

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

**If you were a STATE FARM insured and you received payment for the total loss of your vehicle from STATE FARM, a class action lawsuit may affect your rights.**

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

- A lawsuit has been filed against STATE FARM FIRE AND CASUALTY COMPANY (“STATE FARM”) alleging that STATE FARM violated Washington Law by (1) taking a non-authorized deduction for “Typical Negotiation Adjustment” and (2) by taking a non-authorized “Condition Deduction” on certain “Autosource” valuation reports used to pay its *own insureds* for the total loss of their automobiles, in claims covered under the Insured’s First Party (Comprehensive, Collision, and UMPD) coverages. The Court has certified a “Typical Negotiation Class” and a “Condition Deduction Class,” although some insureds may fall within both.
- You have received this notice as STATE FARM’s records show that you are likely to be a member of one of these Classes because you were paid by STATE FARM based upon an Autosource Report that took a “Typical Negotiation Adjustment” or “Condition Deduction” during the Class period and otherwise appear to fit the requirements for Membership in the Classes, described in Section 4 below.
- The Court has not determined whether STATE FARM did anything wrong. There is no money available now and no guarantee there will be. That will be established at a trial which has been set for June 8, 2022. You do not need to attend this trial, nor do anything further at this time to participate in these Classes. However, your legal rights are affected, and you have a choice to make **now**.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
<b>DO NOTHING</b>	<b>Stay in this lawsuit. Await the outcome. Share in any recovery of money by the Classes. Give up certain rights.</b> By doing nothing, you keep the possibility of getting money or benefits that may come from a trial or a settlement, but you give up any rights to sue STATE FARM separately for the same legal claims in this lawsuit. You will not have to pay or do anything if you stay as part of this lawsuit.
<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 and money or benefits are later awarded, you will not share in those. But you keep any rights to sue STATE FARM separately about the same legal claims in this lawsuit.

- Your options are explained in this notice. To be excluded, you must either
  - mail an “Exclusion Request” postmarked by **January 24, 2022**, to *State Farm Exclusions P.O. Box 2661, N Pearl Street, PMB#434, Tacoma, WA 98407* OR
  - email an “Exclusion Request” no later than **January 24, 2022** to [statefarmexclusion@statefarmtotallosslitigation.com](mailto:statefarmexclusion@statefarmtotallosslitigation.com).
- Lawyers who have been appointed by the Court must prove the claims against STATE FARM at a trial set to start June 8, 2022. If money or benefits are obtained from STATE FARM which you may participate in, you will be notified about that recovery and provided further information at that time.
- Any questions? Read on or visit [www.statefarmtotallosslitigation.com](http://www.statefarmtotallosslitigation.com), where key documents and rulings from the Federal District Court overseeing this matter are available.

**QUESTIONS? VISIT [www.statefarmtotallosslitigation.com](http://www.statefarmtotallosslitigation.com)**

## 1. Why did I get this Notice?

STATE FARM's records show that you are, or previously were, a STATE FARM insured and that you received a payment from STATE FARM for the total loss of your vehicle based upon an Autosource valuation that usually, but not in every case, took a deduction for "Typical Negotiation Adjustment" or "Condition Deduction."

This notice explains that the Court has allowed, or "certified," a class action lawsuit that may affect you. You have legal rights and options that you may exercise before the Court holds a trial. The trial is to decide whether the claims being made against STATE FARM, on your behalf, are correct. Judge Marsha J. Pechman of the United States District Court for the Western District of Washington is overseeing this class action. This lawsuit, originally filed as *Jama v. State Farm Fire and Casualty Co.*, No. 20-cv-652-MJP, has been consolidated with another for purposes of trial. That lawsuit is *Kelley v. State Farm Mutual Automobile Insurance Company*, No. 20-CV-454-MJP. Both lawsuits were "certified" by the Court and will be tried as a class action.

## 2. What is this lawsuit about?

This lawsuit is about whether STATE FARM paid insureds less than it was legally required to pay under Washington Law when it paid total loss claims using the amount determined by total loss valuation reports called "Autosource" reports, which took a deduction for "Typical Negotiation Adjustment" and/or a "Condition Deduction." STATE FARM denies that it did anything wrong. State Farm says that it paid what it owed under the insurance policy and the law.

The Court hasn't decided whether Plaintiffs or STATE FARM are correct. By establishing the Class and issuing this Notice, the Court is not suggesting that Plaintiffs will win or lose this case. The Plaintiffs must prove their claims at a trial starting June 8, 2022.

## 3. Why is this lawsuit a class action?

Federal Judge Marsha J. Pechman has decided that this lawsuit can be a class action and move towards a trial because it meets the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal courts. Judge Pechman found that there are legal questions and facts that are common to the Class Members; the common legal questions and facts are more important than questions that affect only individuals; this class action will be more efficient than having many individual lawsuits; and Plaintiff Faysal Jama and the lawyers representing the Class will fairly and adequately represent the Class' interests.

## 4. Am I part of this Class?

STATE FARM's computerized records show that you are likely to be a member of one of the certified Classes:

### Typical Negotiation Class

All persons and entities within the State of Washington that have made first-party property damage claims under contracts of automobile insurance with State Farm that provided for payment of the actual cash value of the policyholder's vehicle (less any applicable deductible) in the event of total loss, and (1) where policyholders experienced a total loss of their insured vehicle covered under such policy; (2) where such claims for total loss were evaluated by State Farm using the Autosource valuation system which took a deduction/adjustment for "typical negotiation"; (3) where such claims were settled and paid using the amount determined in the Autosource valuation, which took a deduction/adjustment for "typical negotiation"; and (4) where such claims were paid by State Farm to the policyholder or a lienholder without the parties agreeing to use, and using, an alternative appraisal process described in the policyholder's policy.

If you were paid using the amount determined by an Autosource valuation report that did *not* take an adjustment for "typical negotiation," then you are NOT a Typical Negotiation Class member. If you were paid using the amount determined by a valuation source other than an Autosource valuation report, then you are NOT a Typical Negotiation Class member. If you or your lienholder were paid using an alternative appraisal process described in the policy, then you are NOT a Typical Negotiation Class member. If your date of loss was on or after October 1, 2021, then you are NOT a class member.

**QUESTIONS? VISIT [www.statefarmtotallosslitigation.com](http://www.statefarmtotallosslitigation.com)**

## Condition Deduction Class

All persons and entities within the State of Washington that have made first-party property damage claims under contracts of automobile insurance with State Farm that provided for payment of the actual cash value of the policyholder's vehicle (less any applicable deductible) in the event of total loss, and (1) where policyholders experienced a total loss of their insured vehicle covered under such policy; (2) where such claims for total loss were evaluated by State Farm using the Autosource valuation system, which took deductions for the condition of the loss vehicle; (3) where such claims were settled and paid using the amount determined in the Autosource valuation, which took deductions for the condition of the loss vehicle; and (4) where such claims were paid by State Farm to the policyholder or a lienholder without the parties agreeing to use, and using, an alternative appraisal process described in the policyholder's policy.

If you were paid using the amount determined by an Autosource valuation report that did *not* take a "condition deduction," then you are NOT a Condition Deduction Class member. If you were paid using the amount determined by a valuation source other than an Autosource valuation report, then you are NOT a Condition Deduction Class member. If you or your lienholder were paid using an alternative appraisal process described in the policy, then you are NOT a Condition Deduction Class member. If your date of loss was on or after October 1, 2021, then you are NOT a class member.

## YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class and participate in any recovery of money on your behalf or ask to be excluded before the trial. You have to decide this by **January 24, 2022**.

### 5. What happens if I do nothing at this time?

You do not have to do anything if you want to keep the possibility of getting money or benefits from this lawsuit. By doing nothing you are staying in the Class. If the Plaintiffs obtain money or benefits for the Class, either as a result of the trial or a settlement, you will be notified at that time about how to apply for a share or receive your share. Keep in mind that if you do nothing now, regardless of whether the Plaintiffs wins or loses the trial, you will not be able to sue, or continue to sue, STATE FARM—as part of any other lawsuit—regarding the total loss settlement claims that are the subject of this lawsuit. You will also be legally bound by all of the Orders the Court issues and judgments the Court makes in this class action. You do not need to pay anything out-of-pocket to remain in this lawsuit.

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

If you already have your own lawsuit against STATE FARM concerning the total loss of your vehicle and want to continue with it, you need to ask to be excluded from the Classes. If you exclude yourself from the Classes—which also means to remove yourself from the Class and is sometimes called "opting-out" of the Class—you will not get any money or benefits from this lawsuit even if the Plaintiffs obtain them as a result of the trial or from any settlement (that may or may not be reached) between STATE FARM and the Plaintiffs. However, you may then be able to sue or continue to sue STATE FARM concerning the total loss of your vehicle. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against STATE FARM after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit, and you'll have to prove your claims. If you do exclude yourself so you can start or continue your own lawsuit against STATE FARM, you should talk to your own lawyer soon because your claims are controlled by a statute of limitations.

### 7. What do I do if I want to be excluded?

If you exclude yourself ("opt-out") from the Class, you won't get any money or benefits from this lawsuit even if the Plaintiff obtains them from a trial or from a settlement between STATE FARM and the Plaintiff. However, you may then be able to sue or continue to sue STATE FARM for your own claims.

To ask to be excluded, you must send an “Exclusion Request” in the form of a letter sent by mail or email stating expressly ~~that you want to be excluded from *Kelley v. STATE FARM*~~. Be sure to include your name and address, and sign the letter. You must mail your Exclusion Request postmarked by **January 24, 2022** to: *State Farm Exclusions P.O. Box 2661, N Pearl Street, PMB #434, Tacoma, WA 98407* OR email your Exclusion Request by **January 24, 2022** to [statefarmexclusion@statefarmtotallosslitigation.com](mailto:statefarmexclusion@statefarmtotallosslitigation.com). You may also get an Exclusion Request form on the website, [www.statefarmtotallosslitigation.com](http://www.statefarmtotallosslitigation.com).

## THE LAWYERS REPRESENTING YOU

### 8. Do I need to get my own lawyer?

The Court has decided that the attorneys bringing this suit are qualified to represent you and all Class Members. Together these lawyers are called “Class Counsel.” They are experienced in handling similar cases against other insurers. Class Counsel appointed by the Court are Mark A. Trivett and Daniel R. Whitmore. They can be reached to answer any questions you may have at the number, address, or e-mail address listed in question 10.

You do not need to hire your own lawyer because Class Counsel is working on your behalf. If you want your own lawyer, you will have to pay that lawyer and through them enter an appearance. If Class Counsel gets money or benefits from the Class, they may ask the Court for fees and expenses. You won’t have to pay these fees and expenses. If the Court grants Class Counsel’s request, the fees and expenses would be either deducted from any money obtained for the Class and/or paid separately by STATE FARM.

## THE TRIAL

The Court has scheduled a trial to decide who is right in this case.

### 9. How and when will the Court decide who is right?

As long as the case is not resolved by a settlement or otherwise, Class Counsel will have to prove the Plaintiffs’ claims at a trial. This matter has been consolidated by the Court for trial with another case, *Kelley v. State Farm Mutual Automobile Company*, which raises similar issues. The joint trial is set to start on Monday, June 8, 2022, in the United States District Court for the Western District of Washington, 700 Stewart St., Seattle, WA 98101. During the trial, a jury or the Judge will hear all of the evidence to help them reach a decision about whether the Plaintiffs or STATE FARM are right about the claims in the lawsuit. There is no guarantee that the Plaintiffs will win or that they will get any money for the Class.

You do not need to attend the trial. Class Counsel will present the case for the Plaintiffs, and STATE FARM will present the defenses. You or your own lawyer are welcome to come observe at your own expense.

### 10. Are more details available?

Visit the website, [www.statefarmtotallosslitigation.com](http://www.statefarmtotallosslitigation.com), where you will find the Court’s Order Certifying the Class, the Court’s Order Denying State Farm’s Motion to Dismiss, the Court’s Consolidation Order, the Complaint that the Plaintiffs submitted, and STATE FARM’s Answer to the Complaint, and other pleadings. Further information can be obtained from the Court file on ECF or by contacting Mr. Trivett or Mr. Whitmore.

You may also speak to one of the lawyers by calling 1-206-621-6566, e-mailing them at [info@badgley-mullins.com](mailto:info@badgley-mullins.com) or writing to them at 19929 Ballinger Way NE, Suite #200 Shoreline, WA 98155.

**Please do not contact STATE FARM or your State Farm Agent about this matter.**

Date: November 24, 2021