

PHILADELPHIA COUNTY
COURT OF COMMON PLEAS
TRIAL DIVISION

COPIES SENT
PURSUANT TO Pa.R.C.P. 236(b)

DEC 20 2005

FIRST JUDICIAL DISTRICT OF PA
USER I.D.:

STACEY FRANCIS, 277 Golf Hills Road
Havertown, PA 19083, on behalf of herself
And all others similarly situated,

April Term 2003

Civil Case No.: 1072

PLAINTIFF,

-v-

ERIE FAMILY LIFE INSURANCE
COMPANY, 100 Erie Insurance Place,
Erie, PA 16530,

DEFENDANT.

DOCKETED
COMPLEX LIT CENTER

DEC 19 2005

J. STEWART

[PROPOSED] FINAL JUDGMENT

The Court, in accordance with its Final Order Approving Class Action Settlement and Dismissing Class Action with Prejudice issued concurrently herewith (the "Approval Order"),
ORDERS, ADJUDGES AND DECREES as follows:

1. Pursuant to the Approval Order, this action is dismissed in its entirety with prejudice;
2. Except as otherwise provided in the Approval Order, all costs of Court are taxed against the parties incurring same;
3. This is a Final Judgment disposing of all claims asserted by or against all parties. Any relief not expressly granted herein or in the Approval Order is hereby denied.

Signed this the 12th day of Dec., 2005.

JUDGE



PHILADELPHIA COUNTY
COURT OF COMMON PLEAS
CIVIL TRIAL DIVISION

DOCKETED
COMPLEX LIT CENTER
DEC 19 2005

J. STEWART

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COMPLEX LIT CENTER
DEC 20 2005
J. STEWART

STACEY FRANCIS, on behalf of herself :
And all others similarly situated, :
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 :
 Plaintiff :
 :
 v. : Civil Action
 : No. 1072
 : April Term 2003
 :
 ERIE FAMILY LIFE INSURANCE :
 COMPANY, :
 :
 :
 Defendant. :
 :
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**FINAL ORDER APPROVING CLASS ACTION SETTLEMENT
AND DISMISSING CLASS ACTION WITH PREJUDICE**

WHEREAS, Plaintiff Stacey Francis (“Plaintiff”) and Defendant Erie Family Life Insurance Company (“Erie Family Life”) have entered into an Amended and Re-Stated Class Action Settlement Agreement dated March 11, 2005, together with related exhibits (collectively, the “Settlement Agreement”), to settle this class action; and

WHEREAS, the Court entered an Order dated July 27, 2005 (the “Preliminary Approval Order”), preliminarily certifying a class in this action for settlement purposes; ordering notice to potential class members; providing those persons with an opportunity either to exclude themselves from the settlement class or to object to the proposed settlement; and scheduling a Fairness Hearing; and

WHEREAS, the Court held a Fairness Hearing on December 12, 2005, to determine whether to give final approval to the proposed settlement; and

WHEREAS, the parties have complied with the Preliminary Approval Order and the Court is of the opinion that the Settlement Agreement is fair, adequate, and reasonable, and that it should be approved.

NOW THEREFORE, based on the submissions of the parties and Class Members, any objections, the evidence submitted by the parties at and in connection with the Fairness Hearing, the pleadings on file, and the argument of counsel, the Court hereby finds, and it is hereby ORDERED, ADJUDGED AND DECREED, as follows:

1. **Incorporation of Defined Terms.** Except where otherwise noted, all terms used in this Order shall have the meanings set forth in Appendix "A" attached hereto.

2. **Jurisdiction.** The Court has personal jurisdiction over all Class Members and has subject matter jurisdiction over this action, including, without limitation, jurisdiction to approve the proposed settlement, to grant final certification of the Class, to settle and release all claims arising out of the transactions alleged in Plaintiff's complaint or the Released Claims and Transactions, and to dismiss this action on the merits and with prejudice.

3. **Final Class Certification.** The Class that this Court previously certified preliminarily in its Preliminary Approval Order is hereby finally certified for settlement purposes under Pennsylvania Rule of Civil Procedure 1710. The Class consists of all purchasers and owners of individual life insurance policies that were issued by Erie Family Life in any state or other jurisdiction of the United States on or after April 14, 1997, and on or before the date of the Preliminary Approval Order, where the insurance coverage did not go into effect until such time as the policy was delivered and the first premium was paid, but the policies have a Policy Date that is earlier than the date of receipt of the first premium payment by Erie Family Life; provided, however, that the following persons shall be excluded from the Class:

a. any present or former officers, directors and/or employees of Erie Family Life Insurance Company, Erie Insurance Company, and/or Erie Insurance Exchange, or the companies themselves;

b. any present or former agents of Erie Family Life Insurance Company, Erie Insurance Company, and/or Erie Insurance Exchange, and any employees of said agents or agencies;

c. any purchaser and/or owner of a policy whose Policy Date, as listed on the policy, was six (6) or less days before the date that Erie Family Life recorded the receipt of the initial premium payment in its financial accounting system;

d. any purchaser and/or owner of a policy whose Policy Date, as listed on the policy, was six (6) or less days before the date that Erie Family Life actually received the initial premium payment, but for whom a later initial premium receipt date is shown on the Erie Family Life financial accounting system due to the policy being re-issued, re-opened, re-printed or the like, or due to an error in recording the date in the system, provided that the premium was not returned to the payor;

e. any purchaser and/or owner of a policy under which the insured was deceased as of the date of the Final Settlement Date;

f. any purchaser and/or owner of a policy that had lapsed or for any other reason was not in effect as of the date of the Final Settlement Date;

g. any purchaser and/or owner of a policy where an initial premium or deposit was made prior to or concurrent with the submission of the application to Erie Family Life and/or to any agent of Erie Family Life;

h. any purchaser and/or owner of a policy for which the Policy Date was backdated to save age or for some other reason specific to the purchaser and/or owner;

i. any purchaser and/or owner of a policy issued with a Policy Date that was requested by the purchaser, owner, or agent in writing to Erie Family Life, or for which there is contemporaneous documentation in the Erie Family Life file confirming the request by the purchaser, owner or agent;

j. any purchaser and/or owner of a policy that was issued as part of a policy conversion or replacement where continuous coverage was provided;

k. any purchaser and/or owner of a policy or individual certificate of life insurance that was issued as part of a group life insurance policy or policies;

l. any purchaser and/or owner of a policy that was not accepted or taken by the purchaser and/or owner, or that was refused, declined, or returned by the purchaser and/or owner, or that was otherwise rescinded by the purchaser, owner and/or Erie Family Life, with all premiums refunded;

m. any purchaser and/or owner of a policy that was issued as part of an employee benefits plan that is or was subject to the Employee Retirement Income Security Act (“ERISA”);

n. any person who, whether or not represented by an attorney, has settled or otherwise released his or her claims relating to his or her policy;

o. any insurance company that owns or owned a policy pursuant to an absolute assignment effected as part of an exchange under Section 1035 of the Internal Revenue Code, although this exclusion does not apply to the original owners of such policies, all of whom shall be Members of the Class;

p. any purchaser and/or owner of a policy that was issued as part of Erie Family Life's "LIFEWORKS" program or other similar program where the initial premium was paid pursuant to a payroll deduction by the employer of the purchaser and/or owner of the policy;

q. any purchaser and/or owner of a policy who files a timely election to be excluded from the proposed Class with respect to that policy, provided that if the purchaser and owner of a single policy are different persons, and/or if there are multiple purchasers and/or owners of a single policy, then all purchasers and/or owners of that policy must file a timely election to be excluded from the proposed Class with respect to that policy, or else none of them shall be excluded.

4. **Exclusions from the Class.** A list of those persons who have excluded themselves from the Class, and who therefore are not bound by this Order and the accompanying Final Judgment, is attached hereto as Appendix "B", which is incorporated herein and made a part hereof for all purposes.

5. **Adequacy of Representation.** The appointment of Mark S. Goldman of Goldman Scarlato & Karon, P.C. and Joel H. Bernstein of Goodkind Labaton Rudoff & Sucharow LLP as Lead Counsel for the Class, and the appointment of Plaintiff as the Class representative, is fully and finally confirmed. The Court finds that Lead Counsel and Plaintiff have fully and adequately represented the Class for purposes of entering into and implementing the settlement and have satisfied the requirements of Pennsylvania Rules of Civil Procedure 1702(4) and 1709.

6. **Class Notice.** The Court finds that the distribution of the Settlement Class Notice, in accordance with the terms of the Settlement Agreement and this Court's Preliminary Approval Order, and as explained in the declarations filed before the Fairness Hearing:

a. constituted the best practicable notice to Class Members under the circumstances of this action;

b. was reasonably calculated, under the circumstances, to apprise Class Members of (i) the pendency of this class action, (ii) their right to exclude themselves from the Class and the proposed settlement, (iii) their right to object to any aspect of the proposed settlement (including final certification of the settlement class, the fairness, reasonableness or adequacy of the proposed settlement, the adequacy of the Class's representation by Plaintiff or Lead Counsel, the award of attorneys' fees and expenses to Lead Counsel, and/or the incentive award to Plaintiff), (iv) if they did not exclude themselves from the Class, their right to appear at the Fairness Hearing (either on their own or through counsel hired at their own expense), (v) if they did not exclude themselves from the Class, their right to select the Cash Payment Option instead of the automatic Supplemental Coverage, and (vi) the binding effect of the orders and Final Judgment in this action, whether favorable or unfavorable, on all persons who do not request exclusion from the Class;

c. was reasonable and constituted due, adequate and sufficient notice to all persons entitled to be provided with notice, and

d. fully satisfied the requirements of the Due Process Clause of the United States Constitution, the Pennsylvania Rules of Civil Procedure (including Pa. R. Civ. P. 1712 and 1714(c)), the Rules of this Court, and any other applicable law.

7. **Final Settlement Approval.** The terms and provisions of the Settlement Agreement, including all amendments and exhibits, have been entered into in good faith and are hereby fully and finally approved as fair, reasonable and adequate as to, and in the best interests of Plaintiff and the Class Members, and in full compliance with all applicable requirements of the Pennsylvania Rules of Civil Procedure, and any other applicable law. The Settling Parties and Class Members are hereby directed to implement and consummate the Settlement Agreement according to its terms and provisions, and all objections to the Settlement Agreement are overruled.

8. **Binding Effect.** The terms of the Settlement Agreement and of this Order and the accompanying Final Judgment shall be forever binding on Plaintiff and all other Class Members, as well as their heirs, executors and administrators, successors and assigns, and those terms shall have res judicata and other preclusive effect in all pending and future claims, lawsuits or other proceedings maintained by or on behalf of any such persons, to the extent those claims, lawsuits or other proceedings involve matters that were ~~or could have been~~ raised in this action or are otherwise encompassed by the Release described in the next paragraph of this Order.

9. **Release.** The Release contained in Section IV of the Settlement Agreement, which is also set forth in full in Appendix "A" hereto, is expressly incorporated herein in all respects, is effective as of the date of this Order and the accompanying Final Judgment, and forever discharges the Releasees from any claims or liabilities arising from ~~or~~ ~~related to~~ the Released Claims and Transactions.

10. **Permanent Injunction.** All Class Members who have not timely excluded themselves from the Class (and therefore are not listed on Appendix "B" hereto) are hereby permanently barred and enjoined from (a) filing, commencing, prosecuting, maintaining,

~~intervening in, participating in (as class members or otherwise), or receiving any benefits or other relief from, any other lawsuit, arbitration, or administrative, regulatory or other proceeding or order in any jurisdiction based on or relating to the claims and causes of action, or the facts and circumstances relating thereto, in this action and/or the Released Claims and Transactions, and (b) organizing or soliciting the participation of any Class Members in a separate class for purposes of pursuing as a purported class action (including by seeking to amend a pending complaint to include class allegations, or by seeking class certification in a pending action) any lawsuit or other proceeding based on or relating to the claims and causes of action, or the facts and circumstances relating thereto, in this action and/or the Released Claims and Transactions.~~

The Court finds that issuance of this permanent injunction is necessary and appropriate in aid of the Court's jurisdiction over this action and to protect and effectuate the Court's Final Judgment.

11. **Enforcement of Settlement.** Nothing in this Order or the accompanying Final Judgment shall preclude any action to enforce the terms of the Settlement Agreement.

12. **Attorneys' Fees and Expenses, and Incentive Award.** Counsel of record for the Class are hereby awarded attorneys' fees, costs, and expenses in the amount of \$ 164,559.40 to be paid by Erie Family Life Insurance Company to Lead Counsel within twenty (20) business days after the Final Settlement Date. Lead Counsel, in their sole discretion, shall allocate and distribute the award of attorneys' fees and expenses among counsel for the Class. Plaintiff is also hereby awarded an incentive award of \$1,000.00 as compensation for her time, effort, and risk in prosecuting this action on behalf of the Class. The incentive award shall be paid by Erie Family Life Insurance Company within twenty (20) business days after the Final Settlement Date.

13. **No Other Payments.** The preceding paragraph of this Order covers, without limitation, any and all claims for attorneys' fees and expenses, costs or disbursements incurred by Lead Counsel or any other counsel representing Plaintiff or Class Members, or incurred by Plaintiff or the Class Members, or any of them, in connection with or related in any manner to this action, the settlement of this action, the administration of such settlement, and/or the Released Claims and Transactions. Erie Family Life Insurance Company shall not be liable to Plaintiff and the Class Members for any additional attorneys' fees, cost, or expenses.

14. **Modification of Settlement Agreement.** The parties are hereby authorized, without needing further approval from the Court, to agree to and adopt such amendments to, and modifications and expansions of, the Settlement Agreement as are consistent with this Order and do not limit the rights of Class Members under the Settlement Agreement.

15. **Retention of Jurisdiction.** The Court has jurisdiction to enter this Order and the accompanying Final Judgment. Without in any way affecting the finality of this Order and the accompanying Final Judgment, this Court expressly retains jurisdiction as to all matters relating to the administration, consummation, enforcement and interpretation of the Settlement Agreement and of this Order and the accompanying Final Judgment, including, without limitation, for the purpose of:

a. enforcing the terms and conditions of the Settlement Agreement and resolving any disputes, claims or causes of action that, in whole or in part, are related to or arise out of the Settlement Agreement, this Order or the Final Judgment (including, without limitation, whether a person or entity is or is not a Class Member; whether claims or causes of action allegedly related to this case are or are not barred or released by this Order and the Final Judgment, etc.);

b. entering such additional orders, if any, as may be necessary or appropriate to protect or effectuate this Order, the Final Judgment, and the Settlement Agreement, or to ensure the fair and orderly administration of the settlement; and

c. entering any other necessary or appropriate orders to protect and effectuate this Court's retention of continuing jurisdiction.

16. **No Admissions.** Neither this Order, nor the accompanying Final Judgment, nor the Settlement Agreement (nor any other document referred to herein, nor any action taken to negotiate, effectuate and implement the Settlement Agreement) is, may be construed as, or may be used as an admission or concession by or against Erie Family Life or any of the other Releasees as to the validity of any claim or any actual or potential fault, wrongdoing or liability whatsoever. ~~Additionally, neither the Settlement Agreement nor any negotiations, actions, or proceedings related to it, shall be offered or received in evidence in any action or proceeding against any party hereto in any court, administrative agency or other tribunal for any purpose whatsoever, except to enforce the provisions of this Order and Final Judgment and the Settlement Agreement; provided, however, that this Order, the accompanying Final Judgment and the Settlement Agreement may be filed and used by Erie Family Life in any action against or by Erie Family Life or any of the other Releasees to support a defense of res judicata, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.~~

17. **Dismissal of Action.**

a. **Dismissal with Prejudice.** This action, including all of the individual and Class claims included therein, is hereby dismissed on the merits and with prejudice against Plaintiff and against all members of the Class, other than those members of the

Class who filed timely exclusion requests as set forth on Appendix "B" hereto; and this dismissal with prejudice is without attorney's fees, expenses, or costs to any party except as otherwise provided in this Order and the Final Judgment.

b. **Dismissal without Prejudice.** The claims, if any, of (i) the members of the Class who filed timely exclusion requests as listed on Appendix "B", and (ii) the members of the putative class set forth in the Complaint who are excluded from the definition of the "Class" pursuant to section 3 of this Order, are hereby dismissed without prejudice; and this dismissal without prejudice is without fees or costs to any party except as otherwise provided in this Order and the Final Judgment.

18. **Separate Judgment.** The Court will separately enter the accompanying Final Judgment.

Signed this 12th day of Dec, 2005.



JUDGE

APPENDIX "A":

DEFINITIONS AND RELEASE

I. DEFINITIONS

In addition to certain terms defined elsewhere in this Settlement Agreement, the following defined terms are used herein:

A. **Attorneys' Fees and Expenses.** The term "Attorneys' Fees and Expenses" shall mean such funds as may be awarded to Lead Counsel by the Court to compensate them (and all other attorneys for Plaintiff or Class Members in this action, except for attorneys retained by individual Class Members or potential Class Members who exclude themselves from the Class) for their reasonable and necessary fees and expenses in connection with the Lawsuit.

B. **Class.** The "Class" for purposes of this settlement shall consist of all purchasers and owners of individual life insurance policies that were issued by Erie Family Life in any state or other jurisdiction of the United States on or after April 14, 1997, and on or before July 27, 2005 (the date of the Preliminary Approval Order), where the insurance coverage did not go into effect until such time as the policy was delivered and the first premium was paid, but the policies have a Policy Date that is earlier than the date of receipt of the first premium payment by Erie Family Life; provided, however, that the following persons shall be excluded from the Class:

1. any present or former officers, directors and/or employees of Erie Family Life Insurance Company, Erie Insurance Company, and/or Erie Insurance Exchange, or the companies themselves;

2. any present or former agents of Erie Family Life Insurance Company, Erie Insurance Company, and/or Erie Insurance Exchange, and any employees of said agents or agencies;

3. any purchaser and/or owner of a policy whose Policy Date, as listed on the policy, was six (6) or less days before the date that Erie Family Life recorded the receipt of the initial premium payment in its financial accounting system;

4. any purchaser and/or owner of a policy whose Policy Date, as listed on the policy, was six (6) or less days before the date that Erie Family Life actually received the initial premium payment, but for whom a later initial premium receipt date is shown on the Erie Family Life financial accounting system due to the policy being re-issued, re-opened, re-printed or the like, or due to an error in recording the date in the system, provided that the premium was not returned to the payor;

5. any purchaser and/or owner of a policy under which the insured was deceased as of the date of the Final Settlement Date;

6. any purchaser and/or owner of a policy that had lapsed or for any other reason was not in effect as of the date of the Final Settlement Date;

7. any purchaser and/or owner of a policy where an initial premium or deposit was made prior to or concurrent with the submission of the application to Erie Family Life and/or to any agent of Erie Family Life;

8. any purchaser and/or owner of a policy for which the Policy Date was backdated to save age or for some other reason specific to the purchaser and/or owner;

9. any purchaser and/or owner of a policy issued with a Policy Date that was requested by the purchaser, owner, or agent in writing to Erie Family Life, or for which there is contemporaneous documentation in the Erie Family Life file confirming the request by the purchaser, owner or agent;

10. any purchaser and/or owner of a policy that was issued as part of a policy conversion or replacement where continuous coverage was provided;

11. any purchaser and/or owner of a policy or individual certificate of life insurance that was issued as part of a group life insurance policy or policies;

12. any purchaser and/or owner of a policy that was not accepted or taken by the purchaser and/or owner, or that was refused, declined, or returned by the purchaser and/or owner, or that was otherwise rescinded by the purchaser, owner and/or Erie Family Life, with all premiums refunded;

13. any purchaser and/or owner of a policy that was issued as part of an employee benefits plan that is or was subject to the Employee Retirement Income Security Act (“ERISA”);

14. any person who, whether or not represented by an attorney, has settled or otherwise released his or her claims relating to his or her policy;

15. any insurance company that owns or owned a policy pursuant to an absolute assignment effected as part of an exchange under Section 1035 of the Internal Revenue Code, although this exclusion does not apply to the original owners of such policies, all of whom shall be Members of the Class;

16. any purchaser and/or owner of a policy that was issued as part of Erie Family Life’s “LIFEWORKS” program or other similar program where the initial premium was paid pursuant to a payroll deduction by the employer of the purchaser and/or owner of the policy;

17. any purchaser and/or owner of a policy who files a timely election to be excluded from the proposed Class with respect to that policy, provided that if the purchaser and owner of a single policy are different persons, and/or if there are multiple purchasers and/or owners of a single policy, then all purchasers and/or owners of that policy must file a timely election to be excluded from the proposed Class with respect to that policy, or else none of them shall be excluded.

C. **Class Member or Members.** The terms “Class Member” or “Class Members” shall mean all persons who fall within and are not excluded from the definition of the “Class” set forth in Section II.B above.

D. **Complaint.** The term “Complaint” shall mean the Complaint filed by Plaintiff in this Lawsuit.

E. **Court.** The term “Court” shall mean the Court of Common Pleas of Philadelphia County, Pennsylvania, which is the court in which the Lawsuit is pending.

F. **Erie Family Life.** “Erie Family Life” shall mean Erie Family Life Insurance Company, including any predecessor companies that were merged with or into it.

G. **Final Order and Judgment.** The term “Final Order and Judgment” shall mean (i) the Order of the Court finally approving the Settlement Agreement and (ii) the corresponding Final Judgment, substantially in the form and substance attached hereto as Exhibits 3 and 4 to the Settlement Agreement.

H. **Final Settlement Date.** The term “Final Settlement Date” shall refer to the date upon which the Court's Final Order and Judgment becomes “final.” For purposes of the Settlement Agreement, the Final Judgment and Order shall become “final”:

1. If no appeal is taken therefrom, on the first day after the date on which the time to appeal therefrom expires;

2. If an appeal is taken therefrom, on the first day after the date on which all appeals therefrom, including petitions for re-hearing or re-argument, petitions for re-hearing en banc, petitions for review, petitions for allowance of appeal, and petitions for certiorari or any other form of review, have been finally disposed in a manner resulting in an affirmance of the Final Judgment and Order; or

3. On a date after the entry of the Final Judgment and Order to which counsel for the Settling Parties mutually agree in writing.

I. **Insured.** The term “insured” shall mean a person whose life is insured under a policy.

J. **Lawsuit.** “Lawsuit” shall mean the lawsuit entitled *Stacey Francis, on behalf of herself and all others similarly situated, v. Erie Family Life Insurance Company*, No. 1072, April Term 2003 (C.C.P. Phila. Cty.), which is presently pending in the Court of Common Pleas of Philadelphia County, Pennsylvania.

K. **Lead Counsel.** “Lead Counsel” shall refer to the law firms of Goldman Scarlato, & Karon, P.C. and Goodkind Labaton Rudoff and Sucharow, LLP.

L. **Owner.** The term “owner” shall mean a person who is shown in the electronic or other business records of Erie Family Life as an owner of a policy.

M. **Person or Persons.** The term “person” or “persons” shall mean a person, as construed in its broadest sense, including all natural persons, corporations, trustees, trusts, partnerships, and artificial or legal entities of any type.

N. **Plaintiff.** “Plaintiff” shall mean Stacey Francis, individually and as representative of the Class.

O. **Policy or Policies.** The term “policy” or “policies” shall refer to any individual life insurance policy issued by Erie Family Life that was in force as of the date of the Preliminary Approval Order. The term “policy” or “policies” does not include any group life insurance policy, annuity, or disability insurance policy.

P. **Policy Date.** The term “Policy Date” shall mean shall mean the specific date listed as the “Policy Date” on the front page of or elsewhere in the policy.

Q. **Preliminary Approval Order.** The term “Preliminary Approval Order” shall have the meaning set forth in Section VI.A of the Settlement Agreement, and it shall be substantially in the form and substance of Exhibit 2 to the Settlement Agreement.

R. **Purchaser.** The term “purchaser” shall mean a person who is shown in the electronic or other business records of Erie Family Life as the person to whom Erie Family Life sends invoices for the payment of premium owed under a policy.

S. **Release.** The term “Release” shall refer to the release and covenant not to sue set forth in Section IV. below.

T. **Releasees.** The term “Releasees” or the “Erie Releasees” shall mean (i) Erie Family Life Insurance Company; (ii) any successors, parents, subsidiaries or affiliates of Erie Family Life Insurance Company, including without limitation Erie Insurance Company and Erie Insurance Exchange and all other members of the Erie Insurance Group; (iii) any past, present or future officers, directors, employees, agents, general agents, brokers, representatives, regional directors, field marketing directors, producers, shareholders, corporate parents, subsidiaries, or affiliates of any of the foregoing; and (iv) any predecessors, successors, assigns, or persons acting on behalf of any of the foregoing.

U. **Released Claims and Transactions.** “Released Claims and Transactions” shall have the meaning set forth in Section IV. A. below.

V. **Settlement Agreement.** “Settlement Agreement” shall refer to the Amended and Re-Styled Class Action Settlement Agreement and the attached exhibits, which are an integral part of the Settlement Agreement and are incorporated therein in their entirety by reference.

W. **Settlement Class Notice.** “Settlement Class Notice” shall mean the legal notice, to be approved by the Court and mailed to potential Class Members as described in Section VI.A of the Settlement Agreement. It shall be substantially in the form and substance of Exhibit 1 to the Settlement Agreement.

X. **Settling Parties.** The term “Settling Parties” shall mean Plaintiff, on her own behalf and on behalf of the Members of the Class, and Erie Family Life.

II. RELEASE AND RELATED COVENANTS

A. **Release of Claims and Transactions.** Effective upon the Final Settlement Date, Plaintiff and all Class Members do hereby release, acquit, and forever discharge the Erie Releasees from the Released Claims and Transactions, and Plaintiff and all Class Members agree not to institute, maintain, or assert any claims against the Erie Releasees based on the Released Claims and Transactions. The term “Released Claims and Transactions” shall mean any and all causes of action, claims, demands, liabilities, damages (compensatory, punitive or otherwise), equitable relief, legal relief, rights, and/or suits, of whatever nature or kind, whether known or unknown, liquidated or unliquidated, accrued or unaccrued, fixed or contingent, or based on any statute, regulation or common law of any country, state, province, county, city or municipality, that have been, could have been, or may be alleged or asserted, now or in the future, by Plaintiff or any Class Member against the Erie Releasees (or any of them), whether in the Lawsuit, or in any other action or proceeding in or before any court, administrative body (including any Department of Insurance or other regulatory commission), tribunal, arbitrator, arbitration panel or any other forum, on the basis of, connected with, arising out of, or related, in whole or in part, to:

1. any or all of the acts, omissions, facts, matters, transactions, occurrences, or representations that were alleged, asserted, described, set forth or referred to, directly or indirectly, in the Lawsuit; and/or

2. any or all other acts, omissions, facts, matters, transactions, occurrences or representations that relate, in whole or in part, to the charging of an insurance premium on a policy that is attributable, in whole or in part, to any period of time prior to the date such policy was delivered and/or the first premium was paid by the Class Member and the insurance coverage under the policy became effective; and/or

3. any or all acts, omissions, facts, matters, transactions, occurrences or representations relating to the matters covered by this Settlement Agreement, except as provided in Section IV.E below.

It is agreed that the “Released Claims and Transactions” expressly include, without limitation, any and all claims based upon alleged breach of contract, breach of duty of good faith and fair dealing, breach of fiduciary duty, bad faith, unjust enrichment, restitution, negligence, gross negligence, intentional misconduct, other torts, statutory violations (including without limitation the unfair trade practices, consumer protection, conspiracy, unfair competition, antitrust, insurance or other laws of any jurisdiction), and/or any other tortious or otherwise wrongful conduct of the Releasees (or any of them).

B. Release of Regulatory Remedies. Effective upon the Final Settlement Date, Plaintiff and all Class Members further release and waive any claim to or right in any money damages, equitable relief, or other forms of relief that might be awarded or made available as a result of any action or proceeding by a Department of Insurance or other regulatory commission in any way arising from or relating in whole or in part to the Released Claims and Transactions.

C. Attorneys' Fees and Expenses. The Release contained herein also covers, without limitation, any and all claims for attorneys' fees, costs or disbursements incurred by Lead Counsel and/or any other counsel representing Plaintiff or any Class Member, or by Plaintiff and/or any Class Member, in connection with or related, directly or indirectly, in any manner to the Lawsuit, the settlement of the Lawsuit, the administration of such settlement, and/or the Released Claims and Transactions, except to the extent specified in this Settlement Agreement. This Release is specifically intended to include, but not be limited to, any and all claims for attorney's fees, costs or disbursements that might be recoverable under any federal, state, or local statute or ordinance in any jurisdiction.

D. Release of Unknown Claims. Plaintiff and Class Members expressly agree and understand that the Release extends to and encompasses claims which Plaintiff and Class Members do not know or do not suspect to exist in their favor.

1. Plaintiff and Class Members agree and acknowledge that if there exist any provisions or rights set forth in any federal, state, or local statutory, regulatory, or common law in any jurisdiction (including but not limited to the Commonwealth of Pennsylvania or any other state or jurisdiction where Erie Family Life does business or where a Class Member resides) which relate to the release or waiver of unknown or unsuspected claims with respect to the Released Claims and Transactions, such provisions and rights are themselves hereby knowingly

and voluntarily waived and relinquished by Plaintiff and the Class Members, and Plaintiff and the Class Members hereby agree and acknowledge that this is an essential term of this Release.

2. In connection with this Release, Plaintiff and the Class Members acknowledge that they are aware that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that they now know or believe to be true, with respect to the matters released herein. Nevertheless, it is the intention of Plaintiff and the Class Members that this Settlement Agreement shall settle and release -- fully, finally and forever -- all such matters, and all claims relating thereto, which exist, hereafter may exist, or might have existed in the past (whether or not previously or currently asserted in any action or proceeding), with respect to the Released Claims and Transactions.

E. **Enforcement of Settlement Agreement and Policies.** Nothing in the Release contained herein shall: (1) preclude any action to enforce the terms of this Settlement Agreement or the Final Order and Judgment; or (2) preclude Plaintiff or Class Members from making a claim for benefits that shall otherwise become payable in the future under the express written terms of their policies.