom the Class Member has an insurable interest; *provided however*, that no member of the Affinity Group shall be over age 72 as of January 1, 2004.

h. “Agent Script” shall mean the script that the Company shall disseminate to its current Producers, as further described in Section XII.F.3 below.

i. “Agreement” or “Regulatory Settlement Agreement” shall mean this Regulatory Settlement Agreement and the attached exhibits, including any subsequent amendments thereto and any exhibits to such amendments.

j. “Alternate Covered Person” shall mean, for purposes of any Settlement Death Benefit provided pursuant to Section VI.B, a person who is a member of the Class Member’s Affinity Group who is designated pursuant to the terms of Section VI.B.7 as the person upon whose qualifying death the Settlement Death Benefit provided under this Agreement shall be paid.

k. “Alternate Recipient” shall mean such person as the Class Member may choose to receive the SDB payment pursuant to the terms and conditions set forth in Section VI.B below.

l. “Amended Complaint” shall mean the Amended Consolidated Class Action Complaint in the Action filed by Plaintiffs on July 19, 2002.

m. “Application File” shall mean the application submitted for the Policy; any statement of the agent or other sales representative submitted in

connection with the application for the Policy; any report of medical or paramedical examination obtained in connection with the underwriting of the application; any mercantile report obtained in connection with the underwriting of the application; and any other documents in the application file for the Policy.

n. “Automatic Adjustment Date” shall mean a date selected by the Company that is no more than 40 days following the Final Settlement Date.

o. “Cash Payment Option” shall mean the option of Eligible Holders of In-Force Policies to receive a cash payment from the Company instead of the Enhanced Future Death/Maturity Benefit, the Enhanced Future Termination/Non-Forfeiture Benefit and the Enhanced Additional Insurance Benefit, as described in Section IV.D below.

p. “Cash Payment Option Election Letter” shall mean the letter sent to the Holders of In-Force Policies, substantially in the form attached hereto as Exhibit J, by which such Class Members may exercise their right to receive a cash payment from the Company instead of the Enhanced Future Death/Maturity Benefit, the Enhanced Future Termination/Non-Forfeiture Benefit and the Enhanced Additional Insurance Benefit, as described in Section IV.D below.

q. “Cash Value” shall mean the cash value associated with a Policy’s Face Amount. For each Policy other than any Policy that went onto an extended term-insurance non-forfeiture status and then expired prior to January 1, 1968, the cash value associated with the Policy’s Face Amount shall not be reduced by any policy loan.

r. “Claim Form” shall mean the form included with the Class Notice Package that Holders of certain Policies shall be required to complete and submit in order to become Eligible Holders, pursuant to Sections X.B and X.E below. The Claim Form shall be in substantially the form appended hereto as Exhibit A, and shall be contained in a wrapper that clearly indicates that (i) a Claim Form is enclosed, (ii) the Claim Form must be submitted to obtain settlement benefits unless a Statement of Benefits included in the Class Notice Package states that submission of the Claim Form for the Policy is unnecessary, and (iii) Claim Forms must be postmarked by the Claim-In Date.

s. “Claim-In Date” shall mean the date 75 days after the Fairness Hearing.

t. “Claim-Resolution Date” shall mean the date by which all disputes concerning the eligibility for settlement benefits of any person or entity who submits a Claim Form shall be finally resolved pursuant to Section X.G below, which date shall be no later than 195 days after the Claim-In Date.

u. “Class” or “Class Members” shall mean all Holders (including their estates) of Policies, but shall not include (unless and to the extent such persons or entities are Class Members by virtue of their status as Holder of another Policy) the following: (i) any Excluded Entity; (ii) any persons or entities who are Holders (or their estates) of a Policy (a) for which a timely request for exclusion from the proposed class has been received from any Holder or Estate Holder; (b) that was issued by the Company, but not accepted and paid for, or was returned to the Company as part

of the exercise of a free look provision in the Policy; or (c) that is the subject of a release signed by any person or entity while represented by counsel settling a claim or dispute and releasing Metropolitan Life from any further liability concerning such Policy; and (iii) any insurance company that owns or owned a Policy pursuant to an absolute assignment effected as part of an exchange under section 1035 of the Internal Revenue Code.

v. “Class Counsel” shall mean Milberg Weiss Bershad Hynes & Lerach LLP; Bonnett, Fairbourn, Friedman & Balint, P.C.; James, Hoyer, Newcomer & Smiljanich, P.A.; Watson Jimmerson Givhan & Martin, P.C.; Whatley Drake, LLC; Arnzen, Parry & Wentz, P.S.C.; Herman Herman Katz & Cotlar, LLP; Carter & Cates; The Nygaard Law Firm; Barrett, Towmey, Broom, Hughes & Wesley; Campbell, Waller & Loper, LLC; Foote, Meyers, Mickle, Flowers & Solano, LLC; and Specter Specter Evans & Manogue, P.C.

w. “Class Notice” shall mean the notice of the terms of the proposed settlement included in the Class Notice Package.

x. “Class Notice Package” shall mean the notice package, as approved in form and content by the Department, Lead Counsel and the Company, and the Court, and substantially in the form attached hereto as Exhibit A, to be provided to Class Members pursuant to Section XII.A of this Regulatory Settlement Agreement. The Class Notice Package shall include (i) the Class Notice, (ii) a Claim Form, and (iii) in the case of Database Policies, a Statement of Benefits.

y. “Company” or “Metropolitan” or “Metropolitan Life” shall mean Metropolitan Life Insurance Company.

z. “Company’s Counsel” shall mean the law firm of Debevoise & Plimpton.

aa. “Confirmatory Letter” shall mean the letter, in the form attached hereto as Exhibit K, to be sent to the last-known address on the Company’s electronic records of payees of certain Death/Maturity Policies as updated hereunder, seeking to confirm the address of such payee or to obtain an updated address for such payee postmarked within 30 days of the date of the letter, as described in Section X.C.3 below.

bb. “Court” shall mean the United States District Court for the Southern District of New York, where the Action is pending.

cc. “Covered Met Series Policy” shall mean any life insurance policy described in Exhibit N hereto.

dd. “Covered Person” shall mean the person upon whose qualifying death the Settlement Death Benefit provided under this Agreement will be paid, which person shall be the insured under the Policy making the Class Member eligible for relief, unless the Class Member designates an Alternate Covered Person pursuant to Section VI.B.7 below.

ee. “Database Policies” shall mean (a) any Policy for which the insured is reflected on the Company’s electronic records as non-Caucasian; (b) any 1920-1929 Intermediate Policy and any Other Industrial Monthly Substandard

Policy on the Company's electronic records for which the race of the insured is identified in the Application File as other than Caucasian; and (c) any 1930-1935 Ordinary Substandard Policy, 1927-1929 Industrial Monthly Substandard Policy or Industrial Weekly Substandard Policy on the Company's electronic records for which the race of the insured is not identified in the Company's electronic records as Caucasian.

ff. "Death/Maturity Policies" shall mean any Policy on which, prior to the Eligibility Date, a death, maturity or endowment benefit has been paid or has become payable pursuant to its terms.

gg. "Domestic Partner" shall mean an individual who, prior to the death of a Holder:

(i) Lived with the Holder in an intimate and committed relationship of mutual caring at a time where both individuals were at least 18 years of age and neither individual was married or in another domestic partnership;

(ii) Shared the same residence with the Holder at the time of the Holder's death; and

(iii) Agreed with the Holder to be jointly responsible for basic living expenses incurred during the domestic partnership.

hh. "Early Termination Adjustment" shall equal  $X/Y$ , where:

(i) X equals the number of years that a Policy was premium-paying; and

(ii) Y equals the lesser of (a) the number of years that the Company required premiums to be paid for the Policy absent the death of the insured and (b) 2002 minus the year in which the Policy was issued.

ii. “Eligibility Date” shall mean August 19, 2002.

jj. “Eligible Holder” shall mean a Holder who has satisfied the requirements, if any, set forth in Section X below. Only those Holders who are Eligible Holders shall be entitled to receive benefits under this Agreement.

kk. “Enhanced Additional Insurance Benefit” shall mean the Additional Insurance to be provided to Eligible Holders of certain In-Force Policies under this Regulatory Settlement Agreement, as described in Section IV.C below.

ll. “Enhanced Future Death/Maturity Benefit” shall mean the terminal dividend (composed of a Standard Enhancement and, where applicable, an Additional Enhancement) to be provided to Eligible Holders of certain In-Force Policies under this Regulatory Settlement Agreement, as described in Section IV.A below.

mm. “Enhanced Future Termination/Non-Forfeiture Benefit” shall mean the surrender dividend (composed of a Standard Enhancement and, where applicable, an Additional Enhancement) to be provided to Eligible Holders of certain In-Force Policies under this Regulatory Settlement Agreement, as described in Section IV.B below.

nn. “Enhanced Past Death/Maturity Benefit” shall mean the cash payment to be provided to Eligible Holders of Death/Maturity Policies under this Regulatory Settlement Agreement, as described in Section V below.

oo. “Enhanced Past Termination Benefit” shall mean the cash payment to be provided to Eligible Holders of certain Terminated Policies under this Regulatory Settlement Agreement, as described in Section VI.A below.

pp. “Estate Holder” shall mean, with respect to any Policy for which all Eligible Holders are deceased, any estate of a Holder of the Policy that satisfies the requirements of Section III.C below.

qq. “Excluded Entity” shall mean any entity that is not a natural person (such as a funeral home, creditor, institutional assignee or state government, or any branch, department or entity thereof) and that is an assignee of the benefits of, or is not an owner of, a Policy. Excluded Entities shall not be Class Members and shall not be eligible to receive any benefit provided under this Agreement, whether directly, indirectly, or on behalf of, or on account of benefits made available to, a Class Member.

rr. “Execution Date” shall mean the first date on which the Settlement Agreement in the Action has been executed.

ss. “Face Amount” shall mean the amount of insurance specified on the face of the Policy, including any additions to such amount of insurance by Company liberalizations, equalizations or other enhancements.

(i) The Face Amount of a Policy shall be exclusive of any Additional Insurance, ancillary benefit or rider coverage; *provided however*, that if a Policy has paid or pays in the future an accidental death benefit in addition to the amount of insurance specified on the face of the Policy (including any additions thereto by

Company liberalizations, equalizations or other enhancement), then the accidental death benefit shall be included as part of the Face Amount.

(ii) Except as provided in Section II.A.1.ss(iii) below, the Face Amount of a Policy that is providing reduced paid-up insurance coverage under a contractual non-forfeiture option shall be the amount of reduced paid-up insurance coverage provided under that option.

(iii) For purposes of the calculation of any Settlement Death Benefit pursuant to Section VI.B below, (a) the Face Amount of any Policy on a reduced paid-up non-forfeiture status shall equal the face amount of the Policy at the time that it was issued; and (b) for any Industrial Weekly Policy that was issued in a substandard policy plan, and that was placed on a reduced paid-up non-forfeiture status at any time, the Face Amount of the Policy shall equal the face amount of the Policy at the time that it was issued, multiplied by 1.32.

tt. “Fairness Hearing” shall mean the hearing at or after which the Court will make a final decision whether to approve the Settlement Agreement in the Action.

uu. “Final Judgment” shall mean the judgment entered pursuant to the Order Approving Settlement in the Action.

vv. “Final Settlement Date” shall mean the date on which the Final Judgment and Order Approving Settlement in the Action become final. For purposes of this definition, the Final Judgment and Order Approving Settlement in the Action shall become final:

(i) if no appeal is taken therefrom, on the date on which the time to appeal has expired;

(ii) if any appeal is taken therefrom, on the date on which all appeals therefrom, including petitions for rehearing or reargument, petitions for rehearing *en banc* and petitions for *certiorari* or any other form of review, have been finally disposed of in a manner resulting in an affirmance of the Final Judgment and Order Approving Settlement; or

(iii) on a date after entry of the Final Judgment and Order Approving Settlement, which date counsel for the Plaintiffs, the Company and the Department agree to in writing.

ww. “Hearing Order” shall mean the order to be entered by the Court concerning notice, administration and the Fairness Hearing, as contemplated in Section XVI of the Settlement Agreement in the Action, and substantially in the form attached hereto as Exhibit D.

xx. “Holders” shall mean, with respect to any Policy, the following persons and entities:

- (i) All past and present owners of Ordinary Policies;
- (ii) All past and present insureds under Industrial Policies;
- (iii) All individual assignees of Industrial Policies that have been assigned by the Policy’s named Insured; *and*
- (iv) All payees of the contractual death benefits of Policies, where such death benefits became payable prior to the Eligibility Date based upon the death of the insured under the Policy.

yy. “Identifying Information” shall mean *either (i)* the policy number for a Policy or *(ii)* the alternative identifying information requested by Exhibit E hereto. Persons or entities who have completed and submitted Claim Forms postmarked on or before the Claim-In Date shall be given a reasonable opportunity to provide additional Identifying Information if such information is required to locate a Policy; *provided however*, that all such additional Identifying Information must be postmarked within 60 days of the Claim-In Date.

zz. “Implementation Period” shall mean a period of time that *(i)* commences on a date selected by the Company, is communicated in writing to the Department, and is on or before the later of *(a)* 30 days after the Final Settlement Date and *(b)* 130 days after the Claim-Resolution Date; and *(ii)* ends on a date 150 days after it commences.

aaa. “Industrial Monthly Policies” shall mean *(i)* any 1927-1929 Industrial Monthly Substandard Policy, *(ii)* any Other Industrial Monthly Substandard Policy and *(iii)* any Industrial Monthly Standard Policy.

bbb. “Industrial Monthly Standard Policy” shall mean any life insurance policy issued by the Company from its Industrial Department insuring the life of a non-Caucasian, issued in a standard policy plan or with a standard risk classification, and on which the policy’s terms required payment of monthly premiums.

ccc. “Industrial Policies” shall mean Industrial Monthly Policies and Industrial Weekly Policies.

ddd. “Industrial Weekly Policies” shall mean (i) any Pre-1948 Industrial Weekly Substandard Death/Maturity Policy, (ii) any Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policy, (iii) any Pre-1963 Industrial Weekly Substandard Terminated Policy and (iv) any other life insurance policy issued by the Company from its Industrial Department insuring the life of a non-Caucasian, and on which the policy’s terms required payment of weekly premiums.

eee. “Industrial Weekly Substandard Policies” shall mean any life insurance policy issued by the Company from its Industrial Department in a substandard policy plan, on which the policy’s terms required payment of weekly premiums, and for which the Company’s records do not indicate the race of the insured as Caucasian.

fff. “In-Force Policies” or “In Force” shall mean, for purposes of this Regulatory Settlement Agreement only, any Policy that is providing insurance coverage as of the Eligibility Date, including Policies that as of the Eligibility Date are (a) fully paid-up; (b) providing coverage as reduced paid-up or extended term insurance under a contractual non-forfeiture provision; or (c) in the process of escheatment to any state but for which a returned Claim Form discloses information sufficient to identify the appropriate payee of the Policy’s benefits.

ggg. “Interest” shall mean simple interest at 4.0 percent per annum calculated to the first day of the Implementation Period, and commencing on the later of (i) the date of the Policy’s termination, maturity, or payment of death benefit, as applicable, or (ii) January 1, 1975.

hhh. “Issue Date” shall mean the “issue date” set forth in the Policy contract.

iii. “Lead Counsel” shall mean the law firms of Milberg Weiss Bershad Hynes & Lerach LLP; Bonnett, Fairbourn, Friedman & Balint, P.C.; and Herman Herman Katz & Cotlar, LLP.

jjj. “Neutral” shall mean a third-party to whom the Department, the Company and Lead Counsel shall agree, which third-party shall resolve disputes as to whether a person or entity who has submitted a Claim Form and, when requested, other Identifying Information is entitled to benefits under this Settlement Agreement, as described in Section X.G below.

kkk. “New England Mutual Affected Policy” shall mean one of the seven life insurance policies issued by New England Mutual, and identified by the Department in its Report on Examination of Metropolitan Life Insurance Company Regarding Response to Supplement No. 1 to Circular Letter No. 19 (2000), as having been issued with a substandard “Special Class B” risk rating and for which the examiners’ review identified no race-neutral basis for the rating.

III. “1930-1935 Ordinary Substandard Policies” shall mean any life insurance policy issued by the Company from its Ordinary Department in the Endowment at 80, 25-Year Endowment or 25-Pay Life policy plan, from January 1, 1930 through December 31, 1935, for which the Company’s records do not indicate the race of the insured as Caucasian.

mmm. “1920-1929 Intermediate Policies” shall mean any life insurance policy insuring the life of a non-Caucasian issued by the Company from January 1, 1920 through December 31, 1929 in an intermediate policy plan.

nnn. “1927-1929 Industrial Monthly Substandard Policies” shall mean any life insurance policy issued by the Company from its Industrial Department in a substandard policy plan from January 1, 1927 through December 31, 1929, for which the Company’s records do not indicate the race of the insured as Caucasian, where such policy’s terms required payment of a stated amount of premiums per month.

ooo. “Notice Card” shall mean the card, substantially in the form attached hereto as Exhibit F, that the Company shall make available to its Producers, and that the Administrator shall make available to certain others (by hand, mail, or via the Internet, including the Administrator’s Web site), to give to Class Members who inquire about this Regulatory Settlement Agreement or Stipulation of Settlement, as further described in Section XII.F.3 below.

ppp. “Order Approving Settlement” shall mean the order entered by the Court approving the Settlement Agreement in the Action.

qqq. “Ordinary Policies” shall mean all Ordinary Substandard Policies and Covered Met Series Policies.

rrr. “Ordinary Substandard Policies” shall mean (i) any 1930-1935 Ordinary Substandard Policy and (ii) any other life insurance policy, other than a 1920-1929 Intermediate Policy, issued by the Company from its Ordinary Department

with an intermediate, special-class or other substandard risk classification, and insuring the life of a non-Caucasian.

sss. “Other Industrial Monthly Substandard Policy” shall mean any life insurance policy, other than a 1927-1929 Industrial Monthly Substandard Policy, issued by the Company from its Industrial Department insuring the life of a non-Caucasian, in an other-than-standard policy plan or with an other-than-standard risk classification, and on which the policy’s terms required payment of monthly premiums.

ttt. “Other Ordinary Substandard Policies” shall mean any Ordinary Substandard Policy other than a 1930-1935 Ordinary Substandard Policy.

uuu. “Parties” or “Party” shall mean the Department and the Company collectively and, where applicable, their respective counsel.

vvv. “Plaintiffs” shall mean Karl M. Thompson, Lucile Ellis, Charlene McCallop, Marguerite Guillmette Justin, Adrienne Delpit Blazio, Myron Billups (as the administrator of the Estate of Nellie Gillespie) and any other Class Members added to the Amended Complaint or any subsequent pleading as named plaintiffs, in their individual and representative capacities.

www. “Policy” or “Policies” shall mean any and all Industrial Policies, Ordinary Substandard Policies, 1920-1929 Intermediate Policies and Covered Met Series Policies with an Issue Date during the period from January 1, 1901 through December 31, 1972, inclusive; *provided however*, that any Metropolitan Life insurance policy for which the claims asserted in the Action have been previously litigated and resolved or dismissed with prejudice, and are barred by the doctrine of *res judicata*, shall

not be a Policy; *and provided however*, that any Metropolitan Life insurance policy for which any Holder or Estate Holder has timely requested exclusion from the proposed class shall not be a Policy.

xxx. “Postal Service” shall mean the United States Postal Service.

yyy. “Post-Settlement Mailing” shall mean the mailing that the Company shall make starting at the commencement of the Implementation Period, as described in Section XII.D below. The Post-Settlement Mailing shall be completed within 60 days of the commencement of the Implementation Period.

zzz. “Preliminary Approval Hearing” shall mean the hearing at or after which the Court will make a decision whether notice of the Action and the proposed Settlement Agreement in the Action may be given.

aaaa. “Pre-1948 Industrial Weekly Substandard Death/Maturity Policies” shall mean any life insurance policy issued by the Company from its Industrial Department in a substandard policy plan, for which the Company’s records do not indicate the race of the insured as Caucasian, on which the policy’s terms required payment of a stated amount of premiums per week, and where the policy terminated prior to January 1, 1948 by reason of the death of the insured or the maturity of the Policy.

bbbb. “Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies” shall mean any life insurance policy issued by the Company from its Industrial Department in a substandard policy plan, for which the Company’s records do not indicate the race of the insured as Caucasian, on which the policy’s terms required

payment of a stated amount of premiums per week, and where the policy went onto a reduced paid-up or extended term non-forfeiture status prior to January 1, 1963.

cccc. “Pre-1963 Industrial Weekly Substandard Terminated Policies” shall mean any life insurance policy issued by the Company from its Industrial Department in a substandard policy plan, for which the Company’s records do not indicate the race of the insured as Caucasian, on which the policy’s terms required payment of a stated amount of premiums per week, and where the policy lapsed, surrendered, or was terminated (other than by reason of Policy maturity or the death of the insured) prior to January 1, 1963.

dddd. “Primary Eligible Holder” shall mean, with respect to any Terminated Policy eligible for the SDB hereunder, the following Eligible Holder of the Policy:

(i) For an Industrial Policy, the insured under the Policy.

(ii) For an Ordinary Policy, the owner of the Policy at the time it terminated, or if such person is not an Eligible Holder, the first Eligible Holder of the Policy to become an Eligible Holder under Section X below.

eeee. “Producer” shall mean any of the Company’s current account representatives, managers or managing directors.

ffff. “Publication Notice” shall mean the published notice and other media notice of the proposed settlement, as approved in form and content by the

Department, counsel for Plaintiffs and the Defendant, and the Court, as described in Section XII.B.

gggg. “Recipient” shall mean the person or persons to whom the Settlement Death Benefit under this Agreement shall be paid. Subject to Section III.F below, the Eligible Holder(s) of the Policy under Section X below shall be entitled to payments under the SDB, unless the Class Member designates an Alternate Recipient; *provided however*, that if the Recipient is deceased at the time the payment is to be made, the Company may pay the applicable death benefit to any person named as the beneficiary of the Policy making the Class Member eligible for the SDB, or if that person is deceased or cannot be paid for any reason, to any other person who appears to the Company to be equitably entitled to such payment under Section III.D below.

hhhh. “SDB Certificate” shall mean the certificate, substantially in the form included at Exhibit H and including a tear-off sheet for Class Members to designate an Alternate Covered Person and/or Alternate Recipient, that shall be provided to Eligible Holders of certain Terminated Policies starting at the commencement of the Implementation Period as evidence of the benefits provided by the SDB.

iiii. “Settlement Death Benefit” or “SDB” shall mean a form of relief to be provided to Eligible Holders of certain Terminated Policies, as described in Section VI.B below.

jjjj. “Standard Enhancement” shall mean the enhancements or payments that shall be provided to Holders of certain In-Force and Death/Maturity Policies pursuant to this Regulatory Settlement Agreement. Wherever a Holder is

eligible for an Additional Enhancement (defined in Section II.A.1.b, above), the Standard Enhancement calculation shall utilize the Policy's Face Amount, Cash Value or death or maturity benefit as enhanced by the Additional Enhancement, exclusive of Interest.

kkkk. "Statement of Benefits" shall mean the summary of benefits that is included in the Class Notice Package for Database Policies, and provided upon request to Eligible Holders whose policies have been confirmed to be Policies or whose Claim Forms identify the number of a Policy for which information is available on the Company's electronic records, as described in Section XII.A.4 below.

llll. "Terminated Policies" shall mean any Policy that, as of the Eligibility Date, has lapsed, surrendered or otherwise terminated without insurance coverage, and has not been reinstated. For purposes of this Regulatory Settlement Agreement, the term "terminated" shall not include policies that, as of the Eligibility Date, are fully paid-up or are providing coverage as reduced paid-up or extended term insurance under a contractual non-forfeiture provision.

2. Defined terms used in combination in this Regulatory Settlement Agreement shall have the combined definitions ascribed to them in the Regulatory Settlement Agreement. For example, an In-Force Industrial Weekly Policy shall mean an Industrial Policy that is both an Industrial Weekly Policy and In Force.

3. Capitalized terms used in this Regulatory Settlement Agreement but not defined above shall have the meaning ascribed to them in this Regulatory Settlement Agreement and the attached exhibits.

### **III. REGULATORY SETTLEMENT AGREEMENT TERMS**

A. Pursuant to this Regulatory Settlement Agreement, Class Members will, depending on their eligibility hereunder, receive one or more forms of the benefits described in Sections IV through VIII below.

B. With respect to each Policy making a Class Member eligible for benefits, the Policy's Eligible Holder(s) will receive the benefits for which that Policy is eligible hereunder, subject to the terms of Sections III.C, III.D, III.E and III.F below; *provided however*, that for any settlement benefit payable under this Agreement based upon a Policy for which a death claim is made following the commencement of the Implementation Period, the settlement benefit shall be paid to the payee of the Policy's contractual benefits (or, if there is more than one payee, to each payee in proportion to the relative amounts of benefits to which each is entitled under the Policy); *and provided however*, that in the event of any conflict between this Section III and Section X below, the provisions of Section X shall govern. No duplicate relief shall be provided to multiple Holders of the same Policy, or to their estates or descendants.

C. If all Eligible Holders associated with a Policy are deceased, then the Estate Holder(s) may exercise the rights of, and receive all settlement benefits payable to, the Holders of such Policy, subject to the terms of Sections III.D, III.E and III.F below. Settlement benefits shall be payable to the Estate Holder only if, prior to the commencement of the Implementation Period, *either* (a) the Holder's estate's administrator submits evidence of his or her court-appointment as administrator of the

estate *or* (b) an heir of the Holder submits a declaration, in the form attached hereto as Exhibit I, establishing the authority of the heir to act for the Holder's estate.

D. For all benefits under this Regulatory Settlement Agreement other than the SDB:

1. Where more than one person or entity is an Eligible Holder of a Policy, settlement benefits shall be distributed among such Eligible Holders in the manner and using the procedures specified in Section III.E below.

2. If all Eligible Holders of a Policy are deceased as of the Eligibility Date, and more than one person or entity is an Estate Holder of a Policy, settlement benefits shall be distributed among such Estate Holders in the manner and using the procedures specified in Section III.E below.

3. If no person or entity is eligible for settlement benefits under the provisions of Sections III.C through III.D.2 above, then any spouse or Domestic Partner of any Holder may come forward to claim the benefits for the Policy by submitting a Claim Form received by the Claim-In Date. Where more than one such person timely claims to be entitled to receive benefits associated with a Policy, the settlement benefits shall be distributed among such persons in the manner and using the procedures specified in Section III.E below.

4. If no person or entity is eligible for settlement benefits under the provisions of Sections III.C through III.D.3 above, then any child (including stepchildren) of any Holder may come forward to claim the benefits for the Policy by submitting a Claim Form received by the Claim-In Date. Where more than one such

person timely claims to be entitled to receive benefits associated with a Policy, the settlement benefits shall be distributed among such persons in the manner and using the procedures specified in Section III.E below.

5. If no person or entity is eligible for settlement benefits under the provisions of Sections III.C through III.D.4 above, then any parent of any Holder may come forward to claim the benefits for the Policy by submitting a Claim Form received by the Claim-In Date. Where more than one such person timely claims to be entitled to receive benefits associated with a Policy, the settlement benefits shall be distributed among such persons in the manner and using the procedures specified in Section III.E below.

6. If no person or entity is eligible for settlement benefits under the provisions of Sections III.C through III.D.5 above, then any sibling of any Holder may come forward to claim the benefits for the Policy by submitting a Claim Form received by the Claim-In Date. Where more than one such person timely claims to be entitled to receive benefits associated with a Policy, the settlement benefits shall be distributed among such persons in the manner and using the procedures specified in Section III.E below.

7. If no person or entity is eligible for settlement benefits under the provisions of Sections III.C through III.D.6 above, then any grandchild of any Holder, or any offspring of such a grandchild, may come forward to claim the benefits for the Policy by submitting a Claim Form received by the Claim-In Date. Where more than one such person timely claims to be entitled to receive benefits associated with a Policy, the

settlement benefits shall be distributed among such persons in the manner and using the procedures specified in Section III.E below.

8. If no person or entity is eligible for settlement benefits under the provisions of Sections III.C through III.D.7 above, then any other descendant or other relative of any Holder may come forward to claim the benefits for the Policy by submitting a Claim Form received by the Claim-In Date. Where more than one such person timely claims to be entitled to receive benefits associated with a Policy, the settlement benefits shall be distributed among such persons in the manner and using the procedures specified in Section III.E below.

9. If, by the Claim-In Date, no person or entity is eligible for settlement benefits under the provisions of Sections III.C through III.D.8 above, then the Company may provide the settlement benefits to any other person appearing to the Company to be equitably entitled to receive the benefits.

E. If more than one person or entity is eligible for benefits under Section III.D above, then the settlement benefits for the Policy shall be divided equally among all such persons and entities. In the event both an owner and a payee of contractual death benefits are Eligible Holders of a Death/Maturity Ordinary Policy, each shall be eligible at least to the benefits described in Section XI.D below.

F. For the SDB provided under this Regulatory Settlement Agreement and described in Section VI.B below:

1. If more than one person or entity is an Eligible Holder, then:

a. Unless an Alternate Recipient is designated, all Eligible Holders shall be the Recipients under the SDB. Payments under the SDB shall be made jointly to all Eligible Holders and mailed to the first person or entity to become an Eligible Holder.

b. The Primary Eligible Holder shall have the authority to designate an Alternate Covered Person or Alternate Recipient for the SDB.

2. If all Eligible Holders under a Policy are deceased as of the Eligibility Date, and more than one person or entity is an Estate Holder, then:

a. Unless an Alternate Recipient is designated, all Estate Holders shall be the Recipients under the SDB. Payments under the SDB shall be made jointly to all Estate Holders and mailed to the first person or entity to become an Estate Holder.

b. The first Estate Holder satisfying the requirements of Section III.C above shall have the authority to designate an Alternate Covered Person or Alternate Recipient for the SDB.

3. If no person or entity is eligible for the SDB pursuant to Sections III.C, III.F.1 or III.F.2 above, then the first relative of any Holder to timely submit a Claim Form for the Policy shall be the Recipient under the SDB and shall have the authority to designate an Alternate Covered Person or Alternate Recipient for the SDB.

4. If no person or entity is eligible for the SDB pursuant to Sections III.C, III.F.1, III.F.2 or III.F.3 above, then the Company may provide the settlement

benefits to any other person appearing to the Company to be equitably entitled to receive the benefits.

G. Notwithstanding any other provision of this Agreement, where no address is available for an Eligible Holder or other person eligible for settlement benefits, or where there is an available address but it is known by the Company to be invalid, no settlement benefits shall be mailed to the Eligible Holder or other person.

H. If any Holder or Estate Holder excludes himself or herself from the Class with respect to a Policy, all Holders (and their estates) of that Policy will be deemed to be excluded with respect to that Policy.

I. In the event that provision of a particular form of relief hereunder could cause adverse tax and/or other regulatory consequences to the Class Member, or to his or her Policy, the Company shall not be obligated to provide such relief but may, in its sole discretion and as an alternative, make an economically comparable form of relief available to the Class Member. The Department shall be notified in advance of any such substitution of relief.

J. In the event that the Parties determine that any provision of this Regulatory Settlement Agreement regarding its implementation has become administratively impracticable, the Parties may agree to amend or eliminate such provision as they mutually deem appropriate.

K. If a death claim is made under an In-Force Policy, or if an In-Force Policy matures, after the Eligibility Date but before the commencement of the Implementation

Period, then the Inforce Policy shall be treated as if it were a Death/Maturity Policy on the Eligibility Date.

L. If an In-Force Policy is terminated after the Eligibility Date but before the commencement of the Implementation Period, then the In-Force Policy shall be treated as if it were a Terminated Policy on the Eligibility Date.

M. Pursuant to the terms of Section 8.2(a)(iii) of Metropolitan Life Insurance Company's Plan of Reorganization under Section 7312 of the New York Insurance Law as adopted on September 28, 1999 (and subsequently amended and restated by the Company's Board of Directors), the Company shall neither add assets to nor deduct assets from the "closed block" (as that term is defined in the Plan) in connection with this Settlement Agreement without the prior approval of the Department.

#### **IV. BENEFITS FOR IN-FORCE POLICIES**

##### **A. The Enhanced Future Death/Maturity Benefit**

1. Starting at the commencement of the Implementation Period, Eligible Holders of In-Force Industrial Weekly Policies, In-Force Industrial Monthly Policies, and In-Force Other Ordinary Substandard Policies that mature or pay a death benefit in the future shall receive, in addition to the contractual death or maturity benefit, a terminal dividend in the amount of the sum of the Standard Enhancement and the Additional Enhancement (if any) for the Policy (calculated pursuant to Sections IV.A.2 and IV.A.3 below). Eligible Holders of all such In-Force Policies shall receive the Standard Enhancement. Eligible Holders of In-Force Pre-1963 Industrial Weekly

Substandard Non-Forfeiture Policies shall receive both the Standard Enhancement and the Additional Enhancement.

2. Standard Enhancements. The percentage of the Face Amount at the time of the insured's death or the Policy's maturity (as enhanced by any Additional Enhancement) constituting the Standard Enhancement shall be as follows:

<u>Policy Type</u>	<u>Percentage Enhancement</u>
Industrial Weekly	12.5%
Other Industrial Monthly Substandard	12.5%
Industrial Monthly Standard	5%
Other Ordinary Substandard	15%

3. Additional Enhancements. For In-Force Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies, the Additional Enhancement to the Policy's Face Amount at the time of the insured's death or the Policy's maturity shall be calculated, on a Policy-by-Policy basis, based upon the ratios in Exhibit L hereto. Such Additional Enhancement is designed to provide In-Force Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies with the benefit of the Company's 1963 equalization of Industrial Weekly Substandard policy non-forfeiture values.

4. In-Force 1920-1929 Intermediate Policies. Eligible Holders of In-Force 1920-1929 Intermediate Policies shall be provided the Enhanced Future Death/Maturity Benefit in the form of an increase, at the commencement of the Implementation Date, of 9% to the Policy's Face Amount and associated Cash Value.

5. Death Certificate Review Obligation. Starting on the Final Settlement Date, the Company shall review all future death certificates submitted in

connection with claims for benefits under life insurance policies that may be Policies eligible for the Enhanced Future Death/Maturity Benefit depending on the race of the insured.

a. If, for any such policy, the Company's review discloses that the insured's race was listed on the death certificate as other than Caucasian, then the Holders of such Policy shall be deemed Eligible Holders and the Enhanced Future Death/Maturity Benefit for the Policy shall be provided, unless all documents in the Application File that describe the insured's race indicate that the insured's race is Caucasian.

b. If the death certificate does not provide the race of the insured, then the Company shall review the Application File (to the extent it has not already reviewed the Application File in connection with this Agreement) for the life insurance policy. If the Company's review discloses that the insured's race was identified in any part of the Application File as other than Caucasian, then the Holders of such Policy shall be deemed Eligible Holders and the Enhanced Future Death/Maturity Benefit for the Policy shall be provided.

6. Policy Application File Review Obligation. Starting on the Final Settlement Date, the Company shall review the Application File (to the extent it has not already reviewed the Application File in connection with this Agreement) of any life insurance policy that becomes eligible for payment of maturity or endowment benefits and that may be a Policy eligible for the Enhanced Future Death/Maturity Benefit depending on the race of the insured. If, for any such policy, the Company's review

discloses that the insured's race was listed in any part of the Application File as other than Caucasian, then the Holders of such Policy shall be deemed Eligible Holders and the Enhanced Future Death/Maturity Benefit for the Policy shall be provided.

**B. The Enhanced Future Termination/Non-Forfeiture Benefit**

1. Starting at the commencement of the Implementation Period, Eligible Holders of In-Force Industrial Weekly Policies, In-Force Industrial Monthly Policies, and In-Force Other Ordinary Substandard Policies that lapse, surrender, or otherwise terminate (other than by death or maturity) in the future, or that are placed on a reduced paid-up or extended term non-forfeiture status in the future, shall receive a surrender dividend in the amount of the sum of the Standard Enhancement and the Additional Enhancement (if any) for the Policy (calculated pursuant to Sections IV.B.2 and IV.B.3 below). Eligible Holders of all such Policies shall receive the Standard Enhancement. Eligible Holders of In-Force Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies shall receive both the Standard Enhancement and the Additional Enhancement.

2. Standard Enhancements. The percentage of the Policy's Cash Value at the time of termination or placement on non-forfeiture status (as enhanced by any Additional Enhancement) constituting the Standard Enhancement shall be as follows:

<u>Policy Type</u>	<u>Percentage Enhancement</u>
Industrial Weekly	12.5%
Other Industrial Monthly Substandard	12.5%
Industrial Monthly Standard	5%
Other Ordinary Substandard	15%

3. Additional Enhancements. For In-Force Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies, the Additional Enhancement to the Policy's Cash Value at the time of termination or placement on non-forfeiture status shall be calculated, on a Policy-by-Policy basis, based upon the ratios in Exhibit L hereto. Such Additional Enhancement is designed to provide In-Force Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies with the benefit of the Company's 1963 equalization of Industrial Weekly Substandard policy non-forfeiture values.

4. Application of Surrender Dividends to Non-Forfeiture Policies. For those Policies that are placed on non-forfeiture status after the commencement of the Implementation Period, the surrender dividend (composed of the Standard Enhancement plus, where applicable, the Additional Enhancement) shall be provided in the following form:

a. For Policies placed on an extended term insurance non-forfeiture status, the surrender dividend shall be added to the Policy's total cash value for the purpose of calculating the duration of non-forfeiture benefits provided by the Policy and the amount of cash value available in the event the Policy is later surrendered for its cash value.

b. For Policies placed on a reduced paid-up non-forfeiture status, the surrender dividend shall be provided for the Policy at the time the Policy pays a death benefit or is surrendered for its cash value.

5. In-Force 1920-1929 Intermediate Policies. Eligible Holders of In-Force 1920-1929 Intermediate Policies shall be provided the Enhanced Future Termination/Non-Forfeiture Benefit in the form of an increase, at the commencement of the Implementation Date, of 9% to the Policy's Face Amount and associated Cash Value.

6. Policy Application File Review Obligation. Starting on the Final Settlement Date, the Company shall review the Application File (to the extent it has not already reviewed the Application File in connection with this Agreement) of any life insurance policy that terminates and is presented for payment of cash surrender benefits, and that may be a Policy eligible for the Enhanced Future Termination/Non-Forfeiture Benefit depending on the race of the insured. If, for any such policy, the Company's review discloses that the insured's race was listed in the Application File as other than Caucasian, then the Holders of such Policy shall be deemed Eligible Holders and the Enhanced Future Termination/Non-Forfeiture Benefit for the Policy shall be provided.

**C. The Enhanced Additional Insurance Benefit**

1. Eligible Holders of In-Force 1920-1929 Intermediate Policies and In-Force 1930-1935 Ordinary Substandard Policies shall receive at the commencement of the Implementation Period an increase in the Policy's amount of insurance coverage in the form of Additional Insurance.

2. For Eligible Holders of In-Force 1920-1929 Intermediate Policies, the amount of Additional Insurance comprising the Enhanced Additional Insurance Benefit shall equal 35 percent of the Face Amount of the Policy as of the Eligibility Date; *provided however*, that for any such Policy on a non-forfeiture status as of the Eligibility Date, the Face Amount of the Policy shall be increased by 35 percent. The Enhanced Additional Insurance Benefit shall be provided in addition to the Enhanced Future Death/Maturity Benefit and the Enhanced Future Termination/Non-Forfeiture Benefit for which the Policy is eligible.

3. For Eligible Holders of In-Force 1930-1935 Ordinary Substandard Policies, the amount of Additional Insurance comprising the Enhanced Additional Insurance Benefit shall equal 15 percent of the Face Amount of the Policy as of the Eligibility Date; *provided however*, that for any such Policy on a non-forfeiture status as of the Eligibility Date, the Face Amount of the Policy shall be increased by 15 percent.

**D. The Cash Payment Option**

1. Eligible Holders of any In-Force Policy may, instead of receiving the Enhanced Future Death/Maturity Benefit, the Enhanced Future Termination/Non-Forfeiture Benefit or the Enhanced Additional Insurance Benefit, elect to receive a cash payment from the Company in an amount equal to the cost for the Policy's settlement benefits pursuant to column 4 of the table in Section I of Exhibit M hereto.

2. Starting at the commencement of the Implementation Period and ending no later than 30 days thereafter, the Company shall mail the Cash Payment Option Election Letter, substantially in the form attached hereto as Exhibit J, to each Eligible

Holder associated with an In-Force Policy at the address indicated on a Claim Form for the Policy, or at the last-known address for the Eligible Holder if no Claim Form is submitted for the Policy. The Cash Payment Option Election Letter shall indicate both (i) the dollar amounts of the Enhanced Future Death/Maturity Benefit, the Enhanced Future Termination/Non-Forfeiture Benefit and the Enhanced Additional Insurance Benefit (if any) for the Policy, together with a general description of those forms of benefits and (ii) the dollar amount that is payable in the alternative under the Cash Payment Option. The Cash Payment Option Election Letter shall contain a tear-off form that allows the Eligible Holder to request the Cash Payment Option.

3. To exercise the Cash Payment Option described in this Section IV.D, the Eligible Holder(s) of the Policy must elect the cash payment by either (i) contacting the Administrator at the Toll-Free Number within 30 days after the date of the Cash Payment Option Election Letter for the Policy or (ii) completing and returning the form included with the Cash Payment Option Election Letter (which form must be postmarked no later than 30 days after the date of the Cash Payment Option Election Letter).

4. Eligible Holders who timely elect the Cash Payment Option shall be provided their cash payments within 60 days of the date of the Cash Payment Option Election Letter.

**E. The Prospective Commitment**

1. The Company commits under this Agreement that, starting at the commencement of the Implementation Period, any future non-guaranteed policy elements

that may be provided to Holders of 1930-1935 Ordinary Substandard Policies shall utilize the mortality assumptions and factors utilized for the corresponding standard policy plan or form issued in the same year to insure persons of the same issue age in the same risk classification, and with the same Face Amount as the Policy (as enhanced by the Enhanced Additional Insurance Benefit).

2. The Company commits under this Agreement that, starting at the commencement of the Implementation Period, any future non-guaranteed policy elements that may be provided to Holders of 1920-1929 Intermediate Policies shall utilize the mortality assumptions and factors utilized for the standard risk classification in the corresponding policy plan or form issued in the same year to insure persons of the same issue age, and with the same Face Amount as the Policy (as enhanced by the Enhanced Future Death/Maturity Benefit and the Enhanced Additional Insurance Benefit).

**V. RELIEF FOR DEATH/MATURITY POLICIES:  
THE ENHANCED PAST DEATH/MATURITY BENEFIT**

Eligible Holders of Death/Maturity Industrial Weekly Policies, Death/Maturity Industrial Monthly Policies, Death/Maturity Ordinary Substandard Policies and Death/Maturity 1920-1929 Intermediate Policies shall receive a cash payment equal to the amount that is the sum of the Standard Enhancement and the Additional Enhancement (if any) for the Policy (calculated pursuant to Sections V.A and V.B below). Eligible Holders of all such Policies shall receive the Standard Enhancement. Eligible Holders of Pre-1948 Industrial Weekly Substandard Death/Maturity Policies, Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies and 1927-1929 Industrial Monthly

Substandard Policies shall receive both the Standard Enhancement and the Additional Enhancement. Such cash payment shall be provided via the Post-Settlement Mailing, as further described in Section XII.D below.

**A. Standard Enhancements**

1. For Death/Maturity Industrial Weekly Policies and Death/Maturity Other Industrial Monthly Substandard Policies, the Standard Enhancement (if any) shall equal 12.5 percent of the Policy's Face Amount at the time of the insured's death or the Policy's maturity (as enhanced by any Additional Enhancement).

2. For Death/Maturity Industrial Monthly Standard Policies and 1927-1929 Industrial Monthly Substandard Policies, the Standard Enhancement shall equal 5 percent of the Policy's Face Amount at the time of the insured's death or the Policy's maturity (as enhanced by any Additional Enhancement).

3. For Death/Maturity Other Ordinary Substandard Policies, the Standard Enhancement shall equal 15 percent of the Policy's Face Amount at the time of the insured's death or the Policy's maturity.

4. For Death/Maturity 1930-1935 Ordinary Substandard Policies, the Standard Enhancement shall equal 15 percent of the Policy's Face Amount at the time of the insured's death or the Policy's maturity, multiplied by the Early Termination Adjustment, accumulated with Interest; *provided however*, that the Early Termination Adjustment shall not apply to any such Policy that paid a death or maturity benefit while providing reduced paid-up insurance coverage under a contractual non-forfeiture provision.

5. For Death/Maturity 1920-1929 Intermediate Policies, the Standard Enhancement shall equal the sum of (i) 35 percent of the Policy's Face Amount at the time of the insured's death or the Policy's maturity, multiplied by the Early Termination Adjustment, accumulated with Interest; and (ii) 9 percent of the Policy's Face Amount at the time of the insured's death or the Policy's maturity, accumulated with Interest; *provided however*, that the Early Termination Adjustment shall not apply to any such Policy that paid a death or maturity benefit while providing reduced paid-up insurance coverage under a contractual non-forfeiture provision.

**B. Additional Enhancements**

1. For Pre-1948 Industrial Weekly Substandard Death/Maturity Policies and Death/Maturity Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies, the Additional Enhancement shall equal the enhancement calculated for the particular Policy using the ratios set forth in Exhibit L hereto, accumulated with Interest. Such Additional Enhancement shall be designed to provide these Policies with the benefit of the Company's 1948 and 1963 equalizations of Industrial Weekly Substandard policy amounts of insurance and non-forfeiture values.

2. For Death/Maturity 1927-1929 Industrial Monthly Substandard Policies, the Additional Enhancement shall equal 13 percent (for 25-Year Endowment Policies) or 36 percent (for Endowment at 75 Policies) of the Policy's Face Amount at the time of the insured's death or the Policy's maturity, accumulated with Interest.

## **VI. BENEFITS FOR TERMINATED POLICIES**

### **A. The Enhanced Past Termination Benefit**

1. Eligible Holders of Terminated Pre-1963 Industrial Weekly Substandard Terminated/Non-Forfeiture Policies, Terminated 1927-1929 Industrial Monthly Substandard Policies, Terminated 1930-1935 Ordinary Substandard Policies and Terminated 1920-1929 Intermediate Policies shall receive a cash payment equal to the amount calculated for the Policy pursuant to Sections VI.A.2 through VI.A.5 below. Such cash payment shall be provided via the Post-Settlement Mailing, as further described in Section XII.D below.

2. For Terminated Pre-1963 Industrial Weekly Substandard Terminated/Non-Forfeiture Policies, the cash payment shall equal the enhancement calculated for the particular Policy calculated using the ratios in Exhibit L hereto, accumulated with Interest. Such payment shall be designed to provide Terminated Pre-1963 Industrial Weekly Substandard Terminated/Non-Forfeiture Policies with the benefit of the Company's 1963 equalization of Industrial Weekly Substandard policy non-forfeiture values.

3. For Terminated 1930-1935 Ordinary Substandard Policies, the cash payment shall equal 15 percent of the Cash Value of the Policy at the time of termination, accumulated with Interest.

4. For Terminated 1920-1929 Intermediate Policies, the cash payment shall equal the 44 percent of the Cash Value of the Policy at the time of termination, accumulated with Interest.

5. For Terminated 1927-1929 Industrial Monthly Substandard Policies, the cash payment shall equal 13 percent (for 25-Year Endowment Policies) or 36 percent (for Endowment at 75 Policies) of the Cash Value of the Policy at the time of termination, accumulated with Interest.

**B. The Settlement Death Benefit**

1. Eligible Holders of Terminated Industrial Weekly Policies, Terminated Industrial Monthly Policies and Terminated Other Ordinary Substandard Policies shall be entitled to the Settlement Death Benefit (“SDB”). Subject to Section VI.B.7 below, the SDB shall commence on the Final Settlement Date.

2. For each such Policy making the Class Member eligible for relief, the SDB shall provide a payment to the Recipient, upon the Company’s receipt of due proof of death of the Covered Person within the 5 years following the Final Settlement Date, of an amount that is a percentage of the Face Amount of the Policy at the time of termination (as enhanced by any Additional Enhancement).

3. For Terminated Industrial Weekly Policies and Terminated Other Industrial Monthly Substandard Policies, the percentage of the Face Amount of the Policy at the time of termination that is payable under the SDB shall be 15.5 percent; *provided however*, that for Terminated Industrial Weekly Policies that are eligible for the Enhanced Past Termination Benefit, and for the sole purpose of calculating the percentage of the Face Amount at termination payable under the SDB, the Face Amount shall be increased by the ratio for the Policy provided in Exhibit L.

4. For Terminated Industrial Monthly Standard Policies and Terminated 1927-1929 Industrial Monthly Substandard Policies, the percentage of the Face Amount of the Policy at the time of termination that is payable under the SDB shall be 8 percent; *provided however*, that for Terminated 1927-1929 Industrial Monthly Substandard Policies, and for the sole purpose of calculating the percentage of the Face Amount at termination payable under the SDB, the Face Amount shall be increased by 13 percent (for 25-Year Endowment Policies) or 36 percent (for Endowment at 75 Policies) to reflect the Enhanced Past Termination Benefit provided for the Policy.

5. For Terminated Other Ordinary Substandard Policies, the percentage of the Face Amount of the Policy at the time of termination that is payable under the SDB shall be 18 percent.

6. At any time prior to the expiration of the SDB or the death of the Covered Person, the Class Member may designate an Alternate Recipient by completing and returning the portion of the SDB Certificate that is designated for that purpose, as shown in Exhibit H hereto, or by submitting such designation to the Administrator's Internet Web site while it is operational.

7. If the insured under the Policy creating eligibility for the SDB is deceased as of the Final Settlement Date, then the Class Member or his or her estate must designate a member of the Class Member's Affinity Group as an Alternate Covered Person for purposes of the SDB, either (a) by completing and returning the portion of the SDB Certificate that is designated for that purpose, as shown in Exhibit H hereto, postmarked within 30 days after the commencement of the Implementation Period; or

(b) by submitting such designation to the Administrator's Internet Web site (while it is operational) within 30 days after the commencement of the Implementation Period. SDB coverage for the Alternate Covered Person shall commence five days after the date of the postmark of, or submission to the Administrator's Internet Web site of, the Class Member's designation of the Alternate Covered Person.

8. Starting at the commencement of the Implementation Period, the Company shall mail an SDB Certificate, substantially in the form attached hereto as Exhibit H, to each Eligible Holder entitled to the SDB. The SDB Certificate shall include a form for designation of an Alternate Covered Person and an Alternate Recipient.

9. Research Initiative Regarding Terminated Policies Eligible for the SDB. One year following the end of the Implementation Period, and annually thereafter until all SDBs provided by this Agreement are no longer in force, Metropolitan Life shall retain the services of a national information service bureau (such as TRW, Equifax, or COMSERV, Inc.), subject to the approval of the Department, for the purpose of determining, based on the social security numbers of the Covered Persons for all remaining in-force SDBs that are available to the Company on its electronic records or obtained through Claim Forms submitted by Class Members, whether any Covered Person covered by an SDB has died within the coverage period. If (a) the foregoing research reveals that any such Covered Person has died, and (b) the Company, using its best efforts, is able to contact the Recipient, and (c) the Recipient qualifies for payment of the SDB, then the Recipient shall be eligible to receive the payment under the SDB.

## **VII. MET SERIES ENHANCEMENT**

A. Covered Met Series Policies that are eligible to receive other benefits pursuant to this Regulatory Settlement Agreement shall receive an enhancement of an additional three percent to the percentages used to calculate the benefits to be provided by Sections IV through VI above.

B. Covered Met Series Policies that are eligible for no other benefits under this Regulatory Settlement Agreement shall receive the following at the commencement of the Implementation Period:

1. For In-Force Policies, either (a) an Enhanced Future Death/Maturity Benefit of three percent of the Face Amount of the Policy at the time of death or maturity; or (b) an Enhanced Future Termination/Non-Forfeiture Benefit of three percent of the Cash Value of the Policy at the time of termination or placement on non-forfeiture status. Such Policies shall also be eligible for the Cash Payment Option described in Section IV.D above.

2. For Death/Maturity Policies, a cash payment equal to three percent of the Policy's Face Amount at the time of the insured's death or the Policy's maturity.

3. For Terminated Policies, an SDB (as described in Section VI.B above) with an amount of coverage of three percent of the Policy's Face Amount at the time of termination.

## **VIII. UNCLAIMED BENEFITS RELIEF**

A. For all Database Policies and Policies for which a Claim Form has been timely submitted, and for which a death claim was paid in the period from August 19,

1995 through the Claim-In Date, the Company shall conduct a search for other Metropolitan Life insurance policies that also insured the person insured under the Policy in an effort to provide any death or maturity benefits due under any other such policies, as follows:

1. Within 30 days of the Claim-In Date, the Company shall perform a comprehensive search, using the Company's electronic policy databases and the protocols attached hereto as Exhibit C, to determine whether any other Metropolitan Life insurance policy or policies on those databases insured the life of the deceased insured under the Policy.

2. If the Company's search reveals that the deceased insured was covered by any other Metropolitan Life insurance policy that, at the time of the death of the insured, was providing life insurance coverage (including without limitation pursuant to a contractual non-forfeiture option), and with respect to which a death benefit was not paid, the Company shall use its best efforts to notify the beneficiary or beneficiaries of the life insurance policy and pay any death benefits due, plus any statutorily required interest, regardless of whether such benefits have already escheated to a state governmental authority.

3. If the Company's search reveals that the deceased insured was covered by any other Metropolitan Life insurance policy that, at the time it reached maturity, was premium-paying, fully paid-up or providing insurance coverage pursuant to a contractual non-forfeiture provision, and with respect to which maturity benefits became payable but have not been paid, the Company shall use its best efforts to notify

the person or entity to whom the policy's maturity benefits were payable (or, if such a person is deceased, his or her estate) and pay the maturity benefits due, plus any statutorily required interest, regardless of whether such benefits have already escheated to a state governmental authority.

4. In addition, if the Company's search reveals that the deceased insured was covered under any other Metropolitan Life insurance policy that was also a Policy, then the Policy shall be eligible for the settlement benefits provided for the Policy under this Regulatory Settlement Agreement.

B. For all Policies for which a death claim is paid after the Claim-In Date, the Company shall conduct a search for other Metropolitan Life insurance policies that also insured the life of the person insured under the Policy in an effort to provide any death or maturity benefits due under any other such policies, as follows:

1. At the time the death claim is made under the Policy, the Company shall perform a comprehensive search, using its electronic policy databases and the protocols attached hereto as Exhibit C, to determine whether any other Metropolitan Life insurance policy or policies on those databases insured the life of the deceased insured under the Policy.

2. If the Company's search reveals that the deceased insured was covered by any other Metropolitan Life insurance policy that, at the time of the death of the insured, was providing life insurance coverage (including without limitation pursuant to a contractual non-forfeiture option), the Company shall use its best efforts to pay the

death benefits due under the life insurance policy, regardless of whether such benefits have already escheated to a state governmental authority.

3. If the Company's search reveals that the deceased insured was covered by any other Metropolitan Life insurance policy that, at the time it reached maturity, was premium-paying, fully paid-up or providing insurance coverage pursuant to a contractual non-forfeiture provision, and with respect to which maturity benefits became payable but have not been paid, the Company shall use its best efforts to notify the person or entity to whom the policy's maturity benefits were payable (or, if such a person is deceased, his or her estate) and pay the maturity benefits due, plus any statutorily required interest, regardless of whether such benefits have already escheated to a state governmental authority.

4. In addition, if the Company's search reveals that the deceased insured was covered under any other Metropolitan Life insurance policy that was also a Policy, then the Policy shall be eligible for the settlement benefits provided for the Policy under this Regulatory Settlement Agreement.

C. Starting at the commencement of the Implementation Period, the Company shall search its electronic records that reflect prior escheatments of life insurance policy benefits to state governmental authorities, using the protocols attached hereto as Exhibit C, in an effort to identify other life insurance policies insuring the lives of the persons insured under the Policies. If this search identifies any such other life insurance policies for which death or maturity benefits have previously become payable, but which benefits have been escheated to a state governmental authority, the Company

shall use its best efforts to notify the person or entity to whom the policy's death or maturity benefits were payable (or, if such a person is deceased, his or her estate) and pay the death or maturity benefits due, plus any statutorily required interest.

**IX. COMPANY CERTIFICATION OF RELIEF**

A. On a date that is not later than six months following the first anniversary of the end of the Implementation Period, the Company, through one of its officers who is a member in good standing of the American Academy of Actuaries, shall provide to the Department a written certification specifying the actual cost to the Company, determined in accordance with Exhibit M hereto, of the benefits that have been provided to Class Members pursuant to this Agreement in the first year following the commencement of the Implementation Period.

B. Such summary shall detail the costs of benefits provided to Class Members by each type of benefit provided under this Agreement and shall describe the relevant supporting information on which the summary is based. In addition, the certification shall contain a signed statement of the actuary affirming that the actuary has reviewed the relevant supporting information for the summary, that the actuary has authority to make the certification on behalf of the Company, and that the summary is accurate to the best of the actuary's knowledge and belief. Upon request of the Department, the Company shall provide the Department with the supporting information on which the cost summary is based.

## **X. RELIEF QUALIFICATIONS**

A. Holders of In-Force Database Policies shall automatically be Eligible Holders.

B. Holders of In-Force Policies that are not Database Policies shall become Eligible Holders if:

1. All documents in the Policy's Application File that state the insured's race do not unanimously indicate the race of the insured as Caucasian, *and*

2. One of the following conditions applies:

a. A Claim Form identifying the insured, identifying the race of the insured under the Policy as non-Caucasian and providing Identifying Information for the Policy has been submitted postmarked by the Claim-In Date *or*

b. The Company's review under Section IV.A.5, Section IV.A.6 or Section IV.B.6 above discloses that the race of the insured under the Policy is identified as non-Caucasian in the certificate of death for the insured or in any part of the Policy's Application File.

C. Holders of Death/Maturity and Terminated Database Policies for which the Company paid a death benefit within the seven years preceding the Eligibility Date, or for which the Company paid a maturity, endowment or cash surrender benefit on or after January 1, 1989, shall automatically be Eligible Holders, subject to the following terms and conditions:

1. The Company shall conduct research (using the National Change of Address database and ChoicePoint) to update the address of the payee of the Policy's

contractual benefits listed in the Company's records or in a Claim Form submitted for the Policy.

2. For those Policies for which the payee's address is updated or confirmed through the research in Section X.C.1 above, starting at the commencement of the Implementation Period, the Company shall mail any benefit payments due under this Agreement to the payee (or, if there are multiple payees, to each payee in proportion to the relative amounts of benefits to which each is entitled under the Policy); *provided however*, that if the Company's records indicate that the payee of the Policy is an Excluded Entity, then the provisions of Section X.D below shall apply.

3. For those Policies for which the payee's address cannot be updated or confirmed through the research in Section X.C.1 above, 30 days after the Claim-In Date, the Company shall mail the Confirmatory Letter, substantially in the form attached hereto as Exhibit K, to the payee of the Policy's contractual benefits at the payee's last-known address on the Company's records.

a. If the Company receives an updated address or confirmation of the address from the payee, either in a writing postmarked within 30 days of the mailing of such Confirmatory Letter, or by telephone or e-mail within such period, then starting at the commencement of the Implementation Period, the Company shall mail any benefit payments due under this Agreement to the payee at the updated or confirmed address.

b. If the Company does not receive an updated address or confirmation of the address from the payee in the manner and within the times specified

in Section X.C.3.a above, then the settlement benefits otherwise payable to the payee shall increase the benefits that otherwise would be provided to Eligible Holders, on a proportionate basis based on the cost of each Policy's benefits (calculated in accordance with Exhibit M hereto).

4. If the Company's records indicate that the payee of the Policy is an Excluded Entity, then this Section X.C shall not apply and the provisions of Section X.D below shall apply.

D. If the Company's records indicate that the payee of the Policy is an Excluded Entity, then the Company shall provide the Policy's benefits under this Agreement to the Policy's contractual beneficiary at his or her last-known address on the Company's records. If there is no available contractual beneficiary for the Policy, then the Company shall provide the Policy's benefits under this Agreement as specified in Sections III.B through III.F above.

E. Holders of all Death/Maturity Policies and Terminated Policies except those described in Sections X.C through X.D above shall become Eligible Holders only by submitting a Claim Form postmarked no later than the Claim-In Date that (i) identifies the insured under the Policy, (ii) identifies the race of the insured under the Policy as non-Caucasian and (iii) provides Identifying Information for the Policy; *provided however*, that no Holder of a Policy shall be an Eligible Holder if all documents in the Policy's Application File that state the race of the person insured under the Policy indicate unanimously that the insured's race is Caucasian.

F. The Administrator shall assist with the completion of Claim Forms as follows:

1. The toll-free telephone number established by the Administrator shall permit persons seeking to obtain a Class Notice Package to provide their names, telephone numbers, addresses and policy numbers.

2. The Administrator shall establish an Internet Web site that, in addition to providing notice of the proposed settlement, facilitates the electronic submission of Claim Form information. If any person or entity supplies Claim Form information electronically over the Administrator's Web site, then to the extent practicable, the Administrator shall provide such person or entity with a Claim Form that includes the information that has been electronically submitted, together with a pre-addressed and postage pre-paid envelope for return of the Claim Form to the Administrator; *provided however*, that no Claim Form shall be valid unless it is completed, signed and returned postmarked by the Claim-In Date.

G. Wherever a Claim Form is required by this Regulatory Settlement Agreement, the Company shall not be obligated to provide settlement benefits to any person or entity who does not submit a Claim Form and other Identifying Information sufficient to permit the Company to confirm that the person or entity is entitled to settlement benefits, subject to the following conditions:

1. The Company shall use each substantially completed Claim Form that is submitted by any person or entity on or before the Claim-In Date to search its electronic databases and paper records in an effort to identify each life insurance policy

referenced in the Claim Form and determine (a) whether such policy is a Policy and (b) the person or entity who submitted the Claim Form is an Eligible Holder or is otherwise eligible for settlement benefits under this Agreement.

2. If the Company's search locates any life insurance policy referenced in the Claim Form but confirms that such policy is not a Policy, then as soon as is practicable, but in no event later than 60 days after the Claim-In Date, the Company shall notify in writing the person or entity who submitted the Claim Form, via first-class mail to the person's or entity's address on the Claim Form, (a) of each life insurance policy referenced in the Claim Form that is not a Policy, (b) of the reasons why each such policy is not a Policy, (c) that no settlement benefits will be provided for each such policy, and (d) that the person or entity may raise any questions within 30 days of the Company's notification. Absent such a written notification by the Company within 60 days of the Claim-In Date, any life insurance policy identified in the Claim Form shall be deemed a Policy and shall receive the settlement benefits to which it is entitled under this Agreement.

3. If the Company's search does not locate a life insurance policy referenced in the Claim Form, then:

a. As soon as is practicable, but in no event later than 30 days after the Claim-In Date, the Company shall request additional Identifying Information from the person or entity who submitted the Claim Form.

b. For any such person or entity who supplies additional Identifying Information postmarked within 30 days of the Company's request, the

Company shall use the additional Identifying Information to search its electronic databases and paper records in an effort to identify the life insurance policy referenced in the Claim Form and determine whether such policy is a Policy.

c. As soon as is practicable, but in no event later than 120 days after the Claim-In Date, the Company shall notify in writing, via first-class mail to the person's or entity's address in the Claim Form, each person or entity that has submitted a Claim Form and other Identifying Information to whom the Company determines not to provide settlement benefits, either (i) because the Company's searches have not located each life insurance policy referenced in the Claim Form or (ii) because the Company has located any life insurance policy referenced in the Claim Form but has confirmed that such policy is not a Policy (in which case the Company's written notification shall include the matters set forth in Section X.G.2 above).

4. If any notified person or entity objects in writing to the Company's determination in a writing postmarked within 30 days of the date of a Company notification under Section X.G.2 or Section X.G.3 above, then:

a. The Company and Lead Counsel shall confer in good faith to resolve any disagreement concerning the person's or entity's eligibility for settlement benefits.

b. If the Company and Lead Counsel are unable to resolve any such disagreement within 15 days of receipt of the person or entity's written objection, then the Company and Lead Counsel shall submit their disagreement to the Neutral, who shall determine whether the person or entity is entitled to settlement benefits, *provided*

*however*, that prior to submitting any disagreement to the Neutral, the Company shall bring that disagreement to the attention of the Department.

c. The Neutral's determinations under this Section X.G.4 shall be made within 30 days of the submission of the dispute by the Company and Lead Counsel, but in no event later than the Claim-Resolution Date.

d. The determinations of the Neutral shall be final and binding on the Company and Lead Counsel and the person or entity in question.

H. If, in the course of searching for any life insurance policy identified in a Claim Form or by other Identifying Information, the Company determines that the life insurance policy is a Policy *and* that the Company's records for the Policy list the numbers of other life insurance policies covering the life of the insured under the Policy, then the Company shall attempt to determine whether the other policies referenced are also Policies and provide any settlement benefits for which the Policies are eligible under this Agreement.

## **XI. MINIMUM/MAXIMUM COST OF BENEFITS**

A. After the deadline under this Agreement for submission of all Claim Forms has expired, and no later than the commencement of the Implementation Period, the Company shall compute the total anticipated cost to the Company of all settlement benefits to be provided to the Class, using the factors and assumptions set forth in Exhibit M hereto.

1. If the computation in this Section XI.A results in a total cost to the Company of all anticipated settlement benefits that is less than \$52 million, then all

benefits that otherwise would be provided to Eligible Holders and other eligible persons and entities shall be increased, on a proportionate basis based on the cost of each Policy's benefits (calculated in accordance with Exhibit M hereto), so that the total cost of all anticipated settlement benefits pursuant to the factors and assumptions set forth in Exhibit M hereto equals \$52 million.

2. If the computation in this Section XI.A results in a total cost to the Company of all anticipated settlement benefits in excess of \$90 million, then all benefits that otherwise would be provided to Eligible Holders and other eligible persons and entities shall be reduced, on a proportionate basis based on the cost of each Policy's benefits (calculated in accordance with Exhibit M hereto), so that the total cost of all anticipated settlement benefits pursuant to the factors and assumptions set forth in Exhibit M hereto equals \$90 million.

B. Within 30 days after the commencement of the Implementation Period, the Company shall make a charitable contribution to the United Negro College Fund, Inc. for scholarship purposes in the amount of \$5 million; *provided however*, that such amount shall be reduced by the excess, if any, of the total cost to the Company of all anticipated settlement benefits (calculated in accordance with Section XI.A above) over \$85 million.

C. No later than 85 days prior to the commencement of the Implementation Period, the Company may propose to the Department increases in one or more of the percentages listed in column 3 of the table in Section II of Exhibit M hereto that, for aggregate cost-calculation purposes, are to be applied to certain types of In-Force life insurance policies for which no Claim Form has been submitted and for which the

insured's race is not reflected on the Company's electronic records (referred to in Exhibit M as policies "Subject to Race Adjustment"). Each such proposed increase by the Company shall be subject to review by the Department, as follows:

1. With its proposal, the Company shall provide the Department and Lead Counsel with the statistical analysis and all data, assumptions and calculations supporting its proposed increase.

2. The Department and Lead Counsel shall have 30 days from their receipt of any proposed percentage increase from the Company to request additional information and express any objection thereto.

3. The Department, Lead Counsel, and the Company shall attempt to resolve any objections raised by the Department or Lead Counsel through good-faith negotiations.

4. Any differences among the Department, Lead Counsel, and the Company that are not resolved by good-faith negotiation within 10 days of the Department's or Lead Counsel's objection shall be submitted to a third-party actuary chosen jointly by the Department, Lead Counsel, and the Company, who shall determine whether the Company's proposed increase is necessary to accurately estimate the percentage of non-Caucasian insureds under life insurance policies that are Subject to Race Adjustment, consistent with generally accepted statistical principles. The third-party actuary shall render his or her decision within 15 days of submission of the dispute. The third-party actuary's decision shall be final and binding on the Parties.

D. Notwithstanding any other provision of this Regulatory Settlement Agreement, if any settlement payment or benefit that would otherwise be provided in the aggregate for a Policy under this Agreement (other than any Enhanced Future Termination Benefit that may be payable based upon the expiry of a Policy's term insurance coverage) is less than \$10, then such payment or benefit shall be increased to \$10; *provided however*, that in the event a Policy is eligible for benefits under both Section VI.A and VI.B above, then both the payment under Section VI.A and the payment to the Recipient under Section VI.B shall equal at least \$10; *and provided however*, that the \$10 amount shall be reduced as necessary pursuant to Sections XI.A.2 and XI.C above; *and provided however*, that in making the calculations set forth in Section XI.A.1 above, the total cost of the payment or benefit that otherwise would have been made shall be calculated as the cost of providing a payment or benefit of \$10.

## **XII. NOTICE TO CLASS MEMBERS AND COMMUNICATIONS WITH CLASS MEMBERS AND POLICYOWNERS**

### **A. Class Notice Package**

1. Subject to the requirements of the Hearing Order and no later than 85 days before the Fairness Hearing, the Company shall send a Class Notice Package by first-class mail, postage prepaid, to the last known address available on the Company's electronic records of each Class Member who is a Holder of a Database Policy (as updated pursuant to Section XII.A.5 below), and in cases where the Company is aware of pending litigation by the Class Member against the Defendant relating to any matter proposed to be released by this Agreement, also to all legal counsel known to represent

the Class Member. The Company will pay for the costs associated with producing and mailing the Class Notice Package.

2. The form and content of the Class Notice Package shall be agreed to by the Parties and shall be substantially in the form attached hereto as Exhibit A. Each Class Notice Package shall contain a Class Notice and, in the case of Database Policies, a Statement of Benefits. In addition, the Class Notice Package shall contain a Claim Form and a pre-addressed and postage pre-paid envelope for return of the Claim Form to the Administrator.

3. *The Class Notice*

- a. The Class Notice shall, at a minimum,
- (i) describe who is in the Class;
  - (ii) contain a short, plain description of the background of the Action, the Class and the proposed settlement;
  - (iii) generally describe the proposed benefits outlined above in Sections IV through VIII above;
  - (iv) explain how to secure settlement benefits, including how to submit a Claim Form if one is required to become an Eligible Holder;
  - (v) explain that to be excluded from the Class, a written exclusion request must be submitted no later than 40 days before the date of the Fairness Hearing;
  - (vi) state that any one Policy Holder's request for exclusion will exclude all Holders of the Policy;
  - (vii) inform Class Members that, if they do not exclude themselves from the Class with respect to a particular Policy, they will be eligible to receive one

or more forms of relief under the proposed settlement;

- (viii) state that any Class Member who has not submitted a written request for exclusion may, if he or she desires, object to the proposed settlement by filing and serving a written statement of objection no later than 40 days before the Fairness Hearing;
- (ix) state that any Class Member who has filed and served written objections to the proposed settlement may, if he or she so requests, enter an appearance at the Fairness Hearing either personally or through counsel by providing the Court and counsel for the Parties with a notice of intention to appear;
- (x) explain the impact of accepting or rejecting the benefits available to them under the Settlement Agreement on any existing litigation, claim, arbitration or other proceeding;
- (xi) state that any judgment entered with respect to the Settlement Agreement shall include, and be binding on, all Class Members who have not been excluded from the Class, even if they have objected to the proposed Settlement Agreement and even if they have any other claim, lawsuit or proceeding pending against the Defendant;
- (xii) provide the terms of the Release;
- (xiii) explain the disposition of unknown claims; and
- (xiv) state that any relief to Class Members is contingent on the Court's final approval of the proposed settlement.

b. The Class Notice shall be reviewed and approved by the Department, in form and substance, prior to issuance.

4. *The Statement of Benefits*

a. The Statement of Benefits will be included only in the Class Notice Packages of Holders of Database Policies. A Statement of Benefits shall also be provided upon request to any Eligible Holder who submits a Claim Form identifying the number of a Policy for which information is available on the Company's electronic records, or whose policy has been confirmed to be a Policy.

b. The Statement of Benefits shall provide the Holder of the Policy with a simplified summary of certain information in the Class Notice and also shall inform him or her, to the extent feasible and reflected in the Company's electronic records, of

- (i) the Class Member's name;
- (ii) the policy number of the Policy making the Class Member eligible for relief;
- (iii) the status of the Policy as of the Eligibility Date;
- (iv) the form(s) and, to the extent practicable, percentages of relief for which the Class Member may be eligible; and
- (v) the need, if any, of the Class Member to submit a Claim Form to become an Eligible Holder.

5. *Address Updating for Holders of Database Policies*

a. Prior to the mailing of the Class Notice Package to Holders of Database Policies described in Section XII.A.1 above, the Company shall conduct research to confirm or update the addresses of Holders of Database Policies that are

currently available on the Company's electronic databases, as described in this Section XII.A.5.

b. Using its Trilium software, the Company shall reformat as necessary its address information for Holders of Database Policies that is currently available on the Company's electronic databases so that it is in a form conducive to searching for updated addresses through the National Change of Address Register.

c. Once the Company has taken steps to reformat its current address information, the Company shall utilize the National Change of Address Register to confirm or update its current electronic addresses for Holders of Database Policies.

d. Once it has taken the above steps, the Company shall provide its updated electronic address information for Holders of Database Policies to the Administrator, which shall use ChoicePoint to further update such address information to the extent practicable prior to the mailings contemplated by Section XII.A.1 above.

**B. Publication Notice and Other Media Notice**

1. As soon as is practicable after the Court's entry of the Hearing Order, but no later than 55 days before the Fairness Hearing, the Company will publish on at least one occasion the Publication Notice, in a form substantially similar to that attached as Exhibit B and in the newspapers agreed to by the Department and the Company. The Company shall pay all of the costs associated with the Publication Notice.

2. Lead Counsel and the Company shall retain a media consultant to provide advice concerning the methods for providing the best notice practicable to the

Class. Based on the media consultant's recommendations, the Company shall arrange to provide notice to the Class through such media, and in such form and frequency, as to which the Department and the Company shall agree. Such media may include, without limitation, print media, television, radio, community outreach, and use of the Internet. All such media notification shall be completed as soon as is practicable following the Court's entry of the Hearing Order, but no later than 55 days prior to the Fairness Hearing. The Company shall pay all of the costs associated with the media notification described in this Section XII.B.2.

**C. Remailing and Additional Notice**

The Company, through the Administrator, shall at its cost re-mail any notice returned by the Postal Service with a forwarding address that is received by the Administrator at least 50 days before the Fairness Hearing. With respect to Class Notices that are returned without a forwarding address, the Administrator shall immediately provide a copy of any returned notice to an address research firm retained for the purpose of researching updated addresses of Class Members, or conduct such research itself; *provided however*, that the Company shall not be obligated to duplicate the efforts of an address research firm that undertook a search for the Class Member's address prior to the initial mailing. In addition, the Hearing Order shall provide that any retained address research firm(s) shall provide to the Administrator in connection with each returned notice, as soon as is possible, either an updated address or a statement that, following due research (including, but not limited to, using the National Change of Address Register and Social Security Numbers) it has been unable to obtain an updated address. The

Administrator shall re-mail the notice to any Class Member for whom it obtains or the address research firm provides an updated address, so long as the updated address is obtained by or provided to the Administrator at least 50 days before the Fairness Hearing.

**D. Post-Settlement Mailing**

Starting at the commencement of the Implementation Period, the Company shall send a mailing to each person or entity eligible under Sections III.B through III.E above to receive a cash payment under this Regulatory Settlement Agreement by virtue of the Enhanced Past Death/Maturity Benefit (Section V above) or the Enhanced Past Termination Benefit (Section VI.A above). The mailing shall include a check in the amount of the cash payment for which the Policy is eligible.

**E. Retention of Administrator**

1. The Company shall at its cost retain one or more Administrators (including subcontractors) to help implement the terms of the proposed Regulatory Settlement Agreement.

a. The Administrator(s) may assist with various administrative tasks, including, without limitation, (i) mailing or arranging for the mailing of the Class Notice to Class Members, (ii) arranging for publication of the Publication Notice, (iii) arranging for or assisting in dissemination of the Publication Notice; (iv) handling returned mail not delivered to Class Members, (v) attempting to obtain updated address information for any Class Notices returned without a forwarding address or an expired forwarding address, (vi) making any additional mailings required under the terms of this Regulatory Settlement Agreement, (vii) arranging for and staffing

a toll-free telephone number to assist the Parties in responding to inquiries from Class Members and others, (viii) assisting Class Members with the completion of Claim Forms under the terms and conditions set forth above in Section X.F above; (ix) answering written inquiries from Class Members, (x) receiving and maintaining on behalf of the Court any Class Member correspondence regarding requests for exclusion and objections to the settlement, (xi) establishing and administering a Web site with information on the settlement and the ability to submit Claim Form data; and (xii) otherwise assisting the Company with the administration of the Regulatory Settlement Agreement. The Company will pay the reasonable fees and expenses of the Administrator(s), as well as any other fees and expenses incurred in performing all of the tasks described in this Section XII.E.1.a.

b. The Department shall be entitled to observe and monitor the performance of the Administrator to assure compliance with this Regulatory Settlement Agreement.

c. The contract between the Company and the Administrator shall obligate the Administrator to abide by the following performance standards:

(i) The Administrator shall accurately and neutrally describe, and shall train and instruct its employees and agents to accurately and objectively describe, the provisions of this Regulatory Settlement Agreement in communications with Class Members;

(ii) The Administrator shall provide prompt, accurate and neutral responses to inquiries from the Department or its designee, or the Company and/or the Company's Counsel.

2. Lead Counsel and the Company, in consultation with the Department, will establish a settlement administration center for the purpose of facilitating and providing information to Class Members regarding the settlement and their rights under it. The settlement administration center shall include, among other things, a telephone bank with a toll-free telephone number for responding to inquiries from Class Members and others about the proposed settlement and any issues related thereto. The Administrator shall direct all callers with general product questions, product status requests, or complaints unrelated to the settlement of the Action to call the Company's toll-free customer service number.

a. The settlement administration center shall commence operations beginning no later than the day after the first Class Notice Package is mailed and ending on a date to be agreed to by the Parties.

b. The Administrator will be responsible for (i) staffing the telephone bank with telephone representatives, (ii) educating the telephone representatives about the general background of the Action, the product concepts relevant to the proposed settlement, the notice, terms and chronology of the proposed settlement, (iii) training the telephone representatives to explain to Class Members the benefits available to them under the Settlement Agreement and Regulatory Settlement Agreement, including that the telephone representatives shall be instructed to advise all eligible Class

Members who call the telephone bank of their need, if any, to complete and return a Claim Form to become Eligible Holders, (iv) training the telephone representatives to answer inquiries from Class Members and others, (v) providing scripts and model questions and answers for the telephone representatives to use in answering inquiries from Class Members and other policyowners, (vi) training the telephone representatives to refer Class Member inquiries to appropriate sources, including, but not limited to Lead Counsel or its designee if the Class Member so requests or where otherwise appropriate, (vii) training telephone representatives to refer callers with general product questions, product status requests, or complaints unrelated to the settlement of this Action to call the Company's toll-free customer service number, (viii) training telephone representatives to advise policyowners how to inquire if they own Policies within the Class, (ix) providing for a translation service for non-English speaking Class Members who call the toll-free number, (x) providing callers access to a terminal for the hearing-impaired, (xi) maintaining records reflecting communications with Class Members; (xii) providing on-site facilities for the Department, the Company's Counsel and Company representatives; and (xiii) taking any other steps, in consultation with the Department and the Company, to promote accurate and efficient communications with Class Members and others.

c. The Department and the Company and/or its counsel may monitor and participate in the education and training of telephone representatives.

(i) The Department and the Company and/or its counsel may participate in all training sessions, speak with telephone representatives and

supervisors, and provide additional comment and/or instruction to telephone representatives and/or supervisors as they deem necessary. The Department or the Company or its designee may request and obtain a pause or cessation in any training session or other communication with a telephone representative or supervisor to confer regarding the content of the communication or training. All training and other written communications between the Parties and telephone representatives and/or supervisors must be agreed upon by the Parties.

(ii) The Department may observe any communications between the Company or its designee and the telephone representatives and supervisors of telephone representatives regarding training issues.

(iii) The Company and the Department shall consult in advance and agree on the form and content of all telephone scripts to be used by the telephone representatives, and all training materials and presentations, whether written or oral, provided to telephone representatives. The Department shall be provided with complete drafts of all telephone scripts, written materials or written presentations as soon as possible but no later than 10 days prior to their use in training. Any proposed changes, modifications or additions to the telephone scripts or written training materials by either Party must be provided to the other Party with sufficient time to permit meaningful comment prior to use. The Parties shall negotiate in good faith concerning any such changes, modifications or additions to facilitate providing clear, understandable and accurate information to Class Members.

(iv) The Department or its designee may be present on-site at the telephone bank to monitor telephone representatives' handling of Class Members' telephone inquiries. The Company and its designees may also be present on-site at the telephone bank to monitor telephone representatives' handling of Class Members' telephone inquiries.

**F. Communication with Class Members, Policyowners and Producers**

1. The Company expressly reserves the right to communicate with and respond to inquiries from policyowners and Class Members orally and/or in writing, consistent with the provisions of the Regulatory Settlement Agreement. The Company shall make and maintain a note in its administrative systems reflecting any telephone call between representatives at the Company's toll-free customer service number and any potential Class Member relating to the settlement.

2. Any communications between the Company and Class Members concerning the terms of the settlement shall be consistent with scripted information that is provided to the Department for its comments prior to use. The Parties shall confer in good faith to resolve any differences concerning such scripts. In addition, upon request, the Department shall be provided with copies of all correspondence from the Company to Class Members concerning the terms of the settlement.

3. The Company's Producers may respond to inquiries from, and/or communicate with, present or former Company policyowners about the proposed settlement. However, the Company shall (a) instruct its Producers to encourage Class Members with inquiries regarding the proposed settlement to call the toll-free number

established to respond to such inquiries; (b) make available to its Producers copies of the Notice Card attached as Exhibit F hereto to give to such inquiring Class Members; and (c) provide its Producers with copies of an Agent Script and instruct them that any answers to Class Member questions regarding the settlement shall be consistent with such Agent Script. The Company may also respond to Producer questions regarding the proposed settlement.

4. Mass and/or generalized communications with Class Members regarding the proposed settlement, whether by the Company or its current Producers, and whether by mail, the establishment or encouragement of Internet websites or other Internet communications, telephone scripts, or any other means, shall be made only after approval by the Department.

### **XIII. ORDER OF DISMISSAL**

The Plaintiffs and the Company will seek and obtain from the Court a Final Judgment and Order Approving Settlement (for which, as a condition of settlement, the time for appeal has expired without any modifications in the Final Judgment or Order Approving Settlement) as further described below in Section XV. The Final Judgment and Order Approving Settlement shall, among other things, (i) approve the Settlement Agreement in the Action as fair, reasonable and adequate, and (ii) dismiss the Action with prejudice and on the merits.

### **XIV. ORDER OF NOTICE, FAIRNESS HEARING AND ADMINISTRATION**

A. The Company, Plaintiffs, and the Department have agreed to the form of the following documents: the Class Notice Package (Exhibit A), the Publication Notice

(Exhibit B), the Unclaimed Benefits Protocols (Exhibit C), the Hearing Order (Exhibit D), the Identifying Information (Exhibit E), the Notice Card (Exhibit F), the Stipulation of Confidentiality (Exhibit G), the SDB Certificate (Exhibit H), the Small Estate Declaration (Exhibit I), the Cash Payment Option Election Letter (Exhibit J), the Confirmatory Letter (Exhibit K), the Industrial Weekly Substandard Enhancement Factors (Exhibit L), the Cost Factors and Assumptions (Exhibit M) and the Covered Met Series Policies (Exhibit N). These documents are incorporated into, are an integral part of, and are material terms of this Regulatory Settlement Agreement.

B. Plaintiffs and the Company will submit the Settlement Agreement in the Action, including all attached exhibits, to the Court and seek and obtain preliminary approval thereof. If the Court preliminarily approves the Settlement Agreement, the Plaintiffs and the Company shall move the Court to set a Fairness Hearing, and shall seek and obtain a proposed Hearing Order.

#### **XV. FINAL APPROVAL, AND FINAL JUDGMENT AND ORDER APPROVING SETTLEMENT**

After the Fairness Hearing, and upon the Court's approval of the Settlement Agreement in the Action, the Plaintiffs and the Company shall seek and obtain from the Court a Final Judgment and Order Approving Settlement in the Action.

#### **XVI. NEW ENGLAND MUTUAL**

A. Each New England Mutual Affected Policy shall be provided with the Adjustment Amount, in the form, and on the terms and conditions, described in this Section XVI.

B. On the Automatic Adjustment Date, the Adjustment Amount shall automatically be applied to purchase paid-up additional insurance coverage on the policy, unless the owner of a New England Mutual Affected Policy has previously notified the Company of an election to receive the cash payment option described in Section XVI.C.2 below.

C. No later than 30 days preceding the Automatic Adjustment Date, the Company shall mail a letter to the owner of each New England Mutual Affected Policy, the form and content of which shall be approved by the Department prior to mailing.

1. The letter shall describe both the Adjustment Amount and the amount of additional paid-up insurance coverage purchasable for the policy using the Additional Amount.

2. The letter shall advise the owner of the New England Mutual Affected Policy that he or she may elect to receive the Adjustment Amount in the form of a cash payment, instead of in the form of additional paid-up insurance coverage.

3. The letter shall advise that unless the Company receives notification of the owner's election to receive the Adjustment Amount in the form of a cash payment on or before the Automatic Adjustment Date, the Adjustment Amount will automatically be applied to purchase paid-up additional insurance coverage.

4. If the owner of a New England Mutual Affected Policy timely elects to receive the Adjustment Amount in the form of a cash payment, the Company shall mail such cash payment no later than 10 days following the Automatic Adjustment Date.

D. If the person insured under any New England Mutual Affected Policy dies before the benefit described in this Section XVI is provided by the Company, then the Company shall provide the policy's contractual beneficiary with a cash payment equal to the amount of additional paid-up insurance coverage that would have been purchasable using the policy's Adjustment Amount.

E. If any New England Mutual Affected Policy is surrendered or otherwise lapses or terminates before the benefit described in this Section XVI is provided by the Company, then the Company shall increase the cash value of the policy at the time of surrender or termination by the Adjustment Amount.

F. No later than 20 days following the Automatic Adjustment Date, the Company, through one of its officers who is a member in good standing of the American Academy of Actuaries, shall deliver a written certification to the Department describing in detail the benefits provided by the Company for each New England Mutual Affected Policy under this Section XVI.

G. The costs to the Company of providing the benefits described in this Section XVI shall not be considered in calculating the minimum/maximum cost of benefits pursuant to Section XI hereof.

## **XVII. REGULATORY RESOLUTION**

A. Each person signing on behalf of a Participating Regulator gives his/her express assurance that under applicable state laws, regulations and judicial rulings, he/she has the authority to enter into this Regulatory Settlement Agreement on behalf of the Participating Regulator.

B. Each Participating Regulator shall execute and deliver this Regulatory Settlement Agreement to the Lead Regulatory Negotiator within sixty (60) days following the receipt of this Regulatory Settlement Agreement from the Lead Regulatory Negotiator. If a Participating Regulator finds that, under applicable state law, regulation or procedure, the preparation and execution of a consent order is necessary to carry out the terms of this Regulatory Settlement Agreement, such a consent order (the “Applicable Consent Order”) shall be prepared by such Participating Regulator within sixty (60) days following the receipt of this Regulatory Settlement Agreement from the Lead Regulatory Negotiator.

C. For purposes of this Regulatory Settlement Agreement, an “Applicable Consent Order” shall be satisfactory to the Company if it: (1) incorporates by reference and attaches via exhibit a copy of this Regulatory Settlement Agreement; (2) expressly adopts and agrees to the provisions of this Regulatory Settlement Agreement; and (3) includes only those other terms that may be legally required in the state of the applicable Participating Regulator. However, nothing in this Regulatory Settlement Agreement shall be construed to require any state to execute and deliver an Applicable Consent Order if such State elects instead to sign this Regulatory Settlement Agreement.

D. Upon execution of this Regulatory Settlement Agreement, the Department and the Participating Regulators release and forever discharge the Company from all liability for, and from all civil or administrative causes, actions, claims, damages, losses and demands of any nature whatsoever, that arise from acts or omissions related to the subject matter of the Report on Examination, the Stipulation of Settlement and this

Regulatory Settlement Agreement, and relate to the marketing, solicitation, application, underwriting, risk classification, issuance, change issuance, re-issuance, reinstatement, design, type, structure, terminology, pricing, premiums, charges, rates, premium mode, acceptance, purchase, sale, operation, retention, administration, debit or home service, collection, servicing, performance, dividends, cash values, benefits (including non-forfeiture benefits), or provision of demutualization shares, relating to any Policy.

E. Any material violation of this Regulatory Settlement Agreement may be deemed to constitute a violation of an Order issued by the Department or the Participating Regulators to the Company.

#### **XVIII. MODIFICATION OR TERMINATION OF THIS AGREEMENT**

A. The terms and provisions of this Regulatory Settlement Agreement may be amended, modified or expanded by agreement of the Department and the Company.

B. The Company, in consultation with the Department and Lead Counsel and without approval of the Court, may implement the terms of this Regulatory Settlement Agreement after entry of the Final Judgment and Order Approving Settlement but before the Final Settlement Date, in which case all provisions in this Regulatory Settlement Agreement that specify actions to be taken on or after the Final Settlement Date shall, to the extent necessary, be deemed to provide that those actions shall be taken on or after the date on which the Company elects to implement the Regulatory Settlement Agreement.

C. This Regulatory Settlement Agreement will terminate at the sole option and discretion of the Department or the Company if (i) the Court, or any appellate

court(s), rejects, modifies or denies approval of any portion of the Settlement Agreement in the Action or the proposed settlement that the terminating Party in its (or their) sole judgment and discretion reasonably determine(s) is material, including, without limitation, the terms of relief, the findings of the Court, the provisions relating to notice, the definition of the Class and/or the terms of the Release set forth in the Settlement Agreement, or (i) the Court, or any appellate court(s), does not enter or completely affirm, or alters or expands, any portion of the Final Judgment or Order Approving Settlement, or any of the Court's findings of fact or conclusions of law as proposed by the Company's Counsel and Lead Counsel, that the terminating Party in its (or their) sole judgment and discretion believe(s) is material. The terminating Party must exercise the option to withdraw from and terminate this Regulatory Settlement Agreement, as provided in this Section no later than 20 days after receiving notice of the event prompting the termination.

1. The Company may unilaterally withdraw from and terminate this Regulatory Settlement Agreement if the Company properly withdraws from and terminates the Settlement Agreement.

D. If an option to withdraw from and terminate this Regulatory Settlement Agreement arises under Section XVIII.C, (i) neither the Department nor the Company will be required for any reason or under any circumstance to exercise that option, and (ii) any exercise of that option shall be made in good faith.

E. If this Regulatory Settlement Agreement is terminated pursuant to Section XVIII.C then:

1. this Regulatory Settlement Agreement shall be null and void and shall have no force or effect, and no Party to this Regulatory Settlement Agreement nor the Participating Regulators shall be bound by any of its terms, except for the terms of this Section XVIII.E;

2. this Regulatory Settlement Agreement, all of its provisions, and all negotiations, statements and proceedings relating to it shall be without prejudice to the rights of the Department, the Participating Regulators or the Company, all of which shall be restored to their respective positions existing immediately before the execution of this Regulatory Settlement Agreement;

3. the Company and its current and former directors, officers, Producers, employees, agents, attorneys and representatives expressly and affirmatively reserve all defenses, arguments and motions as to all claims that have been or might later be asserted with respect to the subject matter of this Regulatory Settlement Agreement; and

4. neither this Regulatory Settlement Agreement, nor the fact of its having been made, shall be offered into evidence for any purpose.

#### **XIX. GENERAL MATTERS AND RESERVATIONS**

A. The obligation, although not the ability, of the Parties to conclude this proposed settlement is and will be contingent upon each of the following:

1. authorization by the Board of Directors of Metropolitan Life Insurance Company to enter into this Regulatory Settlement Agreement;

2. entry by the Court of the Final Judgment and Order Approving Settlement in the Action, from which order the time to appeal has expired or which has remained unmodified after any appeal(s); and

3. any other conditions stated in this Regulatory Settlement Agreement.

B. The Company and its counsel agree to keep the existence and contents of this Regulatory Settlement Agreement and the Stipulation of Settlement and all related negotiations confidential until the earlier of the date of the first public announcement by the Department or the signing of the order granting preliminary approval of the Settlement Agreement pursuant to Section XIV.B; *provided however*, that this Section shall not prevent earlier disclosure of such information to regulators, rating agencies, insurers or reinsurers, financial analysts, Producers, or any other person or entity (such as experts, courts, and/or Administrators) to whom the Parties agree disclosure must be made to effectuate the terms and conditions of this Regulatory Settlement Agreement or the Stipulation of Settlement.

C. The Company shall not issue any written statements, written press releases or other written media notices in connection with the proposed settlement which has not first been provided to the Department sufficiently in advance of public release to provide the Department with adequate time to review and comment on the proposed statement, press release or notice, and to prepare its own statement.

D. The Company shall ensure that any comments about or descriptions of the proposed settlement or its value or cost in the media or in any other public forum are balanced, fair, accurate, and consistent with the terms and intent of the settlement.

E. Lawrence A. Vranka represents that he is authorized to enter into this Regulatory Settlement Agreement on behalf of the Company.

F. This Regulatory Settlement Agreement sets forth the entire agreement among the Parties and the Participating Regulators with respect to its subject matter, and it may not be altered or modified except by written instrument executed by the Department and the Company. This Regulatory Settlement Agreement supercedes any prior agreement, understanding, or undertaking (written or oral) by or among the Parties and the Participating Regulators regarding the subject matter of this Regulatory Settlement Agreement.

G. This Regulatory Settlement Agreement and any ancillary agreements shall be governed by and interpreted according to the law of the State of New York, excluding its conflict-of-laws provisions.

H. All time periods set forth herein shall be computed in calendar days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Regulatory Settlement Agreement or by order of court, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday or a legal holiday, or, when the act to be done is the filing of a paper in court, a day on which weather or other conditions have made the office of the clerk of the court inaccessible, in

which event the period shall run until the end of the next day that is not one of the aforementioned days. As used in this Section, “legal holiday” includes New Year’s Day, Birthday of Martin Luther King, Jr., Presidents’ Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day and any other day appointed as a holiday by the President or the Congress of the United States, or by the State of New York, where the Court is located.

I. The Department and the Company reserve the right, subject to the Court’s approval, to make any reasonable extensions of time that might be necessary to carry out any of the provisions of this Regulatory Settlement Agreement.

J. All Parties agree that this Regulatory Settlement Agreement was drafted during extensive arm’s-length negotiations, and that no parol or other evidence may be offered to explain, construe, contradict or clarify its terms, the intent of the Parties or their counsel, or the circumstances under which the Regulatory Settlement Agreement was made or executed.

K. In no event shall the Regulatory Settlement Agreement, any of its provisions or any negotiations, statements or court proceedings relating to its provisions in any way be offered by the Parties or Participating Regulators as evidence in any action or any judicial, administrative, regulatory or other proceeding, except a proceeding to enforce this Regulatory Settlement Agreement. Without limiting the foregoing, neither this Regulatory Settlement Agreement nor any related negotiations, statements or court proceedings shall be offered by the Parties or Participating Regulators as evidence of or an admission or concession of any liability or wrongdoing whatsoever on the part of any

person or entity, including but not limited to the Company, or as a waiver by the Company of any applicable defense, including without limitation any applicable statute of limitations or statute of frauds.

L. The Company does not admit or concede any actual or potential fault, wrongdoing or liability in connection with any facts or claims that have been or could have been alleged against it, but considers it desirable for this matter to be resolved because this Agreement will provide substantial benefits to the Company's present and former policyowners, insureds and beneficiaries.

M. Neither this Regulatory Settlement Agreement nor any of the relief to be offered under the proposed settlement shall be interpreted to alter in any way the contractual terms of any Policy, or to constitute a novation of any Policy.

N. No opinion concerning the tax consequences of the proposed settlement to individual Class Members is being given or will be given by the Company, the Company's Counsel, the Department or the Participating Regulators nor is any representation or warranty in this regard made by virtue of this Regulatory Settlement Agreement. The Class Notice will direct Class Members to consult their own tax advisors regarding the tax consequences of the proposed settlement, including any payments, contributions or credits provided hereunder, and any tax reporting obligations they may have with respect thereto. Each Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Class Member.

O. The Parties, their successors and assigns, and their attorneys undertake to oversee and implement the terms of this Regulatory Settlement Agreement in good faith, and to use good faith in resolving any disputes that may arise in the implementation of the terms of this Regulatory Settlement Agreement.

P. This Settlement Agreement may be signed in counterparts, each of which shall constitute a duplicate original.

Agreed to this 29th day of August, 2002.

APPROVED AND AGREED TO BY AND ON BEHALF OF  
THE STATE OF NEW YORK INSURANCE DEPARTMENT

By: \_\_\_\_\_  
GREGORY SERIO  
SUPERINTENDENT OF INSURANCE

APPROVED AND AGREED TO BY AND ON BEHALF OF  
METROPOLITAN LIFE INSURANCE COMPANY

By: \_\_\_\_\_  
LAWRENCE A. VRANKA  
VICE PRESIDENT  
METROPOLITAN LIFE INSURANCE COMPANY

21312657

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 to 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 something in this notice, call the Settlement Administration Center at 1-800-582-8748 (a free call) and someone will help you.
- If you use TDD/TTY, call 1-866-863-9528 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 claim 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 that may be filed 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 green 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 green page in this package, you may still be included. You should continue reading and answer the three questions on the next page. After you answer the questions, if you believe you are part of the settlement, fill out the yellow page labeled "Claim Form" and return it no later than April 23, 2003.

### **Who is part of the settlement?**

If you answer "Yes" to each of the three questions on the next page, then you probably 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 6 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 someone else a life insurance policy sometime from 1901 through 1972, but **you later became the owner**.  
**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  
*(An “Industrial” policy will show an amount of insurance of less than \$1,000, and probably will have the word “Industrial” printed on the policy. Metropolitan’s agents went door-to-door to sell these policies and collect premiums. Premiums were payable weekly or monthly. These policies were only sold before 1965.)*  
**OR**
- 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 shows an amount of insurance 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 either page 1 or page 3 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 6 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 1-800-582-8748 for help. Or, complete and return the yellow “Claim Form” and we’ll 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 people who have policies that 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 if you are part of the settlement:

#### **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 page 7 of this Notice **by no later** than December 30, 2002. If you exclude yourself, you will not get any settlement benefits.

#### **DECISION 2: Do you need to fill out and send in a Claim Form?**

If this package includes a green 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, **post-marked no later than April 23, 2003**, to see if you can receive benefits.

Even if the green “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 6 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 **post-marked no later than April 23, 2003**. 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.lifesettle.com](http://www.lifesettle.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 so you can include the policy number on the Claim Form. See [www.lifesettle.com](http://www.lifesettle.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.

If you are not sure if you need to file a Claim Form, or if you need help filling one out, please call 1-800-582-8748 (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 8 of this Notice.

### **Part 4: The Settlement Benefits**

**What is the value of the settlement benefits?**

The settlement offers benefits presently valued at approximately \$150 million.

**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 green page called “Your Benefits Under the Settlement,” that page will give you information about what benefits you may get. Even if this package doesn't include a green page, we can give you more information about your benefits if you have your policy number.

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, surrender, or termination. If you are eligible for these increased 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.

In addition, 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 new 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 provide for payment of cash. (If the person who was insured is deceased, someone else can be chosen to be covered for the 5-year period.)

- For some terminated policies, the settlement will provide a cash payment.

***NOTE: Unless this package has a green “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 April 23, 2003.***

#### **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 April 23, 2003.***

Or, 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 1-800-582-8748 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, the one 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.

For most of the settlement benefits, if more than one relative with the same “priority” files a claim, settlement benefits generally will be split equally among all of them. For terminated policies receiving “free death benefit coverage,” however, the person entitled to act for the deceased's estate has first priority. But if that person doesn't file a claim, then the first relative who files a claim will get the free death benefit coverage and be able to exercise all rights under it.

**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 page 11 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, in present value dollars. If, once all claims have been processed, the total sum of the cost of all 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.

**Does the settlement have any other benefits?**

Metropolitan also has agreed as part of the Settlement to contribute up to \$5 million to the United Negro College Fund for scholarships. This contribution is in addition to the \$52 million minimum cost of settlement benefits, but will be reduced to the extent necessary to provide class members with the full \$90 million maximum cost of settlement benefits.

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

Under the settlement, Metropolitan will perform new searches for other policies where death or maturity benefits may be payable. Metropolitan will use its best efforts to find and pay anyone who 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 December 30, 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.
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: Settlement Administrator  
Thompson v. Metropolitan Life  
P.O. Box 61  
Minneapolis, MN 55440-8511

**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 December 30, 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 don't list specific policy numbers in your Request for Exclusion, any policies that are part of the settlement will be excluded.)*
- If you and someone else are both part of the settlement 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.
- You cannot exclude a deceased relative's policy from the settlement even if you can get the relative's settlement benefits, with one exception. 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 "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 individuals who have 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 seeking or using in other lawsuits any information about the allegations of company-wide practices made in this case.

## **Part 6: The Lawyers For The Class**

**Do I have an attorney in the case?**

The Court chose three law firms, Milberg Weiss Bershad Hynes & Lerach LLP; Bonnett, Fairbourn, Friedman & Balint, P.C.; and Herman Herman Katz & Cotlar, LLP, together to represent you as "Lead Counsel." 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?**

Counsel for Class Members will ask the Court for an award of attorneys' fees and expenses based on the total value of the settlement. Metropolitan will pay the attorneys' fees and expenses awarded by the Court. ***You don't have to pay any attorneys' fees or expenses, and they will not reduce the settlement benefits available to you and other Class Members in any way.***

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?**

If you are part of the settlement and do not choose to exclude yourself, you can object to the settlement and give reasons why you think the settlement should not 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 December 30, 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 December 30, 2002.

*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 February 7, 2003, at 10:00 a.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 yourself.

**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. However, you don't have to come to Court to present your objection. As long as you have properly filed your written objection, the Court will review 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 to Class Counsel and Counsel for Metropolitan (not just mailed, but in their hands) **by December 30, 2002**. The addresses appear on page 9 of this Notice.

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 December 23, 2002. Before you (or your attorney) may review documents, you 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 December 30, 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 1-800-582-8748 to ask any questions about the settlement. (If you use a TDD/TTY terminal for the hearing impaired, call 1-866-863-9528.) 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: August 29, 2002

CLERK OF THE COURT

## Release of Claims

- I. Plaintiffs and all Class Members hereby expressly agree that they shall release, acquit, and forever discharge the Releasees from, and shall not now or hereafter institute, receive any individual benefits from, maintain, maintain a right to or assert against the Releasees, either directly or indirectly, on their own behalf, or on behalf of the Class or any other person or entity, any and all causes of action, claims (known or unknown), demands or rights, including, without limitation, claims for damages, interest, or equitable or legal relief, or individual administrative relief, including reformation, rescission, restitution, declaratory or injunctive relief, imposition of constructive trust, or damages of any kind, including punitive damages or other damages in excess of actual damages, claims for mental anguish, claims of civil rights violations, and discrimination based on race and national origin, and claims for fraud, misrepresentation, unfair competition, and unfair or deceptive trade practices related to race or national origin, whether based on federal, state or local law, statute, ordinance, regulation, contract, common law, or any other source, including, without limitation, the provisions of federal and state civil rights laws, respecting discrimination on the basis of race or national origin including, without limitation, 42 U.S.C. § 1981; 42 U.S.C. § 1982; 41 U.S.C. § 1983; 42 U.S.C. § 1985; 42 U.S.C. § 1985(3); 42 U.S.C. § 1986; 42 U.S.C. § 1988; 42 U.S.C. § 2000a et seq.; and state constitutions, statutes, and municipal ordinances modeled after provisions of the Civil Rights Act of 1964, that have been, could have been, may be or could be alleged or asserted now or in the future by Plaintiffs or any Class Member against the Releasees or any of them in this Action or in any other court action or before any administrative body (including any brought by or on behalf of any state attorney general or Department of Insurance or other regulatory entity or state prosecutorial or other organization), tribunal, arbitration panel, or other adjudicatory body on the basis of, connected with, arising out of, or related to, in whole or in part, any or all of the acts, omissions, nondisclosures, facts, matters, transactions, occurrences, or oral or written statements or representations that have been alleged or asserted in the Action, including without limitation relating to:
- A. Any discrimination based on race or national origin by any of the Releasees prior to the Execution Date in connection with, or related directly or indirectly to, the marketing, solicitation, application, underwriting, risk classification, issuance, change-issuance, re-issuance, reinstatement, design, type, structure, terminology, pricing, premiums, charges, rates, premium mode, acceptance, sale, purchase, operation, retention, administration, debit or home service collection, servicing, performance, dividends, cash values, benefits (including non-forfeiture benefits), or provision of demutualization shares, on the basis of or with respect to, any Policy;
  - B. Any Company effort or failure to discontinue or correct, or to remedy the effects of, discrimination on the basis of race or national origin in connection with the matters described in Paragraph I.A of this Release above;
  - C. Any consideration of an applicant's or insured's socio-economic status, occupational status, moral character or hazard, social status, economic level, income, or place of residence in connection with the pricing, purchase, sale, underwriting, issuance or administration of any Policy;
  - D. Any use of a mercantile report or medical examination in connection with the pricing, purchase, sale, underwriting, or issuance of any Policy;
  - E. Any request for any information from an applicant or insured related to race or national origin in connection with the pricing, purchase, sale, underwriting, or issuance or administration of any Policy;

- F. Any limitation or restriction on the amount of insurance made available to Class Members, individually or in the aggregate, related to race or national origin, leading up to the purchase of, or in connection with, any Policy;
- G. Any Class Member was charged premiums for any Policy, based on race or national origin, that were excessive, unconscionable or unreasonable;
- H. The frequency with which premiums for a Policy were paid or collected, or the method or system by which premiums were paid or collected, including without limitation the Company's reflection of the costs of premium collection or administration in the premiums paid for, dividends provided to, or other benefits provided by any Policy;
- I. The suitability or appropriateness of the purchase or sale of a Policy or Policies to an applicant or insured based on race or national origin, instead of one or more other Policies or other life insurance policies;
- J. Any training, instructions, or encouragement by the Company to any of the Company's general agents, agents, account representatives, sales representatives, managers, district office clerks, managing directors, producers, and representatives relating directly or indirectly to race, concerning (i) the frequency with which Policy premiums were to be paid or collected, (ii) the type, size or number of life insurance policies to offer or sell to Class Members, or (iii) any disclosure or non-disclosure of the alleged discriminatory practices described in Paragraph I.A of this Release above;
- K. The sale or marketing of any Policy as "burial" protection;
- L. The Company's agent commission payment practices, methods or schedules with respect to any Policy, including without limitation the commission paid in connection with the sale of any Policy compared to the commissions payable in connection with the sale of any other life insurance policy;
- M. The application of the cash values of any Policy toward the provision of insurance coverage under a contractual non-forfeiture option, including any past or future expiration of any Industrial Policy's insurance coverage under the extended term non-forfeiture option;
- N. The Company's apportionment, provision or distribution of shares of MetLife, Inc. stock as part of its 2000 demutualization to any Class Member, or amount of shares allocated to any Class Member, including, without limitation, the shares received by any Class Member in relation to the shares received by any other person or entity, related to race or national origin; *provided however*, that nothing in this Paragraph I.N shall be construed to bar, limit or restrict any putative or certified class action pending as of the Execution Date and alleging that the Company's 2000 demutualization was unlawful or to otherwise limit the participation of any Class Member in any such action;
- O. The Company's methods or actuarial principles for the apportionment and payment of, determination of, or amount of dividends on any Policy, including, without limitation, the dividends of any Policy in relation to the dividends of any other life insurance policy or the form of payment of dividends, based on race or national origin;
- P. With respect to any Policy on which a death, maturity or endowment benefit has been paid by the Company, any failure to pay, delay in paying, or failure to inform any person of, such benefits under a Policy, including without limitation any failure to disclose that a Policy has lapsed, become paid-up or been placed on non-forfeiture status;

- Q. The Company's methods or practices for notifying persons or entities to whom Policy benefits have become payable, including without limitation any escheatment of a Policy's benefits to a governmental authority or alleged non-compliance with any state unclaimed property laws;
- R. Any refusal or failure to disclose actuarial information or assumptions, mortality experience or assumptions, underwriting practices or policies, or rate information concerning any Policy, relating to race or national origin;
- S. Disclosures in any local or state regulatory filing by the Company relating to any matter described in this Paragraph I;
- T. Any or all acts, omissions, nondisclosures, facts, matters, transactions, occurrences or oral or written statements or representations in connection with or directly or indirectly relating to the Settlement Agreement or the settlement of the Action; and/or
- U. Any and all claims for attorneys' fees, costs or disbursements incurred by Lead Counsel or any other counsel representing Plaintiffs or Class Members in this Action, or by Plaintiffs or the Class Members in this Action, or any of them, in connection with or related in any manner to the Action, the settlement of the Action, the administration of such settlement and/or the matters described in Paragraph I.A of this Release above, except to the extent otherwise specified in the Settlement Agreement.
- II. Nothing in this Release shall be deemed to alter, limit or affect (i) a Class Member's contractual rights to make a claim for benefits that will become payable in the future pursuant to the express terms of the policy form issued by the Company (except where such benefit has been or is paid, as described in Paragraph I.P of this Release) or (ii) a Class Member's right to assert any claim that independently arises from acts, facts or circumstances arising after the Execution Date; *provided however*, that this provision shall not entitle a Class Member to assert claims that relate directly or indirectly to any act, fact or circumstance arising prior to the Execution Date that is alleged in the Action or described in paragraphs I.A, I.B or I.C, above.
- III. Plaintiffs and all Class Members expressly agree that this Release will be, and may be raised as, a complete defense to and will preclude any action or proceeding encompassed by this Release.
- IV. Plaintiffs and Class Members expressly understand that principles of law such as Section 1542 of the Civil Code of the State of California provide that a general release does not extend to claims which a creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor. To the extent that, as a result of or notwithstanding the choice of law provisions in the Settlement Agreement, California or other law may be applicable, Plaintiffs and the Class Members hereby agree that the provisions of Section 1542 and all similar federal or state laws, rights, rules, or legal principles of any other jurisdiction which may be applicable herein, are hereby knowingly and voluntarily waived and relinquished by Plaintiffs and the Class Members, and Plaintiffs and the Class Members hereby agree and acknowledge that this is an essential term of both the Settlement Agreement and this Release.
- V. In connection with this Release, Plaintiffs and the Class Members acknowledge that they are aware that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that they now know or believe to be true, with respect to the matters released herein or with respect to their Policies for acts, facts, circumstances or transactions occurring or arising prior to the Execution Date. Nevertheless, it is the intention of Plaintiffs and the Class Members in executing this Release fully, finally and forever to settle and release all such matters, and all claims relating thereto, which exist, hereafter may exist, or might have existed.

- VI. Nothing in this Release shall preclude any action to enforce the terms of the Settlement Agreement, provided that such action shall be brought in the United States District Court for the Southern District of New York.
- VII. Nothing in this Release shall be deemed to release, extinguish or otherwise compromise in any way a Class Member's claims for (a) physical personal injury, theft, forgery or embezzlement; or (b) misappropriation of an individual Policy's premiums or benefits by an individual agent or employee of the Company acting without the Company's knowledge, authorization or consent. The Company expressly waives any argument that any such claim is precluded by *res judicata*, collateral estoppel, or any other doctrine proscribing the splitting of claims.
- VIII. Upon the Final Settlement Date, each of the Releasees shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally and forever released, relinquished and discharged each and all of the Plaintiffs, Lead Counsel and Class Counsel from all claims (including unknown claims) arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the Action or the claims included in this Release.
- IX. Plaintiffs, the Company and the Class Members hereby agree and acknowledge that the provisions of this Release together constitute an essential and material term of the Settlement Agreement.
- X. This Release is the result of a compromise of disputed claims and shall never at any time be used as evidence of any admission of liability by the Company.
- XI. As used in this Release, the following terms shall have the following meanings:
1. "Action" shall mean the lawsuit captioned *Thompson, et al. v. Metropolitan Life Insurance Company*, No. 00 Civ. 5071 (HB), and all cases consolidated with it, including, but not limited to, *Justin, et al. v. Metropolitan Life Insurance Company*, No. 00 Civ. 9068 (HB), *McCallop v. Metropolitan Life Insurance Company*, No. 01 Civ. 2090 (HB) and *Billups v. Metropolitan Life Insurance Company*, No. 01 Civ. 5579 (HB).
  2. "Class" or "Class Members" shall mean all Holders (including their estates) of Policies, but shall not include (unless and to the extent such persons or entities are Class Members by virtue of their status as Holder of another Policy) the following: (i) any entity that is not a natural person (such as a funeral home, creditor, institutional assignee or state government, or any branch, department or entity thereof) and that is an assignee of the benefits of, or is not an owner of, a Policy; (ii) any persons or entities who are Holders (or their estates) of a Policy (a) for which a timely request for exclusion from the proposed class has been received from any Holder, or from any estate of a Holder that has satisfied the requirements of Section II.C of the Settlement Agreement; (b) that was issued by the Company, but not accepted and paid for, or was returned to the Company as part of the exercise of a free look provision in the Policy; or (c) that is the subject of a release signed by any person or entity while represented by counsel settling a claim or dispute and releasing the Company from any further liability concerning such Policy; and (iii) any insurance company that owns or owned a Policy pursuant to an absolute assignment effected as part of an exchange under section 1035 of the Internal Revenue Code.
  3. "Class Counsel" shall mean Milberg Weiss Bershad Hynes & Lerach LLP; Bonnett, Fairbourn, Friedman & Balint, P.C.; James, Hoyer, Newcomer & Smiljanich, P.A.; Watson Jimmerson Givhan & Martin, P.C.; Whatley Drake, LLC; Arnzen, Parry & Wentz, P.S.C.; Herman Herman Katz & Cotlar, LLP; Carter & Cates; The Nygaard Law Firm; Barrett, Tomey, Broom, Hughes & Wesley;

4. "Company" shall mean Metropolitan Life Insurance Company.
5. "Execution Date" shall mean August 29, 2002.
6. "Final Judgment" shall mean the judgment entered by the United States District Court for the Southern District of New York pursuant to an order approving the settlement of the Action.
7. "Final Settlement Date" shall mean the date on which the Final Judgment and the court's order approving the settlement of the Action become final. For purposes of this definition, the Final Judgment and order approving the settlement of the Action shall become final: (i) if no appeal is taken therefrom, on the date on which the time to appeal has expired; (ii) if any appeal is taken therefrom, on the date on which all appeals therefrom, including petitions for rehearing or reargument, petitions for rehearing *en banc* and petitions for *certiorari* or any other form of review, have been finally disposed of in a manner resulting in an affirmance of the Final Judgment and the order approving the settlement of the Action; or (iii) on a date after entry of the Final Judgment and the order approving the settlement of the Action, which date counsel for the Plaintiffs and the Company agree to in writing.
8. "Holders" shall mean, with respect to any Policy, the following persons and entities: (i) all past and present owners of Ordinary Policies; (ii) all past and present insureds under Industrial Policies; (iii) all individual assignees of Industrial Policies that have been assigned by the Policy's named Insured; and (iv) all payees of the contractual death benefits of Policies, where such death benefits became payable prior to August 19, 2002 based upon the death of the insured under the Policy.
9. "Industrial Policies" shall mean the following life insurance policies issued by the Company from its Industrial Department: (a) Any policy issued in a substandard policy plan, where (i) the Company's records do not indicate the race of the insured as Caucasian, and (ii) the policy's terms required payment of weekly premiums; (b) Any policy issued in a substandard policy plan from January 1, 1927 through December 31, 1929, where (i) the Company's records do not indicate the race of the insured as Caucasian, and (ii) the policy's terms required payment of monthly premiums; and (c) Any other policy insuring the life of a non-Caucasian.
10. "Lead Counsel" shall mean the law firms of Milberg Weiss Bershad Hynes & Lerach LLP; Bonnett, Fairbourn, Friedman & Balint, P.C.; and Herman Herman Katz & Cotlar, LLP.
11. "Ordinary Policies" shall mean the following life insurance policies issued by the Company from its Ordinary Department: (a) Any policy issued in the Endowment at 80, 25-Year Endowment or 25-Pay Life policy plan from January 1, 1930 through December 31, 1935, for which the Company's records do not indicate the race of the insured as Caucasian; (b) Any policy insuring the life of a non-Caucasian issued by the Company from January 1, 1920 through December 31, 1929 in an intermediate policy plan; (c) Any other policy issued with an intermediate, special-class or other substandard risk classification, and insuring the life of a non-Caucasian; and (d) Any policy that (i) was issued by the Company from its Ordinary Department from 1960 through 1972; (ii) has a nine-digit policy number with a suffix of M, M1, M3, MS, M1S, or M3S, the first two digits of which are 60 to 72, inclusive; (iii) insured the life of a non-Caucasian; and (iv) had a Face Amount at the time the policy was issued of no less than \$4,500 and no greater than \$5,000.

12. "Plaintiffs" shall mean Karl M. Thompson, Lucile Ellis, Charlene McCallop, Marguerite Guillemette Justin, Adrienne Delpit Blazio, Myron Billups (as the administrator of the Estate of Nellie Gillespie) and any other Class Members added to any subsequent pleading as named plaintiffs, in their individual and representative capacities.
13. "Policy" or "Policies" shall mean any and all Industrial Policies and Ordinary Policies for which the policy contract sets forth an "issue date" during the period from January 1, 1901 through December 31, 1972, inclusive; *provided however*, that any Company life insurance policy for which the claims asserted in the Action have been previously litigated and resolved or dismissed with prejudice, and are barred by the doctrine of *res judicata*, shall not be a Policy; *and provided however*, that any Company life insurance policy for which any Holder, or estate of a Holder that has satisfied the requirements of Section II.C of the Settlement Agreement, has timely requested exclusion from the proposed class shall not be a Policy.
14. "Releasees" shall mean the Company and each of its past, present and future parents (including intermediate and ultimate parents), subsidiaries, affiliates, predecessors, successors, and assigns, and each of its respective past, present, and future officers, directors, employees, district office clerks, general agents, agents, managers, managing directors, producers, sales representatives, account representatives, brokers, solicitors, attorneys, insurers, successors and assigns, or any of them, including any person or entity acting on behalf or at the direction of any of them.
15. "Settlement Agreement" shall mean the Stipulation of Settlement between Plaintiffs and the Company, dated August 29, 2002, together with any and all exhibits and amendments thereto.

## Thompson v. Metropolitan Life Insurance Company

### POLICY CLAIM FORM INSTRUCTIONS

After reading the Notice, if you believe you may be eligible for settlement benefits, please complete this claim form and send it to the settlement administrator in the enclosed **postage-prepaid** envelope no later than **April 23, 2003**.

- 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.
- **Complete one form for each insured person.** If you wish to file a claim form for more than one insured person, you may photocopy this form or call 1-800-582-8748 to receive additional copies.
- **You must sign the Verification in order for your claim to be considered.**
- Please attach copies of any documents that might help us identify a policy covered under the settlement.
- If you have a **relative** who may be part of the settlement but who has **died**, you must complete this Claim Form as best you can to make a claim for your relative's settlement benefits.
- If the insured is deceased, please also send in a copy of the death certificate. If you do not currently have one in your possession, you are not required to obtain one at this time.

**Questions? Need help?**

*Call 1-800-582-8748 (a free call)*

# Thompson v. Metropolitan Life Insurance Company

## POLICY CLAIM FORM

SEND YOUR COMPLETED AND SIGNED CLAIM FORM *BEFORE APRIL 23, 2003*, IN THE SELF-ADDRESSED ENVELOPE PROVIDED. If you have questions or need help, please call 1-800-582-8748. **REMEMBER TO COMPLETE AND SIGN THE VERIFICATION BELOW.**

### SECTION 1

1. What is the policy number? \_\_\_\_\_  
(this is located on the policy itself, or on any letters, statements or receipts from Metropolitan)  
**IF YOU DO NOT HAVE A POLICY NUMBER, SECTION 2 ON THE BACK OF THIS FORM WILL NEED TO BE COMPLETED.**
2. Who is/was the named Insured on the policy? \_\_\_\_\_
3. Named Insured's (if alive) current address \_\_\_\_\_  
\_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
4. Named Insured's Social Security Number \_\_\_\_\_
5. What is the named Insured's date of birth? (approximate, if necessary) \_\_\_\_\_  
Month \_\_\_\_\_ Day \_\_\_\_\_ Year (Required) \_\_\_\_\_
6. If the named Insured is deceased, what was the approximate date of death? \_\_\_\_\_  
Month \_\_\_\_\_ Day \_\_\_\_\_ Year (Required) \_\_\_\_\_
7. Please check all boxes that describe your connection to this policy and fill in the requested information.  
 I am the named Insured on the policy                       I am not the named Insured but am the Owner of the policy  
 As Beneficiary I received the death benefit under the policy  
 The named Insured on the policy is/was my \_\_\_\_\_  
(e.g. mother, father, husband, wife)  
 The Owner of the policy who is other than the named Insured is/was my \_\_\_\_\_  
(e.g. mother, father, husband, wife)  
 The Beneficiary who received the death benefit paid on the policy is/was my \_\_\_\_\_  
(e.g. mother, father, husband, wife)  
 Other (please describe) \_\_\_\_\_

**If you have given us the policy number and provided the other information requested above, please complete and sign the Verification below. You do not need to complete Section 2 on the back of this form.**

**IF YOU HAVE *NOT* PROVIDED THE POLICY NUMBER, PLEASE ANSWER THE QUESTIONS IN SECTION 2 AS BEST AS YOU CAN AND THEN COMPLETE AND SIGN THE VERIFICATION.**

### VERIFICATION **Must be completed for all claims**

I (print your name) \_\_\_\_\_, **DECLARE UNDER PENALTY OF PERJURY THAT THE INFORMATION I HAVE PROVIDED IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND THAT THE INSURED UNDER THE POLICY IS OR WAS AN AFRICAN AMERICAN OR OTHER NON-CAUCASIAN.**

Your Signature (Required) \_\_\_\_\_

Your Current Address \_\_\_\_\_

\_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Your Phone Number ( \_\_\_\_\_ ) \_\_\_\_\_

Your Social Security Number \_\_\_\_\_

**BE SURE TO COMPLETE THIS PAGE IF YOU DID NOT PROVIDE YOUR POLICY NUMBER IN SECTION 1.**

**SECTION 2** For completion **only** when a policy number is not provided

Please answer all of the questions below as well as you can. If you have any documents that might help us identify the policy, please include *copies* when you send this claim form (this is helpful but not required). The more information you provide, the better chance we will be able to identify the policy. If we don't have enough information to identify the policy, settlement benefits may not be available.

8. What other names was the Insured known by? \_\_\_\_\_  
Maiden Names and/or Nicknames

9. What was the Insured's address when the policy was purchased?

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

10. What year was the policy purchased? (Approximate, if necessary) \_\_\_\_\_  
Year

11. What is the Insured's place of birth? \_\_\_\_\_  
City State

12. What is the name of the agent who wrote the application and/or collected premiums? \_\_\_\_\_

13. What were the full names of the parents of the Insured?

\_\_\_\_\_  
Mother's Name

\_\_\_\_\_  
Father's Name

14. If you know the numbers of any *other* policies issued on the Insured or other family members, please provide them to help us search for this policy.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**REMEMBER TO COMPLETE AND SIGN THE VERIFICATION ON THE FRONT OF THE FORM.**

**Questions? Need help?**  
*Call 1-800-582-8748 (a free call)*

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow “Claim Form” included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Death Benefit Payee: <Payee B. Payee>

Policy Number: <123456789>

Policy Status as of August 19, 2002:      Death Benefit Paid

## **Under this settlement, you may receive:**

A Cash Payment. This payment will increase the policy death benefits that were previously paid by [XX] percent of the Face Amount[, plus an additional amount].

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow "Claim Form" included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Policy Number: <123456789>

Policy Status as of August 19, 2002: In-Force

## **Under this settlement, you may receive:**

Enhanced Insurance Benefits. This benefit will increase the payments made under the policy by [XX] percent[, plus an additional amount,] when it pays a death, maturity or cash surrender benefit. After the settlement is final, you will have the chance to choose a cash payment instead.

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow "Claim Form" included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Policy Number: <123456789>

Policy Status (as of July 12, 2002): Matured

## **Under this settlement, you may receive:**

A Cash Payment. This payment will increase the policy maturity benefits that were previously paid by [XX] percent of the Face Amount[, plus an additional amount].

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow "Claim Form" included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Policy Number: <123456789>

Policy Status as of August 19, 2002: Terminated

**Under this settlement, you may receive:**

**[print below paragraphs only if apply:]**

Free Death Benefit Coverage. This benefit will provide 5 years of free, new death benefit coverage at [XX] percent of the policy's Face Amount.

A Cash Payment. This payment will increase the policy cash surrender benefits that were previously paid [by [XX] percent of the Cash Value].

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow "Claim Form" included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Death Benefit Payee: <Payee B. Payee>

Policy Number: <123456789>

Policy Status as of August 19, 2002:      Death Benefit Paid

**Under this settlement, you may receive:**

A Cash Payment. This payment will increase the policy death benefits that were previously paid by [XX] percent of the Face Amount.

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow “Claim Form” included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Policy Number: <123456789>

Policy Status as of August 19, 2002: In-Force

**Under this settlement, you may receive:**

**[print below paragraphs only if apply:]**

Enhanced Insurance Benefits. This benefit will increase the payments made under the policy by [XX] percent when it pays a death, maturity or cash surrender benefit. After the settlement is final, you will have the chance to choose a cash payment instead.

Enhanced Additional Insurance. This benefit will immediately increase the policy's amount of insurance by [XX] percent of the Face Amount. The additional insurance will have cash values that may be withdrawn from the policy. After the settlement is final, you will have the chance to elect a cash payment instead.

Prospective Commitment. Any dividends that may be provided in the future on the policy will be at the same level as those provided to policies issued on a “standard” basis.

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow "Claim Form" included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Policy Number: <123456789>

Policy Status as of August 19, 2002: Matured

## **Under this settlement, you may receive:**

A Cash Payment. This payment will increase the policy maturity benefits that were previously paid by [XX] percent of the Face Amount.

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

# YOUR BENEFITS UNDER THE SETTLEMENT

You *<must/do not need to>* fill out and return the yellow "Claim Form" included in this package to receive these benefits.

Insured Name: <Sample A. Sample>

Policy Number: <123456789>

Policy Status as of August 19, 2002: Terminated

**Under this settlement, you may receive:**

**[print below paragraphs only if apply:]**

Free Death Benefit Coverage. This benefit will provide 5 years of free, new death benefit coverage at [XX] percent of the policy's Face Amount.

A Cash Payment. This payment will increase the policy cash surrender benefits that were previously paid by [XX] percent of the Cash Value.

**If you have *other* policies that are part of the settlement, you may need to file a Claim Form to be eligible for settlement benefits based on those policies.**

**Also, you may get more packages like this one for other policies.  
Keep all of them for your records.**

**Questions?  
1-800-582-8748**

For additional information, please see the enclosed Notice. These benefits are subject to the terms and conditions of the Stipulation of Settlement referenced in the Notice and are subject to Court approval.

## LEGAL NOTICE

# African Americans and other non-Caucasians could get benefits in a settlement about Metropolitan life insurance policies sold before 1973.

A settlement has been proposed in a class action lawsuit about whether, before 1973, Metropolitan charged more to insure African Americans and other non-Caucasians than it charged to insure Caucasians. People included in the settlement could get cash or other valuable benefits, like increased insurance.

If you're in the settlement, you may send in a claim form to get benefits, or you can exclude yourself, or object. The United States District Court for the Southern District of New York authorized this notice. The Court will have a hearing to decide whether to approve the settlement, so that the benefits may be paid.

## WHO'S INCLUDED?

You could get benefits if you or a relative fits the description in the box to the right. Still not sure? Get a detailed notice at the website or by calling for free. If this settlement applies to one of your family members who died, you could get their settlement benefits. Many policies were sold door-to-door, perhaps in your old neighborhood. *Do you know someone who had a policy?* Let them know about the settlement.

## WHAT CAN YOU GET FROM THE SETTLEMENT?

Generally, people who still have their life insurance coverage will get increased insurance benefits. If the settlement is approved, these people can ask for cash instead, but in a lower amount than the increased insurance benefits. People whose policies already paid a death or maturity benefit will get cash. Most people whose policies terminated for other reasons will get five years of free death benefit coverage, and some of them will get cash. For some policies, the settlement provides other additional ben-

efits. A detailed notice has more information about the settlement benefits. You can get one by calling or going to the website.

## HOW DO YOU GET THE BENEFITS?

If you're in the settlement, send in a claim form to get benefits. The detailed notice package has everything you need. Just call or visit the website below to get one. **Claim forms are due by April 23, 2003.** You don't have to have your policy number, but it will help Metropolitan find the policy to see if it qualifies. If you're not sure your policy is included, you can file a claim anyway. Filing a claim doesn't mean you'll get benefits.

## YOUR OTHER OPTIONS

If you don't want settlement benefits, or to be legally bound by the settlement, you must exclude yourself by **December 30, 2002**, or you won't be able to sue, or continue to sue, Metropolitan about the legal claims in this case. If you exclude yourself, you can't get any benefits from this settlement. If you stay in the settlement, you may object to it by **December 30, 2002**. The detailed notice explains how to exclude yourself or object. The Court will hold a hearing in this case (*Thompson v. Metropolitan Life*, No. 00-CIV-5071 HB) on **February 7, 2003**, to consider whether to approve the settlement and the attorneys' request for fees and expenses. The fees and expenses won't reduce the settlement benefits. You may ask to appear at the hearing, but you don't have to. Find out more with a free call to 1-800-960-2381, by visiting

[www.lifesettle.com](http://www.lifesettle.com), or by writing to Settlement Administrator, *Thompson v. Metropolitan Life*, P.O. Box 61, Minneapolis, MN 55440-8511. **Please do not contact the Court.**

## Are you in the settlement?

For any Metropolitan life policy below, insuring an African American or other non-Caucasian:

- ① Were you ever insured under one? OR
- ② Did you ever own one? OR
- ③ Were you paid a death benefit from one?

### The Metropolitan life policies are:

- "Industrial" policies sold door-to-door from 1901 through 1964. (*Less than \$1,000 coverage; premiums collected door-to-door*)
- "Ordinary" policies sold from 1901 through 1972. (*If sold at higher than standard rates*)
- "Ordinary" policies sold from 1960 through 1972 with \$4,500 to \$5,000 of coverage. (*With an "M" in the policy number*)

Did you say yes to one of the questions? Or, do any questions apply to a family member who died? If so, you could get benefits.

Did your neighbor have a policy? Tell them about the settlement.

Settlement benefits include cash payments or other valuable benefits, if you qualify.

**Claim Forms are due by April 23, 2003.**

1-800-960-2381

QUESTIONS?

[www.lifesettle.com](http://www.lifesettle.com)

### Unclaimed Benefits Protocols

The following protocols shall apply to the Company's search for multiple Metropolitan life insurance policies covering deceased insureds under Policies pursuant to Section VIII of the Regulatory Settlement Agreement between Metropolitan Life Insurance Company and the State of New York Insurance Department, dated August 29, 2002. Capitalized terms shall have the meanings ascribed to them in the Regulatory Settlement Agreement.

1. Identify Database Policies and Policies for which a Claim Form has been submitted, where a death claim was paid on or after August 19, 1995.
2. Determine the following for the deceased insured under each such Policy.
  - a. Name
  - b. Date of Birth
  - c. Sex
  - d. Social security number (if available)
  - e. Address, including zip code
3. Compare the name of the deceased insured under the Policy to the Company's electronic policy databases with the following records being reported:
  - a. If the first and middle names are full names (*e.g.*, Robert Louis Stevenson):
    - (1) Identical first, middle and last names (Robert Louis Stevenson)
    - (2) Identical first and last names, no middle name (Robert Stevenson)
    - (3) Identical initials and identical last name (Robert L. Stevenson, R. Louis Stevenson, R.L. Stevenson)
  - b. If the first or middle names are initials (*e.g.*, David J. Smith)
    - (1) Identical first, middle and last names (David J. Smith)
    - (2) Identical first and last names (David Smith)
    - (3) Identical initials and identical last name (D.J. Smith)
3. Compare the dates of birth, social security numbers (if available) and sex indicators on the policies reported in item 2. If the date of birth on a policy is within two calendar years before or after the date of birth of the Policy's deceased insured, and the sex indicators and social security numbers (if any) are identical, consider the policy to be a match subject to further review.
4. Compare the addresses, including zip codes, for the policies identified in item 2. Due to the movement of the population, this step is to be used only to verify, not to negate, a matching of policies.
5. Search for nicknames, aliases and maiden names when available or provided on a death claim form or otherwise.

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

_____	)	
KARL M. THOMPSON, <i>et al.</i> ,	)	
	)	
On Behalf of Themselves and All Others	)	
Similarly Situated,	)	No. 00 Civ. 5071 (HB)
	)	
Plaintiffs,	)	<i>Also applies to:</i>
	)	
v.	)	No. 00 Civ. 9068 (HB)
	)	No. 01 Civ. 2090 (HB)
METROPOLITAN LIFE INSURANCE	)	No. 01 Civ. 5579 (HB)
COMPANY,	)	
	)	
Defendant.	)	
_____	)	

**FINDINGS AND ORDER  
PRELIMINARILY CERTIFYING A  
CLASS FOR SETTLEMENT PURPOSES,  
APPOINTING LEAD COUNSEL FOR THE CLASS,  
DIRECTING THE ISSUANCE OF NOTICE TO THE CLASS,  
AND SCHEDULING A FAIRNESS HEARING**

This Court has before it a proposed settlement of the above-captioned litigation (the “Action”). Plaintiffs in the Action assert racial discrimination claims relating to the pricing, underwriting, sale, issuance, characteristics, administration, and the providing of information (or failure to provide information) regarding certain life insurance policies issued by Metropolitan Life Insurance Company (“Metropolitan” or the “Company”) from 1901 through 1972 to insure African Americans and other non-Caucasians. Metropolitan denies plaintiffs’ allegations. The Court has subject matter jurisdiction pursuant to 28 U.S.C §§ 1331 and 1367.

Following almost two years of intense litigation, and months of negotiations, the parties and their attorneys have entered into a Stipulation of Settlement, dated August 29, 2002, in which the parties have agreed to settle the Action subject to the Court's approval and determination of the fairness, reasonableness and adequacy of the settlement. The parties have submitted the Stipulation of Settlement and its accompanying exhibits to the Court for its review. If approved, the settlement would result in dismissal of the Action with prejudice.

NOW, upon reviewing the Stipulation of Settlement, including the exhibits attached thereto (collectively, the "Settlement Agreement"), and all prior proceedings held herein, based on the foregoing, the Court's proceedings and the respective applications of the parties, it is hereby ORDERED, ADJUDGED AND DECREED as follows:

1. **Class Representative and Lead Counsel.** Karl M. Thompson, Lucile Ellis, Charlene McCallop, Marguerite Guillmette Justin, Adrienne Delpit Blazio, and Myron Billups (as administrator of the Estate of Nellie Gillespie) are designated as the representatives of the Class, as defined below, for the purpose of seeking approval of the settlement of the Action. The law firms of Milberg Weiss Bershad Hynes & Lerach LLP, Bonnett, Fairbourn, Friedman &

Balint, P.C., and Herman Herman Katz & Cotlar, LLP are designated as Lead Counsel for the Class, as defined below.

2. **Class Findings.** For purposes of the settlement of the Action (and only for such purposes, and without an adjudication of whether this case could be litigated to trial as a class action), the Court preliminarily finds that the requirements of the Federal Rules of Civil Procedure, the United States Constitution, the Rules of the Court and any other applicable law have been met in that:

(a) The Class defined below consists of millions of persons or entities who (with certain exceptions described below) are or were (i) owners of, (ii) insureds under, (iii) individual assignees of, or (iv) the payees of contractual death benefits that became payable before August 19, 2002 from, one or more of millions of Industrial or Ordinary life insurance life insurance policies issued to insure African Americans and other non-Caucasians by Metropolitan Life Insurance Company during the period from January 1, 1901 through December 31, 1972 (the “Class Period”). The Class is ascertainable from the Company’s records and other objective criteria, and the Class Members are so numerous that their joinder before the Court would be impracticable.

(b) The commonality requirement of Fed. R. Civ. P. 23(a) generally is satisfied when members of the proposed Class share at least one common factual or legal issue. Here, plaintiffs have alleged numerous questions of fact and law common to the Class, including whether defendants engaged in racially discriminatory policies and practices in the pricing, sale, underwriting and administration of Industrial and Ordinary life insurance policies. Considering the allegations of the Amended Consolidated Class Action Complaint filed in the Action on July 19, 2002 (the “Amended Complaint”), the Court preliminarily finds that these common questions

of fact and law predominate over questions of fact and law affecting only individual members of the Class.

(c) Based on plaintiffs' allegations that defendants engaged in uniform racially discriminatory practices with respect to its non-Caucasian policyholders, the Court preliminarily finds that the claims of the representative plaintiffs are typical of the claims of the Class, and that the representative plaintiffs and their attorneys will fairly and adequately protect the interests of the Class, in that (i) the interests of the named plaintiffs and the nature of their alleged claims are consistent with those of all other members of the Class; (ii) there appear to be no conflicts between or among the named plaintiffs and the Class Members; (iii) the named plaintiffs have been and appear to be capable of continuing to be active participants in both the prosecution and the settlement of the Action; and (iv) the named plaintiffs and the Class Members are represented by qualified, reputable counsel who are experienced in preparing and prosecuting large, complicated class actions, particularly those involving the types of claims alleged in the Amended Complaint.

(d) The Court preliminarily finds that a resolution of the Action in the manner proposed by the Settlement Agreement is superior to other available methods for a fair and efficient adjudication of the Action. The proposed resolution of this Action involves (i) increases to insurance benefit payments going forward; (ii) immediate increases to certain policies' insurance amounts and cash values; (iii) cash payments to Class Members whose life insurance policies have paid death, maturity and (in some cases) cash surrender benefits in the past; and (iv) free death benefit coverage to Class Members whose policies have terminated in the past.

In making these preliminary findings, the Court has considered, among other factors, (i) the interest of Class Members in individually controlling the prosecution or defense of separate actions; (ii) the impracticability or inefficiency of prosecuting or defending separate actions; (iii) the extent and nature of any litigation concerning these claims already commenced; and (iv) the desirability of concentrating the litigation of the claims in a particular forum. The Court notes that, because the Action is being settled, rather than litigated, the Court need not consider manageability issues that might be presented by the trial of a nationwide class action involving the issues in this case. *See Amchem Prods., Inc. v. Windsor*, 117 S. Ct. 2231, 2248 (1997).

3. **Preliminary Class Certification for Settlement Purposes.** Based on the foregoing findings, the Court hereby preliminarily certifies a Class for settlement purposes under Fed. R. Civ. P. 23(b)(3).

(a) The Class consists of the following persons or entities and, where applicable, their estates (the "Class Members"):

(1) Past and present insureds under, and individual assignees of, the following life insurance policies issued by the Company from its Industrial Department during the Class Period:

a. Any policy issued in a substandard policy plan, where (i) the Company's records do not indicate the race of the insured as Caucasian, and (ii) the policy's terms required payment of weekly premiums;

b. Any policy issued in a substandard policy plan from January 1, 1927 through December 31, 1929, where (i) the Company's records do not indicate

the race of the insured as Caucasian, and (ii) the policy's terms required payment of monthly premiums; *and*

c. Any other policy insuring the life of a non-Caucasian.

(2) Past and present owners of the following life insurance policies issued by the Company from its Ordinary Department during the Class Period:

a. Any policy issued in the Endowment at 80, 25-Year Endowment or 25-Pay Life policy plan from January 1, 1930 through December 31, 1935, for which the Company's records do not indicate the race of the insured as Caucasian;

b. Any policy insuring the life of a non-Caucasian issued by the Company from January 1, 1920 through December 31, 1929 in an intermediate policy plan;

c. Any other policy issued with an intermediate, special-class or other substandard risk classification, and insuring the life of a non-Caucasian; and

d. Any Covered Met Series Policy described in Exhibit N to the Stipulation of Settlement; *and*

(3) All payees of contractual death benefits of the above life insurance policies (the "Policies"), where such death benefits became payable before August 19, 2002, based upon the death of the insured under the Policy.

(b) The Class does not include the following persons or entities (unless they are Class Members by virtue of their ownership interest in other Policies):

(1) any entity that is not a natural person (such as a funeral home, creditor, institutional assignee, or state government, or any branch, department or entity thereof) and that is an assignee of the benefits of, or is not an owner of, a Policy;

(2) any persons or entities who are or were owners of, insureds under, individual assignees of, or the payees of death benefits that became payable prior to August 19, 2002 from, a Policy (a) for which a timely and effective request for exclusion from the proposed class has been received; (b) that was issued by the Company, but not accepted and paid for, or was returned to the Company as part of the exercise of a free look provision in the Policy; (c) that is the subject of a release signed by any person or entity while represented by counsel settling a claim or dispute and releasing the Company from any further liability concerning such Policy; or (d) for which the claims asserted in the Action have been previously litigated and resolved or dismissed with prejudice and are barred by the doctrine of *res judicata*; and

(3) any insurance company that owns or owned a Policy pursuant to an absolute assignment effected as part of an exchange under section 1035 of the Internal Revenue Code.

(c) The Court finds that the Class is sufficiently well-defined and cohesive.

4. **Findings Regarding Proposed Settlement.** The Court finds that (a) the proposed settlement resulted from extensive arm's-length negotiations and was concluded only after counsel for plaintiffs had conducted broad discovery, including reviewing approximately 450,000 pages of documents and deposing the Company and over 20 of its officials and employees; and (b) the proposed settlement evidenced by the Settlement Agreement is sufficiently fair, reasonable and adequate to warrant sending notice of the Action and the proposed settlement to the Class Members and holding a full hearing on the proposed settlement.

5. **Fairness Hearing.** A hearing (the "Fairness Hearing") will be held on February 7, 2003, at 10 a.m., in the United States District Court for the Southern District of New York, 500 Pearl Street, Courtroom 23B, New York, New York, to determine:

- (a) whether the Action should be finally certified as a class action for settlement purposes;
- (b) whether the proposed settlement of the Action should be approved as fair, reasonable and adequate;
- (c) whether the Action should be dismissed with prejudice pursuant to the terms of the settlement;
- (d) whether Class Members should be bound by the Release set forth in the proposed settlement;
- (e) whether Class Members should be permanently enjoined from (among other things) filing, commencing, prosecuting, maintaining, intervening in, participating in (as class members or otherwise), or receiving any benefits or other relief from, any other lawsuit, arbitration, or administrative, regulatory or other proceeding or order in any jurisdiction based on or relating to the claims and causes of action, or the facts and circumstances related thereto, in this Action and/or the Release; and
- (f) whether plaintiffs' counsel's application for an award of attorneys' fees and expenses should be approved.

6. **Pre-Hearing Notices to Class Members**

(a) **Notice by Mail.** The Notice and the accompanying materials substantially in the form filed with this Court as Exhibit A of the Settlement Agreement (the "Class Notice") shall be mailed by defendant or its designee(s), by first-class mail, postage prepaid, no later than 85 days before the Fairness Hearing, to the last-known address available from the Company's electronic records of each Class Member who is a Holder of a Database Policy (as those terms are defined in the Stipulation of Settlement) and, in cases of pending litigation against the

Company relating to the matters in the Release included in the Settlement Agreement, also to any legal counsel known to represent the Class Member. Defendant will pay for the costs associated with producing and mailing the Class Notice.

(b) **Notice by Publication and Other Media.** In addition to mailing the Class Notice, defendant or its designee(s) shall publish, at defendant's expense, a summary notice substantially in the form filed with this Court as Exhibit B of the Settlement Agreement (the "Publication Notice"). As soon as is practicable but no later than 55 days before the Fairness Hearing, the Publication Notice shall be published at the Company's expense in the newspapers to which Lead Counsel and the Company shall agree. In addition, as soon as is practicable but no later than 55 days before the Fairness Hearing, the Company shall arrange to provide notice to the Class through such media (including, without limitation, print media, television, radio, consumer outreach and use of the Internet), and in such form and frequency, as to which the Parties shall agree.

(c) **Remailing and Additional Notice.** Except as provided in paragraph 6(d) below, because the Class Notice will be mailed to hundreds of thousands of Class Members, and because the defendant also will provide broad publication and other media notice (as specified in paragraph 6(b) of this Order), the parties shall not be required to re-mail any returned Class Notices unless (i) such Notices are returned by the Postal Service with a forwarding address and are received by defendant, or by any third-party agent or administrator whom defendant may retain to help implement the terms of the proposed settlement (an "Administrator"), at least 50 days before the Fairness Hearing or (ii) defendant or an Administrator obtains an updated address for the intended recipient of the Class Notice at least 50 days before the Fairness Hearing pursuant to paragraph 6(d) of this Order.

(d) **Address Research.** Defendant or an Administrator shall research, or retain an address research firm to research, any returned Class Notices that do not include a forwarding address. Defendant or an Administrator also shall provide copies of any such returned Notices to the address research firm (if any) as soon as practicable following receipt. The address research firm (if any) shall return to defendant or an Administrator, as soon as practicable after receipt of a returned Class Notice, either an updated address or a statement that, following due research, the firm has not been able to update the address originally used in mailing the Class Notice. Defendant or the Administrator, at defendant's expense, shall re-mail the Class Notice to any Class Member for whom the Administrator or the address research firm provides an updated address if such address is obtained or received by the Administrator at least 50 days before the Fairness Hearing.

(e) **Proof of Mailing and Report of Publication and Other Media Notice.** At or before the Fairness Hearing, defendant or an Administrator shall file with the Court a proof of mailing of the Class Notice consistent with the terms of this Order. In addition, at or before the Fairness Hearing, defendant or an Administrator shall provide the Court with a report detailing the publication and other media notice undertaken pursuant to paragraph 6(b) above.

7. **Findings Concerning Notice.** Having considered, among other factors, (a) the cost of giving notice by various methods, (b) the resources of the parties, (c) the stake of each Class Member, (d) the lack of other realistic alternatives, especially given the size of the settlement Class and the length of the Class Period, and (e) the likelihood that significant numbers of Class Members might desire to exclude themselves from the Class or appear individually, the Court finds that notice given in the form and manner provided in paragraph 6 of this Order is the best practicable notice and is reasonably calculated, under the circumstances, to

apprise the Class Members (*i*) of the pendency of this Action, (*ii*) of their right to exclude themselves from the Class and the proposed settlement, (*iii*) that any judgment, whether favorable or not, will bind all Class Members who do not request exclusion, and (*iv*) that any Class Member who does not request exclusion may object to the settlement and, if he or she desires, enter an appearance personally or through counsel. The Court further finds that the Class Notice and Publication Notice provided in the Settlement Agreement are written in plain English and are readily understandable by Class Members. In sum, the Court finds that the proposed notice texts and methodology are reasonable, that they constitute due, adequate and sufficient notice to all persons entitled to be provided with notice, and that they meet the requirements of the Federal Rules of Civil Procedure (including Fed. R. Civ. P. 23(c)(2) and (e)), the United States Constitution (including the Due Process Clause), the Rules of the Court, and any other applicable law. The parties are hereby authorized to distribute the Class Notice, the Publication Notice, and the toll-free telephone numbers referenced in paragraph 9(c) below.

8. **Communications with Class Members.** The Company, including its current account representatives, managers and managing directors, and any other representatives or retained personnel, are authorized to communicate with potential Class Members, Class Members and other present or former policyowners about the Action and the terms of the proposed settlement, subject to the provisions in Section XI.F of the Stipulation of Settlement, and to engage in any other communications within the normal course of the Company's business.

9. **Retention of Administrators.** The Court authorizes defendant, at its own expense and upon consultation with and approval of Lead Counsel, to retain one or more Administrators to help implement the terms of the proposed settlement, and authorizes such Administrators to assist defendant in (*a*) mailing the Class Notice, (*b*) publishing the Publication

Notice, (c) establishing and operating one or more toll-free telephone numbers for responding to inquiries regarding the proposed settlement, and (d) carrying out such other responsibilities as provided in the Settlement Agreement or as may be agreed to by the parties to the Action.

10. **Exclusion from Class.** Any Class Member who wishes to be excluded from the Class must send a written request for exclusion to the Clerk of the Court at the address provided in the Class Notice and Publication Notice. Any such exclusion request must be sent by first-class mail, postage prepaid, and must be received no later than December 30, 2002 (*i.e.*, 40 days before the date of the Fairness Hearing scheduled in paragraph 5, above). In addition to identifying the person requesting exclusion, exclusion requests must specify the names of the insureds under (and, to the extent practicable, the numbers of) the Policy or Policies the Class Member wishes to exclude from the Class. If the proposed settlement is approved, any Class Member who has not submitted a timely, written request for exclusion from the Class for a particular Policy shall be bound as to that Policy by all subsequent proceedings, orders and judgments in this Action, even if the Class Member previously initiated or subsequently initiates against the Company any litigation or other proceeding encompassed by the Release.

**11. Objections and Appearances**

(a) **Written Objections.** Any Class Member who does not file a timely, written request for exclusion as to all of his or her Policies and who complies with the requirements of this paragraph may object to any aspect of the proposed settlement, including final certification of the settlement class, the fairness, reasonableness or adequacy of the proposed settlement, the adequacy of the Class' representation by the named plaintiffs or plaintiffs' counsel, and/or the award of attorneys' fees. A Class Member may assert such objections either on his or her own or through an attorney hired at his or her expense. Any Class

Member who wishes to object to the proposed settlement must file with the Court and deliver to Lead Counsel and defendant's counsel a written statement of objection. The statement must include (i) a reference to the case number, (ii) a statement of each objection and (iii) the specific reason(s), if any, for each objection, including any legal support, evidence, papers or briefs the Class Member wishes the Court to consider. The Class Member must provide the statement to each of the following:

Clerk of the Court  
United States District Court for the  
Southern District of New York  
500 Pearl Street  
New York, New York 10007  
Re: *Thompson, et al. v. Metropolitan Life Ins. Co.*,  
No. 00 Civ. 5071 (HB)

John J. Stoia, Jr., Esq.  
JoBeth Halper, Esq.  
Milberg Weiss Bershad Hynes & Lerach, LLP  
401 B Street, Suite 1700  
San Diego, California 92101  
Counsel for Plaintiffs and the Class

Bruce E. Yannett, Esq.  
Debevoise & Plimpton  
919 Third Avenue  
New York, NY 10022  
Counsel for Defendant

The Court and counsel must receive any such written objections no later than December 30, 2002 (*i.e.*, 40 days before the date of the Fairness Hearing scheduled in paragraph 5, above). Any Class Member who does not timely file and serve a written objection complying with the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising, any objection to the settlement, and any untimely objection shall be barred.

(b) **Notice of Appearance.** If a Class Member hires an attorney to represent him or her, the attorney must file a notice of appearance with the Clerk of Court, and deliver a

copy of that notice to Lead Counsel and defendant's counsel, at the addresses set forth in paragraph 11(a) of this Order. The Court and counsel must receive any such notices of appearance no later than December 30, 2002 (*i.e.*, 40 days before the date of the Fairness Hearing scheduled in paragraph 5, above).

(c) **Appearance at Settlement Hearing.** Any Class Member who files and serves a timely, written objection pursuant to the terms of paragraph 11(a) of this Order and complies with the requirements of this paragraph may also appear at the Fairness Hearing either in person or through counsel retained at the Class Member's expense. Class Members or their attorneys intending to appear at the Fairness Hearing must deliver to Lead Counsel and counsel for defendant and file with the Court, at the addresses specified in paragraph 11(a) of this Order, a notice of intention to appear, setting forth the case number and the name, address and telephone number of the Class Member (and, if applicable, the name of the Class Member's attorney). Notices of intention to appear must be received no later than December 30, 2002 (*i.e.*, 40 days before the date of the Fairness Hearing scheduled in paragraph 5, above). Any Class Member who does not timely file and serve a notice of intention to appear pursuant to the terms of this paragraph shall not be permitted to appear at the Fairness Hearing, except for good cause shown.

12. **Post-Office Boxes.** Defendant or its designated agent is directed to rent one or more post-office boxes in the name of the Clerk of the Court, to be used for receiving requests for exclusion, objections, claim forms, and any other Class Member communications. In addition to the Court and the Clerk of the Court, only defendant's counsel, Lead Counsel and their designated agents shall have access to the post-office boxes.

13. **Access to Discovery Materials.** Lead Counsel shall make available to any Class Member, by appointment, during regular business hours, at the Class Member's expense, the

documents that defendant produced to Lead Counsel through discovery in this Action, and deposition transcripts and attached exhibits generated in this Action. Those documents shall be made available for review only at the offices of Lead Counsel at 401 B Street, Suite 1700, San Diego, California. Any Class Member wishing to obtain access to those materials must first agree in writing to be bound by the Stipulation of Confidentiality attached as Exhibit G to the Settlement Agreement and incorporated into this Order by reference, as well as by the Protective Orders entered in the Action. Any breach of such Stipulation shall constitute a violation of this Order and may, upon application to this Court by any aggrieved party, result in an order of contempt of Court or other sanctions. If a Class Member hires an attorney to represent him or her in connection with reviewing such documents, the attorney must file a notice of appearance with the Clerk of Court, and deliver a copy of that notice to Lead Counsel and defendant's counsel, no later than December 30, 2002 (*i.e.*, 40 days before the date of the Fairness Hearing scheduled in paragraph 5, above), at the addresses set forth in paragraph 11(a) of this Order.

14. **Preliminary Injunction.** All Class Members who have not been timely excluded from the Class as to a Policy are hereby preliminarily enjoined from filing, commencing, prosecuting, maintaining, intervening in, participating in (whether individually, as class members or otherwise), or receiving any benefits or other relief from any other lawsuit or arbitration, or receiving any individual benefits from any administrative, regulatory or other proceeding or order, in any jurisdiction based on or relating to the claims and causes of action, or the facts and circumstances relating thereto, in this Action and/or the Release as to that Policy. In addition, all persons are hereby preliminarily enjoined from:

- a. filing, commencing, prosecuting or maintaining any other lawsuit as a class action (including by seeking to amend a pending complaint to include class allegations, or by

seeking class certification in a pending action in any jurisdiction) or any other form of action on behalf of Class Members who have not been timely excluded from the Class, if such other lawsuit is based on or relates to the claims and causes of action, or the facts and circumstances relating thereto, in this Action and/or the Release; and

b. asserting or maintaining any claims, pursuing any discovery from defendant or any third party, presenting evidence, or claiming any damages, whether compensatory or punitive, based on or encompassing, in whole or in part, the alleged Company practices and patterns that are the subject of the Action and/or the Release; *provided however*, that potential Class Members who have timely excluded themselves from the Class shall not be enjoined from (i) proceeding with individual actions on their own behalf, insofar as those actions can be proved by evidence relevant exclusively to policies that were the subject of timely requests for exclusion; or (ii) seeking discovery in connection with their individual actions, insofar as such discovery relates directly to policies that were the subject of timely requests for exclusion and does not seek broader evidence of the alleged Company practices or patterns that are the subject of the Action and/or the Release.

The Court finds that issuance of this preliminary injunction is necessary and appropriate in aid of the Court's jurisdiction over the Action.

15. **Service of Papers.** Defendant's counsel and Lead Counsel shall serve on each other and on all other parties who have filed notices of appearance, at or before the Fairness Hearing, any further documents in support of the proposed settlement, including responses to any papers filed by Class Members. Defendant's counsel, Lead Counsel and any other Plaintiffs' counsel shall promptly furnish to each other any and all objections or written requests for

exclusion that may come into their possession and shall file such objections and a list reflecting such requests for exclusion with the Court on or before the date of the Fairness Hearing.

16. **Termination of Settlement.** This Order shall become null and void, and shall be without prejudice to the rights of the parties, all of whom shall be restored to their respective positions existing immediately before this Court entered this Order, if (a) the proposed settlement is not finally approved by the Court, or does not become final, pursuant to the terms of the Settlement Agreement; or (b) the proposed settlement is terminated in accordance with the Settlement Agreement or does not become effective as required by the terms of the Settlement Agreement for any other reason. In such event, the proposed settlement and Settlement Agreement shall become null and void and be of no further force and effect, and neither the Settlement Agreement nor the Court's orders, including this Order, shall be used or referred to for any purpose whatsoever.

17. **Use of Order.** This Order shall be of no force or effect if the settlement does not become final and shall not be construed or used as an admission, concession or declaration by or against the Company of any fault, wrongdoing, breach or liability. Nor shall the Order be construed or used as an admission, concession or declaration by or against plaintiffs or the Class Members that their claims lack merit or that the relief requested in the Amended Complaint is inappropriate, improper or unavailable, or as a waiver by any party of any defenses or claims he, she or it may have.

18. **Continuance of Hearing.** The Court reserves the right to continue the Fairness Hearing without further written notice.

SO ORDERED this 29th day of August, 2002.

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United States District Judge

**Identifying Information**

**Claim Form Information.** Claimants who do not have policy numbers shall submit all or as much of the following information as possible:

- Name of insured at time policy was issued
- Year policy was issued (or best approximation thereof)
- Where the insured was living when the policy was issued, including:
  - Street number (to the extent reasonably available)
  - Street name
  - City
  - State
- Date of birth of the insured (or best approximation thereof)
- Place of birth of the insured
- Names of insured's parents
- The numbers of any other Metropolitan life insurance policies covering the insured or a member of the insured's immediate family
- The name of the agent who sold the policy

**Additional Information.** If the Company's search for the policy using the above information is unsuccessful, the claimant shall supply the following information, to the extent the Company requests it and it is available to the claimant with reasonable effort:

- Names of any agents who collected premiums, and the approximate years in which they did so
- Location of any Metropolitan Life sales office where premiums were paid, and the approximate years in which premiums were paid there
- Approximate age of the insured when the policy was issued
- Any addresses where the insured was living at any time when premiums were being paid, and the approximate years during which the insured lived there
- The amount of insurance

- The approximate amount of periodic premium payable, and how frequently it was payable
- Copies of any documents that might help the Company locate the policy

LEGAL NOTICE

## African Americans and other non-Caucasians could get benefits in a legal settlement involving Metropolitan life insurance sold before 1973.

- A settlement has been proposed in a class action lawsuit about whether, before 1973, Metropolitan charged more to insure African Americans and other non-Caucasians, than it charged to insure Caucasians.
- People included in the settlement could get cash or other valuable benefits, like increased insurance.
- Are you in the settlement? Based on the Metropolitan life policies described below *that insured African Americans or other non-Caucasians*, ask yourself:
  - Were you ever *insured under* one of these policies? **OR**
  - Did you ever *own* one of these policies? **OR**
  - Were you ever *paid a death benefit* from one of these policies?

The Metropolitan life policies involved are:

- **“Industrial” policies sold from 1901 through 1964.** *These had less than \$1,000 coverage, and premiums were usually collected at home.*
- **“Ordinary” policies sold from 1901 through 1972, if sold at rates other than the best available.**
- **“Ordinary” policies sold from 1960 through 1972, with \$4,500 through \$5,000 of coverage.** *They have a letter M in the policy number.*
- If you answered “Yes” to any one of these questions, you could get benefits.
- Ask yourself the same questions for your relatives who have died. If you answer “Yes” to any of the questions, you may be able to get their settlement benefits.
- If you think you or a deceased relative is part of the settlement, or you aren’t sure, call for a detailed notice package. The package describes the settlement, who’s included, rights you may have, and decisions you may need to make soon.
- To get a notice package, call 1-800-960-2381 (a free call). If you use TDD/TTY, call 1-866-863-9528 (also free). Or visit [www.lifasettle.com](http://www.lifasettle.com).

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

<hr/>		)	
<b>KARL M. THOMPSON, <i>et al.</i>,</b>	)	)	
	)	)	
<b>On Behalf of Themselves and All Others</b>	)	)	
<b>Similarly Situated,</b>	)	)	<b>No. 00 Civ. 5071 (HB)</b>
	)	)	
<b>Plaintiffs,</b>	)	)	
	)	)	
<b>v.</b>	)	)	<i>Also applies to:</i>
	)	)	
<b>METROPOLITAN LIFE INSURANCE</b>	)	)	<b>No. 00 Civ. 9068 (HB)</b>
<b>COMPANY,</b>	)	)	<b>No. 01 Civ. 2090 (HB)</b>
	)	)	<b>No. 01 Civ. 5579 (HB)</b>
<b>Defendant.</b>	)	)	
<hr/>		)	

**STIPULATION OF CONFIDENTIALITY  
FOR DISCOVERY MATERIALS MADE  
AVAILABLE TO CLASS MEMBERS**

IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned,  
as follows:

1. Pursuant to the Court’s Order of [DATE], Milberg Weiss Bershad Hynes & Lerach LLP and/or Bonnett, Fairbourn, Friedman & Balint, P.C. (“Lead Counsel”) will provide the undersigned Class Member(s) and/or their counsel with access to (a) the documents disclosed to named plaintiffs’ counsel in the course of discovery in the above-captioned litigation (the “Action”), and (b) deposition transcripts and exhibits thereto generated in the course of discovery in this Action.

2. For the sole purposes of this Stipulation, all of the documents and material described in the preceding paragraph 1 shall be deemed “Confidential Information.” All Confidential Information to which the undersigned Class Member(s) and/or their counsel

are given access is subject to this Stipulation, and such Confidential Information shall not be used or disclosed to anyone except as provided herein.

3. Confidential Information shall be used solely for purposes of evaluating the fairness, reasonableness and adequacy of the proposed settlement in this Action, and for no other purpose. In particular, and without limitation, Confidential Information shall not be used (a) in the litigation of this Action should the parties not reach a settlement, (b) in the litigation of this Action if the Court should fail to approve the proposed settlement of this Action for any reason, or if any appellate court should reverse an order of the Court approving the proposed settlement, or (c) in any other litigation, arbitration, or other judicial or administrative proceeding (including in the investigation or preparation of any such proceeding).

4. The undersigned Class Member(s) and/or their counsel may inspect the Confidential Information in the offices of Lead Counsel, by prior appointment, during regular business hours. Duplication of documents or materials containing Confidential Information shall not be permitted, except for documents that the undersigned Class Member(s) and/or their counsel represent to the Court that they need to duplicate for the Court in support of a point of objection. However, in the course of inspecting the Confidential Information, the undersigned Class Member(s) and/or their counsel shall be permitted to make notes reflecting their review of Confidential Information. Any notes, memoranda, dictation or documentation reflecting, incorporating or otherwise referring to the Confidential Information shall be treated as and be deemed to be Confidential Information as well.

5. Access to Confidential Information shall be limited to:

- a. the undersigned Class Member(s);
- b. their undersigned counsel;
- c. employees of such counsel assigned to and necessary to assist such counsel in evaluating the proposed settlement; and
- d. consultants or experts, to the extent necessary to assist the undersigned Class Member(s) and/or their counsel in evaluating the proposed settlement.

6. Any person given access to Confidential Information shall be advised, before being granted access, of the terms of this Stipulation and of the Court's [DATE] Order and shall thereby become subject to such terms, including, without limitation, the requirement that such Confidential Information may not be disclosed to any person other than those described in paragraph 5 above. In addition, access to Confidential Information shall not be provided to any person described in subparagraphs 5(c) or 5(d) hereof until and unless such person has executed the undertaking in the form attached hereto as Annex 1. The individual who provides access to Confidential Information to such person shall retain the executed undertaking and shall provide a copy of it to Lead Counsel.

7. By providing access to Confidential Information, no party to this Action shall be held to have waived any claim that such Confidential Information is privileged, confidential or protected from discovery as attorney work product. The undersigned Class Member(s) and/or their counsel agree that they, or any of them, shall not contend or otherwise take the position in this or in any other pending or future proceeding that any party has waived the attorney-client privilege and/or the protection of the attorney work

product doctrine, or any other privilege or protective doctrine, with regard to Confidential Information.

8. The provisions of this Stipulation shall survive the termination of this Action. At the earlier of (a) the conclusion of this Action or (b) such time as the parties decide not to continue to seek settlement of this litigation, all notes and other records containing or reflecting Confidential Information shall be returned to Metropolitan Life Insurance Company at the address stated in paragraph 13 below.

9. The terms of this Stipulation shall be enforceable by any aggrieved party, including any party to this Action, and any breach of such terms shall give rise to any and all applicable legal and equitable remedies for enforcement of the Stipulation and/or relief, including damages, for its breach.

10. Pursuant to the Court's [DATE] Order incorporating this Stipulation, any breach of the terms of this Stipulation shall constitute a violation of the Court's Order and may result in an order of contempt of court or other sanctions, upon application to the Court by any party aggrieved by such violation, including any party to this Action.

11. Notwithstanding anything to the contrary contained herein, the undersigned Class Member(s) and/or their counsel agree that (a) no Confidential Information disclosed pursuant to this Stipulation may be used in the litigation of the Action or any other proceeding, unless such Confidential Information is obtained independently through discovery requests made by the undersigned Class Member(s) and/or their counsel to defendants, and (b) discovery requests seeking Confidential Information shall not be served on Lead Counsel or any of Plaintiffs' counsel. The undersigned Class Member(s) and/or their counsel agree that their receipt of access to

Confidential Information shall not be construed or used as an admission or concession by defendants of relevance, responsiveness, discoverability, admissibility or any other matter.

12. The undersigned Class Member(s) and/or their counsel agree to notify Metropolitan Life Insurance Company and Lead Counsel immediately if any person granted access to the Confidential Information under this Stipulation is served with or otherwise receives a subpoena, summons, court order, request or application requiring disclosure of the Confidential Information. In any such instance, the undersigned Class Member(s) and/or their counsel also agree (a) not to oppose Metropolitan Life Insurance Company's efforts to prevent the disclosure of the Confidential Information, and (b) not to surrender the Confidential Information to any third party without the written consent of Metropolitan Life Insurance Company or except by the final order of a court having jurisdiction.

13. The notices required by paragraph 12 of this Stipulation must be provided by facsimile or overnight mail or other overnight delivery service to:

Kaiper Wilson, Esq.  
Metropolitan Life Insurance Company  
Law Department  
One Madison Avenue  
New York, New York 10010  
Telephone: (212) 578-8743  
Facsimile: (212) 251-1514

*and*

John J. Stoia, Jr., Esq.  
JoBeth Halper, Esq.  
Milberg Weiss Bershad Hynes & Lerach LLP  
401 B Street, Suite 1700  
San Diego, California 92101  
Telephone: (619) 231-1058

Facsimile: (619) 231-7423

14. No waiver by any party hereto of any breach of any condition or provision of this Stipulation shall be deemed a waiver of a similar or dissimilar provision or condition.

15. The undersigned Class Member(s) and/or the undersigned counsel (individually and on behalf of the Class Member(s)), consent to the jurisdiction of the United States District Court for the Southern District of New York for purposes of interpretation and enforcement of this Stipulation.

16. The undersigned Class Member(s) and/or the undersigned counsel (individually and on behalf of the Class Members(s)) agree to be bound by the terms of the Court's Protective Order entered in this case and attached hereto as Annex 2.

17. This Stipulation may be executed in any number of counterparts.

Dated: \_\_\_\_\_, 200\_

COUNSEL, INDIVIDUALLY AND  
ON BEHALF OF THE CLASS MEMBER(S):

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[Print Name]

\_\_\_\_\_  
[Print Name of Class Member(s)]

\_\_\_\_\_  
[Address and Telephone Number]

THE CLASS MEMBER(S) (signature(s)  
not required if Counsel has signed):

---

[Signature]

---

[Print Name]

---

[Address and Telephone Number]

**UNDERTAKING**

The undersigned hereby certifies that he/she understands that Confidential Information is being provided to him/her pursuant to the terms and restrictions of the Stipulation of Confidentiality (the “Stipulation”) approved by the United States District Court for the Southern District of New York (the “Court”), in Thompson, et al. v. Metropolitan Life Insurance Company, No. 00 Civ. 5071 (HB), by an Order of the Court dated [DATE] (the “Order”). The undersigned also certifies that he/she has been provided with the Stipulation, including the Court’s Protective Order attached as Annex 2 thereto, has read and understands the terms thereof, and agrees to be bound thereby. The undersigned agrees that any authorized individual to whom Confidential Information is to be provided must first sign this Undertaking, and that the undersigned’s affiliation with any firm or partnership shall not authorize the undersigned to provide Confidential Information any person affiliated therewith, unless that person has first signed this Undertaking.

The undersigned acknowledges that breach of the Stipulation shall be actionable by any aggrieved party, including any party to the aforementioned action, and that such breach shall subject the undersigned to any and all applicable legal and equitable remedies for enforcement of the Stipulation and/or relief, including damages, for its breach. The undersigned also acknowledges that breach of the Stipulation will violate the Court’s Order and may subject the undersigned to an order of contempt of court or other sanctions, upon application to the Court by any party aggrieved by such violation, including any party to the aforementioned action. The undersigned hereby subjects

himself/herself to the jurisdiction of the Court for purposes of enforcement of the terms and restrictions of the Stipulation and/or the Order.

Dated: \_\_\_\_\_ \_\_, 200\_

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40054076

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

----- X  
KARL THOMPSON, JACQUELINE GILDON : Civil Action No. 00-CIV-5071 (HB)  
and LUCILLE ELLIS, on Behalf of Themselves :  
and on behalf of All Others Similarly Situated, :

Plaintiffs, :

vs. :

METROPOLITAN LIFE INSURANCE  
COMPANY, :

Defendant. :

AGREED PROTECTIVE ORDER

----- X  
In order to safeguard any confidential, competitively sensitive or proprietary information revealed by the parties during this case, and to ensure that confidential information revealed during the discovery process is not disclosed to non-parties, except pursuant to the terms of this Protective Order,

IT IS HEREBY ORDERED that a Protective Order be entered on the following terms:

1. The discovery served in this litigation may require the disclosure of trade secrets, nonpublic competitively sensitive information, and the medical or personal information of individuals who are not named parties to this action. The following types of information, if produced in this case, may be designated by any party to this action (or any non-party witness from whom discovery is sought in this litigation) as Confidential Information pursuant to this order.

- (a) Information disclosing the identity, address, telephone number, social security number, policy number, medical information or other information protected from disclosure by the NAIC model regulations or similar laws for any prospective, current or former owner or insured under any life insurance policy issued by Defendant;

- (b) Information disclosing the identity, address, telephone number, social security number, employment information or other information protected from disclosure by the NAIC model regulations or similar laws for any current or former employee or agent of Defendant;
- (c) Information disclosing Defendant's costs or pricing determinations with respect to any life insurance product currently being sold by Defendant;
- (d) Information disclosing or that could be used by a competitor to learn MetLife's methodology for calculating dividends to policyholders for all policies currently receiving dividends; and
- (e) Other categories of information that may be agreed by the parties pursuant to paragraph 2, below.

2. (a) Any party who believes in good faith that information to be produced during discovery that is not encompassed within categories (1)(a) through (d), above, should be protected from general disclosure as trade secrets, competitively sensitive information, material non-public information, proprietary information, medical information, personal information or any other type of information for which a protective order properly may be sought under Rule 26(c) of the Federal Rules of Civil Procedure, may, by letter to counsel for the other party (sent by facsimile transmission and overnight courier), propose adding one or more categories to those listed in Paragraphs (1)(a) through (1)(d), above. Any such letter shall include an explanation of the reasons for proposing the addition of each new category. If, within five business days, the other party has not objected to the addition of that new category, the protective order shall be deemed to include the new category and a producing party may thereafter stamp as "Confidential" documents subsequently produced in discovery that fall within that category and such documents shall be treated in accordance with the procedures for protection of Confidential Information set forth in this Protective Order. Any such letter to which no objection is made also shall thereafter be attached to any undertakings to be bound

by this Protective Order like those provided in Paragraphs 6 and 7 and Exhibit A, below.

(b) If a party objects to the confidential treatment of a proposed additional category of documents as outlined in this Paragraph 2, that party shall, within five business days, notify the proposing party in writing, together with an explanation of the reasons for opposing the additional categories of documents. The parties agree, in good faith, to meet to attempt to work out their differences. In the event that they fail to do so, the party proposing to add the new category or categories may, within 10 business days after either party informs the other in writing of an impasse, seek a conference with the Court in anticipation of making a motion to modify the protective order to include the new category or categories of information. Any such motion shall be governed by the standards applicable to a motion for protective order under Rule 26(c) of the Federal Rules of Civil Procedure. No party shall withhold or refuse to produce information pending the resolution of any proposal to treat any additional category or categories of information as confidential; provided, however, that until such issues are resolved or an order of the Court is entered, information for which a party is seeking confidential treatment shall be treated as "Confidential Information" and may be disclosed only to the persons described in Paragraphs 6 (a), (b), (e), (f) and (g) below.

3. All materials which disclose the contents or substance of Confidential Information, including documents produced or exchanged in the course of this litigation, pleadings, motions, interrogatory answers, other discovery responses and testimony given in depositions, shall be deemed "Confidential Material" pursuant to the terms of this Order. Confidential Material shall be used solely for the purposes of this litigation and shall not be revealed, disclosed or made available for inspection and copying to any person, except under the terms of this Protective Order or as required to be disclosed by law or Court order.

4. As used in this Protective Order, the "producing party" means any party who either produces Confidential Material, or asserts a confidentiality interest in information produced by another in this action.

5. In designating matter as Confidential Material, the producing party shall make such designation only as to that information described in Paragraphs 1 and 2 above which the producing party in good faith believes is used in, or pertains to, its business, and which is not known by or available to and would not normally be revealed to third parties, except on a confidential basis. Confidential Information shall be designated specifically by marking the portion(s) of the documents containing such information as "CONFIDENTIAL" or in some manner agreeable to all counsel that will assure that the documents can be clearly identified as being subject to the terms of this Order.

6. No person other than: (a) the parties to this case (including officers, directors or employees of Defendant); (b) counsel of record (which shall be deemed to include other attorneys from the law firms of counsel of record, counsel's legal assistants, secretaries and other employees); (c) prospective witnesses in this action; (d) any person (and his or her counsel) from whom testimony under oath is taken at a deposition, trial or other evidentiary hearing in connection with this case (except for the parties); (e) court personnel and court reporters; (f) consultants or experts retained or consulted by any party in connection with this case and persons working directly under their supervision; and (g) any independent contractors retained by a party or their counsel to work on this case, shall be permitted to have access to any information designated as "CONFIDENTIAL" under the terms of this Protective Order without the prior written consent of the producing party or their counsel; provided, that prior to showing any confidential document or disclosing any Confidential Material to any person identified in categories (c), (d), (f) and (g) above, counsel shall

first require such persons to execute a Confidentiality Agreement in the form attached as Exhibit "A."

7. If counsel for either party believes it is necessary in preparation of the case to reveal Confidential Material to persons who are not otherwise entitled to see such information in accordance with Paragraph 6 of this Protective Order, then counsel who wishes to disclose such Confidential Material shall first seek the prior consent of the opposing counsel. If such consent is granted, then counsel wishing to use such information shall ensure that those individuals to whom Confidential Material is disclosed are first made aware of the provisions of this Protective Order and agree to be bound by its terms by executing a Confidentiality Agreement in the form attached hereto as Exhibit "A." Signed Confidentiality Agreements shall be retained by counsel for the party who wishes to make a disclosure of Confidential Information until further order of the Court. If such consent is not given, then counsel for either party may bring the matter to the Court's attention for resolution in accordance with Paragraph 14 of this Protective Order.

8. During a deposition in this litigation, any party's counsel may state on the record that a specified part of the testimony involving Confidential Information and/or any document or exhibit marked for identification containing Confidential Information is Confidential Information and subject to the provisions of this Protective Order. If counsel for any party determines that testimony given during a deposition is Confidential Information, counsel for that party may request that all persons, other than the court reporter, counsel, the witness, and any other person who is permitted to review such information pursuant to the terms of the Protective Order, leave the deposition room during the Confidential portion of the deposition. Furthermore, if examining counsel intends to use any Confidential Materials or to inquire into matters involving Confidential Information during any

deposition in this litigation, such counsel shall notify the other counsel in attendance of his or her intention to do so sufficiently in advance of inquiring into such matters to permit other counsel to invoke the provisions of this Protective Order. Confidential portions are to be transcribed separately, regardless of whether such designation is made during the deposition. All transcripts of depositions shall be treated as confidential, in their entirety, for a period of thirty (30) days after such transcripts are actually received by attorneys for each of the parties. Within thirty (30) days after receipt of the transcript by attorneys for the party, either party may specifically designate those portions of the deposition and exhibits as Confidential Information by notifying all parties, in writing, of the specific pages and lines of the transcript or exhibits which contain Confidential Information. Both parties shall attach a copy of such written statement to the face of the transcript and each copy thereof in their possession, custody or control.

9. Nothing shall prevent disclosure beyond the terms of this Order if the party designating the information as Confidential Information consents in writing to such disclosure, or if the Court, after notice to all affected parties, orders such disclosure.

10. The Clerk of this Court is directed to maintain under seal all documents and all portions of transcripts of deposition testimony filed with this Court in this litigation by any party to this action which are, in whole or in part, designated as Confidential Information, including all pleadings, deposition transcripts, trial transcripts, exhibits, discovery responses, or memoranda purporting to reproduce or paraphrase such information. The Confidential Information shall be filed in sealed envelopes or other appropriately sealed containers which shall be endorsed with the title of this action, an indication of the nature of the contents of such sealed envelopes or other containers, the word "CONFIDENTIAL" and a statement in substantially the following form:

This envelope contains documents which were filed in this case by (name of party or name of deponent) and is not to be opened or the contents thereof displayed or revealed except by Order of this Court.

11. In the event that a party wishes to use any Confidential Information in any affidavits, briefs, memoranda of law, trial exhibits or other papers filed in Court in this litigation, such Confidential Information used therein shall be filed and maintained under seal by the Court. Any party may move the Court to establish such further conditions and safeguards as may be necessary to protect against disclosure of Confidential Information in open court.

12. All Confidential Information shall be maintained by the party to whom the documents are produced and in the custody of the parties' counsel of record until further order of this Court. Upon the entry of final judgment in this litigation, including final resolution of any appeals or petitions for review, all Confidential Information shall promptly be returned to the producing party, except that work product, pleadings, transcripts of or used during any trial or hearing, and trial or hearing exhibits may be retained, subject to the terms of this Protective Order. Counsel for the producing party shall retain for a period of 5 years any deposition transcripts and the deposition exhibits returned in accordance with this paragraph.

13. Insofar as the provisions of this Protective Order restrict the use or communication of any document or information produced hereunder, this Protective Order shall continue to be binding after the conclusion of this litigation, except that a party may seek the written permission of the producing party or further order of the Court with respect to dissolution or modification of this Protective Order, and the Court shall retain jurisdiction of all parties bound hereby for the purposes of this Protective Order.

14. Parties designating information as "CONFIDENTIAL" under the terms of this Protective Order shall do so in good faith, and the opposing party's failure to challenge the propriety of such designation immediately shall not preclude a subsequent challenge thereto. In the event that any party to this litigation seeks to challenge any confidentiality designation or otherwise seeks to challenge any other action taken by another party in applying the terms of this Protective Order, then counsel for the parties shall first try to dispose of such dispute in good faith on an informal basis. Disputes which cannot be resolved informally may be presented for resolution to the Court by motion, provided that the greater of (i) the minimum notice required under applicable court rules or procedures, or (ii) at least forty-eight (48) hours written advance notice, be given to the opposing party of any hearing or other court proceeding involving this Protective Order. At any hearing or proceeding before the Court challenging a confidential designation, the party who designated the materials as Confidential Information will have the burden to establish that the designation was appropriate.

15. This Protective Order shall not constitute a waiver by the parties of any objection which might be raised as to the admissibility of any evidentiary materials. This Protective Order shall be without prejudice to the rights of any party to oppose production of any information for lack of relevance or for any other ground and shall not constitute a promise by any party to produce any particular documents or information in discovery. Nothing herein shall preclude any party from seeking (a) modification or termination of this Protective Order or (b) a further protective order from the Court.

16. This Protective Order shall not be construed to prevent any party from using its own Confidential Information in any manner it chooses, or to prevent the introduction of any Confidential

Information into evidence at any trial of this case (subject to any objections as provided by Paragraph 14); provided, however, that counsel for any party intending to introduce any Confidential Materials into evidence or to inquire into matters involving Confidential Information at any trial of this case shall notify opposing counsel of his or her intention to do so sufficiently in advance to permit opposing counsel to invoke the provisions of this Protective Order.

17. In the event that a party is requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process) to disclose any of the Confidential Information, such party shall provide the producing party with written notice within forty-eight (48) hours of the receipt of any such request or requirement so that the producing party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Order. If the person seeking to maintain confidentiality does not obtain a protective order within the time allowed for the discovery sought by such process (or within such time as a court may direct or as may be agreed upon by the designating person and the person issuing such process) and give written notice of such protective order to the person issuing such process and the person to whom the process is directed, the person to whom the process is directed may commence production in response thereto on the date designated for such production. Provided however, that in the event a protective order is not obtained and the person to whom the process is directed responds to the requested production, such person may disclose only that portion of the Confidential Information which such person is required by law to disclose.

18. If Confidential Information is inadvertently disclosed or produced without designation as "CONFIDENTIAL," the producing party's inadvertent production of such material

shall not be deemed a waiver of, or estoppel as to, any claim of confidentiality under this Order which the disclosing party would otherwise be entitled, provided the producing party notifies the other parties of such inadvertent disclosure within sixty (60) days after disclosure. In such circumstances, upon written notice from the disclosing party, the parties shall confer regarding whether the materials are Confidential Information subject to the terms of this Protective Order. If no agreement is reached, the producing party shall promptly seek resolution of the dispute from this Court and shall bear the burden of establishing the confidentiality of the material involved. Until such issues are resolved or an order of the Court is entered, information for which a party is seeking confidential treatment shall be treated as "Confidential Information" and may be disclosed only to the persons described in Paragraphs 6(a), (b), (e), (f) and (g) above.

19. The inadvertent production of any information during formal or informal discovery shall be without prejudice to any claim that such information is protected from discovery by the attorney-client privilege or as work product, and no party shall be held to have waived any rights by such production. If any party makes a claim of privilege or work product for information in this action, the information shall be returned to the producing party upon request. However, any party opposing a claim of privilege or work product may then apply to the Court for a ruling on such claim.

DATED this \_\_\_ day of February, 2001.

DEBEVOISE & PLIMPTON



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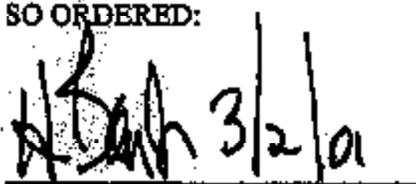


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SO ORDERED:



Harold K. Baer  
United States District Judge

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*Additional Counsel for Plaintiffs*



**METROPOLITAN LIFE INSURANCE COMPANY  
SETTLEMENT DEATH BENEFIT CERTIFICATE**

*This document is evidence of a valuable death benefit. Please keep it with your important papers.*

<b>Owner(s):</b>	[Name(s)]	<b>Covered Person:</b>	[Name]
<b>Recipient(s):</b>	[Name(s)]	<b>Underlying Policy Number:</b>	[123456789]
<b>Coverage Amount:</b>	[\$XXXX]	<b>Coverage Period:</b>	[DATE] to [DATE]

**Description of Settlement Death Benefit Coverage.** This Certificate is evidence of the Settlement Death Benefit coverage provided as part of the class action settlement in *Thompson, et al. v. Metropolitan Life Insurance Company*, No. 00 Civ. 5071 (HB) (the “Action”), approved by the United States District Court for the Southern District of New York (the “Court”). Metropolitan Life Insurance Company (the “Company”) will pay the “Coverage Amount” to the “Recipient(s)” upon receipt of due proof that the death of the “Covered Person” occurred within the “Coverage Period.” All of these terms are defined below.

**Coverage Amount.** The amount payable to the Recipient upon due proof of death of the Covered Person is stated above as the “Coverage Amount.”

**Coverage Period.** Coverage began on [FINAL SETTLEMENT DATE (“FSD”)] and will end on [FSD + 5 years].

**Recipient(s).** The person(s) listed above as the “Recipient” is entitled to receive the Coverage Amount upon due proof of death of the Covered Person within the Coverage Period. *You may change the Recipient(s) at any time prior to the death of the Covered Person. You should use the form at the bottom of this Certificate to choose another Recipient.*

**Covered Person.** The person who is covered under the Settlement Death Benefit is listed above as the “Covered Person.” If due proof of death of this person within the Coverage Period is submitted to the Company, the Company will pay the Coverage Amount to the Recipient(s).

*If the Covered Person listed above has died after [FINAL SETTLEMENT DATE], the Coverage Amount is already payable to the Recipient(s). You should file a claim for benefits (see “Filing Claims” below).*

*If the Covered Person listed above has died before [FINAL SETTLEMENT DATE], then you must designate your spouse, parent, sibling, child or another person in whom you have an insurable interest as the Covered Person. Generally, you will have an “insurable interest” in someone if the person’s death would have negative economic consequences for you. You should use the form at the bottom of this Certificate to choose another Covered Person. The person you choose must be no older than 72 as of January 1, 2004. Also, this designation must be made no later than [30 DAYS FROM COMMENCEMENT OF IMPLEMENTATION PERIOD.]*

**Changing the Recipient or Covered Person.** If you want to change the Recipient, or need to change the Covered Person because the one listed above died before [FINAL SETTLEMENT DATE], you should complete and sign the appropriate part of the form at the bottom of this Certificate, and submit it to:

Settlement Administrator  
Thompson v. Metropolitan Life  
Attn: SDB Designation  
P.O. Box \_\_\_\_\_  
Minneapolis, MN \_\_\_\_\_

**Filing Claims.** If the Covered Person dies within the Coverage Period, you should submit this Certificate, together with due proof of the death of the Covered Person, to:

Metropolitan Life Insurance Company  
Client Relations Center  
500 Schoolhouse Road  
Johnstown, Pennsylvania 15904  
Attention: Claim Department

*Questions? Call 1-xxx-xxx-xxxx  
If you use TDD/TYY, call 1-yyy-yyy-yyyy*

-----

**Form for Changing the Recipient**

**I want to change the Recipient under the Settlement Death Benefit to \_\_\_\_\_.**

Name

**His/her address is \_\_\_\_\_**

Street Address

City

State

Zip Code

**My name is: \_\_\_\_\_ My telephone number is: \_\_\_\_\_**

**Signature: \_\_\_\_\_**

**Policy No. [123456789]**

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**Form for Changing the Covered Person**

**The Covered Person listed above has died. I want to change the Covered Person to \_\_\_\_\_,**

Name

**who will be \_\_\_\_\_ as of January 1, 2004. This person is my \_\_\_\_\_ and**

Age

Describe family or other relationship

**his or her Social Security Number is \_\_\_\_\_.**

Number

**My name is: \_\_\_\_\_ My telephone number is: \_\_\_\_\_**

**Signature: \_\_\_\_\_**

**Policy No. [123456789]**

**Small Estate Declaration**

**Declaration of Personal Representative of Estate**

My name is \_\_\_\_\_ . I am age 18 or over.

(Please print)

\_\_\_\_\_, the [CIRCLE ONE: insured under/owner of/payee of benefits under] policy number \_\_\_\_\_, died on [INSERT DATE: \_\_\_\_\_], as shown by the attached copy of the Death Certificate [PLEASE ATTACH DEATH CERTIFICATE]. This person was related to me as [DESCRIBE RELATIONSHIP: \_\_\_\_\_].

I handled the estate of the deceased or otherwise am the personal representative of the deceased. No other person has been appointed by any court as the personal representative of the deceased's estate.

I wish to exercise certain rights pursuant to the Metropolitan Life Insurance Company Class Action Settlement for the estate of the deceased.

In my capacity as personal representative, I have obtained, where necessary, the consent of the deceased's heirs and beneficiaries to exercise those rights.

By granting my request, Metropolitan Life Insurance Company has satisfied and is fully discharged of its obligations to the above-named deceased and his or her estate with respect to this settlement.

I understand that Metropolitan Life Insurance Company will rely and act on the statements I have made above.

\* \* \* \* \*

I declare under penalty of perjury that the foregoing is true and correct.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE OF PERSONAL REPRESENTATIVE

**Cash Payment Option Election Letter**

[NAME]  
[ADDRESS]  
Policy No. [123456789]

Re: Metropolitan Life Class Action Settlement: Notification of Benefits

Dear \_\_\_\_\_:

We are pleased to tell you that the Court in charge of this case has approved the settlement. Since the policy number listed above is still providing insurance coverage, it will receive increased policy benefits under the settlement. We are writing to notify you of the increased benefits that the settlement will provide to this policy.

As of [DATE], the settlement will provide for payment of \$[XXX.XX] in addition to any death or maturity benefits that become payable under the policy in the future. Rather than receiving such additional benefits in the future, you may wish instead to receive a cash equivalent payment. The cash equivalent of your additional settlement benefits is \$[YYY.YY].

Should you wish to receive the cash equivalent payment instead of these increased policy benefits, please complete and return the form below no later than [DATE]. The cash payment will be mailed to you as soon as possible after we receive your signed request. *Please remember, if you choose this cash payment, your policy will not receive the benefit increases described above.*

Please feel free to call us at 1-xxx-xxx-xxxx if you have any questions. If you use TDD/TTY, call 1-yyy-yyy-yyyy.

Sincerely yours,

Settlement Administrator  
Thompson v. Metropolitan Life

-----  
I want to get a cash payment instead of an increase to my policy's benefits.

Signature: \_\_\_\_\_

[NAME]  
Policy No. [123456789]

**Confirmatory Letter**

[NAME]

[ADDRESS]

Policy No. \_\_\_\_\_

Re: Metropolitan Life Class Action Settlement: Your Correct Address

Our records indicate that you were paid death, maturity or cash surrender benefits provided by the policy listed above. Under a court-approved class action settlement, you are now entitled to receive a settlement payment.

Our records show that the above address is no longer correct. We do not want to mail settlement payments to the wrong address. If you receive this letter, please call or write to tell us your correct address (even if it is the address listed above) so we can mail you a settlement payment. You may tell us your address by calling us toll free at 1-xxx-xxx-xxxx. For faster service, please have this letter in front of you when you call. Or you may e-mail us your address, including the policy number above, at \_\_\_\_\_@\_\_\_\_\_.com. Or you can write to us at the address below.

*If you would like to have a settlement payment mailed to you, **you will need to tell us your correct address (even if it is the address listed above) before [DATE].** If you do not give us your correct address before [DATE], you will not receive a settlement payment.*

Please feel free to call us toll free at 1-xxx-xxx-xxxx with any questions. If you use TDD/TTY, call us at 1-yyy-yyy-yyyy.

Sincerely yours,

Settlement Administrator  
Thompson v. Metropolitan Life  
[ADDRESS]

**Industrial Weekly Substandard Enhancement Factors**

The Regulatory Settlement Agreement provides for certain Industrial Weekly Substandard Policies to receive the increase in benefits they would have received under MetLife's 1948 Equalization of Industrial Weekly Substandard Policies ("1948 Equalization") or MetLife's 1963 Equalization of Industrial Weekly Substandard Policies ("1963 Equalization").

The purpose of the 1948 Equalization was to (1) equalize the death benefits for standard and substandard policies and (2) update policies to the 1948 rate basis if it was more favorable than the original rate basis.

Substandard death benefits were equalized for each policy by multiplying the substandard death benefit by a factor calculated as  $NLP/NLP'$ , where:

- NLP is the net level premium at issue calculated using the initial substandard rate basis, and
- NLP' is the net level premium that would have been calculated at issue using the equivalent standard rate basis with any rate basis improvements that may have been provided after issue.

The attached tables illustrate the ratios of equalized to unequalized face amounts by product, issue period, date of death and issue age.

The purpose of the 1963 Equalization was to equalize the cash values for substandard and standard policies. Substandard cash values were equalized by multiplying the substandard cash value by the same factor as was used for the death benefits in the 1948 Equalization.

For the purposes of the Regulatory Settlement Agreement, the attached tables will be used as follows:

- A. For Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies:
  1. The Additional Enhancement provided as an Enhanced Future Death/Maturity Benefit shall equal (a) the Policy's Face Amount at the time of death or maturity multiplied by (b) an equalization factor (as per the attached tables).
  2. The Additional Enhancement provided as an Enhanced Future Termination/Non-Forfeiture Benefit shall equal (a) the Policy's Cash Value at the time of termination multiplied by (b) an equalization factor (as per the attached tables).
- B. For Death/Maturity Pre-1963 Industrial Weekly Substandard Non-Forfeiture Policies, the Additional Enhancement provided as an Enhanced Past Death/Maturity Benefit shall equal (i) the Policy's Face Amount at the time of termination multiplied by (ii) an equalization factor (as per the attached tables).
- C. For Pre-1948 Industrial Weekly Substandard Death/Maturity Policies, the Additional Enhancement provided as an Enhanced Past Death/Maturity Benefit shall equal (i) the Policy's Face Amount at the time of termination multiplied by (ii) an equalization factor (as per the attached tables).
- D. For Pre-1963 Industrial Weekly Terminated Policies, the Enhanced Past Termination Benefit shall equal (i) the Policy's Cash Value at the time of termination multiplied by (ii) an equalization factor (as per the attached tables).

**Table 1.1**

Life Paid Up at Age 70 (Ages 1-9)  
Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Policies Issued from 1/2/1939 to 12/29/1941</u>	<u>Policies Issued from 1/5/1942 to 12/29/1947, Weekly Premiums less than \$0.15</u>	<u>Policies Issued from 1/5/1942 to 12/29/1947, Weekly Premiums of \$0.15 or Greater</u>
1	136%	134%	135%
2	135%	134%	134%
3	136%	133%	134%
4	137%	132%	133%
5	139%	131%	131%
6	139%	131%	131%
7	138%	131%	131%
8	139%	131%	132%
9	138%	131%	131%

**Table 1.2**

Life Paid Up at Age 70 (Ages 10-60)  
Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>For Policies Issued from 1/2/1939 to 12/29/1941</u>	<u>For Policies Issued from 1/5/1942 to 12/29/1947</u>
10	139%	131%
11	138%	132%
12	138%	132%
13	138%	133%
14	136%	132%
15	137%	132%
16	136%	131%
17	133%	134%
18	132%	133%
19	130%	131%
20	129%	131%
21	127%	132%
22	124%	131%
23	123%	132%
24	123%	131%
25	121%	129%
26	120%	130%
27	119%	129%
28	118%	130%
29	119%	130%
30	116%	128%
31	115%	128%
32	115%	129%
33	114%	130%
34	115%	126%
35	114%	127%
36	114%	129%
37	115%	127%
38	115%	126%
39	113%	127%
40	112%	126%
41	113%	127%
42	113%	125%
43	114%	123%
44	112%	124%
45	110%	122%
46	110%	124%
47	111%	121%
48	108%	122%
49	109%	123%
50	106%	121%
51	110%	118%
52	110%	119%
53	107%	120%
54	108%	117%
55	104%	118%
56	109%	119%
57	105%	115%
58	105%	111%
59	105%	118%
60	106%	113%

**Table 2.1**

30 Payment Life (Ages 1-9)  
Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Policies Issued from 1/2/1939 to 12/29/1941</u>	<u>Policies Issued from 1/5/1942 to 12/29/1947, Weekly Premiums less than \$0.20</u>	<u>Policies Issued from 1/5/1942 to 12/29/1947, Weekly Premiums of \$0.20 or Greater</u>
1	138%	122%	124%
2	137%	123%	124%
3	136%	122%	122%
4	135%	121%	122%
5	135%	120%	121%
6	135%	121%	122%
7	136%	123%	123%
8	134%	122%	122%
9	134%	123%	123%

**Table 2.2**

30 Payment Life (Ages 10-40)

Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Policies Issued from 1/2/1939 to 12/29/1941</u>	<u>Policies Issued from 1/5/1942 to 12/29/1947</u>
10	135%	124%
11	135%	123%
12	135%	125%
13	135%	124%
14	134%	125%
15	134%	125%
16	133%	126%
17	132%	126%
18	129%	125%
19	127%	125%
20	126%	126%
21	124%	125%
22	123%	125%
23	122%	124%
24	121%	124%
25	120%	127%
26	117%	125%
27	118%	126%
28	117%	125%
29	117%	125%
30	117%	125%
31	116%	124%
32	115%	127%
33	115%	125%
34	116%	126%
35	114%	124%
36	115%	125%
37	115%	128%
38	115%	127%
39	114%	127%
40	N/A	126%

**Table 3.1**

Endowment at Age 80 (Ages 1-9)  
Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Policies Issued from</u> <u>1/7/1907 to 6/28/1909</u>	<u>Policies Issued from</u> <u>7/5/1909 to 12/27/1915</u>	<u>Policies Issued from</u> <u>1/3/1916 to 2/28/1916</u>	<u>Policies Issued from</u> <u>3/6/1916 to 12/29/1919</u>	<u>Policies Issued from</u> <u>1/5/1920 to 3/19/1923</u>	<u>Policies Issued from</u> <u>3/26/1923 to 12/26/1938</u>	<u>Policies Issued from</u> <u>1/5/1942 to 12/29/1947</u>
1	N/A	N/A	N/A	N/A	N/A	137%	134%
2	141%	127%	143%	137%	140%	136%	134%
3	140%	128%	143%	138%	140%	137%	133%
4	140%	129%	144%	138%	139%	136%	133%
5	140%	129%	143%	139%	139%	138%	132%
6	140%	129%	142%	139%	138%	139%	131%
7	142%	129%	141%	140%	139%	139%	131%
8	143%	129%	140%	138%	137%	140%	131%
9	144%	129%	139%	139%	139%	139%	132%

**Table 3.2**Endowment at Age 80 (Ages 10-70)  
Substandard**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Policies Issued from</u> <u>1/7/1907 to 6/28/1909</u>	<u>Policies Issued from</u> <u>7/5/1909 to 12/27/1915</u>	<u>Policies Issued from</u> <u>1/3/1916 to 2/28/1916</u>	<u>Policies Issued from</u> <u>3/6/1916 to 12/26/1938</u>	<u>Policies Issued from</u> <u>1/5/1942 to 12/29/1947</u>
10	143%	129%	140%	140%	132%
11	142%	129%	139%	138%	133%
12	141%	128%	139%	139%	132%
13	141%	127%	138%	139%	133%
14	140%	126%	136%	137%	133%
15	139%	125%	135%	136%	133%
16	138%	123%	133%	135%	132%
17	135%	121%	130%	134%	133%
18	132%	119%	129%	133%	133%
19	131%	118%	127%	131%	132%
20	128%	117%	126%	130%	133%
21	129%	116%	122%	127%	132%
22	128%	116%	122%	126%	132%
23	129%	115%	119%	124%	133%
24	128%	115%	118%	122%	131%
25	127%	115%	117%	122%	131%
26	126%	114%	115%	121%	131%
27	127%	114%	114%	120%	132%
28	126%	113%	113%	119%	131%
29	125%	112%	112%	118%	130%
30	124%	112%	112%	119%	131%
31	123%	111%	111%	118%	131%
32	124%	112%	112%	118%	129%
33	123%	110%	110%	116%	130%
34	122%	111%	111%	116%	130%
35	123%	111%	111%	117%	128%
36	122%	110%	110%	116%	131%
37	123%	110%	110%	116%	131%
38	121%	111%	111%	115%	129%
39	122%	111%	111%	115%	130%
40	123%	111%	111%	116%	129%
41	121%	110%	110%	116%	130%
42	120%	108%	108%	113%	129%
43	121%	108%	108%	113%	127%
44	119%	109%	109%	114%	128%
45	119%	109%	109%	114%	126%
46	119%	109%	109%	115%	124%
47	119%	109%	109%	113%	129%
48	119%	109%	109%	113%	126%
49	119%	109%	109%	111%	124%
50	119%	109%	109%	111%	125%
51	119%	109%	109%	109%	127%
52	119%	109%	109%	113%	124%
53	119%	109%	109%	110%	125%
54	119%	109%	109%	107%	122%
55	119%	109%	109%	111%	123%
56	119%	109%	109%	107%	120%
57	119%	109%	109%	108%	121%
58	119%	109%	109%	104%	122%
59	119%	109%	109%	109%	118%
60	119%	109%	109%	105%	119%
61	119%	109%	109%	105%	120%
62	119%	109%	109%	105%	116%
63	119%	109%	109%	105%	117%
64	119%	109%	109%	106%	118%
65	119%	109%	109%	106%	119%
66	119%	109%	109%	N/A	N/A
67	119%	109%	109%	N/A	N/A
68	119%	109%	109%	N/A	N/A
69	119%	109%	109%	N/A	N/A
70	119%	109%	109%	N/A	N/A

**Table 4.1**

Installment Endowment at Age 80 (Ages 16-65)  
Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Factor</u>
16	121%
17	125%
18	121%
19	117%
20	113%
21	118%
22	114%
23	111%
24	108%
25	112%
26	108%
27	106%
28	109%
29	106%
30	109%
31	106%
32	109%
33	106%
34	108%
35	110%
36	107%
37	108%
38	109%
39	105%
40	106%
41	107%
42	107%
43	107%
44	107%
45	107%
46	106%
47	106%
48	106%
49	106%
50	106%
51	106%
52	106%
53	106%
54	106%
55	106%
56	106%
57	106%
58	106%
59	106%
60	106%
61	106%
62	106%
63	106%
64	106%
65	106%

**Table 5.1**

Endowment at Age 60  
Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Factor</u>
1	136%
2	134%
3	133%
4	133%
5	132%
6	132%
7	132%
8	131%
9	131%
10	130%
11	131%
12	130%
13	131%
14	129%
15	128%
16	127%
17	127%
18	125%
19	123%
20	121%
21	120%
22	118%
23	117%
24	116%
25	115%
26	114%
27	113%
28	112%
29	110%
30	111%
31	109%
32	112%
33	110%
34	111%
35	109%

**Table 6.1**

25 Year Endowment (Ages 1 - 9)

Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Policies Issued from 1/5/1920 to 12/26/1938, Weekly Premiums of \$0.10</u>	<u>Policies Issued from 1/5/1920 to 12/26/1938, Weekly Premiums of \$0.15</u>
1	108%	106%
2	108%	106%
3	108%	107%
4	108%	107%
5	108%	107%
6	109%	108%
7	109%	109%
8	110%	110%
9	111%	110%

**Table 6.2**

25 Year Endowment (Ages 10 - 50)

Substandard

**Ratio of Equalized to Unequalized Benefits**

<u>Age Next Birthday at Issue</u>	<u>Factor</u>
10	111%
11	111%
12	111%
13	111%
14	111%
15	111%
16	109%
17	112%
18	110%
19	108%
20	108%
21	106%
22	106%
23	104%
24	104%
25	106%
26	104%
27	104%
28	102%
29	104%
30	104%
31	104%
32	104%
33	104%
34	104%
35	104%
36	104%
37	104%
38	107%
39	104%
40	105%
41	107%
42	105%
43	105%
44	105%
45	105%
46	105%
47	105%
48	105%
49	106%
50	106%

## Cost Methodologies and Assumptions

This Exhibit sets forth the methodologies and assumptions for calculating the cost of anticipated settlement benefits pursuant to Section XI of the Regulatory Settlement Agreement (“RSA”). Capitalized terms used in this Exhibit shall have the meaning ascribed to them in the Regulatory Settlement Agreement. The descriptions of settlement benefits in this Exhibit are summaries of the relief described in detail in the Regulatory Settlement Agreement. In the event of any conflict between this Exhibit and the terms of the Regulatory Settlement Agreement, the Regulatory Settlement Agreement shall control.

### I. Calculation of Benefits Per Policy

**A. Industrial Policies.** The cost of anticipated settlement benefits for each Industrial Policy shall be calculated according to the following table. Pursuant to Section XI.D of the Regulatory Settlement Agreement, the minimum amount of each settlement payment and benefit in the aggregate for any Policy shall be \$10; *provided however*, that if a Policy is eligible for benefits under both Section VI.A and Section VI.B, then both the payment under Section VI.A and the payment to the Recipient under Section VI.B shall be at least \$10. In the event a settlement payment or benefit that otherwise would be provided for a Policy is less than \$10, the cost of the payment or benefit shall be calculated as the cost of providing a payment or benefit of \$10.

Policy Type	Status	Settlement Benefit	Cost Calculation
Weekly Substandard: Dead or Matured Pre-48	Dead/Matured	Cash payment: 1948 equalization benefit (per Exhibit L) + 4% interest on equalization benefit after 1974 + 12.5% of the Face Amount at death/maturity as enhanced <b>[RSA §§ V.B.1, V.A.1]</b>	1948 equalization benefit + 4% simple interest after later of death/maturity and January 1, 1975 <i>plus</i> 12.5% of Face Amount at death/maturity, as enhanced by 1948 equalization benefit without interest
Weekly Substandard: Terminated or NFO Pre-63	NFO	Future death/maturity: 1963 equalization benefit (per Exhibit L) + 12.5% of the Face Amount at death/maturity as enhanced <b>[RSA §§ IV.A.3, IV.A.2]</b>	1963 equalization benefit <i>plus</i> 12.5% of Cash Value as of Claim-In Date, as Cash Value enhanced by 1963 equalization benefit
		Future surrender: 1963 equalization benefit (per Exhibit L) + 12.5% of the Cash Value at surrender as enhanced <b>[RSA §§ IV.B.3, IV.B.2]</b>	
	Dead/Mature NFO	Cash payment: 1963 equalization benefit (per Exhibit L) + 4% interest on equalization benefit after 1974 + 12.5% of the Face Amount at death/maturity as enhanced <b>[RSA §§ V.B.1, V.A.1]</b>	1963 equalization benefit + 4% simple interest after later of death/maturity and January 1, 1975 <i>plus</i> 12.5% of Face Amount at death/maturity, as enhanced by 1963 equalization benefit without interest

Policy Type	Status	Settlement Benefit	Cost Calculation
	Terminated (at any time)	Cash payment: <i>and</i> SDB: 1963 equalization benefit (per Exhibit L) + 4% interest on equalization benefit after 1974 <b>[RSA § VI.A.2]</b> 15.5% of Face Amount at termination [RPU: original Face Amount] times policy's 1948/1963 equalization factor in Exhibit L, for 5 years <b>[RSA §§ VI.B.3, II.A.1.ss(iii)]</b>	1963 equalization benefit + 4% simple interest from later of termination and January 1, 1975 <i>plus</i> Actuarial present value of 5-year SDB of 15.5% of Face Amount at termination [RPU: original Face Amount] times policy's 1948/1963 equalization factor in Exhibit L, assuming (i) 6.0% discount rate discounted back to Final Settlement Date; and (ii) mortality equal to Metropolitan Life 1969 Industrial Mortality Table
Other Weekly	In Force/NFO	Future death/maturity: <b>[RSA § IV.A.2]</b> Future surrender: <b>[RSA § IV.B.2]</b> Cash payment: optional <b>[RSA § IV.D]</b>	12.5% of Face Amount at death/maturity 12.5% of Cash Value at surrender optional <b>[RSA § IV.D]</b>
	Dead/Mature	Cash payment:	12.5% of Face Amount at death/maturity <b>[RSA § V.A.1]</b>
	Terminated	SDB: 15.5% of Face Amount at termination [RPU: original Face Amount (times policy's 1948 equalization factor in Exhibit L if substandard)] for 5 years <b>[RSA §§ VI.B.3, II.A.1.ss(iii)]</b>	Actuarial present value of 5-year SDB of 15.5% of Face Amount at termination [RPU: original Face Amount (times policy's 1948 equalization factor in Exhibit L if substandard)], assuming (i) 6.0% discount rate discounted back to Final Settlement Date; and (ii) mortality equal to Metropolitan Life 1969 Industrial Mortality Table
1927-29 Monthly Substandard	In Force/NFO	N/A	
	Dead/Mature	Cash payment: 13% of Face Amount at death/maturity for 25 year Endowment, 36% of Face Amount at death/maturity for Endowment at 75 + 4% interest on above amount after 1974 + 5% of Face Amount at death/maturity as enhanced <b>[RSA §§ V.B.2, V.A.2]</b>	13% (for 25 year Endowment) or 36% (for Endowment at 75) of Face Amount at death/maturity + 4% simple interest after later of death/maturity and January 1, 1975 <i>plus</i> 5% of Face Amount at death/maturity, as enhanced by 13% (for 25 year Endowment) or 36% (for Endowment at 75), without interest
	Terminated	Cash payment: 13% of Cash Value at termination for 25 year Endowment, 36% of Cash Value at termination for Endowment at 75 + 4% interest on equalization benefit after 1974 <b>[RSA § VI.A.5]</b> <i>and</i> SDB: 8% of Face Amount at termination [RPU: original Face Amount], as enhanced, for 5 years <b>[RSA §§ VI.B.4, II.A.1.ss(iii)]</b>	13% (25 year Endowment) or 36% (Endowment at 75) of Cash Value at termination + 4% simple interest from later of termination and January 1, 1975 <i>plus</i> Actuarial present value of 5-year SDB of 8% of Face Amount at termination [RPU: original Face Amount] times 1.13 (25 year Endowment) or 1.36 (Endowment at 75), assuming (i) 6.0% discount rate discounted back to Final Settlement Date; and (ii) mortality equal to Metropolitan Life 1969 Industrial Mortality Table

Policy Type	Status	Settlement Benefit		Cost Calculation
Other Monthly Substandard	In Force/NFO	Future death/maturity:	12.5% of Face Amount at death/maturity [RSA § IV.A.2]	12.5% of Cash Value as of Claim-In Date
		Future surrender:	12.5% of Cash Value at surrender [RSA § IV.B.2]	
		Cash payment:	optional [RSA § IV.D]	
	Dead/Mature	Cash payment:	12.5% of Face Amount at death/maturity [RSA § V.A.1]	12.5% of Face Amount at death/maturity
	Terminated	SDB:	15.5% of Face Amount at termination [RPU: original Face Amount] for 5 years [RSA §§ VI.B.3, II.A.1.ss(iii)]	Actuarial present value of 5-year SDB of 15.5% of Face Amount at termination [RPU: original Face Amount], assuming (i) 6.0% discount rate discounted back to Final Settlement Date; and (ii) mortality equal to Metropolitan Life 1969 Industrial Mortality Table
Monthly Standard	In Force/NFO	Future death/maturity:	5% of Face Amount at death/maturity [RSA § IV.A.2]	5% of Cash Value as of Claim-In Date
		Future surrender:	5% of Cash Value at surrender [RSA § IV.B.2]	
		Cash payment:	optional [RSA § IV.D]	
	Dead/Matured	Cash payment:	5% of Face Amount at death/maturity [RSA § V.A.2]	5% of Face Amount at death/maturity
	Terminated	SDB:	8% of Face Amount at termination [RPU: original Face Amount] for 5 years [RSA § VI.B.4, II.A.1.ss(iii)]	Actuarial present value of 5-year SDB of 8% of Face Amount at termination [RPU: original Face Amount], assuming (i) 6.0% discount rate discounted back to Final Settlement Date; and (ii) mortality equal to Metropolitan Life 1969 Industrial Mortality Table

**B. Ordinary Policies.** The cost of anticipated settlement benefits for each Ordinary Policy shall be calculated according to the following table. Pursuant to Section XI.D of the Regulatory Settlement Agreement, the minimum amount of each settlement payment or benefit in the aggregate for any Policy shall be \$10. In the event a settlement payment or benefit that otherwise would be provided for a Policy is less than \$10, the cost of the payment or benefit shall be calculated as the cost of providing a payment or benefit of \$10.

Policy Type	Status	Settlement Benefit		Cost Calculation
1930-35: Three Substandard Plans	In Force/NFO	Additional insurance:	15% of Face Amount at Eligibility Date [RSA § IV.C.3]	Inforce: Cash Value of Additional Insurance of 15% of Face Amount at Eligibility Date, using Additional Insurance cash value factors for particular product NFO: 15% of Cash Value as of Claim-In Date
		Dividends: Cash payment:	prospective equalization [RSA § IV.E] optional [RSA § IV.D]	
	Dead/Mature	Cash payment:	15% of Face Amount at death/maturity (Early Termination Adjustment, unless RPU) + 4% interest on above amount after 1974 [RSA § V.A.4]	15% of Face Amount at death/maturity (as adjusted by Early Termination Adjustment, unless RPU) + 4% simple interest from later of death/maturity and January 1, 1975

Policy Type	Status	Settlement Benefit	Cost Calculation
	Terminated	Cash payment: 15% of Cash Value at termination + 4% interest on above amount after 1974 <b>[RSA § VI.A.3]</b>	15% of Cash Value at termination + 4% simple interest from later of termination and January 1, 1975
1920-29 Intermediate	In Force Active	Face Amount Increase: 9% of Face Amount at Eligibility Date <b>[RSA § IV.A.4]</b> Additional insurance: 35% of Face Amount at Eligibility Date <b>[RSA § IV.C.2]</b> Dividends: prospective equalization <b>[RSA § IV.E]</b> Cash payment: optional <b>[RSA § IV.D]</b>	9% of Cash Value as of Claim-In Date <i>plus</i> Cash value of Additional Insurance of 35% of Face Amount at Eligibility Date, using Additional Insurance cash value factors for particular product
	In Force NFO	Face Amount Increase: 44% of Face Amount at Eligibility Date <b>[RSA § IV.A.4, IV.C.2]</b> Dividends: prospective equalization <b>[RSA § IV.E]</b> Cash payment: optional <b>[RSA § IV.D]</b>	44% of Cash Value as of Claim-In Date
	Dead/Mature	Cash payment: 35% of Face Amount at death/maturity (Early Termination Adjustment, unless RPU) <i>plus</i> 9% of Face Amount at death/maturity + 4% interest on above amount after 1974 <b>[RSA § V.A.5]</b>	35% of Face Amount at death/maturity (as adjusted by Early Termination Adjustment, unless RPU) + 4% simple interest from later of death/maturity and January 1, 1975 <i>plus</i> 9% of Face Amount at death/maturity + 4% simple interest from later of death/maturity and January 1, 1975
	Terminated	Cash payment: 44% of Cash Value at termination + 4% interest on above amount after 1974 <b>[RSA § VI.A.4]</b>	44% of Cash Value at termination + 4% simple interest from later of termination and January 1, 1975
\$4500-\$5000 Met Series	In Force	Future death/maturity: 3% of Face Amount at death/maturity for standard <b>[RSA § VII.B.1]</b> 18% of Face Amount at death/maturity for substandard <b>[RSA §§ VII.A, IV.A.2]</b> Future surrender: 3% of Cash Value at surrender for standard <b>[RSA § VII.B.1]</b> 18% of Cash Value at surrender for substandard <b>[RSA §§ VII.A, IV.B.2]</b> Cash payment: optional <b>[RSA §§ VII.B.1, IV.D]</b>	Standard: 3% of Cash Value as of Claim-In Date Substandard: 18% of Cash Value as of Claim-In Date
	Dead/Mature	Cash payment: 3% of Face Amount at death/maturity for standard <b>[RSA § VII.B.2]</b> 18% of Face Amount at death/maturity for substandard <b>[RSA §§ VII.A, V.A.3]</b>	Standard: 3% of Face Amount at death/maturity Substandard: 18% of Face Amount at death/maturity

Policy Type	Status	Settlement Benefit	Cost Calculation
	Terminated	SDB: 3% (standard) or 21% (substandard) of Face Amount at termination [RPU: original Face Amount] for 5 years <b>[RSA §§ VII.B.3., VII.A., VI.B.5, II.A.1.ss(iii)]</b>	Actuarial present value of 5-year SDB of 3% (standard) or 21% (substandard) of Face Amount at termination [RPU: original Face Amount], assuming (i) 6.0% discount rate discounted back to Final Settlement Date; and (ii) mortality equal to the Society of Actuaries 1985-1990 Age Last Birthday Mortality Table
Other Substandard	In Force/NFO	Future death/maturity: 15% of Face Amount at death/maturity <b>[RSA § IV.A.2]</b> Future surrender: 15% of Cash Value at surrender <b>[RSA § IV.B.2]</b> Cash payment: optional <b>[RSA § IV.D]</b>	15% of Cash Value as of Claim-In Date
	Dead/Mature	Cash payment: 15% of Face Amount at death/maturity <b>[RSA § V.A.3]</b>	15% of Face Amount at death/maturity
	Terminated	SDB: 18% of Face Amount at termination [RPU: original Face Amount] for 5 years <b>[RSA § VI.B.5]</b>	Actuarial present value of 5-year SDB of 18% of Face Amount at termination [RPU: original Face Amount], assuming (i) 6.0% discount rate discounted back to Final Settlement Date; and (ii) mortality equal to the Society of Actuaries 1985-1990 Age Last Birthday Mortality Table

II. **Calculation of Aggregate Cost.** The total cost of anticipated settlement benefits shall be calculated as follows. The Regulatory Settlement Agreement sets forth the definitions (Section II.A.1) and eligibility requirements (Section X) for inclusion in each Policy type. Assumed costs for Policies with an unknown race on the Company's electronic records and for which no claim-in has been effectuated shall be calculated by multiplying (i) the total cost calculated for all such "unknown race" policies in a given policy type using the formulas in Section I of this Exhibit M by (ii) the percentage indicated.

Policy Type		On Database as Known Non-Caucasian/Claim-Ins	Assumed Cost for Policies with Unknown Race on Database & No Claim-In	Total Cost
(a)	Industrial Weekly Substandard – Dead or Matured Prior to 1948	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(b)	Industrial Weekly Substandard – NFO Prior to 1963 – Inforce	100%	100%	0.925 * (sum of columns 2 & 3):
(c)	Industrial Weekly Substandard – NFO Prior to 1963 – Dead/Matured	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(d)	Industrial Weekly Substandard – NFO/Terminated Prior to 1963 – Terminated Any Time	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(e)	Other Industrial Weekly Substandard – Inforce/NFO	100%	100%	0.925 * (sum of columns 2 & 3):
(f)	Other Industrial Weekly Substandard – Dead/Matured	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(g)	Other Industrial Weekly Substandard – Terminated	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(h)	Industrial Weekly Standard – Inforce/NFO	100%	10% (issued pre-1952) 39% (issued 1952 & later) <i>Subject to Race Adjustment in Section XI.C</i>	
(i)	Industrial Weekly Standard – Dead/Matured	100%	0%	
(j)	Industrial Weekly Standard – Terminated	100%	0%	
(k)	1927-1929 Industrial Monthly Substandard – Dead/Matured	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(l)	1927-1929 Industrial Monthly Substandard – Terminated	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(m)	Other Industrial Monthly Substandard – Inforce/NFO	100%	On Company database and identified as non-Caucasian in Application File: 100%	0.925 * (sum of columns 2 & 3):

Policy Type		On Database as Known Non-Caucasian/Claim-Ins	Assumed Cost for Policies with Unknown Race on Database & No Claim-In	Total Cost
			Others: 3% <i>Subject to Race Adjustment in Section XI.C</i>	
(n)	Other Industrial Monthly Substandard – Dead/Matured	100%	Death claim within 7 years prior to Execution Date <i>or</i> maturity since 1/1/1989, <i>and</i> on Company database and identified as non-Caucasian in Application File: 100% Others: 0%	
(o)	Other Industrial Monthly Substandard – Terminated	100%	Termination since 1/1/1989, on Company database and identified as non-Caucasian in Application File: 100% Others: 0%	
(p)	Industrial Monthly Standard – Inforce/NFO	100%	3% <i>Subject to Race Adjustment in Section XI.C</i>	0.925 * (sum of columns 2 & 3):
(q)	Industrial Monthly Standard – Dead/Matured	100%	0%	
(r)	Industrial Monthly Standard – Terminated	100%	0%	
(s)	1930-1935 Ordinary Substandard – Inforce/NFO	100%	100%	
(t)	1930-1935 Ordinary Substandard – Dead/Matured	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(u)	1930-1935 Ordinary Substandard – Terminated	100%	Policies receiving relief under Section X.C: 100% Others: 0%	
(v)	1920-1929 Intermediate – Inforce/NFO	100%	On Company database and identified as non-Caucasian in Application File: 100% Others: 12% <i>Subject to Race Adjustment in Section XI.C</i>	
(w)	1920-1929 Intermediate – Dead/Matured	100%	Death claim within 7 years prior to Execution Date <i>or</i> maturity since 1/1/1989, <i>and</i> on Company database and identified as non-Caucasian in Application File: 100% Others: 0%	
(x)	1920-1929 Intermediate – Terminated	100%	Termination since 1/1/1989, on	

Policy Type		On Database as Known Non-Caucasian/Claim-Ins	Assumed Cost for Policies with Unknown Race on Database & No Claim-In	Total Cost
			Company database and identified as non-Caucasian in Application File: 100% Others: 0%	
(y)	Covered Met Series – Inforce/NFO	100%	6.5% <i>Subject to Race Adjustment in Section XI.C</i>	0.925 * (sum of columns 2 & 3):
(z)	Covered Met Series – Dead/Matured	100%	0%	
(aa)	Covered Met Series – Terminated	100%	0%	
(bb)	Other Ordinary Substandard – Inforce/NFO	100%	5% (issued before 1967) 16% (issued 1967 and after) <i>Subject to Race Adjustment in Section XI.C</i>	0.925 * (sum of columns 2 & 3):
(cc)	Other Ordinary Substandard – Dead/Matured	100%	0%	
(dd)	Other Ordinary Substandard – Terminated	100%	0%	
(ee)	Cost of (a) through (dd)	N/A	N/A	
(ff)	Cost of “Additional Insurance” provided to 1930-35 Ordinary Substandard policies for which exclusion requested	N/A	N/A	
(gg)	Cost of “Additional Insurance” and “Face Amount Increase” provided to 1920-1929 Intermediate policies for which exclusion requested	N/A	N/A	
(hh)	Cost of payments pursuant to Section XV.B of the Stipulation of Settlement	N/A	N/A	
(hh)	TOTAL COST ((ee) + (ff) + (gg) + (hh))	N/A	N/A	

**Covered Met Series Policies**

For purposes of the Regulatory Settlement Agreement between Metropolitan Life Insurance Company and the State of New York Insurance Department, dated August 29, 2002, the term “Covered Met Series Policies” shall include any life insurance policy that:

- Was issued by the Company from its Ordinary Department from 1960 through 1972;
- Has a nine-digit policy number with a suffix of M, M1, M3, MS, M1S or M3S, the first two digits of which are 60 to 72, inclusive;
- Insured the life of a non-Caucasian; *and*
- Had a Face Amount at the time the policy was issued of no less than \$4,500 and no greater than \$5,000.