

Auto Flat Car Crushers, Inc. v. Hanover Ins. Co.

Year: 2014

Court: Supreme Judicial Court of Massachusetts

Case Number: 11477

When an insured files suit against an insurer for unfair or deceptive practices (under Massachusetts' Unfair Claims Settlement Practices Act) and the insurer answers and tenders unilateral payments, the insured may still maintain a cause of action for multiple damages. UP argued in its brief that if the insured suffered some adverse consequences and the insurer has failed to offer a reasonable settlement offer no later than the time it files its answer, the insurer remains liable for multiple damages during the ensuing litigation. UP reminded the Court that consumers purchase insurance for peace of mind and security, not with the aspiration of "tangling in litigation" with the carrier over whether to defend a covered claim.

UP's brief was authored pro bono by Jonathan M. Feigenbaum, Esq.