

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

IN THE ALLEN COUNTY SUPERIOR COURT

CAUSE NO. 02D01-0206-CT-258

NED BADE and)
WALTER PUGH, JR.,)
)
Plaintiffs,)
)
vs.)
)
LINCOLN NATIONAL CORPORATION,)
)
Defendant.)

**NOTICE OF CLASS ACTION, PROPOSED SETTLEMENT,
AND FAIRNESS HEARING**

TO: All persons who worked for the reinsurance operations of Lincoln National Corporation or its affiliates under the Lincoln Re name in 2001 and who were covered by certain 2001 incentive compensation plans (specifically the Value Incentive Plan or Individual Value Contributor Plan) and who would have been eligible to receive payment under such a 2001 incentive compensation plan had it been determined that a 15% return on equity trigger had been met.

THIS CLASS NOTICE HAS BEEN SENT TO YOU BY ORDER OF THE COURT. A PROPOSED SETTLEMENT MAY AFFECT YOUR RIGHTS. PLEASE READ THE ENTIRE NOTICE CAREFULLY.

YOU MUST NOW MAKE CERTAIN DECISIONS:

FIRST: **You must decide whether you want to be part of the proposed settlement outlined below. You must also decide whether you want to object to the proposed settlement.** The Court will hold a hearing on October 28, 2004, at 9:00 a.m. to evaluate the fairness of the proposed settlement. You may submit written objections or if you do you may also appear in person or by counsel to object to the proposed settlement, Class Representative, class counsel or fees and expenses. Procedures for objecting are described in this Class Notice.

SECOND: **If you do *not* want to be part of the proposed settlement outlined below, you must request exclusion from the settlement by October 11, 2004. Otherwise, you will be bound by all of the terms of the proposed settlement if the Court approves it.**

IF YOU DO NOT EXCLUDE YOURSELF FROM THE CLASS, THE PROPOSED SETTLEMENT (IF APPROVED) MAY AFFECT YOUR RIGHT TO START OR CONTINUE ANY OTHER LAWSUIT OR PROCEEDING INVOLVING 2001 INCENTIVE COMPENSATION. THE RELEASE OF CLAIMS, WHICH ADDRESSES THIS ISSUE, IS PRINTED IN FULL AS AN APPENDIX TO THIS AMENDED NOTICE.

PART A: WHY YOU HAVE RECEIVED THIS CLASS NOTICE

▶ *Why did I receive this Class Notice?*

You have received this Class Notice because records indicate that you worked for the reinsurance operations of Lincoln National Corporation or its affiliates under the Lincoln Re name in 2001, you were covered by a 2001 incentive compensation plan (specifically the Value Incentive Plan or Individual Value Contributor Plan) and you would have been eligible to receive payment under a 2001 incentive compensation plan had it been determined that a 15% Return on Equity trigger had been met.

As a class member, you may be eligible for certain benefits through the proposed class settlement of this lawsuit. Although the Court has not yet approved the proposed settlement, it has directed that this class notice be sent to you as a potential class member.

PART B: DESCRIPTION OF THE CLASS

▶ *Am I a member of the Class?*

In an Order dated September 10, 2004, the Allen Superior Court conditionally certified the following Class and Subclasses for purposes of settlement:

All persons who worked for the reinsurance operations of LNC or its affiliates under the Lincoln Re name in 2001 and who were covered by certain 2001 incentive compensation plans (specifically the Value Incentive Plan or Individual Value Contributor Plan) and who would have been eligible to receive payment under a 2001 incentive compensation plan had it been determined that a 15% Return on Equity trigger had been met.

1. **Subclass A:** Those who were employed by the reinsurance operations of LNC under the Lincoln Re name on or before December 6, 2001 who were eligible to receive payment under a 2001 incentive compensation plan (specifically the Value Incentive Plan or Individual Value Contributor Plan) had it been determined that the 15% Return on Equity trigger had been met **AND** who **DID NOT** sign a release which purported to release LNC and Swiss Re Life & Health America Inc. (“Swiss Re”) from any claim under such a 2001 incentive compensation plan; and
2. **Subclass B:** Those who were employed by the reinsurance operations of LNC under the Lincoln Re name on or before December 6, 2001 who were eligible to receive payment under a 2001 incentive compensation plan (specifically the Value Incentive Plan or Individual Value Contributor Plan) had it been determined that the 15% Return on Equity trigger had been met **AND** who **DID** sign a release which purported to release LNC and Swiss Re from any claim under the 2001 incentive compensation plan.

PART C: DECISIONS YOU MUST MAKE NOW

▶ *What do I need to do now?*

You must decide now whether you want to remain in the Class or to exclude yourself (opt out) from the Class.

1. IF YOU DECIDE TO REMAIN IN THE CLASS:

- If you execute a Release and Waiver as described in Part G, you will receive a check for your share of the Settlement Fund that will be up to \$4.3 million plus certain interest, as computed in accordance with Section III.B of the Settlement Agreement, the key points of which are summarized in Section E of this Notice.
- **You may object to any aspect of the proposed settlement by filing a written objection.** The Court and the parties must **RECEIVE** your written objection **no later than October 18, 2004**. If you want to speak at the Fairness Hearing, you also must file a Notice of Intention to Appear at the Fairness Hearing by that same date. The procedures for objecting and speaking at the Fairness Hearing are described in Part I, below.
- If you remain in the Class, you will be bound by all Orders and Judgments in this case, whether favorable or unfavorable. As is set forth in the Release and Waiver annexed as Appendix A to this Notice, which will be binding against you whether or not you sign it and whether or not you receive any money from the settlement, you will not be able to start, continue or otherwise participate in certain other claims, lawsuits or other proceedings against INC, Swiss Re, or Safeco, or their past, present and future parents, subsidiaries, affiliates, predecessors, successors in interest and assigns, officers, directors, employees, attorneys and representatives, or any of them, including any person or entity acting on behalf of or at the direction of any of them regarding 2001 incentive compensation.
- If you execute the Release and Waiver attached as Exhibit A and return it as instructed, you may be entitled to receive a cash payment computed as shown in Part E, below.

2. IF YOU DECIDE TO EXCLUDE YOURSELF FROM THE CLASS:

- You must submit a written request to exclude yourself from the Class, which must be **RECEIVED** by no later than **October 11, 2004**. The procedure for doing so is described in Part H below.

If you exclude yourself from the Class:

- You will not be eligible for the proceeds of the settlement, if the proposed settlement is approved.
- You will not be able to object to the proposed settlement.
- You will not be bound by any Orders or Judgments entered in this case if the proposed settlement is approved.

PART D: DESCRIPTION OF THE LAWSUIT AND THE SETTLEMENT NEGOTIATIONS

► *What is this Litigation (lawsuit) about?*

On June 24, 2002, Ned Bade ("Bade"), J. David Burgoon, Jr. ("Burgoon"), and Dinah Wright ("Wright") filed a lawsuit in the Allen Superior Court in Fort Wayne, Indiana under Cause No. 02D01-0206-CT-258 (the "Litigation"), claiming that they and putative class members were entitled to payments under 2001 incentive compensation plans for reinsurance companies of LNC or its affiliates operating under the Lincoln Re name in 2001. On November 25, 2002, these plaintiffs filed a Second Amended Class Action Complaint. They filed a

Motion for Class Certification on October 15, 2002, on which a hearing was held on January 10, 2003. Class certification was denied on February 7, 2003. Burgoon, Wright, and Swiss Re were subsequently dismissed from the lawsuit. On June 10, 2004, Bade filed a renewed motion for class certification. This proposed settlement was thereafter negotiated. Walter Pugh, Jr. ("Pugh") was added as a named Plaintiff for settlement purposes. (Bade and Pugh are collectively referred to as the "Plaintiffs").

A proposed Settlement Agreement was submitted to the Court on September 10, 2004. The Court then entered an "Order Conditionally Certifying a Class for Settlement Purposes, Appointing Counsel for the Class, Preliminarily Approving the Class Settlement, Directing the Issuance of a Notice to the Class and Scheduling a Fairness Hearing" on October 28, 2004.

This Notice has been mailed to Class Members in accordance with the Court's Order.

▶ *How does LNC respond to these allegations?*

LNC denies the Plaintiffs' allegations that it had any obligation to pay any 2001 incentive compensation to any employee of the reinsurance operations of LNC or its affiliates under the Lincoln Re name.

▶ *How much did the parties know about the lawsuit when they negotiated the proposed settlement?*

The parties negotiated the proposed settlement with an understanding of the factual and legal issues that would affect the outcome of this Action. During the course of the Litigation, Bade, through his attorneys, thoroughly examined and investigated the facts and law relating to the issues in this case, examined thousands of documents produced by LNC and Swiss Re and took numerous depositions of their employees and officers.

Plaintiffs and LNC believe the final outcome of the Litigation, if it were to proceed through trial and appeals, is uncertain. Based on their evaluation of the facts and law, Plaintiffs, LNC, and the attorneys for the parties have determined that this proposed settlement is fair, reasonable and adequate. They have reached this conclusion based upon the substantial benefits the proposed settlement provides Class Members, the risks, uncertainties and costs inherent in this litigation, and the desirability of continuing this protracted litigation.

The Court has not determined the merits of the claims or defenses in this Litigation that were not dismissed by the Court, and the Court will not make such a determination if it approves the proposed settlement. The proposed settlement does not suggest that LNC or any released party has or has not done anything wrong, or that Plaintiffs and the Class would or would not win their case if it were to go to trial.

PART E: SUMMARY OF KEY PROVISIONS REGARDING DISTRIBUTIONS UNDER THE PROPOSED SETTLEMENT

▶ Members of Subclass A, defined above, shall be assigned 50% of the maximum payout as provided in their 2001 incentive compensation Opportunity Sheets or other reliable records (50% of such maximum payout is referred to as their "Par Payout"). (Example: \$100,000 salary times 50% maximum opportunity equals \$50,000 divided by 2 equals \$25,000.) Court-approved attorney fees, taxes and withholdings, and a proportionate share of Court-approved expenses and Class Representatives' awards will be subtracted from the calculated final payouts.

▶ The members of Subclass B, defined above, shall be assigned a percentage of Par Payout (as provided by their 2001 incentive compensation plan Opportunity Sheets or other reliable records. The percentage of Par Payout to be assigned to Subclass B members will be an estimated percentage of up to 50% of Par Payout that can be paid to Subclass B members in light of the funds remaining after the subtraction of amounts assigned to Subclass A members. (Example: \$100,000 salary times 50% maximum

opportunity equals \$50,000 divided by 2 divided by 2 equals \$12,500.) The estimated amount assigned to Class B members under this paragraph equals 25% of maximum payment as provided in 2001 incentive compensation Opportunity Sheets or other reliable records. Court-approved attorney fees, taxes and withholdings, and a proportionate share of Court-approved expenses and Class Representatives' awards will be subtracted from the calculated final payouts.

- ▶ The calculations above will be based on Incentive Compensation Plan-eligible wages (salary) from Lincoln Re through December 7, 2001. This date is used solely for computational purposes. It is expressly understood and agreed that the payments to class members are being made in consideration of a release and waiver of any and all claims for 2001 incentive compensation.

PART F: INCOME TAX CONSEQUENCES

- ▶ *Will the payments have tax consequences for me?*

Your receipt of payments under the proposed settlement could have tax consequences for you. Those tax consequences may vary depending on your individual circumstances. Accordingly, the attorneys for the parties CANNOT advise you about the tax consequences of receiving settlement proceeds. LNC or an affiliate will make standard withholdings and deductions based upon the most recent Internal Revenue Service ("IRS") form on record for you and will report such payment and withholding on an IRS Form W-2 that will be sent to you and the IRS. The amounts withheld shall correspond to the amount paid to you and to the attorney fees and expenses attributable to the amount paid to you. You should consult your own tax advisor to determine any federal, state, local or foreign tax consequences that could result from accepting or pursuing any form of relief under the proposed settlement.

PART G: RELEASE OF CLASS MEMBERS' CLAIMS AND DISMISSAL OF LAWSUIT

- ▶ *What will happen to any claims I have against LNC, Swiss Re, or Safeco Life Insurance Company ("Safeco") if I do not request exclusion from the Class?*

In exchange for the benefits provided under the proposed settlement, you release LNC, Swiss Re, Safeco, their parents, predecessors, and subsidiaries, and all others described in the release from liability for known and unknown claims relating to 2001 incentive compensation, whether to be paid by LNC, Swiss Re, or Safeco, or any of their affiliated entities.

The Release and Waiver is a critical element of the proposed settlement. For that reason, it has been reprinted word-for-word in Appendix A to this Notice. You should READ THE RELEASE CAREFULLY because it will affect your rights if you remain in the Class. In order for you to receive any payment under the Settlement you must execute the Release and Waiver and return it to Class Counsel so that it is received by October 18, 2004.

PART H: INSTRUCTIONS FOR EXCLUDING YOURSELF FROM THE CLASS

- ▶ *How do I ask to be excluded from the Class?*

If you do not want to participate in the settlement, you must ask to be excluded from the class to avoid being bound by the settlement and any judgment in this Action. To request exclusion from the Class, you must mail a written request to Class Counsel to be received at Price Waicukauski & Mellowitz, P.C., The Hammond Block Building, 301 Massachusetts Avenue, Indianapolis, Indiana 46204, so that it is received by no later than October 11, 2004.

Your request for exclusion must state the following information:

- (1) your name, address and telephone number;
- (2) a clear statement that you want to be excluded from the Class;
- (3) your signature; and
- (4) the case name and number (*Ned Bade and Walter Pugh, Jr. v. Lincoln National Corporation, Allen County Superior Court, Fort Wayne, Indiana, Cause No. 02D01-0206-CT-258*).

Please be sure to write the words "EXCLUSION REQUEST" on the lower left-hand corner of the front of the envelope.

► *What are the consequences of excluding myself from the Class?*

If you request exclusion from the Class:

- you will not be eligible for any of the settlement benefits; and
- you will not be allowed to object to the terms of the settlement; and
- you will not be bound by any subsequent rulings entered in this case.

REMEMBER: YOUR REQUEST FOR EXCLUSION MUST BE RECEIVED NO LATER THAN OCTOBER 11, 2004, OR YOUR REQUEST WILL BE LATE AND INVALID.

IF YOU DO NOT SUBMIT A TIMELY EXCLUSION REQUEST:

- **YOU WILL BE ELIGIBLE FOR THE PAYMENTS DESCRIBED IN THIS CLASS NOTICE IF YOU EXECUTE AND TIMELY RETURN THE ATTACHED RELEASE AND WAIVER;**
- **YOU WILL REMAIN A MEMBER OF THE CLASS, AND YOU WILL BE BOUND BY THE SETTLEMENT, THE ATTACHED RELEASE AND WAIVER, AND BY ALL ORDERS AND JUDGMENTS IN THIS LITIGATION; AND**
- **YOU WILL NOT BE ABLE TO FILE, PARTICIPATE IN OR CONTINUE ANY OTHER LAWSUIT OR PROCEEDINGS BASED ON OR RELATING TO THE CLAIMS, CAUSES OF ACTION, FACTS OR CIRCUMSTANCES BASED ON THE 2001 INCENTIVE COMPENSATION.**

PART I: FAIRNESS HEARING, RIGHT TO OBJECT TO PROPOSED SETTLEMENT, AND THE RIGHT TO APPEAR

1. THE FAIRNESS HEARING

► *When will the court decide whether to approve the proposed settlement?*

On October 28, 2004 at 9:00 a.m., the Court will hold a Fairness Hearing to consider whether to grant final certification to the Class for settlement purposes and whether to approve the proposed settlement as fair, reasonable and adequate. The Court also will determine the amount of attorneys' fees and expenses to be awarded to Plaintiffs' Counsel. The hearing will be held at the Allen County Courthouse which is located at

715 South Calhoun Street, Fort Wayne, Indiana 46802, in the Courtroom being used by The Honorable Nancy Eshcoff Boyer.

If you have not asked to be excluded from the Class, you may object to any aspect of the proposed settlement, as discussed below. You also may appear at the Fairness Hearing to present your objections, although you are not required to do so. Please note that the Court has the right to change the hearing date, time or location without further notice. If you are planning to attend the hearing, you should confirm the date, time and location with Class Counsel before going to the Court.

2. YOUR RIGHT TO OBJECT, AND INSTRUCTIONS FOR OBJECTING

▶ *How can I object to the proposed settlement?*

You must remain a member of the Class in order to object to any aspect of the proposed settlement, including final certification of a settlement class, the fairness of the proposed settlement, the adequacy of the Class representation by Plaintiffs and Plaintiffs' Counsel, the award of a payment to Plaintiffs, and the award of attorneys' fees and expenses to Plaintiffs' Counsel. Any objections must be presented in writing.

Your written objection must include:

- (1) your name, address and telephone number;
- (2) a statement of your objection(s), and any supporting evidence you wish to introduce or law which you want to bring to the attention of the Court; and
- (3) the case name and number (*Ned Bade and Walter Pugh, Jr. v. Lincoln National Corporation, Allen Superior Court, Fort Wayne, Indiana, Cause No. 02D01-0206-CT-258*).

NO LATER THAN OCTOBER 18, 2004, YOU MUST FILE YOUR WRITTEN OBJECTIONS WITH THE CLERK OF THE COURT, which you may do by sending them to the following address:

Clerk of Courts
Allen County Courthouse
715 South Calhoun Street
Fort Wayne, Indiana 46802

Re: Ned Bade and Walter Pugh, Jr. v. Lincoln National Corporation

YOU ALSO MUST MAIL COPIES OF THOSE MATERIALS TO CLASS COUNSEL AND LNC SO THAT THEY ARE RECEIVED BY OCTOBER 18, 2004 AT EACH OF THESE ADDRESSES:

Class Counsel:

Henry J. Price, Esquire
PRICE WAICUKAUSKI
& MELLOWITZ, P.C.
301 Massachusetts Avenue
Indianapolis, IN 46204

LNC's Counsel:

BARNES & THORNBURG LLP
Attn: LNC Litigation

600 One Summit Square
Fort Wayne, Indiana 46802

The Court will not consider any objections RECEIVED after October 18, 2004. Late objections will be deemed to have been given up or waived.

If you file your objections on time and the Court overrules them, you still will be eligible for relief under the settlement.

3. YOUR RIGHT TO APPEAR

▶ *Can I appear at the Fairness Hearing?*

If you file and serve a timely written objection as described above, you may, but are not required to, attend the Fairness Hearing, either in person or through an attorney paid by you. You or your attorney may appear at the Fairness Hearing to object to any aspect of the proposed settlement as amended, including final certification of a settlement class, the fairness of the proposed settlement, the adequacy of the Class representation by Plaintiffs and Plaintiffs' Counsel, the award of attorneys' fees and expenses.

If you or your attorney intend to appear at the Fairness Hearing, you or your attorney must file a Notice of Intention to Appear with the Clerk of the court, and serve that Notice on Class Counsel and LNC's counsel, at the addresses listed above. The court and Counsel for the parties must receive your Notice of Intention to Appear no later than October 18, 2004.

You (and/or your attorney) may, at your own expense, review the discovery materials produced in this case. Those documents will be made available *by appointment* during regular business hours at the offices of Class Counsel, Henry J. Price at Price Waicukauski & Mellowitz, P.C., 301 Massachusetts Avenue, Indianapolis, IN 46204. To obtain access, you (and/or your attorney) first must sign a Stipulation of Confidentiality, which Class Counsel will provide, in which you (and/or your attorney) agree to abide by the Protective Order entered by the Court in this Action.

ATTORNEYS REPRESENTING THE SETTLEMENT CLASS

▶ *Who are the attorneys representing the Class Members?*

The Court has designated Henry J. Price of Price Waicukauski & Mellowitz, P.C., 301 Massachusetts Avenue, Indianapolis, IN 46204, and Daniel A. Roby of the Roby Hood & Manges Law Firm as Class Counsel in this Action for purposes of the proposed settlement of this lawsuit.

You have the right to retain your own attorney to represent you, but you are not obligated to do so. If you do hire your own attorney, or if you already have done so in connection with a lawsuit you previously have filed against LNC, you will have to pay his or her attorney's fees and expenses yourself. You also have the right to represent yourself before the Court without an attorney.

PART J: ATTORNEYS' FEES AND EXPENSES AND CLASS REPRESENTATIVE'S AWARD

▶ *How will the attorneys representing the Class Members be paid?*

At the Fairness Hearing, Class Counsel will ask the Court for an award of attorneys' fees not to exceed the total amount of 40% of the Settlement Fund, plus litigation expenses, to be paid out of the total agreed amount to be

paid by LNC. LNC will pay the costs of publishing the Notices, copying and mailing the Notice, issuing and mailing checks, and issuing and mailing necessary tax forms.

▶ *How will the Class Representatives be compensated?*

Plaintiffs will ask for an award for their service as Class Representatives (\$10,000 for Bade and \$2,500 for Pugh) to be paid out of the total agreed amount to be paid by LNC.

PART K: RIGHT TO TERMINATE THE PROPOSED SETTLEMENT

▶ *Can the parties terminate the proposed settlement?*

Under limited circumstances, each of the parties to this lawsuit has the right to terminate the proposed settlement. Such circumstances include the decision of the Court or any appellate court to reject, modify, or deny approval of any portion of the proposed settlement or the Court's Orders. If the proposed settlement is terminated, you will not receive any of the settlement benefits, and you will not be affected in any way by the parties' actions in connection with the proposed settlement.

PART L: HOW TO GET ADDITIONAL INFORMATION

▶ *How can I get more information?*

You may direct questions regarding the proposed settlement to Karen Cavosie of the law firm of Price Waicukauski & Mellowitz, P.C., by calling (317) 633-8787 or writing to The Hammond Block Building, 301 Massachusetts Avenue, Indianapolis, Indiana 46204. This Notice and the accompanying documents are only a summary of the proposed settlement, which is set forth in a more detailed legal document called the "Settlement Agreement." The full Settlement Agreement can be obtained from the office of Attorney Henry J. Price by e-mail request to kcavosie@price-law.com. It is also posted on the following website: www.price-law.com. For a more detailed statement of the matters involved in this case, Plaintiffs and LNC also refer you to documents and court orders on file in the Clerk's Office. You may inspect these documents at the Clerk's Office at any time during normal business hours, Monday through Friday, 9:00 a.m. to 4:30 p.m., Central Time.

NO INQUIRIES SHOULD BE DIRECTED TO THE COURT

Dated: _____

Clerk of Courts
Allen County Courthouse
715 South Calhoun Street
Fort Wayne, Indiana 46802

APPENDIX A
RELEASE AND WAIVER
THIS IS INTENDED TO BE A FULL AND COMPLETE RELEASE OF CLAIMS

A. DEFINITIONS. For purposes of this release and waiver (the "Release"), the following terms shall have the meanings set forth below:

1. "Litigation" means this lawsuit captioned *Ned Bade and Walter Pugh, Jr. v. Lincoln National Corporation*, Allen County Superior Court, Fort Wayne, Indiana, Cause No. 02D01-0206-CT-258, and all claims that were brought or that could have been brought by Plaintiffs or any Settlement Class Member in this Court, in any other Indiana state or federal court, or in the Second Amended Complaint, or in or before any Indiana administrative agency, or in any other proceeding, whether brought in an individual or representative capacity regarding 2001 incentive compensation.
2. "Settlement Agreement" means the proposed Settlement Agreement filed in the Litigation, including any subsequent amendments thereto and any exhibits to any such amendments.
3. "Class" and "Class Members" mean all persons who worked for the reinsurance operations of LNC or its affiliates under the Lincoln Re name in 2001 and who were covered by certain 2001 incentive compensation plans (Specifically, the Value Incentive Plan or Individual Value Contributor Plan) and who would have been eligible to receive payment under a 2001 incentive compensation plan had it been determined that a 15% Return on Equity trigger had been met.
4. "Final Order and Judgment" means the order finally certifying the Class for settlement purposes only and approving the settlement and the Settlement Agreement, and a final judgment is signed pursuant to that order.
5. "LNC" means Lincoln National Corporation.
6. "Swiss Re" means Swiss Re Life & Health America Inc.
7. "Safeco" means Safeco Life Insurance Company.
8. "Plaintiffs" means Ned Bade and Walter Pugh, Jr.
9. "Class Counsel" means Henry J. Price of the law firm of Price Waicukauski & Mellowitz, P.C. and Daniel A. Roby of the Roby Hood & Manges Law Firm.
10. "2001 Incentive Compensation" means compensation under certain incentive compensation plans (Value Incentive Plan or Individual Value Contributor Plan), for the period of January 1, 2001 to December 31, 2001, or any part thereof, for eligible employees who worked for the reinsurance operations of LNC or its affiliates under the Lincoln Re name in 2001.
11. "Released Parties" means LNC, Swiss Re, and Safeco, each of their past, present and future parents, subsidiaries, affiliated companies, affiliates, predecessors, successors in interest and assigns, and each of their respective past, present and future officers, directors, employees, attorneys and representatives, or any of them, including any person or entity acting on behalf of or at the direction of any of them.

B. RELEASE AND WAIVER

1. Plaintiffs and each Class Member hereby expressly agree to the following release and waiver, which shall take effect upon Final Order and Judgment.
2. Plaintiffs and each Class Member hereby expressly agree that they, and each of them, release and forever discharge the Released Parties from any and all claims or causes of action—known or unknown— that were or could have been asserted in the Litigation regarding 2001 Incentive Compensation. As part of this Release, Subclass A Class Representative Ned Bade and Subclass B Representative Walter Pugh, Jr., and each Class Member agree that they release, acquit and forever discharge Released Parties from, and shall not now or hereafter institute, maintain or assert against the Released Parties, either directly or indirectly, derivatively, on their own behalf, on behalf of the Class, or any other person or entity, any and all causes of action, claims, damages, award, equitable, legal and/or administrative relief, interest, demands or rights, whether based on federal, state, or local law, statute, contract, common law, or any other source, that have been, could have been, may be or could be alleged or asserted now or in the future by Plaintiffs Ned Bade and Walter Pugh, Jr., or any Class Member against the Released Parties or any of them in the Litigation or in any other court action or proceeding before any administrative body, tribunal, arbitration, panel, or other adjudicatory body on the basis of, connected with, arising out of, or related to, in whole or in part, 2001 Incentive Compensation.
3. Without in any way limiting the scope of the Release, this Release covers any and all claims for attorneys' fees, costs or disbursements incurred by Plaintiffs' Counsel or by Plaintiffs or the Class Members, or any of them, in connection with or related in any manner to the Action, the settlement of the Litigation and/or the administration of such settlement except to the extent otherwise specified in the Settlement Agreement.
4. In connection with this Release, Plaintiffs and the Class Members acknowledge that they are aware that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which they now know or believe to be true with respect to the matters released herein. Nevertheless, it is the intention of Plaintiffs and the Class Members in executing this Release to fully, finally and forever settle and release all such matters, and all claims relating thereto, which exist, hereafter may exist, or might have existed (whether or not previously or currently asserted in the Litigation).
5. Plaintiffs and the Class Members expressly agree that this Release shall bind each of their respective heirs, executors, administrators, successors in interest and assigns. It shall, therefore, bind any other person or entity making any claim covered by this Release by, through or under Plaintiffs or any Class Member.
6. Plaintiffs and all Class Members expressly agree that this Release can and will be raised as a complete defense to, and will preclude, any action or proceedings encompassed by the release of the Releasees.
7. Nothing in this Release shall preclude any action to enforce the terms of the Settlement Agreement, including participation in any of the processes detailed therein.
8. Plaintiffs and the Class Members hereby agree and acknowledge that the provisions of this Release, individually and collectively, constitute an essential and material term of the Settlement Agreement.

9. This Release is the result of a compromise of a disputed claim and shall never at any time be used as evidence of any admission of liability by any Released Party.
10. This Release shall be interpreted under the laws of the State of Indiana.
11. The undersigned represents under penalties or perjury that he/she **DID** or **DID NOT** (circle one that is accurate) sign a release releasing LNC and Swiss Re as a part of being terminated by Swiss Re or otherwise.

Signature of Class Member

Printed Name of Class Member

Address of Class Member

Telephone Number of Class Member