



This Notice, which has been approved by the Court, is only a summary. A more detailed document called the Stipulation of Settlement containing the complete terms of the proposed Settlement is on file with the Court. You may obtain this document from the Court and you are encouraged to review it if you have any questions.

### **WHAT IS THIS LAWSUIT ABOUT?**

This lawsuit was filed in the Superior Court for the State of Delaware, Kent County by Mr. Crowhorn, an insured, against Nationwide Mutual Insurance Company ("Nationwide"). The lawsuit alleges that Nationwide, failed to timely pay in whole or in part covered claims for medical expenses, lost earnings or other benefits under PIP/APIP coverages as issued by Nationwide. Specifically, this class action covers claims of all insureds of Nationwide and of their assigns, including all health care fee for service providers, who allegedly suffered damages when Nationwide failed to pay in whole or in part personal injury protection benefits within thirty (30) days after having received written notice of loss and demand for payment, as mandated by 21 Del.C. § 2118, and, further, failed to pay the interest on said benefits required by 21 Del.C. § 2118B.

Nationwide denies any allegations of wrongdoing. The Court has made no ruling on the merits of Mr. Crowhorn's claims or the defenses of Nationwide, and the Court has made no determination about the strengths and weaknesses of either the Plaintiff's or the Defendant's contentions in this case or that the suit can be maintained as a class action. Nationwide denies that any prior PIP/APIP settlement payment was not fair or reasonable under the law, the policy and the individual circumstances.

### **WHO IS COVERED BY THE SETTLEMENT?**

#### **The Settlement Class**

The "Settlement Class" that is covered by the Stipulation of Settlement is defined to mean all Nationwide Delaware automobile policyholders, insureds and passengers of insured vehicles, including all of their assigns, and/or their medical care fee for service providers, who during the Class Period (a) suffered bodily injuries and made claims or noticed Settling Defendants regarding any resultant medical expenses, lost earnings and/or other benefits pursuant to a valid Delaware Nationwide automobile liability policy's PIP/APIP coverages (not waived or rejected) and (b) who suffered or allegedly suffered First Party and/or Extra-Contractual loss or losses when they failed to receive timely, full or partial payment of the reasonable, necessary, usual and customary PIP/APIP benefits and performances from Nationwide and/or from either or any of the Released or Settling Defendants for a PIP/APIP claim occurring between June 8, 1997 and the date of the mailing of this Notice, being a claim of a Class Member not expressly excluded by the Class definition.

Excluded from the Class are those policyholders, insureds and passengers of insured vehicles who have been dismissed from the litigation by Court Order, [unappealed] or whose claims have been valued and paid by an Order of the Court from an arbitration and/or payment has been received from Nationwide pursuant to a Release signed by the insured or care provider.

#### **The Class Period**

The period of time covered by this Settlement is from June 8, 1997 through and including the date of this Notice.

#### **The Effect of Membership in the Settlement Class**

If you come within the definition of the Settlement Class, you are automatically a Settlement Class Member unless you exclude yourself from the Settlement Class by following the procedures for exclusion that are set forth in this Notice. Settlement Class Members who do not exclude themselves are eligible to receive one of the benefits provided to the Settlement Class Members under the terms of the Settlement as described in this Notice and are bound by the Settlement. Persons who exclude themselves from the Settlement Class will not be bound by the Settlement and will not share in the proceeds or the process of the Settlement.

If you do not exclude yourself from the Class, you may accept the one-time Lump Sum Payment of \$100.00 enclosed with this Notice or you have the option to elect to submit your claim through a claims adjudication process. **TO ACCEPT THE LUMP SUM PAYMENT, SIMPLY DETACH THE \$100.00 CHECK FROM THE ENCLOSED SETTLEMENT OPTIONS FORM, AND CASH IT IMMEDIATELY.** If you exclude yourself from the Class or elect to proceed through the claims adjudication process, you forfeit and must return the enclosed Lump Sum Payment.

#### **Whether you are a Class Member**

You may not know whether you as a policyholder, insured or passenger sustained a PIP/APIP loss due to an automobile accident. However, a search of Nationwide's records identified you as potentially within the Settlement Class definition. As a result, unless you exclude yourself from the Class, you will be deemed to be a Class Member and participate in the Settlement. If you have previously settled with Nationwide, signed a Release or received a final payment for a PIP/APIP bodily injury claim, PIP/APIP policy benefits pursuant to a Court Order or arbitration award, you are not a member of the Class.

### **WHAT ARE THE TERMS OF THE SETTLEMENT?**

The proposed Settlement was negotiated with Nationwide by the attorneys for the Class. Pursuant to the Settlement, Nationwide has agreed to pay the following benefits to eligible Class Members:

## **Monetary Payments to the Settlement Class**

Class Members may accept the enclosed Lump Sum Payment or elect to submit their claim through the optional claims adjudication process. If you elect the optional adjudication process, you forfeit and must return the Lump Sum Payment. In addition, you will be bound by the determination made by the Adjudicator and will have no right of appeal.

The proposed Settlement is intended to settle all claims covered by the release in the Settlement Agreement, including but not limited to, all claims that Settlement Class Members may have arising out of or referring or relating in any way to the payment or denial of PIP/APIP claims for medical expenses, lost earnings and other benefits under the policy's PIP/APIP coverages. The Settlement includes not only claims against Nationwide Mutual Insurance Company but also against any of their respective related Nationwide entities and assigns of the Settling Defendants as provided in the Settlement Agreement.

**IF YOU DO NOT EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS ACCORDING TO THE STEPS IN THIS NOTICE, YOU WILL BE BOUND BY THE SETTLEMENT AGREEMENT, WHETHER OR NOT YOU SUBMIT A CLAIM AND WHETHER OR NOT YOU RECEIVE ANY MONEY UNDER THE SETTLEMENT.**

## **Fees and Costs**

The necessary and reasonable costs of administering the Settlement, including the costs of mailing this Notice and/or distributing the settlement benefits if the Settlement is approved, as well as other costs of the Settlement will be paid by Nationwide as part of the Settlement Fund. If the proposed Settlement is approved by the Court, the attorneys for the Settlement Class will apply to the Court for approval of an award of attorneys' fees and expenses based upon the total benefit available to the Settlement Class. Attorneys' fees approved by the Court will also be paid to Class Counsel as part of the Settlement Fund, in addition to benefits available to the Settlement Class; and the amount paid as fees will not reduce benefits available to the Settlement Class. Settlement Class Members will not be responsible for attorneys' fees or the expense of litigation. The details and timing of the payment of attorneys' fees and expenses are contained in the Stipulation.

## **HOW DO I PARTICIPATE IN THE SETTLEMENT?**

If you wish to participate in the Settlement, then you may accept the enclosed Lump Sum Payment of \$100.00 or elect the adjudication process. **TO ACCEPT THE LUMP SUM PAYMENT, SIMPLY DETACH THE \$100.00 CHECK FROM THE ENCLOSED SETTLEMENT OPTIONS FORM, AND CASH IT IMMEDIATELY.** If you were satisfied with Nationwide's payment and handling of your PIP/APIP loss claim and do not wish to participate in the alternative adjudication process, you may still cash the Lump Sum settlement check and Release as a Class Member. If you wish that your claim be decided by a Neutral Adjudicator, you must complete and return the enclosed Election and Claim Form included with this Notice. If you wish, you may also opt out of this Class Settlement and must pursue any claim or process, at your own expense, against Nationwide subject to all of Nationwide's defenses under the policy and the laws of Delaware. **If you do not exclude yourself from the Class, or cash the enclosed check, or submit a signed and completed Claim Form, you will be deemed to have entered into the Class Settlement and the terms of the final Settlement Agreement and Order of the Court will be binding on you even though you do not receive any further or additional payment under the Settlement.**

## **WHO IS THE CLASS ADMINISTRATOR?**

The Class Administrator is a joint committee of Class Counsel and counsel for Nationwide. The Garden City Group, Inc. has been hired to handle certain class action administrative duties and responsibilities.

## **WHO REPRESENTS THE CLASS?**

The Court has designated Mr. James M. Crowhorn to serve as Class Representative in this Settlement Class. The Court has also designated John Spadaro, Esq. and the firm of Murphy Spadaro & Landon as Class Counsel for the Settlement Class. These attorneys represent the interests of the Settlement Class for the purpose of the Settlement, along with other associated attorneys.

## **WHAT ARE THE REASONS FOR THE SETTLEMENT?**

Class Counsel reached this Settlement with Nationwide after considering the risks and benefits to the Class of this Settlement compared with those risks and delays of costly, uncertain litigation incident to continuing the action. The factors that Class Counsel considered are the uncertainty and delay associated with the continued litigation, trial and appeals, and the uncertainty of particular factual and legal issues which have yet to be determined by the Superior Court of Delaware. Nationwide as the Settling Defendants have denied all liability, wrongdoing of all kind or description and each contends that they have no obligation to pay damages to the Class. Class Counsel balanced these and other substantial risks in determining that the proposed Settlement is fair, reasonable and adequate in light of all of the circumstances and in the best interest of Class Members.

## **WHAT ARE MY RIGHTS AND OPTIONS?**

You may remain a Member of the Settlement Class, represented by Class Counsel. If the Settlement is approved by the Court, the Settlement will result in a release and dismissal of any and all claims you may have against Nationwide referring or relating to your PIP/APIP policy or claim, whether or not you have submitted a Claim Form and whether or not you have received payment under the Settlement. If you do not exclude yourself from the Class, you will be represented to be a Settlement Class Member by Class Counsel and you will not be charged for the services of Class Counsel whose fees will be paid by Nationwide as provided above.

You may also remain a member of the Settlement Class but elect to hire your own attorney to represent you. If you hire your own attorney, your attorney must file an appearance with the Prothonotary and with the Claims Administrator, whose addresses are listed below, postmarked no later than **SEPTEMBER 19, 2003**. You may be responsible for any fees and costs charged by any attorney you hire to represent you.

You may exclude yourself from the Settlement Class, if you do not want to remain in the Settlement Class. If you exclude yourself from the Settlement Class, you will lose any right to participate in the Settlement. You will also lose the right to present any objections you may have to the Settlement when considered by the Court before it rules on the Settlement. You will be free to pursue claims, if any, you may have against Nationwide permitted by the laws of the State of Delaware, but you will not be represented by Class Counsel.

In order to exclude yourself from the Settlement Class, you must execute a Request for Exclusion, which must be postmarked no later than **SEPTEMBER 19, 2003**, and you must send the Request for Exclusion to the Claims Administrator and Prothonotary at the addresses listed below:

Crowhorn Class Settlement  
Claims Administrator  
P. O. Box 767  
New Albany, Ohio 43054

Prothonotary  
Superior Court of Delaware  
Kent County  
38 The Green  
Dover, DE 19901

If you do not comply with these procedures within the deadline for exclusion, you will lose any opportunity to exclude yourself from the Settlement Class and your rights will be determined by the Settlement Agreement and Court orders.

You may remain a member of the Settlement Class and object to the Settlement. If you do not exclude yourself from the Class, you may object to the Settlement Class definition or the terms of the proposed Settlement. Each objection must include, in addition to the name and address of the objector, all of the following: a) a statement of each objection being made; b) a statement whether the objector intends to appear at the Fairness Hearing; c) a list of witnesses whom the objector may call by live testimony; and d) if available, the Nationwide policy and/or claim number, date of loss, amount and date of notice for each PIP/APIP loss claim at issue for the objector.

You must mail your objection to the Claims Administrator and the Prothonotary, postmarked no later than **SEPTEMBER 19, 2003**.

If you do not comply with these procedures including the deadline for objections, you will lose any opportunity to have your objection considered by the Court at the Settlement hearing or to otherwise contest the approval of the Settlement or to appeal from any orders or judgments entered by the Court in connection with the proposed Settlement.

**WHEN IS THE COURT HEARING AND WHAT IS IT FOR?**

On **OCTOBER 3, 2003, AT 2:00 P.M.** the Court will hold a public hearing at the Superior Court for the State of Delaware, Kent County, 38 The Green, Dover, Delaware 19901 for the purposes of determining whether the Settlement Class is to be properly certified and whether the proposed Settlement is fair, adequate and reasonable and should be finally approved, and to consider Class Counsel's application for attorneys' fees. This hearing may be continued or rescheduled by the Court without further notice. Settlement Class Members who support the proposed Settlement do not need to appear at the hearing. Settlement Class Members who object to the proposed Settlement are not required to attend the settlement hearing but must strictly comply with the provisions of this Notice regarding objection to the Settlement.

**PLEASE DO NOT WRITE OR TELEPHONE THE COURT OR NATIONWIDE FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT. AS STATED, IF YOU WISH ADDITIONAL INFORMATION, YOU MAY CONTACT THE CLASS ADMINISTRATOR AT (866) 512-4139 OR CLASS COUNSEL AT (302) 654-4600.**

Dated: August 4, 2003

Honorable William L. Witham Jr.