

CALIFORNIA

JURY VERDICTS WEEKLY

Reporting Verdicts & Settlements Since 1956

Insurance

Insured Settles Bad Faith Case Involving Stolen Vehicle

Settlement: \$98,000.00

Case Type: Bad Faith, Professional Negligence

Case: Confidential, No. Confidential

Venue: Superior Court of Los Angeles County, Central, CA

Judge: Harvey A. Schneider

Settlement Date: 12-01-2001

PLAINTIFF(S)

Attorney:

Michael Nourmand; Kokozyan & Nourmand; Los Angeles, CA, for Confidential

Expert: None

DEFENDANT(S)

Attorney:

Pro Se, for Doe Broker

Confidential, for Doe Insurance Co., Doe General Agent

Expert: None

An insured reached a \$98,000 settlement with her insurer for its denial of her claim to recover for the value of her vehicle that was stolen a few days after an application for insurance was supposedly submitted.

On April 20, 2000, the defendant broker allegedly completed an application for the plaintiff's automobile insurance, which included collision and comprehensive coverage. The plaintiff said that she signed the application and made a down payment towards the insurance premium. She claimed that the broker "zapped" the application to the underwriting department and obtained a binder number.

Three days later, the plaintiff's vehicle was stolen from her residence, but was recovered the following day. The plaintiff made a claim with the defendant insurance carrier on April 25, 2000. The carrier declared the vehicle a total loss and made an offer in writing; the plaintiff accepted the offer.

About one month later, the carrier denied the claim on the grounds that there was no coverage because the carrier did not receive the plaintiff's insurance application.

The plaintiff alleged that the carrier breached its contract and unreasonably denied her claim. Moreover, she alleged against the broker was negligent in failing to take photos of the vehicle pursuant to the carrier's underwriting guidelines.

The defendants countered that they did not act unreasonably in denying the plaintiff's claim. They claimed that a policy was never issued to the plaintiff and that the broker never forwarded any premium payments or photos of the vehicle.

As reported in:

CALIFORNIA

JURY VERDICTS WEEKLY
Reporting Verdicts & Settlements Since 1956

Injury:

The plaintiff sought damages of \$5,000 for the vehicle, loss of use, emotional distress and attorney fees.

Verdict Information: The case settled for \$98,000, paid by the all the defendants, during a second session of mediation before Hon. Judge Harvey A. Schneider of ARC in Los Angeles. The broker contributed approximately \$500 toward the settlement.

WWW.VERDICTSEARCH.COM

P.O. Box 270770 / SAN DIEGO, CALIFORNIA 92198 / PHONE (800) 237-6525 / FAX (858) 487-0083 / EMAIL VERDICTS@AMLAW.COM