

**N THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO**

DANA SCHWARTZ, on behalf of herself and)		
all others similarly situated,)		
)	
Plaintiff,)		No. 1:18-cv-00328-KWR-SCY
)	
vs.)		
)	
STATE FARM MUTUAL AUTOMOBILE)		
INSURANCE COMPANY, STATE FARM)		
FIRE AND CASUALTY COMPANY, and)		
STATE FARM GENERAL INSURANCE)		
COMPANY,)		
)	
Defendants.)		

**ORDER GRANTING MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION
SETTLEMENT, PRELIMINARILY CERTIFYING SETTLEMENT CLASS,
DIRECTING CLASS NOTICE, AND SCHEDULING A FINAL APPROVAL HEARING**

Upon review and consideration of the Plaintiff’s Motion for Preliminary Approval of Class Action Settlement of Plaintiff Dana Schwartz (the “Representative Plaintiff”), with Defendants State Farm Mutual Automobile Insurance Company, State Farm Fire and Casualty Company, and State Farm General Insurance Company (“State Farm”) (Dkt. No. 161), including the parties’ Settlement Agreement signed by the Representative Plaintiff and State Farm on January 30, 2026, (the “Settlement Agreement”) (Dkt. No. 161-1) and all exhibits thereto, and State Farm’s Separate Submission in Support of Preliminary Approval (Dkt. No. 162), and having been fully advised of the particulars, it is HEREBY ORDERED, ADJUDGED and DECREED as follows:

1. **Settlement.** The Representative Plaintiff and State Farm have negotiated a proposed settlement of the Representative Plaintiff’s claims in this action, individually and on behalf of a class of policyholders of State Farm, described below as the Settlement Class, to avoid

the expense, uncertainties, and burden of protracted litigation, and to resolve the Released Claims against the Released Parties as set forth in the Settlement Agreement. The Court has carefully reviewed the Settlement Agreement, as well as the files, records, and proceedings to date in this matter. The terms and conditions in the Settlement Agreement are incorporated herein as though fully set forth in this Order, and, unless otherwise indicated, capitalized terms in this Order shall have the same definitions that are in the Settlement Agreement.

2. **Preliminary Approval.** The Settlement Agreement entered into, by and among the Representative Plaintiff and State Farm, was the result of informed, good-faith, arm's length negotiations between the Parties and is approved on a preliminary basis as fair, reasonable, adequate, and in the best interests of proposed Settlement Class Members, subject to further consideration at the Final Approval Hearing.

3. **Settlement Class Relief.** The proposed Claim Settlement Payments to Settlement Class Members and the settlement consideration, as identified in the Settlement Agreement, are approved on a preliminary basis as fair, reasonable, and adequate. In particular, the Settlement Class Members are as follows:

All persons (and their heirs, executors, administrators, successors, and assigns) who, during the Class Period, were insured under New Mexico insurance policies issued by State Farm which included U Coverage. Excluded from that Class Settlement Class are (a) any claimant who has separately filed suit against State Farm up to the Notice Date, the subject of which suit includes the reduction or denial of benefits on the basis of a *Schmick* Offset; (b) any individual who has settled a claim for allegedly reduced or denied benefits on the basis of a *Schmick* Offset, and signed a final release prior to the Notice Date; and (c) the Judges presiding over this Action. "Class Period" means the period encompassing Settlement Class claims, beginning on January 1, 2010, and ending December 31, 2021.

4. **Preliminary Certification of Settlement Class.** For settlement purposes only, the Court makes the following determinations as to preliminary certification of the Settlement Class:

a. The Court preliminarily certifies the Settlement Class for purposes of settlement only, under Rule 23 of the Federal Rules of Civil Procedure;

b. The Settlement Class is sufficiently numerous that joinder of all members is impracticable;

c. There are questions of law or fact common to the members of the Settlement Class, and the common questions predominate over any questions affecting only individual members;

d. The claims of the Representative Plaintiff are typical of the claims or defenses of the members of the Settlement Class;

e. The Representative Plaintiff is capable of fairly and adequately protecting the interests of the members of the Settlement Class, in connection with the Settlement Agreement; and

f. A class action is superior to other available methods for the fair and efficient resolution of the controversy by way of this class settlement.

5. **Designation of Class Representatives.** The Representative Plaintiff is designated as the representative of the Settlement Class for the purpose of seeking final approval of and administering the Settlement Agreement.

6. **Designation of Class Counsel.** Paul Dominguez of The Dominguez Law Firm, LLC, Ryan Villa of The Law Office of Ryan J. Villa, and Justin Pizzonia of Pizzonia Law, LLC are designated as Class Counsel for the Settlement Class for the sole purpose of the Settlement.

7. **Final Approval Hearing.** A hearing regarding final approval of the Settlement (“Final Approval Hearing”) will be held at **9:00 a.m. on June 8, 2026** [at least 120 days after preliminary approval], in the United States District Court for the District of New Mexico before the Honorable Judge Kea W. Riggs, to determine, among other things: (i) whether final judgment should be entered resolving and approving the proposed Settlement of the Representative Plaintiff’s and the Settlement Class’s claims against State Farm in the Action as fair, reasonable, and adequate; (ii) whether the Representative Plaintiff’s and Settlement Class’s claims against State Farm in the Action should be dismissed, with prejudice, pursuant to the Agreement; (iii) whether the Settlement Class Members should be bound by the Release set forth in the Agreement; and (iv) whether the application of Class Counsel for an award of attorneys’ fees and expenses, and for a proposed service award to the Representative Plaintiff, should be approved and in what amount. The Final Approval Hearing may take place, at the sole discretion of the Court, via telephone or video conference. Any Settlement Class Member who files a notice of intent to appear shall be provided with information required to access a telephonic or video hearing.

8. **Class Notice.**

8.1 The Court approves the methods of providing notice to potential Settlement Class Members as described in the Agreement, including the Class Notice, attached as Exhibits 2.1 and 2.2 to the Agreement. The Court finds that notice as described in the Agreement is reasonably calculated, under all the circumstances, to apprise potential Settlement Class Members of the pendency of this Action, the terms of the Agreement, and their right to object to the Settlement or to exclude themselves from the Settlement Class. The Court further finds that the Class Notice, the Settlement Website, and the other forms of notice described in the Agreement are reasonable, constitute due, adequate, and sufficient notice to all persons entitled to receive notice, and meet all legal requirements, including the requirements of Rule 23 of the Federal Rules of Civil Procedure and Due Process.

8.2 The Class Notice, in the form and content of Exhibit 2.1 (emailed Notice) and Exhibits 2.2 (mailed Notice) to the Settlement Agreement, shall be emailed (and where

needed, mailed by postcard), by the Settlement Administrator, within 60 days of the date of this Order.

8.3 No later than the emailing / postcard mailing of the Class Notice, the Settlement Administrator shall establish a website containing copies of the Agreement and Exhibits, the Preliminary Approval Order, the Class Notice, Claim Form, Spanish translations of the Class Notice and Claim Form, and such other documents and information about the Settlement and the Action as Class Counsel and State Farm's Counsel agree upon. The Claim Form shall be available to download or print from the Settlement Website, and signed, scanned, completed copies of the Class Form may be uploaded to the Settlement Website. The Settlement Website shall have a Uniform Resource Locator that identifies the Settlement Website with an URL as Class Counsel and State Farm's Counsel agree upon. The Settlement Website shall not include any advertising and shall not bear any logos or trademarks of State Farm other than those appearing in the Agreement. The Settlement Website shall cease to operate, and the Settlement Administrator shall remove all information from the Settlement Website 60 days after the Settlement Administrator has made final distribution of Settlement Class Payments to Settlement Class Members. Ownership of the Settlement Website URL shall be transferred to State Farm within ten (10) days of when operation of the Settlement Website ends.

8.4 No later than the mailing of the Class Notice, the Settlement Administrator shall establish a toll-free, interactive, voice response phone number, with script recordings of information about this Settlement, including information about the Claim Form, utilizing the relevant portions of the Class Notice. At State Farm's option, the Settlement Administrator may also provide live operators during select times to answer certain basic questions about the Settlement. The Settlement Administrator shall send the Class Notice and Claim Form, or Spanish translations of both to potential Settlement Class Members upon their request. The phone number shall remain open and accessible through the Claim Deadline and allow for Settlement Class Members to leave recorded messages. At State Farm's option, the phone number may be kept open and accessible after the Claim Deadline. Except for requests for the Class Notice or Claim Form, the Settlement Administrator will promptly advise Class Counsel of recorded messages left by Settlement Class Members concerning the Action and/or the Settlement, or direct any Settlement Class Members with questions that cannot be answered to Class Counsel, so that Class Counsel may timely and accurately respond to such inquiries.

8.5 Settlement Class Members may submit Claim Forms in the form attached to the Settlement Agreement, as Exhibit 3, requesting a Claim Settlement Payment in accordance with the terms of the Agreement. To be considered valid and timely, a Claim Form must be materially complete, signed by or on behalf of the Settlement Class Member, and either: (a) mailed to the Settlement Administrator's address, as specified in the Claim Form, and postmarked 90 days after the entry of this Order; or (b) uploaded to the Settlement Website 90 days after the entry of this Order ("Claim Deadline"). Claim Forms

may be submitted on behalf of deceased or incapacitated Settlement Class Members only by Legally Authorized Representatives, with written proof of authority.

8.6 Class Counsel and State Farm's Counsel, as jointly agreed, along with the Settlement Administrator, are authorized, prior to emailing and mailing, to complete any omitted information and to make any non-substantive revisions to the Claim Form and Class Notice, as necessary, that do not materially reduce the rights of Settlement Class Members in order to fulfill the purposes of the Settlement. The font size, layout, and other presentation elements of the Claim Form and Class Notice may be adjusted to accommodate printing and mailing considerations.

9. **Settlement Administrator.** The Court approves and authorizes State Farm to retain Epiq Class Action and Claims Solutions, Inc. as the Settlement Administrator, to implement the terms of the Agreement, and authorizes and directs the Settlement Administrator to (a) email / mail the Class Notice; (b) establish the interactive, voice response phone line system; (c) establish the Settlement Website; (d) receive and process Claim Forms; and (e) carry out such other responsibilities as are provided for in the Settlement Agreement or as may be agreed to by Class Counsel and the Defendant, all according to and as provided in the Settlement Agreement.

10. **Exclusion from the Settlement Class.** Any potential Settlement Class Member who wishes to exclude himself, herself, or itself from the Settlement Class must submit to the Settlement Administrator a written request for exclusion postmarked no later than 45 days after the Notice is sent. As provided in Section 10 of the Agreement, requests for exclusion must contain a personal physical signature and include the Settlement Class Member's name, address, telephone number, and email address (if any) and expressly state the desire to be excluded. The Settlement Administrator shall promptly log each request for exclusion that it receives and provide copies of the log and all such requests for exclusion to State Farm's Counsel and Class Counsel. Within seven days after the deadline for Settlement Class Members to request exclusion, Class Counsel shall file with the Court a complete list of all timely and valid requests for exclusion received by

the Settlement Administrator as of that date. Any Settlement Class Member who does not timely and validly request to be excluded from the Settlement Class before the deadline waives the right to do so in the future.

“Mass” or “class” requests for exclusion filed by third parties on behalf of a “mass” or “class” of Settlement Class members or multiple Settlement Class members where the opt-outs has not been signed by each and every individual Settlement Class member will not be allowed.

Any Settlement Class Member who does not submit a timely, written request for exclusion will be bound by all proceedings, orders and judgments in the Lawsuit, including the terms of the Settlement, if approved. All members of the Settlement Class who do not timely request exclusion in the manner set forth in the Class Notice and the Settlement Agreement shall be bound by any Final Judgment entered pursuant to the Settlement Agreement, and shall be barred and enjoined, now and in the future, from asserting any of the Released Claims, as defined in the Settlement Agreement, against any Released Parties, as defined in the Settlement Agreement. Upon entry of a Final Judgment approving the Settlement, all members of the Settlement Class shall be conclusively deemed to have fully and finally released all of the Released Parties from any and all Released Claims.

11. **Objections and Appearances.** Any Settlement Class Member who does not submit a valid request for exclusion from the Settlement Class and who complies with the requirements of this Order and the Agreement may object to the proposed Settlement. To be valid, an objection must state: (a) the objector’s full name, address, telephone number, and e-mail address (if any); (b) information identifying the objector as a Settlement Class Member; (c) a written statement of all grounds for the objection, accompanied by any legal support the objector cares to

submit; (d) the identity of all lawyers (if any) representing the objector; (e) the identity of all of the objector’s lawyers (if any) who will appear at the Final Fairness Hearing; (f) a list of all persons who will be called to testify at the Final Fairness Hearing in support of the objection; (g) a statement confirming whether the objector intends to personally appear and/or testify at the Final Fairness Hearing; and (h) the objector’s signature or the signature of the objector’s duly authorized lawyer or other duly authorized representative (along with documentation setting forth such representation).

In addition to the foregoing, objections should also provide the following information: (a) a list, by case name, court, and docket number, of all other cases in which the objector (directly or through a lawyer) has filed an objection to any proposed class action settlement within the last three (3) years; (b) a list, by case name, court, and docket number, of all other cases in which the objector’s lawyer (on behalf of any person or entity) has filed an objection to any proposed class action settlement within the last three (3) years; and (c) a list, by case number, court, and docket number, of all other cases in which the objector has been a named plaintiff in any class action or served as a lead plaintiff or class representative.

Settlement Class Members must mail a copy of their objection to the following three different places postmarked no later than 46 days after the Notice is sent:

COURT	CLASS COUNSEL	STATE FARM’S COUNSEL
US District Court District of New Mexico Pete V. Domenici U.S. Courthouse 333 Lomas Blvd NW Suite 270 Albuquerque, NM 87102	Paul Dominguez THE DOMINGUEZ LAW FIRM, LLC 2025 Rio Grande Blvd, NW Albuquerque, NM 87104	James Gaughan RILEY SAFER HOLMES & CANCELILA, LLP 1 S. Dearborn Street Suite 2200 Chicago, IL 60603

12. **Releases.** If the Settlement is finally approved, all Releasing Parties, including the Representative Plaintiff and each Settlement Class Member, shall, by operation of the Final Judgment, be deemed to have fully, conclusively, irrevocably, forever, and finally released, relinquished, and discharged State Farm, and all other Released Parties, from any known or unknown, suspected or unsuspected, asserted or unasserted, liquidated or unliquidated, contingent or non-contingent, claims with respect to all Released Claims, including unknown claims as explained in the Settlement Agreement, that the Representative Plaintiff or Settlement Class Members have, or may have had, against any of the Released Parties that were asserted or could have been asserted in the Litigation, to the full extent of res judicata protection.

a. “Released Claims” means any and all past, present, and future claims and causes of action of every nature and description (including Unknown Claims), whether arising under federal, state, statutory, regulatory, common, foreign, or other law, that arise in any way from or relate to the Action or the Litigation against State Farm or any Released Party (other than claims to enforce the Settlement), and including, but not limited to, any and all claims for fees, costs, penalties, fines, debts, damages, injunctive relief, disgorgement, declaratory relief, equitable relief, attorneys’ fees and expenses, pre-judgment interest, the creation of a fund for future damages, statutory damages, punitive damages, special damages, exemplary damages, restitution, and/or the appointment of a receiver, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, accrued or unaccrued, fixed or contingent, direct or derivative, class or individual and any other form of legal or equitable relief that either has been asserted, ever was asserted, or could have been asserted, by Plaintiff or any Settlement Class Member against any of the Released Parties based on, relating to, concerning or arising out of the Action or the allegations,

transactions, occurrences, facts, or circumstances alleged in or otherwise described in the Litigation to the full extent of res judicata protection. Released Claims shall not include the right of any Settlement Class Member or any of the Released Parties to enforce the terms of the Settlement contained in this Settlement Agreement and shall not include the claims of persons who have timely excluded themselves from the Settlement Class.

b. “Released Parties” means and includes State Farm and all State Farm affiliated entities that underwrote New Mexico insurance policies with U Coverage from January 1, 2010 to December 31, 2021, including State Farm Mutual Automobile Insurance Company and State Farm Fire and Casualty Company, their parents, current or former subsidiaries, affiliates, predecessors, insurers, reinsurers, agents, employees, attorneys, successors, assigns, officers, officials, directors and shareholders, and independent agents of State Farm and their employees, and, any person related to any such entities or individuals who is, was, or could have been named as a defendant in the Litigation.

c. “Releasing Parties” means Plaintiff and all Settlement Class Members who do not properly and timely opt-out of the Settlement, and their respective spouses, family members, executors, representatives, administrators, guardians, wards, heirs, attorneys-in-fact, estates, bankruptcy estates, bankruptcy trustees, successors, predecessors, attorneys, agents and assigns, and all those who claim through them or who assert claims (or could assert claims) on their behalf.

13. **Filings in Advance of Final Approval Hearing.** Not less than twenty-one (21) days prior to the Final Approval Hearing, Class Counsel shall file with the Court a motion seeking the Court’s final approval of the Settlement and entry of Final Judgment in the form and content attached to the Settlement as Exhibit 6. State Farm, in its sole discretion, may also file a brief in

support of final approval of the Settlement. Class Counsel shall file any motion concerning requests for attorneys' fees, costs, expenses and service awards at the same time as Class Counsel files, or before Class Counsel files, the motion seeking final approval of the Settlement and Stipulation and entry of Final Judgment. Finally, at or before the Final Approval Hearing, Class Counsel shall file with the Court proof from the Administrator of the emailing / mailing of the Class Notice and identifying the number and names of Settlement Class Members who have timely excluded themselves from the Settlement Class (opted out) or objected to the Settlement.

14. **Preliminary Injunction.** In order to protect the continuing jurisdiction of the Court, and to effectuate this Order, the Agreement, and the Settlement, all Settlement Class Members who do not timely exclude themselves from the Settlement Class, and anyone acting or purporting to act on their behalf, are preliminarily enjoined from directly or indirectly (a) filing, commencing, prosecuting, maintaining, intervening in, or participating in (as parties, class members or otherwise), any new or existing action or proceeding before any court or tribunal regarding any Released Claims against any of the Released Parties; and (b) organizing any Settlement Class Members into a separate class for purposes of pursuing, as a purported class action, any lawsuit (including by seeking to amend a pending complaint to include class allegations, or seeking class certification in a new or pending action) based on or relating to the claims and causes of action, or the facts and circumstances relating thereto, in this Action and/or the Released Claims.

15. **Service of Papers.** Class Counsel and the State Farm's Counsel shall promptly furnish to each other any objections or requests for exclusion that they receive and shall file such

objections with the Court on or before the Final Approval Hearing unless such documents already appear on the Court's docket.

16. **Termination of Settlement.** This Order shall become null and void, and shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing immediately before this Court entered this Order, if: (a) the proposed Settlement is not finally approved by the Court, or Final Judgment is not entered or does not become final, or the Effective Date does not occur; or (b) the Settlement Agreement is terminated, pursuant to the terms of the Agreement, for any reason. In such event, and except as provided therein, the proposed Settlement and Agreement shall have no further force or effect, and all proceedings that have occurred, with regard to the Agreement and the Proposed Settlement, shall be without prejudice to the rights and contentions of the Parties and any Settlement Class Members; the preliminary certification of the Settlement Class for settlement purposes shall be automatically vacated; all communications and documents related to the Settlement will be subject to Federal Rules of Evidence and all other applicable settlement and negotiation privileges; this Order and other orders, entered by the Court pursuant to the Agreement, will be treated as vacated, *nunc pro tunc*; the Agreement and the Court's orders, including this Order, shall not be used or referred to for any purpose whatsoever; and the Parties shall retain, without prejudice, any and all objections, arguments, and defenses with respect to class certification.

17. **Use of Order Following Termination of Settlement.** This Order shall be of no force and effect if the Settlement does not become final, and shall not be construed or used as an admission, concession, or declaration, by or against State Farm, of any fault, wrongdoing, breach, or liability, or by or against the Representative Plaintiff or Settlement Class Members that their

claims lack merit or that the relief requested in this Action is inappropriate, improper, or unavailable, or as a waiver by any Party of any defenses.

18. **Use of Order and Settlement Generally.** This Order, the Settlement, the negotiations of the Settlement, the Settlement procedures, any act, statement, or document related in any way to the negotiation of the Settlement or Settlement procedures, and any pleadings, documents, or actions related in any way to the Settlement shall not be construed as an admission or concession by State Farm (a) of the truth of any of the allegations in this Action; (b) of any liability, fault, or wrongdoing of any kind on the part of State Farm in this Action; or (c) that this Action may be properly maintained as a litigation class action. Likewise, none of the materials referenced in this paragraph shall be offered or received in evidence in any action or proceeding in any court, administrative panel or proceeding, or other tribunal, as proof that State Farm has admitted or conceded points (a), (b), or (c) above.

19. **Stay.** Upon entry of this Order, all proceedings in the Action (as defined in the Settlement Agreement), as to the claims of the Representative Plaintiff against the Defendant, are stayed, except as necessary to effectuate the terms of the Settlement or to comply with or effectuate the terms of this Agreement or Federal Rule of Civil Procedure 23, and provided further that State Farm may Answer Plaintiff's Amended Complaint during the pendency of the Stay should it choose to do so.

20. **Next Filings.** Class Counsel and/or State Farm Counsel may file and serve a written response to any objection not later than five days before the Final Approval Hearing. Objections to the Settlement shall be heard, and any papers or briefs submitted in support of said

Prepared and Submitted by:

DOMINGUEZ LAW FIRM

/s/ Paul M. Dominguez, 1/30/2026

Paul M. Dominguez, Esq.
2025 Rio Grande Blvd. NW
Albuquerque, NM 87104
paul@dominguez.law

PIZZONIA LAW LLC

Justin P. Pizzonia, Esq.
5720 Osuna Road NE
Albuquerque, NM 87109
justin@PizzoniaLaw.com

THE LAW OFFICE OF RYAN J. VILLA

Ryan J. Villa, Esq.
5501 Eagle Rock Ave. NE, Suite C2
Albuquerque, NM 87113
ryan@rjvlawfirm.com

Attorneys for Plaintiff

/s/ James P. Gaughn

James P. Gaughn (*associated counsel*)
Joseph A. Cancila, Jr. (*associated counsel*)
RILEY SAFER HOLMES & CANCILA LLP
70 West Madison Street, Suite 2900
Chicago, IL 60602
jcancila@rshc-law.com
jgaughan@rshc-law.com

Todd A. Schwarz
MILLER STRATVERT P.A.
P.O. Box 25687
Albuquerque, NM 87125
tschwarz@mstlaw.com

Attorneys for Defendants