

FILED

2006 DEC -8 PM 4:03

U.S. DISTRICT COURT  
N.D. OF ALABAMA

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ALABAMA  
SOUTHERN DIVISION

E.A. RENFROE & COMPANY, INC., }

Plaintiff, }

v. }

CORI RIGSBY MORAN and KERRI }

RIGSBY, }

Defendants. }

CIVIL ACTION NO.  
06-AR-1752-S

**ENTERED**

**DEC 8 2006**

MEMORANDUM OPINION AND PRELIMINARY INJUNCTION

On November 21, 2006, an evidentiary hearing was conducted on the application of plaintiff, E.A. Renfroe & Company, Inc. ("Renfroe"), for a preliminary injunction against defendants, Cori Rigsby Moran ("Moran"), and Kerri Rigsby ("Rigsby"). Neither Moran nor Rigsby appeared in person at the hearing, but they were both represented by counsel.

The basic facts bearing on Renfroe's request for preliminary injunctive relief are, for the most part, undisputed. Renfroe is a company that provides adjusters to insurance companies during catastrophes. Moran and Rigsby had worked for Renfroe on disasters before Hurricane Katrina, and in the wake of Katrina they were called upon by Renfroe to perform services in Mississippi in fulfillment of a contract with State Farm for the handling of casualty claims relating to Katrina.

In their answer to Renfroe's complaint, Moran and Rigsby admit that while employed by Renfroe, they executed documents

bearing the title "Employment Agreement" and "Code of Conduct", but they deny that these contracts were in effect during their work for Renfroe in the aftermath of Katrina. They take the position that each disaster started a new and distinct term of employment with Renfroe, and that they executed no separate Employment Agreement or Code of Conduct before beginning their work on Katrina. Without having been able to ask Moran or Rigsby at trial how they arrived at their belief that they were not bound by the terms of the Employment Agreement and the Code of Conduct relied upon by Renfroe, the court is left with the documents themselves and with the surrounding circumstances, including the explanatory testimony of Jana Renfroe, the officer of Renfroe who testified at the hearing on November 21. The court would have reached the conclusion it now reaches without the explanation provided by Ms. Renfroe.

The Employment Agreement signed by each defendant and applicable to each defendant during the time period here relevant, provided, *inter alia*:

\* \* \*

6. ***Non-Disclosure and Non-Solicitation.*** The Employee acknowledges that RENFROE has excelled in its efforts to maintain and develop good will with customers and in its efforts to develop new products, programs, services and marketing approaches, which satisfy its current and prospective customers and business partners. The Employee further recognizes that in order to retain the competitive advantage, which results from these efforts, the information concerning certain business affairs of RENFROE must be held in the strictest of confidence by employees and former

employees. Therefore, In consideration for employment with RENFROE, the Employee further agrees as follows:

(a) Confidential Information. In the course of employment, the Employee will become privy to confidential information of RENFROE, its clients and their customers. During employment and for a two year period after termination of employment with RENFROE, Employee will not disclose or misappropriate any confidential information of RENFROE, its clients or their customers for the Employee's own use or for the use of any other corporation, partnership, firm or entity, except as the President of RENFROE expressly authorizes. Confidential information includes data and information relating to the business of RENFROE and its clients which is or has been disclosed to the Employee or which the Employee became aware as a consequence of or through employment with RENFROE and which has value to RENFROE or its clients but is not generally known to the public. Confidential information further includes any information which is or has been disclosed to the Employee or which the Employee became aware as a consequence of or through employment with RENFROE from or pertaining to the customers of RENFROE's clients. Confidential information shall not include any data or information that has been voluntarily disclosed to the public by RENFROE, its clients or their customers, except where such disclosure has been made by the Employee in an unauthorized manner, or that has been independently developed and disclosed by others, or that otherwise enters the public domain through lawful means. For purposes of this Agreement, misappropriate means disclosing or using for any purpose other than fulfilling the Employee's responsibilities to RENFROE.

(b) Trademark/Service mark. The Employee agrees not to disclose or otherwise identify RENFROE, its clients and their customers, or use the Trademark/Service mark of RENFROE, its clients and their customers, in any unauthorized way, including, but not limited to the advertisement or endorsement of particular products or services.

(c) Ownership and accessibility. Employee understands and agrees that all records, files, claim draft information and other documentation of any kind obtained or created relating to claims made on RENFROE's clients, as well as any information obtained from or pertaining to the customers of RENFROE's clients, in connection with any assignment duties,

are the property of the client. Employee agrees that, upon request, RENFROE or its clients shall have immediate access to all such property. Employee understands and agrees that all other confidential information as described in paragraph 6(a) is the property of RENFROE, Employee agrees that, upon request, RENFROE shall have immediate access to all such property. Employee further agrees that all other property provided to the Employee for use on an assignment by either RENFROE or its clients, including but not limited to manuals, forms, records, identifying clothing and decals, shall remain the property of the provided, whether or not return of the property is requested.

(d) Trade Secrets. Employee understands that he or she may create or obtain information qualifying as a trade secret as defined under applicable state law. RENFROE and its clients retain exclusive ownership rights to any such trade secrets. Employee agrees that so long as any such information retains its character as a legal trade secret, Employee will not misappropriate, disclose, publish or use such information, without the express authorization of the President of RENFROE.

(e) Return of Records and Documents. At any time requested or immediately upon cessation of employment or association with RENFROE, Employee will return all physical or electronic records, documents or other materials and all copies of any records, documents or other materials containing, comprising or relating to the confidential information, trade secrets or other information of RENFROE its clients or their customers, which Employee creates or obtains at any time during employment with RENFROE.

(f) Return of Other Property. At any time requested or immediately upon cessation of employment or association with RENFROE, Employee will return all other property provided to the Employee for use on an assignment.

(g) Assignment of Proprietary Rights. The Employee further covenants and agrees that all right, title, and interest in any improvement, discovery or development related to work performed for RENFROE ("Developed Information"), whether conceived during or after normal working hours, shall be and remain the exclusive property of RENFROE. The Employee agrees immediately to disclose to RENFROE all unique, confidential and proprietary information conceived, developed, designed, devised or created, modified or improved by the Employee in connection with work

performed for RENFROE, and to assign to RENFROE any right, title and interest in the Developed Information. The Employee agrees to execute any instruments and to do all things reasonably requested by RENFROE, both during and after the employment period, to vest RENFROE with all ownership rights in the Developed Information. If any Developed Information can be protected by copyrights (I) as to that Developed Information which falls within the definition of "work made for hire" as defined in 17 U.S.C. Sec. 101, the copyright to such Development Information shall be owned solely, completely and exclusively by RENFROE, and (ii) as to that Developed Information which does not constitute "work made for hire," the copyright to such Developed Information shall be deemed to be assigned and transferred completely and exclusively by the Employee to RENFROE.

7. **Acknowledgment.** The Employee has carefully read and reviewed the restrictions set forth in this Agreement, and having done so, agrees that the restrictions are fair and reasonable and are reasonably required for the protection of the legitimate business interests of RENFROE and its clients, as well as the personal interests of the customers of RENFROE's clients.

8. **Equitable Relief.** The Employee recognizes and acknowledges that if a breach of the provisions of Section 6 of this Agreement occurs, damages to RENFROE would be difficult, if not impossible, to ascertain. Because of the immediate and irreparable damage and loss that may be caused to RENFROE for which it would have no adequate remedy, it is therefore agreed that RENFROE, in addition to and without limiting any other remedy or right it may have, shall be entitled to an injunction or other equitable relief in a court of competent jurisdiction, enjoining any such breach. The Employee hereby waives any and all defenses on the grounds of competence of a court to grant such an injunction or other equitable relief. The existence of this right shall not preclude the applicability or exercise of any other rights and remedies at law or in equity, which RENFROE may have.

The Code of Conduct signed by each defendant and applicable to each defendant during the time period here relevant, provided, *inter alia*:

RENFROE expects employees to conduct the business of RENFROE in an ethical and legal manner, and to recognize that in all their transactions and at all times they have a duty of undivided loyalty to RENFROE, our clients, and their customers. These obligations demand positive action by all employees to protect those interests and to avoid situations where their self-interests actually or even appear to conflict with the interests of RENFROE, our clients and their customers.

This Code is intended to guide employees on ethical and legal standards of business conduct.

RENFROE and its employees must comply with this Code and all laws and policies applicable to the business of RENFROE. This Code does not attempt to cover every situation and there may be exceptions to the rule. If you have questions about a particular situation or believe others are not adhering to the Code, the law or policies, contact Gene or Jana Renfroe. Each of us must be willing to raise ethical and legal concerns. No one will be penalized for reporting in good faith a suspected violation or questioning a Company practice.

\* \* \*

RENFROE employees should respond to inquiries about RENFROE, our clients and their customers only if give the authority to do so. Media contact and public discussion concerning RENFROE, our clients and their customers must be conducted only through authorized spokespersons.

\* \* \*

In the course of conducting RENFROE business, RENFROE employees must protect the assets of RENFROE, our clients and their customers from unauthorized or improper use.

CONFIDENTIAL AND TRADE SECRET INFORMATION: RENFROE employees must protect from disclosure or misappropriation confidential and trade secret information developed or owned by RENFROE, our clients and their customers and vendors that they may become privy to in the course of conducting RENFROE business. This obligation is defined further in the agreement executed by individuals as a condition of being offered employment by RENFROE.

COMPUTER AND DATA SECURITY: RENFROE employees are

responsible for protecting from misuse, loss, and unauthorized access and disclosure the computers and data of RENFROE and our clients. RENFROE databases are the property of RENFROE, to be used for Company purposes only. Client computers and databases are the property of the client, to be used only for the purposes of carrying out the assigned duties of the project.

\* \* \*

COMMUNICATIONS POLICY: The electronic information resources and telephonic communication systems of RENFROE and our clients should be used only for business-related purposes. Electronic information resources include: internet, e-mail, intranet, and fax machines. Telephone communication systems include: voice mail, telephones, and cellular phones. RENFROE reserves the right and will access and review the form and content of messages. The review will include accessing equipment and supplies furnished by RENFROE and our clients.

PHYSICAL AND INTANGIBLE PROPERTY: In the course of conducting RENFROE business, RENFROE employees must protect from loss, non-business use, misuse or damage the physical property of RENFROE, our clients and their customers. The use and reproduction of articles, books, and videotapes must be consistent with intellectual property laws.

\* \* \*

#### **CONFLICTS OF INTEREST**

Employees must affirmatively protect the interests of RENFROE, our clients and their customers by avoiding conflicts of interest, both in appearance and in fact, and must not use their positions or knowledge of decisions or considerations of RENFROE, our clients or their customers in any manner that conflicts with or otherwise prejudices those interests.

While engaged in work on Katrina as Renfroe employees on behalf of State Farm, Moran and Rigsby learned of acts and practices of State Farm employees that the two defendants concluded were inappropriate and/or illegal. Instead of sharing

their concerns in this regard with Renfroe, Moran and Rigsby clandestinely copied approximately 15,000 confidential documents off of State Farm's computer and turned them over to The Scruggs Law Firm ("Scruggs"). As stated in their answer to Renfroe's complaint "**upon advice of counsel** [presumably Scruggs], they [Moran and Rigsby] provided certain documents to the FBI and the Mississippi Attorney General". (emphasis supplied). Renfroe became aware of Moran's and Rigsby's activities by seeing its two employees and Scruggs on the "20/20" television show, during which Scruggs, Moran and Rigsby all accused State Farm of egregious misconduct, and revealed to the general public the existence of State Farm records that allegedly prove that State Farm committed fraud on its policyholders. The program showed at least one document that bore the Renfroe logo. Moran and Rigsby never formally resigned, but it became apparent that their relationship with Renfroe came to an end when they appeared on "20/20". Their departure triggered the two-year time period during which their contracts with Renfroe precluded them from revealing confidential information. Renfroe demanded that Moran and Rigsby return all materials they had copied. Receiving no response, this action was filed.

Besides denying that the Employment Agreement and the Code of Conduct signed by each of them was applicable during the Mississippi operation, the defense offered by Moran and Rigsby is



that they were discharging their duties as citizens when they cooperated with law enforcement officials. Renfroe was never given the opportunity to evaluate the client information that Moran and Rigsby shared with Scruggs and thereafter with law enforcement. No one can know with any degree of certainty what Renfroe's reaction and course of action would have been had the purloined information been shared with it. Without knowing the precise terms of the relationship between Scruggs and the two defendants, it is apparent that they are all three now engaged in a cooperative effort. Scruggs has filed one or more lawsuits against State Farm, claiming fraud against policyholders. The attachments to one of Scruggs's fraud complaints against State Farm looks very much like items from a State Farm investigative file, like documents accessed and copied by Moran and Rigsby.

Faced with the inalterable facts, Renfroe says that it will accept as a reasonable condition to its obtaining the requested materials, the entry of a protective order that will preclude its sharing with State Farm, or with any third party, materials it recovers from Moran and Rigsby. The Attorney General of Mississippi was allowed to intervene for the limited purpose of seeking a stay of the hearing of November 21. His stated reason was that for Renfroe to recover the materials would compromise the integrity of his ongoing criminal investigation. The stay was denied, and the injunction hearing was held.

### **The Four Grounds Necessary for the Granting of a Preliminary Injunction**

There are four prerequisites to the granting of preliminary injunctive relief. They will be discussed in the order in which they are usually addressed by courts who evaluate applications for preliminary injunction.

1. Does Renfroe have a substantial likelihood of success on the merits? The only doubt the court has in answering this question is expressed with a question: "How do we get the cat back in the bag"? There can be no doubt that Moran and Rigsby violated important and critical terms of their contracts with Renfroe when they copied State Farm's records and turned them over to Scruggs. Nothing could be more plain than Renfroe's need to protect its clients' information. What a permanent injunction will accomplish that a preliminary injunction will not accomplish is speculative. This is why the court suggested to the parties the collapsing of the preliminary injunction hearing into the hearing on the prayer for permanent injunctive relief using Rule 65(a)(2), F.R.Civ.P., but the court got no where with its said suggestion. Nevertheless, because the court finds no legal excuse for defendants' violating their employment agreements in the name of the public interest in helping with law enforcement, the court finds a very high degree of likelihood that Renfroe will succeed in obtaining a permanent injunction when the final judgment is entered. Therefore, there is a substantial

likelihood of success.

2. Will Renfroe suffer irreparable injury if an injunction is not issued? Moran and Rigsby argue with some degree of persuasiveness that because "the cat is already out of the bag", any damage has already been done, and therefore there can be no irreparable injury. They point out that Renfroe has failed to prove a single cancellation of a business opportunity traceable to the conduct of Moran and Rigsby. There are several problems with defendants' argument. First, without an injunction Moran and Rigsby can continue to engage in the public criticism of Renfroe's most important client, and with impunity they can share State Farm's internal records with lawyers and other persons outside of the law enforcement community. Considering the clear and meaningful confidential relationship that exists between Renfroe and its insurance clients, nothing could be more potentially harmful to Renfroe than a breach of the duty to keep its clients' confidential records confidential. After all, Moran and Rigsby expressly acknowledged in writing the virtual impossibility of quantifying the damages that would be caused by a breach of confidentiality, and expressly recognized and authorized the remedy of a preliminary injunction as appropriate. Monetary damages, in theory, are not only difficult to prove, but are woefully inadequate as a means of addressing the problems created for Renfroe by these defendants.

3. Will an injunction hurt defendants more than it will hurt plaintiff? To foreclose Moran and Rigsby from further revealing and commenting upon Renfroe's and State Farm's confidential material for a period of two years from the termination of their employment relationship may interfere with their working relationship with Scruggs, but such is the kind of harm they expressly expected if they breached their confidentiality agreement, and the harm to Renfroe far outweighs any such harm to Moran and Rigsby.

4. Will a preliminary injunction, if properly limited, be so adverse to the public interest as to preclude it? The Attorney General of Mississippi joins Moran and Rigsby in suggesting that the sky will fall if defendants are required to disgorge the State Farm records they copied and shared with Scruggs and/or with law enforcement. As yet, there is no evidence as to whether all of the records the defendants shared with Scruggs were also shared with law enforcement. As this court expressly noted when it denied the stay that was requested by the Attorney General, the court has found no authority binding on it, and has been cited none, that would interrupt civil litigation merely because of a pending criminal investigation, that is, unless a civil defendant invokes the Fifth Amendment privilege against self-incrimination. No such invocation has taken place here. Renfroe is not seeking, and cannot seek, an

order that would require the Attorney General of Mississippi or any other law enforcement agency, to share with Renfroe or anyone else any of its investigative materials, no matter where they came from. Rather, Renfroe seeks to enforce its right to obtain from its own former employees the materials they misappropriated, and, as a condition, it is willing to accept a protective order to keep away from the eyes of third parties what it recovers from Moran and Rigsby. There is no overriding public interest to prevent the issuance of a preliminary injunction under these circumstances.

#### **Preliminary Injunction**

In accordance with the above finding of fact and conclusions of law, and in compliance with Rule 65(d), F.R.Civ.P., the application of plaintiff, E.A. Renfroe & Company, Inc., for a preliminary injunction is GRANTED, and defendants, Cori Rigsby Moran and Kerri Rigsby, and their agents, servants, employees, attorneys, and other persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise (**with the express exception of law enforcement officials**) are hereby MANDATORILY ENJOINED to deliver forthwith to counsel for plaintiff all documents, whether originals or copies, of each document and tangible thing, in any form or medium, that either of defendants or anyone acting in conjunction with or at the request or instruction of either of

them, downloaded, copied took or transferred from the premises, files, records or systems of Renfro or of any of its clients, including, but not limited to State Farm Insurance Company and which refer or relate to any insurance claims involving damages caused or alleged to have been caused by Hurricane Katrina in the State of Mississippi.

Defendants and their agents, servants, employees, attorneys, and other persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise, are further ENJOINED not to further disclose, use or misappropriate any material described in the preceding paragraph unless to law enforcement officials at their request.


This preliminary injunction shall become effective upon the posting by plaintiff of an injunction bond in the amount of fifty Thousand Dollars (\$50,000), to assure the payment of such costs and damages as may be suffered by defendants or entities found to have been wrongfully enjoined. The said bond shall be in a form, and with a corporate surety, approved by the Clerk.

#### **Protective Order**

Because the documents and information in the possession or control of defendants and/or their agents are, or may be, relevant to the ongoing criminal investigation by the Attorney General of Mississippi, the court finds that there is a compelling interest in protecting the use and disclosures of

those certain documents and information to anyone except those needing the information for the criminal investigation or for the preparation of the above-entitled case for trial. Therefore, plaintiff's counsel shall not disclose to any entity, including E.A. Renfroe & Company, any of the material delivered to them pursuant to this mandatory injunction without first obtaining the express written approval of this court after an *in camera* inspection by the court. All documents shall be kept by plaintiff's counsel under lock and key. No copies shall be made and the contents thereof shall not be revealed to anyone except Jack E. Held, Barbara Ellis Stanley and J. Rushton McClees, plaintiffs' counsel who have formally appeared . The material shall be for their eyes only unless and until express authorization of the court is sought and obtained.

DONE this 8th day of December, 2006.

  
WILLIAM M. ACKER, JR.  
UNITED STATES DISTRICT JUDGE

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
SOUTHERN DIVISION

THOMAS C. and PAMELA McINTOSH

PLAINTIFFS

V.

CIVIL ACTION NO.1:06CV1080 LTS-RHW

STATE FARM FIRE and CASUALTY COMPANY, and  
FORENSIC ANALYSIS & ENGINEERING CO., and  
E. A. RENFROE & COMPANY, INC.

DEFENDANTS

**ORDER OF DISQUALIFICATION AND FOR THE EXCLUSION OF EVIDENCE**

In accordance with the Memorandum Opinion I have this day signed, it is hereby

**ORDERED**

That the second motion [966] of State Farm Fire and Casualty Company and the motion [978] of E. A. Renfroe & Company, Inc., to disqualify the members of the Scruggs Katrina Group joint venture who are current counsel of record in this action, the Barrett Law Office, P.A.; Nutt & McAlister, P.L.L.C.; and the Lovelace Law Firm, P.A. , and to disqualify the associated firm of Hesse & Butterworth, P.L.L.C., (and other attorneys associated as counsel for the plaintiffs by these firms) are hereby **GRANTED**;

That these firms and any other associated counsel are hereby **DISQUALIFIED** from representing these plaintiffs or any other individuals who have claims against State Farm Fire and Casualty Company and against E. A. Renfroe & Company, Inc., for property damage sustained in Hurricane Katrina in this case and in any other cases in the United States District Court for the Southern District of Mississippi;

That Cori and Kerri Rigsby are hereby **DISQUALIFIED** as witnesses in any actions now pending on this Court's docket against State Farm or Renfroe in which the Scruggs Katrina Group or the Katrina Litigation Group has represented the plaintiffs; and

That any documents supplied by the Rigsby sisters to the Scruggs Katrina Group or the Katrina Litigation Group or its associates shall be **EXCLUDED** from evidence unless the plaintiffs can show that the documents were obtained through ordinary methods of discovery.



In all cases affected by this disqualification order, plaintiffs shall be allowed a period of forty-five days in which to retain new counsel or to inform the Court of their intention to proceed pro-se. For good cause, this period may be enlarged at the discretion of the United States Magistrate Judge assigned to the case. The plaintiff's failure to retain new counsel or to inform the court of their intention to proceed pro-se will make a case subject to this order eligible for dismissal without prejudice. The attorneys subject to disqualification by the terms of this order shall send, via United States mail, postage prepaid, a copy of the opinion and order in this case to each client affected by this ruling.

In all cases affected by this disqualification order, new scheduling orders will be entered after new counsel has entered an appearance or the Court has been notified of the plaintiff's intention to proceed pro-se.

**SO ORDERED** this 4th day of April, 2008.

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

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**From:** Kirk Angelle  
**Sent:** Monday, October 17, 2005 7:16 PM  
**To:** Tim Williams; Bill Almers; Cori Moran; Craig McKenzie; Dru Carroll; Frank Riddick; Gary Ellis; George Langley; Jim Garrett; John Wildsmith; Michael Calvin; Richard R Stubblefield; Ross Bagby; Steve Cantrell; Taylor R Suffield  
**Cc:** Kirk Angelle  
**Subject:** Engineer Request Files Due - 10/18/05 @ 6:00 pm  
**Importance:** High

Everyone,

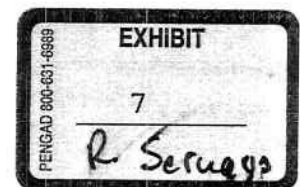
As I stated earlier during our meeting, I will need a listing of all Engineer Request files with notes. The notes should include if the risk has already been inspected by the engineering firm, cancellation of engineering firm needed or engineering firm still needed to evaluate the risk.

If you decide that the engineer firms needs to be cancelled, You will need to call the insured and informed them of our decision not to have the firm inspect the risk because of new found data i.e. surge and wind reports for their area and their proximity of their home to the water. We will also have to send a denial letter stating the results of our investigation conclude flood and surge waters.

Should you have any questions concerning this email, please contact me.

Thanks,

*Kirk Angelle*  
*Gulfport Cat Office - Flood*



*CRH*

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**From:** Steve Burke  
**Sent:** Friday, October 21, 2005 12:38 PM  
**To:** Stanley Rawl; Bruce O'Neal; Carl Moran; Dale E Pahmiyer; Denny Joe Sitze; Joe Caruso; Kevin R Kelly; Lisa Huey; Phil Jones; Rachael Savoy  
**Subject:** Engineer Reports  
**Importance:** High

Engineer reports are starting to come to my attention. **WORKFLOW**

- They will be reviewed by TM
- Report then goes to Lecky King for review
- Lecky will give direction to claim rep on how to proceed with the handling of the claim
- Report will be placed back in claim reps basket for your review.
- No need to review report with Lecky unless you have questions with here directions.

*SB*

**STEVE BURKE**  
**CATASTROPHE SERVICES TEAM MANAGER**

205-503-1079  
312-952-4304

3

ald

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**From:** Lecky King  
**Sent:** Friday, October 21, 2005 6:35 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterbuck; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angelle; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abernathy; Sharron I Neider; Steve Burke; Steven C Stein  
**Subject:** Engineer's Reports

Everyone,

When we get two copies of any Engineer Report, please give one to the CR for the file copy. Pay the bill and then return the 2<sup>nd</sup> copy to me for safe keeping. These will be kept in a locked file drawer and either Rick or I will have the key.

Thanks,

Lecky

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**From:** Jamie Beadle  
**Sent:** Monday, October 24, 2005 7:57 AM  
**To:** Todd Zastrow; Allen Wilson; Anna Eeten; Chris Canterbury; Cori Moran; Eric Fugleberg; Gary E Hancock; Jacob W Yocom; James Perry; Jerrell Campbell; John Fehlker; John W Roth; Richard R Stubblefield; Steven C Stein; Terry Robinson  
**Subject:** FW: Engineer's Reports

Please do not call the engineer's directly. Let me know if you urgently need a status update.

Thanks - Jamie

-----Original Message-----

**From:** Lecky King  
**Sent:** Friday, October 21, 2005 6:35 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterbuck; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angelle; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abernathy; Sharron I Neider; Steve Burke; Steven C Stein  
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Everyone,

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Thanks,

Lecky

Rigsby 3074

ald

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From: Kirk Angelle  
Sent: Thursday, November 03, 2005 1:50 PM  
To: Tim Williams; Cori Moran; Craig McKenzie; Denny Joe Sitze; Frank Riddick; Gary Ellis; Jim Garrett; Joe Caruso; John Wildsmith; Kevin R Kelly; Phil Jones; Rachael Savoy; Richard R Stubblefield; Ross Bagby; Steve Cantrell; Taylor R Suffield  
Subject: Engineer Reports  
Importance: High

Everyone,

If you receive a completed engineer report in your basket, please give the reports to me. Every report must be reviewed by the Team Manager and Lecky King. Lecky will give direction on each file before we contact the insd to give them our decision.

Thanks,

*Kirk Angelle*  
*Gulfport Cat Office - Flood*

**From:** Lecky King  
**Sent:** Friday, October 21, 2005 6:35 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterbuck; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angeille; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abernathy; Sharron I Neider; Steve Burke; Steven C Stein  
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Thanks,

Lecky

**From:** Kerri Rigsby  
**Sent:** Monday, June 05, 2006 4:58 AM  
**To:** Krigsby111@aol.com  
**Subject:** Engineer's Reports

**Attachments:** Engineer's Reports.rtf



**From:** Lecky King  
**Sent:** Friday, October 21, 2005 6:35 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterbuck; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angelle; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abernathy; Sharron I Neider; Steve Burke; Steven C Stein  
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Thanks,

Lecky

ald

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**From:** Lecky King  
**Sent:** Friday, October 21, 2005 6:35 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterbuck; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angelle; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abernathy; Sharron I Neider; Steve Burke; Steven C Stein  
**Subject:** Engineer's Reports

Everyone,

When we get two copies of any Engineer Report, please give one to the CR for the file copy. Pay the bill and then return the 2<sup>nd</sup> copy to me for safe keeping. These will be kept in a locked file drawer and either Rick or I will have the key.

Thanks,

Lecky

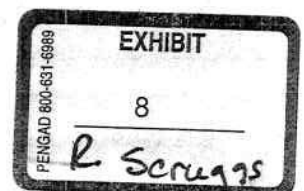
ald

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**From:** Helen Rash  
**Sent:** Tuesday, March 14, 2006 8:28 AM  
**To:** Cori Moran; Lisa Wachter  
**Subject:** 24-Z452-367 Lanier

Just wanted you to know I've been looking high and low for this engineer report and cannot locate it. Sorry. I did notice in the activity log you have requested another one, but wanted you to know the original apparently is no where to be found. Sorry.

*Helen Rash  
Catastrophe CAPS  
1721 Medical Park Drive  
Biloxi, MS 39532-2132  
(228) 396-7969  
Cell: (309) 533-2971*



ald

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**From:** Kerri Rigsby  
**Sent:** Monday, January 09, 2006 8:24 AM  
**To:** Cori Moran  
**Subject:** FW: Storm photos

**Attachments:** STORM2.JPG; STORM-1.jpg

-----Original Message-----

**From:** Gary P Clatterback  
**Sent:** Saturday, January 07, 2006 5:58 PM  
**To:** James Perry; Jamye Woody; Jeffrey Lippert; Jeremy Cogburn; John Wildsmith; Kerri Rigsby; Michael Bourg; Michael Snaddon; Richard Delin; Shawn Metoyer; Steve McCoy  
**Subject:** FW: Storm photos

Take a look at the photo on the right below.

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**From:** Sharron I Neider  
**Sent:** Saturday, January 07, 2006 9:55 AM  
**To:** Brenda Emmons; David L Haddock; David Runge; Gary P Clatterback; Lecky King; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Rick D Moore; Ryan Murphy; Sharron I Neider  
**Subject:** FW: Storm photos

John Deganhart shared these with the Biloxi mgmt team and I thought I would pass them along to the Gulfport mgmt team for info.

*Sharron Neider  
Catastrophe Team Manager  
Cell: 312 952-4685*

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**From:** John Deganhart  
**Sent:** Saturday, January 07, 2006 9:44 AM  
**To:** Alan Johnson; Anthony O'Neal; Chris Cocke; Curt Gosda; Dave Randel; Derek Call; Gayle Hobbs; Ike Martin; Ilona Nimptsch; Jason Slauson; John Deganhart; John W Shepard; Jorge Lopez; Katina S Butler; Lansing Clark Vargo; Marsha Slaughter; Mike Jones; Rayna Lynch; Sandy Schmidt; Sarah Sloane; Sharonna Miller; Sharron I Neider; Stanley T Miller; Tip Pupua; Tom Barnes; Vincent Washington  
**Subject:** FW: Storm photos

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**From:** Dave Randel  
**Sent:** Saturday, January 07, 2006 8:55 AM  
**To:** John Deganhart  
**Subject:** FW: Storm photos

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**From:** Terry Bialock  
**Sent:** Friday, January 06, 2006 12:50 PM  
**To:** Dave Randel  
**Cc:** Jim Burwell  
**Subject:** FW: Storm photos

Dave, This is different from any picture I have seen.....you think it is a real picture of Katrina surge?

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**From:** Mike Kennedy



ald

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**From:** Lisa Wachter  
**Sent:** Thursday, January 12, 2006 5:51 PM  
**To:** Chris Cocke; Rick D Moore; Ryan Murphy; Mark K Drain; Christie M Greer; Gary P Clatterbuck; Sharron I Neider; David Runge; Charlotte Ruth Hagman; Mick A Bergstrom; Jerrell Campbell; Andy Anderson; Cori Moran; Jack Collins  
**Subject:** engineer update 011206.xls  
**Attachments:** engineer update 011206.xls

4/20/2006

ald

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**From:** Joseph Lafontaine  
**Sent:** Thursday, November 17, 2005 7:45 AM  
**To:** Terry Prine; Steve Kowalski; Bitsy Hendrix; Cori Moran; Dale Crews; Dero Thomas; Jack Collins; Kerri Rigsby; Philip Davis; Steve Cantrell  
**Subject:** FW: Katrina  
**Attachments:** Report.pdf

As stated below, this report attachment is State Farm Property. We are allowed to share this with our reps, but NOT to the public or to agents. Keep this in your confidence. This is a good report to review, please find the time to do so.

**Joe LaFontaine**  
**Independent Team Coordinator**  
**E.A. Renfroe & Co.**

☎ Mobile: 501-915-2875

✉ E-mail [Joseph.Lafontaine.j4qr@StateFarm.com](mailto:Joseph.Lafontaine.j4qr@StateFarm.com)

-----Original Message-----

**From:** Mike Jones  
**Sent:** Thursday, November 17, 2005 5:49 AM  
**To:** Tracy Davis; Bitsy Hendrix; Bob Simon; Dale Crews; David R Morris; Dero Thomas; James Covington; Joseph Lafontaine; Milton Collins; Philip Davis; Sarah Sloane; Scot Randall; Steve Cantrell; Teri Davis; Tony Swindoll; Yvonne Lambert; Alan Johnson; Eugene McCoy; Frank Arguelles; Greg Paige; Jenny Coffey; Julius Faulk; Mark Coffey; Sam Burks; Terrell Harmon; Vincent Washington  
**Subject:** FW: Katrina

**Mike Jones (BSXO)**  
**Catastrophe Svcs Reinspector**  
**(205) 503-1052**

-----Original Message-----

**From:** John Deganhart  
**Sent:** Wednesday, November 16, 2005 6:57 PM  
**To:** Tom Barnes; Alan Johnson; Bart H Lyons; Charles D Curley; Chris Cocke; Curt Gosda; Dave Randel; David Stringfellow; Derek Call; Don Lizotte; Elmickyo Duncan; Gary Jennings; Gayle Hobbs; Greg Jones; Ilona Nimptsch; Jason Slauson; Jeff McIntyre; John Deganhart; Jorge Lopez; Katina S Butler; Ken Fuquay; Kenneth McPeek; Kevin Young; Lansing Clark Vargo; Marsha Slaughter; Mike Jones; Nancy Millard; Rayna Lynch; Richard Picarelli; Rick Alden; Rick Lee; Sandy Schmidt; Sarah Sloane; Sharonna Miller; Sharron I Neider; Stanley T Miller; Steve Underwood; Tip Pupua; Tony Swindoll; Bob Simon; Brett Allen; Darren Dwyer; David R Morris; George Allen; James Covington; James Newman; Joseph Lafontaine; Julie Cropp; Kale Strickland; Mike Box; Milton Collins; Teri Davis; Mark Wilcox; Shana Lipsey; James Willoughby; Melissa Sarchett  
**Subject:** FW: Katrina

ok to go to your claim reps

liaisons, this is not to be given to agents just yet

4/20/2006

-----Original Message-----

**From:** Dave Randel  
**Sent:** Wednesday, November 16, 2005 6:21 PM  
**To:** Rick D Moore; John Deganhart; Lecky King  
**Subject:** FW: Katrina

Attached is the Weather Data Report on Hurricane Katrina. This is a State Farm work product and we are free to distribute it within our operations. Please do not give it to people outside of the enterprise as it is subject to revision as additional information becomes available.

Dave

-----Original Message-----

**From:** spryor@weatherdata.com [mailto:spryor@weatherdata.com]  
**Sent:** Monday, November 14, 2005 3:50 PM  
**To:** Dave Randel  
**Subject:** Katrina

Dave,

Attached is the latest version of the Katrina report. I have added a section on storm surge, an estimate of sustained winds from NOAA's Hurricane Research Division, a few updated observations, and other minor changes. Unless you have additional work you would like me to do, I consider the report final, at least with the data currently available. If you would like me to address other issues or expand on areas already in the report, please let me know.

Sieve

Stephen P. Pryor  
Certified Consulting Meteorologist  
WeatherData, Inc.  
245 N. Waco, Suite 310  
Wichita, Kansas 67202  
Phone: 316-265-9127  
Fax: 316-265-1949

4/20/2006



ald

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**From:** Kirk Angelle  
**Sent:** Thursday, November 03, 2005 1:50 PM  
**To:** Tim Williams; Cori Moran; Craig McKenzie; Denny Joe Sitze; Frank Riddick; Gary Ellis; Jim Garrett; Joe Caruso; John Wildsmith; Kevin R Kelly; Phil Jones; Rachael Savoy; Richard R Stubblefield; Ross Bagby; Steve Cantrell; Taylor R Suffield  
**Subject:** Engineer Reports  
**Importance:** High

Everyone,

If you receive a completed engineer report in your basket, please give the reports to me. Every report must be reviewed by the Team Manager and Lecky King. Lecky will give direction on each file before we contact the insd to give them our decision.

Thanks,

*Kirk Angelle  
Gulfport Cat Office - Flood*

ald

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**From:** Jamie Beadle  
**Sent:** Monday, October 24, 2005 7:57 AM  
**To:** Todd Zastrow; Allen Wilson; Anna Eeten; Chris Canterbury; Cori Moran; Eric Fugleberg; Gary E Hancock; Jacob W Yocom; James Perry; Jerrell Campbell; John Fehlker; John W Roth; Richard R Stubblefield; Steven C Stein; Terry Robinson  
**Subject:** FW: Engineer's Reports

Please do not call the engineer's directly. Let me know if you urgently need a status update.

Thanks - Jamie

-----Original Message-----

**From:** Lecky King  
**Sent:** Friday, October 21, 2005 6:35 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterbuck; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angelle; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abemathy; Sharron I Neider; Steve Burke; Steven C Stein  
**Subject:** Engineer's Reports

Everyone,

When we get two copies of any Engineer Report, please give one to the CR for the file copy. Pay the bill and then return the 2<sup>nd</sup> copy to me for safe keeping. These will be kept in a locked file drawer and either Rick or I will have the key.

Thanks,

Lecky

ald

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**From:** Lecky King  
**Sent:** Friday, October 21, 2005 6:35 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterbuck; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angelle; Lisa Wachter; Mark K Drain; Mick A Bergstrom; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abernathy; Sharron I Neider; Steve Burke; Steven C Stein  
**Subject:** Engineer's Reports

Everyone,

When we get two copies of any Engineer Report, please give one to the CR for the file copy. Pay the bill and then return the 2<sup>nd</sup> copy to me for safe keeping. These will be kept in a locked file drawer and either Rick or I will have the key.

Thanks,

Lecky

aldewitt

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**From:** Steve Burke  
**Sent:** Friday, October 21, 2005 12:36 PM  
**To:** Stanley Rawl; Bruce O'Neal; Cori Moran; Dale E Pahmiyer; Denny Joe Sitze; Joe Caruso; Kevin R Kelly; Lisa Huey; Phil Jones; Rachael Savoy  
**Subject:** Engineer Reports  
**Importance:** High

Engineer reports are starting to come to my attention. **WORKFLOW**

- They will be reviewed by TM
- Report then goes to Lecky King for review
- Lecky will give direction to claim rep on how to proceed with the handling of the claim
- Report will be placed back in claim reps basket for your review.
- No need to review report with Lecky unless you have questions with here directions.

*SB*

**STEVE BURKE**  
**CATASTROPHE SERVICES TEAM MANAGER**

**205-503-1079**  
**312-952-4304**

ald

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**From:** Lecky King  
**Sent:** Tuesday, October 18, 2005 3:42 PM  
**To:** Tracy Moreno; Bob Simon; Brenda Emmons; Bruce O'Neal; Christie M Greer; Cori Moran; Dave Randel; David L Haddock; David Runge; Frank Riddick; Gabriel Fortson; Gary P Clatterback; Jamie Beadle; Jody Prince; John Conser; John Deganhart; Justin Sullivan; Kerri Rigsby; Kirk Angelle; Lisa Wachter; Mark K Drain; Mike Portelance; Paul G Bright; Paula Roberts; Pauline A McKenna; Richard R Stubblefield; Rick D Moore; Robert Beamer; Ryan Murphy; Shane Abernathy; Sharron I Neider; Steve Burke; Steven C Stein  
**Subject:** FW: Attached Memo  
**Attachments:** PS2.doc

-----Original Message-----

**From:** Charlie Arnold  
**Sent:** Tuesday, October 18, 2005 3:10 PM  
**To:** Winston Wheeler; Bill Baker; Bruce R Johnson; Bruce Weisburd; Darrell Burney; David V Connelly; Jérôme Thompson; Lou Piel; Matthew Coleman; Michael Ferrier; Michael Oliveras; Stephanie Dubriel; Stacey Harmon; Djuana Frank; Don Spires; Krista McLeod; Lecky King; Michael Cleveland; Richard E Serviss; Robert J Schwandt; Ron Neighbors; Russell Branam  
**Subject:** FW: Attached Memo

Fyi, share with team

-----Original Message-----

**From:** Sharon Clower  
**Sent:** Tuesday, October 18, 2005 2:01 PM  
**To:** Fire-Clm-Section-Mgrs-FIRE-HOME; Fire-Div-Clm-Mgrs-FIRE-HOME  
**Subject:** FW: Attached Memo

On behalf of Mike Sebald



PS2.doc (35 KB)

ald

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**From:** Kirk Angelle  
**Sent:** Monday, October 17, 2005 7:16 PM  
**To:** Tim Williams; Bill Almers; Cori Moran; Craig McKenzie; Dru Carroll; Frank Riddick; Gary Ellis; George Langley; Jim Garrett; John Wildsmith; Michael Calvin; Richard R Stubblefield; Ross Bagby; Steve Cantrell; Taylor R Suffield  
**Cc:** Kirk Angelle  
**Subject:** Engineer Request Files Due - 10/18/05 @ 6:00 pm  
**Importance:** High

Everyone,

As I stated earlier during our meeting, I will need a listing of all Engineer Request files with notes. The notes should include if the risk has already been inspected by the engineering firm, cancellation of engineering firm needed or engineering firm still needed to evaluate the risk.

If you decide that the engineer firms needs to be cancelled, You will need to call the insured and informed them of our decision not to have the firm inspect the risk because of new found data i.e. surge and wind reports for their area and their proximity of their home to the water. We will also have to send a denial letter stating the results of our investigation conclude flood and surge waters.

Should you have any questions concerning this email, please contact me.

Thanks,

*Kirk Angelle*  
*Gulfport Cat Office - Flood*

ald

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**From:** Kerri Rigsby  
**Sent:** Wednesday, October 05, 2005 6:11 PM  
**To:** Cori Moran  
**Subject:** FW: Wind vs Water

-----Original Message-----

**From:** Mark K Drain  
**Sent:** Wednesday, October 05, 2005 5:42 PM  
**To:** Tudi H Edwards; Andre Patterson; Bob Simon; David Crosby; Howard Crosby; Janye Woody; Joe Doktorczyk; Justin Cook; Kerri Rigsby; Mark Bryan Cantu; Rachel Fisher; Richard R Stubblefield; Tammy Hardison; Terry E Rentz; Truman Zimmerman  
**Subject:** Wind vs Water

Addendum to earlier message regarding engineer and ALE -

Even if you phone scope the flood loss, perform an inspection, whatever, you must inspect the HO claim and investigate the loss. Take good photos and provide thorough log notes regarding the wind vs water issue. Independents - see me with questions regarding billing.

Thanks

ald

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**From:** Mark K Drain  
**Sent:** Wednesday, October 05, 2005 2:08 PM  
**To:** Cori Moran  
**Subject:** RE: HO Claims

You can do so on the HO with X wind, but not the RDP with X wind....Coverage C not available.

-----Original Message-----

**From:** Cori Moran  
**Sent:** Wednesday, October 05, 2005 1:51 PM  
**To:** Mark K Drain  
**Subject:** RE: HO Claims

We were instructed to advance ALE on these claims and continue to pay it until Wind Pool concludes their investigation. We did not know we could close them. If they have changed their mind I will pass along to adjusters that they can now close HO with x wind.

-----Original Message-----

**From:** Mark K Drain  
**Sent:** Wednesday, October 05, 2005 9:35 AM  
**To:** Kerri Rigsby; Cori Moran; Bob Simon; Richard R Stubblefield  
**Subject:** FW: HO Claims

Keeping in mind the RDP with Xwind is endorsed with FE8305 and Coverage C is not available.

-----Original Message-----

**From:** Mark K Drain  
**Sent:** Wednesday, October 05, 2005 9:29 AM  
**To:** Kerri Rigsby; Cori Moran; Bob Simon; Richard R Stubblefield  
**Subject:** HO Claims

Good morning.

While reviewing claims, it is becoming painfully obvious that we are not closing HO claims in an expeditious manner. For instance, the flood policy limits/payments have been issued, but the HO claim remains open.

I understand some of these HO claims will remain open for an extended period due to engineer involvement, or ALE due to significant wind damage. However, what I can not understand is why the HO claim would remain open when the policy has the Wind Exclusion added and we are not extending ALE until the Wind Pool determines what caused the loss.

It is imperative your peeps get these claims closed ASAP.

Thanks



aid

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**From:** Joseph Lafontaine  
**Sent:** Friday, September 09, 2005 7:59 PM  
**To:** Terry Prine; Bitsy Hendrix; Cori Moran; Dale Crews; Dero Thomas; Jack Woody; James Harp; Keri Rigsby; Paul Moran; Robert Beamer; Steve Cantrell  
**Subject:** FW: Wind vs. Water

**Joe LaFontaine**  
**Independent Team Manager**  
**E.A. Renfroe & Co.**  
☎ Mobile: 501-915-2875  
✉ E-mail [Joseph.Lafontaine.j4qr@StateFarm.com](mailto:Joseph.Lafontaine.j4qr@StateFarm.com)

-----Original Message-----

**From:** Robert Beamer  
**Sent:** Friday, September 09, 2005 4:19 PM  
**To:** Joseph Lafontaine; Jack Woody; Ross Bagby; John Chatman; Gary Ellis; Tammy Hardison; Scott Hawk; Brady Hyde; Adele Jacobson; George Langley; Robert McCage; Randolph Pillifant; Jamiye Woody  
**Subject:** FW: Wind vs. Water

-----Original Message-----

**From:** David L Haddock  
**Sent:** Friday, September 09, 2005 3:25 PM  
**To:** William Bray; Bill Gladney; Bruce E Meeker; Glen S Kendrick; James Taylor; Jamiye Woody; Jay Steen; Ken Nelder; Mark Bryan Cantu; Normam J Honderd; Rachel Fisher; Randolph Pillifant; Robert Beamer; Robert Russo; Ronald Swartz; Shannon Kimmel; Wade A Walker  
**Subject:** FW: Wind vs. Water

-----Original Message-----

**From:** Lecky King  
**Sent:** Friday, September 09, 2005 1:25 PM  
**To:** Tip Pupua; Brenda Emmons; Chrs Cocke; David J Ego; David L Haddock; Derek Call; Doug Tabör; Gary P Clatterbuck; Gayle Hobbs; Gerry Underwood; Ilona Nimptsch; Jamie Beadle; Jason Slauson; Jeff Manning; John Conser; John Deganhart; Jorge Lopez; Katina S Butler; Kirk Angelle; Lansing Clark Vargo; Lecky King; Mark K Drain; Marsha Slaughter; Pat Kearney; Paula Roberts; Rayna Lynch; Rick D Moore; Ryan Murphy; Sandy Schmidt; Stanley T Miller; Steve Burke  
**Subject:** Wind vs. Water

There has been some confusion with regard to State Farm's handling of claims involving a homeowners policy with no flood policy. The following is State Farm's position at this time:

All wind claims must be inspected, photographed and investigated. During the inspection the adjuster should photograph all surrounding areas, showing what neighboring structures remaining, have suffered damage from wind. The adjuster should also photograph and discuss in the log notes the amount of water in the area and the debris lines from flood, if any. The adjuster should note the proximity of the risk to the water. Should the adjuster feel that the home has been damaged by wave wash, he/she should advise the policy holder that flood is not a covered loss under the Homeowner policy.

We will not deny any wind coverage at this time. We are thoroughly investigating every loss. We have requested expert analysis of wind speeds, wave surge and other reports which will give us the necessary tools to make a proper determination. Once this has been completed we will communicate

our decision to the affected policyholders.

This also applies to those policyholders with both a wind and a flood policy. The flood damage should be resolved, paid and closed. However, the wind claim will remain open pending the investigation and resulting findings.

Thanks for your help in this and if you have any questions please see John, Rick or me.

Thanks,

Lecky King  
Flood Coordinator

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
SOUTHERN DIVISION**

**DOROTHY ALFORD**

**PLAINTIFF**

**V.**

**CIVIL ACTION NO.1:07CV814 LTS-RHW**

**STATE FARM FIRE AND CASUALTY COMPANY, ET AL.**

**DEFENDANTS**

**MEMORANDUM OPINION**

The Court has before it the motion [143] of State Farm Fire and Casualty Company (State Farm) To Compel Compliance with Order of Disqualification and Objection to the Notice of Appearance of Provost Umphrey Law firm, L.L.P. This motion refers to the disqualification order entered on April 4, 2008, in *McIntosh v. State Farm Fire and Cas. Co.*, No. 1:06cv1080, Docket Number [1173]. This order disqualified the members of the Scruggs Katrina Group and the Katrina Litigation Group and their associated counsel. The Provost Umphrey Law Firm, LLP (Provost Umphrey) has entered its appearance as counsel for the plaintiff in this case, and State Farm asserts that this firm is disqualified from acting as plaintiff's counsel under State Farm's interpretation of the terms of this disqualification order. I disagree, and I will deny the motion for the reasons set out below.

Provost Umphrey is a Texas law firm that has agreed, after negotiations with plaintiff's former counsel, Don Barrett (Barrett), to undertake representation of those former clients of Barrett's and the SKG who wish to engage Provost Umphrey as their replacement counsel. My prior order of disqualification was based upon the members of the SKG and the KLG's having knowledge (actual and constructive) of improper payments made by Richard Scruggs (Scruggs) to Cori and Kerri Rigsby. In order to assure that this action and the other actions affected by my disqualification order could proceed to a final resolution with a minimum impact from these payments, I also disqualified all the attorneys who had been associated by Scruggs, the SKG, or the Katrina Litigation Group (KLG). This order required hundreds of claimants to retain new counsel.

State Farm alleges that Barrett's having recommended Provost Umphrey and his having undertaken to negotiate an arrangement with Provost Umphrey to take over the representation of his former clients is a violation of the order of disqualification. I do not think this is the case.

A reading of the letter Barrett sent to the former SKG/KLG clients indicates that he has not engaged Provost Umphrey to represent his former clients. The letter recommends that the former clients engage the services of Provost Umphrey “on the same terms” under which Barrett and the SKG had negotiated with these former clients. This letter indicates that Barrett is strongly recommending that his former clients engage Provost Umphrey to carry on this litigation. Yet a fair reading of this letter also indicates that the former clients are free to accept or reject this recommendation.

In light of my order of disqualification, it is reasonable to expect that Barrett and his associates would do everything in their power to minimize the adverse impact of my decision on the continued litigation of their former clients’ cases. I do not find it unreasonable that these clients would, in some instances, turn to Barrett for his recommendation of a replacement attorney. Nor do I find it unreasonable that Barrett should make an arrangement with Provost Umphrey that affords Barrett’s former clients an option to accept Provost Umphrey as its new counsel. I see nothing sinister or suspicious in Barrett’s having made this arrangement with a law firm with which he was already familiar and one in which he has confidence.

Provost Umphrey’s subletting office space in a Nashville branch office of Barrett’s firm and their separately using the services of one part-time employee in their Nashville offices does not signify an association so close as to require disqualification of Provost Umphrey under my earlier order of disqualification. (Declaration of Michael Hamilton, Exhibit Three to Plaintiff’s Memorandum of Law in Response to Defendant State Farm Fire and Casualty Company’s Motion To Compel Compliance with Order of Disqualification and Objection to Notice of Appearance of Provost Umphrey Law Firm, L.L.P.)

The declaration of Walter Umphrey (Umphrey), states that prior to April 4, 2008, the date the disqualification order was entered, “Provost Umphrey has never been associated with KLG in any Katrina Litigation, or in any litigation whatsoever which related in anyway to non-payment of claims by any insurance company arising out of hurricane losses . . . never participated in any meetings or conferences with KLG or its attorneys . . . , never interviewed any witnesses for or with KLG, never attended any depositions or hearings for or with KLG and never had any contact with KLG whatsoever about anything related to Katrina litigation.” (Declaration of Walter Umphrey, Exhibit One to Plaintiff’s Memorandum of Law in Response to Defendant State Farm Fire and Casualty Company’s Motion To Compel Compliance with Order of Disqualification and Objection to Notice of Appearance of Provost Umphrey Law Firm, L.L.P.) Umphrey’s statements are confirmed by the Affidavit of John W. (Don) Barrett (Exhibit Two to Plaintiff’s Memorandum of Law in Response to Defendant State Farm Fire and Casualty Company’s Motion To Compel Compliance with Order of Disqualification and Objection to Notice of Appearance of Provost Umphrey Law Firm, L.L.P.) These representations belie the contention that Provost Umphrey was an associated firm within the meaning of the order of disqualification.

State Farm asserts that the arrangement between Barrett and Provost Umphrey is in fact a thinly-veiled association to disguise Barrett's continued representation of the plaintiffs, in order to evade my earlier order. I will not assume that this is the case, and I see no evidence in the record that would support my making a finding that this type of misconduct is occurring. I believe that all of the attorneys who practice before this Court, including the members of the SKG/KLG, make good faith efforts to properly interpret and honor the Court's orders, as their duties require. There is no indication that Barrett or any of the other disqualified attorneys have made any effort to evade or disobey my order of disqualification.

When attorneys have been uncertain of the scope of my order they have sought and received clarification. See: *McIntosh v. State Farm Fire and Cas. Co.*, No. 1:06cv 1080, Docket Entries [1176] [1183] [1188] and [1193]. These subsequent orders make it clear that any attorney who had participated, in association with any member of the SKG or the KLG, in representing any plaintiff on a Katrina claim before the entry of my order of disqualification was covered, i.e. was disqualified, by that order. Provost Umphrey would be subject to disqualification had it become associated with Barrett, the SKG, or the KLG on any of the Katrina cases before the order of disqualification. But I see no evidence in the record before me that this is the case.

State Farm contends that there exists an irreconcilable conflict of interests that should disqualify Provost Umphrey from accepting the representation of any of Barrett's former clients. In State Farm's view these former clients have a right of action against Barrett and the other members of the SKG, and Provost Umphrey would be duty bound to pursue that right of action on their behalf. I believe that Provost Umphrey is fully capable of determining whether there exists a potential conflict of interest in these circumstances and of acting appropriately on their judgment. I do not believe the potential or hypothetical conflict of interest that State Farm has identified is sufficient to justify my entering an order disqualifying Provost Umphrey from undertaking the representation of these individuals for that reason.

The disqualified attorneys may have a claim for reimbursement of the expenses reasonably incurred prior to their disqualification. The disqualified attorneys may also have the right to assert an interest in the recovery on a *quantum meruit* basis. Although these claims are not before the Court at this time, any financial arrangement that is strictly limited to the repayment of these reasonable expenses and any *quantum meruit* payment that may be lawfully owed will not be disapproved, and such a limited agreement will not be grounds for disqualification of Provost Umphrey. But no other financial arrangement will be deemed consistent with my order of disqualification. Of course, Barrett and the other disqualified attorneys may, if they choose, waive their claims for these sums, as the firm of Nutt and McAlister has done. But they are not required by my order of disqualification to do so.

The Declaration of Walter Umphrey states “KLG has no agreement, express or implied, with respect to referral fees, litigation expenses or any other matter involving Katrina Litigation with Provost Umphrey.” (Declaration of Walter Umphrey, Exhibit One to Plaintiff’s Memorandum of Law in Response to Defendant State Farm Fire and Casualty Company’s Motion to Compel Compliance with Order of Disqualification and Objection to Notice of Appearance of Provost Umphrey Law Firm, L.L.P.)

To address the concerns State Farm has expressed and to clarify the terms on which Provost Umphrey may represent the plaintiff in this case (and the plaintiffs in other cases in which it will act as counsel for the former clients of the SKG), I will require that Barrett and the Provost Umphrey attorney who appears on behalf of the former clients sign and file in the record (of this case and of any other case in which Provost Umphrey undertakes the representation of a former SKG client) a statement that contains the following representations to the Court:

1. There is and will be no agreement between Provost Umphrey and any of the disqualified attorneys for a division of fees or any other arrangement of any kind for the payment of compensation to any of the disqualified attorneys for work performed after the date of my order of disqualification;
2. Neither Barrett nor any of the disqualified attorneys will participate, directly or indirectly, with Provost Umphrey in the future representation of these former clients; and
3. There is and will be no financial arrangement or understanding in connection with any Katrina case between Provost Umphrey and any of the disqualified attorneys for the payment of any sums other than expenses reasonably incurred before April 4, 2008, and for services rendered before April 4, 2008, on a *quantum meruit* basis, if a right of recovery for these sums were asserted and established.

Accordingly, I will deny State Farm’s motion, subject to the condition that the statement set out above be filed within fourteen days of the date of this opinion. Failure to timely file this statement will result in the disqualification of Provost Umphrey. An appropriate order will be entered.

**DECIDED** this 12<sup>th</sup> day of June, 2008.

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

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
SOUTHERN DIVISION**

**DOROTHY ALFORD**

**PLAINTIFF**

**V.**

**CIVIL ACTION NO.1:07CV814 LTS-RHW**

**STATE FARM FIRE AND CASUALTY COMPANY, ET AL.**

**DEFENDANTS**

**ORDER**

In accordance with the Memorandum Opinion I have this day signed, it is hereby

**ORDERED**

That the motion [143] of State Farm Fire and Casualty Company to compel compliance with the order of disqualification entered on April 4, 2008, is **CONDITIONALLY DENIED**. The denial of this motion shall become final if, within fourteen days of the date of this order, Don Barrett, Esq. and the Provost Umphrey attorney who appears on behalf of the former clients sign and file in the record of this case (and, within fourteen days of its first entry of appearance in any other case in which Provost Umphrey undertakes the representation of a former SKG client) a statement that contains the following representations to the Court:

1. There is and will be no agreement between Provost Umphrey and any of the disqualified attorneys for a division of fees or any other arrangement of any kind for the payment of compensation to any of the disqualified attorneys for work performed after the date of my order of disqualification;
2. Neither Barrett nor any of the disqualified attorneys will participate, directly or indirectly, with Provost Umphrey in the future representation of these former clients; and
3. There is and will be no financial arrangement or understanding in connection with any Katrina case between Provost Umphrey and any of the disqualified attorneys for the payment of any sums other than expenses reasonably incurred before April 4, 2008, and for services rendered before April 4, 2008, on a *quantum meruit* basis, if a right of recovery for these sums were asserted and established.

**SO ORDERED** this 12<sup>th</sup> day of June, 2008.

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