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**SEIGER GFELLER LAURIE LLP
OBTAINS DEFENSE VERDICT VALUED AT \$2.3 MILLION
IN HOMEOWNERS INSURANCE FRAUD / BAD FAITH LAWSUIT**

New Haven, CT – August 2, 2011 -- A jury in United States District Court, District of Connecticut returned a unanimous defense verdict on July 28, 2011 in the case of The Estate of Frederick Mali and Lucretia Mali v. Federal Insurance Company. Litigation attorneys Mark Seiger and Robert D. Laurie with the complex commercial litigation law firm of Seiger Gfeller Laurie LLP represented Federal Insurance Company (part of the Chubb Group of Insurance Companies) in the two week jury trial.

“We are very pleased that the jury reached the correct decision in this complicated case and vindicated the actions of our client, Federal, who took a stand against an insured who materially misrepresented their insurance claim,” said Seiger. The case arose from an April 1, 2005 fire that destroyed a barn on the insured’s 400 acre estate in Litchfield County, CT. The property contained two buildings; a main house and a large post-and-beam barn that contained a small living area. The insureds, who reside in New York City, used the property as a weekend retreat. Following the fire, the insureds, who had a *Masterpiece* homeowners insurance policy with Federal which included replacement cost

coverage, filed an insurance claim exceeding \$2.3 million for the reconstruction of the barn and its contents. During the adjustment of their claim, the insureds made numerous misrepresentations concerning the size of the living area and the quality of construction of the barn. Ultimately, the insureds commenced litigation against Federal in August 2005, asserting claims for declaratory judgment, breach of contract and common law and statutory bad faith.

Attorneys Seiger and Laurie were successful in dismissing the insureds' statutory bad faith claims early in the litigation. Following a discovery period that included over 25 witness depositions, the production of thousands of documents, a forensic structural engineering investigation and multiple discovery disputes, attorneys further limited the insureds' bad faith theory through motions in limine that precluded evidence relating to reserve and underwriting materials. "Being aggressive early in the litigation paid dividends as trial approached as it allowed us to limit the scope of plaintiffs' bad faith claims and focus the trial on what really mattered – the physical evidence that confirmed the plaintiffs had materially misrepresented their claim," added Laurie.

At trial, the insureds focused their case on two eye witnesses (in addition to the insured herself, Lucretia Mali) whose testimony supported their story as to what existed prior to the fire as well as on Federal's conduct in adjusting and investigating their claim. The insureds presented their case in 6 days. Attorneys Seiger and Laurie presented Federal's case in 2.5 days by focusing on the physical evidence and testimony provided by independent witness, such as the original architect for the barn's living area and the local fire marshal, among others. *The jury returned a verdict in favor of Federal less than an hour. As a result of the defense verdict, the homeowners policy issued to the insured is void.*

The law firm of Seiger Gfeller Laurie LLP is recognized as a leader in complex commercial litigation including, insurance and reinsurance, sports and recreation, product liability and health care cost containment litigation. SGL serves as regional counsel (Northeast) for multiple insurance companies in insurance coverage litigation and the defense of extra-contractual and corporate liability claims. In recent years, SGL has been recognized for its accomplishments at trial. This is the second significant defense verdict for SGL attorneys in less than a year. In October 2010, a jury returned a defense verdict in favor

of SGL client, Ski Sundown, in a case involving a 15 year old boy who suffered a catastrophic injury while using the terrain park facility on the ski mountain. For more information, visit www.sglawgroup.com.

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