



Texas Reporter[®]

Soele's Trial Report[™]

Weeks of March 25th, April 1st & 8th, 1996

JUDGE MARTHA TANNER
166TH - 94-CI-14661
BEXAR COUNTY
SAN ANTONIO, TEXAS

State Farm Lloyds

vs.

Performance Improvement Corporation

PLTF: Tom Hall and Sam Bass from San Antonio,
Texas

DEFT: WOODY & SKELTON from San Antonio,
Texas, **By:** Hamp Skelton & Catherine Hannah

TYPE OF CASE: Declaratory Judgment -
Insurance - Reservation of Rights - In the underlying
case, the insured was a defendant in a case involving the
sexual molestation of a minor by an employee of an
apartment complex. The insured, Performance
Improvement Corporation, administered a pre-

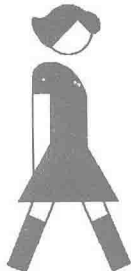
employment test to the molester, and was being defended
by State Farm under a reservation of rights. the Deft
demanded an unconditional defense, which was refused by
Pltf. The Pltfs in the underlying case, took an assignment
of PIC's cause of action, submitted the underlying case to
Judge McManus, who rendered judgment in favor of the
original case Pltfs. When this declaratory judgment was
brought, the original Pltfs counterclaimed against State
Farm under the assignment.

EXPERTS:

Pltf: Charles Shaddox

Deft: Vincent Johnson

VERDICT: Jury Verdict for Performance
Improvement Corporation of approx.
**\$4,000,000.00, including pre-judgment and
attorney's fees.**



\$4 MILLION JUDGMENT

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