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Superior Court of California
County of Los Angeles

MAR 02 2011

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7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES

10 BENJAMIN FOGEL, on behalf of himself and
11 the Class,

12 Plaintiff,

13 v.

14 FARMERS GROUP, INC.; FIRE
15 UNDERWRITERS ASSOCIATION; TRUCK
16 UNDERWRITERS ASSOCIATION; ZURICH
FINANCIAL SERVICES; and Does 2 through
100,

18 Defendants.

CASE NO. BC300142

~~PROPOSED~~ ORDER (1) GRANTING
PRELIMINARY APPROVAL OF
SETTLEMENT, (2) PROVISIONALLY
CERTIFYING CLASS, (3) APPROVING
AND ORDERING NOTICE PLAN, AND
(4) SETTING HEARING RE: FINAL
APPROVAL OF SETTLEMENT

Date: February 4, 2011
Time: 1:30 p.m.
Dept: CCW 307

20 BY FAX

25 RECEIVED
26 JAN 12 2011

27 BY:

1 **ORDER**

2
3 WHEREAS Plaintiff Benjamin Fogel, on behalf of the Class (as defined below), and
4 Defendants (collectively, the "Settling Parties") have applied to the Court pursuant to Rule 3.769
5 of the California Rules of Court (the "C.R.C.") for an Order approving the proposed settlement of
6 this putative class action (the "Action") in accordance with the Stipulation of Settlement (including
7 its exhibits) on file with the Court (the "Settlement Agreement"), which sets forth the terms and
8 conditions for a proposed settlement of the Action (the "Settlement") and for dismissal of the
9 Action with prejudice and upon the terms and conditions in the Settlement Agreement; and

10 WHEREAS the Court has read and considered the Settlement Agreement and the Settling
11 Parties' memoranda and declarations and has heard argument of counsel; and

12 WHEREAS, based on the above submissions and presentations, the Court finds that the
13 proposed Settlement is within the range of possible approval and that notifying the Class about the
14 terms and conditions of the proposed Settlement and scheduling a formal fairness hearing is
15 worthwhile; and

16 WHEREAS Plaintiff's Counsel intends to file an application pursuant to C.R.C. 3.769(b) for
17 attorneys' fees and expenses and an incentive award for the Class Representative, which
18 Defendants have agreed to pay in addition to the Settlement Amount that will be made available to
19 the Class; and

20 WHEREAS all terms of the proposed Settlement – including the payment of attorneys' fees
21 and expenses and incentive award – are subject to this Court's approval;

22
23 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:¹
24

25 1. **Provisional Class Certification.** Pursuant to C.R.C. 3.769(d), the Court
26 provisionally certifies the following Class solely for settlement purposes:

27 _____
28 ¹ Terms not defined in this Order shall have the definitions ascribed to them in the Settlement
Agreement.

1 **All persons and entities who were subscribers to one or more of**
2 **Farmers Insurance Exchange, Truck Insurance Exchange, or Fire**
3 **Insurance Exchange (the “Exchanges”)** at any time during the
4 **period from January 1, 1999 through December 31, 2010, inclusive**
5 **(the “Class Period”), or were named insureds on any Exchange**
6 **insurance or reinsurance policy issued or in effect at any time**
7 **during the Class Period. Excluded from the Class are:**

8 **a. any persons or entities who submit valid and timely requests**
9 **for exclusion from the Class;**

10 **b. any persons or entities who, while represented by counsel,**
11 **settled an actual or threatened lawsuit or other proceeding against**
12 **the Releasees and released the Releasees from any Released**
13 **Plaintiff’s Claims;**

14 **c. such persons or entities who are or were a Defendant or an**
15 **officer or director of any Defendant;**

16 **d. any person or entity that is presently a party in a**
17 **bankruptcy proceeding or has had his, her, or its claims in this**
18 **Action extinguished through a discharge in bankruptcy; and**

19 **e. the Exchanges and their respective past or present parents,**
20 **predecessors, successors, Affiliates, divisions, business units, and**
21 **subsidiaries, and any entities in which any Exchange has, or the**
22 **Exchanges collectively have, a Controlling Interest or that has a**
23 **Controlling interest in it or them.**

24 This provisional certification is made for the sole purpose of attempting to consummate the
25 settlement of the Action in accordance with the Settlement Agreement. If the Court does not grant
26 final approval of the proposed Settlement, or if the Court’s grant of final approval does not become
27 Final for any reason whatsoever, or is modified in any material respect, this provisional
28 certification shall be deemed void *ab initio* and shall be of no force or effect whatsoever, and shall

1 not be referred to or used for any purpose whatsoever, including any later attempt by or on behalf
2 of Plaintiff to seek class certification in this or any other matter.

3 2. **Provisional Class Findings.** For purposes of the settlement of the Action, and only
4 for such purposes, and subject to the terms of the Settlement Agreement, the Court provisionally
5 finds that the requirements of Cal. Code Civ. P. § 382, C.R.C. 3.769(d), and any other applicable
6 laws appear to be satisfied, in that:

7 (a) The Class appears to be ascertainable from records kept by Defendants and/or
8 the Exchanges and from objective criteria;

9 (b) The Class appears to be so numerous that joinder of all members would be
10 impractical;

11 (c) Plaintiff has alleged one or more questions of fact and law that appear to be
12 common to all Class Members;

13 (d) Based on Plaintiff's allegations that Defendants engaged in uniform conduct
14 affecting all members of the Class, Plaintiff's claims appear to be typical of those of the other
15 members of the Class;

16 (e) Plaintiff appears to be capable of fairly and adequately protecting the interests
17 of the members of the Class, in that (i) Plaintiff's interests appear to be consistent with those of the
18 other Class Members, (ii) Plaintiff's Counsel appear to be able and qualified to represent the Class,
19 and (iii) Plaintiff and his attorneys appear to have fairly and adequately represented the Class
20 Members in prosecuting this Action and in negotiating and entering into the proposed Settlement;
21 and

22 (f) For settlement purposes, questions of law and/or fact common to members of
23 the Class appear to predominate over any such questions affecting only individual Class Members,
24 and a class action appears to be superior to all other available methods for the fair and efficient
25 resolution of the Action. In making these provisional findings for settlement purposes, the Court
26 has considered, among other things, (i) the Class Members' interest in individually controlling the
27 prosecution of separate actions, (ii) the impracticability or inefficiency of prosecuting separate
28 actions, (iii) the extent and nature of any litigation concerning these claims already commenced,

1 and (iv) the desirability of concentrating the litigation of the claims in a particular forum.

2 3. **Provisional Appointment of Class Representative and Counsel.** Pursuant to Cal.
3 Code Civ. P. § 382 and C.R.C. 3.769(d), and solely for purposes of the proposed Settlement,
4 Plaintiff is provisionally certified as the class representative, and Thomas V. Girardi and
5 Graham B. LippSmith of Girardi | Keese, Walter J. Lack of Engstrom Lipscomb & Lack,
6 Philip K. Maxwell of the Law Office of Philip K. Maxwell, and Joe K. Longley of the Law Office
7 of Joe K. Longley are provisionally appointed as Class counsel.

8 4. **Preliminary Findings on Proposed Settlement.** Pursuant to C.R.C. 3.769(c), the
9 Court preliminarily finds that the proposed Settlement evidenced by the Settlement Agreement is
10 within the range of possible approval and appears to have resulted from serious, informed, non-
11 collusive negotiations conducted at arm's length by the parties and their counsel. In making these
12 preliminary findings, the Court considered the nature of the claims, the amounts and kinds of
13 benefits to be paid in settlement, the information available to the Settling Parties and the
14 Exchanges, the allocation of the settlement among Class Members and the Exchanges, and the
15 parties' financial condition. The terms of the Settlement Agreement do not have any obvious
16 deficiencies and do not improperly grant preferential treatment to any individual Class Member. In
17 addition, the Court notes that the proposed Settlement was reached with the extensive assistance of
18 a respected Mediator, a retired Judge of the California Superior Court. Accordingly, the Court
19 preliminarily finds that the proposed Settlement was entered into in good faith, meets the standard
20 for preliminary review, and appears to be sufficiently fair, reasonable, and adequate to warrant
21 sending notice to the Class and scheduling a hearing for further review of the proposed Settlement.

22 5. **Fairness Hearing.** Pursuant to C.R.C. 3.769(e), the Court will hold a hearing (the
23 "Fairness Hearing") on September 7, 2011, at 9:00 a.m., in Courtroom 1402 of the
24 Superior Court for the County of Los Angeles, 600 South Commonwealth Avenue, Los Angeles,
25 California 90005. The Court may approve the proposed Settlement at or after the Fairness Hearing
26 with such modifications to which the Settling Parties may consent and without further notice to the
27 Class. The Fairness Hearing will consider, among other things:

28 (a) whether the Action should be finally certified as a class action for settlement

1 purposes;

2 (b) whether the proposed Settlement should be approved as fair, reasonable, and
3 adequate;

4 (c) whether the proposed Plan of Allocation should be approved;

5 (d) whether a Final Judgment, substantially in the form attached as Exhibit F to
6 the Stipulation of Settlement, should be entered dismissing the Action on the merits and with
7 prejudice, and whether the releases in the Settlement Agreement should be provided to the released
8 parties;

9 (e) whether the Notice, the Summary Notice, the postcard reminder, and the
10 notice methodology implemented pursuant to the Settlement Agreement and this Order
11 (i) constituted the best practicable notice, (ii) constituted notice that was reasonably calculated,
12 under the circumstances, to apprise potential Class Members of the pendency of the Action, the
13 nature of the proposed Settlement (including the proposed Plan of Allocation and Plaintiff's
14 Counsel's request for an award of attorneys' fees and expenses), their right to object to the
15 proposed Settlement (including the proposed Plan of Allocation and Plaintiff's Counsel's request
16 for an award of attorneys' fees and expenses), their right to appear at the Fairness Hearing, and
17 their right to exclude themselves from the Class, (iii) were reasonable and constituted due,
18 adequate, and sufficient notice to all persons entitled to notice, and (iv) met all applicable
19 requirements of California law (including C.R.C. 3.766 and 3.769(f)), the United States
20 Constitution (including the Due Process Clause), the Rules of the Court, and any other applicable
21 law;

22 (f) whether Plaintiff and Plaintiff's Counsel adequately represented the Class for
23 purposes of entering into and implementing the proposed Settlement;

24 (g) whether the Court should enter the Complete Bar Order prescribed in the
25 Settlement Agreement;

26 (h) whether the Court should permanently bar and enjoin (i) all Class Members
27 (and their heirs, executors, administrators, predecessors, successors, affiliates (as defined in
28 17 C.F.R. Part 210.1-02.b), and assigns) from filing, commencing, prosecuting, intervening in,

1 participating in (as class members or otherwise), or receiving any benefits or other relief from any
2 other lawsuit, arbitration, or administrative, regulatory, or other proceeding or order in any
3 jurisdiction that is based upon, arises out of, or relates to any Released Plaintiff's Claim as to any
4 Releasee, including, but not limited to, any claim that is based upon, arises out of, or relates to the
5 Action or the transactions and occurrences referred to in any Complaint filed in the Action, and
6 (ii) all persons and entities from filing, commencing, or prosecuting any other lawsuit as a class
7 action (including by seeking to amend a pending complaint to include class allegations or by
8 seeking class certification in a pending action) on behalf of any Class Member as to the Releasees,
9 if such other lawsuit is based upon, arises out of, or relates to any Released Plaintiff's Claims,
10 including, but not limited to, any claim that is based upon, arises out of, or relates to the Action or
11 the transactions and occurrences referred to in any Complaint filed in the Action; provided,
12 however, that this injunction shall not apply to the filing, commencing, or prosecution of (i) any
13 claims for insurance coverage or other benefits due or alleged to be due under any insurance or
14 reinsurance policy issued by any Exchange; (ii) any claims to enforce the Settlement; and
15 (iii) respecting the release of the Farmers Defendants and the Exchange Releasees only, any claims
16 that were or are asserted against any of the Farmers Defendants and/or Exchange Releasees as of
17 December 12, 2010 in *State of Texas v. Farmers Group, Inc.*, No. GV202501 (Travis Cty. Dist.
18 Ct., 261st Judicial Dist.), *Paladino v. Farmers Insurance Exchange*, No. GN 20028 (Travis Cty.
19 Dist. Ct., 261st Judicial Dist.), *In re Farmers Insurance Co., Inc. FCRA Litigation*, MDL No. 1564,
20 No. CIV-03-158-F (W.D. Okla.), or *Davenport v. Illinois Farmers Insurance Co.*, No. 03-1180 (D.
21 Minn.), or that otherwise relate to any Farmers Defendant's or Exchange Releasee's alleged misuse
22 of credit information or credit history or alleged failure to disclose information relating to the use
23 of credit information or credit history, *except* to the extent that any such claims or lawsuits concern
24 or relate to any AIF or management fee charged to or paid by any Exchange or subscriber,
25 including the amount or reasonableness of such fees and any profit earned from those fees.

26 (i) whether the Court should grant Plaintiff's Counsel's request for an award of
27 attorneys' fees and expenses;

28 (j) whether the Court should grant the request for an incentive award for the

1 Class Representative; and

2 (k) any other matters that the Court may deem appropriate to consider.

3 6. **Administration of the Proposed Settlement.**

4 (a) **Retention of Claims Administrator.** The Court approves the selection of
5 Rust Consulting, Inc. to serve as claims administrator (the "Claims Administrator") for the
6 purposes of, among other things, (i) distributing the Individual Notice and the postcard reminder to
7 potential Class Members, (ii) arranging for publication of the Summary Notice, (iii) posting the
8 Individual Notice on the Claims Administrator's website, (iv) providing a mechanism for Class
9 Members to submit their Proofs of Claim through the Claims Administrator's website;
10 (v) answering written inquiries from potential Class Members and/or forwarding such inquiries to
11 Plaintiff's Counsel, (vi) providing additional copies of the Individual Notice upon request,
12 (vii) receiving and maintaining on behalf of the Court any requests for exclusion from the
13 Settlement received from potential Class Members, (viii) receiving and processing Proofs of Claim
14 from Class Members, (ix) assisting in the distribution of the Settlement Amount to Authorized
15 Claimants, and (x) otherwise administering and implementing the Settlement.

16 (b) **Payment of Claims Administrator's Fees and Expenses.** Pursuant to the
17 Settlement Agreement, Defendants shall pay the Claims Administrator's fees and expenses
18 separately from the Settlement Amount, including the costs incurred in implementing the Notice
19 Program.

20 7. **Notice to Potential Class Members.**

21 (a) The Court approves, as to form and content, the Individual Notice, the
22 Summary Notice, the postcard reminder, and the Proof of Claim attached as Exhibits A-D to the
23 Declaration of Shannon Wheatman (the "Wheatman Declaration"). The Court finds that the
24 Individual Notice, the Summary Notice, and the postcard reminder will fully and accurately inform
25 the potential Class Members of all material elements of the proposed Settlement, of their right to be
26 excluded from the Class, and of each Class Member's right and opportunity to object to the
27 proposed Settlement. The Court further finds that (i) the mailing and distribution of the Individual
28 Notice, Proof of Claim, and postcard reminder to the first named insured on each Exchange

1 insurance policy covered by the Class definition and (ii) the publication of the Summary Notice
2 substantially in the manner and form set forth in this Order will (a) meet the requirements of the
3 laws of the State of California (including C.R.C. 3.766 and 3.769(f)), the United States
4 Constitution (including the Due Process Clause), the Rules of the Court, and any other applicable
5 law, (b) constitute the best notice practicable under the circumstances, and (c) constitute due and
6 sufficient notice to all potential Class Members.

7 (b) Not later than 80 days before the date initially set for the Fairness Hearing, the
8 Claims Administrator shall cause copies of the Individual Notice and the Proof of Claim, in
9 substantially the forms attached as Exhibits A and C to the Wheatman Declaration, to be mailed by
10 United States first-class mail to all potential Class Members who can be identified as first named
11 insureds through reasonable efforts from Defendants' records and through any related inquiries that
12 the Claims Administrator undertakes. Prior to mailing, all addresses shall be checked against the
13 National Change of Address database maintained by the United States Postal Service, and
14 addresses will be certified via the Coding Accuracy Support System and verified through Delivery
15 Point Validation.

16 (c) Not later than seven days after the Individual Notices and Proofs of Claim
17 have been mailed to potential Class Members (not including any subsequent remailings), the
18 Claims Administrator shall cause the Summary Notice, in substantially the form attached as
19 Exhibit B to the Wheatman Declaration, to be published twice in (i) the newspaper with the largest
20 circulation in each of Alabama, Arizona, Arkansas, California, Colorado, Idaho, Illinois, Indiana,
21 Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North
22 Dakota, Ohio, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Virginia, Washington,
23 Wisconsin, and Wyoming and (ii) the national editions of *The Wall Street Journal*, *USA Today*,
24 *The New York Times*, and *Parade*. In California and Texas, the Summary Notice shall be
25 published in the newspaper with the largest circulation in at least two major metropolitan areas
26 (e.g., Los Angeles and San Francisco; Dallas and Houston).

27 (d) The Claims Administrator shall also cause copies of the Notice and Proof of
28 Claim to be mailed as soon as practicable to persons who assert, in response to the Summary

1 Notice or otherwise, that they are potential Class Members.

2 (e) If any Individual Notices are returned to the Claims Administrator with
3 updated addresses, the Claims Administrator shall remail such notices within five (5) business days
4 following receipt of each updated address; *provided, however*, that, if the Claims Administrator
5 does not receive such updated address at least five business days before the date of the Fairness
6 Hearing, no remailing shall be required. Any Notices returned as non-deliverable, but for which a
7 new address is not indicated by the postal service, will be further searched through Lexis-Nexis to
8 obtain a more current address. If any such address is found, the Notice shall be re-mailed.

9 (f) The Claims Administrator shall cause a website to be established so that
10 potential Class Members can find information relating to the Action and the proposed Settlement.
11 The website shall contain, among other things, copies of (i) the Individual Notice, (ii) the Proof of
12 Claim, (iii) the Summary Notice, (iv) the Settlement Agreement (including the Plan of Allocation),
13 (v) Plaintiff's Counsel's motion for an award of attorneys' fees and expenses, (vi) the Second
14 Amended Complaint in the Action, (vii) this Court's February 27, 2005 decision on Defendants'
15 motion for summary judgment and Plaintiff's motion for summary adjudication, (viii) the Court of
16 Appeal's decision in the appeal from this Court's February 27, 2005 ruling, (ix) a copy of this
17 Order and any subsequent Orders concerning the proposed Settlement, and (x) such other materials
18 as the Settling Parties determine should be posted.

19 (g) Plaintiff's Counsel shall post on their respective websites the Individual
20 Notice, the Proof of Claim, the Summary Notice, the Settlement Agreement, the motion for an
21 award of attorneys' fees and expenses, and such other materials as they determine should be
22 posted.

23 (h) The Claims Administrator shall establish, and staff with representatives
24 knowledgeable about the proposed Settlement and the proposed Plan of Allocation, a toll-free
25 telephone number for responding to inquiries from potential Class Members about the Settlement,
26 the Plan of Allocation, and any other issues relating to the Action.

27 (i) Not later than 50 days before the date initially set for the Fairness Hearing, the
28 Claims Administrator shall cause copies of the postcard reminder, in substantially the form

1 attached as Exhibit D to the Wheatman Declaration, to be mailed by United States first-class mail
2 to all potential Class Members who were sent the Individual Notice, but who did not yet file Proofs
3 of Claim or exclusion requests or otherwise communicate with the Claims Administrator.

4 (j) At least five calendar days before the Fairness Hearing, the Settling Parties
5 and/or the Claims Administrator shall file with the Court a proof of (i) mailing of the Individual
6 Notice and the Proof of Claim, (ii) publication of the Summary Notice, (iii) mailing of the postcard
7 reminder to potential Class Members who did not respond to the Individual Notice, and
8 (iv) publication of the various materials on the Claims Administrator's and Plaintiff's Counsel's
9 websites, all as required by this Order.

10 (k) The Settling Parties and their counsel may by agreement effect any
11 amendments or modifications of the proposed Individual Notice, the Summary Notice, the Proof of
12 Claim, the postcard reminder, and the Plan of Allocation without notice to or approval by the Court
13 if such changes are not materially inconsistent with this Order and do not materially limit the rights
14 of Class Members or the Exchanges.

15 8. **Communications with Class Members.** All parties to this case shall maintain the
16 right to communicate orally and in writing with the Exchanges' subscribers and to respond to
17 inquiries from potential Class Members, including, without limitation:

18 (a) Communications regarding the subject matter of the Settlement Agreement
19 between potential Class Members and representatives of the Releasees whose responsibilities
20 include subscriber, policyholder, and customer relations, to the extent such communications are
21 initiated by potential Class Members, and in such circumstances the Releasees shall use their best
22 efforts to direct such potential Class Members to the Claims Administrator, the Claims
23 Administrator's website, or Plaintiff's Counsel;

24 (b) Communications as may be necessary to implement the terms of the
25 Settlement Agreement; and

26 (c) Communications as may be made in the conduct of the Releasees' ordinary
27 business.

28 9. **Exclusion from Class.**

1 (a) All potential Class Members who wish to exclude themselves from the Class
2 must submit timely, written requests for exclusion to the Claims Administrator. Only the first
3 named insured on any Exchange insurance policy covered by the Class definition may exclude that
4 policy from the proposed Settlement.

5 (b) Each exclusion request must include the following information about each
6 such potential Class Member: (i) name, (ii) address, (iii) telephone number, (iv) e-mail address, if
7 available, (v) identification of each insurance or reinsurance policy that was issued to him, her, or it
8 by any Exchange and was obtained or in force during the Class Period, and (vi) the name and case
9 number of the *Fogel* action.

10 (c) To be valid, any request for exclusion must be in writing, must contain all the
11 required information, and must be received by the Claims Administrator, as stated in the Individual
12 Notice and the Summary Notice, no later than twenty (20) days before the date set for the Fairness
13 Hearing.

14 (d) If the proposed Settlement is approved, any potential Class Member who has
15 not submitted a timely and valid written request for exclusion from the Class (and his, her, or its
16 heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part
17 201.1-02.b), and assigns) shall be bound by the Release provided for in the Settlement Agreement
18 and by all proceedings, orders, and judgments in the Action, whether favorable or unfavorable,
19 even if he, she, or it has pending, or subsequently initiates, any litigation, arbitration, or other
20 proceeding, or has any other Claim, against any or all of the Releasees relating to any of the
21 Released Plaintiff's Claims.

22 (e) At or before the Fairness Hearing, the Settling Parties and/or the Claims
23 Administrator shall provide to the Court a list of all persons and entities who have validly and
24 timely requested exclusion from the Class. Persons requesting exclusion from the Class shall not
25 be entitled to receive any payment from the settlement money.

26 10. **Objections.**

27 (a) Any Class Member who has not filed a request for exclusion from the Class
28 and who wishes to object to the fairness, reasonableness, or adequacy of the proposed Settlement,

1 the proposed Plan of Allocation, and/or Plaintiff's Counsel's request for an award of attorneys'
2 fees and expenses must serve on Plaintiff's Counsel and on Defendants' Counsel and file with the
3 Court a statement of his, her, or its objection(s), as well as the specific reason(s), if any, for each
4 such objection, including any legal support the Class Member wishes to bring to the Court's
5 attention and any evidence the Class Member wishes to introduce in support of such objection.

6 (b) Any objection also must include the following information about each such
7 Class Member: (i) name, (ii) address, (iii) telephone number, (iv) e-mail address, if available,
8 (v) identification of each insurance or reinsurance policy that was issued to him, her, or it by any
9 Exchange and was obtained or in force during the Class Period, and (vi) the name and case number
10 of the *Fogel* action.

11 (c) The Class Member must provide the statement of objection to each of the
12 following:

13 **Plaintiff's Counsel:**

14
15 Thomas V. Girardi
16 Graham B. LippSmith
17 Girardi & Keese
18 1126 Wilshire Boulevard
19 Los Angeles, California 90017
20

21 **Defendants' Counsel:**

22
23 Raoul Kennedy
24 Skadden, Arps, Slate, Meagher, & Flom LLP
25 Four Embarcadero Center
26 Suite 3800
27 San Francisco, California 94111-4144
28

1 Ralph C. Ferrara
2 Jonathan E. Richman
3 Dewey & LeBoeuf LLP
4 1101 New York Avenue, N.W.
5 Suite 1100
6 Washington, D.C. 20005

7 (d) Any such objection must be served on Plaintiff's Counsel and Defendants'
8 Counsel and filed with the Court so that it is received no later than twenty (20) days before the date
9 set for the Fairness Hearing.

10 (e) If a Class Member hires an attorney (at his, her, or its own expense) to
11 represent him, her, or it for the purposes of objecting to the proposed Settlement, such attorney
12 must serve a notice of appearance on Plaintiff's Counsel and Defendants' Counsel (at the addresses
13 set out above) and file it with the Court so that it is received no later than twenty (20) days before
14 the date set for the Fairness Hearing.

15 (f) Any Class Member who does not make an objection in the time and manner
16 described above shall be deemed to have waived such objection, shall be bound by the terms of the
17 Settlement Agreement and the Final Judgment, and shall be foreclosed forever from making any
18 objection to the fairness or adequacy or any other aspect of the proposed Settlement, the proposed
19 Plan of Allocation, and the request for attorneys' fees and expenses unless otherwise allowed by
20 the Court.

21 11. **Appearance at Fairness Hearing.**

22 (a) Any Class Member who files and serves a timely, written objection in
23 accordance the terms of this Order, and only such Class Members, may also appear at the Fairness
24 Hearing either in person or through counsel retained at the Class Member's expense.

25 (b) Class Members or their attorneys intending to appear at the Fairness Hearing
26 must serve a notice of intention to appear, setting forth, among other things, the name, address, and
27 telephone number of the Class Member (and, if applicable, the name, address, and telephone
28 number of the Class Member's attorney), on Plaintiff's Counsel and Defendants' Counsel (at the

1 addresses set forth in paragraph 10(c) above) and file it with the Court so that the notice is received
2 no later than twenty (20) days before the date set for the Fairness Hearing.

3 (c) Any Class Member who does not timely file and serve a notice of intention to
4 appear in accordance with this paragraph shall not be permitted to appear at the Fairness Hearing,
5 except for good cause shown.

6 12. **Preliminary Injunction.** Pending final determination of whether the proposed
7 Settlement should be approved:

8 (a) All Class Members (and their heirs, executors, administrators, predecessors,
9 successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), and assigns) who have not validly
10 and timely requested exclusion from the Class are preliminarily enjoined from filing, commencing,
11 prosecuting, intervening in, participating in (as class members or otherwise), or receiving any
12 benefits or other relief from any other lawsuit, arbitration, or administrative, regulatory, or other
13 proceeding or order in any jurisdiction, as to the Releasees based on, arising out of, or relating in
14 any way to (i) the claims and causes of action, or the facts and circumstances relating thereto, in the
15 Action and/or (ii) the Released Plaintiff's Claims; and

16 (b) All persons are preliminarily enjoined from filing, commencing, or
17 prosecuting any other lawsuit as a class action (including by seeking to amend a pending complaint
18 to include class allegations or by seeking class certification in a pending action in any jurisdiction)
19 on behalf of any Class Members as to the Releasees, if such other lawsuit is based on or relates in
20 any way to the claims and causes of action, or the facts and circumstances relating thereto, in the
21 Action and/or the Released Plaintiff's Claims.

22 (c) This injunction shall not apply to the filing, commencing, or prosecution of
23 (i) any claims for insurance coverage or other benefits due or alleged to be due under any insurance
24 or reinsurance policy issued by any Exchange; (ii) any claims to enforce the Settlement; and
25 (iii) respecting the release of the Farmers Defendants and the Exchange Releasees only, any claims
26 that were or are asserted against any of the Farmers Defendants and/or Exchange Releasees as of
27 December 12, 2010 in *State of Texas v. Farmers Group, Inc.*, No. GV202501 (Travis Cty. Dist.
28 Ct., 261st Judicial Dist.), *Paladino v. Farmers Insurance Exchange*, No. GN 20028 (Travis Cty.

1 Dist. Ct., 261st Judicial Dist.), *In re Farmers Insurance Co., Inc. FCRA Litigation*, MDL No. 1564,
2 No. CIV-03-158-F (W.D. Okla.), or *Davenport v. Illinois Farmers Insurance Co.*, No. 03-1180 (D.
3 Minn.), or that otherwise relate to any Farmers Defendant's or Exchange Releasee's alleged misuse
4 of credit information or credit history or alleged failure to disclose information relating to the use
5 of credit information or credit history, *except* to the extent that any such claims or lawsuits concern
6 or relate to any AIF or management fee charged to or paid by any Exchange or subscriber,
7 including the amount or reasonableness of such fees and any profit earned from those fees.

8 13. **Filing of Papers Concerning Settlement.** All papers in support of or in opposition
9 to the proposed Settlement shall be filed as follows, with two courtesy copies sent to the Court's
10 Chambers:

11 (a) Any motions for final approval of the proposed Settlement must be filed no
12 later than 35 days before the date initially set for the Fairness Hearing.

13 (b) Any motions for an award of attorneys' fees and expenses must be filed no
14 later than 35 days before the date initially set for the Fairness Hearing.

15 (c) Any oppositions to any motions for final approval of the proposed Settlement
16 and/or for attorneys' fees and expenses must be filed and received no later than 20 days before the
17 date initially set for the Fairness Hearing.

18 (d) Any reply papers in support of final approval of the proposed Settlement
19 and/or an award of attorneys' fees and expenses, and in response to objections or oppositions, must
20 be filed no later than five days before the Fairness Hearing.

21 14. **Termination of Settlement.** This Order shall become null and void, and shall be
22 without prejudice to the rights of the Settling Parties, all of whom shall be restored to their
23 respective positions existing immediately before this Court entered this Order, if (i) the proposed
24 Settlement is not finally approved by the Court, or does not become Final, pursuant to the terms of
25 the Settlement Agreement, or (ii) the proposed Settlement is terminated in accordance with the
26 terms of the Settlement Agreement or does not become effective as required by the terms of the
27 Settlement Agreement for any other reason. In such event, the Settlement Agreement shall become
28 null and void and of no further force and effect, and shall not be used or referred to for any purpose

1 whatsoever.

2 15. **Use of Order.** This Order shall be of no force or effect if the Settlement Agreement
3 does not become Final and shall not be construed or used as an admission, concession, or
4 declaration by or against the Releasees of any fault, wrongdoing, breach, or liability. Nor shall this
5 Order be construed or used as an admission, concession, or declaration by or against Plaintiff or the
6 other Class Members that their claims lack merit or that the relief requested in the Action is
7 inappropriate, improper, or unavailable, or as a waiver by any party of any defenses or claims he,
8 she, or it might have. Nor shall this order be used in any way (offensively or defensively), in the
9 regard to the filing, commencing or prosecution of (i) any claims for insurance coverage or other
10 benefits due or alleged to be due under any insurance or reinsurance policy issued by any
11 Exchange; (ii) any claims to enforce the Settlement; and (iii) respecting the release of the Farmers
12 Defendants and the Exchange Releasees only, any claims that were or are asserted against any of
13 the Farmers Defendants and/or Exchange Releasees as of December 12, 2010 in *State of Texas v.*
14 *Farmers Group, Inc.*, No. GV202501 (Travis Cty. Dist. Ct., 261st Judicial Dist.), *Paladino v.*
15 *Farmers Insurance Exchange*, No. GN 20028 (Travis Cty. Dist. Ct., 261st Judicial Dist.), *In re*
16 *Farmers Insurance Co., Inc. FCRA Litigation*, MDL No. 1564, No. CIV-03-158-F (W.D. Okla.),
17 or *Davenport v. Illinois Farmers Insurance Co.*, No. 03-1180 (D. Minn.), or that otherwise relate to
18 any Farmers Defendant's or Exchange Releasee's alleged misuse of credit information or credit
19 history or alleged failure to disclose information relating to the use of credit information or credit
20 history, *except* to the extent that any such claims or lawsuits concern or relate to any AIF or
21 management fee charged to or paid by any Exchange or subscriber, including the amount or
22 reasonableness of such fees and any profit earned from those fees.

23 16. **Service of Papers.** Plaintiff's Counsel and Defendants' Counsel shall promptly
24 furnish each other with copies of any and all objections or written requests for exclusion that come
25 into their possession.

26 17. **Continuance of Fairness Hearing.** The Court reserves the right to adjourn the date
27 of the Fairness Hearing, and any adjournment thereof, without further notice to Class Members.

28 18. **Retention of Jurisdiction.** The Court retains jurisdiction to consider all further

1 applications arising out of or connected with the proposed Settlement.

2
3 Dated: 3/2, 2011

By: *W.F. Highberger*

4 HON. WILLIAM F. HIGHBERGER
5 SUPERIOR COURT JUDGE
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