

IN THE CIRCUIT COURT OF JEFFERSON COUNTY, ALABAMA

CASE NO. CV-2003-006630

SAM JOHNSON and CITY OF )  
BIRMINGHAM RETIREMENT )  
AND RELIEF SYSTEM, for themselves )  
individually and on behalf of a class of all )  
others who are similarly situated, )  
Plaintiffs, )  
vs. )  
CAREMARK Rx, L.L.C.; AMERICAN )  
INTERNATIONAL GROUP, INC.; NATIONAL UNION )  
FIRE INSURANCE COMPANY OF PITTSBURGH, PA.; )  
AIG TECHNICAL SERVICES, INC.; and )  
AMERICAN INTERNATIONAL SPECIALTY LINES )  
INSURANCE COMPANY, )  
Defendants. )

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION**

**A court has authorized this notice. This is not a solicitation from a lawyer.**

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THIS LITIGATION. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF THE LITIGATION REFERRED TO IN THE CAPTION AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS. IF THE COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL RELEASE ALL CLAIMS CONCERNING THE SECURITIES TRANSACTIONS AT ISSUE, THE MEDPARTNERS SECURITIES LITIGATION<sup>1</sup> AND THE 1999 MEDPARTNERS SECURITIES LITIGATION SETTLEMENT, ALONG WITH CERTAIN OTHER CLAIMS, ALL AS MORE FULLY DESCRIBED IN THE STIPULATION OF SETTLEMENT. IF THE SETTLEMENT IS APPROVED, YOU ALSO WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS, REASONABLENESS, AND ADEQUACY OF THE PROPOSED SETTLEMENT.**

**IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE PROPOSED SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A TIMELY AND VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM AND RELEASE”) POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE SEPTEMBER 30, 2016.**

**To:** All Persons who (a) purchased MedPartners common stock, including through open-market transactions, mergers or acquisitions in which MedPartners issued common stock, acquisition through the Company’s Employee Stock Purchase Plan (“**ESPP**”), and any other type of transaction in which a Person acquired one or more shares of MedPartners stock in return for consideration during the period from October 30, 1996, through January 7, 1998, inclusive; (b) purchased call option contracts on MedPartners common stock during the period October 30, 1996, through January 7, 1998, inclusive; (c) sold put option contracts on MedPartners common stock during the period October 30, 1996, through January 7, 1998, inclusive; (d) purchased MedPartners Threshold Appreciation Price Securities (“**TAPS**”) in the September 15, 1997 offering or thereafter through January 7, 1998; or (e) tendered shares of Talbert Medical Management Holdings Corporation to MedPartners between August 20, 1997, and September 19, 1997, but excluding (i) all those Persons who submitted valid requests for exclusion in connection with the MedPartners Securities Litigation Settlement and (ii) all those Persons who submitted valid requests for exclusions in the response to the Class Notice (collectively, the “**Class**,” comprised of “**Class Members**”).

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Alabama Rules of Civil Procedure and an Order of the Court, of the proposed settlement (the “**Settlement**”) of the certified class action in the Circuit Court of Jefferson County, Alabama, entitled *Sam Johnson, and City of Birmingham Retirement and Relief System, for Themselves, Individually, and on Behalf of a Class of All Others Who Are Similarly Situated, Plaintiffs, vs. Caremark Rx, L.L.C.; American International Group, Inc.; National Union Fire Insurance Company of Pittsburgh, Pa.; AIG Technical Services,*

<sup>1</sup> Capitalized terms used but not defined herein have the meaning set forth in the Stipulation (defined below).

*Inc.; and American International Specialty Lines Insurance Company, Defendants*, Case No. CV-2003-006630 (the “**Litigation**”), and of the hearing (the “**Settlement Hearing**”) to be held on Monday, August 8, 2016, at 1:30 p.m., by the Court to consider the fairness, reasonableness, and adequacy of the Settlement as set forth in the Stipulation and Agreement of Settlement between Class Counsel and Plaintiffs and Defendants dated May 27, 2016 (the “**Stipulation**”). At that hearing the Court also will be asked to approve a Plan of Allocation of the Net Settlement Fund and a Fee and Expense Application, both proposed by Class Counsel. Copies of the Stipulation, the Plan of Allocation and the Fee and Expense Application are all posted on the following website: [www.aig-caremarkclassaction.com](http://www.aig-caremarkclassaction.com).

If you do not meet the Class definition, this Notice does not apply to you. If you are uncertain whether you are a member of the Class, contact Class Counsel (listed below) or consult your own attorney.

This Notice is solely to advise you of the proposed settlement of this Litigation and of your rights in connection therewith.

## **I. STATEMENT OF THE PLAINTIFF CLASS’S RECOVERY**

The proposed Settlement will create a cash fund in the principal amount of Three-Hundred Ten Million Dollars (\$310,000,000.00) (the “**Settlement Amount**”), plus any income that may accrue thereon (the “**Settlement Fund**”). The Settlement Fund, subject to deductions for, among other things, costs of class notice and administration, certain taxes and tax-related expenses, and attorneys’ fees and expenses as approved by the Court, will be available for distribution to those Class Members who file a timely and valid Proof of Claim and Release and whose claim is approved by the Claims Administrator administering the claims process, all as set forth in the attached Stipulation and Plan of Allocation.

## **II. REASONS FOR SETTLEMENT**

Plaintiffs, through Class Counsel, conducted a thorough investigation of the claims and allegations asserted in the Litigation. Through this investigation, and during the 12 years that this case has been pending, Class Counsel has developed a detailed understanding of the underlying events that are relevant to the Litigation. Class Counsel’s investigation has revealed sufficient information to evaluate the claims and defenses asserted in the Litigation and to conclude that no additional information, whether related to the merits of the claims in the Litigation, the amounts potentially available to satisfy a judgment or settlement of the Litigation, or any other matter material to the Litigation, assuming such information were to exist, would have a material impact on their evaluation of this Settlement. Based on this evaluation, Class Counsel and Plaintiffs have concluded that the proposed Settlement is fair, reasonable, and adequate, and it is in the best interests of the Class.

While Plaintiffs believe that the claims asserted in the Litigation have merit, they also believe that the Settlement provides substantial benefits to the Class, including a substantial monetary recovery for the Class while avoiding the risks of continued litigation and the uncertainty of the outcome in the Litigation. Considering the uncertain probability of success on the merits of the Litigation, including the uncertain possibility of obtaining a monetary recovery, and because the proposed Settlement provides a certain benefit to class members and will avoid additional years of delay that would likely occur in the event of a contested trial and appeals, Plaintiffs and Class Counsel have concluded that the Settlement is an excellent result for the Class.

## **III. DEFENDANTS’ DENIALS OF WRONGDOING AND LIABILITY**

The Defendants deny that they engaged in any wrongdoing of any kind, that they committed any violation of law, or that they breached any duty allegedly owed in any way related to Plaintiffs or the Class. Defendants further state that they are entering into the proposed Settlement solely to eliminate the burdens, distractions, expense, and uncertainty of further litigation.

## **IV. NOTICE OF HEARING ON PROPOSED SETTLEMENT**

The Settlement Hearing will be held on Monday, August 8, 2016, at 1:30 p.m., Central Time, before the Honorable Patrick J. Ballard, Circuit Judge, at the Jefferson County, Alabama, Courthouse, 716 North Richard Arrington, Jr., Boulevard, Third Floor Courtroom, Birmingham, Alabama 35203. The purposes of the Settlement Hearing are to: (1) determine whether the proposed Settlement Amount as set forth in the Stipulation, consisting of \$310,000,000 in cash, is fair, reasonable, and adequate to Plaintiffs and other Class Members; (2) determine whether the proposed Plan of Allocation is fair, reasonable, and adequate to Class Members; (3) consider the Fee and Expense Application by Class Counsel for an award of attorneys’ fees and expenses; (4) consider the application for incentive awards for Plaintiffs and certain former Plaintiffs; (5) determine whether the Final Judgment and Order of Dismissal, in the form attached to the Stipulation, should be rendered and entered; and (6) rule on such other matters as the Parties request, consistent with the terms of the Stipulation. The Court has reserved the right to adjourn the Settlement Hearing without further notice of any

kind other than an oral adjournment announcement at the Settlement Hearing or a written order entered prior to the Settlement Hearing.

## **V. DESCRIPTION OF THIS LITIGATION**

On August 15, 2012, the Court certified the Class pursuant to Rule 23(b)(3) of the Alabama Rules of Civil Procedure. The Court's order was affirmed by the Supreme Court of Alabama in *CVS Caremark Corp. v. Lauriello*, 175 So. 3d 596 (Ala. 2014) (as modified on denial of rehearing Feb. 27, 2015). A trial date of May 16, 2016, was pending when the proposed Settlement was reached.

A class action is a type of lawsuit in which one or several individuals or entities prosecute alleged claims on behalf of all members of a group of allegedly similarly-situated persons and entities in an effort to obtain monetary damages or other relief for the benefit of the entire group, known as a class. Class actions avoid the necessity of each member of a class having to file a separate lawsuit to obtain relief. Class actions are used to decide legal and factual issues that are common to all members of a class.

The Litigation, which was initially filed in October 2003, arises out of the earlier settlement of various securities and derivative lawsuits (collectively referred to as the "MedPartners Securities Litigation") that were resolved in 1999. Those securities and derivative lawsuits alleged that MedPartners had made a series of false and misleading statements concerning a planned merger between MedPartners and PhyCor Inc., and concerning MedPartners' overall financial condition.

In the current Litigation, Plaintiffs allege that, during the course of the MedPartners Securities Litigation, the Defendants (1) misrepresented the amount of insurance available to settle the MedPartners Securities Litigation; and (2) suppressed information concerning the excess insurance policy at issue. Plaintiffs allege that the settlement of the MedPartners Securities Litigation would have been much higher if additional facts had been known about the excess insurance policy. The Defendants in the Litigation deny liability and, in addition to other legal defenses, they deny committing any wrongdoing in regard to the MedPartners Securities Litigation Settlement.

## **VI. TERMS OF THE PROPOSED SETTLEMENT**

A proposed Settlement has been reached in this Litigation between Class Counsel and Plaintiffs and Defendants, the terms and conditions of which are set forth in the Stipulation and the exhibits thereto. A portion of the Settlement Fund will be used to pay Class Counsel's attorneys' fees and expenses, to pay incentive awards to Plaintiffs and certain former Plaintiffs, to pay for this Notice and the processing of claims submitted by Class Members, and to pay taxes and tax-related expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed in accordance with the Plan of Allocation, described below, to Class Members who submit valid and timely Proofs of Claim and Release. The effectiveness of the proposed Settlement is subject to certain conditions referenced in the Stipulation.

## **VII. PLAN OF ALLOCATION**

The Net Settlement Fund will be distributed to Class Members who are entitled to a distribution from the Net Settlement Fund and who submit a timely and valid Proof of Claim and Release ("Authorized Claimants").<sup>2</sup>

The Settlement of \$310,000,000, after deduction of Attorney Fees and expenses, taxed and approved costs, will be apportioned among the Common Stock and Options Class, the TAPS Class, and the Tender Offer Class (each as described below) in the same proportion as the Gross Settlement Fund from the MedPartners Securities Litigation Settlement, specifically: (a) 52.68% to the members of the Common Stock and Options Class; (b) 44.64% to the members of the TAPS Class; and (c) 2.68% to the members of the Tender Offer Class. These percentages of allocation among the original subclasses of the MedPartners Securities Litigation Settlement were approved by the Court in that settlement.

The Net Settlement Fund will be distributed according to the Plan of Allocation, reproduced below, which was approved by the court in the MedPartners Securities Litigation Settlement:

"To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's

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<sup>2</sup> As noted in more detail below (*see* Section VIII), there are two forms of Proof of Claim and Release: Form A is for those Class Members who previously filed a proof of claim in connection with the MedPartners Securities Litigation Settlement and received a distribution from the settlement fund in connection with that settlement; Form B is for all other Class Members.

claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The total of all profits in transactions that qualify a Person as a Settlement Class Member shall be subtracted from the total of all losses in such transactions to determine if a Settlement Class Member has a claim. Only if a Settlement Class Member had a net loss, after all profits from transactions during the Settlement Class periods are subtracted from all losses will such Settlement Class Member be eligible to receive a distribution from the Net Settlement Fund.

The Claims Administrator shall determine each Authorized Claimant's pro rata share of the Net Settlement Fund based upon each Authorized Claimant's "Claim." An Authorized Claimant's "Claim" shall be calculated as follows:

(A) The Common Stock and Options Class:

(1) Common Stock:

For shares of MedPartners common stock purchased between October 30, 1996, and January 7, 1998, inclusive, a Claim shall mean:

(a) if the shares were purchased between May 6, 1997, and January 7, 1998, and were still owned at the close of business on January 7, 1998, the difference between the purchase price and \$10.40 per share;

(b) if the shares were purchased between May 6, 1997, and January 7, 1998, and were sold at a loss between May 6, 1997, and January 7, 1998, 15% of the difference between the purchase price and the sales price received;

(c) if the shares were purchased between October 30, 1996, and May 5, 1997, and were still owned at the close of business on January 7, 1998, 15% of the difference between the purchase price and \$10.40 per share;

(d) if the shares were purchased between October 30, 1996, and May 5, 1997, and were sold at a loss between October 30, 1996 and January 7, 1998, 5% of the difference between the purchase price and the sales price received; and

(e) for purposes of calculating an Authorized Claimant's Claim. MedPartners stock purchased by an employee of the Company pursuant to the ESPP in January 1998 shall be deemed to have been purchased on December 31, 1997, and still owned as of the close of business on January 7, 1998.

(2) Call Options:

If any call options were exercised to purchase common stock, the date of exercise will be the purchase date of the stock. Additionally, if an exercised call option was purchased between October 30, 1996, and January 7, 1998, the cost of the option shall be added to the cost of the exercised shares. For a call option which was not exercised, a Claim shall mean:

(a) if the call option was purchased between May 6, 1997, and January 7, 1998, and still owned at the close of business on January 7, 1998, the difference between the purchase price and the closing price of the call option on January 7, 1998;

(b) if the call option was purchased between May 6, 1997, and January 7, 1998, and sold at a loss (or expired) between May 6, 1997, and January 7, 1998, 15% of the difference between the purchase price and the sales price received (or \$0 if the call expired);

(c) if the call option was purchased between October 30, 1996, and May 5, 1997 and was still owned at the close of business on January 7, 1998, 15% of the difference between the purchase price and the closing price of the call option on January 7, 1998;

(d) if the call option was purchased between October 30, 1996, and May 5, 1997, and was sold at a loss (or expired) between October 30, 1996, and January 7, 1998, 5% of the difference between the purchase price and the sale price received (or \$0 if the call expired).

(3) Put Options:

For any put options which were sold, and for which shares were "put" by the option holder during the Class Period, the date on which the shares were "put" to the claimant shall be the purchase date of the stock. Additionally, if the put options were sold during the Class Period, the sale price of the option shall be deducted from the purchase price of the shares. For a put option which was not exercised by the buyer of the put option during the Class Period (shares were not "put" to the seller of the option), a Claim shall mean:

(a) if the put option was sold between May 6, 1997, and January 7, 1998, and remained uncovered at the close of business on January 7, 1998, the difference between the closing price of the put option on January 7, 1998, and the sale price;

(b) if the put option was sold between May 6, 1997, and January 7, 1998, and purchased (to cover) at a loss between May 6, 1997, and January 7, 1998, 15% of the difference between the purchase price of the put option (to cover) and the sale price of the option;

(c) if the put option was sold between October 30, 1996, and May 5, 1997, and remained uncovered at the close of business on January 7, 1998, 15% of the difference between the closing price of the put option on January 7, 1998, and the sale price;

(d) if the put option was sold between October 30, 1996, and May 5, 1997, and was purchased (to cover) at a loss between October 30, 1996, and January 7, 1998, 5% of the difference between the purchase price of the option (to cover) and the sale price of the option.

(B) The TAPS Class:

For MedPartners' TAPS purchased between September 15, 1997, and January 7, 1998, inclusive, Recognized Loss shall mean:

(1) if the TAPS were still owned at the close of business on January 7, 1998, the difference between the purchase price (but in no event more than \$22.1875 per TAPS) and \$13.00 per TAPS;

(2) if the TAPS were sold at a loss between September 15, 1997, and January 7, 1998, 15% of the difference between the purchase price (but in no event more than \$22.1875 per TAPS) and the sales price received.

(C) The Tender Offer Class:

For Talbert common shares tendered to MedPartners between August 20, 1997, and September 19, 1997, inclusive, Recognized Loss shall mean \$6.00 for each Talbert common share tendered.

For open market transactions or purchases in the TAPS public offering, the date of purchase or sale is the "trade" date as distinguished from the "settlement" date. For all other transactions, the date of purchase is the latest of the date of conversion, exchange, or exercise, or the date on which all contractual conditions to a purchase were satisfied. All references to the purchase price paid include transaction fees and charges and brokerage commissions, if and to the extent applicable. All references to the sales price received are net of transaction fees and charges and brokerage commissions, if and to the extent applicable.

For Settlement Class Members with claims based on MedPartners stock or options or TAPS, who made multiple purchases or multiple sales of the same such security during the applicable Settlement Class Period, the earliest subsequent sale shall be matched with the earliest purchase and chronologically thereafter for purposes of the claim calculations."

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No Authorized Claimant will be entitled to receive an amount greater than "the Authorized Claimant's claim" until every Authorized Claimant has received 100% of their Authorized Claimant's claim. If all Authorized Claimants of a single subclass have received 100% of their claim, excess monies apportioned to that subclass will be redistributed to the other subclasses in the same proportion as the Plan of Allocation, before accounting for any *pro rata* increase as outlined in this sentence. If the Net Settlement Fund is sufficient to pay every Authorized Claimant the full amount of their Authorized Claimant's claim, then the excess amount remaining in the Net Settlement Fund shall be allocated, *pro rata*, to Authorized Claimants (that is, Class Members who submit valid and timely Proofs of Claim and Release in connection with the Settlement) in the proportion that their claim bears to the total amount of the Settlement apportioned to the Common Stock and Options Class, the TAPS Class, or the Tender Offer Class, as applicable.

In the interests of economy, no distribution shall be made on any Claim where the payment of an Authorized Claimant's *pro rata* share of the Net Settlement Fund (after all adjustments provided for in note 4 above) is less than ten dollars (\$10.00).

The Court has reserved jurisdiction to allow, disallow, or adjust the Claim of any Class Member on equitable grounds.

Class Members who do not file timely and acceptable Proofs of Claim and Release will not share in the Settlement proceeds. Class Members who did not submit a valid request for exclusion in accordance with the

requirements set forth in the Class Notice published in or around June 2015 or do not file acceptable Proofs of Claim and Release nevertheless will be bound by the Final Judgment and Order of Dismissal and the Settlement.

## **VIII. PARTICIPATION IN THE SETTLEMENT**

### **TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST SUBMIT A TIMELY AND VALID PROOF OF CLAIM AND RELEASE.**

Two forms of Proof of Claim and Release are attached to this Notice. The first is entitled: “PROOF OF CLAIM AND RELEASE - FORM A.” If you or your predecessor filed a claim in 1999 in the MedPartners Securities Litigation that was approved and you or your predecessor received a disbursement from the MedPartners Securities Litigation Settlement, please complete and file Form A. The second is entitled “PROOF OF CLAIM AND RELEASE - FORM B”. All other Class Members wishing to file a Claim should use Form B. For either form, please read the instructions carefully, fill out the applicable Proof of Claim and Release form, sign it, and mail it so that it is delivered **no later than September 30, 2016**. For purposes of delivering Proofs of Claim and Release, delivery shall be effective (a) upon personal delivery, if delivered by hand, (b) on the day transmitted online to the website identified below, (c) on the date postmarked if transmitted via the United States Postal Service, or (d) on the next business day, if sent by prepaid overnight courier service.

You may mail the applicable Proof of Claim and Release form to:

AIG-Caremark Class Action  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040

Alternatively, the applicable Proof of Claim and Release form may be submitted online at [www.aig-caremarkclassaction.com](http://www.aig-caremarkclassaction.com).

Make sure you select the Proof of Claim and Release form applicable to you. Unless the Court orders otherwise, if you do not submit a timely and valid Proof of Claim and Release you will be barred from receiving any payments from the Net Settlement Fund but nevertheless will in all other respects still be bound by the provisions of the Stipulation and the Final Judgment and Order of Dismissal.

## **IX. NOTICE OF PRO AMI HEARING**

Simultaneously with the Settlement Hearing, the Court will hold a hearing (“Pro Ami Hearing”) on Monday, August 8, 2016, at 1:30 p.m., Central Time, before the Honorable Patrick J. Ballard, Circuit Judge, at the Jefferson County, Alabama, Courthouse, 716 North Richard Arrington, Jr., Boulevard, Third Floor Courtroom, Birmingham, Alabama 35203. The purpose of the Pro Ami Hearing will be to determine whether the Settlement and Plan of Allocation are in the best interests of those Class Members, if any, under the age of 19 or those (a) not of sufficient mental capacity to appreciate the effect of what he or she is doing in making a contract, (b) who is not able to exercise his or her will with reference thereto, and (c) who has no reasonable perception or understanding of the nature and terms of the contract. The Court has reserved the right to adjourn the Pro Ami Hearing without further notice of any kind other than an oral adjournment announcement at the Pro Ami Hearing or a written order entered prior to the Pro Ami Hearing.

## **X. DISMISSAL AND RELEASES**

If the proposed Settlement is approved, the Court will enter a Final Judgment and Order of Dismissal. In addition, upon the Effective Date, Class Counsel, Class Representatives, and each Class Member, for the Class Member and for any other Person claiming (now or in the future) by, through or under such Class Member, and regardless of whether any such Plaintiff or Class Member ever seeks or obtains by any means, including, without limitation, by submitting a Proof of Claim and Release, any distribution from the Settlement Fund, shall be deemed to have, and by operation of the Final Judgment and Order of Dismissal shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against all of the Released Persons and shall be permanently barred and enjoined from instituting, commencing, or prosecuting any such Released Claim against any of the Released Persons except to enforce the releases and other terms and conditions contained in the Stipulation or the Final Judgment and Order of Dismissal entered pursuant thereto. The full description of the Release is stated in the Stipulation and in the Proof of Claim and Release forms.

## **XI. APPLICATION FOR FEES AND EXPENSES**

At the Settlement Hearing, Class Counsel will request the Court to award attorneys' fees not to exceed 40% of the Settlement Amount, plus expenses not to exceed \$3,000,000. In addition, Plaintiffs and former named-plaintiff John Lauriello may each seek up to \$50,000 in expenses they incurred in representing and aiding the Class and as incentive awards. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. The fee requested by Class Counsel will compensate counsel for their efforts in achieving the settlement for the benefit of the Class and for their risk in undertaking this representation on a wholly-contingent basis.

## **XII. CONDITIONS FOR SETTLEMENT**

The proposed Settlement is conditioned upon the occurrence of the following events described in Paragraph 10.1 of the Stipulation: (a) the Defendants have timely transferred or caused to be timely transferred the Total Settlement Amount (\$310,000,000) into the Escrow Account, as required by Paragraphs 4.1, 4.2, and 4.3 of the Stipulation; (b) the Court has entered the order approving the Settlement Notices, as required by Paragraph 5.2(b) and (c) of the Stipulation; (c) the approved Settlement contains a release and waiver consistent with the terms of the Stipulation, including: (i) the release of the portion of the Released Claims identified in Paragraph 1.49(d) thereof; (ii) Paragraph 2.4 thereof; (iii) the release of Unknown Claims and the operation of Paragraph 2.5 thereof; and (iv) Paragraph 2.6 thereof; (d) the Court has entered the Pro Ami Order; (e) the Court has entered the Final Judgment and Order of Dismissal, in all material respects in the form of Exhibit D to the Stipulation (or on such terms as the Parties later agree); (f) no Party or their counsel has given notice of intent to terminate the Settlement pursuant to Paragraph 10.3 of the Stipulation; (g) no Class Member has been excluded by the Court *sua sponte* without the consent of each of the Parties; and (h) each of the Preliminary Approval Order, the Pro Ami Order and the Final Judgment and Order of Dismissal has become final, as defined in Paragraph 1.17 of the Stipulation.

If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, will become null and void, and the parties to the Stipulation will be restored to their respective positions as of April 15, 2016. In that event, the proposed Settlement will not proceed, and no payments will be made to Class Members.

## **XIII. THE RIGHT TO OBJECT AND/OR BE HEARD AT THE HEARING**

Any Class Member may object to the proposed Settlement, the Plan of Allocation, the Fee and Expense Application and/or incentive awards. In addition, a Representative, as defined in the Stipulation, may object to the Pro Ami Hearing or the Pro Ami Order. A Class Member, may lodge such an objection or, in the case of an objection to the Pro Ami Hearing or the Pro Ami Order, a Representative may object to the Pro Ami Hearing or the Pro Ami Order, by filing a written objection and by appearing at the Settlement Hearing and showing cause why the Court should not approve the proposed Settlement, the Plan of Allocation, the Fee and Expense Application and/or incentive awards, or, in the case of a Representative, the Pro Ami Hearing, or the Pro Ami Order.

Written objections must be postmarked **no later than July 22, 2016**, and mailed to:

AIG-Caremark Class Action  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040

Written objections must state: (1) the nature of the objection; (2) the grounds for such objection; (3) proof that the objector is a member of the Class and has not been excluded by the Court on its own motion; and (4) any documentation in support of such objection.

If a Class Member or Representative desires to appear and be heard at the Settlement Hearing, in addition to requirements (1)-(4), above, such Class Member also must state: (5) an intention to appear and be heard at the Settlement Hearing; and (6) the identities of witnesses, if any, the Class Member intends to call at the Settlement Hearing and a summary of their expected testimony. If the written objection includes a statement of the intent to appear and be heard at the Settlement Hearing, copies of the written objection must also be

(a) filed with the Court by **July 22, 2016** at the address below:

Anne-Marie Adams, Clerk  
716 Richard Arrington, Jr. Blvd. N.  
Jefferson County Courthouse, Room 400  
Birmingham, Alabama 35203

and

(b) mailed (postmarked no later than **July 22, 2016**) to:

Scott A. Powell  
Hare, Wynn, Newell & Newton, LLP  
2025 3rd Avenue North, Suite 800  
Birmingham, Alabama 35203  
Attorney for the Plaintiff Class

M. Christian King  
LIGHTFOOT, FRANKLIN &  
WHITE, LLC  
400 North 20th Street  
Birmingham, Alabama 35203  
Attorney for the AIG Defendants

David G. Hymer  
BRADLEY ARANT BOULT  
CUMMINGS, LLP  
One Federal Place  
1819 5th Avenue North  
Birmingham, Alabama 35203  
Attorney for Defendant Caremark Rx, L.L.C.

#### **XIV. FOR ADDITIONAL INFORMATION**

This Notice contains only a summary of the terms of the proposed Settlement and does not describe all of the details of the Stipulation, the Plan of Allocation or the Fee and Expense Application. The Stipulation, Plan of Allocation and Fee and Expense Application, together with selected pleadings and other settlement-related documents may be viewed online at [www.aig-caremarkclassaction.com](http://www.aig-caremarkclassaction.com). If you have questions about the proposed Settlement, the Stipulation, the Plan of Allocation, the Fee and Expense Application, the incentive payments or the filing of a Proof of Claim and Release form you may write to:

AIG-Caremark Class Action  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040  
or call toll-free 1-888-564-1149

**PLEASE DO NOT WRITE OR CALL THE COURT OR THE OFFICE OF THE CLERK OF COURT FOR INFORMATION OR ADVICE.**

#### **XV. CLASS COUNSEL**

As a class member, you are represented by Class Counsel, who are:

John W. Haley  
Scott A. Powell  
Bruce J. McKee  
Ralph D. Cook  
Brian M. Vines  
Tempe D. Smith  
Hare, Wynn, Newell & Newton, LLP  
2025 3rd Avenue North, Suite 800  
Birmingham, Alabama 35203  
Telephone: 205/328-5330  
Facsimile: 205/324-2165  
Email: [scott@hwinn.com](mailto:scott@hwinn.com)

J. Timothy Francis  
Francis Law, LLC  
300 Richard Arrington, Jr. Boulevard  
North, Suite 700  
Birmingham, Alabama 35203  
Telephone: 205/251-0252  
Facsimile: 205/251-0255  
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John Q. Somerville  
Somerville, LLC  
300 Richard Arrington, Jr. Boulevard  
North, Suite 710  
Birmingham, Alabama 35203  
Telephone: 205/871-2183  
Facsimile: 205/871-2184  
Email: [jq@somervillellc.com](mailto:jq@somervillellc.com)