

Woullard v State Farm

- On January 23, Mississippi Attorney General Jim Hood notified State Farm that he would terminate his criminal investigation and his civil suit against State Farm.
- Proposed Class Action Settlement (*Woullard v. State Farm*) – On January 23, State Farm presented a class action settlement agreement to U.S. District Court Judge Senter in Gulfport for his review and preliminary approval. On January 26, Judge Senter rejected the settlement “without prejudice,” which allowed the parties to present more information to satisfy his concerns. We looked forward to addressing his questions.
- The proposed settlement agreement would have assisted the citizens of the Gulf who were members of the class to move forward with the rebuilding of Harrison, Hancock, and Jackson counties, the three Mississippi coastal counties hardest hit by Katrina. State Farm agreed to pay an aggregate minimum of \$50 million to class members.
- Judge Senter held a hearing on February 28 to clarify the terms of State Farm’s proposed class action settlement in *Woullard v. State Farm*. The judge has stated he requires more information about the proposal. He and State Farm have publicly stated they want to ensure any settlement is “fair, balanced and reasonable.” Judge Senter said his primary concern was that policyholders not be forced to submit to binding arbitration.
- On March 12, the Scruggs Katrina Group filed a motion to withdraw their original motion seeking certification and approval of the settlement proposed in the class action, *Woullard v. State Farm*. The Scruggs Katrina Group is counsel of record for the class. This motion came as a surprise to State Farm. We have worked very hard to address Judge Senter’s questions on the proposed settlement and were waiting further direction from the court.
- Earlier Settlement--Prior to the January 23 settlements, State Farm had reached an agreement in November 2006 with attorneys Richard Scruggs and Don Barrett to settle the equivalent of over 600 lawsuits for a confidential amount. Negotiations to resolve these cases and those referenced above began following Judge Senter's plea for all trial counsel involved in Katrina litigation to seek alternative methods of disposing of litigation in a just, efficient, and fair manner.
- A federal judge on April 16 issued an order dismissing the case after State Farm reached a settlement of the Woullard’s individual claim.

State Farm and Mississippi Insurance Commissioner George Dale have entered into an agreement in an effort to resolve any outstanding issues with foundation-only claims. State Farm will continue to explore efficient and fair ways to resolve disputes on Hurricane Katrina-related claims.

Mississippi Attorney General Jim Hood asked U.S. District Judge L.T. Senter Jr. to allow him to intervene in order to argue that State Farm’s agreement with Mr. Dale does not go far enough. Judge Senter said Mr. Hood’s request is moot.