

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

IN RE METLIFE DEMUTUALIZATION
LITIGATION

00 CV 2258 (JBW) (AKT)

**ORDER
APPROVING FORM OF
CLASS NOTICE**

The form of Publication Notice attached as Exhibit A to this Order is approved. Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, the Court finds the notice to be reasonable and appropriate notice of the proposed settlement of this class action to the members of the class. The notice will be published, substantially as set forth in Exhibit A, twice in the week of November 9, 2009, and twice in the week of November 16, 2009, in each of *USA Today*, *The Wall Street Journal*, *The New York Times*, and *The New York Law Journal*.

Date: November 6, 2009
New York, New York

SO ORDERED.

Jack B. Weinstein
Senior United States District Judge

EXHIBIT A

FORM OF PUBLICATION NOTICE

U.S. DISTRICT COURT, EASTERN DISTRICT OF NEW YORK

In re METLIFE DEMUTUALIZATION LITIGATION.

Civil Case No.
00 CV 2258 (JBW)

NEW YORK SUPREME COURT, NEW YORK COUNTY

EUGENIA J. FIALA, et al., v. METROPOLITAN LIFE
INSURANCE COMPANY, et al.

Civil Case No.
601181/2000 (Kornreich)

NOTICE OF CLASS ACTION SETTLEMENT

To: Persons who on September 28, 1999, owned one or more policies issued by Metropolitan Life Insurance Company.

In April 2000, Metropolitan Life Insurance Company, commonly known as MetLife, converted from a mutual insurance company to a stock company, a process called "demutualization." Owners of MetLife policies that were in force on September 28, 1999, were eligible to vote on the demutualization and received compensation in exchange for their interests as members of the mutual company. This compensation was distributed in the form of stock of MetLife, Inc., MetLife's new holding company, cash or policy credits.

These two lawsuits were brought against MetLife and MetLife, Inc., asserting various claims related to the demutualization. The state-court lawsuit was also brought against the individuals who were members of MetLife's Board of Directors at the time the demutualization was approved. Both lawsuits allege that to win the policyholders' vote to demutualize, defendants sent an information package to policyholders that contained false statements and omitted material facts. The plaintiffs in the federal-court lawsuit allege that defendants violated federal securities laws. The plaintiffs in the state-court lawsuit allege that defendants violated the New York Insurance Law. Both lawsuits allege that eligible policyholders were damaged as a result of the alleged misstatements or omissions. MetLife and the other defendants deny the plaintiffs' claims. The defendants believe that their disclosures to policyholders were true, accurate and complete, and that no policyholders were damaged.

Both lawsuits were certified as class actions. A class action is a lawsuit in which representative plaintiffs litigate claims common to a group of persons, called a class, and the results are binding on all members of the class. The class in the state-court lawsuit consists of all policyholders who received compensation in any amount in the demutualization. The class in the federal-court lawsuit consists of all policyholders who received trust interests in 11 or more shares of stock or cash or policy credits of \$156.75 or more as compensation in the demutualization. Defendants

and certain persons associated with defendants are excluded from both classes. Policyholders previously were given an opportunity to request to exclude themselves from each of the two classes. Policyholders who submitted a timely exclusion request for either class are not included in that class. Policyholders do not have an additional opportunity to exclude themselves from either class at this time.

Defendants and plaintiffs have agreed to settle the claims in both lawsuits. The settlement of the lawsuit is not an admission by the defendants of any wrongdoing or liability, and is not an admission by the plaintiffs that their claims lack merit. If the settlement is approved, MetLife will contribute \$50,000,000 in settlement of the claims in these two lawsuits. Plaintiffs' litigation expenses and attorneys' fees, which must be approved as reasonable by the state or federal court, will be deducted from this amount. \$2,500,000 will be contributed to nonprofit organizations selected with court approval. The balance will be contributed in assets to the closed block that was established in MetLife's demutualization. The closed block is an accounting mechanism that is meant to protect the dividends of participating policyholders included in the closed block, and the assets contributed to the closed block can only be used to pay benefits and dividends to the holders of those policies. No settlement benefits will be paid directly to the individual class members, except that plaintiffs may apply for reimbursement of their time and effort in pursuing the case.

If the settlement is approved, class members will be barred from bringing or maintaining lawsuits or claims against the defendants and others related to the demutualization. However, class members will not be giving up any stock, cash or policy credits that they received in the demutualization. **Class members' rights under their insurance policies and annuity contracts will not change in any way. The settlement will not cause premiums to increase and will not cause benefits or dividends to decrease.**

The state and federal courts will hold a joint hearing on whether to approve the settlement on December 30, 2009, at 10:00 a.m., in Courtroom 10B South of the United States Courthouse at 225 Cadman Plaza East, Brooklyn, New York. Class members or their representatives may appear and be heard at the hearing but are not required to do so. Written objections must be sent to U.S. District Court Clerk, 225 Cadman Plaza East, Brooklyn, NY 11201, or to New York Supreme Court Clerk, 60 Centre Street, New York, NY 10007, so as to be received no later than December 24, 2009. Objections sent to the U.S. District Court must be captioned "Objection: In re MetLife, 00 CV 2258 (JBW)," and objections sent to the New York Supreme Court must be captioned "Objection: Fiala v. MetLife, 601181/2000 (Justice Kornreich)."

The parties make the following statement, which is required by federal statute: The amount of the settlement proposed to be distributed directly to the class is zero. The amount being paid to

the closed block for the benefit of the state and federal classes, in attorneys' fees and litigation expenses, or to a nonprofit organization is \$50,000,000 in the aggregate, or approximately \$0.07 per share on average. The attorneys for the federal class intend to make a joint application with attorneys for the State class for reimbursement of expenses not to exceed \$5 million and for attorneys' fees of up to 30% of the \$50 million settlement for their work on this case (not to exceed \$20 million, or approximately \$0.03 per share, in fees and expenses in the aggregate). The amount of fees and expenses paid, if any, will be determined by the courts. The parties disagree on the average amount of damages per share that would be recoverable if the federal plaintiffs prevailed on each claim alleged under federal law. In the plaintiffs' view, the amount of damages would be up to \$11.25 per share if they prevailed on all claims. In defendants' view, the amount of damages would be \$0 per share even if the plaintiffs prevailed on all claims.

If you have questions about the settlement, you may call or write to Jared B. Stamell, Esq., One Liberty Plaza, 35th Floor, New York, NY 10006, telephone (212) 566-4047, if it relates to the federal-court action, or to Christopher Lovell, Esq., 61 Broadway, Suite 501, New York, NY 10006, telephone (212) 608-1900, if it relates to the state-court action. **Do not call the federal or state court.**

The parties in both lawsuits have entered into a Stipulation of Settlement that embodies the terms of the proposed settlement. The Stipulation of Settlement is available to be examined in the office of the Clerk of Court for the United States District Court for the Eastern District of New York, located in the United States Courthouse at 225 Cadman Plaza East, Brooklyn, NY 11201; or in the office of the County Clerk of the Supreme Court of the State of New York, New York County, 60 Centre Street, New York, NY 10007. A copy of the Stipulation of Settlement also may be obtained and viewed at the official website of the United States District Court for the Eastern District of New York: <http://www.nyed.uscourts.gov/Notices.cfm>.