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### SETTLEMENT AGREEMENT

1. Recitals – This action commenced in San Francisco Superior Court Civil Number CGC-03-424538 against Respondents executing this agreement, including Auto Insurance Specialists, Inc. (collectively “AIS”) by United Policyholders pursuant to Bus. & Prof. Code section 17200 *et seq.* (the “Civil Action”). After the passage of Prop. 64, that entity amended its complaint to add Plaintiffs. The parties subsequently agreed to stay the Civil Action and the adjudication of any right to injunctive relief and to have Plaintiffs’ other claims adjudicated by an Arbitration Panel (the “Porter Arbitration”). For the consideration provided herein, the parties now agree to completely settle the Civil Action and the Porter Arbitration.

2. Consideration From Respondents – On or before October 20, 2008, Respondents will pay \$25,000,000 into an interest bearing escrow account for a settlement fund (the “Fund”) under the control of the settlement administrator. This may be a qualified settlement fund at Claimants’ option. Settlement awards, administration costs, including tax expenses, awards for attorneys’ fees and incentive awards, JAMS costs from this date forward, and any all payments of any kind pursuant to this settlement, will be paid from the Fund. All interest earned will be a part of the Fund available for distribution in accord with this agreement.

2.1 After payment of the settlement administration costs, including tax expenses related to the settlement fund; any award of attorneys’ fees and costs; and any incentive awards, the balance of the Fund will be distributed to authorized Claimants as follows: class members who do not exclude themselves from the class shall receive a check from the Fund, without need for any claim forms, equal to the class member’s per capita share of the Fund remaining after all charges for costs of administration, arbitrator’s fees, attorneys’ fees and expenses awarded, incentive awards, and all other charges against the Fund under this agreement, including estimated future costs. A class member’s per capita share will be equal to the total Fund remaining after all such charges are deducted divided by the number of members of the class who have not excluded themselves from the class.

2.2 Respondents have the option to reject the settlement in its entirety if the total number of class members who request exclusion from the settlement is more than five percent (5%) of the number of class members to whom notice was mailed or the aggregate value of the settlement awards otherwise awardable to the class members who request to be excluded from the settlement is equal to or greater than ten percent (10%) of the aggregate value of the settlement awards.

3. Conditions – This agreement is expressly conditioned on approval of this settlement by arbitration award by Judge Warren and confirmation by an entry of judgment by the Superior Court, and this agreement and the settlement it represents otherwise becoming final for all purposes. If approval is denied, all funds (less any incurred administrative costs) shall be returned to Respondents. The parties will cooperate in good faith in meeting these conditions and with respect to implementation of this agreement.

4. Preliminary Approval – The parties will seek a order from Judge Warren preliminarily approving the settlement, approving notice (webpage, postcard notice, and pre-recorded 1-800 message), and scheduling a final approval hearing 90 days after preliminary approval. The preliminary approval will include, among other things, notice to the class, an opportunity to object, opt-out rights for the class members, and a plan to distribute the Fund to the class

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members, all to be set on a schedule determined by Judge Warren. Attachment A to this agreement is incorporated by reference into this paragraph.

5. Final Approval – After final approval, Judge Warren will enter an Award and the parties shall jointly seek confirmation of the award by the Superior Court. When judgment is entered by the Superior Court, it will dispose of and foreclose all claims and causes of action in the Porter Arbitration and the Civil Action and represent a full and final adjudication of those proceedings. Judge Warren will hear the request for attorneys' fees and costs and incentive awards in this hearing. Claimants' attorneys' fees will be a percentage of the Fund as determined by Judge Warren. The incentive awards and attorneys fees will be paid from the Fund within 10 days of this settlement becoming final for all purposes. Judge Warren will retain jurisdiction to enforce the terms of this Settlement Agreement pursuant to Civ. Code § 664.6.

6. Release – The class hereby fully releases and forever discharges Respondents and their parents, affiliated companies, successors, assigns, directors, officers and shareholders, and Respondents fully release and forever discharge the class, from any and all liabilities of any nature related in any way to the pleadings and the claims asserted in the Porter Arbitration and the Civil Action, including those subsumed by Civ. Code § 1542. These releases are valid regardless of any new facts or circumstances that may occur or become known after the execution of this Agreement. The parties and class expressly waive and relinquish to the fullest extent possible, the rights, of Civil Code § 1542, which provides “[a] general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

7. Publicity – The parties and their counsel will not issue public comment, press releases or publicity about this settlement in any way other than as specifically provided herein. If approached, the parties and their counsel will say that the litigation settled and information is or will be available on the settlement webpage. Claimants' counsel may post on their firm websites a notice regarding the settlement; the parties will agree on the content and format of this notice. Nothing in this paragraph precludes Claimants' counsel from discussing this agreement with their clients and class members.

8. Additional Matters – This Agreement is binding and any dispute as to its terms shall be submitted to Judge Warren within three (3) days of the dispute and his decision shall be binding on the parties.

Settlement approval will be by stipulated arbitration award by Judge Warren as per JAMS rules.

Rosenthal & Company will be the settlement administrator and take all necessary and prudent steps to up date class member addresses.

Individual notice of the proposed settlement will be sent to all class members. The class period will extend through October 31, 2008 and AIS will provide updated class member information to Rosenthal at AIS expense.

*Handwritten initials/signature*

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Any amounts uncollected by class members will be distributed *cy pres* to organizations nominated by Claimants, and subject to the approval of Aon Corporation. Any objections by Aon will be submitted to Judge Warren for his final and binding determination.

Judgment will be rendered in the Civil Action by stipulation for confirmation of the award pursuant to C.C.P. § 1287.4.

All party appeals from the stipulated arbitration award and the judgment are waived.

9. This agreement does not constitute an admission of liability but is rather a compromise of disputed facts and law and may not be used in any proceeding as an admission of any kind whatsoever.

*iv. Facsimile signatures are acceptable in lieu of originals. etc*

Dated: October 10, 2008

ON BEHALF OF RESPONDENTS  
AUTOMOBILE INSURANCE SPECIALISTS,  
INC., AUTO INSURANCE SPECIALISTS - BAY  
AREA, INC.; AUTO INSURANCE  
SPECIALISTS, INC.; AUTO INSURANCE  
SPECIALISTS - VALLEY, INC; AUTO  
INSURANCE SPECIALISTS - LOS ANGELES,  
INC.; AUTO INSURANCE SPECIALISTS -  
LONG BEACH, INC.; AUTO INSURANCE  
SPECIALISTS - SANTA MONICA, INC.; AUTO  
INSURANCE SPECIALISTS - INLAND  
EMPIRE, INC.; and AUTO INSURANCE  
SPECIALISTS - NEWPORT, INC.

By *Robert S. Rivkin*

Its *VP & Deputy General Counsel, Aon*

Dated: October 10 2008

DLA PIPER LLP (US)

By *Jeffrey M. Hamerling*  
JEFFREY M. HAMERLING  
Attorneys for Respondents  
AUTO INSURANCE SPECIALISTS -  
BAY AREA, INC. *et al.*

*for RCR*

**SETTLEMENT AGREEMENT**

Dated: October 3, 2008

ON BEHALF OF CLAIMANTS

*Linda Porter*

Dated: October     , 2008

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Dated: October     , 2008

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LEVY RAM & OLSEN

Dated: October 10, 2008

By *Arthur D. Levy*  
ARTHUR LEVY  
Attorneys for Claimants  
LINDA PORTER *et al.*

LAW OFFICES OF NORMAN GOLDMAN

Dated: October 10, 2008

By *Norman Goldman*  
NORMAN GOLDMAN  
Attorneys for Claimants  
LINDA PORTER *et al.*

*Arthur  
Levy*

*LR*

**SETTLEMENT AGREEMENT**

Dated: October 10, 2008

ON BEHALF OF CLAIMANTS

*[Handwritten signature]*  
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Dated: October \_\_\_\_\_, 2008

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Dated: October \_\_\_\_\_, 2008

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LEVY RAM & OLSEN

Dated: October 10, 2008

By *Arthur Levy*  
ARTHUR LEVY  
Attorneys for Claimants  
LINDA PORTER *et al.*

LAW OFFICES OF NORMAN GOLDMAN

Dated: October 10, 2008

By *Norman Goldman*  
NORMAN GOLDMAN  
Attorneys for Claimants  
LINDA PORTER *et al.*

*Arthur Levy*

10/13/2008 12:25 FAX 3238500517  
10/13/2008 12:44 3106712943  
10/13/2008 11:38 FAX 3238500517  
Oct. 10 2008 9:17PM 15 536 2501

LAW OFC NORMAN GOLDMAN  
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LAW OFC NORMAN GOLDMAN  
DLA PIPER US LLP

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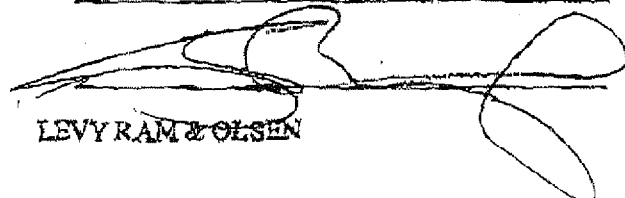
SETTLEMENT AGREEMENT

Dated: October 2008

ON BEHALF OF CLAIMANTS

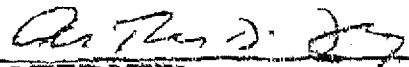
Dated: October 2008

Dated: October 13 2008



LEVY RAM & OLSEN

Dated: October 10 2008

By   
ARTHUR LEVY  
Attorneys for Claimants  
LINDA PORTER et al

Dated: October 10 2008

LAW OFFICES OF NORMAN GOLDMAN

By   
NORMAN GOLDMAN  
Attorneys for Claimants  
LINDA PORTER et al

*Arthur Levy*

*RR*

SETTLEMENT AGREEMENT

ON BEHALF OF CLAIMANTS

Dated: October     , 2008

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Dated: October     , 2008

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Dated: October     , 2008

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LEVY RAM & OLSEN

Dated: October 10, 2008

By *Arthur Levy*  
ARTHUR LEVY  
Attorneys for Claimants  
LINDA PORTER *et al.*

LAW OFFICES OF NORMAN GOLDMAN

Dated: October 10, 2008

By *Norman Goldman*  
NORMAN GOLDMAN  
Attorneys for Claimants  
LINDA PORTER *et al.*  
*Arthur Levy*

ATTACHMENT A

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4.1. The Class Definition shall be modified so that it extends through October 31, 2008.

4.2. The parties shall cooperate in applying for preliminary approval of the settlement to occur within ten (10) days of the date this Agreement is fully signed, subject to further Order by Judge Warren.

4.3. No later than fifteen (15) days after Preliminary Approval, respondents at their own expense shall provide the Settlement Administrator with a complete list of the names and last known addresses of all Class Members who were not included in the notice mailing regarding class certification.

4.4. Within fifteen (15) days after receiving the class list, the Settlement Administrator shall take all reasonably necessary steps to update the addresses of the Class and shall mail to each Class Member by first class mail postage prepaid the approved notice of the settlement.

4.5. Any Class Member wishing to exclude himself or herself from the settlement shall mail a written request for exclusion to Class Counsel. The request for exclusion must be postmarked and mailed to Class Counsel no later than thirty (30) days after mailing of the notice. Any Class Member who timely requests exclusion shall not be part of the Class. Such persons shall not share in any of the benefits provided under the Agreement and shall not be bound by any of the terms of the Agreement.

4.6. Any Class Member's objections to the Settlement must be postmarked and mailed to Class Counsel no later than thirty (30) days after mailing of the notices. Any objection which is not postmarked within this thirty (30) day period shall be deemed untimely and may be disregarded.

4.7. Subject to Judge Warren's approval, the Final Approval hearing shall be held no more than ninety (90) days after preliminary approval. At least fifteen (15) days before the Final Approval hearing, Claimants shall file and serve all briefs and supporting papers relating to the final approval of the Settlement and their application for an award of attorneys' fees and costs. At least five (5) days before the Final Approval Hearing, the parties shall file their replies to any objections.



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4.8. At least five (5) days before the Final Approval hearing, the Settlement Administrator shall submit (a) a declaration to Judge Warren verifying that the settlement notices have been timely mailed.