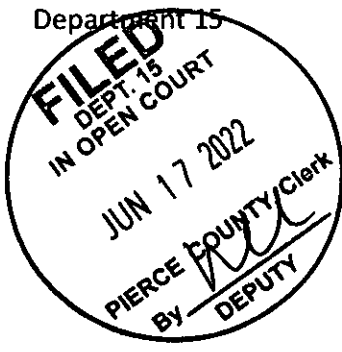


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THE HONORABLE GRETCHEN LEANDERSON
Department 15



IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
COUNTY OF PIERCE

DEBRA FEALY, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

SOUND CREDIT UNION,

Defendant.

NO. 20-2-04853-0

~~PROPOSED~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS ACTION
SETTLEMENT AND DIRECTING NOTICE TO
THE SETTLEMENT CLASS

THIS MATTER came before the Court on Plaintiff's Motion for Preliminary Approval of Class
Action Settlement. Prior to ruling, the Court considered the following documents and evidence:

1. Plaintiffs' Motion for Preliminary Approval of Class Action Settlement;
2. Declaration of Adrienne D. McEntee in Support of Plaintiffs' Motion for Preliminary
Approval of Class Action Settlement and attached exhibits;
3. Declaration of Walter M. Smith;
4. _____; and
5. _____.

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court preliminarily approves the Settlement Agreement and Release between
Plaintiff and Sound Credit Union. All capitalized terms herein have the meanings ascribed to them
in the Settlement Agreement and Release.

2. The proposed Settlement appears to be the product of serious, informed, non-collusive negotiations, including a mediation before a mediator with substantial experience with consumer class action cases. The proposed Settlement has no obvious deficiencies, does not improperly grant preferential treatment to any class members, and falls within the range of possible judicial approval. These factors weigh in favor of granting preliminary approval. See William B. Rubenstein, *Newberg on Class Actions* § 13:10 (5th ed. June 2019 update 5th).

3. For purposes of settlement only, the Court finds that the Settlement Class satisfies the requirements of CR 23(a) and (b)(3) and grants conditional and preliminary certification of the following Settlement Class: All Washington residents who financed a motor vehicle through Sound Credit Union and who, from February 11, 2016, and up through the date of final judgement, 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.

4. Excluded from the Settlement Class is Sound Credit Union, its parents, subsidiaries, affiliates, officers and directors, all Settlement Class members who make a timely election to be excluded, and all judges assigned to this litigation and their immediate family members.

5. The numerosity requirement is satisfied because the Class consists of approximately 2,569 individuals. See CR 23(a)(1); *Miller v. Farmer Bros. Co.*, 115 Wn. App. 815, 821, 64 P.3d 49 (2003).

6. The commonality requirement is satisfied because there are overarching questions of law and fact common to the class, including the contested issues of whether Sound Credit Union engaged in conversion and/or unfair and deceptive acts or practices in violation of the Washington Consumer Protection Act in the manner in which it charged Settlement Class Members for collateral protection insurance premiums, fees, and interest, failing to fully refund unearned collateral protection insurance premiums; and whether Sound Credit Union was unjustly enriched

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by charging of improper administrative fees and accepting reimbursement of certain premiums. See CR 23(a)(2); *Smith v. Behr Process Corp.*, 113 Wn. App. 306, 320, 54 P.3d 665 (2002).

7. The typicality requirement is satisfied because Plaintiff's claims arise from the same course of conduct that gives rise to the claims of other Settlement Class Members and is based on the same legal theories. See CR 23(a)(3); *Pellino v. Brink's Inc.*, 164 Wn. App. 668, 267 P.3d 383, 392 (2011).

8. The adequacy requirement is satisfied because Plaintiff has no interests antagonistic to the other Settlement Class Members and is represented by experienced, qualified counsel. See *Hansen v. Ticket Track, Inc.*, 213 F.R.D. 412, 415 (W.D. Wash. 2003).

9. The predominance requirement is satisfied because there is a "common nucleus of operative facts" to each Settlement Class Member's claim, and Settlement Class Members were subject to the same conduct by Sound Credit Union. See CR 23(b)(3); *Chavez v. Our Lady of Lourdes Hosp. at Pasco*, 190 Wash. 2d 507, 516, 415 P.3d 224 (2018).

10. The superiority requirement is satisfied because the resolution of approximately 2,569 claims in one action is far superior to individual lawsuits and promotes consistency and efficiency of adjudication. See CR 23(b)(3); *Chavez*, 190 Wn.2d at 518-23.

11. For the purposes of settlement, the Court appoints Debra Fealy as the class representative of the Settlement Class.

12. The Court appoints Beth E. Terrell and Adrienne D. McEntee of Terrell Marshall Law Group PLLC, and Walter M. Smith and Steve E. Dietrich of Smith & Dietrich Law Offices PLLC as Settlement Class Counsel.

13. The Court appoints and has jurisdiction over American Legal Claim Services LLC as the Settlement Administrator. As provided in the Settlement Agreement, the Settlement Administrator shall disseminate notice to Settlement Class Members, by mail, track responses, mail Settlement Awards and arrange for the filing of tax forms and payments (if any) relating to the Settlement Fund and such other duties as are called for by the Settlement Agreement or ordered by the Court.

14. The Court approves, as to form and content, the Postcard Notice and Long Form Notice attached as exhibits to the Settlement Agreement that the Parties have prepared (collectively the "Notices"). The Notices provide all of the information Settlement Class Members need to evaluate and respond to the Settlement, including: the nature of the litigation; the general terms of the proposed Settlement; their rights under the Settlement; an explanation of how they can object to or exclude themselves from the Settlement; the identity of Class Counsel and that Class Counsel will request attorneys' fees and expenses from the Settlement Fund, and a service award for Plaintiff; and the date and time of the Final Approval Hearing. The notices also direct Class Members to a website established by the Settlement Administrator that will provide additional information about the Settlement, as well as a toll-free number that Settlement Class Members can call with questions about the Settlement.

15. The Court also approves the Parties' plan for disseminating notice, which will ensure that Settlement Class Members receive "the best notice practicable under the circumstances." See CR 23(c)(2). Issuance of notice substantially in the manner set forth in Section VII.6 of the Settlement Agreement satisfies the requirements of due process and applicable state and federal law and constitutes due and sufficient notice to all members of the Settlement Class.

16. Within fourteen (14) days of the date of this Order, Sound Credit Union will provide the Settlement Administrator with the following information for each Settlement Class Member: (1) full name, (2) last known mailing address, and (3) social security number.

17. Within fourteen (14) days of the date of this Order, Class Counsel shall provide the Settlement Administrator with the Allocation Plan and the estimated amount each Settlement Class Member is expected to receive.

18. Class Counsel shall file their motion for attorneys' fees and costs, and a service award to Plaintiff within fourteen (14) days after the Settlement Notice Date.

19. Any Settlement Class Member may exclude himself or herself from the Settlement by submitting a written request to the Class Administrator no later than forty-five (45) days after the Settlement Notice Date. Following final approval of the Settlement and the occurrence of the

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Effective Date, each Settlement Class Member who did not submit a timely, valid request for exclusion shall be bound by the releases in the Settlement Agreement.

20. Any Settlement Class Member may object to the Settlement by submitting a written statement to the Class Administrator within forty-five (45) days after the Settlement Notice Date. The statement of objection must include the information stated in Section IX.1 of the Settlement Agreement. Any objector or their attorney may appear at the Final Approval Hearing. In order to do so, such objectors or their attorneys must file a notice of appearance with the Court no later than ten (10) days before the Final Approval Hearing and send a copy of the notice of appearance to Class Counsel and Defendant's Counsel.

21. Responses from the Parties to any objections from Settlement Class Members shall be filed no later than fourteen (14) days prior to the Final Approval Hearing.

22. Class Counsel shall file their motion for entry of the Final Approval Order and final approval of the Settlement no later than fourteen (14) days prior to the Final Approval Hearing.

23. The Final Approval Hearing shall be held before this Court on November 11, 2022, at 9:00 (a.m.)/p.m. in the courtroom of the Honorable Gretchen Leanderson, Department 15, Pierce County Superior Court, 930 Tacoma Avenue South, Tacoma, Washington, 98402. At the hearing, the Court will consider whether the prerequisites for class certification and treatment under CR 23(a) and (b)(3) are satisfied and whether the Settlement is fair, reasonable, and adequate, and should be approved by the Court. The Court will also consider Class Counsel's motion for attorneys' fees and costs and for a service award to Plaintiff, and rule on any other matters that the Court deems appropriate.

24. The Court retains jurisdiction over the Action and all matters arising out of or connected with the proposed Settlement. All deadlines in the current Case Scheduling Order are hereby stricken, including the trial date, and all proceedings in the Action are hereby stayed other than proceedings relating to the consideration of whether the Settlement should be approved. The Court reserves the right to adjourn or continue the date of the Final Approval Hearing without further notice to Class Members and retains jurisdiction to consider all further applications arising

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out of or connected with the Settlement. After the Final Approval Hearing, the Court may approve the Settlement without further notice to Class Members.

25. If the Court does not enter the Final Approval Order, or if the Effective Date does not occur for any reason, then the Action shall proceed as if the Settlement Agreement had not been executed. In that event, the Parties shall meet and confer and present the court with a proposed revised case scheduling order.

IT IS SO ORDERED.

DATED this 17 day of June, 2022.


SUPERIOR COURT JUDGE

Presented by:

TERRELL MARSHALL LAW GROUP PLLC

By: /s/ Adrienne D. McEntee, WSBA #34061

Beth E. Terrell, WSBA #26759

Email: beth@terrellmarshall.com

Toby J. Marshall, WSBA #32726

Email: tmarshall@terrellmarshall.com

Adrienne D. McEntee, WSBA #34061

Email: amcentee@terrellmarshall.com

Benjamin M. Drachler, WSBA #51021

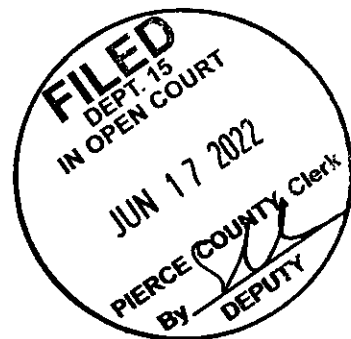
Email: bdrachler@terrellmarshall.com

936 North 34th Street, Suite 300

Seattle, Washington 98103

Telephone: (206) 816-6603

Facsimile: (206) 319-5450



Walter M. Smith, WSBA #46695
Email: walter@smithdietrich.com
Steve E. Dietrich, WSBA #21897
Email: steved@smithdietrich.com
SMITH & DIETRICH LAW OFFICES PLLC
3905 Martin Way East, Suite F
Olympia, Washington 98506
Telephone: (360) 915-6952

Attorneys for Plaintiff

Approved as to form:

By: /s/ Kimberley Hanks McGair, WSBA #30063
Kimberley Hanks McGair, WSBA #30063
Email: kmcgair@fwwlaw.com
Trish A. Walsh, WSBA #43860
Email: twalsh@fwwlaw.com
FARLEIGH WADA WITT
121 SW Morrison Street, Suite 600
Portland, Oregon 97204
Telephone: (503) 228-6044

Attorneys for Defendant

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