

IN THE SUPERIOR COURT OF MUSCOGEE COUNTY
STATE OF GEORGIA

KARI MCLEAN, INDIVIDUALLY,
AND ON BEHALF OF ALL OTHERS
SIMILARLY SITUATED,

Plaintiffs,

vs.

CIVIL ACTION
FILE NO. SU01CV1030

PROGRESSIVE CASUALTY INSURANCE
COMPANY, PROGRESSIVE AMERICAN
INSURANCE COMPANY, PROGRESSIVE
CLASSIC INSURANCE COMPANY,
PROGRESSIVE HALCYON INSURANCE
COMPANY, PROGRESSIVE NORTHERN
INSURANCE COMPANY, PROGRESSIVE
NORTHWESTERN INSURANCE COMPANY,
PROGRESSIVE PREFERRED INSURANCE
COMPANY, PROGRESSIVE SOUTHEASTERN
INSURANCE COMPANY, PROGRESSIVE
GULF INSURANCE COMPANY, AND UNITED
FINANCIAL CASUALTY COMPANY,

Defendants.

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS

THIS NOTICE IS SENT TO YOU BY ORDER OF THE COURT TO INFORM YOU THAT YOU MAY BE ELIGIBLE FOR BENEFITS FROM THE PROPOSED SETTLEMENT OF A LAWSUIT FILED ON YOUR BEHALF. IT DESCRIBES THE PROPOSED SETTLEMENT OF A CLASS ACTION. YOUR RIGHTS MAY BE AFFECTED BY THE LEGAL PROCEEDINGS DESCRIBED BELOW.

YOU NEED NOT RESPOND TO THIS NOTICE IN ORDER TO RECEIVE SETTLEMENT BENEFITS. IF YOU DO NOT WANT TO BE PART OF THE SETTLEMENT, YOU MUST TAKE THE STEPS DESCRIBED IN THIS NOTICE BY JULY 20, 2002. OTHERWISE, YOU MAY BE BOUND BY ALL OF THE TERMS OF THE PROPOSED SETTLEMENT.

IF YOU CURRENTLY HAVE OR INTEND TO MAKE A CLAIM AGAINST PROGRESSIVE CASUALTY INSURANCE COMPANY, PROGRESSIVE AMERICAN INSURANCE COMPANY, PROGRESSIVE SOUTHEASTERN INSURANCE COMPANY, PROGRESSIVE NORTHERN INSURANCE COMPANY, PROGRESSIVE PREFERRED INSURANCE COMPANY, PROGRESSIVE GULF INSURANCE COMPANY, PROGRESSIVE NORTHWESTERN INSURANCE COMPANY, PROGRESSIVE CLASSIC INSURANCE COMPANY, PROGRESSIVE HALCYON INSURANCE COMPANY, AND UNITED FINANCIAL CASUALTY COMPANY (HEREINAFTER REFERRED TO COLLECTIVELY AS "PROGRESSIVE"), REGARDING A PROPERTY DAMAGE CLAIM ARISING UNDER THE COMPREHENSIVE OR COLLISION COVERAGE OF A GEORGIA PERSONAL LINES AUTOMOBILE INSURANCE POLICY FOR A LOSS THAT OCCURRED BETWEEN MARCH 22, 1995 AND NOVEMBER 28, 2001 OR UNDER THE UNINSURED MOTORIST COVERAGE OF A GEORGIA PERSONAL LINES AUTOMOBILE INSURANCE POLICY FOR A LOSS THAT OCCURRED BETWEEN MARCH 22, 1997 AND NOVEMBER 28, 2001, THE PROPOSED SETTLEMENT MAY AFFECT YOUR RIGHTS.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL 1-888-813-7614 AND SPEAK TO A REPRESENTATIVE, OR YOU MAY VISIT THE WEBSITE LOCATED AT www.progressivegeorgiadv.com. PLEASE DO NOT CONTACT THE COURT, PROGRESSIVE OR YOUR PROGRESSIVE AGENT.

You have been sent this Notice because you may be eligible for benefits that will be provided as part of the proposed settlement of a class action lawsuit brought in the Superior Court of Muscogee County, Georgia (the "Court"), against Progressive.

The lawsuit is about plaintiffs' claim that vehicles lose value after they have been involved in accidents and that Progressive should pay its insureds for that alleged loss of value. On November 28, 2001, the Supreme Court of Georgia ruled that the Georgia insurance contracts there at issue provide first party coverage for any diminished value which may occur as a result of an insured loss. Progressive does not admit liability on any individual claim.

The plaintiffs and Progressive have concluded that settlement is in the best interest of Progressive's Georgia policyholders because of the uncertainty, expenses, risks, and delays of litigation. *Settlement benefits will be available only if the Court approves the settlement.* On August 6, 2002, the Court will hold a hearing ("the Fairness Hearing") to decide whether to do so.

The Court has certified a Settlement Class for injunctive, equitable and monetary relief.

The class is defined as

All persons issued a Georgia automobile insurance policy with collision or comprehensive coverage by the Defendants that was in force between and including March 22, 1995 and November 28, 2001 who reported valid property damage claims for vehicle damage under those coverages of their Georgia policies during the same time period and all persons issued a Georgia automobile insurance policy with uninsured motorist coverage by the Defendants that was in force between and including March 22, 1997 and November 28, 2001 who reported valid property damage claims for vehicle damage under that coverage of their Georgia policies during the same time period, but excluding claims resulting in total losses; claims limited to glass or tire replacement; claims confined to emergency roadside assistance or towing; and claims identified as closed without payment by the Defendants.

If you are a Class Member, you need to decide whether to decline further participation in the class. To be excluded, you must send a written notice stating, "I request to be excluded from the settlement class. I understand that this exclusion means that I will not receive any benefit available under the proposed settlement." Your notice must also contain your name, address, automobile insurance policy number(s) and claim number(s) and must be signed and dated by you. This written notice should be sent to McLean v. Progressive Opt Out, P.O. Box 8873, Melville, New York, 11747-8873 so that it is received by July 20, 2002. If you are excluded, you will not be able to receive any benefit available under the proposed settlement and you will not be bound by any orders or judgments entered in this case. An exclusion request for your claim(s) must be filed in an individual capacity, not by any representative. If you remain in the Class, your interests will be represented without cost by class counsel, and you will be bound by all orders and judgments entered by the Court, whether favorable or unfavorable to the Class.

Benefits and Consequences If the settlement is approved and you do not exclude yourself from the Class, you will be entitled to a diminished value settlement payment. Under the proposed settlement, approximately 85,900 of the Class Members to be identified by the Defendants and consisting of Class Members whose vehicles did not at the time their claims were submitted have mileage in excess of 100,000 miles (except Class Members whose insured vehicle was an Acura, Alfa Romeo, Audi, BMW, Cadillac, Infiniti, Jaguar, Land Rover, Lexus, Lincoln, Mercedes, Porsche, Rolls Royce, Saab, or Volvo) will be paid a pro rata share of \$215, less the adjustments provided for in the Settlement Agreement; an additional 28,634 of the Class Members to be identified by the Defendants and consisting of other Class Members whose vehicles exceeded 100,000 miles at the time their claim was submitted and who are not receiving \$215 will be paid a pro rata share of \$50, with the adjustments previously mentioned; provided, however, a Class Member will only be paid on one claim per insured vehicle. All other claims that have been or could have been asserted in the respective class periods in the Action will be released.

The Court has designated the following counsel to represent the Class for the purposes of settlement of this lawsuit:

Pope, McGlamry, Kilpatrick, Morrison & Norwood, LLP Post Office Box 2128 Columbus, Georgia 31902-2128	Hatcher, Stubbs, Land, Hollis & Rothschild, LLP Post Office Box 2707 Columbus, Georgia 31902-2707	C. Ronald Ellington 135 Beaver Trail Athens, Georgia 30605
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You will not be charged for the services of these or any other counsel representing the Class in this Action. You have the right to retain your own attorney in this matter, but if you do, you will be responsible for paying your own attorneys' fees and expenses.

Plaintiffs will apply to the Court for an award of attorneys' fees and costs not to exceed a total of \$6,000,000.00 on behalf of the counsel, which have represented the plaintiffs in this class action. If the Court approves the application, the settlement fund will be reduced by that amount.

The Court will hold a hearing on August 6, 2002, to consider whether to approve the proposed settlement and to determine the amount of attorneys' fees and expenses to award to the plaintiffs' counsel, at the Superior Court of Muscogee County, Georgia, 100 10th Street, Columbus, Georgia at 9:30 a.m.

Unless you request exclusion, you may file a written objection by **July 20, 2002**, to any aspect of the proposed settlement or the amount of attorneys' fees, but you will be bound by the orders and judgments entered in this case, even if the Court does not agree with your objections. Each written objection should include (i) a statement of your objections, as well as the specific reasons you have for each objection, including any legal support you wish to bring to the Court's attention and any evidence you wish to introduce in support of your objection(s), (ii) your name, address and telephone number, (iii) the policy number(s) of your policy(ies), and (iv) the claim number(s) of your claim(s). Objections should be sent to the following addresses:

Clerk of the Court
Superior Court of Muscogee
County
P.O. Box 2145
Columbus, GA 31902-2145

Pope, McGlamry, Kilpatrick,
Morrison & Norwood LLP
Post Office Box 2128
Columbus, Georgia 31902-2128
Plaintiffs' Lead Counsel

Troutman Sanders LLP
5200 Bank of America Plaza
600 Peachtree Street
Atlanta, Georgia 30308-2216
Progressive's Lead Counsel

If you file and serve a timely written objection, you may appear at the Fairness Hearing, either in person or through an attorney retained and paid by you. If you or your attorney intends to appear at the Fairness Hearing, you or your attorney must file a notice of intention to appear with the Clerk of the Court by July 20, 2002, with copies received by the plaintiff's counsel and Progressive's counsel, at the addresses provided above.

Please call 1-888-813-7614 with any questions you may have about the settlement or visit the website located at www.progressivegeorgiadv.com.

PLEASE DO NOT CALL THE COURT, THE CLERK OF THE COURT, PROGRESSIVE OR YOUR PROGRESSIVE AGENT.

DATED: May 16, 2000

Frank J. Jordan, Jr.
Judge, Muscogee County Superior Court