

**ELLENS/MIDDLETON V. GENWORTH LIFE
AND ANNUITY INSURANCE COMPANY**

Re: NOTICE OF PROPOSED SETTLEMENT AND CLAIM PROCEDURES

A settlement has been proposed in two class action lawsuits concerning single premium credit life and credit disability insurance issued by Harvest Life Insurance Company or Federal Home Life Insurance Company (the “Insurers”). Under the proposed settlement, insureds who paid off their loans early but did not receive a refund of unearned premium at that time may be entitled to payment.

The settlement process is being administered by The Garden City Group, Inc. (“Settlement Administrator”). The Settlement Administrator has determined that you purchased credit insurance from one of the Insurers. In certain circumstances, you may be eligible to receive payment from the settlement if (1) your loan insured by the Insurer was paid off early and (2) you did not receive a refund of any unearned premium. Enclosed with this notice is a general explanation of the proposed settlement and options you have and a claim form.

If you would like to learn more about the settlement, you can (1) visit the website www.ELPsettlement.com; or (2) write to: Ellens/Middleton v. Genworth Life and Annuity Insurance Company, c/o The Garden City Group, Inc., P.O. Box 9549, Dublin, OH 43017-4849.

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO**

Did you borrow money to finance an automobile and purchase single premium credit life or disability insurance on that auto loan?

And was your loan paid off early?

A legal settlement provides payments to people owed refunds of unearned premiums on credit insurance.

A court authorized this notice. This is not a solicitation from a lawyer.

- A settlement has been proposed in two class action lawsuits concerning single premium credit life and credit disability insurance issued by Harvest Life Insurance Company or Federal Home Life Insurance Company.
- The settlement will pay money to persons entitled to receive a refund of unearned premium on credit insurance when the loan was paid off early, and who submit a valid claim form and certain information required to verify early payoff of the loan.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	The only way to establish a right to a payment and you will be bound by the proposed settlement.
ASK TO BE EXCLUDED	You will not participate in the case and will get no payment. The only option that allows you to retain the claims resolved by this settlement.
OBJECT	Write to the Court about why you do not think the settlement is fair.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	You will be bound by the proposed settlement but will get no payment.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Money will not be distributed unless the Court does so, and after any appeals are resolved. Please be patient.

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BASIC INFORMATION

1. Why was this notice issued?

A Court authorized this notice because you have a right to know about a proposed settlement of the class actions, including the right to claim money, and about all of your options, before the Court decides whether to give “final approval” to the settlement. If the Court approves the settlement, and after any appeals are resolved, payments will be made to persons who submit a valid claim. This notice explains the lawsuits, the settlement, your legal rights, what benefits are available, who may be eligible for them, and how to get them.

These two cases are known as *Ellens v. Genworth Life and Annuity Insurance Company (f/k/a Harvest Life Insurance Company)* and *Middleton v. Genworth Life and Annuity Insurance Company (f/k/a Federal Home Life Insurance Company)*, and are pending in the United States District Court for the Northern District of Ohio. The persons who sued are called the “Plaintiffs,” and the company that they sued, Genworth Life and Annuity Insurance Company, is called the “Defendant.”

2. Which insurance companies are part of the settlement?

The settlement includes single premium credit life and credit disability insurance issued by Harvest Life Insurance Company or Federal Home Life Insurance Company (the “Insurers”).

3. What are these lawsuits about?

The lawsuits claim that the Defendant failed to refund unearned premiums to customers who purchased credit life and credit disability insurance, and paid off their loans early. The lawsuits also allege that Defendant failed to return these unearned premiums that belonged to its customers, and failed to properly administer its credit insurance by not refunding unearned premiums. Defendant denies all of these claims, and maintains that it did not act wrongfully or unlawfully, and contends, among other things, that it refunded unearned premiums to those customers who made a proper request.

4. What is an unearned premium?

An unearned premium is the portion of your premium that was not used up during the term of your loan because the loan was paid off early.

5. What is credit life and credit disability insurance?

Credit insurance is insurance associated with a specific loan. If the person who obtained the loan dies or becomes disabled, the insurance may pay the money that is owed on the loan.

6. Why are these cases class actions?

In a class action, one or more people called “Class Representatives” sue on behalf of people who allegedly have similar claims. If a Court certifies the case to proceed as a class action, the group becomes known as a “Class” and is made up of “Class Members.” One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

7. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendant. Instead, both sides agreed to settle. That way, they avoid the cost and risks of a trial and members of the proposed Classes who show that they paid off their loans early will receive compensation. The Class Representatives and their attorneys think the settlement is best for all Class Members. The settlement does not mean that Defendant did anything wrong.

WHO IS IN THE SETTLEMENT?

8. How do I know if I am part of the settlement?

If you obtained a loan to finance a purchase of an automobile, you may have purchased credit insurance. If you purchased credit insurance and your loan was paid off early—for example, if your car was refinanced, or you traded it in—you may be eligible for a refund of unearned premium. The eligible settlement class includes persons who purchased a credit insurance certificate from Harvest Life Insurance Company or Federal Home Life Insurance Company, paid full premium at the start of the loan, paid off the loan early, and did not receive a refund of unearned premium when his or her loan was paid off early.

9. Are there exceptions to being included?

You are not included in the settlement if: (1) you filed a claim for any death or disability benefits under your credit insurance; (2) you were refunded any prepaid premium; (3) you already settled or released your claims with Defendant; (4) your loan was in default and security repossessed or your insurance certificate was rescinded; or (5) your debt was discharged in bankruptcy.

THE SETTLEMENT BENEFITS—WHAT YOU GET

10. What does the settlement provide?

The settlement will provide a full refund of any unearned premiums to eligible Class Members. The Settlement Agreement describes all of the details of the proposed settlement. You may obtain a copy of the Settlement Agreement by visiting www.ELPsettlement.com.

11. How much will my payment be?

Payments will be based on the amount of credit insurance premiums you paid, when your loan was paid off, and applicable state laws or regulations or the terms of your insurance certificate, which decide how much of the premium should be refunded.

12. What if my loan is still active?

If you have not paid off your loan, you are not entitled to a refund at this time. If you do pay off your loan early in the future, make sure the Insurer is notified of the early payoff to ensure that you receive any refund to which you may be entitled.

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

13. How can I get a payment?

To ask for a payment, you must complete and timely submit a valid claim form. You cannot receive any payment under this settlement unless you complete and timely submit a valid claim form and all required information. **A claim form is attached to this Class Notice Package.** You can obtain an additional claim form at www.ELPsettlement.com. Please read the instructions carefully, fill out the claim form, sign it, and mail it, such that it is received by April 8, 2010, to:

Ellens/Middleton v. Genworth Life and Annuity Insurance Company
c/o The Garden City Group, Inc.
P.O. Box 9549
Dublin, OH 43017-4849

14. When will I get my payment?

If the Court grants “final approval” of the settlement, and any appeals are resolved in favor of settlement, the payments will be mailed to Class Members who timely send in valid claim forms. If the Court approves the settlement after an upcoming hearing (see the section “The Court’s Fairness Hearing” below), there may be appeals. If there are any appeals, resolving them can take time. Please be patient.

QUESTIONS? CALL TOLL-FREE 1 (888) 205-7867 OR VISIT WWW.ELPSETTLEMENT.COM

15. What am I giving up to get a payment or stay in the Classes?

If the settlement becomes final, you will be releasing Defendant and the Released Parties for all the claims identified in the Settlement Agreement. These are called “Released Claims.” The Settlement Agreement is available at www.ELPsettlement.com. The Settlement Agreement describes the Released Parties and Released Claims with specific descriptions, in necessarily accurate legal terminology, so read it carefully. Talk to Class Counsel (see the section on “The Lawyers Representing You” below) or your own lawyer if you have questions.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this settlement, but you want to retain all your rights against the Defendant relating to the issues in these cases, then you must take steps to get out of the Classes. This is called excluding yourself from—or is sometimes referred to as “opting out” of—the Classes.

16. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from the *Ellens v. Genworth Life and Annuity Insurance Company/Middleton v. Genworth Life and Annuity Insurance Company* settlement. Be sure to include the case numbers (No. 08-CV-2640 and 08-CV-2741), your full name, address, telephone number, the specific certificate or policy number you want to exclude, and your signature. You must mail your request for exclusion so that it is received by February 21, 2010 to:

Ellens/Middleton v. Genworth Life and Annuity Insurance Company
c/o The Garden City Group, Inc.
P.O. Box 9549
Dublin, OH 43017-4849

You cannot exclude yourself over the phone, by email, or by visiting the website.

17. If I exclude myself, can I get a payment from this settlement?

No. If you exclude yourself, you are not entitled to payment from the settlement and should not submit a claim form.

THE LAWYERS REPRESENTING YOU

18. Do I have a lawyer in these cases?

The Court appointed Class Counsel to represent you and other Class Members. You do not have to pay Class Counsel. If you want to be represented by your own lawyer, and have that lawyer appear in Court for you in these cases, you may hire one at your own expense.

19. How will the lawyers be paid?

Class Counsel will ask the Court for \$775,000 to cover attorneys’ fees and reimbursement of their expenses and incentive awards to the two Class Representatives. Defendant has agreed not to oppose these fees, expenses, and awards. The Court may award less than requested by Class Counsel. Defendant will separately pay for certain fees and expenses resulting from administering the settlement process—for example, the fees charged by the Settlement Administrator. These payments will not reduce the amount distributed to Class Members.

OBJECTING TO THE SETTLEMENT

You can tell the Court if you do not agree with the settlement or some part of it.

20. How do I tell the Court if I do not like the settlement?

You can object to the settlement if you do not like all of it, or some part of it. The Court will consider your views. To do so, you must send in a written objection in the cases, *Ellens v. Genworth Life and Annuity Insurance Company* and *Middleton v. Genworth Life and Annuity Insurance Company*, Nos. 08-CV-2640 and 08-CV-2741. Be sure to include your full name, address, telephone number, your signature, the specific reasons why you object to the settlement, any legal support or evidence to support your objection, and whether you or your attorney will be attending the hearing (see “The Court’s Fairness Hearing” below). You must mail your objection so that it is received by February 21, 2010 to all of the addresses listed below:

COURT
Court Clerk
Carl B. Stokes
United States Courthouse
801 West Superior Avenue
Cleveland, OH 44113-1830

CLASS COUNSEL
R. Eric Kennedy
Daniel P. Goetz
WEISMAN KENNEDY &
BERRIS CO., LPA
101 Prospect Avenue West
Suite 1600, Midland Building
Cleveland, OH 44115

Don Barrett
DON BARRETT, P.A.
404 Court Square North
P.O. Box 987
Lexington, MS 39095

Charles Barrett
BARRETT & ASSOCIATES,
P.A.
6518 Highway 100, Suite 210
Nashville, TN 37205

Austin Gower
CHARLES A. GOWER, P.C.
1425 Wynnton Rd.
P.O. Box 5509
Columbus, GA 31906

DEFENSE COUNSEL
David F. Abernethy
David J. Antczak
DRINKER BIDDLE & REATH LLP
One Logan Square
18th and Cherry Streets
Philadelphia, PA 19103-6996

Thomas Simmons
TUCKER ELLIS & WEST LLP
1150 Huntington Building
925 Euclid Ave.
Cleveland, OH 44115

21. What’s the difference between objecting and asking to be excluded?

Objecting is telling the Court that you oppose approval of the settlement. You can object only if you stay in one of the Classes. Excluding yourself is telling the Court that you don’t want to be part of one of the Classes. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you do not have to.

22. When and where will the Court decide whether to approve the settlement?

The Court has scheduled a Fairness Hearing at 9:30 a.m. on March 18, 2010, at the Carl B. Stokes United States Courthouse, located at 801 W. Superior Avenue, Cleveland, OH 44113-1830. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked in advance of the hearing to speak about an objection. You cannot appear in court and object if you have not asked to do so in advance. The Court may also decide how much to award Class Counsel as fees for representing the Classes. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The hearing may be moved to a different date without additional notice, so it is a good idea to check www.ELPsettlement.com for updated information.

23. Do I have to come to the hearing?

No. Class Counsel will answer questions that the Court may have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you filed and mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

24. May I speak at the hearing?

If you submitted an objection to the settlement, you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear" in *Ellens v. Genworth Life and Annuity Insurance Company* and *Middleton v. Genworth Life and Annuity Insurance Company*, Nos. 08-CV-2640 and 08-CV-2741. Your Notice of Intention to Appear must be received by February 26, 2010, and must be sent to the addresses listed in question 20 along with the following information:

- Name of the cases (*Ellens v. Genworth Life and Annuity Insurance Company* and *Middleton v. Genworth Life and Annuity Insurance Company*, Nos. 08-CV-2640 and 08-CV-2741), your full name, address, telephone number, and signature;
- Detailed statement of the specific legal and factual basis for each objection;
- List of any witnesses you intend to call at the Fairness Hearing, and the description of the testimony to be offered; and
- List of exhibits and copies of all exhibits you intend to introduce at the Fairness Hearing.

IF YOU DO NOTHING

25. What happens if I do nothing?

If you do nothing, you will not receive payment from this settlement. And unless you exclude yourself, you will never be able to sue Defendant for the claims resolved in the cases.

GETTING MORE INFORMATION

26. How do I get more information about the settlement?

This notice summarizes the proposed settlement. More details are included in a Settlement Agreement, which is available at www.ELPsettlement.com. If you have questions, visit the website or write to:

Ellens/Middleton v. Genworth Life and Annuity Insurance Company
c/o The Garden City Group, Inc.
P.O. Box 9549
Dublin, OH 43017-4849

QUESTIONS? CALL TOLL-FREE 1 (888) 205-7867 OR VISIT WWW.ELPSETTLEMENT.COM