

INSURANCE BAD FAITH  
INFLICTION OF EMOTIONAL DISTRESS

08/14/89  
27-27

SETTLEMENT : \$4,740,000 TOTAL  
DISBURSEMENT: \$4,000,000 New Money  
\$ 740,000 Previously paid

PLAINTIFF ATTORNEY: LAWRENCE R. BOOTH  
(Booth & Koskoff)

Pltfs. were the owners of a wholesale janitor supply business which was completely destroyed by fire in March, 1985. Pltf. made a claim for approx. \$1.4 million. Deft. insurance company disputed the amount of coverage and claimed pltf. procured the fire. After two years of alleged delay, deft. sent an unsolicited check for \$740,000.00 approx. one-half the claim, again asserting that pltf. had procured the fire. Two years later on the eve of trial, deft. dropped the defense that pltf. was involved in causing the fire, but insisted the suspicious circumstances justified the delay, primarily based on the alleged financial difficulties of pltf's. business. Pltf. contended insurance bad faith and infliction of emotional distress. DAMAGES: \$1.4 million in fire loss plus several million in claimed business losses in addition to emotional distress and punitive damages. DEFENSE: Disputed the business losses claiming the business was not successful. OFFER: \$1,000,000 DEMAND: \$4,000,000 New Money

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SINGLE VEHICLE INCIDENT  
NEGLIGENT MAINTENANCE

07/02/89  
27-28

SETTLEMENT: \$24,000 TOTAL

PLAINTIFF ATTORNEY: LAW OFFICE OF GREGORY A. PATTON

In October, 1988, pltf., 69-year-old retiree, was a passenger in the backseat of deft. cab. Pltf. alleged deft. driver pulled out into traffic in an attempt to make a left turn, when deft. abruptly applied the brakes causing a whiplash effect on pltf. Pltf. contended deft. driver negligent in the operation of a common carrier for failure to yield to oncoming traffic and negligent maintenance for lack of backseat seatbelt; and contended liability imputed to deft. cab company through Respondeat Superior doctrine. INJURIES: Subluxation of previous cervical fusion requiring future stabilizing surgery. MED: \$3,000. FUTURE MED: \$10,000 to \$15,000. L/E and FUTURE L/E: None. DEFENSE: Admitted liability. OFFER: \$6,000 DEMAND: \$30,000