

INSURER SUED OVER 2008 FIRE CLAIMS

The Los Angeles Daily Journal reported that close to 175 homeowners have filed suit against Farmers Group, Inc., alleging the insurer unjustly denied claims stemming from the devastating Southern California wildfires of 2008. The complaint, which was filed in Los Angeles Superior Court, argues that Farmers hired "biased adjusters" who set damage claims below an arbitrary threshold in order to deny claims, and also discriminated against policyholders who were represented by attorneys or independent adjusters.

"It's just unconscionable how Farmers treated its policyholders differently and often maliciously simply to pad their profits," said Brian Kabateck, a partner at Kabateck Brown Kellner in Los Angeles who represents the plaintiffs.

"These were all valid claims and true tragedies - the damages of which are still felt today. And all were covered under their existing fire insurance policies issued by Farmers," Kabateck said.