

VERDICTS AND SETTLEMENTS FORM

Type of Action: Consumer Class Action

Injuries Alleged: Payment of premiums for accidental death insurance

Name of Case: Theresa McClain vs. Coverdell & Company et al

Court/County/Case No.: United States District Court, Eastern District of Michigan, Case No. 00-71881

Name of Judge: Hon. Arthur Tarnow

Jury Demand? Yes

Damages Awarded/Amount of Settlement: Settlement valued at \$2.6 million

Date of Award/Settlement: Judgment dated November 22, 2004

Trial Verdict or Settlement: Settlement

Attorney for Plaintiff: E. Powell Miller, Marc L. Newman

Attorney for Defendants: James David Brown, Scott S. Crocker, Winstead Sechrest & Minick, P.C.

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Other Information:

Plaintiff asserted claims on behalf of a class of people who were sold accidental death insurance through a telemarketing program to various bank customers. Plaintiff alleged that after receiving name and account numbers of bank customers, the telemarketing firms made telephone solicitations in which they made a number of false and deceptive claims about the insurance and the nature of the transactions, and failed to disclose other material information. The telemarketers also allegedly falsely represented to be calling on behalf of the bank. Premiums were thereafter withdrawn by electronic transfers, without clear written disclosures or written consent. Defendants agreed to refund class members up to five months of premiums paid and other monetary benefits to provide a clear disclosure to ongoing policy holders, and to changes in telemarketing practices.