

## [Fils v. Starr Indemnity & Liability Insurance Company](#)

Year: 2018

Court: Louisiana Court of Appeal, Third Circuit

Case Number: Docket No. 17 00896-CA

In this case, UP weighed in to preserve Louisiana residents' rights to be compensated when they've been harmed by bad faith conduct by an insurance company. Our Friend of the Court brief points out that the District Court erred in maintaining Star Indemnity & Liability Insurance Company's Exception of Prescription to Fils' First Supplemental and Amending Petition seeking penalties and attorney's fees because: The ruling is contrary to well-settled Louisiana law that insureds are protected by a ten-year prescriptive period for these claims; The ruling conflicts with the Louisiana Supreme Court's holding that "an insurer has a continuing duty of good faith and fair dealing which extends throughout the litigation period;"<sup>2</sup> The ruling encourages litigation by forcing insureds to file protective suits against their insurers for bad faith penalties every time a denial of coverage letter is issued - even if the "bad faith" acts have not yet occurred; The ruling provides insurers with carte blanche immunity to act in bad faith once a year has run from the issuance of a denial of coverage, which will incentivize insurers to deny claims and engage in bad faith activities; and The ruling deprives insureds of their access to courts to sue for acts of bad faith occurring one year after their insurer denies coverage. We thank volunteer Andrew Veazey for drafting our brief pro bono. Andy is a partner with the firm of Veazey Felder & Renegar, L.L.C. in Lafayette, Louisiana.

Andrew Veazey