

IN THE SUPERIOR COURT OF MUSCOGEE COUNTY
STATE OF GEORGIA

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PAUL D. MARTIN and CLINTON O. WICKER,	:	
individually and on behalf of all others	:	
similarly situated,	:	
	:	
Plaintiffs,	:	
	:	
v.	:	
	:	
GOVERNMENT EMPLOYEES INSURANCE	:	
COMPANY, GEICO INDEMNITY COMPANY,	:	
GEICO CASUALTY COMPANY, and GEICO	:	
GENERAL INSURANCE COMPANY,	:	
	:	
Defendants.	:	
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Civil Action
File No.: SU01CV312

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS

THIS NOTICE IS SENT TO YOU BY ORDER OF THE COURT TO INFORM YOU THAT YOU MAY BE ELIGIBLE FOR BENEFITS FROM THE PROPOSED SETTLEMENT OF A LAWSUIT FILED ON YOUR BEHALF. IT DESCRIBES THE PROPOSED SETTLEMENT OF A CLASS ACTION. YOUR RIGHTS MAY BE AFFECTED BY THE LEGAL PROCEEDINGS DESCRIBED BELOW.

YOU DO NOT NEED TO RESPOND TO THIS NOTICE IN ORDER TO RECEIVE SETTLEMENT BENEFITS. IF YOU DO NOT WANT TO BE PART OF THE SETTLEMENT, YOU MUST TAKE THE STEPS DESCRIBED IN THIS NOTICE BY MAY 13, 2002. OTHERWISE, YOU MAY BE BOUND BY ALL OF THE TERMS OF THE PROPOSED SETTLEMENT.

IF YOU CURRENTLY HAVE OR INTEND TO MAKE A CLAIM AGAINST GOVERNMENT EMPLOYEES INSURANCE COMPANY, GEICO INDEMNITY COMPANY, GEICO CASUALTY COMPANY, OR GEICO GENERAL INSURANCE COMPANY, REGARDING A PHYSICAL DAMAGE CLAIM ARISING UNDER THE COMPREHENSIVE OR COLLISION COVERAGE OF A GEORGIA AUTOMOBILE INSURANCE POLICY FOR A LOSS THAT OCCURRED BETWEEN JANUARY 29, 1995, AND JANUARY 13, 2002, OR UNDER THE UNINSURED MOTORIST COVERAGE OF A GEORGIA AUTOMOBILE INSURANCE POLICY FOR A LOSS THAT OCCURRED BETWEEN JANUARY 29, 1998, AND JANUARY 13, 2002, THE PROPOSED SETTLEMENT MAY AFFECT YOUR RIGHTS.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL 1-888-499-4247 AND SPEAK TO A REPRESENTATIVE OR YOU MAY VISIT THE WEBSITE LOCATED AT WWW.MARTINDIMINISHEDVALUESETTLEMENT.COM.

PLEASE DO NOT CONTACT THE COURT, THE CLERK OF COURT, OR GEICO.

You have been sent this Notice because you may be eligible for benefits that will be provided as part of the proposed settlement of a class action lawsuit brought in the Superior Court of Muscogee County, Georgia (the "Court"), against Government Employees Insurance Company, GEICO Indemnity Company, GEICO Casualty Company and GEICO General Insurance Company (collectively "GEICO").

The lawsuit is about plaintiffs' claim that vehicles lose value after they have been involved in accidents and that GEICO should pay its insureds for that alleged loss of value, even if the vehicle is properly repaired. On November 28, 2001, the Supreme Court of Georgia ruled that the Georgia insurance contracts there at issue provide first party coverage for any diminished value which may occur as a result of an insured loss. GEICO does not admit liability on any individual claim.

The plaintiffs and GEICO have concluded that settlement is in the best interest of GEICO's Georgia policyholders because of the uncertainty, expenses, risks, and delays of litigation. *Settlement benefits will be available only if the Court approves the settlement.* On June 3, 2002, the Court will hold a hearing ("the Fairness Hearing") to decide whether to do so.

The Court has certified a Settlement Class for injunctive, equitable and monetary relief.

The class is defined as: all persons insured under a Georgia automobile insurance policy issued by Government Employees Insurance Company, GEICO Indemnity Company, GEICO Casualty Company or GEICO General Insurance Company who reported valid physical damage claims for vehicle damage under that policy's collision or comprehensive coverages, which loss occurred between January 29, 1995, and January 13, 2002, and all persons insured under a Georgia automobile insurance policy issued by Government Employees Insurance Company, GEICO Indemnity Company, GEICO Casualty Company or GEICO General Insurance Company who reported valid physical damage claims for vehicle damage under that policy's uninsured motorist coverage, which loss occurred between January 29, 1998, and January 13, 2002; but excluding (1) claims resulting in total losses, (2) claims relating to non-owned (as that term is defined in GEICO's Georgia automobile policies) or temporary substitute vehicles, (3) claims limited to glass repair or replacement, (4) claims limited to vandalism losses where the payment was \$300 or less, (5) claims confined to emergency roadside assistance or towing, (6) claims in which the policyholder was paid for diminished value in addition to the cost of repair, and (7) claims identified as closed without payment by GEICO; provided, however, that validly reported physical damage claims on leased vehicles that otherwise satisfy these criteria are included as Claims.

If you are a Class Member, you need to decide whether to decline further participation in the class.

If you do not want to be in the Class, you must send written notice of your individual intent to opt out to the address set forth below so that it is received by May 13, 2002. If you exclude yourself, you will not receive any benefit available under the proposed settlement and you will not be bound by any orders or judgments entered in this case. To be excluded, you must send a written notice stating "I request to be excluded from the settlement class. I understand that this exclusion means that I will not receive any benefit available under the proposed settlement." Your written notice also must contain your name, address, automobile insurance policy number(s) and claim number(s), and must be signed and dated by you. Failure to comply with any of these requirements may result in your written notice being declared invalid. Send your written notice to the following address:

Martin v. GEICO Opt Out
P.O. Box 8851
Melville, NY 11747-8851

Your written notice must be received no later than May 13, 2002. Your written notice to opt-out must be filed in an individual capacity, not by any representative.

If you want to remain in the Class, you do not need to respond to this Notice. If you remain in the Class, your interests will be represented without cost by class counsel, and you will be bound by all orders and judgments entered by the Court, whether favorable or unfavorable to the Class.

Benefits and Consequences If the settlement is approved and you do not send a written notice excluding yourself from the Class, you will be entitled to a diminished value settlement payment. Under the proposed settlement, Class Members, who have not previously accepted payment for diminished value, will each receive approximately \$140-\$215 per claim made during the class period, the exact amount to be determined based on the amount of attorneys' fees and expenses and the number of persons receiving payment. All other claims that have been or could have been asserted in the respective class periods in the Action will be released.

The Court has designated the following counsel to represent the Class for the purposes of settlement of this lawsuit:

Pope, McGlamry, Kilpatrick, Morrison & Norwood, LLP
P.O. Box 2128
Columbus, Georgia 31902-2128

Hatcher, Stubbs, Land, Hollis & Rothschild, LLP
P.O. Box 2707
Columbus, Georgia 31902-2707

Bonnett, Fairbourn, Friedman & Balint, P.C.
2901 N. Central Avenue, Suite 1000
Phoenix, Arizona 85012

Arnzen, Parry & Wentz
P.O. Box 472
Covington, Kentucky 41012-0472

C. Ronald Ellington
135 Beaver Trail
Athens, Georgia 30605

You will not be charged for the services of these or any other counsel representing the Class in this Action. You have the right to retain your own attorney in this matter, but if you do, you will be responsible for paying your own attorneys' fees and expenses.

Plaintiffs will apply to the Court for an award of attorneys' fees and costs not to exceed a total of \$6,543,073.50 on behalf of the counsel which have represented the plaintiffs in this class action. If the Court approves the application, the settlement fund will be reduced by that amount.

The Court will hold a hearing on June 3, 2002 ("Fairness Hearing"), to consider whether to approve the proposed settlement and to determine the amount of attorneys' fees and expenses to award to the plaintiffs' counsel, in the courtroom of the Honorable Douglas C. Pullen, Judge of the Superior Court of Muscogee County, Georgia, 100 10th Street, 10th Floor, Columbus, Georgia at 10:00 a.m.

Unless you request exclusion, you may file a written objection by May 24, 2002, to any aspect of the proposed settlement or the amount of attorneys' fees, but you will be bound by the orders and judgments entered in this case, even if the Court does not agree with your objections. Each written objection should include (i) a statement of your objection(s), as well as the specific reasons you have for each objection, including any legal support you wish to bring to the Court's attention and any evidence you wish to introduce in support of your objection(s), (ii) your name, address and telephone number, (iii) the policy number(s) of your policy(ies), and (iv) the claim number(s) of your claim(s).

Objections should be sent to the following addresses:

Clerk of the Court
Superior Court of Muscogee County
P.O. Box 2145
Columbus, GA 31902-2145

Pope, McGlamry, Kilpatrick,
Morrison & Norwood LLP
Attn: Dawn Scurry
P.O. Box 2128
Columbus, GA 31902
Plaintiffs' Lead Counsel

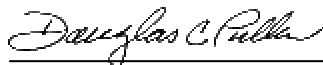
Arnold & Porter
Attn: David P. Gersch
555 12th Street N.W.
Washington, D.C. 20004
GEICO's Counsel

Your written objection(s) must be received no later than May 24, 2002. If you file and serve a timely written objection, you may appear at the Fairness Hearing, either in person or through an attorney retained and paid by you. If you or your attorney intends to appear at the Fairness Hearing, you or your attorney must file a notice of intention to appear with the Clerk of the Court by May 24, 2002, with copies received by the plaintiffs' counsel and GEICO's counsel, at the addresses provided above.

Please call 1-888-499-4247 with any questions you may have about the settlement or visit the website located at WWW.MARTINDIMINISHEDVALUESETTLEMENT.COM.

PLEASE DO NOT CALL THE COURT, THE CLERK OF COURT, OR GEICO.

DATED: March 1, 2002



Douglas C. Pullen
Judge, Muscogee County Superior Court