

SUFFOLK SUPERIOR COURT
Civil Action No. 07-1294-BLS2

ANN MARIE CHIARADONNA, ELIZABETH
GARUTI, SUSAN BERNDTSON, VLADISLAV
SEREDKIN, TONY VANGELIST,
and JODI SCAGLIONE, on behalf of themselves
and all others similarly situated.

Plaintiff,

vs.

ARBELLA MUTUAL INSURANCE COMPANY,
METROPOLITAN PROPERTY & CASUALTY
INSURANCE COMPANY, SAFETY
INSURANCE COMPANY, COMMERCE
INSURANCE COMPANY, HANOVER
INSURANCE COMPANY, and LIBERTY
MUTUAL INSURANCE COMPANY

Defendants

NOTICE OF CLASS ACTION SETTLEMENT AND APPROVAL HEARING

To: All persons who obtained an arbitration award on bodily injury claims, uninsured motorist claims and underinsured motorist claims against either Metropolitan Property and Casualty Insurance Company ("Metropolitan") or an insured of Metropolitan, under a Massachusetts automobile policy, from March 26, 2001 to April 2, 2009.

THIS NOTICE DESCRIBES HOW YOU MAY OBTAIN A MONETARY AWARD AND YOUR OTHER OPTIONS WITH RESPECT TO THIS CLASS ACTION.

Summary Description of Action and Settlement

This notice explains the settlement of a class action lawsuit against Metropolitan Property & Casualty Insurance Company (hereinafter "Metropolitan") in which the plaintiff alleges that Metropolitan failed to pay post-award interest on arbitration awards for bodily injury, uninsured and underinsured motorist claims under automobile insurance policies issued by Metropolitan in the Commonwealth of Massachusetts. The settlement agreement has been preliminarily approved by the Court and provides for payment of post-award interest, plus interest on the interest, to those individuals who obtained an arbitration award on a bodily injury claim, uninsured motorist claim or underinsured motorist claim against Metropolitan or one of Metropolitan's insureds under a Massachusetts automobile insurance policy from March 26, 2001 through April 2, 2009, with the exception of those who (i) specifically waived the payment of post award interest in the applicable arbitration agreement or (ii) in connection with third party claims against Metropolitan insureds, executed releases of Metropolitan or Metropolitan insureds subsequent to the date of the Arbitration Award.

PLEASE NOTE THAT IF YOU HAVE PREVIOUSLY RECEIVED A CHECK FROM METROPOLITAN FOR POST-AWARD INTEREST ON YOUR ARBITRATION AWARD, YOU WILL NOT RECEIVE AN ADDITIONAL PAYMENT UNDER THE SETTLEMENT.

PLEASE TAKE NOTICE THAT on July 15, 2010, in Courtroom 907 of the Suffolk Superior Court, 3 Pemberton Square, Boston, Massachusetts, at 2:00 p.m., a hearing shall be conducted to determine whether to grant final approval to the Settlement Agreement, consider any timely objections to the settlement and rule on the fee application submitted by attorneys for the plaintiff in this class action lawsuit.

No payments will be made available until after the Settlement has become final and non appealable.

Read this notice carefully. You may be entitled to share in the settlement proceeds of this class action lawsuit. Your rights to a monetary award may be affected.

In the following notice, you are being told about the features of the proposed settlement, and asked to decide whether you would like to oppose the settlement.

1. Why did you receive this notice?

This notice has been mailed to you because you have been identified as a member of a group of individuals (a class) for whom a settlement with Metropolitan has been reached. Metropolitan's records indicate that you have been paid an arbitration award obtained against Metropolitan or against one of its insureds between March 26, 2001 and April 2, 2009, and you may be eligible to receive unpaid interest on the award.

2. Who are the parties in this class action?

Elizabeth Garuti is the named plaintiff. She contends that Metropolitan did not pay post award interest on an arbitration award she obtained against Metropolitan. Ms. Garuti filed this lawsuit as a class action to assert her own individual claim and to represent a class of persons who have similar claims. The defendant is Metropolitan. The lawsuit is pending in the Business Litigation Session 2 of the Suffolk Superior Court.

3. Who are the members of the class?

The class consists of all Persons who obtained Arbitration Awards on bodily injury claims, uninsured motorist claims and underinsured motorist claims against Metropolitan or Metropolitan Insureds under Massachusetts automobile insurance policies from March 26, 2001 through April 2, 2009. However, the Settlement Class does not include any Persons who obtained Arbitration Awards against Metropolitan or Metropolitan Insureds under Massachusetts automobile insurance policies from March 26, 2001 through April 2, 2009, who i) specifically waived the payment of post-award interest in the applicable arbitration agreement, or ii) in connection with third-party claims against Metropolitan Insureds, executed releases of Metropolitan or Metropolitan Insureds subsequent to the date of their Arbitration Award.

4. What is this lawsuit about?

Plaintiff claims that Metropolitan did not pay post-award interest on arbitration awards. Post-award interest is interest paid on the award between the date of the award and the date of payment. Plaintiff alleges that the payment of post-award interest is required by law.

Metropolitan contends that it made all of its arbitration award payments promptly. Based on the information available to both sides, and the risks involved in a trial, attorneys for the class have concluded that the proposed settlement is fair, reasonable, and adequate, and that it serves the best interests of class members.

5. What compensation will the settlement provide?

The settlement, if it is finally approved by the Court, provides the following:

- a. Metropolitan will pay post-award interest on the amount of the arbitration award previously paid by Metropolitan to each Settlement Class Member. The amount of interest to be paid shall be equal to simple interest at the rate of 12% per annum for the period between the date of the Arbitration Award and the date on the check previously sent to the Settlement Class Member for payment of the amount of the Arbitration Award paid by Metropolitan to the Settlement Class Member. If after due diligence, Metropolitan cannot determine the date of the Arbitration Award from its records, it will use the date of the final Arbitration hearing as the date of Metropolitan's receipt of the Arbitration Award. If Metropolitan cannot determine either the date of the Arbitration Award or the date of the Arbitration hearing from its records, it will use the date of its noting receipt of the Arbitration Award in its claim file notes.

- b. Metropolitan will also pay each Settlement Class Member simple interest at the rate of 12% per annum on the amount identified in Paragraph 5(a), for the period commencing on the date of the Metropolitan check issued for payment of the Arbitration Award and ending upon the date Metropolitan mails payment to the Settlement Class Member under the Settlement.

No benefits will be made available until after approval of the settlement by the Court becomes final. Once the settlement becomes final, if you are a class member, you will receive payment.

In addition, Metropolitan has instituted a policy since April 3, 2009, whereby post-award interest has been and will be paid at the amount of 12% per annum, on all Arbitration Awards. However, no post-award interest need be paid by Metropolitan i) in the event the parties to the arbitration expressly so agreed in writing, ii) in the event the payment was delayed because of liens or other circumstances beyond Metropolitan's control, such as where payment information is not promptly provided by the claimant or claimant's counsel, or where claimant's counsel otherwise requests or causes the delay, or iii) in the event that the claimant signs a release after the date of the Arbitration Award wherein the claimant agrees explicitly to waive post-award interest. Metropolitan reserves the right to change this policy to reflect changes in the law.

6. Do you need to complete any form to get payment?

No. If you are a Class Member, then your check will be sent to the same address to which this Notice was sent. **IF YOU MOVE, PLEASE CALL 1-800-287-8119 IN ORDER TO PROVIDE PLAINTIFFS' COUNSEL WITH YOUR NEW ADDRESS.**

7. How much money will the attorneys be paid and who will pay it?

Plaintiffs' Counsel intends to apply for an award of fees and expenses not to exceed \$160,000.00 with respect to their representation of Plaintiff and the class. Metropolitan will not oppose the application of Plaintiffs' Counsel with respect to fees and expenses provided that the application does not exceed \$160,000.00.

The Court will determine the amount of any fees and expenses awarded to Plaintiffs' Counsel. None of the fees and expenses awarded to Plaintiffs' Counsel will be deducted from the payments made to the class.

8. Will the named plaintiff who pursued this lawsuit on behalf of the class receive anything in addition to the benefits provided to the other members of the class?

No.

9. What are your options?

As a member of the class, you have the following options:

- If you wish to participate in the settlement, you do not need to do anything.
- If you disagree with any part of the settlement or the request for attorneys' fees or expenses, you may file an objection as described below.

10. How do you file an objection?

If you wish to object to any part of the settlement or the request for attorneys' fees or expenses, you must state your objection in writing and file it with the Court postmarked no later than **June 19, 2010**. The objection should be addressed to the Clerk for Civil Business, Business Litigation Session 2, Suffolk Superior Court, 3 Pemberton Square, Boston, Massachusetts, 02108 and marked to indicate "objections to proposed settlement in Garufi, et al. v. Metropolitan Property & Casualty Insurance Company, et al Civil Action No. 07-1294-BLS2." Additionally, if you or your attorney intend to object at the Final Approval Hearing, you must file with the Court and serve Class Counsel and Defendant's Counsel with a notice of intention to appear not later than **July 1, 2010**.

You must simultaneously mail your objection to Plaintiffs' attorneys:

Thomas G. Shapiro, Esq.
Shapiro Haber & Umy LLP
53 State Street
Boston, MA 02109
(800) 287-8119

John R. Yasi, Esq.
Yasi & Yasi
Two Salem Green
Salem, MA 01970
(978) 741-0400

And to defendant's attorneys:

John P. Graceffa, Esq.
Morrison Mahoney, LLP
250 Summer Street
Boston, MA 02210

Included in any such objection must be a statement of the basis for your objection. If you do not properly file and serve an objection by the required date, any objections you may have to the settlement will be waived.

11. When will the Court conduct the Approval Hearing?

The Court will conduct a public hearing to determine whether to approve the proposed settlement on **July 15, 2010, at 2:00 p.m.** in Courtroom 907, Suffolk Superior Court, 3 Pemberton Square, Boston, Massachusetts. Although the hearing will be open to the public, you will not be permitted to speak in opposition to the issues above at the hearing unless you have filed a timely objection to the settlement or the attorneys' fees in the manner described above. If you have filed an objection, you may appear with or without your own counsel and be heard at the hearing.

12. Where can you get additional information?

This notice provides only a summary of matters regarding the lawsuit. The documents, settlement agreement and orders in the lawsuit provide greater detail and may clarify matters that are described only in general or summary terms in this notice. Copies of the settlement agreement, other documents, court orders and other information related to the lawsuit may be obtained from Plaintiffs' attorneys identified in paragraph 10 above. You should direct any inquiries concerning a claim or other matters described in this notice to Plaintiffs' attorneys.

If you wish, you may seek the advice and guidance of your own attorney, at your own expense.

Please do not contact the Court, Counsel for Metropolitan or any Metropolitan representative for information.

Dated: May 21, 2010

Justice of the Superior Court