

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

- Plaintiff sued Sound Credit Union for alleged violations of the Washington Consumer Protection Act and Washington common law related to Sound Credit Union's imposition of collateral protection insurance. Sound Credit Union denies those allegations and any liability.
- The parties have entered into a proposed settlement on behalf of Washington residents who financed a motor vehicle through Sound Credit Union and who, from February 11, 2016, and up through the date of final judgment, were charged more for, or as a result of, collateral protection insurance than they would otherwise have been charged if Sound Credit Union had: (i) notified them earlier or differently of alleged deficiencies in insurance coverage, (ii) used a pro rata refund method, (iii) not charged an administrative fee, or (iv) not received an administrative reimbursement from the collateral protection insurance carrier or third-party collateral protection insurance administrator.

<b>Your Legal Rights and Options in This Lawsuit</b>	
<b>Do Nothing</b>	<b>Stay in this lawsuit. Receive a payment. Give up certain rights.</b> By doing nothing, you will receive a cash payment from the settlement if it is approved by the Court. You give up any rights to sue Sound Credit Union on the claims alleged in this lawsuit or similar claims.
<b>Ask to be Excluded</b>	<b>Get out of this lawsuit. Get no benefits from it. Keep rights.</b> If you ask to be excluded from the lawsuit, you will not receive any benefits of the settlement, including payment. You keep any rights to sue Sound Credit Union separately about the same or similar legal claims. To be excluded, you must mail an Exclusion Request to the Settlement Administrator by August 29, 2022.
<b>Object to the Settlement</b>	<b>Stay in the Settlement Class. File a written objection to the settlement with the Court.</b> If you disagree with any portion of the settlement, you may file a written objection with the Court, which will be considered at the Final Approval Hearing. You may also ask to speak at the hearing. If you exclude yourself from the settlement, the Court will not consider an objection from you. If the settlement is approved, you will be bound by the Settlement Agreement and you give up any rights to sue Sound Credit Union separately about the same or similar legal claims in this lawsuit, but you will still receive a payment. Your objection must be postmarked no later than August 29, 2022.

## BASIC INFORMATION

### 1. Why did I receive this notice?

Sound Credit Union's records show that on or after February 11, 2016, you may have been overcharged for collateral protection insurance premiums, or related fees or interest. This notice explains that the parties have reached an agreement to settle a class action lawsuit that may affect you. You have legal rights and options that you may exercise before the Court decides whether to approve the settlement. A Judge of the Superior Court of the State of Washington for Pierce County is overseeing this class action. The lawsuit is known as *Fealy v. Sound Credit Union*, Case No. 20-2-04853-0.

### 2. What is this lawsuit about?

Plaintiff alleges that Sound Credit Union violated the Washington Consumer Protection Act and Washington common law by, among other things, (i) charging borrowers for collateral protection insurance premiums for which they should not have been charged; (ii) failing to fully refund unearned premiums; and (iii) charging unauthorized fees and interest. Sound Credit Union denies Plaintiff's allegations, but has agreed to resolve this case in order to stop incurring costs and fees of litigation.

### 3. What is a class action and who is involved?

In a class action lawsuit, one or more people called plaintiffs and "class representatives" (in this lawsuit Debra Fealy) sue on behalf of other people who have similar claims. The people together are a "class" or "class members." The party they sue (in this case Sound Credit Union) is called the defendant. If the lawsuit proceeds as a class action, it resolves the issues for everyone in the class—except for those people who choose to exclude themselves from the class.

## THE SETTLEMENT

### 4. Why is there a settlement?

The Court did not decide in favor of Plaintiff or Sound Credit Union. Instead, both sides agreed to a settlement. This way, they avoid the cost and risks associated with a trial, and the people potentially affected will receive compensation. Plaintiff and her attorneys think the settlement is in the best interest of the Settlement Class Members.

### 5. How do I know if I am a part of the Settlement?

You are in the Settlement Class if you resided in Washington, financed a motor vehicle through Sound Credit Union, and at any point on or after February 11, 2016, were charged

more for, or as a result of, collateral protection insurance than you otherwise would have been charged if Sound Credit Union had: (i) notified you earlier or differently of alleged deficiencies in insurance coverage, (ii) used a pro rata refund method, (iii) not charged an administrative fee, or (iv) not received an administrative reimbursement from the collateral protection insurance carrier or third-party collateral protection insurance administrator.

The Settlement Class does not include any persons who validly request exclusion from the Settlement Class, as described under Question 12. A person who does not exclude him or herself is a "Settlement Class Member."

If you have questions about whether you are part of the Settlement Class, you may call (888) 267-0132 or visit [www.CPIsettlement.com](http://www.CPIsettlement.com) for more information.

## THE SETTLEMENT BENEFITS

### 6. What does the Settlement Agreement provide?

To settle this lawsuit, Sound Credit Union has agreed to pay \$750,000 into a Settlement Fund which will provide individual payments to eligible Settlement Class Members, a service award payment to the Class Representative, attorneys' fees and reimbursement of out-of-pocket litigation costs, and the costs related to settlement administration.

Settlement Class Members will receive a cash payment equal to their proportional share of the allegedly wrongful collateral protection insurance premiums, fees, and interest charged by Sound Credit Union.

### 7. Your estimated settlement award

Your estimated settlement award will be at least \$10, and may be as high as \$2,000.

If you do not request to exclude yourself from the settlement, the settlement administrator will send a check with your settlement award to you. You do not need to file a claim form. If you have questions about how settlement payments will be made or need to update your mailing address before the settlement payment distribution, you should contact the settlement administrator at [info@CPIsettlement.com](mailto:info@CPIsettlement.com).

## 8. What are the tax implications of accepting a settlement payment?

The tax implications may vary based on your income, the amount you receive and other factors, so you should consult a tax professional to assess the specific tax implications of any payment you may receive. Class Counsel, Sound Credit Union, and the settlement administrator cannot advise you with respect to your tax obligations.

## HOW TO BENEFIT FROM THE SETTLEMENT

## 9. How do I receive the benefits of the settlement?

If you received a postcard and you do not request to exclude yourself from the settlement, you will automatically receive the benefits of the settlement and receive a payment. **You do not need to submit a claim to receive the benefits of the settlement or to get a payment—it's automatic.** If your mailing address changes before the distribution, you should contact the settlement administrator at [info@CPIsettlement.com](mailto:info@CPIsettlement.com) or [www.CPIsettlement.com](http://www.CPIsettlement.com) to update your information.

## 10. When will I get my payment?

If no appeals are timely filed after the Court enters the Final Approval Order, then the Order and settlement will become final. You will receive your settlement payment approximately 30 days from the Settlement's Effective Date (roughly 60 days after the Final Approval Hearing). When the settlement becomes effective, the settlement administrator will mail you a check. The checks will only be valid for 120 days from the date of issuance, after which you will not be able to cash or deposit them. However, if an appeal is filed, payments will not be sent until after the appeal is finally resolved.

## 11. What am I giving up to stay in the Settlement Class?

Unless you request to exclude yourself, you are staying in the Settlement Class and you will be a Settlement Class Member. If the Court approves the settlement, you and other Settlement Class Members can't sue, continue to sue, or be part of any other lawsuit against Sound Credit Union regarding Sound Credit Union's placement of collateral protection insurance between February 11, 2016 and the Settlement's Effective Date.

The Settlement Agreement (available at [www.CPIsettlement.com](http://www.CPIsettlement.com)) describes the claims you are releasing (the "Released Claims") and against whom you are releasing claims, so read it carefully.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want to receive the benefits of this settlement or if you want to keep the right to sue or continue to sue Sound Credit Union, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself – or is sometimes referred to as “opting out” of the Settlement Class.

### 12. How do I opt out of the settlement?

To “opt out” or exclude yourself from the settlement you must send the request in writing to the settlement administrator saying that you want to be excluded from the *Fealy v. Sound Credit Union* settlement. You must include your name and address in the letter. You can mail your exclusion request letter, which must be postmarked no later than August 29, 2022 to the following address:

Fealy v. Sound Credit Union  
c/o Settlement Administrator  
PO Box 23668  
Jacksonville, FL 32241

Requests for exclusion mailed after August 29, 2022 will not be effective and will not result in your being excluded from the Settlement Class.

If you ask to be excluded, you will not get any payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit.

### 13. Why would I ask to be excluded?

If you already have, or want to bring, your own lawsuit against Sound Credit Union regarding collateral protection insurance and want to continue with the lawsuit, you need to ask to be excluded from the Class. If you exclude yourself from the Class—which also means to remove yourself from the Class and is sometimes called “opting-out”—you won't get any money from the settlement between Sound Credit Union and Plaintiff. However, you may be able to sue or continue to sue Sound Credit Union regarding collateral protection insurance on your own. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

### 14. If I exclude myself, can I get anything from this settlement?

No. You will not receive any payment from the settlement if you exclude yourself.

## THE LAWYERS REPRESENTING YOU

### 15. Do I have a lawyer in this lawsuit?

The Court decided that the law firms of Terrell Marshall Law Group PLLC of Seattle, WA and Smith & Dietrich Law Offices, PLLC of Olympia, WA, are qualified to represent you and all Settlement Class Members. These law firms are referred to as “Class Counsel.” You will not receive a bill from these lawyers, who have asked the Court to be paid a percentage of the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense. The names and addresses of Class Counsel are:

Beth E. Terrell  
Adrienne D. McEntee  
Terrell Marshall Law Group PLLC  
936 N 34th Street, Suite 300  
Seattle, Washington 98103

Walter M. Smith  
Steve E. Dietrich  
Smith & Dietrich Law Offices PLLC  
3905 Martin Way E., Suite F  
Olympia, Washington 98506

### 16. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel are working on your behalf. But, if you want to hire your own lawyer, you will have to pay that lawyer. For example, you can ask a lawyer to appear in Court for you if you want someone other than Class Counsel to speak for you.

### 17. How will the lawyers be paid?

Class Counsel will ask the Court to approve payment to them of \$250,000, which is one-third of the \$750,000 Settlement Fund, for attorneys’ fees and out-of-pocket expenses. This payment compensates Class Counsel for investigating the facts, litigating the case, and negotiating the settlement. Class Counsel will also request a service award of \$5,000 for the Class Representative, Debra Fealy, payable out of the Settlement Fund to compensate her for her time and effort during the litigation. Class Counsel’s complete request for fees, costs, and the service award to the Class Representative will be posted on the settlement website, [www.CPIsettlement.com](http://www.CPIsettlement.com). The Court may award less than these amounts.

## OBJECTING TO THE SETTLEMENT

### 18. How do I object to the settlement?

If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you can object to the settlement if you don’t like any part of it. Your written objection must provide your name, address, telephone number, and the reason(s) for your objection

and meet the criteria described in the Settlement Agreement. You must mail a copy of the objection to the following addresses postmarked no later than August 29, 2022 and file it with the Court:

SETTLEMENT ADMINISTRATOR	CLASS COUNSEL	DEFENSE COUNSEL
<p>Fealy v. Sound Credit Union Objection c/o Settlement Administrator PO Box 23668 Jacksonville, FL 32241</p>	<p>Beth E. Terrell Adrienne D. McEntee Terrell Marshall Law Group PLLC 936 N 34th Street, Suite 300 Seattle, Washington 98103</p> <p>Walter M. Smith Smith &amp; Dietrich Law Offices PLLC 3905 Martin Way E., Suite F Olympia, Washington 98506</p>	<p>Kimberley Hanks McGair Trish A. Walsh Farleigh Wada Witt 121 SW Morrison Street, Suite 600 Portland, Oregon 97204</p>

**19. What is the difference between objecting and excluding myself from the settlement?**

Objecting simply means telling the Court that you don't like something about the settlement. You can object only if you stay in the Settlement Class. Excluding yourself from the Settlement Class is telling the Court that you don't want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

**THE COURT'S FAIRNESS HEARING**

**20. When and where will the Court hold a hearing on the fairness of the settlement?**

The Court will hold the Final Approval Hearing on September 16, 2022 at 9:00 a.m., before the Honorable Gretchen Leanderson of the Superior Court of the State of Washington for Pierce County, 930 Tacoma Avenue South, Tacoma, WA 98402, Department 15. The purpose of the hearing is for the Court to determine whether the Settlement is fair, reasonable, adequate, and in the best interest of the Settlement Class. At the hearing, the Court will hear any objections and arguments concerning the fairness of the proposed settlement, including those related to the amount requested by Class Counsel for attorneys' fees and expenses and the service award to the Class Representative. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

The date and time of the Final Approval Hearing are subject to change by Court Order. Any changes will be posted at the settlement website, [www.CPIsettlement.com](http://www.CPIsettlement.com).

**21. Do I have to come the hearing?**

No. Class Counsel will answer any questions the Court may have. You are welcome to come to the hearing at your own expense. If you send an objection you don't have to come to Court to talk about it, as long as your written objection was filed or mailed on time, and meets the other criteria described in the Settlement Agreement, the Court will consider it. You may also pay a lawyer to attend, but you don't have to.

**22. May I speak at the hearing?**

If you do not exclude yourself from the Settlement Class, you may ask the Court for permission to speak at the hearing concerning any part of the proposed Settlement Agreement. If you submit an objection (see Question 18 above) and intend to appear at the hearing, you must state your intention to do so in your objection. To speak, you must send a letter saying that it is your "Notice of Intention to Appear" in *Fealy v. Sound Credit Union*, Case No. 20-2-04853-0. Be sure to include your name, address, telephone number, and your signature, and state that you are a Class Member. Your Notice of Intention to Appear must be postmarked no later than (10) days before the Final Approval Hearing and be sent to the Court, Class Counsel, and Defense Counsel at the addresses set forth below. You cannot speak at the hearing if you exclude yourself.

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Hon. Gretchen Leanderson Pierce County Superior Court 930 Tacoma Avenue South, Tacoma, WA 98402	Beth E. Terrell Adrienne D. McEntee Terrell Marshall Law Group PLLC 936 N 34th Street, Suite 300 Seattle, Washington 98103  Walter M. Smith Steve E. Dietrich Smith & Dietrich Law Offices PLLC 3905 Martin Way E., Suite F Olympia, Washington 98506	Kimberley Hanks McGair Trish A. Walsh Farleigh Wada Witt 121 SW Morrison Street, Suite 600 Portland, Oregon 97204

**23. What happens if I do nothing at all?**

If you do nothing, you will be a member of the Settlement Class and you will receive payment from the settlement. You will also be bound by the terms of the settlement, including the Release described in Section 11, above.



## GETTING MORE INFORMATION

### 24. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may review and download or print a copy of the Settlement Agreement via the settlement website at [www.CPIsettlement.com](http://www.CPIsettlement.com). You can also get a copy of the Settlement Agreement by writing to American Legal Claim Services at Fealy v. Sound Credit Union, c/o Settlement Administrator, PO Box 23668, Jacksonville, FL 32241.

### 25. How do I get more information?

You can call 1-(888) 267-0132 toll free; write to Fealy v. Sound Credit Union, , c/o Settlement Administrator, PO Box 23668, Jacksonville, FL 32241.; or visit the website at [www.CPIsettlement.com](http://www.CPIsettlement.com) where you will find answers to common questions about the settlement, the Settlement Agreement, Plaintiff's Complaint, Class Counsel's motion for an award of attorneys' fees and costs, and other information.

**PLEASE DO NOT CONTACT THE COURT, THE JUDGE, OR SOUND CREDIT UNION WITH QUESTIONS ABOUT THE SETTLEMENT.**