

\$1,500,000

Propane Explosion
INSURANCE BAD FAITH

FACTS: Plaintiff homeowner was the named insured on a homeowners' policy provided by the Defendant insurer. The entire structure and all of its contents were destroyed in a propane gas explosion that occurred following repair work on a gas line by an uninsured plumber. None of the occupants were home at the time of the loss. Although never directly accusing the Plaintiffs for what it referred to as the suspicious origins of the fire, the Defendant insurer reserved its right to contest coverage and sought rescission of the applicable insurance policy. Defendant insurer denied coverage to the homeowner's family for their lost personal property, claiming that they were not members of the household.

CONTENTIONS: Plaintiffs contended that the insurer's refusal to provide coverage was in violation of the terms of the contract, that the coverage defenses were specious, and that the insurer was acting in bad faith by raising these defenses and refusing to pay the policy benefits. Defendant insurer contended that coverage was excluded because of "faulty or inadequate construction, repair or remodeling" in connection with the plumbing work on the gas line, the failure to submit proofs of loss within 60 days of the loss, and the Plaintiffs' refusal to provide certain financial documents. The Defendant insurer also contended that the Plaintiffs could not have physically placed in the house the quantity of personal property to have been destroyed, and that the Plaintiffs did not have the economic ability to purchase said items.

INJURIES: Loss of home and contents.

TOULET v. AMEX ASSURANCE COMPANY, et al.

CASE NUMBER: CIV160914

LOS ANGELES COUNTY SUPERIOR COURT