

## DONALD L. MYLES, JR. AND ASHLEY VILLAVERDE HALVORSON PREVAIL ON MOTION FOR SUMMARY JUDGMENT FOR MID-CENTURY INSURANCE COMPANY (FARMERS)

October 22, 2015 | Case Summaries, News



*Redmond (Zavala) v. Farmers, et al* – [Donald L. Myles, Jr.](#) and [Ashley Villaverde](#)

[Halvorson](#), attorneys at Jones, Skelton & Hochuli, recently prevailed on a motion for summary judgment for Mid-Century Insurance Company (Farmers), and were successful in limiting damages from a \$3.3 million stipulated judgment to the \$100,000 auto policy limit.

In *Redmond (Zavala) v. Mid-Century et al.*, the insured, Redmond, alleged Mid-Century breached the duty of good faith and fair dealing when it denied his claim for benefits on a cancelled auto policy. Redmond's son was in an auto accident and injured plaintiff Zavala. Redmond was insured by Mid-Century but had cancelled his policy five days before the accident and had instead insured the vehicle with State Farm. The Redmonds were defended and indemnified by State Farm but sought additional coverage from Mid-Century, arguing they had never cancelled the Mid-Century policy. Mid-Century denied the claim in part based on a cancellation notice in the file signed by Redmond. Redmond denied signing a request to cancel his policy, claiming that the cancellation was forged by someone in his insurance agent's office. Thereafter, Redmond assigned his bad faith claim to Zavala and stipulated to a \$3.3 million judgment.

Mid-Century moved for summary judgment, arguing that its investigation of the claim and its decision to deny coverage was reasonable as a matter of law. In the alternative, Mid-Century moved for partial summary judgment, arguing that Zavala's damages must be limited to the \$100,000 policy limit because Mid-Century was never presented with nor had it rejected an offer to settle the case. Absent the refusal of a reasonable settlement offer, an insurer is not liable for the amount of a judgment that exceeds the policy limits. *Rogan v. Auto-Owners Ins. Co.*, 832 P.2d 212, 216 (App. 1991). The Court agreed there was no evidence that a settlement offer was made, or that Mid-Century had refused such an offer, thus it limited the damages to the limit of the applicable policy.

[Don Myles](#) focuses his practice on defending clients in cases involving catastrophic injury and wrongful death claims, bad faith and extra-contractual liability, professional liability, and insurance coverage and fraud.

[Ashley Villaverde Halvorson's](#) practice focuses on defending insurance company clients in bad faith litigation, providing insurance coverage advice, and defending general personal injury and wrongful death actions.