

July 18 2024 2:06 PM

The Honorable STANLEY J. RUMBAUGH

CONSTANCE R. WHITE
COUNTY CLERK
NO: 22-2-10005-8

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

LEE ANNE REDMOND, individually, and
on behalf of those similarly situated, and
DENNIS DOWDS, individually, and on
behalf of those similarly situation,

Plaintiffs,

vs.

LIBERTY MUTUAL FIRE INSURANCE
COMPANY and LM GENERAL
INSURANCE COMPANY,

Defendants.

NO. 22-2-10005-8

SECOND CORRECTED
DECLARATION OF STEPHEN M.
HANSEN ISO PRELIMINARY
APPROVAL OF SETTLEMENT

(REPLACES DECLARATION OF
STEPHEN M. HANSEN DATED &
FILED ON JULY 3, 2024)

HEARING DATE: July 19, 2024

I, STEPHEN M. HANSEN, HEREBY DECLARE UNDER PENALTY OF PERJURY
AS FOLLOWS:

1. I am one of the attorneys for the above-named Plaintiff. I submit this declaration
based upon personal knowledge and in support of the motion for certification of this case as a
settlement class and preliminary approval of a class-wide settlement.

2. On November 7, 2022 Plaintiff Lee Anne Redmond filed a Class Action
Complaint in the above-entitled matter against Liberty Mutual alleging causes of action for
breach of contract based upon Liberty Mutual's alleged failure to properly and fairly assess

1 claims for diminished value and to pay her and Class Members (as hereinafter defined) for the
2 amount that their vehicles' decreased in value as a result of property damage to their vehicles
3 under the statutorily mandated wording of the Underinsured Motorist Property Damage (UMPD)
4 coverage.

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6 3. Ms. Redmond is a first-party insured who alleges that she purchased UMPD
7 coverage with Liberty Mutual. Ms. Redmond's Complaint alleged that her insuring agreement,
8 and the insuring agreement for the putative Class Members, is the statutorily mandated UMPD
9 language, and that this language has been held to cover the loss of market value of her vehicles
10 after repair consistent with WPI 30.12, and that as such she, and members of the proposed Class,
11 are entitled to recover any loss in value of their vehicles as of the time of their accidents.

12
13 4. The initial Complaint was filed in this Court on November 7, 2022, but the
14 attempted service "bounced back" from the Washington Office of Insurance Commissioner
15 because "Liberty Mutual General Insurance Company" was not a listed company (the correct
16 defendant was "LM General Insurance Company"). Meanwhile, Defense Counsel filed a notice
17 of appearance on November 17, 2022 on behalf of the same (misnamed) entity "Liberty Mutual
18 General Insurance Company."

19
20 5. Ms. Redmond subsequently filed a First Amended Complaint on March 16, 2023,
21 with Defense Counsel accepting service for both entities; the now correctly named LM General
22 Insurance Company and Liberty Mutual Fire Insurance Company. Both Liberty Mutual entities
23 appeared through counsel and then moved for summary judgment against Ms. Redmond on May
24 18, 2023. Plaintiff served discovery to be taken prior to resolution of the 30(b)(6) and
25 documents. Documents were provided, and a 30(b)(6) designee, Mr. LaValle, was provided by
26 Liberty Mutual.

1 6. Plaintiff filed her opposition on September 5, 2023, and Liberty Mutual their
2 reply on September 11, 2023. On September 15, 2023, after oral argument this Court denied
3 Liberty Mutual’s MSJ. Liberty Mutual then filed a Motion for Discretionary Review, which
4 was fully briefed.

5
6 7. While Liberty Mutual’s Motion for Discretionary Review was pending, a motion
7 for leave to file a Second Amended Complaint was filed, adding Dennis Dowds, an insured of
8 LM General Insurance Company, as an additional proposed Class Representative. The Motion
9 was granted on November 27, 2023. Oral argument before Division II occurred on December
10 13, 2024, and on January 3, 2024 Division II rejected discretionary review.

11 8. While the Motion for Discretionary Review was pending, Plaintiffs served
12 additional class certification discovery on Liberty Mutual.

13
14 9. In conjunction with Liberty Mutual’s Motion for Discretionary review, the parties
15 discussed the possibility of some type of resolution for the proposed Class, the available data,
16 and exchanges regarding the legal issues involving Liberty Mutual’s policy language and claims
17 practices. Upon the rejection of Liberty Mutual’s Motion for Discretionary Review, the parties
18 renewed their discussions, and Liberty Mutual having preliminary determined in response to
19 Plaintiff’s discovery request for a class list that the proposed Settlement Class will contain
20 approximately 600 claims, the parties agreed upon resolution at the same per claim figure (\$800
21 per claims) and applicable terms as in prior similar settlements with insurers in Washington.
22 This results in a settlement fund of roughly \$480,000 (a figure to be updated given the number of
23 claims on the final class list to be provided if preliminary approval is granted) for disbursement
24 to eligible Class Members who present a timely claim. The amount of this settlement fund was
25 based on settlement amounts and methodology used in or arising out of mediated class action
26

1 settlements in prior diminished value cases in a similar procedural posture. In each instance
2 those settlements were approved by the Court.

3 10. Only after these figures, other key terms, and the settlement structure were
4 finalized, did the parties discuss fees, costs, and any Class representative bonus. These
5 discussions culminated with the settlement presented here for preliminary approval. 9.

7 11. True copies of the signed settlement agreement and the supporting settlement
8 documents are attached to this declaration.

9 DATED at UNIVERSITY PLACE, Washington this 18th day of July, 2024.

11 */s/ Stephen M. Hansen*
12 STEPHEN M. HANSEN, WSBA #15642