

THOUGHT LEADERSHIP

News

COURT REJECTS “PARTICIPATORY LIABILITY” CLAIMS AGAINST EXPERT CONSULTANT IN IKE CLAIMS

Newsbrief

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Recently, a federal District Court judge in the Southern District of Texas granted summary judgment to an expert retained to provide an insurer with an opinion on the cost of repairing or replacing roofs damaged by Hurricane Ike, and rejected “participatory liability” claims alleging that the expert encouraged the insurer to deny the claims. In *839 East 19th Street, LP v. Lexington Insurance Company*, No. CA H-10-1181 (S.D. Tex. October 12, 2011), the court found that the expert “merely provided an opinion on the cost of repairing or replacing the Mesa Ridge roofs. UBS was a consultant, it did not work as an adjuster on the claim. Lexington was not obligated to accept UBS’s opinion.” Finding no evidence that the expert, UBS, encouraged Lexington to deny the claim, summary judgment was granted in the expert’s favor.