

SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES

CNA INSURANCE OVERTIME CASES

**Samora vs. CNA, et al.
Wenzel vs. Galway Ins. Co., et al.**

JCC Case Number 4230

**NOTICE OF CLASS
ACTION SETTLEMENT**

TO: All persons who, at any time from December 28, 1996, through and including March 28, 2006, have been or were employed in the State of California by Continental Casualty Company, Galway Insurance Company and/or RSKCo Services, Inc. (collectively referred to in this Notice as “Defendants”) to adjust and/or appraise claims or to perform work in connection with the adjustment or appraisal of claims, and who were paid, or currently are paid, as exempt employees as the same is defined pursuant to statute and/or California or federal regulatory determination

On March 28, 2006, the Court in these coordinated actions granted preliminary approval of a proposed settlement as set forth in a Class Action Settlement Agreement (“Settlement Agreement”). If the settlement is granted final approval by the Court, these coordinated actions will be dismissed with prejudice, and Defendants will be released from all claims raised in or related to those actions including, among others, claims under California’s wage and hour laws and claims under the federal Fair Labor Standards Act. The Class Representatives and Class Counsel (as defined below) believe the proposed settlement is fair, adequate, and reasonable and in the best interest of the Class (as defined below).

This Notice informs you of the proposed settlement and its terms and your rights to participate in the proposed settlement, to object to the terms of the proposed settlement, and to exclude yourself from the proposed settlement. This Notice also explains how you can obtain more information about the settlement.

**PLEASE READ THIS ENTIRE NOTICE CAREFULLY.
YOUR RIGHTS MAY BE AFFECTED
BY THE PROPOSED SETTLEMENT DESCRIBED IN THIS NOTICE.**

I. SUMMARY OF THE COORDINATED ACTIONS

On December 28, 2000, plaintiff Ernestine Samora filed *Samora vs. CNA, et al.*, against Continental Casualty Company (and other companies that form part of the CNA group of insurance companies) on behalf of former and current claims adjusters of those companies who worked in California in connection with the adjusting of property damage and/or bodily injury claims. An additional case, *Wenzel vs. Galway Insurance Co., et al.*, was filed thereafter. The cases were coordinated under the title *CNA Insurance Overtime Cases* (referred to in this Notice as the “Action”) in the Superior Court of the State of California for the County of Los Angeles, where the Action is now pending before the Honorable Victoria Chaney, Judge (referred to in this Notice as the “Court”).

After the cases were coordinated, plaintiffs filed a First Amended Consolidated Class Action Complaint. The Action seeks recovery of overtime pay, penalties, and related amounts that plaintiffs contend are owed to all present and former claims adjusters of Defendants who adjusted or appraised claims in California from December 28, 1996, to March 28, 2006. As part of the proposed settlement, plaintiffs have filed a Second Amended Consolidated Class Action Complaint.

During the Action, attorneys for the plaintiff class and attorneys for Defendants engaged in mediation with an experienced mediator, the Honorable Edward Infante (Retired), who is a former United States District Court Magistrate Judge. In addition, counsel for the parties have engaged in numerous discussions in an attempt to resolve this Action. The parties have reached an agreement to settle this Action, subject to the approval of the Court. The Court has not rendered any decisions on the merits of the Action. At the time that the agreement to settle was reached, pending before the Court, but not decided, were plaintiffs’ motion for class certification and Defendants’ motion for summary judgment as to plaintiff Warraine Baker.

As part of the settlement process, the Court has appointed the Hon. Edward Infante (Ret.) to act as the Referee in this matter. He will resolve any disputes involving the settlement process if the Court grants final approval of the settlement. His determinations shall be final, binding, and non-appealable.

II. CLASS DEFINITION

The Action is being settled as a “class action.” In a class action, the plaintiffs, also referred to as class representatives, sue on behalf of themselves and other persons with similar claims.

The Court has conditionally approved a class for settlement purposes only. The settlement class ("Class") is defined as follows (members of the Class are sometimes referred to in this Notice as "Class Members"):

The Class is comprised of all persons who, at any time from December 28, 1996, through and including March 28, 2006 (the "Class Period"), have been or were employed in the State of California by one or more of the Defendants, including, without limitation, those employed in one or more of the positions set forth immediately below, to adjust and/or appraise claims or to perform work in connection with the adjustment or appraisal of claims, who claim they were mis-classified as exempt and seek to recover overtime pay plus interest, penalties, attorneys fees, and costs.

The job titles that are within the Class include, without limitation:

A & E Claims Analyst I	Excess/Surplus Claims Analyst
A& E Claims Analyst II	Executive General Adjuster
Appraiser II	Fast Track Claim Specialist
Appraiser III	Field Adjuster
Appraiser III – WC	Field Claims Representative
Branch Coordinator	Field Claims Specialist
Claim Adjuster – LI	Field Staff Negotiator Construction Claims
Claim Adjuster – LI (COM)	General Adjuster
Claim Adjuster – LI (INT)	IHU P/L Claims Representative
Claim Adjuster – WC	IHU P/L Claims Specialist
Claim Adjuster – WC (COM)	IHU P/L Senior Claims Representative
Claim Adjuster – WC (INT)	Medical Malpractice Claim Area
Claim Adjuster Trainee – WC	P/L Claims Consultant
Claim Adjuster Trainee – WC (COM)	Property Claims Consultant
Claim Specialist	Property Claims Specialist
Claim Specialist – LI	Regional Claims Analyst
Claim Specialist – LI (COM)	Senior Branch Coordinator
Claim Specialist – LI (INT)	Senior Claim Adjuster – LI
Claim Specialist – P/C	Senior Claim Adjuster – LI (COM)
Claim Specialist – WC	Senior Claim Adjuster – LI (INT)
Claim Specialist – WC (COM)	Senior Claim Adjuster – W/C
Claim Specialist – WC (INT)	Senior Claim Adjuster – W/C (COM)
Claims Analyst I	Senior Claim Adjuster – W/C (INT)
Claims Analyst II	Senior Claims Representative
Claims Consultant	Senior Field Claims Representative
Claims Consultant II	Senior General Adjuster
Claims Consultant – EMTC/APMT	Senior Property Claims Specialist
Claims Consultant – P/C	Senior W/C Claims Representative
Claims Consulting Director	Staff Expert Construction Claims
Claims Para-professional	Subro/Salvage Specialist I
Claims Representative	Subro/Salvage Specialist II
Claims Representative – P/C	W/C Claims Consultant
Claims Specialist	W/C Claims Representative
Claims Specialist – EMTC/APTM	W/C Claims Specialist
Claims Specialist – P/C	WMCO Claims Representative

Any change, modification, addition, or deletion of any job titles by Defendants shall not result in a change in the persons defined as Class Members. A person is eligible to be a Class Member based upon the duties that he or she performed while employed by Defendants in California during the Class Period.

Persons who adjusted and/or appraised claims or performed work in connection with the adjustment or appraisal of claims while they were classified, employed, and compensated by Defendants as supervisors, managers or officers of Defendants are not included in the Class during any time they were employed in those capacities.

If the Court approves the settlement, the settlement will bind all Class Members who have not excluded themselves from the Class.

The Court has not determined that the Action could be litigated as a class action. If the Court does not approve this settlement, the conditional class certification will have no effect or precedential value in any subsequent proceedings in the Action or in any other litigation.

III. CLASS REPRESENTATIVES AND CLASS COUNSEL

The Court has appointed plaintiffs Brian Wenzel and Warraine Baker as "Class Representatives" to represent the Class. Previously, Ernestine Samora ("Samora") proposed to represent the Class. She subsequently withdrew that request, and remains as a Class Member.

The Court appointed the following attorneys to represent the Class as "Class Counsel":

Marlin & Saltzman Louis M. Marlin Stanley D. Saltzman 3200 El Camino Real Suite 100 Irvine, CA 92602 Tel.: 714-669-4900	R. Rex Parris Law Firm R. Rex Parris Robert Parris 963 W. Avenue J Lancaster, CA 93534 Tel.: 661-949-2595
McInerney & Jones Kevin J. McInerney 18124 Wedge Parkway No. 503 Reno, NV 89511 Tel.: 775-849-3811	Schwartz, Daniels & Bradley Arnold Schwartz Marcus Bradley 29229 Canwood Street, Suite 208 Agoura Hills, Ca 91301 Tel.: 310-478-5838

IV. SETTLEMENT AMOUNT

The proposed settlement obligates Defendants to pay a potential maximum settlement amount (called the "Potential Maximum Consideration" in the Settlement Agreement) of Thirty Three Million Dollars (\$33,000,000). This payment is "all inclusive." It includes, but is not limited to, unpaid overtime pay, pay for meal and rest break violations, any and all associated penalties, interest, costs, attorneys' fees, class administration costs, referee costs, incentive payments to the Class Representatives and Samora, a reserve for late claims, and employee-paid withholding and payroll taxes.

In addition to the Potential Maximum Consideration, Defendants shall be responsible for paying all employer-paid withholding and payroll taxes and similar expenses (including, without limitation, state and federal income taxes, social security contributions and unemployment taxes) including FUTA and the employer's share of FICA and Medicare taxes as required by law with respect to settlement payments to Class Members.

V. SETTLEMENT ADMINISTRATOR

The settlement process will be administered by Gilardi & Company (the "Administrator"), a company that provides settlement and claims administration services. The Court has approved Gilardi & Company to act as the Administrator for purposes of this settlement. All of the costs and fees of the Administrator shall be paid out of and subtracted from the Potential Maximum Consideration.

VI. THE CLAIMS PROCESS

Enclosed with this Notice you will find a Claim Form. If you want to be eligible to receive a payment as part of this settlement, you must submit a Claim Form. To complete the Claim Form, you must declare under penalty of perjury that you worked overtime while employed in a position within the Class. **If you do not properly complete and mail in a Claim Form in a timely manner, you will not receive any payment under the settlement.**

THE CLAIM FORM MUST BE COMPLETED, SIGNED UNDER PENALTY OF PERJURY, AND RETURNED TO GILARDI & COMPANY, THE ADMINISTRATOR APPROVED BY THE COURT, AT THE ADDRESS SET FORTH BELOW WITHIN 75 DAYS OF THE DATE THAT THIS NOTICE AND THE CLAIM FORM WERE MAILED TO YOU. THEREFORE, FOR YOUR CLAIM TO BE CONSIDERED TIMELY, YOUR CLAIM FORM MUST BE POSTMARKED NO LATER THAN JULY 5, 2006. Claims postmarked after that date will be considered as late claims and may be subject to rejection.

Claim Forms must be mailed to:

CNA INSURANCE OVERTIME CASES
c/o Gilardi & Co. LLC, Claims Administrator
P.O. Box 1110
Corte Madera, CA 94976-1110

Please follow the directions on the Claim Form carefully. If you require assistance, you may contact the Administrator at 1-800-780-8015 or Class Counsel at the addresses and telephone numbers set forth above in Section III of this Notice.

As used in this Notice and the Settlement Agreement, a Class Member who submits a timely Claim Form is called a "Settlement Class Member." A Class Member who submits a late claim that is not rejected by the Referee is called a "Late Claim Settlement Class Member."

Please note that any Claim Form submitted as part of this settlement cannot be used by Defendants in any proceeding or action regarding the potential discipline of any individual employee, cannot be placed (or a copy placed) by Defendants in any individual employee's personnel file, and cannot be provided by Defendants to any manager or supervisor at the claims office level or any person below the manager or supervisor level.

VII. LATE CLAIM PROCESS

The Settlement Agreement contains provisions for dealing with Claim Forms that have been properly completed and signed but submitted after the deadline for the timely submission of Claim Forms. Class Members who submit Claim Forms after the applicable deadline shall be informed in writing by the Administrator that their claims are late. Within 20 days of receiving such written notification, a Class Member who submitted a Claim Form after the deadline shall have an opportunity to present to the Referee (c/o the Administrator at the address set forth in Section VI of this Notice) a written statement, signed under penalty of perjury, setting forth the reasons why his or her Claim Form was submitted late. The Referee shall have the sole discretion to approve or disapprove all Claim Forms submitted late in accordance with the following:

1. If a Claim Form was initially submitted on or before the 60th day after the deadline for the timely submission of Claim Forms, the Referee shall determine whether the Claim Form was submitted late due to an incorrect/invalid mailing address or for another reason. If the Claim Form was submitted late for reasons other than the Administrator having sent the Claim Form to the Class Member at an incorrect/invalid mailing address, the Referee shall determine whether good cause exists for the late submission. If the Referee determines that good cause exists, the claim shall be considered a "Late Claim" and the Class Member that submitted the Late Claim shall be considered to be a Late Claim Settlement Class Member and shall be eligible to receive a settlement payment but only from a \$200,000 late claim reserve (discussed below) created as part of the settlement. If the Referee determines that no good cause exists for the late submission, the Claim Form shall be rejected as untimely.

2. If a Claim Form was initially submitted on or before the 120th day after the deadline for the timely submission of Claim Forms and the Referee determines, or the parties agree, that the Claim Form was submitted late because the Administrator sent the Claim Form to the Class Member at an incorrect/invalid mailing address, the Claim Form shall be considered as having been timely submitted and the person submitting such Claim Form shall be a Settlement Class Member.

3. The Referee shall reject as untimely any Claim Form that is submitted more than 120 days after the deadline for the timely submission of Claim Forms, regardless of the reason or reasons for the late submission.

All determinations made by the Referee respecting Claim Forms submitted after the deadline for the timely submission of claims, shall be final, binding, and non-appealable.

VIII. RELEASE AND WAIVER

If the Court approves the settlement, then upon the effective date of the settlement, the Class Representatives and all Class Members (i) shall be deemed to have agreed that, except for the obligations imposed by this settlement, Defendants shall be forever released and discharged from all Released Claims (as defined below) and (ii) shall be barred and enjoined from suing the Released Parties (as defined below) for any liability in any way related to or arising out of any Released Claim.

For purposes of the settlement, "Released Claims" means all claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, whether known or unknown, that were or could have been asserted in the Action, whether in tort, contract, statute, rule, ordinance, order, regulation, or otherwise, including, without limitation, state and federal wage and hour laws (including, without limitation, California Labor Code section 510 and the Fair Labor Standards Act, 29 U.S.C. section 201, et seq.), whether for economic damages, non-economic damages, restitution, penalties (including, without limitation, any penalties provided for in California Labor Code sections 203, 226, and 226.7 or the Labor Code Private Attorneys General Act of 2004 ("PAGA")) or liquidated damages, arising out of the alleged misclassification of Class Members as exempt employees including, without limitation, the causes of action asserted in either or both of the First Amended Consolidated Class Action Complaint and the Second Amended Consolidated Class Action Complaint, including, but not limited to, any and all claims for alleged failure to pay overtime, for alleged failure to provide Breaks, for alleged failure to maintain and furnish records of hours worked, for alleged unlawful conversion of wages, for alleged failure to timely pay wages, for alleged failure to pay compensation at the time of termination, for alleged minimum wage and pay stub violations and related violations of Wage Orders, for waiting time penalties, and, as related to the foregoing, for alleged unlawful, unfair and/or fraudulent business practices under California Business and Professions Code section 17200, et seq.

For purposes of the settlement, "Released Parties" means Continental Casualty Company, Galway Insurance Company, and RSKCo Services, Inc. and each of their respective past, present and future owners, stockholders, parent corporations, affiliates, subsidiaries, officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, attorneys, auditors, consultants, insurers and re-insurers, and their respective successors and predecessors in interest, and each of their company-sponsored employee benefit plans of any nature (including, without limitation, profit-sharing plans, pension plans, 401(k) plans, and severance plans) and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents.

IX. ATTORNEYS' FEES

Class Counsel have litigated this matter since December 2000. They have devoted substantial time, effort and expenses in prosecuting this Action, including taking numerous depositions, reviewing several thousand pages of documents produced by Defendants, meeting with and communicating with Class Members, filing plaintiffs' motion for class certification, etc. It is customary for courts to award to class counsel attorneys' fees based upon a percentage of the potential maximum settlement amount for the benefit of a class in amounts ranging from 25% to 40% of that amount. In this case, Class Counsel will request an award of 33 1/3% of the Potential Maximum Consideration for an average award of approximately 8.3% for each of the four firms comprising Class Counsel. Class Counsel will also seek reimbursement of the costs and expenses they have incurred on behalf of the Class, estimated to be approximately \$200,000, to be paid from the Potential Maximum Consideration.

X. INCENTIVE AWARDS

The Class Representatives and Samora will each request the Court to approve an incentive award of \$50,000 to be paid from the Potential Maximum Consideration.

XI. CALCULATION OF PAYMENTS TO CLASS MEMBERS

All settlement administrative fees and costs, the incentive awards to the Class Representatives and Samora, Referee fees and costs, the attorneys' fees and costs that the Court awards to Class Counsel, the late claim reserve, and other associated expenses shall be subtracted from the Potential Maximum Consideration. The funds remaining after payment of all of these amounts are designated as the Potential Gross Individual Settlement Proceeds, which is the amount available for distribution to Settlement Class Members, i.e., Class Members who submit completed, signed Claim Forms to the Administrator on a timely basis. The amount available for distribution to each Class Member shall be calculated as follows:

1. Annual Percentage; Potential Annual Gross Settlement Proceeds: Each calendar year during the Class Period shall be assigned an "Annual Percentage." That percentage shall equal (i) the total compensation to all Class Members for the period during that calendar year that they were employed in a position in the Plaintiff Class plus imputed interest calculated at seven percent (7%) per annum simple interest through the date of final approval of the settlement, divided by (ii) the sum of all such compensation and all such imputed interest for all calendar years in the Class Period. As used herein, a Class Member's total compensation for a calendar year shall be the amount reported in Box 1 of the Class Member's W-2 form for that year (prorated to the nearest full month for any year in which a Class Member was not actively employed in the Plaintiff Class for the entire year). (If a Class Member's W-2 forms are not available for one or more years during the Class Period, the parties shall work together to determine total compensation to the best of their abilities in order to effectuate the intent of the settlement.) The Annual Percentage shall then be multiplied by the Potential Gross Individual Settlement Proceeds to determine the "Potential Annual Gross Settlement Proceeds" allocable to that calendar year. Of the total amount so allocated, the percentage allocable to imputed interest shall be interest and the remainder shall be, in the appropriate percentages, wages (subject to withholding).

2. Individual Percentage: Each Class Member's "Individual Percentage" of each Potential Annual Gross Settlement Proceeds shall equal (i) the total compensation earned by that Class Member for the months in each calendar year that such Class Member worked as a Class Member divided by (ii) the total compensation paid to all Class Members for all of the months worked by Class Members during such year of the Class Period.

Example: If a Class Member worked during a year in the Class Period and earned a total of \$1, and the total compensation paid out to Class Members during that year was \$100, that Class Member's Individual Percentage would be 1 percent (1/100) of the Potential Annual Gross Settlement Proceeds for that year.

3. Individual Settlement Award: Each Class Member's "Individual Settlement Award" shall equal the sum of his or her Individual Percentages of each Potential Annual Gross Settlement Proceeds and shall be comprised of interest and wages in the same appropriate percentages as the respective Potential Annual Gross Settlement Proceeds.

4. Claimed Settlement Amount; Unclaimed Amount: The total Individual Settlement Awards claimed by Settlement Class Members shall be the "Claimed Settlement Amount". If each and every Class Member is a Settlement Class Member, then the Claimed Settlement Amount shall equal the Potential Gross Individual Settlement Proceeds and all Individual Settlement Awards shall be distributed to all Settlement Class Members. Any Class Member who does not become either a Settlement Class Member or a Late Claim Settlement Class Member shall not receive any Individual

Settlement Awards or any Claimed Settlement Amount. Any portion of the Potential Gross Individual Settlement Proceeds that is not distributed to Settlement Class Members shall be retained by Defendants.

5. Late Claim Settlement Members; Late Claim Reserve: A total of Two Hundred Thousand Dollars (\$200,000) (the "Late Claim Reserve") shall be set aside from the Potential Maximum Consideration to cover the payment of Late Claims (as defined in the Settlement Agreement). Any Late Claim Settlement Class Member shall be entitled to payment of an Individual Settlement Award as if such claim had not been late, and computed on the same basis as if it represented a share from the Potential Gross Individual Settlement Proceeds, except that (i) all such claims paid to Late Claim Settlement Class Members shall be paid solely from the Late Claim Reserve; and (ii) the total of all such claims shall not exceed the Late Claim Reserve. If the total of the claims made by Late Claim Settlement Class Members exceeds the Late Claim Reserve, all such claims shall be reduced proportionately so that the total paid to Late Claim Settlement Class Members does not exceed \$200,000. If the total of the claims by Late Claim Settlement Class Members is less than \$200,000, the undistributed portion of the Late Claim Reserve shall be retained by Defendants. Claims accepted as late due to an incorrect/invalid address are not subject to this paragraph.

6. Tax Liability and Net Payments: The payments by Defendants pursuant to this settlement are for alleged failure to pay overtime compensation, interest on said sum, and all other claims as set forth in the First Amended and Second Amended Consolidated Class Action Complaints. In accordance with both State and Federal tax laws, sums shall be withheld from each Class Member's Individual Settlement Awards as required in order to comply with these laws. Portions of any Individual Settlement Award not subject to withholding will be reported as required by law by means of a 1099 form. After appropriate tax withholding, the net payment to be received by each Settlement Class Member shall be designated as the "Net Payment", and said sum shall be paid as provided in the Settlement Agreement. The taxes withheld from the payments to Class Members shall be reported as required by law by means of a W-2 form, and such withheld funds, plus the employer's contribution, shall be paid over to the appropriate State and Federal taxing authorities. Each Class Member shall be provided with appropriate documentation setting forth the amount of any tax or other payment withheld, and employer contribution made, in accordance with State and Federal tax requirements. Such information shall also be provided to the Administrator and to Class Counsel. Class Members shall be responsible for remitting to State and/or Federal taxing authorities any applicable other taxes due and shall hold Defendants harmless and indemnify them for any liabilities, costs and expenses, including attorney fees, caused by any such taxing authority relating in any way to the tax treatment of the payments made pursuant to the Settlement Agreement.

7. Payment of settlement funds to have no effect on any employee benefit plan and similar plans: The payment to any Class Member as provided for in the Settlement Agreement is not and shall not be deemed to constitute an addition to, a modification of, or a change in any previously credited hours of service, compensation and/or wages under any employee benefit plan, employment policy, or stock option plan of or sponsored by one or more of the Defendants or their or any of their present or former parent corporations or affiliates or any jointly trustee benefit plans. Any such payment to any Class Member shall not form the basis for additional contributions to, additional benefits under, or any other additional entitlements under any employee benefit plan, employment policy, or stock option plan of or sponsored by one or more of the Defendants or their or any of their present or former parent corporations or affiliates or any jointly trustee benefit plans. Defendants and their and each of their present and former parent corporations and affiliates retain the right to modify and/or amend the language of their employee benefit plans, employment policies, and stock option plans, and to seek to have modified and/or amended the language of any jointly trustee benefit plans, to make clear that any amounts paid as a result of the Settlement Agreement are not compensation or wages, or payments for "hours worked," as defined by the applicable plans and policies, and that no additional contributions or benefits are required by reason of the settlement.

XII. SETTLEMENT APPROVAL HEARING

A hearing (the "Settlement Approval Hearing") has been scheduled on July 14, 2006, at 1:30 p.m., before the Honorable Victoria Chaney at Los Angeles Superior Court, Central Civil West Courthouse, Department 324, 600 S. Commonwealth Avenue, Los Angeles, CA 90005 at which time the Court will determine: (1) whether the proposed settlement should be approved as fair, reasonable and adequate to Class Members; (2) whether the application of Class Counsel for an award of attorneys' fees and expenses should be approved and in what amount; (3) whether the application for incentive payments for the Class Representatives and Samora should be approved and in what amount; and (4) whether an order granting final approval will be entered and the Action dismissed with prejudice.

You Are Not Required To Attend The Settlement Approval Hearing.

You are welcome to attend the Settlement Approval Hearing, at your own expense. You may request permission to speak to the Court at the Settlement Approval Hearing. You may hire your own attorney at your own expense to speak at the Settlement Approval Hearing. If you want to speak at the Settlement Approval Hearing, you must ask the Court for permission. To do so, send a letter to the Court (at the address set forth above in this Section of this Notice) with a copy to the Administrator (at the address set forth in Section VI of this Notice) no later than May 20, 2006, requesting permission to speak at the Settlement Approval Hearing. Such letter should be signed and should contain a brief

statement of the position that you wish to put before the Court at the Settlement Approval Hearing and the basis for that position. The Court may, or may not, grant the request.

XIII. RIGHT TO BE EXCLUDED FROM THE SETTLEMENT

You may exclude yourself from the Class. To do so, you must complete and sign the Request for Exclusion Form and return it to the Administrator at the address set forth above in Section VI of this Notice, postmarked no later than May 20, 2006. If you request to be excluded from the settlement, you will not receive any cash payment from the settlement, and you will not release any claims.

Any Class Member who does not provide the Administrator with a timely Request for Exclusion Form shall be bound by all the terms and conditions of the settlement, including, without limitation, the releases provided for in the Settlement Agreement and any Final Judgment entered by the Court, whether or not that Class Member submits a Claim Form.

XIV. RIGHT TO OBJECT TO SETTLEMENT

You have the right to object to the settlement. To do so, you must file with the Court and serve on Class Counsel and Defendants' counsel (at the addresses set forth below), no later than May 20, 2006, a written statement stating your objection to the settlement and the basis for your objection, along with any and all documents that support your objection. No Class Member shall be entitled to be heard at the Settlement Approval Hearing or object to the settlement, and no written objections or briefs submitted by any Class Member shall be received or considered by the Court at the Settlement Approval Hearing, unless written notice of the Class Member's intention to appear at the Settlement Approval Hearing, and copies of any written objections or briefs, shall have been filed with the Court and served on Class Counsel and Defendants' counsel on or before May 20, 2006, as follows:

Class Counsel:
Louis M. Marlin
Marlin & Saltzman
3200 El Camino Real
Suite 100
Irvine, CA 92602

Defendants' Counsel:
John A. Karaczynski
Catherine A. Conway
Akin, Gump, Strauss, Hauer & Feld
2029 Century Park East, Suite 2400
Los Angeles, CA 90067

Class Members who fail to file and serve timely written objections in the manner specified above shall be deemed to have waived any objections to the settlement and shall forever be foreclosed from making any objection (whether by appeal or otherwise) to the settlement, or any aspect of the settlement, including, without limitation, the fairness, reasonableness or adequacy of the proposed settlement, or any award of attorneys' fees or reimbursement of costs and expenses.

XV. SUMMARY OF OPTIONS

As a Class Member, you have the following options:

1. **Remain a Class Member.** If you do not exclude yourself from the Class, you will remain a Class Member, you will be bound by the Settlement Agreement, you will be eligible to receive a cash payment, and you will give up the claims that are released by the Settlement Agreement. If you are a Class Member and want to receive a cash payment, you must submit on a timely basis a valid, completed, signed Claim Form.
2. **Object to the Settlement.** You are entitled to submit a timely written objection to the settlement. If the Settlement Agreement is approved after your objection, you will remain a Class Member and will give up the claims that are released by the Settlement Agreement. If you submit on a timely basis a valid, completed Claim Form, you will be eligible to receive a cash payment.
3. **Exclude Yourself From the Class.** You are entitled to exclude yourself from the Class by submitting on a timely basis a valid, completed, signed Request for Exclusion Form. If you exclude yourself from the Class, you will not receive any cash payment or any other benefits from the settlement. You will retain all of the claims that will be released by Class Members.

XVI. REMINDER OF IMPORTANT SETTLEMENT DATES AND DEADLINES.

The following are important dates and deadlines under the proposed settlement:

Objection Deadline:	May 20, 2006
Exclusion Deadline:	May 20, 2006
Claim Form Deadline:	July 5, 2006
Settlement Approval Hearing:	July 14, 2006, at 1:30 p.m.

XVII. AVAILABILITY OF COMPLETE SETTLEMENT AGREEMENT

This Notice contains a summary of the proposed settlement contained in the Settlement Agreement that is on file with the Clerk of the Central Civil West division of the Court. The complete Settlement Agreement may be inspected during normal business hours at the offices of the Clerk or online at www.overtimelawsuit.com under the heading of "CNA Insurance Overtime Cases."

XVIII. ADDITIONAL INFORMATION

For more detailed information concerning the matters involved in the Action, please refer to the pleadings, the Settlement Agreement, the Orders entered by the Court in the Action, and to the other papers filed in the Action, which may be inspected at the office of the Clerk of the Central Civil West division of the Superior Court of the County of Los Angeles, State of California, during regular business hours.

Any questions concerning the matters contained in this Notice may be directed to the Administrator or Class Counsel (at the addresses set forth above in Section III of this Notice), via e-mail links at www.overtimelawsuit.com, or by calling Class Counsel at 1-888-587-7100:

You may also seek the advice and counsel of your own attorney, at your own expense, if you desire.

Do Not Call Or Write The Court To Obtain Copies of Documents Or To Ask Questions About The Settlement.