

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DIVISION

UNITED STATES OF AMERICA ex rel.
CORI RIGSBY and KERRI RIGSBY

RELATORS/COUNTER-DEFENDANTS

v.

CASE NO. 1:06cv433-LTS-RHW

STATE FARM MUTUAL INSURANCE COMPANY DEFENDANT/COUNTER-PLAINTIFF

and

FORENSIC ANALYSIS ENGINEERING CORPORATION;
EXPONENT, INC.; HAAG ENGINEERING CO.;
JADE ENGINEERING; RIMKUS CONSULTING GROUP INC.;
STRUCTURES GROUP; E. A. RENFROE, INC.;
JANA RENFROE; GENE RENFROE; and
ALEXIS KING

DEFENDANTS

**DEFENDANT/COUNTER-PLAINTIFF STATE FARM FIRE AND CASUALTY
COMPANY'S RESPONSE TO THE RIGSBYS'
MOTION FOR HEARING AND ORAL ARGUMENT**

Defendant/Counter-Plaintiff State Farm Fire and Casualty Company, improperly denominated in the First Amended Complaint as “State Farm Mutual Insurance Company” (“State Farm”), subject to all its defenses, including its Rule 9 & 12 defenses, submits this Response to Relators’ “Motion for Hearing and Oral Argument” (“Motion for Hearing”), ([172]). State Farm would show:

Response to Numbered Paragraphs of Motion

Pursuant to Fed. R. Civ. P. 7(b)(2), in response to the specific paragraphs of the Motion for Hearing, State Farm states as follows:

1. State Farm’s Rebuttal Memorandum ([171]) in support of its “Motion to Disqualify Bartimus, Frickleton, Robertson & Gorny, PC and Graves Bartle & Marcus, LLC” (“Disqualification Motion”), ([103]), speaks for itself. State Farm denies the remainder of the averments of paragraph 1 of the Motion for Hearing.

2. State Farm acknowledges that the Motion for Hearing requests a hearing, denies that the Rigsbys are legally entitled to same and further denies that a hearing is necessary on the Disqualification Motion. State Farm denies the remainder of the averments of paragraph 2 of the Motion for Hearing.

3. State Farm lacks information or knowledge sufficient to form a belief as to the truth or falsity of the averments concerning the Court's past interactions with the Rigsbys' Counsel. State Farm admits that some of its attorneys in this Action have appeared before this Court in other matters. State Farm denies the remainder of the averments of paragraph 3 of the Motion for Hearing.

4. State Farm denies the averments of paragraph 4 of the Motion for Hearing.

5. State Farm acknowledges that the Motion for Hearing requests a hearing, denies that the Rigsbys are legally entitled to same and further denies that a hearing is necessary on the Disqualification Motion. State Farm denies the remainder of the averments of paragraph 5 of the Motion for Hearing.

6. State Farm denies that either the Local Rules or the United States Constitution entitle the Rigsbys to a hearing on the Disqualification Motion and further denies the remainder of the averments of paragraph 6 of the Motion for Hearing.

7. State Farm denies that either the Local Rules or the United States Constitution entitle the Rigsbys to a hearing on the Disqualification Motion and further denies the remainder of the averments of paragraph 7 of the Motion for Hearing.

8. State Farm admits that no discovery has taken place to date in this Action.

9. State Farm admits that no discovery has taken place to date in this Action and further admits that no Fed. R. Civ. P. 26(f) meeting of counsel has been held between State Farm's counsel and the Rigsbys' Counsel in this Action. The docket in this Action speaks for itself. State Farm denies the remainder of the averments of paragraph 9 of the Motion for Hearing.

10. State Farm denies the averments of paragraph 10 of the Motion for Hearing.

11. State Farm lacks information or knowledge sufficient to form a belief as to the truth or falsity of the averments concerning the full nature of Counsel's relationship with the Rigsbys and certain unidentified "policyholders." However, State Farm would point out that – as described in more detail below – at least some of Counsel have represented policyholders in litigation against State Farm in the past as co-counsel with Scruggs and the SKG, including in the appeal of *Tuepker v. State Farm Fire & Casualty Co.*, No. 1:05cv559-LTS-RHW, 2006 WL 2794773 (S.D. Miss. Sept. 27, 2006), in which Chip Robertson actually argued the appeal before the Fifth Circuit.¹ State Farm would further point out that BFRG served as co-counsel with Scruggs and the SKG on behalf of the McIntoshes in *In re State Farm Fire & Casualty Co.*, No. 07-60771 (5th Cir. filed Oct. 2, 2007), which pertained to State Farm's Petition for a Writ of Mandamus from this Court's denial of State Farm's first disqualification motion and that BFRG also served as co-counsel with The Scruggs Firm in *Cori Rigsby & Kerri Rigsby v. Gene Renfroe & Jana Renfroe*, 1:07cv75-LTS-RHW (S.D. Miss. filed Jan. 26, 2007). State Farm denies the remainder of the averments of paragraph 11 of the Motion for Hearing.

¹ *Tuepker v. State Farm Fire & Cas. Co.*, 507 F.3d 346, 347 (5th Cir. 2007).

12. State Farm denies the averments of paragraph 12 of the Motion for Hearing and further denies the averments of the unnumbered paragraph beginning with the word “WHEREFORE,” which follows paragraph 12 of the Motion for Hearing.

RESPONSE ARGUMENT

1. The Rigsbys’ Counsel have requested a hearing and oral argument on State Farm’s “Motion to Disqualify Bartimus, Frickleton, Robertson & Gorny, PC and Graves Bartle & Marcus, LLC” (“Disqualification Motion”), ([103]). State Farm respectfully submits that no hearing or further argument is necessary in order to adjudicate this threshold issue in accordance with the *McIntosh* Order.²

2. In fact, the *undisputed* facts are alone sufficient to warrant disqualification under the reasoning of *McIntosh*. Even with respect to the disputed facts, the Rigsbys and their Counsel have been provided a more than adequate opportunity to be heard.

3. Further, as explained below, State Farm believes that holding a hearing on the Disqualification Motion will unduly delay resolution of this threshold issue and likely spawn similar requests by other law firms. Nonetheless, and in the alternative only, should the Court be inclined to hold a hearing, State Farm requests certain preliminary relief, so as to afford State Farm a fair opportunity to present evidence, as well as prior notice of potential testimony by the Rigsbys and their Counsel.

4. It is undisputed that:

² ([1172 & 1173]) in *Thomas C. McIntosh and Pamela McIntosh v. State Farm Fire and Casualty Company, Forensic Analysis & Engineering Corp., E.A. Renfroe & Company, Inc. and David Stanovich*; in the United States District Court for the Southern District of Mississippi, Southern Division; Civil Action No. 1:06cv01080-LTS-RHW.

- (1) Both GBM and BFRG were in a joint venture with Scruggs³ and knew or should have known about his unethical conduct – yet they did nothing to stop it, withdraw or disassociate themselves from Scruggs and his firm;
 - (2) Chip Robertson served as co-counsel with Scruggs and the SKG in the appeal of *Tuepker v. State Farm Fire & Casualty Co.*, No. 1:05cv559-LTS-RHW, 2006 WL 2794773 (S.D. Miss. Sept. 27, 2006),⁴ and actually argued the appeal before the Fifth Circuit,⁵ clearly rendering his firm “associated counsel” under *McIntosh*;
 - (3) BFRG served as co-counsel with Scruggs and the SKG on behalf of the McIntoshes in *In re State Farm Fire & Casualty Co.*, No. 07-60771 (5th Cir. filed Oct. 2, 2007), which pertained to State Farm’s Petition for a Writ of Mandamus from this Court’s denial of State Farm’s first disqualification motion; and
 - (4) BFRG also served as co-counsel with The Scruggs Firm in *Cori Rigsby & Kerri Rigsby v. Gene Renfro & Jana Renfro*, 1:07cv75-LTS-RHW (S.D. Miss. filed Jan. 26, 2007).
5. Never once mentioning these undisputed facts, Counsel oddly state that:

This Court does not know and has never ...laid eyes on the Missouri lawyers representing the Relators.

[and]....

[Holding] a hearing would allow the Court to look into counsel’s eyes and assess the arguments for disqualification

([172] at ¶¶3 & 5.)

6. State Farm respectfully submits that no “look into [the Rigsbys’] counsel’s eyes” ([172] at ¶5) is necessary, in order to apply the reasoning of the *McIntosh* Order. Rather, for the reasons explained in State Farm’s rebuttal memorandum ([171]), the undisputed facts are alone sufficient to warrant disqualification under the reasoning of the *McIntosh* Order. No hearing or oral argument is necessary on this straightforward matter.

³ See *Duggins v. Guardianship of Washington ex rel. Huntley*, 632 So. 2d 420, 427-28 (Miss. 1993) (holding that a group of lawyers who associate themselves for the purpose of bringing a lawsuit is a joint venture and subject to the same vicarious liability rules as a partnership).

⁴ In their Motion, Counsel state “[t]he Missouri firms represent no policyholders....” ([172] at ¶11.) In light of *Tuepker*, that statement could not be truthfully made in the *past* tense.

⁵ *Tuepker v. State Farm Fire & Cas. Co.*, 507 F.3d 346, 347 (5th Cir. 2007).

7. Counsel's statement that the Rigsbys' sworn testimony was "improperly conducted in other cases where counsel for [the Rigsbys] were not present and had no opportunity to clear the record[,]” ([172] at ¶10), is preposterous. As the transcripts themselves reflect – and as this Court has previously noted⁶ - in each of those proceedings the Rigsbys were represented by counsel (usually from The Scruggs Firm).

8. Further, Counsel's attempt to annul the Rigsbys' testimony by stating that State Farm has "misread the relators' answers to deposition questions..." (*Id.* at ¶1), does not hold water. If the Rigsbys' testimony was indeed mistaken, during their depositions their lawyers could have asked them questions intended "to clear the record...." (*Id.* at ¶10.) For example, Richard Scruggs conducted his own examination of Kerri Rigsby in her April 20, 2007 *McIntosh* deposition (Ex. B to Resp. at 406-427) and Zach Scruggs conducted his own examination of Cori Rigsby in *McIntosh* on May 1, 2007, (Ex. C to Resp. at 215-19 & 223-27.) Yet despite having personally witnessed the Rigsbys giving the testimony now cited by State Farm, very tellingly, they did not do so.

9. Finally, Counsel argue that they "should have the opportunity to present rebuttal to the allegations brought against them...." (*Id.* at ¶12.) Yet Counsel have already had such an opportunity – and they in fact submitted four separate declarations⁷ and some 39-pages of argument in opposition to State Farm's Disqualification Motion -- and it is worth noting that State Farm's rebuttal did not advance any argument concerning the Rigsbys' testimony about

⁶ In a January 8, 2008 Order in *McIntosh*, Your Honor noted the Scruggses' representation of the Rigsbys in connection with the referenced depositions. (*McIntosh*, No. 1:06cv01080-LTS-RHW at [998], ex. A to Resp.)

⁷ ([140-2 & 141-2, 3 & 4].)

Counsel that had not been previously raised. Although it is now obvious that Counsel do not like their own clients' testimony about their involvement, that testimony speaks for itself.

10. Counsel's suggestion that they – and the Rigsbys – have a right to a live hearing on State Farm's motion is simply wrong. Under Miss. Unif. Dist. Ct. R. 7.2(F)(1), motions are typically “decided by the court without a hearing or oral argument....”

11. Additionally, Counsel's argument that due process entitles them – and the Rigsbys – to a hearing is also mistaken. Even in the context of Rule 11 motions, the Fifth Circuit has held that no live hearing is required. *E.g., Merriman v. Security Ins. Co. of Hartford*, 100 F.3d 1187, 1192 (5th Cir. 1996) (“Although the district court never conducted an evidentiary hearing on the award or the amount of sanctions, due process does not demand an actual hearing. In Rule 11 cases, the opportunity to respond through written submissions usually constitutes sufficient opportunity to be heard”).⁸ Here, due process has already been satisfied.

12. The Rigsbys' motion suggests that their Counsel and perhaps the Rigsbys themselves intend to offer evidence at the hearing they now request. State Farm reiterates that it does not believe a hearing is necessary. However, if the Rigsbys and their Counsel are to be permitted a hearing, State Farm requests certain preliminary relief.

13. First, in the event the Rigsbys are granted a hearing, State Farm requests leave to depose the Rigsbys and their counsel on disqualification issues in advance, so it may have fair notice of their potential testimony at the hearing. Second, State Farm requests leave to take the

⁸ See *Taylor v. County of Copiah*, 937 F.Supp. 580, 584 (S.D. Miss. 1995) (“Simply giving the individual accused of a Rule 11 violation a chance to respond through the submission of a brief is usually all that due process requires”); see generally *Boddie v. Connecticut*, 401 U.S. 371, 378 (1971) (“Due process does not, of course, require that the defendant in every civil case actually have a hearing on the merits”).

“trial depositions” of Richard F. and Zachary Scruggs – who are beyond the subpoena power of the Court - so their testimony on disqualification-related issues may also be presented.

14. The live testimony the Rigsbys and their Counsel appear poised to offer, as well as the depositions State Farm alternatively requests, would almost certainly generate numerous privilege battles – ones which could delay a decision on the Disqualification Motion and multiply this litigation on issues potentially collateral to the merits. Further, it is likely that other counsel formerly associated with SKG and/or KLG will face disqualification issues in the future, in this or other State Farm Katrina-related cases. Holding a hearing on the Disqualification Motion in this case, might open a Pandora’s Box generating similar requests by numerous other firms.

WHEREFORE, PREMISES CONSIDERED, the undisputed facts should alone be sufficient to warrant disqualification under the reasoning of the *McIntosh* Order. In the alternative only, should the Court be inclined to hold a hearing, State Farm requests leave to depose the Rigsbys, their Counsel, Richard Scruggs and Zach Scruggs in advance, on issues related to disqualification. State Farm also prays for such further, alternative or supplemental relief as may be appropriate in the premises.

This the 13th day of May, 2008.

Respectfully submitted,

STATE FARM FIRE AND CASUALTY COMPANY

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PRO HAC VICE

CERTIFICATE OF SERVICE

I, E. Barney Robinson III, one of the attorneys for State Farm Fire and Casualty Company herein do hereby certify that I have this day caused a true and correct copy of the foregoing instrument to be delivered to the following, via the means directed by the Court's Electronic Filing System:

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FORENSIC ANALYSIS ENGINEERING CORPORATION, PRO SE

THIS the 13th day of May, 2008.

s/ E. Barney Robinson III (MSB #09432)
E. Barney Robinson III (MSB #09432)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DIVISION

THOMAS C. MCINTOSH AND PAMELA MCINTOSH

PLAINTIFFS

V.

CIVIL ACTION NO. 1:06CV1080-LTS-RHW

STATE FARM FIRE & CASUALTY COMPANY,
FORENSIC ANALYSIS & ENGINEERING CORP.,
AND E. A. RENFROE & COMPANY, INC.

DEFENDANTS

ORDER

The Court has before it objections to orders entered by the United States Magistrate Judge. The first objection [942] was filed by non-parties Cori and Kerri Rigsby (Rigsbys) to a December 14 Text Only Order with respect to a Motion to Quash a Subpoena *Duces Tecum* issued by defendant State Farm Fire & Casualty Company (State Farm) to AT&T Inc. (formerly Bellsouth), AT&T Mobility, LLC, and Cellular South Inc. for phone records. Ancillary to this is a request [953] by the Rigsbys to intervene to protect privileges and seek review of the Magistrate's order.

The remaining objections (one [947] by Plaintiffs and the other [956] by two of their former lawyers, Richard and Zach Scruggs (Scruggses)) are aimed at an [911] Order denying a [453] Motion for Protective Order and a [453] Motion to Quash with respect to noticed video depositions and document requests. The Scruggses have also filed motions related to their objections: a [958] Motion to Intervene for the Limited Purpose of Objecting to the Magistrate's Order and Moving for a Stay of that order; and a separate [957] Motion to Stay the Magistrate's [911] Order. The Scruggses' depositions are noticed [924] [925] for January 15, 2008.

This Court considers the objections under the standard set forth in Fed. R. Civ. P. 72(a): any portion of the Magistrate's order shall be modified or set aside if it is found to be clearly erroneous or contrary to law. The Rigsbys seek to prevent certain phone records from being obtained by State Farm, or at least limit the records that may be received. Plaintiffs and the Scruggses object to depositions being given by the Scruggses. They also raise concerns that the Magistrate's order is silent about what documents, if any, ought to be produced, and when such production should occur, as well as procedural issues surrounding the request for documents.

The United States Court of Appeals for the Fifth Circuit has observed that "Rule 26(c)'s requirement of a showing of good cause to support the issuance of a protective order indicates that 'the burden is upon the movant to show the necessity of its issuance, which contemplates a particular and specific demonstration of fact as distinguished from stereotyped and conclusory statements.'" *In re: Terra International, Inc.*, 134 F.3d 302, 306 (5th Cir. 1998)(citations omitted). The Rigsbys do not meet this burden, as their claims are broad and general. The phone records do not contain the substance of communications, but will show what phone numbers

were called and when the calls were made. The Magistrate was correct in concluding that “[t]he subpoenas are limited to a relatively short time frame, and it appears that the information sought is relevant or may lead to the discovery of relevant evidence.” The Rigsbys fail to establish that the Magistrate’s Text Only Order is clearly erroneous or contrary to law.

Much of the argument with respect to the Scruggses’ depositions hinges on their positions that what is involved is subject to the attorney-client privilege, that they are being deposed as “opposing counsel,” and that their rights and defenses are jeopardized in a criminal contempt proceeding pending in Alabama. Yet, as the Magistrate’s [911] Order points out, it is difficult to determine at any stage of the proceedings exactly what roles the Scruggses were playing. The example used by the Magistrate is the statement made at the depositions in April/May 2007 that Richard Scruggs was wearing “two hats” one as the Rigsbys’ lawyer and the other as their employer. It appears from the record that Zach Scruggs did the same thing on at least one other occasion. How all this connects with their representation of the Plaintiffs is also unclear. This is why the Scruggses’ depositions are appropriate to ferret through this forest of relationships, especially in terms of the timing of various conduct and activity. Whether substantive information is obtained is largely up to the deponents, who are represented by their own counsel on different fronts.

However, the Court is concerned about the status of the documents that may be part of this exercise. The Magistrate, faced with “the Scruggses’ blanket claims of privilege as to the documents requested,” declined to accept those claims and was not in a position to evaluate claims of privilege. Still, the [911] Order does not address the issues surrounding the request for documents, including how it was made and its scope. State Farm argues that these claims were not presented to the Magistrate until the rebuttal phase of the briefing on the original [453] motion and, therefore, have been waived. By the same token, defendant Renfroe was allowed to file a rather belated joinder to State Farm’s response to Plaintiffs’ [453] motion to quash (the Court will not disturb the ruling on the motion to strike the joinder [715]). And the fact remains that they were raised. The Court is not convinced that this is a mere case of form/procedure over substance. The better course is for these important issues to be resolved so that the depositions do not dissolve into confusion and a waste of time. In short, while it is appropriate for the depositions of the Scruggses to be taken, there is no practical sense in the depositions being held at this time.

Accordingly, **IT IS ORDERED:**

The Rigsbys’ [942] Objections to the December 14, 2007, Text Only Order of the United States Magistrate Judge are not well taken and are, therefore, **DENIED**, and the United States Magistrate Judge is hereby **AFFIRMED**;

The Rigsbys’ [953] Motion to Intervene to Protect Privileges and Object to the Magistrate’s Order is **MOOT**;

The Magistrate Judge’s [911] Order is **AFFIRMED** as to the allowance of the Scruggses’ depositions and the [715] Motion to Strike;

The Scruggses' [957] Motion to Stay the Magistrate Judge's [911] Order is hereby **GRANTED** to the extent that their depositions shall not take place until the documents' issues are resolved by the Magistrate, and this matter is referred to the Magistrate for further proceedings consistent herewith;

The rest of the related motions [947] [956] [958] are **MOOT**.

SO ORDERED this the 8th day of January, 2008.

s/ L. T. Senter, Jr.
L. T. SENTER, JR.
SENIOR JUDGE

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
3 SOUTHERN DIVISION

4
5 THOMAS C. AND PAMELA McINTOSH,
6 Plaintiffs,

7 VERSUS CIVIL ACTION NO: 1:06-cv-1080-LTS-RHW

8
9 STATE FARM FIRE AND CASUALTY
10 COMPANY; AND FORENSIC ANALYSIS
11 & ENGINEERING CORP.,

12 Defendants.

13 VIDEOTAPED DEPOSITION OF KERRI RIGSBY

14
15
16 Taken at the First Federal Savings and
17 Loans Bank, 903 Jackson Avenue,
18 Pascagoula, Mississippi, on Monday,
19 April 30, and Tuesday, May 1, 2007,
20 beginning at 9:22 a.m.

21
22 REPORTED BY:

23 F. Dusty Burdine, CSR No. 1171
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1 leave it alone.

2 MR. WEBB:

3 I don't intend to pursue it.

4 MR. HAWLEY:

5 Thank you.

6 MR. WEBB:

7 But if you want to put anything on the
8 record, please, do.

9 MR. HAWLEY:

10 No. Thank you for the invitation.

11 MR. SCRUGGS:

12 So you're through with your direct
13 examination?

14 MR. WEBB:

15 Right. I'm recessing this deposition
16 pending ruling from the Court on the objections
17 made and reserving my 11 minutes left on
18 examination.

19 MR. WYATT:

20 But y'all are tendering the witness?

21 MR. WEBB:

22 Yes. Tender the witness subject to
23 that.

24 EXAMINATION

25 BY MR. SCRUGGS:

1 Q. Okay. Just a few brief questions.

2 A. Okay.

3 Q. Richard Scruggs on behalf of the
4 McIntoshes. I've already identified myself on
5 the record.

6 Ms. Rigsby, do you know Senator Lott?

7 A. I do.

8 Q. Do you know that Senator Lott's only law
9 firm that he worked for before he went to congress
10 was Mr. Banahan's law firm?

11 A. I didn't know that.

12 Q. Do you know Mr. Banahan?

13 A. Yeah -- well, I do now.

14 Q. And he's sitting here today representing
15 State Farm, is he not?

16 A. Yes, yes.

17 Q. Who is Mr. Taber? You were questioned
18 about a Mr. Taber a minute ago. Who is that?

19 A. He is a State Farm team manager.

20 Q. Does he have a law degree?

21 A. And he also has a law degree.

22 Q. Was he present at the McIntosh
23 mediation?

24 A. He was present at the McFarland
25 mediation.

1 Q. I'm sorry. The McFarland mediation.

2 A. Correct.

3 Q. Okay. And you were present at that
4 mediation?

5 A. Correct.

6 Q. And that's one of those that you
7 represented State Farm along with Mr. Taber and
8 another person at that mediation?

9 A. Correct.

10 Q. Tell me about that episode.

11 A. Well, we had -- prior to mediation, of
12 course, we inspected the McFarland property,
13 gathered our data, had a meeting, the three of us,
14 Taber, Todd Zastrow, who is another State Farm
15 adjuster. We discussed what the circumstances
16 were and felt like -- they felt like nothing would
17 be offered, which, fine. You know, I said, okay.

18 We went to mediation. And, of course, I
19 continued to play my role as State Farm and how
20 they wanted me to play it. But when Dr. McFarland
21 comes in, he comes in with mounds of information,
22 documentation of things that had happened to and
23 around his property. He had data -- just page
24 after page of data. Of course, all we were
25 relying on were the Haag Engineering report and

1 another report called Weather Data.

2 So he comes in. He presents his case,
3 which is -- mediation is a forum for each side to
4 present their case. You go with an open mind.
5 You tell the policyholder, we're going to have an
6 open mind, we're going to listen to your case
7 again, this is your opportunity.

8 MR. WEBB:

9 Excuse me. I'd like to interpose an
10 objection on responsiveness and also relevancy
11 under the rules of discovery because I don't
12 really see how this relates to the McIntosh claim.

13 MR. SCRUGGS:

14 Well, but all respect, you've -- you've
15 raised the McFarland, Zastrow, Taber issue
16 yourself and the mediation issue yourself, and I'm
17 just elaborating on that record that you opened
18 the door on.

19 MR. WEBB:

20 Well, I know you're elaborating, or the
21 witness is elaborating, but --

22 MR. SCRUGGS:

23 No. I think the witness is allowed --
24 I'm going to ask the question. You can object if
25 you want to.

1 MR. WEBB:

2 What was the question?

3 MR. SCRUGGS:

4 About the episode involving
5 Dr. McFarland's mediation, which is a question you
6 asked about earlier today, if not, yesterday.

7 MR. WEBB:

8 I asked specifically a question about a
9 specific conversation between this witness and
10 Mr. Zastrow.

11 MR. SCRUGGS:

12 And Dr. McFarland and going to that
13 property and inspecting that property and being
14 involved in mediation.

15 MR. WEBB:

16 That's correct.

17 MR. SCRUGGS:

18 And I'm asking the same question.

19 MR. WEBB:

20 And to the extent that you refer to an
21 episode, I object to the form of the question
22 because episode is a little vague. But subject to
23 that, have at it.

24 MR. SCRUGGS:

25 Thank you.

1 THE WITNESS:

2 So. We were at mediation.

3 Dr. McFarland presents his case. We listen.

4 MR. SCRUGGS:

5 Q. Well, let me stop you, if I might. Who
6 came with Dr. McFarland?

7 A. His wife and his daughter, both named
8 Rosemary.

9 Q. His wife and his daughter are both named
10 Rosemary?

11 A. Uh-huh, correct.

12 Q. How old a gentleman is Dr. McFarland?

13 A. I don't know his exact age, but I would
14 say he is in his 80s.

15 Q. And his wife?

16 A. Same.

17 Q. Do you know what happened to her?

18 A. I do. I do know that she passed after
19 our -- since mediation. That was the last time I
20 saw her, uh-huh, yes.

21 Q. She passed away?

22 A. In her FEMA trailer, yes.

23 Q. On the slab that you inspected with
24 Mr. Zastrow?

25 A. On the slab I inspected with Mr.

1 Zastrow.

2 Q. All right. Now, Mr. Taber was present
3 at that mediation?

4 A. He was.

5 Q. And who else besides you were present at
6 the McFarland mediation?

7 A. Todd Zastrow and then the mediator.

8 Q. And the mediator was a AAA mediator that
9 the insurance commissioner had encouraged people
10 to go before; is that correct?

11 A. Correct.

12 Q. All right. And you had role played this
13 out before the mediation?

14 A. Correct.

15 Q. And it was scripted. I think that was
16 your term?

17 A. Yes.

18 Q. Did -- and you said Mr. Taber was a
19 lawyer?

20 A. Correct.

21 Q. Was that disclosed to the McIntoshes?

22 A. No.

23 Q. I mean, the McFarlands?

24 A. No.

25 Q. Or the mediator?

1 A. No.

2 Q. And the decision was made before you
3 went to the mediation that regardless of what
4 evidence was presented at the McFarland mediation,
5 and perhaps others, but that one, that nothing
6 would be offered?

7 MR. WEBB:

8 Excuse me --

9 A. That's correct.

10 MR. WEBB:

11 -- objection to leading the witness.

12 Your employee, in fact.

13 MR. SCRUGGS:

14 Well, at the time, she was your
15 employee.

16 MR. WEBB:

17 I disagree with that and move to strike.
18 She was not my employee. Never has been.

19 MR. SCRUGGS:

20 Q. Ms. Rigsby, did you have a State Farm
21 business card?

22 A. I did.

23 Q. Did you wear a State Farm uniform?

24 A. I did.

25 Q. Were you under direction and control of

1 State Farm during that mediation?

2 A. I was.

3 MR. WEBB:

4 Objection to leading.

5 THE WITNESS:

6 I was.

7 MR. SCRUGGS:

8 Q. And were you instructed not to advise
9 the policyholder that you were employed
10 technically by Renfroe and not State Farm?

11 MR. WEBB:

12 Objection to leading.

13 A. I had been advised that prior to the
14 mediation at the beginning of the storm.

15 MR. SCRUGGS:

16 Q. What was Dr. and Mrs. McFarland's and
17 their daughter's reaction?

18 A. Well, they came there with high hopes.
19 I mean, he came in. He was charged, motivated.

20 MR. WEBB:

21 Please excuse me. I have to object to
22 this because now the witness is testifying about
23 what's in somebody else's mind. She can't
24 possibly do that. The question is argumentative
25 as well.

1 MR. SCRUGGS:

2 Q. Go ahead and answer it, please.

3 A. I observed him to be optimistic. I
4 think we had given -- I know I had spoken with
5 him, given him hope that he was going to be able
6 to come to this meeting, present his evidence and
7 possibly go home with some type of settlement. He
8 had no idea that when he was walking in that room,
9 his fate had been sealed. He had no chance. He
10 drove an hour and a half, an elderly man with his
11 wife, who was ill, to Hattiesburg thinking that
12 they were going to come to some resolution with
13 State Farm.

14 MR. WEBB:

15 Same objection. Move to strike.

16 THE WITNESS:

17 And we knew driving to Hattiesburg that
18 he was not.

19 MR. WEBB:

20 Same objection. Move to strike.

21 MR. SCRUGGS:

22 Q. We also mentioned Mike Meyers, Mr. Webb
23 did. Do you recall who Mike Meyers is, or
24 Mr. Meyers?

25 A. He's a -- he's a State Farm agent.

1 Q. Over in the Bay St. Louis area?

2 A. I believe so.

3 Q. And there was a question about
4 backdating flood policies that came up and was
5 discussed in your office as you testified to
6 Mr. Webb's question?

7 A. Correct.

8 Q. And was he one of the ones that was
9 involved in the -- at least the discussions of
10 perhaps backdating flood policies that would be
11 passed on to the federal government?

12 MR. WEBB:

13 Excuse me --

14 A. Yes.

15 MR. WEBB:

16 -- I object to that. That's actually
17 not what she testified to. She didn't testify
18 that Mr. Meyers was involved in some discussion.

19 MR. SCRUGGS:

20 I think she did, but I'll ask her.

21 Q. Was Mr. Meyers, Mike Meyers, the State
22 Farm agent in the Bay St. Louis area one of the
23 people that was involved in the discussions in
24 your State Farm office while you were there with
25 State Farm?

1 MR. WEBB:

2 Same objection. Objection to the form.

3 A. He was the subject of the discussion,
4 yes.

5 MR. SCRUGGS:

6 Q. And that came up through another agent,
7 I thought you said, of State Farm?

8 A. Another agent had gotten very upset, and
9 I think her name is Felicia, who actually has an
10 office down the road from him, and she was upset
11 because he did that. And she's left with no
12 coverage and no way to rebuild, yet he is -- he
13 backdated his policy or sent in a check or somehow
14 did something with underwriting to get a flood
15 policy when he didn't have it.

16 She was very upset and tried to report
17 it to as many people as she could, and I guess
18 that's how the cat services learned about it.

19 Q. Mr. Webb asked you about Exhibit, I
20 think, 14 and 15, Exhibits 14 and 15, which are
21 the October 12th, '05 report from Forensic and the
22 October 20th report from Forensic. Do you recall
23 that?

24 A. I do.

25 Q. And the conclusion right above

1 Mr. Kochan or Kochan's name, who is the president
2 of Forensic, at the last page of the report -- do
3 you see that?

4 MR. WEBB:

5 Which exhibit number?

6 MR. SCRUGGS:

7 14 and 15.

8 MR. WEBB:

9 Okay. We're talking about both of them?

10 MR. SCRUGGS:

11 Same thing, both of them.

12 A. Yes. I see that.

13 MR. SCRUGGS:

14 Q. And Mr. Webb asked you if -- words to
15 the effect that it was a -- they reserved the
16 right in that paragraph that I'm referring to
17 right above Mr. Kochan's name to change their
18 report as new information came in?

19 A. Correct.

20 Q. Does that essentially sum up what it
21 says?

22 A. Yes.

23 Q. And what Mr. Webb asked you about?

24 A. Correct.

25 MR. SCRUGGS:

1 Will you mark this, please?

2 (Exhibit 16 was marked.)

3 MR. SCRUGGS:

4 Q. Ms. Rigsby, I'm going to ask you to read
5 Exhibit 16 to your testimony. If you'll read it
6 out loud. It's not long.

7 A. Okay.

8 MR. WEBB:

9 Can she identify it?

10 THE WITNESS:

11 It's Exhibit --

12 MR. SCRUGGS:

13 I asked her to read it out loud, and
14 then I'll ask her questions about it.

15 MR. WEBB:

16 Well, can she identify it first?

17 MR. SCRUGGS:

18 This is my time, Dan.

19 THE WITNESS:

20 All right. Exhibit 16: Nellie, had a
21 good conversation with Jack this morning regarding
22 one of Manny's reports that had claimed wind
23 damage versus water despite much of the evidence
24 indicating water was the primary cause.
25 Apparently State Farm had raised an issue

1 concerning our findings. We are using the out of
2 our standard disclaimer at the end of the report,
3 along with the updated weather data that we
4 received later to justify our changing the report
5 findings. I suggest that approach, and Jack
6 was -- I suggested that approach, and Jack was
7 fine with it. Hopefully there are not too many
8 more of these types of reports lurking out there.
9 I recall Manny produced about 10. Hopefully some
10 of those had a more supportable conclusion, Randy.

11 Q. And who is Randy?

12 A. It says Randy Down and Randy -- I
13 thought I saw his name somewhere. It says Randy
14 Down, and it gives his Forensic e-mail address.

15 Q. And he's a Forensic employee according
16 to that e-mail?

17 A. Yes.

18 Q. Who is Jack?

19 A. The subject is Jack.

20 Q. Was Mr. Kelly referred to as Jack?

21 A. Yes, yes. So that would be John Kelly.

22 Q. John Kelly --

23 A. Yeah.

24 Q. -- who wrote the October 20, Exhibit
25 either 14 or 15? I think it was Exhibit 15, the

1 report.

2 A. Yeah. Exhibit 15, John Kelly.

3 Q. John Kelly. Now, the date of Exhibit 14
4 is October 12th?

5 A. Uh-huh, correct.

6 Q. Of 2005?

7 A. Correct.

8 Q. So it's the date of the report, does it
9 not -- is it not?

10 A. Correct. It's the date of the report.

11 Q. And it refers to an inspection that was
12 conducted prior to that date?

13 A. Correct.

14 Q. And the report which is Exhibit 15 is
15 dated October 20, 2005?

16 A. Correct.

17 Q. And this is the one that's signed by
18 Jack or John Kelly?

19 A. Yes.

20 Q. All right. Where the conclusion of the
21 cause of the loss changes significantly?

22 MR. WEBB:

23 Objection to the form, leading.

24 MR. SCRUGGS:

25 Q. Is that --

1 A. Yes. The conclusion changes.

2 Q. The conclusion changes. Mr. Webb showed
3 you what is, I think, Exhibit 7, a roster?

4 A. Yes.

5 Q. Right?

6 A. Right. Got it.

7 Q. Would you look over at Page 10 of that
8 roster?

9 A. Yes.

10 Q. In about -- a short ways down the list,
11 there are -- it begins Forensic Analysis and
12 Engineering?

13 A. Yes.

14 Q. Do you see that on the left-hand column?

15 A. Yes.

16 Q. Is that FAEC?

17 A. Yes.

18 Q. And is the address -- the second entry,
19 the address, 2558 South Shore Drive, Biloxi?

20 A. Yes.

21 Q. Is that the McIntosh home?

22 A. It is.

23 Q. And if you go back to the front page of
24 Exhibit 7, in the last two columns on the right,
25 one says inspection date, right?

1 A. One says inspection date.

2 Q. And the next one says report received?

3 A. Correct.

4 Q. All right. Go back to Page 10 again for
5 South Shore Drive for the McIntosh residence.

6 What's the date that it was inspected, according
7 to the State Farm document?

8 A. October 24th, 2005.

9 Q. Does that comport with Exhibits 14 or
10 15?

11 A. No. Fourteen states that it was field
12 inspected on October 7th. Exhibit 15 states that
13 it was field inspected on October 18th. Actually
14 this is showing that it was field inspected after
15 both the reports had been completed.

16 Q. So that would indicate that State Farm's
17 roster, their confidential -- State Farm Insurance
18 Confidential Proprietary Information, Exhibit 7,
19 is inaccurate?

20 A. Correct.

21 Q. On the date --

22 MR. WEBB:

23 Object to the form.

24 MR. SCRUGGS:

25 Q. -- the McIntosh residence was inspected?

1 A. Correct.

2 Q. Now, in the next column, it says the
3 date the report was received.

4 A. January 5th, 2006.

5 Q. When were those reports actually
6 received?

7 A. State Farm is supposed to stamp each
8 incoming piece of mail with a receive stamp, and I
9 don't see the receive stamp on these. So we don't
10 know the exact date it was received, but we know
11 it was received at the end of October or first of
12 November because that's when I saw them.

13 Q. Of 2005?

14 A. Of 2005.

15 Q. Well before State Farm's Exhibit 7 shows
16 they were received?

17 A. Correct.

18 Q. Okay. Was Exhibit 14, which is the
19 October 12th, 2005 report from Forensic --

20 A. Yes.

21 Q. -- is the first page of that the one
22 that had Ms. King's sticky note on it?

23 A. Yes, it did.

24 Q. And that's the one she put in this file
25 drawer that she had under lock and key?

1 A. She put it at her desk, and it's
2 possible that she actually put it in the file
3 drawer. It went in that file drawer, yes.

4 MR. WEBB:

5 Objection. Move to strike.

6 MR. SCRUGGS:

7 Q. Do you recall while you were working out
8 of the State Farm catastrophe office in
9 Mississippi sometime in the early part of 2006, a
10 grand jury subpoena for documents being served on
11 State Farm?

12 A. Yes.

13 Q. Were documents in that office?

14 A. Yes, they were.

15 Q. Subsequent to the serving of the grand
16 jury subpoena, were documents from that office
17 shredded?

18 A. Yes. They were more -- what was odd
19 about that is we had been in Gulfport for months
20 and never once saw the shredder truck. And, of
21 course, we do shred documents that we don't need
22 for privacy issues.

23 But we had been over in Gulfport for
24 months and never needed a shredder truck. And
25 then when we got to this location in Biloxi and

1 the subpoenas were -- were coming out, all of a
2 sudden, we started seeing shredder trucks often.
3 I had been on cat for eight years, and I don't
4 know that I've ever seen a shredder truck at the
5 office. I knew we shredded, but I don't know
6 what -- why we would need one so often all of a
7 sudden.

8 Q. The shredder truck was what size?

9 A. It was a very large truck. It wasn't an
10 18-wheeler, but it was a large truck.

11 Q. And the shredding apparatus was inside
12 that truck?

13 A. I believe it was, yes.

14 Q. And there were bins in the office.

15 A. Bins in the office. And they would go
16 get the bins and wheel them down to the truck.
17 They would shred it there.

18 Q. Mr. Webb asked you about Mark Drain.

19 A. Yes.

20 Q. Is Mr. Drain single?

21 A. No, he's not.

22 Q. Was he during the time you knew him?

23 A. No, he was not.

24 Q. You were?

25 A. I was, yes.

1 Q. What was his relationship to you in
2 terms of professional relationship?

3 A. He was a -- or is a State Farm team
4 manager. And the team managers are over the
5 independents, so he would be considered one of my
6 many supervisors.

7 Q. Has he made efforts to contact you since
8 this May 13th e-mail where you broke it off, so to
9 speak, broke off the relationship?

10 A. Yes, he has.

11 MR. SCRUGGS:

12 I think that's all.

13 MR. WEBB:

14 Go off the record just a minute.

15 VIDEO TECHNICIAN:

16 We're going off the record. The time is
17 12:53.

18 (Off the record.)

19 VIDEO TECHNICIAN:

20 We're back on the record. The time is
21 12:58.

22 EXAMINATION

23 BY MR. WEBB:

24 Q. Ms. Rigsby, just a couple of things.
25 Mr. Scruggs asked you some questions about an

1 CERTIFICATE OF COURT REPORTER

2 I, F. DUSTY BURDINE, Court Reporter and Notary
3 Public, in and for the County of Harrison, State of
4 Mississippi, hereby certify that the foregoing
5 pages, and including this page, contain a true and
6 correct transcript of the testimony of the witness,
7 as taken by me at the time and place heretofore
8 stated, and later reduced to typewritten form by
9 computer-aided transcription under my supervision,
10 to the best of my skill and ability.

11 I further certify that I placed the witness
12 under oath to truthfully answer all questions in
13 this matter under the authority vested in me by the
14 State of Mississippi.

15 I further certify that I am not in the employ
16 of, or related to, any counsel or party in this
17 matter, and have no interest, monetary or
18 otherwise, in the final outcome of the proceedings.

19 Witness my signature and seal, this the
20 _____ day of _____, 2007.

21
22
23 _____
24 F. Dusty Burdine, CSR #1171
25 My Commission Expires 4/20/09

1 that right?

2 MR. BANAHAH: Under a confidentiality
3 agreement.

4 MR. WEBB: Under a confidentiality
5 agreement, as I now understand.

6 MR. ZACH SCRUGGS: Y'all tender the
7 witness? Okay.

8 - - -

9 EXAMINATION

10 BY MR. ZACH SCRUGGS:

11 Q. Good afternoon, Ms. Rigsby.

12 A. Good afternoon.

13 Q. I just have a couple of follow-up
14 questions for what my colleague, Mr. Webb, was
15 asking you about.

16 Mr. Webb asked you about instances and
17 occasions of conversations with Lecky King related
18 to the handling of State Farm claims. And if I
19 remember correctly, in your testimony you
20 testified about a specific instance with Ms. King
21 as to a particular engineering report. Can you
22 tell me more about that? Do you recall what I'm
23 talking about?

24 A. Yes, I believe I do. As I stated
25 earlier, Lecky was in charge of all the engineer

1 reports. She would read them before the adjusters
2 or the team managers would get ahold of them, and
3 so it was her job to kind of cipher through these
4 things and determine what to do with them next.

5 On this particular day, I remember she
6 just had mounds of engineer reports on her desk,
7 and she called me over and she said, Hey, Cori,
8 come look at this. You're not going to believe
9 it. And she flipped a picture out and she said,
10 What do you think caused this damage? And she
11 said, The engineer must be related to somebody on
12 this street because he's calling it wind damage.
13 And that was when -- and it was actually -- it was
14 the McIntosh engineer report.

15 And that's the one, I think I stated
16 earlier, where she told Lisa Wachter, who set in
17 front of her, she said, Lisa, call this firm and
18 tell them if they don't change the report, we're
19 not going to pay their invoice fee.

20 Q. And that was -- your recollection, that
21 was the McIntosh engineering report?

22 A. That was the McIn- --

23 MR. WEBB: Objection to the form of the
24 question. Leading.

25 BY MR. ZACH SCRUGGS:

1 Q. What engineering report did that relate
2 to?

3 A. That was the McIntosh engineering
4 report.

5 Q. Okay. Do you have any understanding of
6 what happened on that claim, on the McIntosh
7 claim, or with that report or anything?

8 A. Well, yes. That was --

9 MR. WEBB: Excuse me. Objection to the
10 form of the question.

11 BY MR. ZACH SCRUGGS:

12 Q. Okay.

13 A. That was the report that Kerri found the
14 original report loose from the file, went and
15 pulled the file, found the second report located
16 in the file. The first one had the sticky note
17 that I think we're all aware of: "Do not pay. Do
18 not discuss."

19 Then, apparently, they paid McIntosh.
20 I'm not sure what they paid them under wind, a
21 minimal amount. And then it was my understanding
22 that State Farm actually sent two attorneys to
23 McIntosh's home and showed him the second engineer
24 report twice and told him that there wasn't two
25 copies of an engineer report, as had been claimed

1 on TV, but it was just a duplicate copy of the
2 same report and got Mr. McIntosh to write out some
3 sort of "I'm happy with the way you explained it
4 to me" thing.

5 So they basic- -- and then Terry Blalock
6 also called the McIntoshs and explained that there
7 was only one engineer report. And, of course, as
8 we have found out, that's not the case.

9 MR. WEBB: I want to object to that
10 answer as nonresponsive, beyond the witness'
11 knowledge, and move to strike it.

12 MR. ZACH SCRUGGS: Okay.

13 MR. WEBB: Go ahead.

14 MR. ZACH SCRUGGS: That objection is so
15 noted.

16 BY MR. ZACH SCRUGGS:

17 Q. I'm going to hand you what is marked as
18 Exhibit 7 to Kerri Rigsby's deposition that I
19 believe you identified in Mr. Webb's direct
20 examination. But can you tell us what Exhibit 7
21 to Kerri Rigsby's deposition is?

22 A. This is the engineer roster, and this
23 was the -- this was the roster that we worked on
24 when we printed out the documents for the data
25 dump.

1 Q. Okay. What does that document show?

2 A. It shows every claim that had an
3 engineer assigned to it, the engineer firm that is
4 assigned to it, the date they were inspected. It
5 shows here if it was cancelled. I believe
6 there -- I don't know if it's on this or the log
7 note where they'll say if there was a peer review,
8 which is kind of code for we didn't like your
9 report, so we're getting someone else to do a
10 report.

11 Some companies, like Dreaux Seager,
12 wouldn't change their reports, so they would call
13 in another company to reevaluate the
14 policyholder's claim. So that's another thing we
15 looked for. If a claim had two engineers assigned
16 to it, that was generally the case.

17 MR. WEBB: Same objection and same
18 motion.

19 MS. BREARD: Join in that objection.
20 BY MR. ZACH SCRUGGS:

21 Q. Can you hand me Exhibit 7,
22 Mrs. Rigsby -- Ms. Rigsby now?

23 MR. ZACH SCRUGGS: No further questions.

24 MR. WEBB: Just a brief follow-up to
25 those questions.

1 Okay.

2

- - -

3

FURTHER EXAMINATION

4

BY MR. ZACH SCRUGGS:

5

Q. Does -- would the term "wind file" have
6 any meaning, or what would your understanding of
7 the "wind file" -- the term "wind file," as
8 written by Lecky King, what would that mean?

9

A. The homeowner's claim.

10

Q. Okay. To your knowledge, did Lecky King
11 maintain any files on certain -- of certain
12 engineering reports?

13

A. Did she maintain them?

14

Q. Right.

15

A. Yes.

16

Q. Okay. Tell me about that.

17

A. Well, there was one e-mail, and I think
18 we've all seen it here, where she instructed that
19 one of the copies of the engineer reports would be
20 in the file, and the second copy would be under
21 lock and key. Is that the --

22

Q. I don't know. You tell --

23

A. Yeah. That was -- and as far as another
24 area, I guess, that she maintained the files is
25 she was the one that had direct control of all the

1 engineering reports as they came in the office.
2 Regular protocol when anything comes in by mail is
3 to date stamp it, you know, open it, date stamp
4 it, and disburse it.

5 The CAPS people would come in with arms
6 of mail that were never opened or date stamped and
7 deliver it directly to Lecky King's desk, which
8 was another one of the irregularities we noted.
9 And she totally had complete control over the
10 roster, the assignments, you know, if she felt
11 like the engineer report needed to be changed.

12 Q. Did I understand your testimony that --

13 MR. WEBB: Excuse me before you go on to
14 the next question. I want to object to that
15 as nonresponsive, beyond the witness'
16 knowledge, speculation. Move to strike.

17 MR. ZACH SCRUGGS: Okay.

18 BY MR. ZACH SCRUGGS:

19 Q. Do I understand your testimony that
20 Ms. King would have maintained a file of
21 engineering reports, if there was more than one
22 engineering report done?

23 MR. WEBB: Objection. Leading.

24 MS. BREARD: Join the objection.

25 BY MR. ZACH SCRUGGS:

1 Q. You can answer to the extent you know.

2 A. Okay. Yes. She maintained a file in
3 the office that was under lock and key of engineer
4 reports.

5 Q. Okay. Mr. Webb also asked you a
6 question about the McIntosh claim. You didn't do
7 the adjustment of the McIntosh claim?

8 A. No, I did not.

9 Q. Okay. You weren't involved in the
10 adjustment of the McIntosh claim?

11 A. No.

12 Q. Okay. And you're not a structural
13 engineer?

14 A. I am not.

15 Q. Or a meteorologist?

16 A. No.

17 Q. And you weren't present at the McIntosh
18 house during the time of Hurricane Katrina?

19 A. No, I was not.

20 Q. Okay. And do you recall what -- was it
21 your -- to your understanding, was an engineer
22 assigned to adjust -- strike that.

23 Was it your understanding that an
24 engineer was assigned to inspect the McIntosh
25 residence?

1 MR. WEBB: Objection to the form of the
2 question. Leading. That's it.

3 BY MR. ZACH SCRUGGS:

4 Q. Was -- was an engineer assigned to
5 inspect the McIntosh residence?

6 A. Yes, they were. And in this case, I
7 mean, he asked me did I think wind was the only
8 thing that caused the damage, or something to that
9 nature. And, you know, on houses like this that
10 are -- sometimes you need to be able to
11 differentiate between the wind and the water, and
12 it's never been our testimony that the water
13 caused all the damage.

14 That's been a big misconception in the
15 papers and everything that we're saying water did
16 everything. We're not saying the water. It's
17 just the fact that this is a case about fraud, not
18 about whether wind caused the damage or water
19 caused the damage. It's a case about whether
20 State Farm changed an engineer report to benefit
21 the outcome.

22 Q. What was the --

23 MR. WEBB: Excuse me, Zach. I want to
24 make the same objection that I made a moment
25 ago. Beyond the witness' knowledge,

1 speculation, and nonresponsive. Move to
2 strike.

3 MS. BREARD: We join in the objection.

4 MR. ZACH SCRUGGS: So noted.

5 BY MR. ZACH SCRUGGS:

6 Q. What was the conclusion of the first
7 engineer that inspected the McIntosh property?

8 A. Basically, his conclusion was that the
9 damage was caused primarily from wind.

10 Q. Okay.

11 MR. ZACH SCRUGGS: No further questions.

12 Dan.

13 - - -

14 FURTHER EXAMINATION

15 BY MR. WEBB:

16 Q. Okay. The gentleman across the table
17 from me that just asked you that series of
18 questions, is he currently your employer?

19 A. Yes.

20 MR. ZACH SCRUGGS: Object to the form of
21 the question.

22 BY MR. WEBB:

23 Q. And on a cat site with as many claims to
24 handle as were going on down there, you will agree
25 with me, won't you, that a date stamp could be

C E R T I F I C A T E

STATE OF MISSISSIPPI

COUNTY OF HARRISON

I, Elizabeth Bost Simpson, RDR, RMR, CRR,
Freelance Court Reporter and Notary Public, duly
commissioned for the County of Harrison, State of
Mississippi, do hereby certify:

That on the 1st day of May, 2007, there
appeared before me CORI RIGSBY, who was sworn and
examined to tell the truth, and that the preceding
232 typewritten pages contain a full, true, and
correct copy of my stenotype notes and/or
electronic tape recording of the testimony of CORI
RIGSBY.

That the witness has chosen to reserve the
reading and signing of the deposition.

That I am not related to or in anywise
associated with any of the parties to this cause
of action, or their counsel, and that I am not
financially interested in the same.

In WITNESS WHEREOF, I have hereunto set my
hand.

Elizabeth Bost Simpson, RDR, RMR,
CRR, Notary Public, State of
Mississippi, County of Harrison.
My commission expires 6-10-2009.