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Reasonable Settlement Offer Precludes Finding of Bad Faith

The District Court in Nevada found that an insurer did not engage in bad faith conduct when it rejected a UM policy limits demand and made a reasonable offer to settle or mediate the claim.

Landon Amini v. CSAA General Insurance Company

(United States District Court, District of Nevada, November 4, 2016)

Case No. 15-cv-0402-JAD-GWF

2016 WL 6573949

Amini was involved in a car accident with an uninsured driver and presented a claim to CSAA under the uninsured motorist coverage provision of his policy and demanded settlement of his claim for the \$250,000 policy limit. CSAA rejected Amini's demand and offered \$110,000, or mediation of the claim. Amini filed suit for bad faith and breach of the Unfair Claims Practices Act. In the lawsuit, CSAA moved for summary judgment, arguing that it acted reasonably and that it did not engage in any unfair claims practices. In granting the motion, the Court found that CSAA did not engage in bad faith conduct, and that its offer of \$110,000 or mediation was entirely reasonable under the circumstances. Further, the Court found that CSAA did not violate the UCPA because it responded promptly to all claim requests and communications, provided a viable alternative to litigation, offered to pay a portion of Amini's claim, and did not compel Amini to bring a lawsuit.

To view the opinion, click [HERE](#).