

Did you borrow money and was the loan paid off early?

A legal settlement provides payments to people owed refunds on credit insurance.

A court authorized this notice. This is not a solicitation from a lawyer.

- A settlement has been proposed in a class action lawsuit about credit insurance such as credit life and credit disability insurance that people paid for when they took out loans for cars and other purposes.
- The settlement will pay money to those who did not receive the credit insurance refunds they should have when the loan was paid off early, and who submit valid claim forms.
- Your legal rights are affected whether you act, or don't act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	The only way to ask for a payment.
ASK TO BE EXCLUDED	Get no payment. The only option that allows you to sue the defendants over the claims resolved by this settlement.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Money will be distributed if the Court does so, and after any appeals are resolved. Please be patient.

QUESTIONS? CALL 1-888-568-7640 TOLL FREE, OR VISIT WWW.CREDITPREMIUMCASE.COM

PARA UNA [NOTIFICACIÓN EN ESPAÑOL](#), LLAMAR O VISITAR NUESTRO WEBSITE.

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BASIC INFORMATION

1. Why was this notice issued?

A Court authorized this notice because you have a right to know about a proposed settlement of this class action, including the right to claim money, and about all of your options, before the Court decides whether to give “final approval” to the settlement. If the Court approves the settlement, and after any appeals are resolved, payments will be made to everyone who submitted a valid claim. This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who may be eligible for them, and how to get them.

Judge John D. Allen in the Superior Court of Muscogee County, Georgia is overseeing this class action. The case is known as *Carter v. North Central Life Insurance Company*, Case No. SU-06-CV-3764-6. The people who sued are called the “Plaintiffs,” and the insurance companies they sued are called the “Defendants.”

2. Which insurance companies are part of the settlement?

The settlement includes these insurers: North Central Life Insurance Company and its parent corporations, predecessor corporations, successor corporations, affiliate corporations and subsidiary corporations which include USLife Corporation, American General Corporation, The United States Life Insurance Company in the City of New York, and American International Group, Inc.

3. What is this lawsuit about?

The lawsuit claims that the Defendants broke their contracts when they did not refund unearned premiums to customers, who bought credit life and credit disability insurance, when their loan was paid off early. The lawsuit also alleges that Defendants got money from these unearned premiums that rightfully belonged to their customers, and failed to properly administer their credit insurance by not refunding unearned premiums. The Defendants have denied all of these claims, and maintain that they did not act wrongfully or unlawfully.

4. What is an unearned premium?

An unearned premium is the portion of your premium that was not used up during the term of your loan because the loan was paid off early.

5. What is credit life and credit disability insurance?

This type of insurance is sold to people who take out a loan, for example to pay for an automobile, motorcycle, boat, furniture, etc.

6. Why is this a class action?

In a class action, one or more people called “Class Representatives” (in this case, Gloria Carter and Roy Farr) sue on behalf of people who have similar claims. All these people are a “Class” or “Class members.” One court resolves the issues for all Class members, except for those who exclude themselves from the Class.

7. Why is there a settlement?

The Court did not decide in favor of the Plaintiffs or Defendants. Instead, both sides agreed to settle. That way, they avoid the cost and risks of a trial and the people affected will get compensation. The Class Representatives and their attorneys think the settlement is best for all Class members. The settlement does not mean that the Defendants did anything wrong.

WHO IS IN THE SETTLEMENT

To see if you can get benefits from this settlement, you first have to determine if you are a Class member.

8. How do I know if I am part of the settlement?

If you bought a car, boat, or RV and financed it or bought other things like furniture, you may have bought credit insurance. If for any reason your loan was paid off early, for example, if your car was wrecked, refinanced, or you traded it in, you may be eligible for a repayment of any unearned premium. The settlement includes anyone who, at any time on or before November 17, 2006, bought a policy from one of the insurers listed in Question 2, paid full premiums at the start of the loan, and did not receive a refund of unearned premiums when their loan was paid off early while the policy was still in force.

9. Are there exceptions to being included?

You are not included in the settlement if you received any death or disability benefits from your policy, were refunded any pre-paid premiums, already settled your claims with the Defendants and signed a release, your loan was in default, or your debt was discharged in bankruptcy.

10. I'm still not sure I'm included.

If you are not sure whether you are included in the Class, you may call the toll free number 1-888-568-7640 with questions.

THE SETTLEMENT BENEFITS—WHAT YOU GET

11. What does the settlement provide?

The settlement will provide a full refund of any unearned premiums that you paid plus an additional 15%. The Defendants will also donate at least \$500,000 to one or more non-profit or tax-exempt organizations selected by the parties and the Court. Additionally, any checks distributed to Class members that are not cashed within 180 days after being mailed will also be donated. The Defendants have also agreed to send a notification, for a period of three years starting in 2007, to customers after their credit insurance has expired. This notification will provide details on how to get a refund of any unearned premiums if the loan was paid off early. A [Settlement Agreement](#), available at www.creditpremiumcase.com or by calling 1-888-568-7640, describes all of the details about the proposed settlement.

12. How much will my payment be?

Payments will be based on the amount of credit insurance premiums you paid. For some people the refund checks could be more than \$100.

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

13. How can I get a payment?

To ask for a payment, you must complete and submit a claim form. You can get a [claim form](#) at www.creditpremiumcase.com or by calling 1-888-568-7640. Please read the instructions carefully, fill out the claim form and mail it, postmarked by **May 24, 2007**, to:

Credit Premium Claims
PO Box 25
Minneapolis, MN 55440-0025

14. When will I get my payment?

The payments will be mailed to Class members who send in valid claim forms, after the Court grants “final approval” of the settlement, and any appeals are resolved. If Judge Allen approves the settlement after an upcoming hearing (see the section “The Court’s Fairness Hearing” below), there may be appeals. If there are any appeals, resolving them can take time. Please be patient.

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

If the settlement becomes final, you will be releasing the Defendants who settled, for all the claims identified in Section 19 of the [Settlement Agreement](#). These are called “Released Claims.” The Settlement Agreement is available at www.creditpremiumcase.com or by calling 1-888-568-7640. The Settlement Agreement describes the Released Claims with specific descriptions, in necessarily accurate legal terminology, so read it carefully. Talk to Class Counsel (see the section on “The Lawyers Representing You” below) or your own lawyer if you have questions about the Released Claims or what they mean.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don’t want a payment from this settlement, but you want to keep the right to sue the Defendants about the issues in this case, then you must take steps to get out. This is called excluding yourself from—or is sometimes referred to as “opting out” of—the settlement Class.

16. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from *Carter v. North Central Life Insurance Company*. Be sure to include the case number (No. SU-06-CV-3764-6), your full name, address, telephone number, the specific policy or policies you want to exclude, and your signature. You must mail your request for exclusion so that it is received by **March 30, 2007** to:

Credit Premium Exclusions
PO Box 25
Minneapolis, MN 55440-0025

You can't exclude yourself on the phone, by email, or at the website.

17. If I don't exclude myself, can I sue the Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Defendants for the claims that this settlement resolves. You must exclude yourself from *this* Class to start your own lawsuit. Remember, any exclusion requests must be received by **March 30, 2007**.

18. If I exclude myself, can I get a payment from this settlement?

No. If you exclude yourself, do not submit a claim form to ask for a payment.

THE LAWYERS REPRESENTING YOU

19. Do I have a lawyer in this case?

The Court appointed the law firms of Butler, Wooten & Fryhofer, LLP of Atlanta and Columbus, Georgia and the O'Brien Law Firm, PC of Manchester, New Hampshire to represent you and other Class members as "[Class Counsel](#)." You do not have to pay Class Counsel. If you want to be represented by your own lawyer, and have that lawyer appear in court for you in this case, you may hire one at your own expense.

20. How will the lawyers be paid?

Class Counsel will ask the Court for \$1,700,000 to cover attorneys' fees and reimbursement of their expenses, including payments of \$7,500 to be awarded to each of the Class Representatives. The Defendants have agreed not to oppose these fees, expenses, and awards up to the amounts above. The Court may award less than these amounts. The Defendants will separately pay the fees, expenses, and awards that the Court orders. These payments will not reduce the amount distributed to Class members. The Defendants will also separately pay the costs to administer the settlement.

OBJECTING TO THE SETTLEMENT

You can tell the Court if you don't agree with the settlement or some part of it.

21. How do I tell the Court if I don't like the settlement?

You can object to the settlement if you don't like some part of it. The Court will consider your views. To do so, you must send in a written objection in the case, *Carter v. North Central Life Insurance Company* (No. SU-06-CV-3764-6). Be sure to include your full name, address, telephone number, your signature, the specific reasons why you object to the settlement, any legal support or evidence to support your

objection, and whether you or your attorney will be attending the hearing (see “The Court’s Fairness Hearing” below). You must mail your objection so that it is received by **March 30, 2007**, to the four addresses listed below:

COURT	CLASS COUNSEL	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of Court Superior Court of Muscogee County Government Center PO Box 1340 Columbus, GA 31902	James E. Butler, Jr. Butler, Wooten & Fryhofer, LLP 105 13th Street Columbus, GA 31901	Edward K. O’Brien O’Brien Law Firm, PC One Sundial Plaza, Fifth Floor Manchester, NH 03103	Michael D. Mulvaney Maynard, Cooper & Gale, P.C. 1901 Sixth Avenue North 2400 AmSouth/Harbert Plaza Birmingham, AL 35203

22. What’s the difference between objecting and asking to be excluded?

Objecting is telling the Court that you oppose approval of the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don’t want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT’S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don’t have to.

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

The Court has scheduled a Fairness Hearing at 9:00 a.m. on Tuesday, **April 24, 2007**, at the Courthouse for the Superior Court of Muscogee County, Government Center, 100 10th St., 7th Floor, Columbus, Georgia. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Allen will listen to people who have asked to speak about an objection according to Question 21 above. The Court may also decide how much to award Class Counsel as fees for representing the Class. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The hearing may be moved to a different date without additional notice, so it is a good idea to check www.creditpremiumcase.com for updated information.

24. Do I have to come to the hearing?

No. Class Counsel will answer questions that Judge Allen may have. But, you are welcome to come at your own expense. If you send an objection, you don’t have to come to Court to talk about it. As long as you filed and mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it’s not necessary.

25. May I speak at the hearing?

If you submitted an objection to the settlement (see Question 21), you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your “Notice of Intention to Appear in *Carter v. North Central Life Insurance Company*.” Your Notice of Intention to

Appear must be received by **March 30, 2007**, and must be sent to the addresses listed in question 21 along with the following information:

- name of the case (*Carter v. North Central Life Insurance Company*), case number (No. SU-06-CV-3764-6), your full name, address, telephone number, and signature;
- detailed statement of the specific legal and factual basis for each objection;
- list of any witnesses you intend to call at the Fairness Hearing, and a description of the testimony to be offered; and
- list of exhibits and copies of all exhibits you intend to introduce at the Fairness Hearing.

IF YOU DO NOTHING

26. What happens if I do nothing at all?

If you do nothing, you'll get no payment from this settlement. And, unless you exclude yourself, you won't be able to sue the Defendants for the claims resolved in this case, ever again.

GETTING MORE INFORMATION

27. How do I get more information about the settlement?

This notice summarizes the proposed settlement. More details are in a [Settlement Agreement](#), which is available at www.creditpremiumcase.com or by calling 1-888-568-7640. If you have questions, visit the website, call toll free, or write to Credit Premium Settlement, PO Box 25, Minneapolis, MN 55440-0025.