

Re: Cause No. 2010-40306; Samuel and Karen Haynes v. State Farm
Lloyd's, Inc. et al ; 280th Judicial District, Harris County, Texas

CASE SETTLED FOR \$295,000

(100% of settlement proceeds goes to client)

FACTS:

This is breach of contract and insurance bad faith case against State Farm Lloyds ("SF"). On July 2, 2008, the Plaintiffs returned to their home to find that the upstairs water heater/pipes had malfunctioned and there was gushing water throughout the house, causing catastrophic damage to the house and contents. For over 20 years, Plaintiffs' have had insurance coverage with SF. At the time of this loss, their house was insured by SF.

SF engaged in a pattern of delays in an effort to not timely or fully pay this claim. For example, they recommended remediation companies that did lousy jobs, and have stalled their work because State Farm did not pay them; they hired lawyers to help adjust the claim; they have asked for numerous inspections of the house; they have denied the Plaintiffs monies to properly repair the home, etc.

DAMAGES:

SF paid some of the claim (over \$150,000), but denied the remainder of the claim for Dwelling, Contents, and ALE claiming that the remainder of the damages were not caused by the flooding. Plaintiffs also asked to recover Attorney Fees. Plaintiffs hired the *Davenport Law Firm* who filed suit in June 2010. The case was settled in June 2011 after 2 mediations.