

CONFIDENTIAL

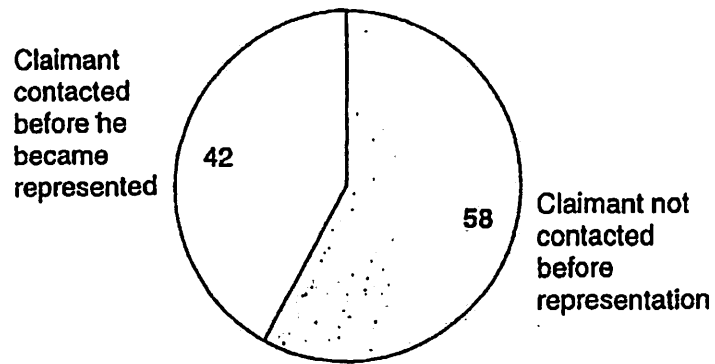
Unrepresented Segment Training

ALLSTATE INSURANCE

PROPERTY OF ALLSTATE INSURANCE
NOT FOR DISTRIBUTION TO ANY THIRD PARTY

THRESHOLD STATES – OPPORTUNITIES TO REDUCE REPRESENTATION

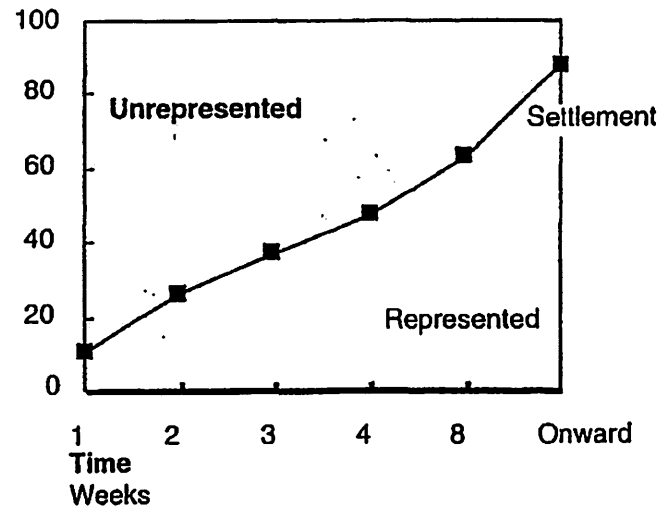
Contact before representation
100% = 489 represented item claimants



Evolution of representation rates
Percent

100% = 555

Percent of item claimants represented

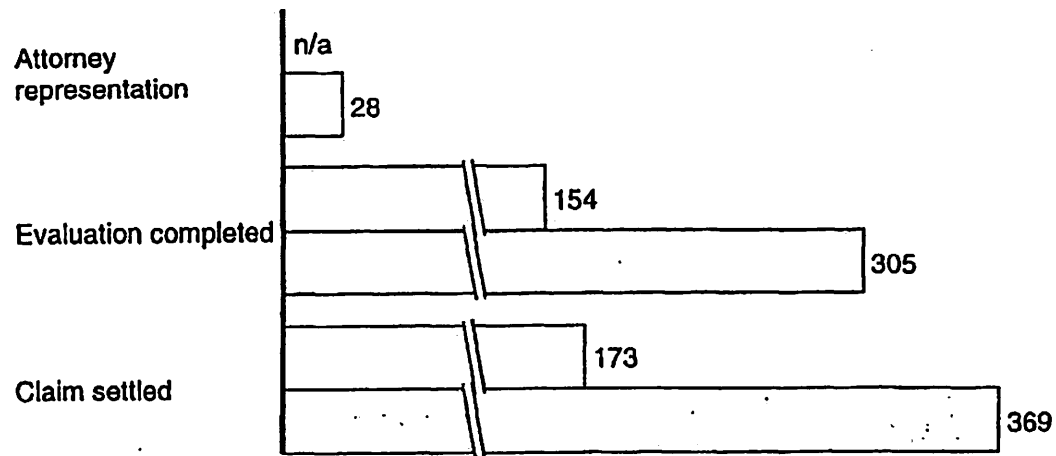


Source: Threshold/evaluation file survey; PBN, FLS, FLN MCOs
Exhibit 4A

THRESHOLD STATES – TIMELINE FOR KEY EVENTS IN THE CLAIM PROCESS

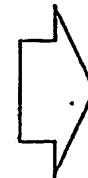
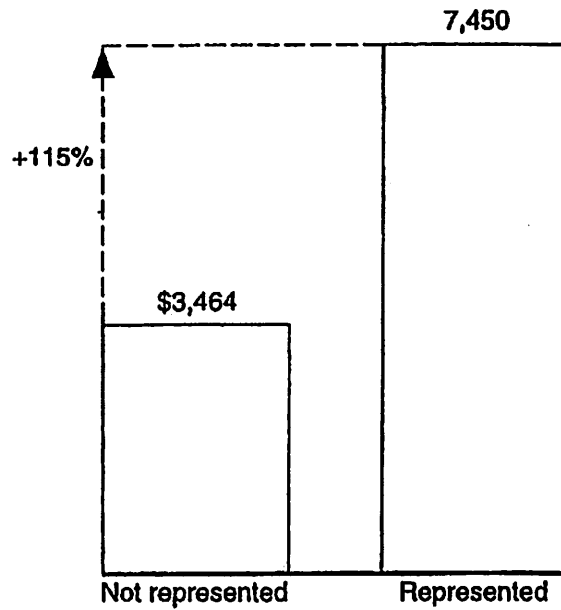
Days, median

□ Unrepresented
□ Represented



Note: All times calculated from date of loss
Source: Threshold/evaluation file survey; PBN, FLS, FLN MCOs
Exhibit 4B

BI SOFT-TISSUE CASES \$1,500-15,000
Dollars



Represented claims settle for 2-3 time more than unrepresented claims

Exhibit 4

[SAMPLE]

KAREN SMITH
13 MAIN ST
PUEBLO CO 13131-3131

Date of Accident: JULY 15, 1991
Claim Number: 6101000674 VLP

Dear Ms. Smith:

On (notice date), I was advised of your accident involving our policyholder. We may have already spoken, but if not, I want to emphasize Allstate's policy that we consider anyone who has been involved in an accident with one of our policyholders an Allstate "customer," who is entitled to quality customer service.

As your claim representative, my role is to ensure that you receive this quality customer service, outlined in the enclosed "Customer Service Pledge." Please save my business card in case you need to reach me.

If we have not already spoken, please do not hesitate to call me during my regular office hours of 8:00 a.m. to 4:30 p.m., or leave a message on my voice mail anytime and I will call you back as soon as I can.

Sincerely,

Claim Representative
800-326-0090

1 Enclosure

CWX/1/02/0

CWX - Claimant Contact Pending with Pledge only
CXY - Same letter as above without voice mail reference

Exhibit 5b



CUSTOMER SERVICE PLEDGE

Because you have been involved in an accident with an Allstate policyholder, we consider you our customer and will provide you with quality customer service. In an effort to provide you with this service, we promise you the following:

- 1) We will fully explain the process, take the time to answer all questions and concerns that you may have, and keep you informed throughout the claim process.
- 2) We will conduct a quick, fair investigation of the facts in your case.
- 3) To the extent that our policyholder was at fault in the accident:
We will assist you in providing for the repair of your vehicle and arranging for a rental vehicle;
We will help you determine if you are eligible to receive compensation for any injuries you may have suffered; and
We will discuss fair payment for your claim when you feel you are ready.

Your claim representative is dedicated to carrying out this Pledge.

INSERT CLAIM REPRESENTATIVE

BUSINESS CARD HERE

DO I NEED AN ATTORNEY?

1) **AM I REQUIRED TO HIRE AN ATTORNEY TO HANDLE MY CLAIM?**

No. In fact, each year Allstate settles claims directly with many accident victims with no attorneys involved in the claim settlement process.

2) **WILL AN ATTORNEY MAKE THE CLAIM SETTLEMENT PROCESS FASTER FOR ME?**

A recent study by the Insurance Research Council found that people who settle insurance claims without an attorney generally settle their claims more quickly than those who have hired attorneys.

3) **HOW MUCH ARE ATTORNEYS' FEES AND WHO PAYS FOR THEM?**

Attorneys commonly take between 25 to 40% of the total settlement you receive from an insurance company, plus expenses incurred. If you settle directly with Allstate, however, the total amount of the settlement is yours.

4) **IF I DON'T GET AN ATTORNEY NOW, CAN I STILL GET ONE LATER?**

You may hire an attorney at any time in the process. Under (state) law, in most cases, you have up to (#) year(s) after your accident to file a court action against the at-fault party. Before you decide to see an attorney, you may wish to seek an offer with Allstate first. If an attorney believes he or she can achieve a higher settlement, you can then see whether the attorney is able to accomplish that. And, you may wish to hire an attorney on the condition that the contingent fee apply only to the settlement amount in excess of what Allstate offered to you without the attorney's assistance.

5) **SHOULD I SEEK THE ADVICE OF AN ATTORNEY?**

Whether you should retain an attorney is your decision. Allstate will not penalize you in any way for retaining an attorney. An attorney may be able to provide valuable advice, and may be important in complex or serious cases. Again, however, you may wish to seek an offer from Allstate, and when retaining an attorney, make a condition that the contingent fee apply only to the settlement amount in excess of what Allstate offered to you without the attorney's assistance.