

## Oregon court approves class action settlement with Hartford Fire Ins.

by Bend\_Weekly\_News\_Sources

Oregon Federal District Court Judge Anna Brown today formally approved a nationwide multi-million-dollar class action settlement between Hartford Fire Insurance Company and more than 700,000 of its policyholders. The policyholders alleged that Hartford Fire and its subsidiaries failed to provide notice as required by the Fair Credit Reporting Act when it charged customers more for insurance based on information in their credit reports. If the policyholders had been able to prove at trial that the alleged violations were willful, each policyholder might have been entitled to recover between \$100 and \$1,000 in statutory damages.

Under the approved settlement, every qualified class member that submits a timely claim form will receive a payment of at least \$150. Claim forms will be mailed to the appropriate class members within 60 days, unless an appeal is filed. Hartford Fire also agreed to an injunction requiring it to use a revised adverse action notice form in compliance with the governing law in the Ninth Circuit.

The Oregon District Court initially ruled that Hartford Fire had complied with the Fair Credit Reporting Act. The Ninth Circuit Court of Appeals reversed, holding that Hartford Fire violated the adverse action notice provisions of the Fair Credit Reporting Act, and remanded the case to the Oregon District Court for a determination of whether Hartford Fire acted willfully. Hartford Fire filed a petition for writ of certiorari with the United States Supreme Court challenging the Ninth Circuit's opinion. That petition is currently pending. Related cases against Farmers, Safeco, State Farm and GEICO were pending at the time the Hartford Fire case was settled. Two of the related cases (Safeco and GEICO) were accepted for consideration by the United States Supreme Court this term. Arguments in those cases took place on January 16, 2007.

“This settlement is important for all consumers,” said Steve Larson, lead plaintiffs’ attorney with the Portland based law firm Stoll Stoll Berne Lokting & Shlachter. “Consumers need to be made aware that their credit report may have adversely impacted their insurance premiums.”

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