

LEGAL NOTICE BY ORDER OF THE COURT

IF YOU SUSTAINED ANY LOSS OR DAMAGE ARISING OUT OF DAMAGE, DESTRUCTION OR HARM TO PROPERTY IN LOUISIANA RELATED TO HURRICANES KATRINA AND/OR RITA, AND, AT THE TIME OF THE LOSS, HAD ANY RIGHTS UNDER A POLICY OF INSURANCE FROM A TRAVELERS COMPANY

YOU MAY BE ENTITLED TO BENEFITS FROM A PROPOSED CLASS ACTION SETTLEMENT

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

A settlement has been proposed in a class action lawsuit against certain property casualty affiliates of The Travelers Companies, Inc. (“Travelers”), as described more specifically below, regarding Travelers’ handling of claims arising out of Hurricanes Katrina and Rita. The lawsuit alleges that Travelers mishandled claims, thereby allegedly causing class members to receive fewer benefits than those to which they were entitled. Travelers denies all claims and liability stated in the complaint.

The proposed settlement will provide benefits to persons, including but not limited to their actual or putative assignees, subrogees, and lienholders (including the State of Louisiana), who had or may have had rights under a Travelers policy in effect at the time of the Hurricanes Katrina and/or Rita. If this notice is addressed to you, Travelers’ records show that you may be a member of the Settlement Class

Your legal rights are affected whether or not you respond. **Your rights and options – and the deadlines to exercise them – are explained in this notice. *Read this notice carefully.***

YOUR LEGAL RIGHTS AND OPTIONS IN THIS PROPOSED SETTLEMENT:	
REMAIN IN THE CLASS	Class members who wish to stay in the Settlement Class do not need to do anything. If you are a class member and the proposed settlement is approved, you will not be able to sue Travelers for the claims asserted in this lawsuit, and you will be bound by the Court’s decisions concerning the settlement.
EXCLUDE YOURSELF FROM THE CLASS	Class members who do not want to be in the proposed class, can write and ask to get out of the class. If you are a class member, this is the only option that allows you to be part of any other lawsuit against Travelers that asserts the legal claims in this case.
OBJECT	Write to the Court about why you don’t think the proposed settlement is fair, reasonable and adequate.
GO TO A HEARING	Ask to speak in Court about the fairness of the proposed settlement.

The Court still must decide whether to approve the proposed settlement. Benefits may only be provided if the Court approves the proposed settlement and after appeals are resolved. Please be patient.

BASIC INFORMATION

1. WHAT IS THIS LAWSUIT ABOUT?

The lawsuit alleges that Travelers mishandled claims arising out of Hurricanes Katrina and Rita, thereby allegedly causing members of the Settlement Class to receive fewer benefits than those to which they were entitled.

Travelers denies all allegations of wrongdoing and contends that it fully complied with the law.

2. WHY IS THERE A PROPOSED SETTLEMENT?

The Court did not decide in favor of the Class Representative or Travelers. Instead both sides agreed to a proposed settlement. Settlements avoid the costs and uncertainty of a trial and related appeals, while providing benefits to members of the Class. The Class Representative and the attorneys for the proposed class think the proposed settlement is best for all members of the Settlement Class. The Court in charge of the lawsuit has granted preliminary approval of this proposed settlement and has ordered this notice be mailed to explain it.

WHO IS AFFECTED BY THE PROPOSED SETTLEMENT?

3. HOW DO I KNOW IF I AM AFFECTED BY THE PROPOSED SETTLEMENT?

You are a member of the Settlement Class and are affected by the proposed settlement if: (1) you sustained any loss or damage of any kind arising in any way out of damage, destruction, or harm to property in the State of Louisiana; (2) such loss or damage was related to Hurricanes Katrina and/or Rita; and (3) at that time you had any rights under an insurance policy issued by Travelers.

You are also a member of the Settlement Class if you are an actual or putative assignee or subrogee or a lienholder of an affected policyholder.

You are not a member of the Settlement Class if you had your own lawsuit pending against Travelers as of **April 15, 2010** (except the State of Louisiana as plaintiff in the Road Home litigation).

If you are a member of the Settlement Class, you are automatically included in the proposed settlement. You can exclude yourself from the proposed settlement and release of legal claims by making a valid request for exclusion that is received by the Claims Administrator by **September 3, 2010**.

The Travelers companies covered by this settlement include the following companies: The Travelers Indemnity Company; The Charter Oak Fire Insurance Company; The Phoenix Insurance Company; The Travelers Indemnity Company of Connecticut; The Travelers Indemnity Company of America; Travelers Property Casualty Company of America; The Travelers Home and Marine Insurance Company; TravCo Insurance Company; Nipponkoa Insurance Company, Limited (U.S. Branch); Travelers Commercial Casualty Company; Travelers Casualty and Surety Company; The Standard Fire Insurance Company; The Automobile Insurance Company of Hartford, Connecticut; Travelers Casualty Insurance Company of America; Farmington Casualty Company; Travelers Casualty and Surety Company of America; Travelers Commercial Insurance Company; Travelers Casualty Company of Connecticut; Travelers Property Casualty Insurance Company; Select Insurance Company; Gulf Underwriters Insurance Company; Gulf Insurance Company; Commercial Guaranty Insurance Company; Travelers Excess and Surplus Lines Company; Athena Assurance Company; Discover Property & Casualty Insurance Company; Fidelity and Guaranty Insurance Company; Fidelity and Guaranty Insurance Underwriters, Inc.; Northland Casualty Company; Northland Insurance Company; St. Paul Insurance Company; St. Paul Fire and Marine Insurance Company; St. Paul Guardian Insurance Company; St. Paul Medical Liability Insurance Company; St. Paul Mercury Insurance Company; St. Paul Protective Insurance Company; United States Fidelity and Guaranty Company; American Equity Insurance Company; Discover Specialty Insurance Company; Northfield Insurance Company; GeoVera Insurance Company; Seaboard Surety Company; American Continental Insurance Company; Atlantic Insurance Company; Titan Indemnity Company; USF&G Specialty Insurance Company; and St. Paul Surplus Lines Insurance Company.

WHAT BENEFITS ARE PROVIDED?

4. WHAT DOES THE PROPOSED SETTLEMENT PROVIDE?

The proposed settlement provides that Travelers will pay a total of \$1 million into a settlement fund for the benefit of the Settlement Class. Up to \$75,000 of the settlement will be used to pay the costs of notice.

HOW WILL MY LEGAL RIGHTS BE LIMITED BY THE PROPOSED SETTLEMENT?

5. IF THE PROPOSED SETTLEMENT IS APPROVED, YOU WILL LOSE THE RIGHT TO BRING A LEGAL CLAIM AGAINST TRAVELERS FOR ITS HANDLING OF YOUR INSURANCE CLAIMS RELATED TO HURRICANES KATRINA AND RITA.

The proposed settlement does not give you the option of preserving any right you may have, if any, to seek independent relief against Travelers. If the proposed settlement is approved, your right to seek further or different relief against Travelers, if any, will be eliminated, as described below.

Releases

Upon the Effective Date of the Settlement Agreement the Released Entities shall be released and forever discharged from any Released Claims that any Releasor may have had. All Releasors covenant and agree that they shall not hereafter seek to establish liability against any Released Entity based, in whole or in part, on any of the Released Claims. Upon the Effective Date, all Releasors will be forever barred and enjoined from commencing, filing, initiating, instituting, prosecuting, maintaining, or consenting to any action against any Released Entity with respect to the Released Claims.

“Released Claims” means any and all known or unknown claims, demands, actions, suits, causes of action (under the common, or civil law, statutes, or regulations), damages whenever incurred whether compensatory or exemplary, liabilities of any nature or under any theory whatsoever, including costs, expenses, penalties and attorneys’ fees, in law or equity, that any Releasor, whether or not they object to the settlement, ever had or now has, directly, representatively, derivatively or in any capacity, arising out of any conduct, events, or transactions of the Released Entities related in any way to any alleged damage, destruction, or harm to real or personal property, alleged additional living or business expenses, or alleged losses of business or other income in the State of Louisiana as a result of Hurricanes Katrina and/or Rita, including but not limited to claims for breach of contract, extracontractual damages, penalties, punitive damages, and/or attorneys fees under any legal theory, including, but not limited to La. Civ. Code Art. 1997, La. R.S. 22:1892 (previously codified at La. R.S. 22:658) and/or 22:1973 (previously codified at La. R.S. 22:1220).

“Released Entities” means Travelers, its parent, subsidiaries, and affiliates and their (including Travelers’) past, present and future officers, directors, trustees, employees, agents, attorneys, shareholders, predecessors, successors and assigns.

“Releasors” means any and all Class Members, as well as their respective present and former, direct and indirect, parents, subsidiaries, divisions, partners and affiliates, their respective present and former stockholders, officers, directors, employees, managers, agents, attorneys and any of their legal representatives, any future operating entities created and controlled by a Class Member, and any predecessors, successors, heirs, executors, trustees, administrators, assigns and subrogees of each of the foregoing, all in their capacities as such, and any entities or persons on whose behalf the Class Member is authorized to act.

If you believe the relief provided by the proposed settlement is inadequate, your only redress is to opt out of the Settlement Class or to explain this to the Court by filing an objection in the manner described below.

EXCLUDING YOURSELF FROM THE PROPOSED SETTLEMENT

If you are a class member and you want to keep the right you may have, if any, to sue Travelers based on claims you may have arising from Travelers' handling of claims arising out of Hurricanes Katrina and/or Rita, you must exclude yourself from the class, as described below. This sometimes referred to as "opting out." If you previously filed your own lawsuit against Travelers, see the answer to Question 7 below.

6. HOW DO I EXCLUDE MYSELF FROM THE PROPOSED SETTLEMENT?

To exclude yourself from the Settlement Class, you must send a letter by mail saying that you wish to do so. The request must state: "I/we request that I/we be excluded from the Settlement in *Arthur v. Travelers*, Case No. 09-7332." Be sure to include: (1) your full name and current address; (2) policy number; and (3) your signature. You must postmark your exclusion request to the address below **no later than September 3, 2010**:

Notice Administrator
c/o Rust Consulting, Inc.
P.O. Box 361
Minneapolis MN 55440-0361

REQUESTS FOR EXCLUSION THAT ARE NOT POSTMARKED ON OR BEFORE SEPTEMBER 3, 2010 WILL NOT BE HONORED.

You cannot exclude yourself by telephone or by email. You cannot exclude yourself by mailing a request to any other location or after the deadline. The letter must be signed by you. You cannot exclude yourself by having an actual or purported agent or attorney acting on behalf of you or a group of Settlement Class Members sign the letter.

7. IF I DON'T EXCLUDE MYSELF, CAN I SUE TRAVELERS FOR THE SAME THING LATER?

No. If the proposed settlement is approved, unless you exclude yourself, you give up the right you may have, if any, to sue Travelers for relief arising from the claims that this proposed settlement resolves. If you have a pending lawsuit against Travelers as of **April 15, 2010**, you are not a member of the Settlement Class, except for the State of Louisiana as plaintiff in the Road Home litigation.

THE LAWYERS REPRESENTING YOU

8. DO I HAVE A LAWYER IN THE CASE?

The Class Representative retained the following lawyers to represent her and the putative class: Calvin C. Fayard Jr., N. Frank Elliot III, Frank C. Dudenhefer, Wanda Edwards, and Joseph M. Bruno. In connection with the preliminary approval of the proposed settlement, the Court appointed these lawyers to represent members of the Settlement Class. Together, the lawyers are called Class Counsel. You will not be charged by these lawyers for their work on the case. If you want to be represented by your own lawyer, you may hire one at your own expense.

9. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court for attorneys' fees and expenses, which will be paid out of the \$1 million fund. The Court may award less than the amount requested by Class Counsel. The costs of notifying the class members of the proposed settlement and of administering the proposed settlement will be paid out of the \$1 million fund.

OBJECTING TO THE PROPOSED SETTLEMENT

10. HOW DO I TELL THE COURT THAT I DON'T LIKE THE PROPOSED SETTLEMENT?

If you're a member of the Settlement Class, you can object to the proposed settlement if you don't think the proposed settlement is fair, reasonable or adequate. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter stating that you object to the proposed settlement. Be sure to include (1) the name of this lawsuit, *Arthur v. Travelers*; (2) your full name, current address and telephone number; (3) the reasons you object to the proposed settlement; and (4) your signature. Mail the objection to these three different places, postmarked no later than **September 27, 2010**:

COURT	CLASS COUNSEL	TRAVELERS COUNSEL
Clerk of the Court United States District Court 500 Poydras St., Room C-151 New Orleans, LA 70130	Calvin C. Fayard, Jr. Wanda J. Edwards, Fayard And Honeycutt, APLC 519 Florida Avenue, SW Denham Springs, LA 70726 Joseph M. Bruno, The Law Office Of Joseph M. Bruno APLC 855 Baronne Street New Orleans, LA 70113 Frank C. Dudenhefer, Jr., The Dudenhefer Law Firm, LLC 601 Poydras Street, Suite 2655 New Orleans, LA 70130 N. Frank Elliot III, N. Frank Elliot III, LLC Post Office Box 3065 Lake Charles, LA 70602	David F. McDowell Morrison & Foerster LLP 555 W. Fifth St. Los Angeles, CA 90013

You also must file a Proof of Service with the Court stating that you mailed or delivered copies of these papers to class and Travelers counsel.

11. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING?

Objecting is simply telling the Court that you don't like something about the proposed settlement. You can object to the monetary payments and related releases only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be included in that part of the proposed settlement. If you exclude yourself, you have no basis to object to the settlement fund and related releases because the settlement no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed settlement. You may attend and you may ask to speak, but you don't have to.

12. WHEN AND WHERE WILL THE COURT DECIDE TO APPROVE THE PROPOSED SETTLEMENT?

The Court will hold a Fairness Hearing at **9:30 a.m. on October 27, 2010** at Courtroom S of the United States District Court for the Eastern District of Louisiana, 500 Poydras Street, New Orleans, Louisiana 70130. At this hearing, the Court will consider whether the proposed settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will listen to people who have submitted timely requests to speak at the hearing. The Court may also decide how much Class Counsel will receive as attorneys' fees and expenses. After the hearing, the Court will decide whether to approve the proposed settlement. We do not know how long these decisions will take.

13. DO I HAVE TO COME TO THE HEARING?

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

14. MAY I SPEAK AT THE HEARING?

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 the *Arthur v. Travelers* case." You must include your name, address, telephone number and your signature, and your letter must identify the points you wish to speak about at the hearing, enclose copies of any documents you intend to rely on at the hearing, and state whether you intend to have a lawyer speak on your behalf.

Your Notice of Intention to Appear must be sent to the Clerk of the Court, Class Counsel and Travelers Counsel, at the addresses contained in section 10 above, and must be received by the Clerk of the Court by **September 27, 2010**. You also must file a Proof of Service with the Court stating that you mailed or delivered copies of these papers to Class Counsel and Travelers Counsel at the addresses listed in the answer to Question 10 above. You cannot speak at the hearing if you have excluded yourself from the settlement.

IF YOU DO NOTHING

15. WHAT HAPPENS IF I DO NOTHING?

If you are a class member and do nothing, you will be included in the class. You will be bound by the terms and conditions of the proposed settlement. You will not be able to pursue any other lawsuit against Travelers concerning or relating to the claims alleged in these lawsuits (if you previously filed your own lawsuit against Travelers, see the answer to Question 7 above). If the proposed settlement is approved, the claims against Travelers will be completely "released." This means that you cannot sue Travelers for money damages or other relief based on the claims in these lawsuits. Class Members agree to forever release all claims even if they later discover new facts about the claims in these lawsuits. This includes any claims whether known or unknown, suspected or unsuspected, contingent or non-contingent.

GETTING MORE INFORMATION

16. ARE THERE MORE DETAILS ABOUT THE PROPOSED SETTLEMENT?

This notice summarizes the proposed settlement. More details are in a Settlement Agreement. You can get a copy of the Settlement Agreement at the Office of the Clerk, 500 Poydras Street, Room C151, New Orleans, Louisiana, during the hours of 8:30 a.m. to 5:00 p.m., Monday through Friday, except holidays.

17. HOW DO I GET MORE INFORMATION?

If you have questions about the case, you can write to Class Counsel, identified above.

Please do not contact the Court.

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NOTICE ADMINISTRATOR
C/O RUST CONSULTING, INC.
P.O. BOX 361
MINNEAPOLIS MN 55440-0361

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IMPORTANT LEGAL NOTICE