

FOR IMMEDIATE RELEASE

**CONTACT: Michael D. Lieder
Sprenger & Lang
(202) 265-8010**

**Thomas Osborne
AARP
(202) 434-2066**

**JUDGE PERMITS AGENTS TO PROCEED WITH CLASS ACTION LAWSUIT AGAINST
ALLSTATE**

April 2, 2004 (Washington, DC) – In response to U.S. District Judge John P. Fullam’s decision to allow former Allstate agents to proceed with their class action lawsuit against the insurance giant, lawyers for the agents said that they are pleased to have the opportunity to continue fighting for the thousands of agents who were denied employee benefits under the law.

“Overall, we are pleased with Judge Fullam’s decision yesterday. He ruled on numerous issues, and most of the rulings favored our clients. He declared the release that the agents were virtually forced to sign voidable, removing the primary defense to the claims our clients are pursuing against Allstate,” said Michael Lieder, an attorney with Sprenger & Lang. “He also permitted us to proceed as a class action in our challenge to the validity of the release and established a process that we believe will result in approval of a class action on the claims that Allstate violated the law when it terminated the agents’ employment and deprived them of employee benefits.”

The lawsuit stemmed from Allstate’s decision, announced in November 1999, to terminate the employment status of about 6,200 of its long-time sales agents. As part of its program, Allstate presented all of the agents with a release, and informed them that if they signed it they could continue in Allstate’s service as so-called “independent contractors;” receive enhanced severance benefits; or the right to sell their books of business if they left the company entirely.

Agents who refused to sign the release had their employment terminated on June 30, 2000, without being permitted to continue in Allstate’s service in any capacity or to receive the enhanced rights. Under all of the scenarios, the agents were deprived of the valuable employee benefits they had been promised by Allstate.

Thomas Osborne of AARP explained that plaintiffs had filed claims that Allstate’s actions violated ERISA, the federal law protecting employee retirement and other benefits, and the federal age discrimination law as well as breaching the employees’ contracts and Allstate’s fiduciary duties. “While we regret that the Judge ruled there is no basis for claims of age discrimination,” Osborne said, “his decision may not be the final word. The U.S. Supreme Court will decide a case next term that will likely result in the reinstatement of those claims in this case.”

For more information about the case please visit www.allstate.com.

ABOUT THE FIRMS

Sprenger & Lang, with offices in Washington, D.C. and Minneapolis, Minnesota, primarily represents employees and other aggrieved individuals in class action and other complex multi-plaintiff litigation across the nation.

AARP is a nonprofit, nonpartisan membership organization dedicated to making life better for people 50 and over. We provide information and resources; engage in legislative, regulatory and legal advocacy; assist members in serving their communities; and offer a wide range of unique benefits, special products and services for our members. These include *AARP The Magazine*, published bimonthly; *AARP Bulletin*, our monthly newspaper; *AARP Segunda Juventud*, our quarterly newspaper in Spanish; *NRTA Live and Learn*, our quarterly newsletter for 50+ educators, and our Web site, www.aarp.org. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands.
