

MABRY ORDER - 03/06/02

PARAGRAPH SUMMARY

- (1) Class action for settlement purposes only on behalf of a class (the settlement class) consisting of all persons issued a Georgia automobile insurance policy by State Farm Mutual Automobile Insurance Company or State Farm Fire & Casualty Company that was in force between and including December 22, 1993 and November 30, 2001 . . .

- (10) The 17c formula included in the June 12, 2001 Order is an acceptable methodology for assessing diminished value claims. State Farm's use of the 17c formula is pursuant to order of the Court and the use of that formula is approved by the Court for the purpose of settling claims of the Settlement Class and for the purposes of assessing the future Georgia claims for diminished value. The Court hereby orders State Farm to continue the use of the 17c formula in its assessment of diminished value losses sustained by State Farm policyholders making first party claims under the collision, comprehensive and uninsured motorist coverages of their Georgia insurance policies subsequent to November 30, 2001, unless a change in Georgia law or regulation permits a discontinuance of that practice

State Farm cannot be found to have acted in bad faith by virtue of applying the 17c formula to assess diminished value claims. In the event any Georgia policyholder reports a loss or makes a property damage claim after November 30, 2001 and asserts that State Farm's application of the 17c formula constitutes bad faith pursuant to O.C.G.A. Section 33-4-7, State Farm shall present a copy of this order to the policyholder and/or to the appropriate court, if applicable.

Neither plaintiffs' counsel nor class members shall challenge in the future State Farm's use of the 17c formula, as State Farm as heretofore applied it, to assess claims for diminished value and offer diminished value payments to Georgia policyholders, though class members with respect to claims reported after November 31, 2001, are not prohibited from disputing the amount resulting from State Farm's use of the 17c formula in connection with their individual future claims.

POSTED LA

IN THE SUPERIOR COURT OF MUSCOGEE COUNTY
STATE OF GEORGIA

GEORGIA, MUSCOGEE COUNTY
CLERK'S OFFICE, SUPERIOR COURT
FILED IN OFFICE
MAR 6 2002 2:00
At LA
DEPUTY
CLERK, SUPERIOR COURT

RUDINE MABRY, INDIVIDUALLY,)
MAURICE J. CARDENAS,)
INDIVIDUALLY, RICHARD A.)
CHILDS, INDIVIDUALLY, AND)
ON BEHALF OF ALL OTHERS)
SIMILARLY SITUATED,)

Plaintiffs,)

v.)

CIVIL ACTION FILE
NO. SU99CV4915

STATE FARM MUTUAL)
AUTOMOBILE INSURANCE)
COMPANY and STATE FARM)
FIRE AND CASUALTY)
COMPANY,)

Defendants.)

ORDER AND FINAL JUDGMENT

This action was heard on March 5, 2002, before the undersigned, pursuant to the Consent Order Preliminarily Approving Settlement and Approving Notice to Class Members (the "Preliminary Approval Order") entered on December 21, 2001, for the purpose of determining: (i) whether the settlement of the action, on the terms and conditions set forth in the Settlement Agreement previously submitted to the Court ("the Settlement"), should be approved as fair, reasonable and adequate; (ii) the amount of attorneys' fees and expenses to award

counsel for Plaintiffs; and (iii) whether a Settlement Order and Final Judgment should be entered.

This class action, like any class action, cannot be compromised without the approval of this Court. Having conducted the analysis required by the statute, the Court finds and concludes for purposes of settlement only that the requirements of O.C.G.A. § 9-11-23 have been satisfied, and that the settlement is fair, adequate and reasonable.

The Court having considered the record in this action,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. This action is maintainable as a class action for settlement purposes only on behalf of a class ("the Settlement Class") consisting of all persons issued a Georgia automobile insurance policy by State Farm Mutual Automobile Insurance Company or State Farm Fire and Casualty Company that was in force between and including December 22, 1993 and November 30, 2001 who reported valid property damage claims for vehicle damage under the collision, comprehensive, or uninsured motorist coverages of their Georgia policies during the same time period, but excluding claims resulting in total losses, claims relating to non-owned (as that term is defined in State Farm's Georgia automobile policies) or temporary substitute vehicles, claims limited to glass replacement, claims

confined to emergency roadside assistance or towing, and claims identified as closed without payment by State Farm Mutual Automobile Insurance Company or State Farm Fire and Casualty Company.

2. For settlement purposes only, the Court finds that the prerequisites of O.C.G.A. § 9-11-23 are met and hereby certifies the foregoing defined Settlement Class an injunctive, equitable, and damages class pursuant to O.C.G.A. § 9-11-23.

3. For settlement purposes only, the Court finds that the prerequisites of O.C.G.A. § 9-11-20 are met and hereby adds State Farm Fire and Casualty as a defendant to this litigation.

4. The Court finds that counsel for the Plaintiffs, Pope McGlamry Kilpatrick Morrison & Norwood, LLP; Hatcher Stubbs Land Hollis & Rothschild, LLP; and Ronald Ellington are competent to serve as Class Counsel and will fairly and adequately represent the interests of the class.

5. Based on the evidence presented at the hearing, the Court finds that notice has been given to the class pursuant to the Preliminary Approval Order, and that the Mailed Notice, the Published Notice, and the notice methodology adopted pursuant to this Settlement were the best notice practicable, satisfied due process requirements, and provided Class members with fair and adequate notice of the hearing and adequate information concerning the hearing, the right to be excluded

from the Class, the settlement, and the right of counsel for Plaintiffs to apply for an award of attorneys' fees and expenses.

6. The terms of the settlement, as set forth in the Settlement Agreement, are hereby determined to be fair, reasonable and adequate. Accordingly, said Settlement, including each of its respective terms and conditions, is hereby finally approved by and incorporated as part of this Final Order and Judgment. Words in this Final Order have the same meaning as defined terms in the Settlement.

7. The Court hereby enters judgment fully and finally terminating all claims, on the merits, against State Farm Mutual Automobile Insurance Company and State Farm Fire and Casualty Company and each of their respective parents, subsidiaries, affiliates, predecessors, successors and/or assignees, attorneys, accountants, representatives, past or present officers, inside and outside directors, employees and agents ("the Released Parties"), and finds that all Class Members who have not timely and properly excluded themselves, regardless of whether such Class Members have claimed or obtained benefits hereunder, have waived and are estopped from asserting against the Released Parties: (a) any and all claims which were asserted (including without limitation all claims for diminished value) or could have been asserted in the Action, or which were at issue or could have been

any nature, whether known or unknown, suspected or unsuspected, concealed or unconcealed, tangible or intangible, that any Class Member has or ever has had arising from the relationship between State Farm and each Class Member, based upon or related to the Class Member's vehicle property damage claims under their policy, whether sounding in contract, tort, unjust enrichment or any other theory, including without limitation any claim that the Released Parties violated any aspect of any Unfair Claims Practices statute, any consumer fraud statute, or any other statutory or common law requirement, claims of any bad faith, breach of contract, or any other claim; and (c) any claim of fraud in the inducement of this Settlement Agreement. Provided, however, that, while Class Members specifically include all claims for diminished value of any nature in the release set out above, Class Members do not release claims arising from the use of non-OEM parts in vehicle repairs that have been reduced to judgment in *Avery v. State Farm Mutual Automobile Insurance Company*, pending in Williamson County, Illinois, Case No. 97-L-114, currently on appeal.

8. All members of the Settlement Class are barred and permanently enjoined from asserting, instituting, or prosecuting, either directly or indirectly, any claim adjudicated or foreclosed by this Judgment.

9. The sum of \$ 50,000,000.00 is hereby awarded to Plaintiffs' Counsel to cover their fees for legal services, all of their costs,

disbursements out-of-pocket expenses and other expenditures in connection with this litigation, to be paid as provided in the Settlement, and in accordance with future orders of this Court. In making the above award, the Court does not by this Order allocate said fees and expenses. However, as provided in the settlement, the Court orders that the payment by State Farm Mutual Automobile Insurance Company and State Farm Fire and Casualty Company of Fifty Million Dollars (\$50,000,000) in attorneys' fees and reimbursement of expenses, one business day after Final Approval as defined in the Settlement Agreement will discharge any and all liability of defendants for attorneys' fees and reimbursement of expenses and, under the terms of the Settlement Agreement, plaintiffs' attorneys will indemnify and hold harmless defendants from any claim for attorneys fees and reimbursement of expenses in excess of Fifty Million Dollars (\$50,000,000), and plaintiffs' attorneys, including all attorneys who made application to this Court and all attorneys who have arrangements and/or agreements with said applying attorneys, are hereby restrained and enjoined from seeking any other fees or expenses from defendants arising out of or relating to this case. Pending such allocation of said fees and expenses, such award, when payable under the terms of this Order, shall be paid to the Registry of the Court, pending further Order of the Court.

10. The mandatory injunctions issued in the Court's Orders of December 1, 2000, May 2, 2001, and June 12, 2001 are dissolved. The 17(c) formula included in the June 12, 2001 order is an acceptable methodology for assessing diminished value claims. State Farm's use of the 17(c) formula is pursuant to order of the Court and the use of that formula is approved by the Court for the purpose of settling claims of the Settlement Class and for the purposes of assessing the future Georgia claims for diminished value. The Court hereby orders State Farm to continue the use of the 17(c) formula in its assessment of diminished value losses sustained by State Farm policyholders making first party claims under the collision, comprehensive and uninsured motorist coverages of their Georgia insurance policies subsequent to November 30, 2001, unless a change in Georgia law or regulation permits a discontinuance of that practice or the claim is pursuant to a policy accepted by the Georgia Insurance Commissioner and in compliance with Georgia law that excludes or limits the scope of diminished value coverage, that State Farm does not have to assess for diminished value claims resulting in total losses, claims limited to glass replacement, claims relating to non-owned or temporary substitute vehicles (as those terms are defined in State Farm's Georgia automobile policies), claims identified as closed without payment by State Farm and claims confined to emergency roadside assistance or towing. State Farm cannot be found to have acted in bad faith by virtue of applying the 17(c) formula

to assess diminished value claims. In the event any Georgia policyholder reports a loss or makes a property damage claim after November 30, 2001 and asserts that State Farm's application of the 17(c) formula constitutes bad faith pursuant to O.C.G.A. Sec. 33-4-7, State Farm shall present a copy of this order to the policyholder and/or to the appropriate court, if applicable. If such presentation does not end or resolve the dispute regarding bad faith, State Farm may apply for and, in the appropriate circumstances, this Court shall issue a show cause order to the policyholder so as to effectuate the terms and conditions of this settlement. Neither plaintiffs' counsel nor class members shall challenge in the future State Farm's use of the 17(c) formula, as State Farm as heretofore applied it, to assess claims for diminished value and offer diminished value payments to Georgia policyholders, though class members with respect to claims reported after November 30, 2001, are not prohibited from disputing the amount resulting from State Farm's use of the 17(c) formula in connection with their individual future claims.

11. Neither this Final Judgment, the Settlement, the fact of settlement, the settlement proceedings, settlement negotiations, nor any related document, shall be used as an admission of any act or omission by Defendants or be offered or received in evidence as an admission, concession, presumption, or


inference of any wrongdoing by Defendants in any proceeding other than such proceedings as may be necessary to consummate or enforce the Settlement.

12. The parties are hereby authorized without further approval from the Court to agree to and adopt such amendments or modifications of the Settlement and all exhibits hereto as shall be consistent in all respects with the Final Order and Judgment and do not limit the rights of members in the settlement class.

13. The Court retains jurisdiction over this Settlement to the extent necessary to implement, effectuate and administer this Settlement and this Order and Final Judgment.

14. This Order and Final Judgment and the Settlement to which they relate are limited to claims made by Georgia policyholders under Georgia law.

This 6 day of March, 2002.


DOUGLAS C. PULLEN
SUPERIOR COURT JUDGE

Muscogee County, Georgia

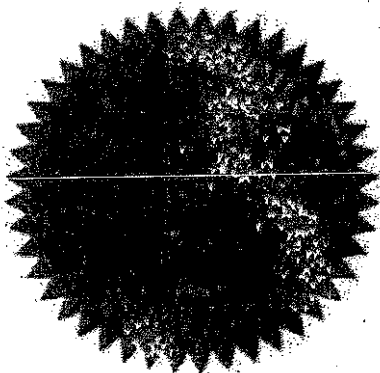
*I do certify that the within and foregoing is a true and
Correct copy of the document (s) as appears by the
Original on file and record in the office of the Clerk of
Muscogee Superior Court.*

3099CV4915

26 DAY OF August 2010

Bernie Pitts

Deputy Clerk, Muscogee Superior Court



*M. Linda Pierce
Clerk Of Superior Court
Muscogee County, Georgia*